

TRAXIÓN: 3Q25 Results

Strong revenue growth due to the Solística acquisition, but lower profitability levels

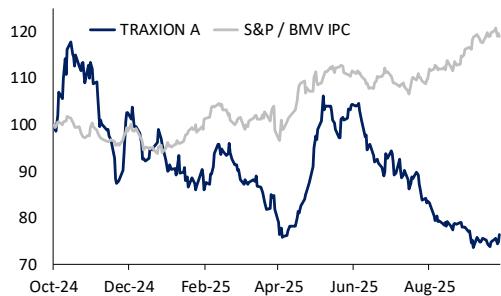
TRAXIÓN A	BUY
Target Price (MXN\$)	\$ 42.00
Current Price (MXN\$)	\$ 14.69
Min / Max (L12M - MXN\$)	14.00 - 22.99
Expected Dividend (MXN\$)	\$ 0.00
Total Return	185.9%
Mkt Cap (Mn of MXN)	8,328
Enterprise Value (Mn of MXN\$)	21,658
Shares Outstanding (Mn)	566.9
Float	63.0%
ADTV (MXN\$ Mn)	\$ 25.52

Opinion and recommendation

TRAXIÓN posted a mixed quarter with strong revenue growth as a result of the Solística acquisition, lower profitability due to the change in the revenue mix, low leverage, and high free cash flow generation. Revenue, EBITDA, and net income were slightly below our expectations.

We reiterate our BUY recommendation and are adjusting our target price to MXN\$42.00/share, from MXN\$47.00/share, after including these quarterly results in our model. In our opinion, TRAXIÓN's stock valuation (2026E EV/EBITDA of 3.5x and 2026E P/E of 8.0x) does not adequately reflect the company's strong fundamentals.

3Q25 Results



Consolidated revenues were up 14.5% YoY to MXN\$8.6 billion, driven by the strong performance of the Logistics and Technology business, whose revenues grew 51.1% due to the Solistica acquisition. Mobility of Personnel revenues increased 4.2% thanks to the efficiency plan that resulted in improved revenue per kilometer, while Mobility of Cargo sales declined 14.7% due to temporarily lower demand in export volumes, especially in the automotive and steel sectors, affected by tariff uncertainty and the appreciation of the peso. Total costs and expenses advanced 18.4% due to the incorporation of Solistica and higher maintenance and service costs.

EBITDA grew 1.3% YoY to MXN\$1.4 billion, while the margin stood at 16.4%, compared to 18.5% a year earlier, reflecting the higher share of the asset-light business. Margins in Logistics & Technology and Mobility of Personnel improved, while the Mobility of Cargo margin was slightly lower. Financial costs were marginally higher YoY, while net income reached MXN\$112 million, up 17.9%.

Martin Lara

+5255-6413-8563

martin.lara@miranda-gr.com

The net debt-to-EBITDA ratio stood at 2.35x, similar to the level prior to the Solistica acquisition, given the synergies with that company. Meanwhile, TRAXIÓN generated operating cash flow of MXN\$1.443 billion in the quarter, higher than its MXN\$651 million Capex.

3Q25 Results

(Figures in Millions of MXN\$)	3Q25	3Q25E	Diff.	3Q24	YoY Chg.
Revenues	8,622	8,909	-3.2%	7,529	14.5%
EBITDA	1,412	1,472	-4.1%	1,394	1.3%
<i>EBITDA Margin</i>	16.4%	16.5%		18.5%	
Net Profit	112	121	-7.3%	95	17.9%

Discounted Cash Flow Model

(Figures in Millions of MXN\$)	2026E	2027E	2028E	2029E	2030E	Perp.
OPERATING PROFIT	3,465	4,245	5,086	6,078	7,276	7,471
Tax Rate	31%	30%	30%	30%	30%	30%
Tax Shield	-1,064	-1,274	-1,526	-1,823	-2,183	-2,241
NOPLAT	2,401	2,972	3,560	4,255	5,093	5,230
Depreciation	3,184	3,324	3,464	3,576	3,596	3,692
Working Capital Changes	-1,284	-912	-1,053	-1,092	-1,227	-1,260
CAPEX	-2,527	-2,851	-3,198	-3,575	-4,000	-4,107
FCFF	1,773	2,533	2,773	3,163	3,462	3,555
Perpetuity Growth Rate						2.7%
PV of Explicit Period (2026 - 2030E)						10,143
Perpetuity Value						49,546
PV of Perpetuity Value						28,199
Enterprise Value						38,342
Net Debt						14,831
Market Value						23,510
<i>Outstanding Shares</i>						560
Target Price						P\$ 42.00
Current Market Price						P\$ 14.69
Potential Return Incl. Dividends						185.9%
Forward EV/EBITDA						5.8x
Forward P/E						23.0x
Average Cost of Debt						10.8%
LT Tax Rate						30.0%
After-Tax Cost of Debt						7.6%
Cost of Equity						13.0%
Market Risk Premium						6.0%
Risk-Free Rate						8.6%
Beta						0.74
% Total Debt						52.9%
% Capital						47.1%
ESG Adjusted WACC						9.8%

T.P. Sensitivity Analysis, EV/EBITDA vs. EBITDA

	-10%	-5%	<i>Original</i>	+5%	+10%
Projected EBITDA	5,984	6,316	6,649	6,981	7,313
Target EV/EBITDA					
4.3x	19.08	21.63	24.19	26.74	29.29
4.8x	24.42	27.27	30.13	32.98	35.83
5.3x	29.77	32.92	36.07	39.21	42.36
5.8x	35.11	38.56	42.00	45.45	48.89
6.3x	40.46	44.20	47.94	51.69	55.43
6.8x	45.81	49.84	53.88	57.92	61.96

T. P. Sensitivity Analysis, P/E vs. Net Profit

	-10%	-5%	<i>Original</i>	+5%	+10%
Projected Net Profit	919	970	1,021	1,073	1,124
Target P/E					
20.0x	32.88	34.70	36.53	38.36	40.18
21.0x	34.52	36.44	38.35	40.27	42.19
22.0x	36.16	38.17	40.18	42.19	44.20
23.0x	37.80	39.90	42.00	44.10	46.20
24.0x	39.45	41.64	43.83	46.02	48.21
25.0x	41.09	43.37	45.65	47.94	50.22

(Figures in Millions of MXN\$)

INCOME STATEMENT	2024	2025E	2026E	2027E	2028E	2029E	2030E
Revenues	29,142	31,895	38,880	43,860	49,205	55,003	61,544
Cost of Sales	-22,624	-25,375	-31,023	-34,827	-38,929	-43,295	-48,157
Gross Profit	6,518	6,520	7,857	9,033	10,277	11,708	13,387
General Expenses	-4,098	-4,209	-4,392	-4,788	-5,190	-5,630	-6,111
Operating Profit	2,457	2,619	3,465	4,245	5,086	6,078	7,276
Depreciation and Amortization	-2,512	-2,876	-3,184	-3,324	-3,464	-3,576	-3,596
EBITDA	5,196	5,494	6,649	7,569	8,550	9,654	10,872
Financial Gains	276	140	168	178	188	194	202
Financial Cost	-1,786	-1,997	-2,159	-2,155	-2,158	-2,238	-2,300
Pre-Tax Profit	942	762	1,474	2,268	3,116	4,034	5,178
Income Tax & Profit Sharing	-292	-241	-453	-681	-935	-1,210	-1,553
Net Profit	650	521	1,021	1,588	2,181	2,824	3,625
BALANCE SHEET	2024	2025E	2026E	2027E	2028E	2029E	2030E
TOTAL ASSETS	34,597	38,124	39,593	41,666	44,181	48,018	52,567
Current Assets	8,863	11,436	13,032	14,550	16,298	18,101	20,109
LT Assets	25,734	26,688	26,561	27,116	27,883	29,916	32,458
TOTAL LIABILITIES	20,419	24,428	24,990	25,573	25,988	27,064	28,028
ST Liabilities	7,300	7,891	8,453	9,037	9,451	10,527	11,491
LT Liabilities	13,119	16,537	16,537	16,537	16,537	16,537	16,537
TOTAL DEBT	12,512	16,304	16,762	16,946	16,904	17,514	17,971
NET DEBT	11,056	14,831	15,082	15,059	14,780	15,144	15,328
TOTAL CAPITAL	14,177	14,531	15,438	16,928	19,028	21,789	25,374
CASH FLOW STATEMENT	2024	2025E	2026E	2027E	2028E	2029E	2030E
Net Profit	650	527	1,051	1,634	2,244	2,905	3,729
Inv. Related Activities	4,327	4,681	4,926	5,293	5,671	6,045	6,358
Pre-Tax Cash Flow	5,081	6,130	5,995	6,210	6,953	6,799	7,594
Working Capital Changes	-814	-943	-1,284	-912	-1,053	-1,092	-1,227
Operating Cash Flow	4,268	5,186	4,711	5,298	5,900	5,707	6,367
Investment Cash Flow	-3,637	-4,073	-2,692	-3,010	-3,352	-3,722	-4,140
Financing Cash Flow	-633	-1,043	-1,800	-2,071	-2,300	-1,729	-1,943
Net Incr. (Decr.) in Cash & Temp. Inv.	76	19	218	217	248	256	284
Beg. of Period Cash and Temp. Inv.	1,380	1,456	1,472	1,680	1,887	2,125	2,370
End of Period Cash and Temp. Inv.	1,456	1,472	1,680	1,887	2,125	2,370	2,644

DISCLAIMER

The current report was prepared by Miranda Global Research ("Miranda GR") for Corporación Actinver, S.A.B. de C.V. The information is presented in summarized form and is not meant to be complete. There are no declarations or guarantees, expressed or implicit, in respect to the accuracy, impartiality or integrity of the information.

Miranda GR, in accordance to applicable legislation, has made sure that the presented personalized recommendation is reasonable to the client, as it has verified congruency between the client's profile and the profile of the financial product. Under no circumstance should it be understood that the fulfillment of the previously mentioned recommendation, guarantees the result or the success of the proposed strategies in the presented document.

The information included in this presentation was obtained from public sources. Projections or previsions included in this presentation, are a generalized recommendation and are based on subjective assumptions and estimations about events and circumstances that have not yet happened and are subjected to significant variations. Therefore, it is not possible to guarantee that any of the results included in the current report will happen in the future, in other words, it does not guarantee the result or the success of the posed strategies.

This report has been prepared solely with informational purposes. No declarations are made in respects to precision, sufficiency, veracity or accuracy of the information and opinions hereby included. Miranda GR will not answer (either because of negligence or for any other reason) for any damage or detriment derived or related to the use of this report or its content, or any connection to the report. Miranda GR is not responsible for the use or association with this report, including but not limited to, any declaration, expressed or implicit or guarantees or omissions included in this information.

This report is based on facts and/or events that have happened up to this date, consequently any future facts and/or events can impair the conclusions hereby expressed. Miranda GR does not assume any responsibility to update, review, rectify or invalidate this report based on any future occurrence.

The opinions related to this report eventually expressed by Miranda GR, should be considered only as suggestions/recommendations to better operate various topics related to the presentation.

This report and its contents are property of Miranda GR and cannot be reproduced or broadcast in part or in its entirety without the previous written consent of Miranda GR.

Miranda Global Research receives fees from Grupo Traxión, S.A.B. de C.V. for independent analyst services. Companies or Fibras under coverage will have no right or opportunity to exert any influence on opinions, projections, recommendations, and/or target prices expressed hereby by Miranda GR.
