

QUARTERLY REPORT

For the quarterly period ending March 31, 2022

BINA ORMASEL, S.A.P.I. DE CV

Jalisco

State of incorporation

BOR-141001-QM8

Federal Tax Registration

Tecnológico 309, Olga Margarita, C.P. 34270, Durango, Durango

Main Office Address

2022-1

QUARTERLY REPORT

Number of common shares outstanding as of March 23, 2022:

Series A:	500
Series C:	2,492
Total:	2,992

Part I. Financial Information
Element I. Financial Statements
BINA ORMASEL, SAPI de CV
Consolidated Balance Sheet
(in mexican pesos)

	March 31, 2022	December 31, 2021
ASSETS		
Cash and equivalents – Note 3	1,905	1,001
Investments in shares – Note 4	268,139	240,241
Taxes receivable	383	339
Total Assets	270,427	241,581
LIABILITIES AND EQUITY		
Taxes payable	3,506	3,316
Total liabilities	3,506	3,316
Shareholders' Equity:		
Share premium	4,936	2,964
Contributions from partners	316,025	247,925
Retained earnings	1,437	27,318
Other comprehensive income	27,318	-
Shareholders' Equity	(82,795)	(39,942)
Book Value per Share	89	103

BINA ORMASEL, SAPI de CV
Consolidated Income Statement
(in mexican pesos)

	1st Quarter	
	2022	2021
Operating Expenses		
Financial expenses	(275)	(208)
Financial products	-	23
Earnings Before Taxes and Gains from Sale of Capital Assets	(275)	(184)
Gains from Sale of Capital Assets	1,903	-
Earnings Before Taxes	1,627	(184)
Taxes on Earnings	(190)	(8)
Net Income (Loss) for the Year	1,437	(193)
Change in Revaluation of Shares	(42,853)	(29,915)
Comprehensive Income of the Year	(41,416)	(30,108)
Shares outstanding	2,992	835

BINA ORMASEL, SAPI de CV
Consolidated Cash Flow Statement
(in mexican pesos)

	First Quarter	
	2022	2021
Cash from Operating Activities:		
Net Income (Loss) for the Year	1,437	(193)
Taxes Payable	190	8
Taxes Receivable	(44)	(44)
Gains from Sale of Capital Assets	(1,903)	-
Interest Receivable	-	23
Net Cash Flows from Operating Activities	(319)	(205)
		-
Cash from Investing Activities:		-
Purchase of Investments in Stocks	(89,299)	(83,068)
Sale of Investments in Stocks	20,504	-
Dividends Received	51	-
Net Cash Flows from Investing Activities	(68,744)	(83,068)
Cash from Financing Activities:		
Contribution from Previous Operating Surplus		
Stock Subscriptions	69,968	83,500
Cash Flow from Financing Activities	69,968	83,500
		-
Net Change in Cash for the Period	904	227
Cash and Cash Equivalents at the Beginning of the Period	1,001	-
Cash and Cash Equivalents at the End of the Period	1,905	227

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of March 31, 2022

Note 1. General

The unaudited consolidated financial statements presented in this document include the accounts of Bina Ormasel, SAPI de CV (“Bina” or “Company”) where Bina has a controlling financial interest as of the date of the financial statement. In these notes, the terms “we,” “our,” and “us” refer to Bina and its consolidated subsidiaries.

Nota 2. Accounting procedures

We are currently evaluating the effects of adopting the accounting standards of International Financial Reporting Standards (IFRS) for our Consolidated Financial Statements.

Nota 3. Immediately Available Fixed Income Instruments

Investments in fixed-income instruments are shown in our Consolidated Balance Sheet in pesos:

	March 31, 2021
Cash	28.86
Immediately available fixed income instruments	1,880.98

Bina's liquid resources are automatically invested in an instrument where the majority is invested in demand deposits. A portion of the portfolio is invested in AAA-rated debt from high-quality corporate, bank, and government sources.

Nota 4. Investments in shares

The capital stock investments as of March 31, 2022, are summarized below, based on the main industry of the business.

	Cost	Unrealized Gains	Unrealized Losses	Market Value
Banks, Insurance, and Finance	6,962	-	(160)	6,802
Commercial, Industrial, and Others**	24,428	-	(17,785)	6,644
Consumer Products	322,735	-	(68,042)	254,694
Total	205,490	19,003	(26,372)	198,121

**** Note:** This includes a leftover from the "pilot" operation, which consists of 9,000 shares of the previous company ICA acquired at a cost of \$15,316.96, as well as 300 shares of the company Convertidora Industrial acquired at a cost of \$1,507.00.

It is important to mention that Bina believes it has no unrealized losses that are not temporary because of: (a) our ability and intention to hold the shares we bought until they recover, (b) our assessment that the underlying businesses and financial conditions of our investment targets support our decisions, (c) our opinion that the price declines are not significant, and (d) our belief that market prices will increase and exceed our costs.

Our business acquisition strategy is to participate in a business at sensible prices, with consistent purchasing power, good returns on invested capital, and strong management.

Note 5. Common Shares

The changes in the number of issued shares, treasury shares, and shares outstanding during the first nine months of 2021 are shown below:

	Series A, \$100 Par Value (500 authorized shares)			Series C, \$100 Par Value (2,000,000 authorized shares)		
	Issued	Treasury	Outstanding	Issued	Treasury	Outstanding
Balance as of December 31, 2021	500	500	-	2,000,000	2,000,000	2,311
Shares sent to treasury	-	-	-	-	-	-
Shares issued	-	(500)	500	-	(681)	681
Balance as of March 31, 2022	500	-	500	2,000,000	1,997,008	2,992

Each Series A common share has one vote per share. Series C shares have dividend and distribution rights equivalent to 1:1 of Series A shares. Series C common shares do not have voting rights in the company's management decisions.

Note 6. Contingencies and Commitments

Currently, there are no situations that affect the normal operations of Bina Ormasel.