

# QUARTERLY REPORT

For the quarterly period ending March 31, 2024

## **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

2024-2

## QUARTERLY REPORT

Number of common shares outstanding as of October 15, 2024:

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)**

	<b>March 31, 2023</b>	<b>September 30, 2023</b>
<b>ASSETS</b>		
Cash and equivalents – Note 3	476	3,073
Investments in shares – Note 4	288,156	356,351
Taxes receivable	1,705	1,359
<b>Total Assets</b>	<b>290,338</b>	<b>360,782</b>
<b>LIABILITIES AND EQUITY</b>		
Taxes payable	6,124	6,119
<b>Total liabilities</b>	<b>6,124</b>	<b>6,119</b>
<b>Shareholders' Equity:</b>	(6,341)	(6,341)
Share premium	442,125	442,125
Retained earnings	43,028	45,293
Other comprehensive income	(194,598)	(126,413)
<b>Shareholders' Equity</b>	<b>284,214</b>	<b>354,663</b>
<b>Book Value per Share</b>	<b>67</b>	<b>83</b>

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

	<b>6 months</b>	
	Oct 1, 2023 to Mar 31, 2024	Oct 1 2022 to Mar 31, 2023
Operating Expenses		
Financial expenses	(2,307)	(2,566)
Financial products	-	95
<b>Earnings Before Taxes and Gains from Sale of Capital Assets</b>	<b>(2,307)</b>	<b>(2,471)</b>
Gains from Sale of Capital Assets	46	11,400
Earnings Before Taxes	(2,260)	8,929
Taxes on Earnings	(5)	(1,167)
<b>Net Income (Loss) for the Year</b>	<b>(2,265)</b>	<b>7,762</b>
Change in Revaluation of Shares	(72,080)	63,435
Comprehensive Income of the Year	(74,345)	71,197
<b>Shares outstanding</b>	<b>4,253</b>	<b>4,253</b>

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

	3 months	
	Oct 1, 2023 to Mar 31, 2024	Oct 1 2022 to Mar 31, 2023
Cash from Operating Activities:		
Net Income (Loss) for the Year	(2,265)	7,762
Taxes Payable	5	1,167
Taxes Receivable	(346)	(409)
Gains from Sale of Capital Assets	(46)	(11,402)
Interest Receivable	-	95
Taxes Paid	-	-
<b>Net Cash Flows from Operating Activities</b>	<b>(2,653)</b>	<b>(2,788)</b>
Cash from Investing Activities:		
Purchase of Investments in Stocks	(7,245)	(160,803)
Sale of Investments in Stocks	3,406	53,588
Dividends Received	3,895	106
<b>Net Cash Flows from Investing Activities</b>	<b>57</b>	<b>(107,109)</b>
Cash from Financing Activities:		
Stock Subscriptions	-	95,150
<b>Cash Flow from Financing Activities</b>	<b>-</b>	<b>95,150</b>
<b>Net Change in Cash for the Period</b>	<b>(2,596)</b>	<b>(14,747)</b>
Cash and Cash Equivalents at the Beginning of the Period	3,073	14,763
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>476</b>	<b>17</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
As of March 31, 2024

**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.

**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.

**Note 3. Immediately Available Fixed Income Instruments**

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

	<b>March 31, 2023</b>
<b>Cash</b>	476.42
<b>Immediately available fixed income instruments</b>	-

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.

**Note 4. Investments in shares**

The capital stock investments as of March 31, 2023, are summarized below, based on the main industry of the business.

	<b>Cost</b>	<b>Unrealized Gains</b>	<b>Unrealized Losses</b>	<b>Market Value</b>
<b>Banks, Insurance, and Finance</b>	4,212	-	(447)	3,765
<b>Commercial, Industrial, and Others**</b>	29,939	-	(20,131)	9,808
<b>Consumer Products</b>	455,515	-	(180,932)	274,583
<b>Total</b>	489,665	-	(201,510)	312,261

**\*\* 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 6 months of Bina's 2024 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, 2023	500	-	500	2,000,000	1,996,247	3,753
Shares sent to treasury	-	-	-	-	-	-
Shares issued	-	-	-	-	-	-
Balance as of December 31, 2023	500	-	500	2,000,000	1,996,247	3,753

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.