

ANNUAL REPORT 2022



Kardias®

LIFE BEGINS WITH A HEALTHY HEART

Kardias

WHAT?

PROVIDES HIGH-SPECIALTY TREATMENT TO CHILDREN WITH CONGENITAL HEART DISEASES, REGARDLESS OF THEIR ABILITY TO PAY.

HOW?

- » ENABLES THE 6 COMPONENTS OF THE HIGH-SPECIALTY PROGRAMS
- » FUNDRAISES TO COVER THE COSTS OF PROCEDURES FOR UNDERPRIVILEGED CHILDREN
- » RAISES AWARENESS ABOUT THE IMPORTANCE OF EARLY DETECTION AND TREATMENT OF CONGENITAL HEART DISEASES

WHERE?

THE CONGENITAL HEART DISEASE HIGH-SPECIALTY KARDIAS PROGRAM IS CURRENTLY BEING IMPLEMENTED AT TWO HEART CENTERS IN MEXICO CITY:



HOW MANY?

3,470
HEARTS HEALED

14,921
DIRECT AND INDIRECT BENEFICIARIES

3,872
SURGERIES

127
INTERVENTIONAL CATHETERIZATIONS

770
TRAINING SESSIONS

30
INTERNATIONAL CLINICAL ROTATIONS

\$8,337,459.10 INVESTMENT IN CLINICAL TRAINING

- Kardias data from October 2000 to December 31, 2022.
- Surgeries performed at the Instituto Nacional de Pediatría under the framework of the Kardias Program (since 2001) and at the American British Cowdray Medical Center (since August 2012) up to December 2022.
- Interventional catheterizations at the American British Cowdray Medical Center under the framework of the Kardias Program, from November 2017 to December 2022.
- The training and academic activities are from 2003 to 2022; they do not include the monthly research and training sessions, neither the amount spent for these sessions.

LETTER FROM THE PRESIDENT OF THE BOARD

Dear friends of Kardias,

During the COVID-19 pandemic, we faced unprecedented challenges which forced us to rethink our strategies and adapt to a totally new reality. However, this crisis also brought us important lessons which we are trying to incorporate in our daily work.

We learned the importance of resilience and flexibility. The pandemic reminded us, that during hard times, it is fundamental to be able to adapt and find innovative solutions.

We reaffirmed the importance of solidarity and collaboration. During times of crisis, we get together as a society to face the challenges jointly. We have seen how the collaboration between clinical institutions, allies and donors has become more relevant to provide the necessary support to children in need.

Another lesson for us was the importance of knowledge and prevention. When all the hospitals were at their full capacity, no matter our economic status, we empathized with the distress that many people faced daily, and realized the urgency of investing in universal and bold healthcare systems with infrastructure, equipment, trained staff and sufficient supplies.

As we leave behind the global crisis, which reminded us the fragility of life and the importance of valuing and protecting our health, we reinforce our commitment of continuing learning and evolving, ensuring that our work is constantly adapting to the necessities of the population that we address.

This year, we continue centered in three fundamental pillars: clinical healthcare of superior quality, regardless the economic status of the patients and their families, applied scientific research and continuous training of healthcare professionals, and the awareness of the importance of early and timely detection and treatment of congenital heart diseases.

To actively support clinical research and strengthening skills of physicians committed to pediatric care excellence, we launched Kardiopedia, a comprehensive academic program, designed to promote knowledge and training in pediatric cardiology.



The main objective of Kardiopedia is to provide an online learning platform for healthcare professionals with updated resources, clinical cases and research collaboration opportunities. Through this program, Kardias wants to promote continuous learning and constant updating of medical and nursing staff, encouraging in this way, a high-quality pediatric care based on evidence. In addition to academic training, this platform promotes active involvement in research projects that allow a better understanding of pediatric cardiac diseases, development of better practices and optimization of results in patients.

During the last quarter of the year, exactly 10 years from the beginning of our alliance, we substantially transform the relation with one of our implementing instances: the American British Cowdray Medical Center. In a new collaboration agreement, we established innovative basis for a greater synergy and complementation between both organizations, and in this way, enhance our capability to reach our goals and provide a positive impact to more and more children.

The new relation with the American British Cowdray Medical Center will allow that each entity can focus in its own specialty areas and fulfill its specific roles with excellence. The clinical experience and cut off the edge infrastructure of the Centro Pediátrico del Corazón ABC Kardias, has been combined with the broad trajectory of Kardias in the development and strengthening of high-specialty programs, creating a unique synergy for the benefit of child health.

I am glad to share with you our achievements in 2022. Thanks to your invaluable support and generosity, we made the difference to many children and their families. Each donation, each word of encouragement and each solidary action are a testimony of your commitment with our cause.

Kindly regards,



Alfonso de Angoitia
President of the Board



KARDIAS PROGRAM 2022

**6 COMPONENTS OF
A HIGH-SPECIALTY PROGRAM**

191  **HEALED**

1

A GROUP OF MULTIDISCIPLINARY HEALTH PROFESSIONALS, DEDICATED AND COMMITTED TO THE PROGRAM



A group of 89 specialists, members of the Kardias Program, work coordinately and comprehensively to achieve the established protocols. Each member has the skills and required certifications and are aligned to process indicators through which they are constantly monitored and assessed. These indicators include attendance to surgical and interventional catheterization weekly sessions, adherence to clinical guidelines, academic research publications, file management and medication incidents.



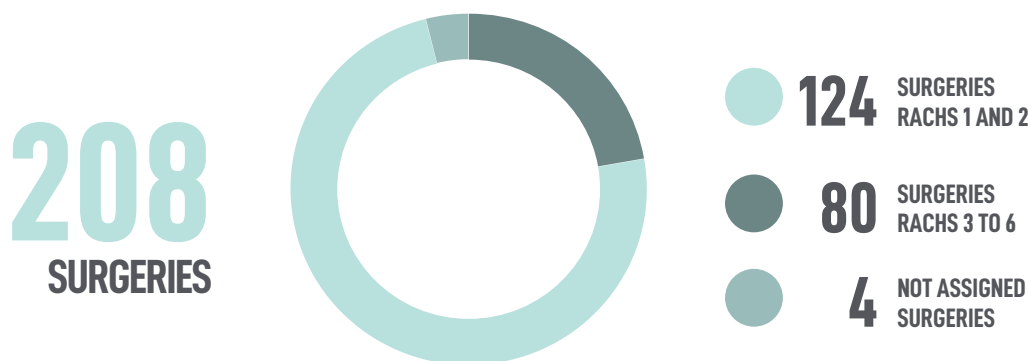
Additionally, the social work teams from the Instituto Nacional de Pediatría (INP) and the American British Cowdray Medical Center (ABC Medical Center) are a fundamental part of the Kardias Program.

BALANCE OF VOLUME AND COMPLEXITY IN PROCEDURES

2

To ensure expertise, the medical team must perform at least 100 surgeries annually with the following mix of complexity: 70% RACHS 1 and 2 (low complexity) and 30% RACHS 3 and over (high complexity). Likewise, Kardias Program looks forward to perform at least 25 interventional catheterizations per year (including at least 10% electrophysiological catheterizations). The foregoing, with the vision to gradually increase the number of interventional catheterizations until matching the number of surgeries per year.

BALANCE BETWEEN VOLUME AND COMPLEXITY OF CLINICAL PROCEDURES PERFORMED DURING 2022



THE NUMBER OF COMPLEX SURGERIES PERFORMED BY THE KARDIAS PROGRAM SURPASSES THE MINIMUM IDEAL SET BY INTERNATIONAL STANDARDS

50
INTERVENTIONAL
CATHETERIZATIONS

1,565
CONSULTATIONS

2,930
ECHOCARDIOGRAMS

¹ Risk Adjustment for Congenital Heart Surgery (RACHS-1) is an international risk stratification system for pediatric cardiac surgery.

3

ADEQUATE INFRASTRUCTURE

The facilities and medical team of a high-specialty program, besides being of cutting edge, are specialized in the treatment of pediatric congenital heart diseases.

Kardias tries to ensure that the facilities and equipment of its program at the Centro



Pediátrico del Corazón ABC-Kardias (CPC) and at the INP are always in optimal conditions. The CPC, which celebrated its third anniversary on 2022, has optimal facilities and equipment, which ensures the quality and efficiency of the services provided.

Likewise, for the INP, an anesthesia machine with mechanical ventilation was purchased this year, thanks to the generous donation of the Women's International Zionist Organization (WIZO). This machine, based on Servo platform, particularly benefits the neonatal patients, either on term or premature with low weight, since it reduces post-surgery respiratory complications. These actions strengthen even more the capacity of the Kardias Program to provide high quality clinical care.

CONTINUOUS TRAINING AND CREATION AND TRANSMISSION OF KNOWLEDGE

4

The Kardias Program is committed with learning, teaching, research and constant updating in several specialization areas of healthcare professionals who are dedicated to the treatment of pediatric congenital heart diseases. Their dedication to this high-specialty program allows them to be aware of the most recent clinical advances, technics and innovative treatments, which improves the quality of the care that they provide.

Their participation in scientific research protocols gives them the opportunity to contribute to the advances of healthcare and generate new knowledge which benefits a greater number of persons. At the same time, maintaining a net of contacts in the clinical field, promotes interchange of ideas, collaboration between peers and the possibility of sharing experiences and lessons, which enriches their clinical practice and facilitates the access to resources and professional development opportunities.

In addition, the Kardias Program contributes to train residents of each specialty which is essential for a high-specialty program in pediatric congenital heart diseases, including the development of nursing skills.



RESEARCH AND TRAINING ACTIVITIES OF HEALTH PROFESSIONALS OF THE KARDIAS PROGRAM DURING 2022

PUBLICATIONS		EVENTS PARTICIPATIONS		RESIDENTS		STUDENTS
2	12	24	39	1	2	3
BOOKS	CLINICAL ARTICLES	INTERNATIONAL	NATIONAL	PEDIATRIC CARDIAC ECHOCARDIOGRAPHY	CARDIOTHORACIC SURGERY	SOCIAL SERVICE

5

STRATEGIC ALLIANCES

104

TELEROUND WITH TEXAS
CHILDREN'S HOSPITAL

6

CLINICAL ROTATIONS AT
DELL CHILDREN'S MEDICAL CENTER



**Texas Children's
Hospital®**



As part of the comprehensive components of the high-specialty Kardias Program, clinical alliances have been developed with hospitals or global leading heart centers, such as Texas Children's Hospital (TCH) and Dell Children's Medical Center (DCMC), which have proved several benefits in quality of clinical care. These alliances allow access to the experience and knowledge of leading hospitals specialized in congenital heart diseases, which translates in a meaningful improvement in patient treatment and care.

Collaboration with TCH through weekly livestreaming telereounds provides the opportunity of assessing each patient at the Pediatric Cardiac Intensive Care Unit (PCICU). Through the review of clinical records and live monitoring, possible complications or changes in patient's health can be detected promptly. This allows to make quick and precise decisions, adjust treatments and ensure tailored effective care.

The opportunity of the medical team members of Kardias Program of having clinical rotations at DCMC uplifts their experience and knowledge. During these rotations, which can last several weeks or even months, they can work closely with highly qualified physicians specialized in congenital heart diseases. This immersion in a clinical environment of excellence, allows them to acquire skills and techniques, and to be aware of the most recent advances in the field. As a result, those who rotated return to the Kardias Program with a greater level of experience and a broader perspective, which benefits patients who directly receive a more updated high-quality care.

TRANSPARENCY OF CLINICAL INFORMATION FOR EVALUATION



The clinical information of Kardias Program is periodically audited by international institutions specialized in the field, which:

- Ensures quality control and continuous improvement.
- Provides patients and their families precise information regarding the results of each procedure.
- Provides validated information to donors.

Having a precise record of all indicators related to clinical procedures and phases of critical and intermediate care, not only allows us to have an accurate data base suitable for research, publications and sharing outcomes, it helps us greatly to review and adjust protocols (even regarding organizational matters, such as nursing schedules, among other) and it also helps us to maintain or increase the survival rate of patients.

During 2022, we continue uploading data to:

- World Database for Pediatric and Congenital Heart Surgery – World Society for Pediatric and Congenital Heart Surgery (WSPCHS)
- International Qualitative Improvement Collaborative (IQIC) - Boston Children's Hospital/Harvard University

RESULTS OF IQIC 2021 AUDIT AT INP AND CPC

- Data is complete and has been audited.
- Data is part of the Collaborative's aggregate.
- Process has been passed completely.

TRANSFORMING CLINICAL CARE

Kardias has been a key partner of the International Consortium for Health Outcomes (ICHOM), during the last decade, supporting in different ways the creation of the Standard Set for Congenital Heart Disease, a group of standardized indicators that are used to assess and improve the results on treatments for these diseases, providing a common and measurable approach.

The objective of the ICHOM, an initiative of Harvard Business School for Strategy and Competitiveness, is to establish a shared language and measure the most relevant results for clinical care, which allows to compare and optimize the quality of care worldwide.

Kardias support has contributed to develop the standard set for congenital heart disease which has boosted the transformation of clinical care to a patient centered view.

10th KARDIAS RUN

A SUCCESSFUL SPORTS EVENT
SUPPORTING A MAJOR CAUSE

56

CHILDREN BENEFITED

7,958

PERSONS REGISTERED

365

VIRTUAL RUNNERS



54%

45%

5K » 3,303

10K » 3,044

21K » 1,246

On March 27, 2022, Mexico City exercised on sports and solidarity with the tenth Kardias Run. This annual event, organized with great generosity by TUDN, aiming to raise funds to support children with congenital heart diseases, whose families do not have enough resources to pay for a surgery, started and finished in front of the majestic Light Stele, at Paseo de la Reforma. Almost eight thousand runners met early in the morning to challenge their limits and make a difference.

The race had three distances: 5, 10 and 21 kilometers (half marathon), giving an option to runners of all levels. Unfortunately, due to continuous COVID-19 pandemic preventive measures, the children's race could not take place. However, safety and well-being were a priority, so strict sanitary protocols were implemented to ensure a safe and successful event.

As in previous years, the generous support of Televisa stood out in support to TUDN, who through intense broadcasting offered an invaluable platform to create awareness and promote an alliance to support children with congenital heart diseases. Another highlight was the participation of Banorte as anchor, whose splendid donation, together with all other TUDN allies, fundraised for this cause beyond our expectations.

A RACE THAT BRINGS HEARTS TOGETHER!

The enthusiasm and commitment of the community were evident through their participation. In addition to those who run in person, filling the streets with energy and excitement, another 365 persons ran remotely, proving that Kardias' spirit goes beyond physical and geographic barriers.

Each step in this run left a mark in the heart of 56 children who were benefited with the funds raised. The donations of the run pay for interventional catheterizations and surgeries that save lives and bring hope to families of any socioeconomic status.

The tenth Kardias run left an inspiring legacy for future editions. When people get together for a noble cause, a bridge of yearning and conviction is built, which proves that together they can make a real difference to the children of Mexico.





MEDICAL CARE TO EVERYONE

On March 4, the first session of the Committee for Management of the Waiting List of Interventional Catheterizations was held. The objective of this committee is to have a monthly schedule of the interventional catheterizations, in the same way as the Committee for Management of the Waiting List for Surgeries works. This way, processes are standardized and all procedures under Kardias Program at the CPC are scheduled in these multidisciplinary sessions.

INSTITUTO NACIONAL DE PEDIATRÍA

AN IMPLEMENTING INSTITUTION OF KARDIAS PROGRAM

RESULTS 2022



104 DIRECT BENEFICIARIES

343 INDIRECT BENEFICIARIES



108 SURGERIES



1,021 CONSULTATIONS



1,138 ECHOCARDIOGRAMS

14

BUILDING EMOTIONAL TIES

KARDIAS AND THE UNIVERSIDAD PANAMERICANA FOR THE WELL-BEING OF PATIENTS AND THEIR FAMILIES

The School of Psychology of the Universidad Panamericana and Kardias joined efforts for the second consecutive year to complement the psychological and emotional support given to families of underprivileged patients of Kardias Program. This time, from February to May 2022, students of the major in Organizational Psychology carried out a project which included interviews to families which aimed to understand their emotional needs and identify effective ways to support them through their difficult journey.

MAIN FINDINGS OF THE RESEARCH*

- 100% of interviewees report anxiety, stress and uncertainty during diagnosis, and before and after the clinical procedure.
- 80% want to know more about congenital heart diseases.
- 30% felt distress related to how to carry their children after surgery and how to take care of their wounds.
- 100% want to be part of an emotional support group for families of patients with congenital heart diseases.

* The sample is not statistically representative. These results were considered as advice.

Among the recommendations, the need of providing specialized emotional assistance along with the clinical procedures stands out. Eight to ten psychotherapy sessions for patients and/or their caregivers are recommended, and also, the possibility of alliances with institutions specialized in the field, in order to refer patients and/or their caregivers who need individual psychological assistance. Therefore, the students of this research included in their final report, a directory of organizations that provide free emotional support to patients and their families.

Another suggestion was to create support groups who meet online once a week and in person once a month. These groups should be different for caregivers and patients, depending on their ages and needs. Both should be oriented to share their experiences, bring mutual support and learn about emotional management, self-care and self-love.

The joined initiative represents a major step in comprehensive care and in improving life quality for Kardias' families.

DISCOVER KARDIOPEDIA.MX

THE PLATFORM THAT IS TRANSFORMING CLINICAL
TRAINING IN CONGENITAL HEART DISEASES

Kardias launched Kardiopedia.mx, the only research and training program of congenital heart diseases in Spanish online. On April 2022 the first session was transmitted. This platform aims to share its academic program to a broader audience of health professionals and medical students. Currently, it has monthly sessions with physicians who are members of Kardias Program and other physicians from allied institutions in Mexico and other countries.

Kardiopedia.mx was officially presented at the academic session of May 2022. This platform allows the audience to register, have access to live sessions, complete tests and receive their diplomas with recognition of renowned clinical entities. In future phases, Kardiopedia is planning to expand its horizons by including an e-learning system and a library of clinical publications with updated and relevant information regarding treatment of congenital heart diseases.

Since its launching, Kardiopedia has attracted health professionals of several countries such as Bolivia, Chile, Colombia, Cuba, Ecuador, Guatemala, Panama, Paraguay and Peru, but physicians from other 20 countries have also registered for the sessions. Currently, it has 504 users and more than 22,943 views, the web page has impacted greatly the medical community.

This is only the beginning! Kardiopedia will continue growing and transforming in the following years, assessing and defining its influence, reach and direction. In addition, it is developing alliances to broaden the reach of its impact.

Be part of this educational revolution regarding congenital heart disease. Register at kardiopedia.mx and access updated high-quality information wherever you are at!

5

RESEARCH,
UPDATING
AND TRAINING
SESSIONS

536

PARTICIPANTS

20

COUNTRIES

SESSION	DATE	TYPE	LESSON	PARTICIPANTS
I	28/02/2022	Internal	Academic program 2022 and systematic review of the literature	43
II	29/03/2022	Internal	Adding bibliographic references in research articles	35
III	28/04/2022	Live - online	Tetralogy of Fallot. Part I	163
IV	26/05/2022	Live - online	Tetralogy of Fallot. Part II	138
V	23/06/2022	Live - online	Tetralogy of Fallot. Part III	91
VI	18/08/2022	Live - online	Anomalous pulmonary venous connection. Part I	70
VII	29/09/2022	Live - online	Anomalous pulmonary venous connection. Part II	74
VIII	24/11/2022	Internal	2022 program feedback	26
Total:				640

REGISTER



15

¡BRILLIANT DEBUT!

FRIENDS OF KARDIAS CELEBRATES
ITS FIRST GALA AT NEW YORK



On May 13, 2022 New York City dressed up to welcome the guests of Friends of Kardias foundation, a non-profit organization created as a mean to support programs that try to improve access to congenital heart diseases quality treatments, and which is led by Sergio Lagunes, Carlos Madrazo, Gordon Lee and Marcela González de Cosío.

The event was organized by the host in honor to Kardias, therefore the majestic scenario of the Cipriani 25 Broadway became the epicenter of philanthropy in support of Mexican children born with congenital heart disease.

The atmosphere was coated with emotion while 250 persons from different spheres came together with the same purpose. Thanks to renowned companies and Mexican families with a major philanthropic spirit, the night was filled with memorable activities, such as paddle raising with real time donations.

The crucial moment was the auction of cultural treasures and unique experiences. The beauty and artistic value of the lithographs of Vicente Rojo and the piece 578 I of Gabriel de la Mora captivated the audience. Other articles were part of the auction such as a talavera tableware of Casa Uriarte, a Silver Jar from Tane and a dinner for ten persons prepared by the famous Mexican Chef Enrique Olvera, among other.

The event was supported by generous companies that joined this noble cause. Univisión, MK Nevab, Proximo Spirits and Goldman Sachs contributed with institutional donations, proving that with joint efforts great things can be accomplished.

The first Gala of Friends of Kardias was a total success. In New York, the philanthropic spirit of the Mexican families and friends of Mexico in the United States became present, creating an unbreakable tie between their hearts.



In 2019, the Master Vicente Rojo developed a project of lithographs inspired in the mural that he painted in the façade of Museo Kaluz. This project consists of a series of ten panels modeled in stones and made in four lithographs that present an aerial view of its gardens. Each print is 42 x 18 cm and it's inside a case. With a printing of ten copies, plus the corresponding trial versions, these lithographs are part of the last graphic production of Master Rojo, which represents a tribute to the most important and majestic garden of Mexico, as well as to the Kaluz collection, in which landscapes prevail.



The work of art Feather Pigment 578 I, of the Mexican artist Gabriel de la Mora, is a meticulous and obsessive visual creation. This piece, minimalist apparently, reveals a complex technic and an impressive conceptual rigour. It is made of 578 colored feathers that form a fish-bone pattern in rose and blue tones of high intensity. Through this masterpiece, de la Mora tries to create an optical illusion, pretending to show a unique surface that is really made up of a complex mix of collected items, patiently and meticulously placed. This work of art was donated to Friends of Kardias for the Perroni gallery.

ORGANIZING EXTERNAL TRAINING

Kardias established on October 2022, the Kardias Program Training Committee, which is in charge of establishing the general guidelines for each clinical area and aligning the academic training of health professionals towards a common annual objective.

The committee is formed by Alexis Palacios-Macedo M.D., Medical Director and Orlando Tamariz M.D. Anesthesiology Coordinator, both of Kardias Program. And, Loli Fernández, General Director, Alicia Salgado, Director of Operations and Training, and Luis A. García, Head of Research and Training, all of them from Kardias.

As part of their first projects, the Committee designed the training program 2023 and updated the training guidelines, which include the requirements to receive financial support for academic events. These guidelines were announced to all the health professionals who are part of the Kardias Program at the ABC Medical Center and INP.

PACTO POR LA PRIMERA INFANCIA: KARDIAS IS COMMITED TO CHILD DEVELOPMENT

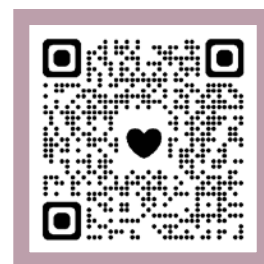


Pacto por la Primera Infancia is a global initiative that aims to promote integral development of children during their first years of life, by acknowledging this stage as crucial in their development and well-being.

During the informative meeting of April 2022, Kardias was part of the discussion regarding the progress reached. One of the outstanding aspects of this meeting was the proposal and implementation of a Child Enquiry for children in their first years of life, led by this initiative and implemented by the National System for Integral Development of Families (*Sistema Nacional para el Desarrollo Integral de la Familia*, DIF, by its acronym in Spanish). This enquiry aims to gather the opinion of children regarding relevant subjects for their development.

In August, Kardias participated in the **7th National Forum for Breastfeeding**. During this event, a pronouncement was made focused on strengthening breastfeeding and protecting children's rights during their first years of life in Mexico.

The Pacto por la Primera Infancia continues to progress thanks to the collaboration of joint efforts of different actors in Mexico and globally. Its common objective is to ensure a better future for children, by giving them the tools and necessary conditions for their full development starting at their first years of life.



KARDIAS AND FUNDACIÓN ABC

AN ALLIANCE TO TRANSFORM CARDIOVASCULAR PEDIATRIC CARE IN MEXICO

In October 2022, Fundación ABC and Kardias executed an agreement with the presence of the American British Cowdray Medical Center, which consolidates the tight relationship between these institutions to continue promoting progress in cardiovascular pediatric surgery.

During ten years (2012 – 2022), Kardias and the American British Cowdray Medical Center have collaborated jointly in the design, development, administration and operation of a program for pediatric patients with congenital heart diseases, the Kardias Program. Under this program, during this term, more than 800 patients received treatment and more than 770 surgeries were performed. This solid collaboration allowed the creation of the Centro Pediátrico del Corazón ABC-Kardias (CPC), a pediatric heart center of excellence that provides treatment for private and underprivileged patients through a multidisciplinary medical team highly qualified in this disease.

The execution of this agreement, consolidates Kardias as the main donor of the CPC. The funds raised by the organization will be channeled through Fundación ABC, who will receive them and administered them for maintenance and development of the purposes of the Program.

This agreement also establishes that Kardias will have access to the clinical data of the surgeries and interventional catheterizations performed under the frame of Kardias program, in order to generate knowledge that strengthens the skills of health professionals interested in specializing in the field.

The American British Cowdray Medical Center has the vision of leading the transformation of healthcare in Mexico, while Fundación ABC aims to improve healthcare for the underprivileged Mexican population. Both institutions share a common goal with Kardias: provide better quality of life to children with congenital heart diseases. Together they work to set the basis for a promising future in the clinical field in Mexico.

With the incorporation of clinical leadership, infrastructure, healthcare models, continuous outcomes assessment, clinical alliances and philanthropy, the inclusive model of the CPC will strengthen. During the following five years from the date of the execution of the agreement, it is aimed to perform more than 600 procedures, at least 400 surgeries and 200 interventional catheterizations, contributing in this way to strengthen the health system in Mexico and reaching world class clinical outcomes with a lasting impact.

During the event of execution of the agreement, the American British Cowdray Medical Center unveiled a recognition plaque as a tangible testimony of value and impact of this strategic alliance. The plaque was placed in front of the Centro Pediátrico del Corazón ABC-Kardias clinic, acknowledging founders, members of the Board of Directors and Kardias' collaborators, and institutional donors.

CENTRO PEDIÁTRICO DEL CORAZÓN ABC-KARDIAS

IMPLEMENTING INSTITUTION
OF KARDIAS PROGRAM

RESULTS 2022



98 DIRECT
BENEFICIARIES

323 INDIRECT
BENEFICIARIES



150 CLINICAL
PROCEDURES



100 TOTAL
SURGERIES

85 SURGERIES OF
UNDERPRIVILEGED
PATIENTS

15 SURGERIES OF PRIVATE
PATIENTS



50 TOTAL INTERVENTIONAL
CATHETERIZATIONS

11 DIAGNOSTIC
INTERVENTIONAL
CATHETERIZATIONS

39 THERAPEUTIC
INTERVENTIONAL
CATHETERIZATIONS



544 TOTAL
CONSULTATIONS

248 PEDIATRIC CONSULTATIONS
OF UNDERPRIVILEGED
PATIENTS

296 PEDIATRIC
CONSULTATIONS OF
PRIVATE PATIENTS



771 TOTAL
ECHOCARDIOGRAMS

332 ECHOCARDIOGRAMS
OF UNDERPRIVILEGED
PATIENTS

439 ECHOCARDIOGRAMS OF
PRIVATE PATIENTS

A CYCLING RUN WITH A LOTS OF HEART

THE GRAN FONDO ADOLFO LAGOS IZZI KARDIAS 2022

At the Toluca-Zitácuaro and Ramal-Valle de Bravo freeway, State of Mexico, we enjoyed an unforgettable journey of cycling and emotion at the Gran Fondo Adolfo Lagos izzi Kardias. This emotional event, organized by izzi, had a clear objective: raise funds to donate for surgeries of children with congenital heart diseases.

Early in the morning of October 16, more than two thousand people met at La Moderna warehouse, official seat of these events, with overflowing energy and determination.

Lance Armstrong, a cycling legend, joined the cause and spread everyone its tireless spirit. The special participation of the renowned philanthropist and professional ex-cyclist who was awarded world cycling champion of the route in 1993, was received by the audience with a great ovation, making everyone remember that sports have the power to join people together for a noble cause.

The routes stablished offered two options: 130 km Gran Fondo, 80 km Half Fondo. Each cyclist was looking to surpass their

limits and demonstrate their strength in each pedaling. The amazing landscapes and the adrenaline intertwined, making the race a unique and challenging experience.

Safety is always a priority in this event. The route is not only in a closed and surveilled freeway, but also, strict safety and hygiene protocols were followed which were aligned with recommendations of the Health World Organization and other relevant institutions.

After crossing the finish line, the excitement continued at the award ceremony. The absolute winners, and category winners in both distances and divisions: male and female, were acclaimed and applauded by the audience for their outstanding participation. Each award was a tribute of dedication and effort that each cyclist had made during their route.

Beyond the individual achievements, the collective effort won. Thanks to the collaboration of the participants and donor companies, the funds raised allowed to provide adequate treatment to 50 children with congenital heart disease. A proof that sports can make a difference in other people's lives!

The Gran Fondo Adolfo Lagos izzi Kardias 2022 was an extraordinary event that combined the passion for cycling and the generosity and social commitment. Hearts beat in unison, driven by the determination to help those who need it the most.



PUBLICATIONS

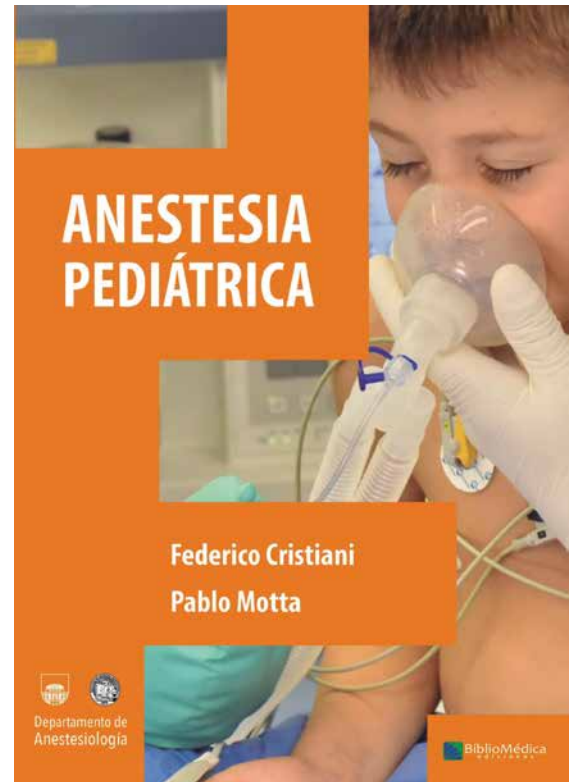


ECOCARDIOGRAFÍA EN CARDIOPATÍAS CONGÉNITAS Y ADQUIRIDAS DEL FETO AL ADULTO

Editors:

Clara Vázquez Antona, Ricardo H. Pignatelli, Iván Romero Rivera y Daniel Felipe Guzzo de León.

Fabiola Pérez Juárez, Moisés Mier Martínez, Héctor Antonio Sánchez López and Jair Rafael Osorio Ugarte are the members of the Kardias Program who collaborated in this book.



ANESTESIA PEDIÁTRICA

Coordinators:

Federico Cristiani y Pablo Motta.

Authors of chapter 8

“Hidratación y mantenimiento de la volemia en anestesia pediátrica”: Orlando Tamariz Cruz, Carlos I. Rodríguez Herrera, Marcos Schioppi and Ronnie Henderson.

TITLE OF THE ARTICLE	AUTHORSHIP	PUBLICATION NAME
The Lugones Procedure for Scimitar Syndrome Repair Through Right Axillary Thoracotomy: Not Only a Cosmetically Superior Approach.	Héctor S. Diliz-Nava, Javier H. López Terrazas, Alexis J. Palacios Macedo-Quenot, Idara Zezular, Verónica Laudani e Ignacio Lugones	World Journal for Pediatric and Congenital Heart Disease
Early Bidirectional Glenn Procedure as Initial Surgical Palliation for Functionally Univentricular Heart with Common Arterial Trunk	Héctor S. Diliz-Nava, Marcela Barrera-Fuentes, Violeta L. Castañuela-Sánchez, Moisés Mier Martínez y Alexis Palacios-Macedo	World Journal for Pediatric and Congenital Heart Surgery
Fontan at High Altitude: Still Searching for the Altitude that Determines Risk	Alexis Palacios-Macedo, Héctor Díliz-Nava y Antonio G. Cabrera	The Annals of Thoracic Surgery
Management of Hypoplastic Left Heart Syndrome in Low-Resource Settings and the Ethics of Decision-Making	Frank Edwin, Ama K. Edwin, Alexis Palacios-Macedo, Hendrick Mamorare, Nana Akyaa Yao	World Journal for Pediatric and Congenital Heart Surgery
Análisis de Costo Efectividad de la Oximetría de Pulso como Prueba de Detección de las Cardiopatías Congénitas Críticas en México	Luis Antonio García-Benítez, Víctor Granados-García, Marcela Agudelo-Botero, Moisés Mier-Martínez, Alexis Palacios-Macedo, Luis Durán-Arenas	Salud Pública de México
Surgical Management for Late Presentation of Interrupted Aortic Arch with Aortopulmonary Window	Héctor S. Diliz-Nava, Roberto Perezgrovas-Olaria, Luis Antonio García-Benítez, Orlando Tamariz-Cruz, Krystell Martínez-Balderas y Alexis Palacios-Macedo	World Journal for Pediatric and Congenital Heart Surgery
Fluid overload as a predictor of morbidity and mortality in pediatric patients following congenital heart surgery	Violeta Castañuela-Sánchez, Alfredo Hernández-Suárez, Luis Antonio García-Benítez, Luisa Díaz-García, Guadalupe Martínez-Jasso y Alexis Palacios-Macedo	Boletín médico del Hospital Infantil de México
Habilitación de funciones frontales básicas en cardiopatas congénitos a través de LEGO Education	Eduardo Espinosa-Garamendi, Luis Antonio García-Benítez, Erika Valenzuela-Alarcón y Julieta Griselda Mendoza-Torreblanca	Revista Chilena de Neuropsicología
Tamizaje neonatal cardiaco en México, una herramienta para el diagnóstico temprano de cardiopatías críticas	Jesús De Rubens-Figueroa, Moisés Mier-Martínez, María G. Jiménez-Carbajal y Humberto García-Aguilar	Gaceta Médica de México
Impacto de las Cardiopatías Congénitas en el Aprendizaje Escolar	Almudena March, María Cristina Caramón-Arana	Acta Pediátrica de México
Congenital Heart Surgery at High Altitude-Should We Re-analyze the Data?	Alexis Palacios-Macedo, Héctor Diliz-Nava, Orlando Tamariz-Cruz	The Pediatric Cardiac Intensive Care Society
Tamiz Neonatal Cardiaco: Beneficios de su implementación en México	Comité Mexicano para el Tamiz Neonatal Cardiaco (Luis Antonio García-Benítez y Moisés Mier-Martínez)	Revista Mexicana de Pediatría

The image is a collage of financial documents and hands reviewing data. It features a large, semi-transparent blue rectangle in the center with the word "FINANCES" in white, bold, sans-serif capital letters. The background consists of several overlapping images: a close-up of hands pointing at a document with a line graph; a hand holding a pen over a document with a bar chart and a pie chart; and a document titled "Finance Report" with a pie chart and a bar chart. The overall theme is financial analysis and data review.

FINANCES



BUILDING TRUST:

THE IMPORTANCE OF TRANSPARENCY IN CIVIL SOCIETY ORGANIZATIONS

Kardias is committed with transparency, in both, outcomes and achievements, as well as in financial and tax management. The two of them talk about health and democracy in organizations.

Currently, Civil Society Organizations (Organizaciones de la Sociedad Civil, OSC, by its acronym in Spanish) perform a crucial role in promoting social well-being, human rights defense and the search for solutions to problems affecting communities. In their attempt to reach a significative social impact, transparency and accountability they become fundamental principles that strengthen legitimacy and effectiveness of OSC.

Transparency of outcomes involves openness and clarity when sharing achievements, progress and challenges faced by an organization. In addition to allow to assess real impact of the actions taken, it is an opportunity for collaboration and learning between different organizations. When lessons learned are shared, they promote an environment of collaboration and avoid duplication of efforts, maximizing in this way the collective impact of society.

Transparency in management of financial resources is another crucial aspect for OSC. When sources of income and management of resources are presented clearly and in an accessible way, organizations prove their responsibility and commitment with the correct administration of the funds received.

This implies sharing the information regarding income and expenses, as well as adopting solid and audited accounting practices.

Auditing of financial statements by a third party offers safety in management of resources allocated to social causes. Having an audited report, is an added guarantee of a responsible and efficient use of the funds donated or assigned to reach the goals set. The external audit can also identify areas of improvement in financial processes and governing of OSC, which contributes to their strengthening and long-term sustainability.

The adoption of high transparency standards and accountability for OSC, means positioning as legitimate and effective actors in the search of social well-being and sustainable development.

Along with transparency of financial statements, OSC should also comply with their tax obligations. This implies submitting tax returns timely and correctly, as well as adhering to the valid tax regulations. Accountability in the fiscal field is essential to maintain credibility and reputation of organizations, avoiding any suspicion of misappropriation or tax evasion.



STRENGTHENING THE IMPACT OF CIVIL SOCIETY ORGANIZATIONS

The effective implementation of transparency and accountability in OSC entails numerous benefits. In first place, it strengthens trust of donors, institutions and/or individuals, who require clear and precise information about the use of their contributions. Therefore, it could increase their willingness to finance new projects and programs.

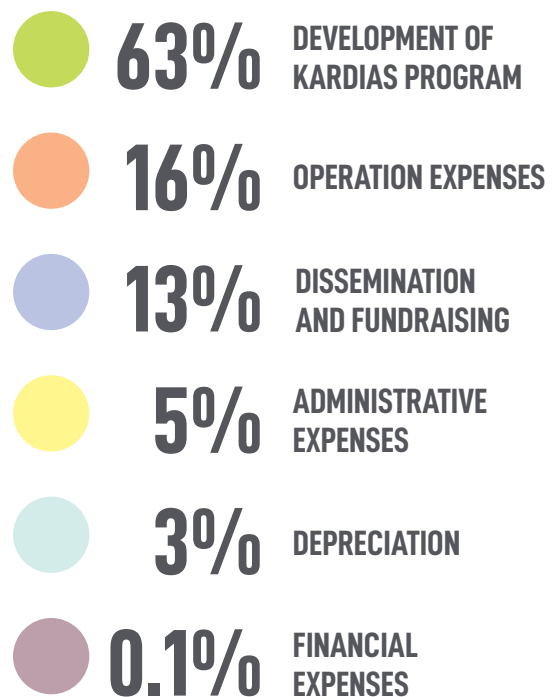
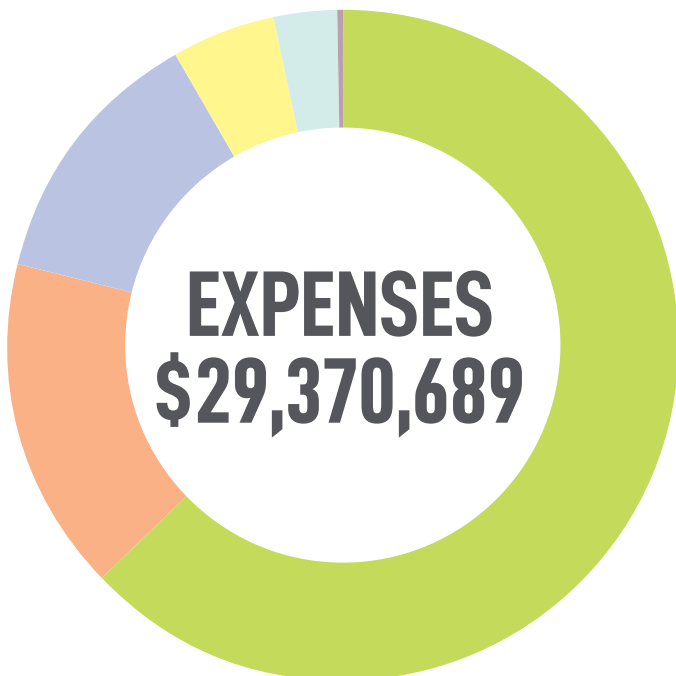
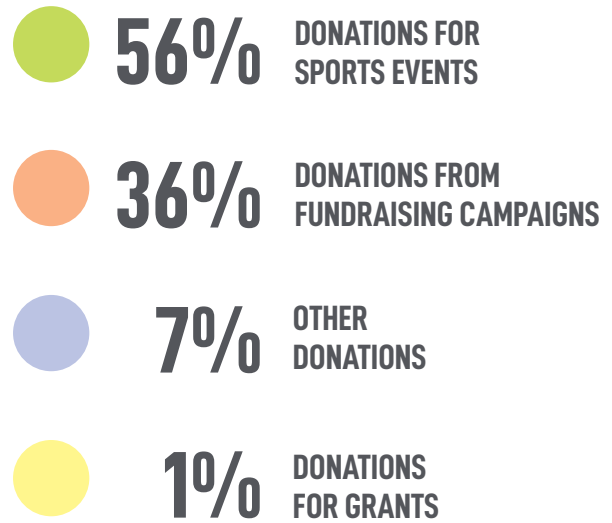
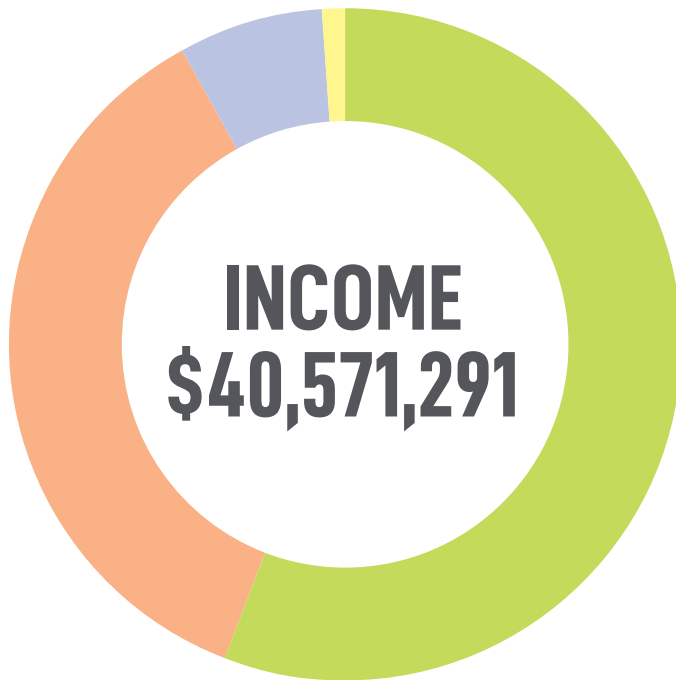
Openness of information regarding outcomes and resource administration is essential to stablish solid relations with persons or social groups that are being sought to support. By providing information about outcomes, communities are involved in decision making, a greater citizenship participation is promoted, and persons are empowered to become agents of change in their own lives.

Regarding OSC and the government, both democratic principles are also of vital importance; they strengthen the relation by bringing clear and verified financial information about the impact of the projects and social programs, which allows an objective evaluation of the outcomes obtained and provides the opportunity to stablish constructive dialogues to improve and boost joint actions. The collaboration between both parties is relevant for the creation and implementation of more solid policies and regulations, ensure their effectiveness and expand the impact of the actions taken.

Strengthening and defending the mechanisms of transparency and accountability is essential to promote citizenship participation and the good government; they are critical tools to demand responsibilities and ensure that resources are used effectively and for the benefit of the society as a whole.

ADMINISTRATIVE AND ACCOUNTING ACTIONS IN 2022

- » Fourth and fifth COVID reports were submitted.
- » Kardiopedia's brand and logo were registered before the Mexican Institute of Industrial Property (Instituto Mexicano de la Propiedad Industrial, IMPI, by its acronym in Spanish).
- » Changes for the invoicing platform 4.0 were implemented, which came into force on April 1st 2023.
- » The tax return 2022 was submitted timely and properly on February 10, 2023.
- » On May 20, 2023, the transparency report was presented. This report and the aforementioned are the main reports submitted before the Tax Administration Service (Servicio de Administración Tributaria, SAT, by its acronym in Spanish) to maintain the certification as an authorized grantee.
- » Deloitte audited the financial statements 2021 and 2022, this audit was completed two months prior to the deadline.
- » Tax and administrative audit 2022 were completed in record time. Some of the conclusions of Mendoza and De La Torre firm that stand out are the following:
 - Correct management of the treasury department.
 - Donation invoices were issued correctly and were validated.
 - The donations received were exclusively used for the purposes of the organization.
 - All the files of the patients treated in Kardias program during 2022 were complete, including their documentary evidence.
 - The organization comply thoroughly with its fiscal obligations.
 - The documentation for compliance with the Federal Law for Prevention and Identification of Transactions Involving Funds from Illegal Sources was completed in a timely manner.



2022: A YEAR FULL OF GENEROSITY AND COLLABORATION

The year was filled with exciting events and successful actions for Kardias. In addition to implement permanent procedures and receive donations from strategic alliances that organize sports events for fundraising, Kardias carries out specific campaigns and applies for institutional grants.

All the funds raised were allocated to the three action lines: cover the costs of the treatment of underprivileged children with congenital heart diseases; set up and strengthen the six components of the high-speciality programs, such as the Kardias Program, which is implemented at the INP and at the Centro Pediátrico del Corazón ABC-Kardias, and raise awareness regarding the importance of early detection of congenital heart diseases and timely treatment.

One of the outstanding campaigns, that goes along with the annual race, is the Virtual Kardias Run, a digital platform for crowdfunding which lasted eight weeks. The participants formed teams and became promoters, inviting families and friends to donate to the extent of their possibilities.

Another campaign that will leave a mark was: From ❤️ to ❤️ puzzle. This joint initiative with Fundación ABC, began thanks to the generosity of the parents of a patient of

Kardias Program, who wanted to celebrate the life of their child in a very special and lasting way. The campaign, which will reach its goal soon, consists of a puzzle of 128 pieces, which can be granted when a minimum donation is received. Each plaque has a phrase selected by the donor. Up to date, the puzzle, located at the clinic of the Centro Pediátrico del Corazón ABC-Kardias has 93 commemorative plaques.

Kardias also fundraises through the Global Giving platform, which received 35 donations, 17.5% of them were from recurrent donors. During July, we were part of the Little by Little campaign and on September we were also part of #GivingTuesday, which multiplies the donations thanks to matching funds from Global Giving.

The coin funnels at Plaza Azcapotzalco and Metropoli Patriotismo shopping malls were an effective way of fundraising throughout the year. These coin funnels are a convenient way for people visiting the malls to donate in cash and supporting our cause.

To optimize the funds received through donations, in 2019 Kardias created a sustainability plan in collaboration with the ABC Medical Center. This plan seeks to cover the costs of the surgeries of underprivileged pa-

De Corazón a Corazón

Kardias y Fundación ABC honran a todos los pacientes que han sido parte del programa ABC Kardias.

¡Ayúdanos a armar este rompecabezas!

Cada pieza es una placa conmemorativa que puedes adquirir con una aportación de \$4,000 pesos.

La placa se grabará con la frase que nos indiques de un máximo de 7 palabras y puedes adquirir todas las placas que desees.

Los donativos de esta campaña se destinarán al apoyo de pacientes de nuestro programa asistencial ABC Kardias.



Al realizar tu donativo, envía tu comprobante de pago y tu constancia de situación fiscal a: info@kardias.org
Nosotros te contactaremos para dar seguimiento al contenido y diseño de tu placa.

El depósito lo puedes hacer en la siguiente cuenta bancaria:

Citibanamex 0021 8000 00 0013 0131

¿Tienes dudas? Escríbenos a info@kardias.org



tients at the Centro Pediátrico del Corazón ABC-Kardias during five years through investments in different timeframes. By the end of 2022, this fund had raised 93% of the initial investment set out, which ensures the continuity and lasting impact of Kardias Program.

Lastly, we have to share with you the donations received through grants. Thanks to the collaboration and joint effort, Kardias received significant donations from organizations like FUNO and Medtronic. These donations will allow to finance accordingly, 343 interventional catheterizations for underprivileged children during six years and scholarships for medical students who complete their social service in Kardias' Research and Training department.

GlobalGiving EXPLORAR PROYECTOS

acerca de **sin tarjetas** **de regalo** **de 1 año** **nonprofits** **Corporate** **Disasters** **Acceso**

Kardias
Kardias AC
Organización FOTIS

DONAR

2000 año de fundación | \$105,219 monto en GlobalGiving | 5 años de recaudación de fondos | 2 proyectos financiados

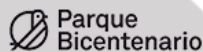
Misión
Kardias fue fundada en el año 2000 con la inquietud de mejorar la calidad de la atención integral de los niños con cardiopatías congénitas, liderada por el Dr. Alexis Palacios Macedo, Cirujano Cardiovascular Pediátrico. El Dr. Palacios Macedo se había capacitado como becario del Dr. Charles Fraser en el Texas Children's Hospital y quería replicar las mejores prácticas que aprendió en México. Comenzó como jefe de cirugía en el Programa de Cirugía Cardiovascular Pediátrica del Instituto Nacional de Pediatría (INP). Aquí se hizo muy consciente de todas las necesidades que el hospital necesitaba para mejorar el alcance y los resultados. Fue entonces cuando nació Kardias, para ayudar a recaudar fondos para llenar el vacío entre lo que era ... leer más

ACKNOWLEDGEMENTS

DONORS



DADOO & ASOCIADOS
Asesoría Financiera en Banca de Inversión



FOUNDATIONS



ALLIANCES



Our most sincere gratitude from Kardias to all who contributed individually or as a family during 2022.
Your support has been fundamental in order to bring life opportunities to more and more children.

Kardias, A. C.

Financial statements for the years
ended December 31, 2022, and
2021, and Independent Auditor's
Report Dated April 28, 2023



Kardias, A. C.

Independent Auditor's Report and Financial Statements for 2022 and 2021

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Independent Auditor's Report to the Partners' Meeting of Kardias, A. C.

Opinion

We have audited the accompanying financial statements of Kardias, A. C. (the "Association"), which comprise the balance sheets as of December 31, 2022, and 2021, the statements of activities and statements of cash flows for the years then ended, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Kardias, A. C. as of December 31, 2022, and 2021, as well as the statements of activities and statements of cash flows for the years then ended in accordance with Mexican Financial Reporting Standards ("NIF" for its acronym in Spanish), for non-profit entities.

Basis for opinion

We conducted our audits in accordance with the International Standard on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the Code of Ethics issued by the Mexican Institute of Public Accountants (IMCP Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and with the IMCP.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

As stated in Note 3b, the accompanying financial statements have been translated from Spanish into English for the convenience of readers.

Responsibilities of Management of the Association for the financial statements

Management of the Association is responsible for the preparation and fair presentation of the accompanying financial statements in accordance with Mexican Financial Reporting Standards for non-profit entities, as well as contributions granted thereby, and for such internal control as management of the Association determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Management is responsible for overseeing the Association's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISA 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override 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 Association'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 trustees' 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 Association'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 Association 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 quantitatively and qualitatively represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Galaz, Yamazaki, Ruiz Urquiza, S. C.
Member of Deloitte Touche Tohmatsu Limited

C. P. C. Erick J. Calvillo Rello
Mexico City, April 28, 2023



Balance sheets

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

Assets	2022			2021		
	Unrestricted	Temporarily restricted	Total	Unrestricted	Temporarily restricted	Total
<i>Current assets:</i>						
Cash and cash equivalents	\$ 49,599,932	\$ -	\$ 49,599,932	\$ 36,957,314	\$ -	\$ 36,957,314
Accounts receivable	3,785	-	3,785	184,322	-	184,322
Prepaid expenses	83,594	-	83,594	72,344	-	72,344
Total current assets	49,687,311	-	49,687,311	37,213,980	-	37,213,980
<i>Non-current assets:</i>						
Furniture and medical equipment, net	7,037,565	-	7,037,565	6,646,362	-	6,646,362
Total assets	\$ 56,724,876	\$ -	\$ 56,724,876	\$ 43,860,342	\$ -	\$ 43,860,342
Liabilities and net assets						
<i>Current liabilities:</i>						
Accounts payable	\$ 343,020	\$ -	\$ 343,020	\$ 296,668	\$ -	\$ 296,668
Accrued expenses and taxes payable	258,828	-	258,828	539,649	-	539,649
Total current assets	601,848	-	601,848	836,317	-	836,317
Employee retirement benefits	1,011,026	-	1,011,026	851,461	-	851,461
Total liabilities	1,612,874	-	1,612,874	1,687,778	-	1,687,778
<i>Net assets:</i>						
Contributions and prior year retained earnings	42,054,879	-	42,054,879	40,119,551	-	40,119,551
Other comprehensive income	168,375	-	168,375	107,276	-	107,276
Retained earning	12,888,747	-	12,888,747	1,945,737	-	1,945,737
Total net assets	55,112,001	-	55,112,001	42,172,564	-	42,172,564
Total liabilities and net assets	\$ 56,724,875	\$ -	\$ 56,724,875	\$ 43,860,342	\$ -	\$ 43,860,342

See the accompanying notes are part of the financial statements.



Statements of activities

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

	2022			2021		
	Unrestricted	Temporarily restricted	Total	Unrestricted	Temporarily restricted	Total
Revenues from:						
Donations received	\$ 20,866,118	\$ 16,270,899	\$ 37,137,017	\$ 13,694,916	\$ 8,680,500	\$ 22,375,416
Interest earned	<u>2,563,733</u>	<u>-</u>	<u>2,563,733</u>	<u>1,244,971</u>	<u>-</u>	<u>1,244,971</u>
Total revenues	23,429,851	16,270,899	39,700,750	14,939,887	8,680,500	23,620,387
Program expenses:						
Kardias ABC	8,602,085	2,642,415	11,244,500	-	7,765,295	7,765,295
Collaborating doctors' program	5,339,380	-	5,339,380	5,247,880	-	5,247,880
Infrastructure	<u>7,124</u>	<u>-</u>	<u>7,124</u>	<u>63,383</u>	<u>-</u>	<u>63,383</u>
Patient support	120,000	-	120,000	120,000	-	120,000
Database	<u>1,072,542</u>	<u>-</u>	<u>1,072,542</u>	<u>874,000</u>	<u>-</u>	<u>874,000</u>
Total program expenses	15,141,131	2,642,415	17,783,546	6,305,263	7,765,295	14,070,558
Medical Training Expenses:						
Training and development	643,085	120,250	763,335	-	880,642	880,642
Promotion expenses:						
Promotion	<u>176,445</u>	<u>-</u>	<u>176,445</u>	<u>210,226</u>	<u>-</u>	<u>210,226</u>
Total promotion expenses	176,445	-	176,445	210,226	-	210,226
Operating and administrative expenses:						
Operating expenses	5,165,283	-	5,165,283	5,397,652	-	5,397,652
Administrative expenses	<u>245,237</u>	<u>1,050,000</u>	<u>1,295,237</u>	<u>1,004,718</u>	<u>-</u>	<u>1,004,718</u>
Financial expenses	19,120	-	19,120	19,021	-	19,021
Income taxes	-	-	-	-	-	-
Exchange gain	<u>801,773</u>	<u>-</u>	<u>801,773</u>	<u>(250,595)</u>	<u>-</u>	<u>(250,595)</u>
Total operating and administrative expenses	6,231,413	1,050,000	7,281,413	6,170,796	-	6,170,796
Depreciation expenses:						
Depreciation	<u>807,264</u>	<u>-</u>	<u>807,264</u>	<u>342,428</u>	<u>-</u>	<u>342,428</u>
Total expenses	22,999,338	3,812,665	26,812,003	13,028,713	8,645,937	21,674,650
Excess of revenues over expenses for the period	430,513	12,458,234	12,888,747	1,911,174	34,563	1,945,737
Accounting equity:						
At the beginning of the period	42,172,564	-	42,172,564	39,887,773	-	39,887,773
Other comprehensive income	<u>50,690</u>	<u>-</u>	<u>50,690</u>	<u>339,054</u>	<u>-</u>	<u>339,054</u>
At the end of the period	<u>\$ 42,653,767</u>	<u>\$ 12,458,324</u>	<u>\$ 55,112,001</u>	<u>\$ 42,138,001</u>	<u>\$ 34,563</u>	<u>\$ 42,172,564</u>

See the accompanying notes are part of the financial statements.



Kardias, A. C.

Statements of cash flows

**For the years ended December 31, 2022, and 2021
(In Mexican pesos)**

	2022	2021
Operating activities:		
Contributions received	\$ 37,137,017	\$ 17,465,816
Contributions granted	(18,723,326)	(15,089,989)
General expenses	<u>(6,479,640)</u>	<u>(6,656,355)</u>
Net cash flows provided by (used in) operating activities	11,934,051	(4,280,528)
Investing activities:		
Payment for purchases of furniture and medical equipment	(1,198,465)	(167,970)
Interest received	<u>2,563,733</u>	<u>1,244,971</u>
Net cash flows provided by investing activities	<u>1,365,268</u>	<u>1,077,001</u>
Net increase (decrease) in cash	13,299,319	(3,203,527)
Adjustment to cash flows due to exchange rate fluctuations	(656,701)	250,595
Cash at beginning of year	<u>36,957,314</u>	<u>39,910,246</u>
Cash at end of year	<u>\$ 49,599,932</u>	<u>\$ 36,957,314</u>

See the accompanying notes are part of the financial statements.



Kardias, A. C.

Notes to the financial statements

For the years ended December 31, 2022, and 2021

(In Mexican pesos)

1. Activities

Kardias, A. C. (the “Association”), is dedicated to meeting the surgical needs of patients with heart disease who do not have sufficient economic resources to cover the costs of surgery, by obtaining the necessary material and equipment for cardiovascular surgery, training medical and paramedical personnel, research in the cardiovascular surgery area, as well as prevention, treatment, and rehabilitation of patients, providing education and emotional support to patients and their families.

The Association is a non-profit Association which is authorized under the Income Tax (“ISR”, for its acronym in Spanish) Law to receive donations that are deductible for the contributors.

2. Relevant event

In 2022, there was a recovery in the collection of donations compared to the previous year, mainly due to the donations collected for *Gran Fondo Izzi*, the cycling event organized to help children with heart disease to receive the necessary treatment.

3. Basis of presentation

a. Accounting Changes

Improvements to the 2022 NIF that generate accounting changes and are effective for fiscal years starting as of January 1, 2022; although early application is permitted in 2022:

NIF D-3 Employee benefits - In those cases in which the entity considers that PTU will be paid at a lower rate than the current legal rate because this payment is subject to the limits established by applicable laws, it must:

Determine the temporary differences existing as of the date of the financial statements for PTU purposes;

Determine the PTU rate that is expected to arise in subsequent years based on financial and tax projections or according to the PTU rate of the current year;

Apply the PTU rate to the amount of the temporary differences.

Disclosures - The standards have been amended to eliminate certain disclosure requirements in *NIF B-1 Accounting changes and correction of errors*, *NIF B-10 Effects of inflation*, *NIF B-17 Fair value determination* and Property, plant and equipment.

Similarly, the Improvements to the 2022 NIF include improvements that do not generate accounting changes and which are primarily intended to enhance the accuracy and clarity of the standards in question.



The Association applies the provisions of Mexican Financial Reporting Standards (“NIF”) B-16 Financial statements of non-profit entities and E-2 Revenues and contributions received by non-profit entities, as well as contributions granted by such entities. The most significant effects of the application of these provisions are reflected in the presentation of the financial statements. The statements of financial position show the equity classified according to the restrictions made by the partners to their contributions; the statements of activities report the amount of the total change in equity during the year, providing relevant information on the result of transactions and other events that modify the Association's equity.

- b. ***Explanation for translation into English*** - The accompanying financial statements have been translated from Spanish into English for international use. These consolidated financial statements are presented under NIF requirements, which are comprised of accounting standards that are individually referred to as *Normas de Información Financiera*. Certain accounting practices applied by the Association that conform with NIF may not conform with accounting principles generally accepted in the country of use.
- c. ***Classification of costs and expenses*** – Costs and expenses were classified according to their function because this is the practice of the sector to which the Association belongs.
- d. ***Reclassifications***

The financial statements for the year ended December 31, 2022, have been reclassified in temporarily restricted cash in certain items such as donations received and excess of revenues over expenses for the period to conform to the presentation used in 2021.

We evaluated and concluded that these reclassifications do not have a significant impact since they do not modify the amounts of comprehensive income or any net change in Equity and that they were only made to facilitate the reading of the Financial Statements.

4. Summary of significant accounting policies

The accompanying financial statements are in conformity with NIF. Their preparation requires that the Association's board of trustees make certain estimates and utilize certain assumptions to value some of the items in the financial statements and make the required disclosures. However, actual results may differ from these estimates. In applying its professional judgment, the Association's board of trustees considers that the estimates and assumptions utilized were adequate in the circumstances. The principal accounting policies applied by the Association are as follows.

- a. ***Monetary unit of the financial statements*** – The financial statements and notes as of December 31, 2022, and 2021 and for the years then ended include balances and transactions denominated in Mexican pesos of different purchasing power. Cumulative inflation rates over the three-year periods ended December 31, 2022, and 2021, were 19.39% and 13.86%, respectively. Accordingly, the economic environment is not inflationary in either such period and no inflationary effects were recognized in the accompanying financial statements. Inflation rates for the years ended December 31, 2022, and 2021 were 7.82% and 7.36%, respectively.
- b. ***Cash and cash equivalents*** – Cash and cash equivalents consist mainly of bank deposits in checking accounts and short-term investments in securities that are highly liquid and easily convertible into cash, mature within three months from their acquisition date and are subject to low risk of material changes in value. Cash is stated at nominal value and cash equivalents are valued at fair value; any fluctuations in value are recognized in the statement of activities of the period. As of December 31, 2022, and 2021, the Association is required to allocate certain cash to specific social programs, such amount was classified as temporarily restricted cash.



- c. ***Furniture and medical equipment*** – Furniture and medical equipment are recorded at acquisition cost. Depreciation is calculated using the straight-line method based on the following yearly depreciation rates:

	%
Medical equipment	10
Computer equipment	30
Furniture and office equipment	10

- d. ***Provisions*** - Provisions are recognized for current obligations that arise from a past event, that are probable to result in the use of economic resources, and that can be reasonably estimated.
- e. ***Classification of accounting net assets*** – Aligned to the basic elements of the financial statements (NIF A-5) establishes that the accounting equity of non-profit entities must be classified, as applicable, with respect to its restriction type as:
- Unrestricted net assets, the use of which by the Association is not subject to any restrictions; i.e., it is supported by unrestricted net assets;
 - Temporarily restricted net assets, which is supported by temporarily restricted assets, the use of which by the Association is limited by provisions that expire over time or because certain established objectives are attained; and
 - Permanently restricted net assets, which is supported by permanently restricted assets, the use of which by the Association is limited by provisions that do not expire over time and which may not be eliminated by the board of trustees actions.

Unrestricted net assets are normally derived from revenues generated by the provision of services, the production and delivery of goods, unrestricted donations received and the dividends or interest received from invested assets, less the costs and expenses incurred to provide services, produce and deliver goods, receive donations and perform administrative functions.

The only limits applicable to unrestricted net assets are those related to the nature of the Association, the environment in which it operates, the objectives contained in its bylaws and the allocations imposed by the board of trustees voluntary resolutions.

Temporary restrictions may be:

- Applied at a specific time: if it is established that assets cannot be immediately used, at a later period or after a certain date;
 - For a specific purpose: if it is established that assets must be utilized for a specific purpose; or
 - A combination of the preceding restrictions.
- f. ***Revenue recognition:***
- ***Donations*** – Donations are contributions that are recognized as an increase in equity when cash donations, unconditional promises to receive cash, goods or services are received. Donations in kind are recognized in the financial statements at fair value.
 - ***Interest*** - Interest income is recorded periodically, with reference to the unpaid balance and the applicable effective interest rate, which is the rate that exactly discounts the estimated cash flows to be received over the expected life of the financial asset and matches it with the net book value of the financial asset in its initial recognition.



5. Cash and cash equivalents

	2022	2021
Cash	\$ 19,779,932	\$ 9,647,314
Cash equivalents	<u>29,820,000</u>	<u>27,310,000</u>
	<u>\$ 49,599,932</u>	<u>\$ 36,957,314</u>

6. Furniture and medical equipment

	2022	2021
a) Investment		
Medical equipment (i)	\$ 11,482,748	\$ 10,310,882
Computer equipment	219,903	193,303
Furniture and office equipment	<u>89,610</u>	<u>89,610</u>
	11,792,261	10,593,795
b) Accumulated depreciation:		
Medical equipment (i)	(4,486,664)	(3,697,373)
Computer equipment	(198,083)	(188,502)
Furniture and office equipment	<u>(69,949)</u>	<u>(61,558)</u>
	<u>(4,754,696)</u>	<u>(3,947,433)</u>
	<u>\$ 7,037,565</u>	<u>\$ 6,646,362</u>

- (i) On January 31, 2020, a donation agreement was executed with Fundación Gonzalo Río Arronte, I.A.P. ("the donor") through which it undertook to deliver a donation in kind represented by medical equipment for stress tests. In April 2021, the medical equipment was received at the facilities of the American British Cowdray Medical Center (*Centro Médico ABC*) under a contract of loan and restitution. On December 8, 2021, a rights assignment agreement was executed whereby ownership of the equipment was transferred to the Association, at which date the income from the donation in kind was recognized in the statement of activities under "Donations received" for the invoice value of the stress test equipment of \$4,909,600. On January 1, 2022, the equipment is recognized as an addition to medical equipment in fixed assets for the same amount at which revenue was recognized. This donation did not involve cash flows.

Depreciation of \$807,263 and \$342,428, was recognized in results during 2022 and 2021, respectively.

7. Net Assets

As of December 31, 2022, and 2021, the Association's net assets are composed of associates' donations received, and operating results obtained.

As the Association's funds are exclusively utilized to fulfill its corporate purpose, it is unable to grant benefits related to the distributable remnant to any individual or its associates, whether natural persons or entities, unless entities are authorized to receive donations deductible for Income Tax ("ISR" for its acronym in Spanish) purposes in conformity with the LISR or when involving effectively received services.

8. Administrative expenses

Administrative expenses relate to expenses incurred by the Association to carry out the activities for which it was created and mainly consist of legal, accounting, and tax expenses, information technology services, marketing, advertising, and office supplies.



9. Income taxes

According to article 79 of the Mexican Income Tax Law, the Association is not subject to its guidelines because it is classified as a nonprofit Association.

Pursuant to the final paragraph of article 79 of the LISR, the nondeductible expenses incurred by the Association are considered as a distributable remnant on which tax must be paid by applying the maximum rate to the amount by which the lower limit specified by article 152 of that Law is exceeded.

10. New accounting principles

As of December 31, 2022, the CINIF issued various NIF and improvements to the NIF which, as of the date of issuance of these financial statements, management of the Association has determined are not applicable and/or do not affect the financial statements of the Association.

11. Authorization to issue the financial statements

On April 28, 2023, the issuance of the accompanying financial statements was authorized by Rey David García Ascencio, Controller and Margarita Hugues Vélez, Chief Executive Officer; consequently, they do not reflect events occurred after that date, and are subject to the approval of the Partners' Meeting, where they may be modified based on the provisions set forth in the Federal Civil Code.

* * * * *





Board of Directors

Alfonso de Angoitia Noriega, **President**
María Blanca del Valle Perochena, **Vice-president**
Marcelo Enrique Peruggia Canova, **Board member**
Mary Annette Vessels, **Board member**
Horacio Lozano Zalce, **Board member**
María Teresa Vega Fernández-Vega, **Board member**
Sergio Lagunes Vessels, **Board member**
Alejandra Villegas Canal, **Board member**
María Teresa Carrancedo Ocejo, **Board member**
María del Carmen de Angoitia Noriega, **Board member**
Concepción Legorreta de Angoitia, **Board member**
Juan Pablo del Río, **Secretary** (not a member)

Kardias team

Loli Fernández, **General Director**
Alicia Salgado, **Director of Operations and Training**
Nora Cerezo, **Manager of Administration and Finances**
Alicia Athié, **Manager of Communication and Institutional Alliances**
Andrea Mota Velasco, **Coordinator of Design and Marketing**
Luis A. García, **Coordinator of Research and Training**

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Overall reach	674%
Comments	241%
New followers	126%
Reactions	86%
Clicks on link	60%
Posts shared	46%
Unfollowed	29%



Overall reach
2128%

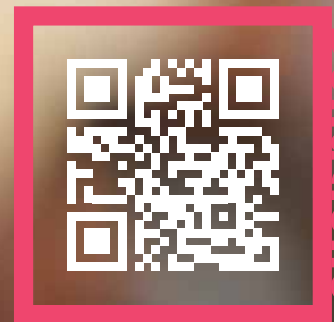


New followers
237%

Increase regarding 2021.

NEW!





Donations

Life begins
with a **healthy**
heart.

Save a child!

