

# 2Q23

## EARNINGS RELEASE

**CADU**  
INMOBILIARIA



## CADU MAINTAINS ITS LEADERSHIP IN GREEN HOMES DEVELOPMENT AND ITS OPERATING GROWTH TREND IN 1H23, GENERATING A POSITIVE FREE CASH FLOW TO FIRM.

Cancun, Quintana Roo, Mexico, July 25, 2023. – Corpovael, S.A.B. de C.V. (BMV: CADUA), a leading homebuilder in the development of affordable entry-level, middle-income, middle-income residential and residential homes in Mexico, announced today its results for the second quarter (“2Q23”). The figures presented in this report are expressed in nominal Mexican pesos (MXN) are preliminary and non-audited, prepared in accordance with IFRS and current interpretations and may exhibit minor discrepancies due to rounding. **Should there be any discrepancies or questions arising from this English version, please refer to the Spanish-language earnings release.**

### OPERATIONAL AND FINANCIAL HIGHLIGHTS

- 🏠 Homes sold during 2Q23 totaled 924, remaining practically at the same level as in 2Q22 (-0.1%). Year-to-date, units sold increased 13.5%, totaling 1,887.
- 🏠 In 2Q23, total revenue amounted to MXN 1,169 million, 17.5% more than the MXN 994 million in 2Q22. During 1H23, total revenues reached MXN 2,313 million, increasing 41.5% compared to MXN 1,635 million in the 1H22.
- 🏠 In 2Q23, average sale price stood at MXN 970 thousand, decreasing 8.8% versus MXN 1.1 million in 2Q22. Year-to-date, average sale price was MXN 958 thousand, increasing 0.4% versus the same period 2022.
- 🏠 During 2Q23, operating income reached MXN 134 million, increasing 111.4% versus MXN 64 million in 2Q22. For the 1H23, operating income totaled MXN 267 million, 216.6% higher than the same period 2022.
- 🏠 EBITDA went from MXN 169 million in 2Q22 to MXN 186 million in 2Q23, increasing 10.0%. 1H23 EBITDA reached MXN 378 million, 64.4% higher than the MXN 230 million in 1H22.
- 🏠 Net income presented an increase of 37.8%, from MXN 64 million in 2Q22 to MXN 88 million in 2Q23. In 1H23, net income reached MXN 161 million, vs. MXN 36 million in 1H22.
- 🏠 During 2Q23, the free cash flow to firm generated was MXN 437 million, 181.1% higher than the MXN 156 million generated in 2Q22. During 1H23, free cash flow to firm reached MXN 902 million, vs. MXN 78 million in 1H22.
- 🏠 Working capital cycle for 2Q23 was 740 days, 456 days lower than the 1,196 days in 2Q22.
- 🏠 At the end of 2Q23, cash and cash equivalents reached MXN 530 million, 16.8% higher than the MXN 454 million recorded in the same period 2022.
- 🏠 Total debt went from MXN 3,497 million in 2Q22 to MXN 2,291 million in 2Q23, decreasing 34.5% (-MXN 1,206 million).
- 🏠 During 2Q23, sales of land plots and commercial areas amounted to MXN 256 million, contributing to the strengthening of liquidity and financial position.

## 2Q23 VS. 2Q22 RESULTS COMPARISON

KEY INDICATORS (MXN Million)						
Indicator	2Q22	2Q23	Δ%	1H22	1H23	Δ%
Home Sold (Units)	925	924	(0.1%)	1,663	1,887	13.5%
Average Sale Price (MXN thousands)	1,064	970	(8.8%)	954	958	0.4%
Home Sold Revenue	984	896	(8.9%)	1,587	1,807	13.9%
Commercial Land Plot Sales	8	256	3,119.4%	37	486	1,206.4%
Other	2	16	563.9%	11	20	82.1%
<b>Total Revenue</b>	<b>994</b>	<b>1,169</b>	<b>17.5%</b>	<b>1,635</b>	<b>2,313</b>	<b>41.5%</b>
Operating Income	64	134	111.4%	84	267	216.6%
<b>EBITDA</b>	<b>169</b>	<b>186</b>	<b>10.0%</b>	<b>230</b>	<b>378</b>	<b>64.4%</b>
EBITDA Margin (%)	17.0	15.9	(1.1 pp.)	14.1	16.4	2.3 pp.
<b>Net Income</b>	<b>64</b>	<b>88</b>	<b>37.8%</b>	<b>36</b>	<b>161</b>	<b>350.8%</b>
Net Margin (%)	6.4	7.5	1.1 pp.	2.2	7.0	4.8 pp.
FCFF	156	437	181.1%	78	902	1,062.4%
Interest Coverage	0.93x	2.03x	1.10x	0.93x	2.03x	1.10x
Net Debt / LTM EBITDA	10.31x	2.23x	(8.08x)	10.31x	2.23x	(8.08x)
Leverage (Liabilities/Equity)	1.22x	0.94x	(0.28x)	1.22x	0.94x	(0.28x)
EPS* (MXN)	0.20	0.27	32.6%	0.11	0.49	332.3%

\*Figures in Mexican pesos. Considering 319,172,265 shares outstanding in 2Q23 and 2Q22.

BALANCE SHEET INDICATORS (MXN Million)		
Indicator	2Q22	2Q23
Cash & Cash Equivalents	454	530
Accounts Receivable	382	650
Inventory	7,937	7,571
Other Assets	1,787	1,265
<b>Total Assets</b>	<b>10,560</b>	<b>10,017</b>
Bank Debt	2,266	1,432
Local Notes	1,231	859
Total Debt	3,497	2,291
Other Liabilities	2,308	2,571
<b>Total Liabilities</b>	<b>5,806</b>	<b>4,862</b>
<b>Stockholders' Equity</b>	<b>4,754</b>	<b>5,155</b>

FINANCIAL INDICATORS		
Indicator	2Q22 LTM	2Q23 LTM
ROE (%)	(3.2)	7.5
ROA (%)	(1.5)	3.8
EBITDA (MXN Million)	295	789
Net Income (MXN Million)	(154)	385
EPS (MXN)	(0.49)	1.21
WCC (days)	1,196	740

**Message from the CEO**

Dear investors:

This second quarter we once again met our sales target by surpassing one billion pesos in revenues. This translates into three consecutive quarters exceeding this amount in revenue. Additionally, we have lowered the debt, generated positive cash flows, and improved our working capital cycle, thanks to land plot sales, the successful performance of our developments in Playa del Carmen, and an efficient inventory management.

In Playa del Carmen, we have two projects, one is a middle-income project that we incorporated in late 2022, and the other is affordable entry-level project, which yielded good sales results due to the recovery of demand from Infonavit beneficiaries.

In the second quarter, we continued following the strategy oriented to divest those land plots that are not part of our 4-year development and sales framework. The proceeds from these sales have been primarily used to reduce debt. At the same time, we have acquired land plots of better terms in payment to develop new projects in the next two years.

On the other hand, last May, we published our annual sustainability results. It shows our progress in environmental, social, and corporate governance matters. It highlights that in 2022 we built 2,476 homes with ECO CASA certification, that we certified 662 homes with EDGE Advanced certification, and that 57% of our homes sold revenues stemmed from green housing. This translates to at least 20% savings in Greenhouse Gas emissions. This ratifies CADU as a leader in Mexico in the development of ECO CASA-certified homes, having built so far over 26,000 homes with this certification.

The economic evolution in Quintana Roo remains favorable. The arrival of passengers at Cancun airport continues to beat all-time highs. In the last twelve months, as of the end of June, air traffic has surpassed the 32 million passengers mark, and the hotel occupancy rate is already recording pre-pandemic figures, considering that over 13 thousand additional rooms have been built in the last two years.

Lastly, although we are aware of the operating challenges from an inflationary environment, with labor shortages and high interest rates, our business outlook remains positive. In this sense, we remain confident to achieve the goals set at our 2023 Guidance.

**Pedro Vaca Elguero,**  
**Chairman and CEO**

## OPERATING RESULTS

### Homes Sold (Units)

Homes Sold (Units) by Housing Segment										
	2Q22	% total	2Q23	% total	Δ%	1H22	% total	1H23	% total	Δ%
AEL	713	77.1%	803	86.9%	12.6%	1,386	83.3%	1,641	87.0%	18.4%
AEL (UH)	34	3.7%	13	1.4%	(61.8%)	55	3.3%	30	1.6%	(45.5%)
Middle-income	117	12.6%	92	10.0%	(21.4%)	147	8.8%	177	9.4%	20.4%
Middle-income Residential	51	5.5%	8	0.9%	(84.3%)	56	3.4%	24	1.3%	(57.1%)
Residential	10	1.1%	8	0.9%	(20.0%)	19	1.1%	15	0.8%	(21.1%)
<b>Total Units</b>	<b>925</b>	<b>100.0%</b>	<b>924</b>	<b>100.0%</b>	<b>(0.1%)</b>	<b>1,663</b>	<b>100.0%</b>	<b>1,887</b>	<b>100.0%</b>	<b>13.5%</b>

NOTE: Affordable entry-level homes (AEL) are homes priced under MXN 1 million, used homes are affordable entry-level homes purchased and refurbished by CADU for resale, middle-income homes are homes priced from MXN 1 million to MXN 2.5 million, middle-income residential homes are homes priced from MXN 2.5 million to MXN 5 million, and residential homes are homes exceeding the MXN 5 million price tag.

Total sold units remained flat in a quarter-over-quarter basis. In particular, the lower sales volume of middle-income and middle-income residential was due to the conclusion (after 7 years) of the Long Island project in Cancun. Next quarter, we will open a new middle-income project in Cancun called OMBÚ. In addition, in the residential segment, we experienced the completion of the Allure project in Puerto Cancun, of higher income than Blume, as this latter is in partnership.

Year-to-date, units sold reached 1,887, 13.5% higher than those of 1H22, as in Cancun and Playa del Carmen, affordable entry-level segment continue to recover, and the new middle-income project in Playa del Carmen was not available in 2Q last year.

### Consolidated Revenue

Total Revenue (MXN million)										
	2Q22	% total	2Q23	% total	Δ%	1H22	% total	1H23	% total	Δ%
AEL	455	45.7%	581	49.7%	27.7%	880	53.8%	1,170	50.6%	33.0%
AEL (UH)	13	1.3%	8	0.7%	(37.1%)	22	1.3%	16	0.7%	(25.4%)
Middle-income	222	22.3%	197	16.9%	(11.1%)	276	16.9%	373	16.1%	35.4%
Middle-income Residential	165	16.6%	27	2.3%	(83.6%)	180	11.0%	82	3.5%	(54.7%)
Residential	129	13.0%	83	7.1%	(35.7%)	229	14.0%	166	7.2%	(27.7%)
Home Sold Revenue	984	99.0%	896	76.7%	(8.9%)	1,587	97.1%	1,807	78.1%	13.9%
Land Plot Sales	8	0.8%	256	21.9%	3,119.6%	37	2.3%	486	21.0%	1,206.4%
Other Revenue	2	0.2%	16	1.4%	563.9%	11	0.7%	20	0.9%	82.1%
Total Other	10	1.0%	273	23.3%	2,512.9%	48	2.9%	506	21.9%	952.4%
<b>Total Revenue</b>	<b>994</b>	<b>100.0%</b>	<b>1,169</b>	<b>100.0%</b>	<b>17.5%</b>	<b>1,635</b>	<b>100.0%</b>	<b>2,313</b>	<b>100.0%</b>	<b>41.5%</b>

Total revenue went from MXN 994 million in 2Q22 to MXN 1,169 million in 2Q23, increasing 17.5%. This growth was driven by the sale of a land plot in Playa del Carmen, for MXN 190 million

(in line with the strategy of encouraging the sale of assets to generate liquidity). Other revenue was MXN 16 million (+563.9%).

During 1H23, total revenue increased 41.5%, from MXN 1,635 million in 1H22 to MXN 2,313 million. This was driven by the combined effect of increased land plot sales, homes sold and other income.

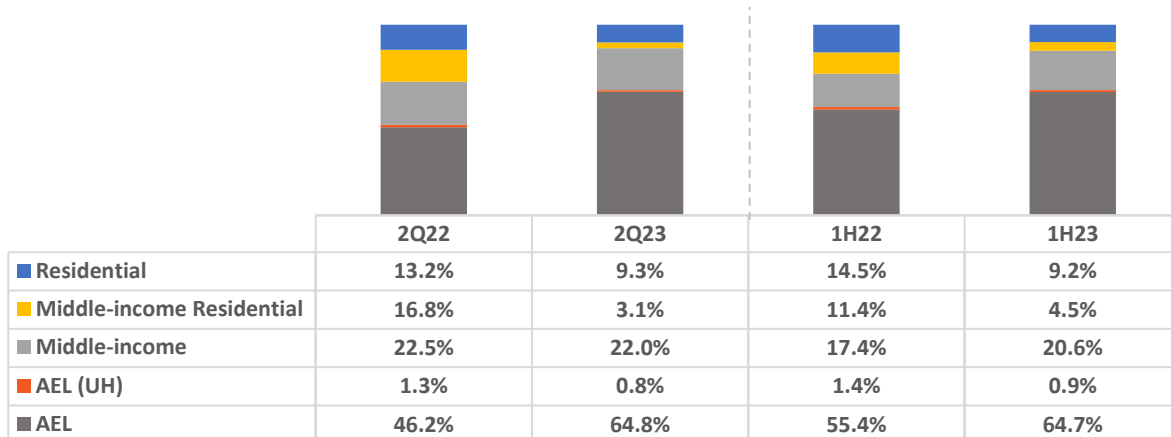
In 2Q23, revenues from homes sold contributed 76.7% of total revenues, sales of land plot and commercial areas with 21.9%, and other revenue with 1.4%.

Year-to-date, 78.1% of total revenues stemmed from homes sold, 21.0% from sales of land plot and commercial areas and the remaining 0.9% from other revenue.

By segment, in 2Q23, affordable entry-level income increased 27.7%; while affordable entry-level (UH) income decreased 37.1%, middle-income 11.1%, middle-income residential 83.6% and residential 35.7%.

During 1H23, affordable entry level income increased 33.0% and middle-income 35.4%; while affordable entry-level income (UH) decreased 25.4%, middle-income residential 54.7% and residential 27.7%, these two latter reflect the completion of projects.

#### Homes Sold Revenue by Housing Segment



#### Homes Sold Revenue by Market

Homes Sold Revenue by Market (MXN million)												
	2Q22	% total	2Q23	% total	Δ\$	Δ%	1H22	% total	1H23	% total	Δ\$	Δ%
Cancun	449	45.6%	289	32.2%	(160)	(35.6%)	654	41.2%	555	30.7%	(99)	(15.1%)
Playa del Carmen	115	11.7%	305	34.0%	190	165.2%	220	13.8%	578	32.0%	358	162.7%
Tulum	338	34.3%	274	30.5%	(64)	(18.9%)	622	39.2%	607	33.6%	(15)	(2.4%)
Mexico City	70	7.2%	21	2.4%	(49)	(70.0%)	70	4.4%	51	2.8%	(19)	(27.1%)
Other (UH)	12	1.2%	7	0.8%	(5)	(41.7%)	21	1.3%	16	0.9%	(5)	(23.8%)
<b>TOTAL</b>	<b>984</b>	<b>100.0%</b>	<b>896</b>	<b>100.0%</b>	<b>(88)</b>	<b>(8.9%)</b>	<b>1,587</b>	<b>100.0%</b>	<b>1,807</b>	<b>100.0%</b>	<b>220</b>	<b>13.9%</b>

NOTE: UH refers to Used Homes.

In 2Q23, homes sold revenues totaled MXN 896 million, 8.9% less than 2Q22. In this regard, in Playa del Carmen, the sale of affordable entry-level homes was recovered and La Selva was also sold; in Cancun there are no more sales of Allure and the last units of Long Island were sold; in Tulum the lack of labor has affected the delivery of inventory to meet sales targets (this is expected to normalize in the next quarter, to meet the objectives); and in Mexico City, the last project of this market are in its final phase of sale.

Year-to-date, homes sold revenue increased 13.9%, from MXN 1,587 million in 1H22 to MXN 1,807 million in 1H23. This was driven by affordable entry-level and middle-income projects in Playa del Carmen (+162.7%).

All the above reflects the effectiveness of CADU's diversification strategy and recovery of Infonavit's potential demand, since, according to the most recent data from SEDATU, this institution has granted more loans in each of the first four months of 2023, vs. those of 2022.

### Average Sale Price

The following table shows the annual comparison of average prices by segment:

Average Sale Price by Housing Segment (MXN thousands)								
Segment	2Q22	2Q23	Δ\$	Δ%	1H22	1H23	Δ\$	Δ%
AEL	638	724	86	13.4%	635	713	78	12.3%
AEL (UH)	371	611	240	64.6%	401	548	148	36.8%
Middle-income	1,895	2,143	248	13.1%	1,875	2,109	234	12.5%
Middle-income Residential	3,244	3,382	137	4.2%	3,216	3,396	180	5.6%
Residential*	12,944	10,399	(2,545)	(19.7%)	12,071	11,057	(1,013)	(8.4%)
<b>Total</b>	<b>1,064</b>	<b>970</b>	<b>(94)</b>	<b>(8.8%)</b>	<b>954</b>	<b>958</b>	<b>3</b>	<b>0.4%</b>

\*Only 60% of the sale Price of the units in the Blume development is considered.

During 2Q23, the average sale price stood at MXN 970 thousand, vs. MXN 1.1 million in 2Q22. For 1H23, the average sale price was MXN 958 thousand, remaining practically at the same level than 1H22.

This is due to a higher participation of the affordable entry-level segment in both periods (+18.6 pp. in 2Q23 and +9.3 pp. in 1H23) due to the recovery in sales of our project in Playa del Carmen, as well as the lower average price recorded in the residential segment (-19.7% in 2Q23 and -8.4% in 1H23). The latter as a consequence of the termination of Allure, which was replaced by Blume, of which only 60% of the sales price is recognized (the remaining 40% belongs to the partner that contributed the land), as well as the sale of the last homes in the middle-income segment in Long Island.

## FINANCIAL PERFORMANCE

### Income Statement

#### Cost of Sales

Revenue and Cost of Sales Breakdown (MXN million)								
Concepts	2Q22	% Rev	2Q23	% Rev	1H22	% Rev	1H23	% Rev
Home sold revenue	984	99.0%	896	76.7%	1,587	97.1%	1,807	78.1%
Land plot sales revenue	8	0.8%	256	21.9%	37	2.3%	486	21.0%
Other income	2	0.2%	16	1.4%	11	0.7%	20	0.9%
Total revenue	994	100.0%	1,168	100.0%	1,635	100.0%	2,313	100.0%
Cost of homes sold	802	81.5%	711	79.3%	1,303	82.1%	1,468	81.2%
Cost of land plots	2	22.1%	88	34.4%	13	35.7%	203	41.7%
Cost of other income	2	67.4%	49	297.5%	5	46.1%	49	247.3%
Total cost of sales	806	81.0%	848	72.6%	1,321	80.8%	1,719	74.3%
Cost of sales	702	70.6%	798	68.2%	1,180	72.2%	1,611	69.6%
Capitalized interests	103	10.4%	50	4.3%	141	8.6%	109	4.7%

The cost of sales to revenue ratio went from 81.0% in 2Q22 to 72.6% in 2Q23, decreasing 8.5 pp. This is mainly due to the higher contribution of land plot sales to revenues, as their margins are usually higher than those of homes sold.

During 1H23, the cost of sales ratio was 74.3%, 6.5 pp. lower than the 80.8% recorded in 1H22.

#### Gross Income

Gross Income (MXN million)												
	2Q22	% Rev	2Q23	% Rev	Δ\$	Δ%	1H22	% Rev	1H23	% Rev	Δ\$	Δ%
Gross Income	189	19.0%	321	27.4%	132	69.9%	314	19.2%	593	25.7%	280	89.2%

Gross income reached MXN 321 million in 2Q23, increasing 69.9% compared to MXN 189 million in 2Q22. This was mainly driven by an MXN 190 million land plot sale, which has a higher margin than homes sold.

In the 1H23, gross income reached MXN 593 million, increasing 89.2% versus MXN 314 million in 1H22. This was due to higher land plot sales (with higher margins than homes sold), the opening of new middle-income projects (with higher margins than affordable entry-level homes) and higher average prices in practically all segments.

#### SG&A

SG&A (MXN million)												
	2Q22	% Rev	2Q23	% Rev	Δ\$	Δ%	1H22	% Rev	1H23	% Rev	Δ\$	Δ%
SG&A	125	12.6%	186	15.9%	61	48.7%	229	14.0%	327	14.1%	97	42.4%

SG&A expenses increased 48.7%, from MXN 125 million in 2Q22 to MXN 186 million in 2Q23. This increase was due to higher sales commissions in Playa del Carmen and expenses related to specialized services (audit, taxes, appraisals). As a result, the ratio of expenses to revenues was 15.9% in 2Q23 (+3.3 pp. vs. 2Q22).

In 1H23, SG&A expenses totaled MXN 327 million, 42.4% more than the MXN 229 million in 1H22. However, as a percentage of revenue, 1H23 expenses stood at 14.1%, remaining practically at the same level than 1H22.

**EBITDA**

EBITDA Breakdown (MXN million)								
Concepts	2Q22	2Q23	Δ\$	Δ%	1H22	1H23	Δ\$	Δ%
EARNINGS AFTER TAXES	64	88	24	37.8%	36	161	125	350.8%
(+) Income tax	(20)	23	43	(217.2%)	13	52	40	313.7%
EARNINGS BEFORE TAXES (EBT)	44	111	67	153.6%	48	213	165	341.1%
(+) Capitalized CFR	103	50	(53)	(51.2%)	141	109	(32)	(22.9%)
(+) Non-capitalized interest	25	30	5	20.8%	47	69	22	46.1%
(-) Other income (expenses), net	5	6	1	28.9%	11	16	4	37.6%
(+) Depreciation & amortization	2	1	(1)	(40.7%)	5	3	(2)	(44.9%)
<b>EBITDA</b>	<b>169</b>	<b>186</b>	<b>17</b>	<b>10.0%</b>	<b>230</b>	<b>378</b>	<b>148</b>	<b>64.4%</b>
<b>EBITDA Margin</b>	<b>17.0%</b>	<b>15.9%</b>	<b>-</b>	<b>(1.1 pp.)</b>	<b>14.1%</b>	<b>16.4%</b>	<b>-</b>	<b>2.3 pp.</b>

During 2Q23, EBITDA totaled MXN 186 million, increasing 10.0% versus MXN 169 million in 2Q22. This was mainly due to a land plot sale for MXN 190 million, as it has a higher margin than homes sold.

EBITDA for 1H23 totaled MXN 378 million, outperforming by 64.4% the MXN 230 million of 1H22. This is due to the Company's diversification strategy (opening of new middle-income projects with higher margins than affordable entry-level), as well as the sale of two land plot (sales featured by higher margins than homes sold).

**Operating Income**

Operating Income (MXN million)												
	2Q22	% Rev	2Q23	% Rev	Δ\$	Δ%	1H22	% Rev	1H23	% Rev	Δ\$	Δ%
Operating Income	64	6.4%	134	11.5%	71	111.4%	84	5.2%	267	11.5%	183	216.6%

In 2Q23, operating income increased 111.4%, from MXN 64 million in 2Q22 to MXN 134 million in 2Q23. Likewise, the operating margin increased 5.1 pp., from 6.4% in 2Q22 to 11.5% in 2Q23.

During 1H23, operating income totaled MXN 267 million, 216.6% over the MXN 84 million obtained in the same period 2022; as a percentage of revenue, operating income was 11.5%, increasing 6.4 pp. versus the 5.2% of 1H22.

Both growth rates were driven by higher revenues generated in both periods.

**Net Income**

Net Income and EPS (MXN million)								
Concepts	2Q22	2Q23	Δ\$	Δ%	1H22	1H23	Δ\$	Δ%
Consolidated Net Income	64	88	24	37.8%	36	161	125	350.8%
Net Margin	6.4%	7.5%	-	1.1 pp.	2.2%	7.0%	-	4.8 pp.
Controlling Interest	64	85	21	32.6%	36	157	121	332.3%
Earnings Per Share* (MXN)	0.20	0.27	0.07	32.6%	0.11	0.49	0.38	332.3%

\*Figures in Mexican pesos. Considering 319,172,265 shares outstanding as of 2Q23 and 2Q22.

During 2Q23, net income increased 37.8%, from MXN 64 million in 2Q22 to MXN 88 million. The net margin for the quarter was 7.5%, increasing 1.1 pp. vs. 2Q22.

In 1H23, net income totaled MXN 161 million, up 350.8% from MXN 36 million in 1H22. The net margin increased 4.8 pp., from 2.2% in 1H22 to 7.0% in 1H23.

In 2Q23, earnings per share (EPS) were MXN 0.27, vs. MXN 0.20 in 2Q22. For the first half of the year, EPS reached MXN 0.49, vs. MXN 0.11 in 1H22.

The above was driven by higher revenues and margins in both periods.

**Financial Position**
**Cash & Cash Equivalents**

Cash and Cash Equivalents (MXN million)				
	2Q22	2Q23	Δ\$	Δ%
Cash and Cash Equivalents	454	530	76	16.8%

As of June 30, 2023, cash and cash equivalents was MXN 530 million, 16.8% higher than the MXN 454 million in 2Q22. This increase is result of higher homes sold so far this year, and the sale of two land plots for MXN 304 million (MXN 190 million in 2Q and MXN 114 million in 1Q). Of the total cash, MXN 51 million belong to the reserve fund created to guarantee the payment of the "CADU20V" green bond.

CADU's cash resources are invested primarily in debt instruments of high credit quality in the short-term.

**Working Capital Cycle (WCC)**

Working Capital Cycle (WCC)					
Concepts	As of June 30, 2022		As of June 30, 2023		Δ days
	Amount (MXN Million)	Days	Amount (MXN Million)	Days	
Accounts Receivable	382	48	650	53	5
Inventory (includes Land Bank)	7,937	1,282	7,571	858	(424)
Suppliers	606	98	1,238	140	42
Prepayments	223	36	267	30	(6)
<b>WCC</b>	<b>7,489</b>	<b>1,196</b>	<b>6,716</b>	<b>740</b>	<b>(456)</b>

At the end of 2Q23, the working capital cycle was 740 days, 456 days less than the 1,196 days of 2Q22. This is the result of higher homes sold in the last 12 months.

Accounts receivable were MXN 650 million (AR turnover of 53 days), vs. MXN 382 million in the same period 2022 (AR turnover of 48 days). This increase is explained by the loans granted to some clients to stimulate the sale of the Blume residential project and the payment term afforded in the land plots sold in the last three quarters.

The suppliers' account went from MXN 606 million in 2Q22 (accounts payable turnover of 98 days) to MXN 1,238 million in 2Q23 (accounts payable turnover of 140 days). This was mainly due to better terms and conditions agreed with land plot suppliers.

### Debt

We continued with our efforts to reduce debt, resulting in a decrease of MXN 1,206 million over the last twelve months, and from 1Q23 to 2Q23 we were able to reduce debt by MXN 320 million. Proceeds from land plot sales have been used to lower debt, coupled with a strict expense control and inventory management. Total debt decreased 34.5%, from MXN 3,497 million in 2Q22 to MXN 2,291 million in 2Q23. This was result of decreased balances in bank loans (-36.8%) and securities debt (-30.2%).

Bank Loans (MXN million)						
Concept	2Q22	% of total debt	2Q23	% of total debt	Δ\$	Δ%
Bridge Loans	1,584	45.3%	897	39.1%	(687)	(43.4%)
Land Bank	68	2.0%	-	-	(68)	(100.0%)
Working Capital	614	17.6%	535	23.4%	(79)	(12.9%)
<b>Total</b>	<b>2,266</b>	<b>64.8%</b>	<b>1,432</b>	<b>62.5%</b>	<b>(834)</b>	<b>(36.8%)</b>

Bank loans went from MXN 2,266 million in 2Q22 to MXN 1,432 million in 2Q23, a decrease of 36.8%. This was due to lower bridge loans (-43.4%) and working capital loans (-12.9%), as well as the full payment of infrastructure loans.

Debt Securities – Local Notes (MXN million)						
Concept	2Q22	% of total debt	2Q23	% of total debt	Δ\$	Δ%
CADU 18	229	6.5%	-	-	(229)	(100.0%)
CADU 19	500	14.3%	357	15.6%	(143)	(28.6%)
CADU 20V	502	14.4%	502	21.9%	-	-
<b>Debt Securities</b>	<b>1,231</b>	<b>35.2%</b>	<b>859</b>	<b>37.5%</b>	<b>(371)</b>	<b>(30.2%)</b>
<b>Total Debt*</b>	<b>3,497</b>	<b>100.0%</b>	<b>2,291</b>	<b>100.0%</b>	<b>(1,206)</b>	<b>(34.5%)</b>

\*100% of the Company's debt, as of June 30, 2023, is contracted in Mexican pesos.

At the end of 2Q23, securities debt totaled MXN 859 million, 30.2% less than the MXN 1,231 million of 2Q22. This was result of the full amortization of "CADU18" CEBUR and the principal payments of the "CADU19" local notes, that were made this quarter, in accordance with the amortization schedule.

Of the total debt, 39.1% corresponds to bridge loans, 37.5% to stock market debt and the remaining 23.4% to working capital loans.

Debt Maturities as of June 2023 (MXN million)						
Concept	Current Year	Up to 1 year	Up to 2 years	Up to 3 years	After 4 years	Total
Bank Loans	274	182	540	436	-	1,432
CADU 19	214	143	-	-	-	357
CADU 20V	-	-	-	-	502	502
<b>Total</b>	<b>488</b>	<b>325</b>	<b>540</b>	<b>436</b>	<b>502</b>	<b>2,291</b>
<b>% Total</b>	<b>21.3%</b>	<b>14.2%</b>	<b>23.6%</b>	<b>19.0%</b>	<b>21.9%</b>	<b>100.0%</b>

Regarding the maturity profile, 21.3% of the debt matures in the next 6 months, 14.2% in the first half of 2024, 23.6% within 2 years, 19.0% in 3 years and the remaining 21.9% matures after 4 years. CADU does not have any debt contracted in foreign currency.

It is important to mention that, of the MXN 274 million maturing during the year, in July a MXN 92 million pre-bridge loan was converted into a bridge loan and we are about to renew our current lines for MXN 185 million; the rest are scheduled repayments of simple and bridge loans that we are about to pay in full over the next few months.

In addition, CADU continues to promote the sale of assets as part of its strategy to generate liquidity, as it was reflected in the sale of another land plot this period, for MXN 190 million. These resources will help the Company to better meet its short-term maturities.

For a detailed breakdown, the maturities of the next 6 quarters are shown below:

Debt Maturity by Quarter (MXN million)						
Concept	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24
Bank Loans	245	28	10	172	200	-
CADU 19	107	107	107	36	-	-
<b>Total</b>	<b>353</b>	<b>135</b>	<b>117</b>	<b>208</b>	<b>200</b>	<b>-</b>
<b>% Total</b>	<b>15.4%</b>	<b>5.9%</b>	<b>5.1%</b>	<b>9.1%</b>	<b>8.7%</b>	<b>-</b>

15.4% of the total debt matures during 3Q23, only 5.9% matures in 4Q23, 5.1% matures during 1Q24, 9.1% towards 2Q24, 8.7% until 3Q24 and there are no maturities in 4Q24.

Of the MXN 353 million maturing in 3Q23, MXN 185 million corresponds to current account loans that are renewed annually and MXN 92 million to the pre-bridge loan that was converted to a bridge loan in July.

At the end of 2Q23, CADU's corporate ratings from HR Ratings and Verum were "HR BBB" and "BBB/M", respectively. Verum and HR Ratings assigned ratings of "BBB/M" and "HR BBB" for CADU19 and "A/M" and "HR A+" for CADU20V.

Leverage and Interest Coverage (Times)			
Concepts	2Q22	2Q23	Covenant
Net Debt to EBITDA	10.31	2.23	Not greater than 3.0
Total Liabilities / Equity	1.22	0.94	Not greater than 3.0
EBITDA / Interest Paid	0.93	2.03	Not less than 2.5

On April 21, 2023, the bondholders authorized the extension of the waiver of covenants for "CADU19" and "CADU20V" CEBURES, for 2023.

As of June 30, 2023, the weighted cost of debt was 13.34% (TIIE + 1.84 pp. / not considering commissions). At the end of 2Q23, 78.1% of the total debt was contracted at a variable rate and 21.9% at a fixed rate of 9.13%.

### Total Liabilities and Stockholders' Equity

Total Liabilities and Stockholders' Equity (MXN million)						
Concepts	2Q22	% of total	2Q23	% of total	Δ\$	Δ%
Total liabilities	5,806	55.0%	4,862	48.5%	(944)	(16.3%)
Stockholders' Equity	4,754	45.0%	5,155	51.5%	401	8.4%
<b>Total</b>	<b>10,560</b>	<b>100.0%</b>	<b>10,017</b>	<b>100.0%</b>	<b>(543)</b>	<b>(5.1%)</b>

Stockholders' Equity grew 8.4% at the end of this quarter, from MXN 4,754 million in 2Q22 to MXN 5,155 million in 2Q23. This was result of the net income generated by the Company in recent periods.

In 2Q23, the capital structure was composed of 48.5% liabilities and 51.5% equity; while in 2Q22, 55.0% was liabilities and 45.0% equity.

### Cash Flow

#### Cash Variations

Cash Flow (MXN million)						
Concepts	2Q22	2Q23	Δ%	1H22	1H23	Δ%
Earnings before taxes (EBT)	44	111	153.6%	48	213	341.1%
Investment activities and other	41	1	(96.8%)	(211)	4	101.7%
Financing activities	103	50	(51.2%)	141	109	(22.9%)
<b>Cash flow before taxes</b>	<b>189</b>	<b>163</b>	<b>(13.7%)</b>	<b>(22)</b>	<b>326</b>	<b>1,589.1%</b>
Cash flow from operating activities	(38)	264	802.2%	88	561	537.5%
<b>Net cash flow from operating activities</b>	<b>151</b>	<b>427</b>	<b>182.4%</b>	<b>66</b>	<b>887</b>	<b>1,241.2%</b>
Net cash flow from investment activities	5	11	136.0%	11	15	32.3%
Net cash flow from financing activities	(130)	(462)	254.7%	(117)	(1,034)	782.3%
<b>Δ Cash and cash activities</b>	<b>25</b>	<b>(25)</b>	<b>(197.9%)</b>	<b>(40)</b>	<b>(132)</b>	<b>233.6%</b>
Cash and equivalents – beginning of period	429	555	29.5%	494	663	34.2%
<b>Cash and Cash equivalents – end of period</b>	<b>454</b>	<b>530</b>	<b>16.8%</b>	<b>454</b>	<b>530</b>	<b>16.8%</b>
<b>Free Cash Flow to Firm</b>	<b>156</b>	<b>437</b>	<b>181.1%</b>	<b>78</b>	<b>902</b>	<b>1,062.4%</b>

In 2Q23, free cash flow to firm reached MXN 437 million, increasing 181.1% compared to MXN 156 million in 2Q22.

Accumulated free cash flow to firm for the year amounted to MXN 902 million, representing an increase of 1,062.4% compared to the MXN 78 million of 1H22.

All of the above was driven by higher income generation from increased homes sold and the sale of assets to boost liquidity (much of which was used to reduce debt).

## ESG

In line with its high commitment to best practices in Environmental, Social and Corporate Governance (ESG), the Company has been recognized and certified by different institutions. The distinctions include:

- 🏠 **Climate Bond Initiative Certification**, under the "Low Carbon Buildings" modality, which made the "CADU20V" green bond as the first of the housing sector in Latin America to obtain this distinction.
- 🏠 **PRIME Corporate Governance Certification**, granted by Bancomext, Nacional Financiera, BMV, BIVA and AMIB when a company satisfactorily complies to the PRIME Guide that promotes best practices in this ecosystem.
- 🏠 **Environmental Finance's GREEN BOND Award**, granted for standing out in innovation, leadership, best practices, and contribution to the development of a sustainable financial market.
- 🏠 **First GREEN BOND recognition for a housing developer in the local market**, presented by the Green Finance Advisory Board as part of the Green, Social and Sustainable Bonds 2020-2021 Awards. These awards are granted to companies that reinforce their commitment to sustainability and demonstrate increasingly robust strategy implementation.
- 🏠 **EDGE Advanced Certification** from the IFC (of the World Bank Group) to CADU's prototypes that allow savings of up to 47% in energy, 39% in water and 75% in embodied energy in materials.
- 🏠 **Grupo Expansión, Transparencia Mexicana and Mexicanos Contra la Corrupción have recognized CADU** for its fight against corruption.
- 🏠 **ESR Distinction for Large Companies**, granted for the second consecutive year, by the Mexican Center of Philanthropy (Centro Mexicano para la Filantropía), and the Alliance for Corporate Social Responsibility for Mexico (Alianza por la Responsabilidad Social Empresarial por México) as a result of the commitment shown by CADU to Environmental, Social and Corporate Governance issues.

For further details on the above, please refer to the 2022 Annual Sustainability Report.

## Recent Developments

- 🏠 On July 12, 2023, CADU informed that it was notified of a legal proceeding related to a business entered in 2017 by one of its subsidiaries. Given the inadmissibility and lack of justification of each and every one of the claims, CADU is attending with its advisors the response to those claims (offering arguments and evidence of inadmissibility).
- 🏠 On April 27, 2023, CADU informed that the Board of Directors, upon favorable opinion of the Audit Committee, approved to ratify the appointment of RSM Mexico Bogarín, S.C. as external auditors for the fiscal year 2023.
- 🏠 On April 25, 2023, CADU held its Ordinary General Shareholders' Meeting, which included the approval of the decree of non-payment of dividends in 2023, as well as the ratification of all members of the Board of Directors and approval of the appointment of Mr. Mauricio Torres Pimienta as a new member of the Board of Directors, replacing Mr. Javier Cervantes.

- On April 21, 2023, the holders of the "CADU19" and "CADU20V" CEBURES authorized the extension of the waiver for the covenants corresponding to these securities, which will be in effect all over this year.

## Analyst Coverage

As Corpovael, S.A.B. de C.V. ("CADU") has securities listed under the Internal Regulations of the Mexican Stock Exchange, the Company's stock has formal coverage from: Actinver Casa de Bolsa, BBVA Bancomer, Punto Casa de Bolsa, Apalache Análisis and Miranda GR. For more information, please go to <http://ri.caduinmobiliaria.com>

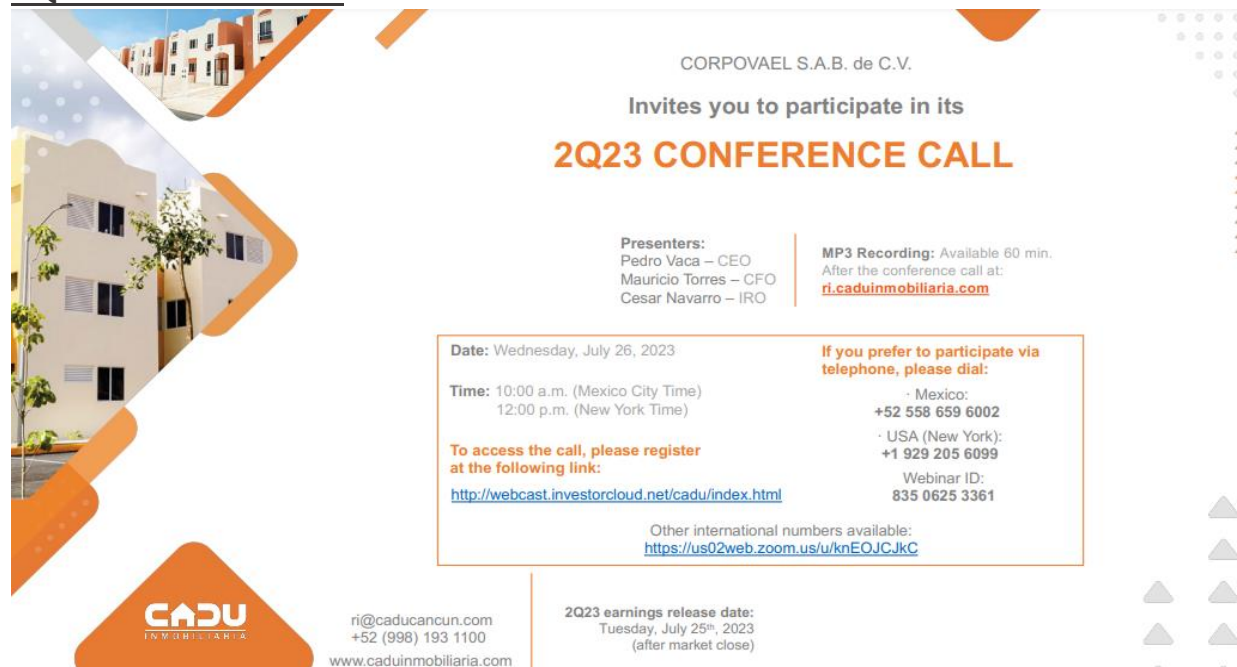
## About CADU

Corpovael, S.A.B. de C.V. "CADU" (BMV: CADUA) is a leading business group dedicated to the integrated development of affordable entry-level, middle-income, middle-residential and residential housing in Mexico. CADU has a successful track record of more than a decade in the housing sector, where it has built a successful business model through the search for high and sustained profitability; underpinning its competitive advantage in an agile and vertically integrated structure (developing activities of land acquisition, urbanization, construction and marketing), in places where it has identified a high potential demand for housing. It operates mainly in Quintana Roo, Mexico City and Jalisco.

## Forward-looking statements

*Information presented by the Company may contain forward-looking statements about future events and/or financial results. The reader should understand that the results obtained may differ from the projections contained in this document, as past results in no way offer any guarantee of future performance. For this reason, the Company assumes no responsibility for any indirect factors or elements beyond its control that might occur inside Mexico or abroad.*

## 2Q23 Conference Call



CORPOVAEL S.A.B. de C.V.  
Invites you to participate in its  
**2Q23 CONFERENCE CALL**

**Presenters:**  
Pedro Vaca – CEO  
Mauricio Torres – CFO  
Cesar Navarro – IRO

**MP3 Recording:** Available 60 min.  
After the conference call at:  
[ri.caduinmobiliaria.com](http://ri.caduinmobiliaria.com)

**Date:** Wednesday, July 26, 2023

**Time:** 10:00 a.m. (Mexico City Time)  
12:00 p.m. (New York Time)

**To access the call, please register at the following link:**  
<http://webcast.investorcloud.net/cadu/index.html>

**If you prefer to participate via telephone, please dial:**

- Mexico:  
+52 558 659 6002
- USA (New York):  
+1 929 205 6099
- Webinar ID:  
835 0625 3361

Other international numbers available:  
<https://us02web.zoom.us/j/knEOJCJkC>

**2Q23 earnings release date:**  
Tuesday, July 25<sup>th</sup>, 2023  
(after market close)

**CADU INMOBILIARIA**  
ri@caducancun.com  
+52 (998) 193 1100  
[www.caduinmobiliaria.com](http://www.caduinmobiliaria.com)

## Financial Statements

Corpovael, S.A.B. de C.V. and Subsidiaries Consolidated Statement of Financial Position As of June 30, 2023 and June 30, 2022 (Figures in MXN thousands)			
	June 30, 2022	June 30, 2023	Δ%
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$454,238	\$479,295	5.5%
Accounts receivable (Net)	381,538	650,225	70.4%
Other accounts receivable (Net)	993,807	370,601	(62.7%)
Housing inventory	4,951,633	3,155,258	(36.3%)
Other current assets	393,389	175,016	(55.5%)
<b>Total Current Assets</b>	<b>7,174,605</b>	<b>4,830,395</b>	<b>(32.7%)</b>
<b>Non-current Assets:</b>			
Restricted Cash	-	51,144	-
Housing inventory	2,985,120	4,415,632	47.9%
Property, plant and equipment (Net)	55,014	25,970	(52.8%)
Other Non-current assets	344,812	693,680	101.2%
<b>Total Non-current assets</b>	<b>3,384,946</b>	<b>5,186,426</b>	<b>53.2%</b>
<b>Total Assets</b>	<b><u>\$10,559,551</u></b>	<b><u>\$10,016,821</u></b>	<b><u>(5.1%)</u></b>
<b>Liabilities and Stockholders' Equity</b>			
<b>Current Liabilities</b>			
Bank loans	1,141,125	455,746	(60.1%)
Debt securities	371,429	357,144	(3.8%)
Suppliers	606,131	1,237,886	104.2%
Taxes payable	87,857	86,087	(2.0%)
Other current liabilities	1,039,843	288,576	(72.2%)
<b>Total Current Liabilities</b>	<b>3,246,384</b>	<b>2,425,439</b>	<b>(25.3%)</b>
<b>Non-current Liabilities</b>			
Bank loans	1,125,269	976,160	(13.3%)
Debt securities	859,243	502,099	(41.6%)
Lease liability	17,035	11,319	(33.6%)
Employee's benefits	-	648	-
Deferred Tax	557,612	946,180	69.7%
<b>Total Non-current Liabilities</b>	<b>2,559,159</b>	<b>2,436,406</b>	<b>(4.8%)</b>
<b>Total Liabilities</b>	<b><u>\$5,805,543</u></b>	<b><u>\$4,861,845</u></b>	<b><u>(16.3%)</u></b>
<b>Stockholders' Equity</b>			
Capital Stock	159,586	159,586	-
Retained earnings	4,555,811	4,947,961	8.6%
Controlling interest	4,715,397	5,107,547	8.3%
Non-controlling interest	38,611	47,429	22.8%
<b>Total Stockholders' Equity</b>	<b>4,754,008</b>	<b>5,154,976</b>	<b>8.4%</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b><u>\$10,559,551</u></b>	<b><u>\$10,016,821</u></b>	<b><u>(5.1%)</u></b>

Corpovael, S.A.B. de C.V. and Subsidiaries Statement of Consolidated Comprehensive Income (Figures in MXN thousands)										
	2Q22	% of Revenue	2Q23	% of Revenue	Δ%	1H22	% of Revenue	1H23	% of Revenue	Δ%
<b>Revenue:</b>										
Home Sold	\$984,018	99.0%	\$896,351	76.7%	(8.9%)	\$1,586,723	97.1%	\$1,807,003	78.1%	13.9%
Land Plot Sales	7,954	0.8%	256,072	21.9%	3,119.4%	37,193	2.3%	485,878	21.0%	1,206.4%
Other income	2,475	0.2%	16,432	1.4%	563.9%	10,853	0.7%	19,767	0.9%	82.1%
	<b>994,447</b>	<b>100.0%</b>	<b>1,168,855</b>	<b>100.0%</b>	<b>17.5%</b>	<b>1,634,769</b>	<b>100.0%</b>	<b>2,312,648</b>	<b>100.0%</b>	<b>41.5%</b>
<b>Cost and expenses:</b>										
Construction Cost	(702,251)	70.6%	(797,732)	68.2%	13.6%	(1,180,108)	72.2%	(1,610,534)	69.6%	36.5%
Capitalized Interest	(103,400)	10.4%	(50,446)	4.3%	(51.2%)	(141,049)	8.6%	(108,713)	4.7%	(22.9%)
Cost of Sales	(805,652)	81.0%	(848,178)	72.6%	5.3%	(1,321,157)	80.8%	(1,719,247)	74.3%	30.1%
Gross Income	188,794	19.0%	320,677	27.4%	69.9%	313,611	19.2%	593,401	25.7%	89.2%
Expenses	(122,770)	12.3%	(184,763)	15.8%	50.5%	(224,686)	13.7%	(323,983)	14.0%	44.2%
Depreciation	(2,405)	0.2%	(1,427)	0.1%	(40.7%)	(4,635)	0.3%	(2,552)	0.1%	(44.9%)
General Expenses	(125,175)	12.6%	(186,190)	15.9%	48.7%	(229,321)	14.0%	(326,535)	14.1%	42.4%
<b>Operating Income</b>	<b>63,619</b>	<b>6.4%</b>	<b>134,487</b>	<b>11.5%</b>	<b>111.4%</b>	<b>84,290</b>	<b>5.2%</b>	<b>266,866</b>	<b>11.5%</b>	<b>216.6%</b>
Other Expenses	0	-	64	-	-	0	-	0	-	-
<b>Earnings before interest and taxes</b>	<b>63,619</b>	<b>6.4%</b>	<b>134,551</b>	<b>11.5%</b>	<b>111.5%</b>	<b>84,290</b>	<b>5.2%</b>	<b>266,866</b>	<b>11.5%</b>	<b>216.6%</b>
Financial Income	4,638		5,977		28.9%	11,482		15,798		37.6%
Financial Expenses	(24,504)		(29,590)		20.8%	(47,388)		(69,247)		46.1%
	(19,865)		(23,613)		18.9%	(35,905)		(53,449)		48.9%
<b>Earnings Before Taxes</b>	<b>43,753</b>	<b>4.4%</b>	<b>110,938</b>	<b>9.5%</b>	<b>153.6%</b>	<b>48,385</b>	<b>3.0%</b>	<b>213,417</b>	<b>9.2%</b>	<b>341.1%</b>
<b>Income Taxes:</b>										
Current	(83,879)	8.4%	(36,370)	3.1%	(56.6%)	(116,379)	7.1%	(101,319)	4.4%	(12.9%)
Deferred	103,745	10.4%	13,088	1.1%	(87.4%)	103,745	6.3%	49,055	2.1%	(52.7%)
Net	<u>19,866</u>	<u>2.0%</u>	<u>(23,283)</u>	<u>2.0%</u>	<u>(217.2%)</u>	<u>(12,634)</u>	<u>0.8%</u>	<u>(52,265)</u>	<u>2.3%</u>	<u>313.7%</u>
<b>Net Comprehensive Consolidated Income</b>	<b><u>\$63,619</u></b>	<b><u>6.4%</u></b>	<b><u>\$87,656</u></b>	<b><u>7.5%</u></b>	<b><u>37.8%</u></b>	<b><u>\$35,751</u></b>	<b><u>2.2%</u></b>	<b><u>\$161,153</u></b>	<b><u>7.0%</u></b>	<b><u>350.8%</u></b>
Controlling interest	64,151		85,051		32.6%	36,418		157,422		332.3%
Non-controlling interest	(533)		2,605		588.7%	(668)		3,731		658.5%
<b>Net Comprehensive Consolidated Income</b>	<b>63,619</b>	<b>6.4%</b>	<b>87,656</b>	<b>7.5%</b>	<b>37.8%</b>	<b>35,751</b>	<b>2.2%</b>	<b>161,153</b>	<b>7.0%</b>	<b>350.8%</b>
Net Income (Loss) per Share*	0.20		0.27		32.6%	0.11		0.49		332.3%

\*Considering 319,172,265 outstanding shares in 2Q23 and 2Q22.

Corpovael, S.A.B. de C.V. and Subsidiaries  
Statement of Consolidated Cash Flow  
(Figures in MXN thousands)

	2Q22	2Q23	1H22	1H23
<b>Operating Activities</b>				
Earnings before taxes	43,753	110,940	48,385	213,419
Other	43,657	(23,282)	(204,466)	(52,265)
<b>Items Related to Investment Activities</b>				
Depreciation and Amortization	2,405	1,080	4,635	2,552
Interest income	(4,638)	(5,977)	(11,482)	(15,798)
Interest expenses	-	29,524	-	69,181
Net employee benefit cost	-	-	-	-
Equity in earnings of subsidiaries	-	-	-	-
Capitalized interest recognized in cost of sales	103,401	50,446	141,049	108,713
<b>Cash Flow from Earnings Before Taxes</b>	<b>188,578</b>	<b>162,731</b>	<b>(21,879)</b>	<b>325,802</b>
<b>Cash Flow from or used in Operating Activities</b>				
Decrease (increase) in accounts receivable	20,208	(181,595)	(132,972)	(133,796)
Decrease (increase) in inventory	(382,020)	11,293	(241,114)	443,947
Decrease (increase) in other accounts receivable and other current assets	299,862	811,635	(55,365)	(14,269)
Increase (decrease) in accounts payable	96,951	297,964	89,893	210,889
Increase (decrease) in other liabilities	(72,568)	(675,509)	427,561	54,285
<b>Net Cash Flows from or used in Operating Activities</b>	<b>151,011</b>	<b>426,519</b>	<b>66,123</b>	<b>886,858</b>
<b>Investment Activities</b>				
Investment in shares	-	-	-	-
Investment in property, plant and equipment	-	4,968	-	(610)
Receivables from sale of machinery and equipment	-	-	-	-
Other long-term accounts receivable	-	-	-	-
Interest received	4,638	5,977	11,482	15,798
<b>Net Cash Flows from or used in Investment Activities</b>	<b>4,638</b>	<b>10,945</b>	<b>11,482</b>	<b>15,188</b>
<b>Financing Activities</b>				
Bank loans	729,807	519,592	1,216,911	1,032,107
Debt certificates	-	-	-	-
Payment of financing to the trust	-	(38,606)	-	(75,725)
Amortization of bank loans	(709,939)	(733,011)	(1,072,346)	(1,547,557)
Amortization of debt certificates	(42,858)	(127,065)	(85,716)	(285,714)
Credit opening costs with financial institutions	-	19,921	-	40,988
Interests paid	(102,279)	(85,297)	(165,550)	(175,335)
Buyback program	-	-	-	(5,107)
Other items	(5,048)	(17,807)	(10,507)	(17,807)
<b>Net Cash Flows from or used in Financing Activities</b>	<b>(130,317)</b>	<b>(462,273)</b>	<b>(117,207)</b>	<b>(1,034,150)</b>
<b>Increase (decrease) in Cash and Cash Equivalents</b>	<b>25,332</b>	<b>(24,808)</b>	<b>(39,602)</b>	<b>(132,103)</b>
<b>Cash and Cash Equivalents at Beginning of the Period</b>	<b>428,905</b>	<b>555,246</b>	<b>493,839</b>	<b>662,540</b>
<b>Cash and Cash Equivalents at End of the Period</b>	<b>454,238</b>	<b>530,438</b>	<b>454,238</b>	<b>530,438</b>

Note on Financial Statements: in addition to the contents of this report, for a better analysis we recommend referring to details on financial statements at <http://ri.caduinmobiliaria.com>.