

QUARTERLY REPORT

For the quarterly period ending March 31, 2023

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

2023-2

QUARTERLY REPORT

Number of common shares outstanding as of June 12, 2023:

Series A:	500
Series C:	3,753
Total:	4,253

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

	March 31, 2023	September 30, 2022
ASSETS		
Cash and equivalents – Note 3	17	14,765
Investments in shares – Note 4	374,581	192,616
Taxes receivable	890	479
Total Assets	375,487	207,860
LIABILITIES AND EQUITY		
Taxes payable	4,707	3,533
Total liabilities	4,707	3,533
Shareholders' Equity:	(5,626)	3,924
Share premium	435,625	330,925
Contributions from partners		
Retained earnings	35,588	27,826
Other comprehensive income	(94,807)	(158,349)
Shareholders' Equity	370,781	204,327
Book Value per Share	89	65

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

	6 months	
	Oct 1, 2022 to Mar 31, 2023	Oct 1 2021 to Mar 21, 2022
Operating Expenses		
Financial expenses	(2,566)	(1,362)
Financial products	95	371
Earnings Before Taxes and Gains from Sale of Capital Assets	(2,471)	(990)
Gains from Sale of Capital Assets	11,400	32,044
Earnings Before Taxes	8,929	31,054
Taxes on Earnings	(1,167)	(3,326)
Net Income (Loss) for the Year	7,762	27,728
Change in Revaluation of Shares	63,437	(76,359)
Comprehensive Income of the Year	71,199	(48,631)
Shares outstanding	4,188	3,141

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

	6 months	
	Oct 1, 2022 to Mar 31, 2023	Oct 1 2021 to Mar 21, 2022
Cash from Operating Activities:		
Net Income (Loss) for the Year	7,762	27,728
Taxes Payable	1,167	3,326
Taxes Receivable	(411)	-218
Gains from Sale of Capital Assets	(11,402)	-32,044
Interest Receivable	95	371
Net Cash Flows from Operating Activities	(2,789)	(837)
Cash from Investing Activities:		
Purchase of Investments in Stocks	(160,803)	(329,378)
Sale of Investments in Stocks	53,588	214,754
Dividends Received	106	128
Net Cash Flows from Investing Activities	(107,109)	(114,496)
Cash from Financing Activities:		
Contribution from Previous Operating Surplus		
Stock Subscriptions	95,150	77,176
Cash Flow from Financing Activities	95,150	77,176
Net Change in Cash for the Period	(14,748)	(38,157)
Cash and Cash Equivalents at the Beginning of the Period	14,765	40,062
Cash and Cash Equivalents at the End of the Period	17	1,905

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As of March 31, 2023

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.

In 2022, the decision was made to align Bina's investment operations with the natural calendar: the winter season runs from October 1 to March 31, and the summer season from April 1 to September 30.

Therefore, starting with this report, the period from October to December 2022 is considered the first quarter of 2023.

Note 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, 2023
Cash	16.62
Immediately available fixed income instruments	-

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, 2023, are summarized below, based on the main industry of the business.

	Cost	Unrealized Gains	Unrealized Losses	Market Value
Banks, Insurance, and Finance	6,962	-	(2,026)	4,936
Commercial, Industrial, and Others**	28,623	54	(20,496)	8,181
Consumer Products	436,898	-	(75,525)	361,464
Total	472,573	54	(98,046)	374,581

**** 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 3 months of 2022 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 September 30, 2022	500	-	500	2,000,000	1,997,359	2,641
Shares sent to treasury	-	-	-	-	-	-
Shares issued	-	-	-	-	(1,047)	1,047
Balance as of March 31, 2023	500	-	500	2,000,000	1,996,312	3,668

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 7. Dividends received

Below is a balance of the dividends that Bina has received to date:

	As of December 31, 2021	As of December 31, 2022	As of March 31, 2023
Mexican entities	382.01	382.01	382.01
Foreign entitites	227.63	437.34	489.07
Total	609.64	819.35	871.08

Note 6. Contingencies and Commitments

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