



RESEARCH UPDATE

Market Statistics in MXN

Price	\$ 34.13
52 week Range	\$29.00 - \$37.50
Daily Vol (3-mo. average)	22,157
Market Cap (M)	\$ 9,602.4
Enterprise Value (M)	\$17,513.4
Shares Outstanding: (M)	281.3
Float (M)	92.6

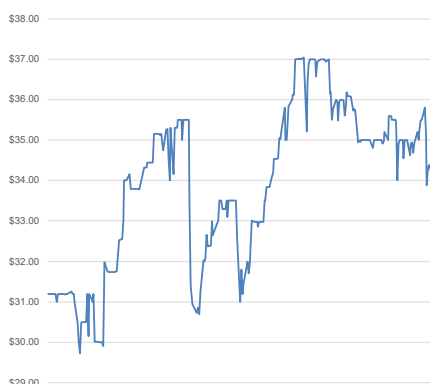
Financial Summary in MXN

Cash (M)	\$ 1,378.7
Cash/Share	\$ 4.90
Debt (M)	\$ 9,289.8
Equity (M)	\$ 8,742.2
Equity/Share	\$ 30.43

FYE: Dec 2025 2026E 2027E

(all figures in M, expect per share information)

Rev	\$15,705.6	\$16,786.0	\$18,718.1
Chng%	117%	7%	12%
EBITDA	\$ 2,773.5	\$ 3,067.2	\$ 3,428.1
Net Income	\$ 1,380.1	\$ 1,519.2	\$ 1,804.7
EPS	\$ 4.90	\$ 5.39	\$ 6.42
EV/Revenue	1.1x	1.0x	0.9x
EV/EBITDA	6.1x	5.7x	5.1x
P/E	6.5x	6.3x	5.3x



COMPANY DESCRIPTION

Founded in 2001 and headquartered in Mexico City, Vinte Viviendas Integrales is a vertically integrated homebuilder focused on the design, development, construction, marketing, and sale of sustainable housing in Mexico. VINTE continues to differentiate itself through a combination of sustainability leadership, innovative proptech platforms, a diversified mortgage base, and a conservative capital structure.

VINTE VIVIENDAS INTEGRALES (BMV: VINTE)

Growth Initiatives: VINTE's 3Q26 results showed further evidence of integration-led margin improvement, although titled volumes remained below prior-year levels. Gross margin expanded 210bps to 34.8% and EBITDA margin rose 130bps to 20.1% as higher home prices and construction efficiencies more than offset softer deliveries. The operating picture is stronger than the 0.6% decline in net income suggests, with the earnings comparison affected by a higher largely deferred tax charge. The next test is the conversion of new developments and substantial housing inventory into fourth-quarter deliveries and operating cash flow. Management continues to prioritize approximately 18% ROIC and leverage below 3.0x rather than pursuing unit volume for its own sake.

Quarterly Results: Revenue grew 5.9% y/y to MXN 4.36B, with gross profit increasing 12.7% to MXN 1.52B and EBITDA rising 13.1% to MXN 876M. Pretax earnings increased 10.1%, while net income declined 0.6% to MXN 377M as the effective tax rate rose to approximately 35% from 28%. EPS was MXN 1.32 versus MXN 1.36 a year earlier. For 9M26, revenue increased 7.9%, EBITDA 12.3%, and net income 3.8%.

Home Deliveries and Mortgage Metrics: VINTE titled 3,565 homes, down 10.1% y/y but up 7.1% sequentially; ASP increased 17.5% to approximately MXN 1.21M. Sales continued shifting into the MXN 1.0M–1.5M segment, with Javier and Derex ASP increasing 22.1% and 26.7%, respectively. Unamos Créditos increased to 23% of titling revenue from 19%. Management expects additional projects to begin generating revenue in 4Q26, although utility connections and permits caused approximately one-month delays for several developments.

Capital and Cash Flow: Third-quarter operating cash flow, including long-term land, was positive MXN 62M even as inventory increased approximately MXN 1.01B during the quarter. Cash declined to MXN 1.38B from MXN 1.61B, and net debt rose to MXN 7.91B from MXN 7.66B, leaving net debt/EBITDA broadly unchanged at 2.62x. VINTE placed a MXN 500M fixed-rate bond at 8.34%; 72% of debt is sustainable, SDG- or EDGE-linked, and all borrowings remain peso-denominated. Available long-term credit lines exceeded MXN 1.75B.

Outlook: While management continues to target approximately 10% revenue growth for FY26, our forecast currently implies 6.9% growth, reflecting a more conservative expectation for fourth-quarter deliveries and project completion timing. Management expects approximately 10–11 project openings in 4Q26, supporting future deliveries. Completion, titling and cash conversion are the principal short-term variables. Derex's 9M26 revenue and EBITDA rose 44.0% and 54.5%, respectively, supporting the larger northern-Mexico opportunity in Sonora and Baja California.

Valuation: We use a DCF Model and an EV/EBITDA comp analysis to guide our valuation. Our DCF analysis produces a valuation range of \$45.97 to \$57.69 with a mid-point of \$51.31. Our EV/EBITDA valuation results in a range of \$48.04 to \$54.13 with a mid-point of \$51.08.

Exhibit 1: Estimates vs Actuals and Y/Y Change

	3Q26 results		Notes
	Reported	Model	
Total revenues	4,361.1	4,570.0	Revenues slightly below estimates as volumes predicably declined
Cost of sales	2,845.5	3,023.0	
Gross (loss) profit	1,515.6	1,546.9	Gross margins expande even faster than our forecast
Gross margin	34.8%	33.9%	
Corporate Expenses	660.9	708.3	
D&A	40.5	45.0	
Other	1.2	-	
Total opex	702.6	753.3	
Operating Profit	813.0	793.6	Operating margins remained strong
Operating margin	18.6%	17.4%	
EBITDA - adjusted	875.6	848.6	
EBITDA margin	20.1%	18.6%	
Net income (loss)	\$ 377.28	\$ 461.94	

	Y/Y Change		
	3Q26	3Q25	
Total revenues	4,361.1	4,117.1	Revenues increased year over year
Cost of sales	2,845.5	2,772.6	
Gross (loss) profit	1,515.6	1,344.5	Margin expansion following expanding synergies
Gross margin	34.8%	32.7%	
Corporate Expenses	660.9	585.0	
D&A and Other	41.7	39.4	
Total opex	702.6	624.4	
Operating Profit	813.0	720.1	
Operating margin	18.6%	17.5%	
EBITDA - adjusted	875.6	773.9	Strong EBITDA growth year over year
EBITDA margin	20.1%	18.8%	
Net income (loss)	\$ 377.28	\$ 379.69	

Source: Company Presentation

VALUATION

To help frame our valuation we use a combination of comparative analysis and discounted cash flow analysis.

Our DCF analysis relies on a range of discount rates between 12.00% and 13.00% with a midpoint of 12.50%. This arrives at a valuation range of \$45.97 to \$57.69 with a mid-point of \$51.31.

Sensitivity Analysis:

Discount rate		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
11.50%		\$56.40	\$58.33	\$60.46	\$62.83	\$65.47
12.00%		\$52.12	\$53.80	\$55.65	\$57.69	\$59.96
12.50%		\$48.23	\$49.70	\$51.31	\$53.08	\$55.04
13.00%		\$44.68	\$45.97	\$47.38	\$48.92	\$50.62
13.50%		\$41.42	\$42.56	\$43.80	\$45.15	\$46.63

Comparative Analysis
(all figures in M, except per share information)

Company Name	Symbol	Price ⁽¹⁾	Mrkt Cap	EV	BV/Share	EV/Revenue ^(2, 3)			EV/EBITDA ^(2, 3)			P/E ^(2, 3)		
						2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E
Consortio ARA, S. A. B. de C. V.	ARA *	\$ 0.28	\$ 342.4	\$ 376.8	\$ 2.12	0.61x	0.71x	0.70x	5.6x	5.2x	5.1x	5.0x	8.0x	7.2x
Corpovael, S.A.B. de C.V.	CADU A	\$ 0.40	\$ 117.8	\$ 214.4	\$ 1.13	0.64x	0.70x	0.65x	N/A	N/A	N/A	3.7x	5.5x	5.4x
EZTEC Empreendimentos e Participações S.A.	EZTC3	\$ 2.05	\$ 570.0	\$ 589.4	\$ 3.64	2.72x	1.87x	1.42x	N/A	7.9x	5.5x	7.2x	5.6x	4.9x
Plano & Plano Desenvolvimento Imobiliário S.A.	PLPL3	\$ 0.97	\$ 196.6	\$ 321.9	\$ 1.06	0.94x	0.46x	0.40x	N/A	3.4x	2.5x	7.5x	3.6x	2.5x
Construtora Tenda S.A.	TEND3	\$ 3.83	\$ 469.6	\$ 537.1	\$ 2.42	0.80x	0.56x	0.48x	N/A	3.1x	2.6x	5.9x	3.9x	3.1x
Trisul S.A.	TRIS3	\$ 0.87	\$ 203.5	\$ 279.1	\$ 1.26	1.43x	0.94x	0.76x	N/A	5.4x	N/A	7.4x	4.4x	3.4x
Average					\$ 1.94	1.2x	0.9x	0.7x	5.6x	5.0x	3.9x	6.1x	5.2x	4.4x
Median					\$ 1.69	0.9x	0.7x	0.7x	5.6x	5.2x	3.8x	6.6x	5.0x	4.1x
Vinte Viviendas Integrales, S.A.B. de C.V.	VINTE *	\$ 1.83	\$ 505.4	\$ 943.6	\$ 1.69	1.1x	1.0x	0.9x	6.1x	5.7x	5.1x	6.5x	6.2x	5.0x

(1) Previous day's closing price

(2) Estimates are from Capital IQ

(3) Forward estimates as of calendar year

(4) All Values in USD at an exchange rate of \$18.56 MXN/USD

Source: Company reports, CapitalIQ, Stonegate Capital Partners

We are also using an EV/EBITDA framework to inform our VINTE valuation. Currently VINTE is trading at a 2027E EV/EBITDA of 5.1x compared to comps at an average of 3.9x. We note that historically VINTE has traded at a premium of 1.1x to comps, compared to a current FY27 premium of 1.3x which we believe is still to low when considering the Company's size. We are using our 2027E expected EBITDA, and an EV/EBITDA range of 6.3x to 6.8x with a midpoint of 6.5x which is a premium of 1.7x at the midpoint and is in-line with historical trading multiples. This arrives at a valuation range of \$48.04 to \$54.13 with a mid-point of \$51.08.

EV/EBITDA			
2027E	6.25x	6.50x	6.75x
Adj EBITDA	3,428.1	3,428.1	3,428.1
TEV	21,426	22,283	23,140
Cash	1,379	1,379	1,379
Debt	9,290	9,290	9,290
Mrkt Cap	13,515	14,372	15,229
S/O	281.3	281.3	281.3
Price (MXN\$)	\$ 48.04	\$ 51.08	\$ 54.13

Business Overview

Founded in 2001 and headquartered in Mexico City, Vinte Viviendas Integrales (“VINTE”) is a vertically integrated homebuilder focused on the design, development, construction, marketing, and sale of sustainable housing in Mexico. Since inception, VINTE has delivered over 86,000 homes, positioning itself as a leader in the affordable and middle-income housing market.

The Company leveraged federal housing programs like INFONAVIT to provide access to homeownership for formally employed individuals. Following the 2008 financial crisis and subsequent changes in government subsidies in 2013, VINTE responded by diversifying in segments and mortgage type, strengthening its technological capabilities, implementing energy-efficient features, and embracing financial discipline. These strategic shifts propelled VINTE to become a benchmark for green housing innovation and earned it global recognition. The December 2024 acquisition of Javier—a competitor three times its size—marked a transformational milestone, cementing VINTE’s position as the leading homebuilder in Mexico by number of homes built per year and top 3 public homebuilder in LATAM by revenue. The subsequent Derex acquisition broadened the Group’s exposure to northwestern Mexico.

Today, VINTE continues to differentiate itself through a combination of sustainability leadership, innovative proptech platforms, a diversified mortgage base, and a conservative capital structure. Its housing units are certified by international ESG frameworks such as EDGE and EDGE Advanced. Developed by the International Finance Corporation (IFC), EDGE (Excellence in Design for Greater Efficiencies) is a globally recognized green building standard focused on resource efficiency across energy, water, and materials. EDGE certification not only validates VINTE’s environmental performance but also reduces homeowners’ utility costs and increases the affordability of ownership. More importantly, the EDGE standard unlocks access to green financing channels and aligns with the ESG mandates of a growing pool of institutional investors. Certification can help secure lower interest rates on sustainability-linked bonds and attract impact-driven capital. VINTE’s commitment to this segment has elevated its profile with multilateral lenders and global ESG funds seeking scalable, high-impact investment opportunities in emerging markets. With an experienced management team and long-term shareholders that include Mexican pension funds and international ESG investors, VINTE is well-positioned to benefit from structural tailwinds in Mexican housing and the global transition toward sustainable infrastructure investment.

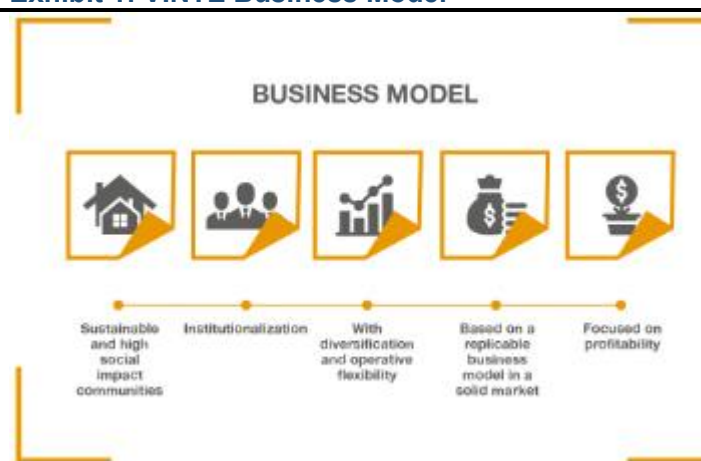
VINTE operates across four primary business lines:

Housing Development:

The Group’s three brands employ complementary development approaches. VINTE develops integrated communities offering multiple types of homes and associated amenities. Javier uses staged land development, links construction to the commencement of sales and emphasizes converting land investment into completed homes and cash flow. Derex provides an established housing-development platform in Sonora and Baja California. These models give the Group flexibility across markets and buyer segments.

VINTE develops integrated residential communities that go beyond housing to

Exhibit 1: VINTE Business Model



Source: Company Presentation

include essential infrastructure such as roads, water treatment facilities, parks, schools, and community centers. The portfolio spans five product lines that cater to entry-level and middle-income buyers, ranging from those using INFONAVIT mortgages to those with access to private mortgage financing.

Its communities consistently have delivered 9.3% average annual property appreciation, driven by location, infrastructure, and environmental quality. The Company's vertically integrated model enables it to replicate success across regions with scalability. Construction and sales are supported by third-party partners, as well as in-house construction, marketing, and legal teams.

Sustainable practices are embedded in every project. EDGE and EDGE Advanced certifications ensure homes deliver at least 20% resource savings versus benchmarks, with Advanced models achieving over 40% energy savings. These features enhance affordability, reduce defaults, and improve brand equity. Early integration of EDGE standards using IFC software optimizes design and streamlines operations.

Proptech Platforms:

VINTE has developed a proprietary digital ecosystem that enhances the customer journey and operational efficiency. These platforms drive conversion, reduce friction, and support VINTE's digital-first brand.

Xante: VINTE's iBuyer platform supports home resale for current homeowners and investors. It collaborates with major mortgage banks and has grown as a key value-add service across Vinte communities.

iVentas: A digital sales platform that integrates CRM, mortgage tracking, and online contract management. The system enables agents and advisors to digitally manage client transactions, offering real-time updates and reducing conversion time.

Emobel: A customer-facing tool enabling buyers to digitally customize interiors, including fixtures, materials, and room layout before handover. This subsidiary helps drive non-housing revenue and enhances the homeowner experience.

Casa Bravo: A rent-to-own digital platform focused on improving the financial inclusion of young or semi formal potential homebuyers. Casa Bravo clients can rent their homes during a period of up to 3 years and have an option to buy the home with a mortgage during this period. Vinte owns a minority stake in Casa Bravo and has an interesting cross selling potential.

Yave: A fully digital mortgage origination platform. Vinte owns a minority stake in Yave and offers clients a Yave mortgage as an additional financing source.

Sustainability & ESG:

Exhibit 2: VINTE ESG Overview

Summary of Grupo Vinte's Sustainability Achievements Mentioned in the Sustainable Annual Report:
1. Environmental Topics



Environmental

- 26,091 homes with EDGE certification, achieving annual savings of 34,189 tons of CO₂, more than 1.7 million m³ of water, and 53,911 MWh of energy.
- Se 6,981 tons of CO₂ avoided through the use of low-carbon steel (59% of total consumption), and 20,423 tons of CO₂ avoided through the use of Vertua concrete (88% of total consumption).
- First Group-wide measurement of Greenhouse Gas emissions, covering Scope 1, 2, and 3.
- 19,380 trees planted through volunteer and equipping initiatives at Javier, and 2,730 at Vinte.
- 4 proprietary nurseries, with 1,200 rescued plants and 3,000 germinated trees this year, bringing the cumulative total to more than 23,000 rescues and more than 13,000 germinated trees.
- 17 sustainable urban gardens across 4 states, producing 145 kilos of vegetables annually.
- 522 pieces of sustainable urban furniture installed, bringing the cumulative total to 3,398 pieces, representing 1,267,426 recycled PET containers since 2020 across Javier communities.
- 14.83 tons of recycled material, bringing the cumulative total to 50,196 tons of recycled materials at Javier.

Source: Company Presentation

VINTE is a leading developer of EDGE-certified housing, including EDGE Advanced projects. The Company has issued over MXN 6.4B in green and social labeled bonds since 2018 with support from

institutions like IDB Invest, DEG and Finance in Motion. Its projects are aligned with UN Sustainable Development Goals (SDGs), particularly SDG 6 (clean water), SDG 7 (affordable energy), SDG 11 (sustainable cities), and SDG 12 (responsible consumption). VINTE's green homes include solar panels, efficient lighting, rainwater harvesting, and wastewater recycling. EDGE certification plays a critical role in this strategy by serving as a quantifiable metric for environmental impact and by lowering capital costs for both the Company and its buyers. For institutional investors with ESG mandates, EDGE provides a credible, third-party standard that facilitates allocation to green real estate and aligns with global frameworks such as the EU Taxonomy and the ICMA Green and Social Bond Principles.

Land Sales (Opportunistic):

While not a core business, VINTE occasionally monetizes land assets as part of its capital recycling and portfolio optimization strategy. These sales can add financial flexibility without compromising future project pipelines.

Geographic Footprint:

Mexico presents a compelling backdrop for housing development. The country has a population exceeding 130 million people, with an annual growth rate of approximately 1.0%. Urbanization continues to expand, with over 80% of the population living in urban areas and significant household formation driven by a rising middle class. An estimated 650,000 new households are formed each year, sustaining long-term housing demand. There is an almost 9 million housing deficit in Mexico, accumulated by a decreasing home construction pace since 2015 and with less than 140,000 new homes constructed per year during the last 3 years.

The availability and cost of mortgage financing depend in part on Mexican monetary policy, employment trends and the terms offered by institutions such as Infonavit and commercial banks. Changes in benchmark rates also affect developers' financing costs. Housing affordability remains a key national issue, with a structural undersupply of new homes relative to household formation.

VINTE operates in high-growth, urbanizing regions across Mexico, each with distinct socioeconomic drivers and housing demand profiles. These regions collectively offer VINTE geographic and demographic diversification. Strong internal migration, formal employment growth, and rising urbanization continue to fuel demand. Home prices in these markets have consistently outpaced inflation by more than 2x since 2017, enhancing the long-term value proposition for both homeowners and investors.

Its top markets by sales volume and strategic focus are:

Estado de México: VINTE's largest and most established market, this region benefits from proximity to Mexico City and sustained demand from working-class and middle-income buyers. The area includes several high-density urban corridors and has long been a proving ground for VINTE's integrated community model.

Nuevo León (Monterrey): A strategic expansion area stemming from the Javier acquisition. Monterrey is one of Mexico's most industrialized cities, with high per capita income and strong solar adoption. VINTE is leveraging Javier's installed base while piloting solar-integrated and digitally enabled housing models that appeal to upwardly mobile professionals.

Quintana Roo: This tourism-driven state (home to Cancún and Playa del Carmen) is experiencing a demographic shift as service workers and middle-income earners seek permanent housing. VINTE has developed tailored models in this region that address the unique needs of informal sector workers who are becoming formally registered through tourism growth. Additionally, Vinte has a client segment base who acquire second homes in Quintana Roo.

Jalisco (Guadalajara): A growing technology and services hub with a rising middle class. VINTE's presence here taps into demand from dual-income households seeking access to affordable, green housing. Guadalajara's strong infrastructure and regional connectivity make it attractive for residential development.

Querétaro: A fast-growing industrial and services hub in central Mexico, Querétaro has experienced robust formal employment growth due to nearshoring, automotive, and aerospace investment. Mortgage uptake is high, and VINTE's projects here are tailored toward dual-income households seeking sustainable housing within commuting distance of economic centers.

Aguascalientes: A newer market within VINTE's footprint, Aguascalientes expands the company's exposure to the Bajío region and adds another industrially driven housing corridor. Supported by a strong manufacturing base, formal job creation, and nearshoring-related investment, the market offers steady demand for affordable and middle-income housing. For VINTE, Aguascalientes enhances geographic diversification while adding exposure to a region with favorable employment and mortgage demand trends.

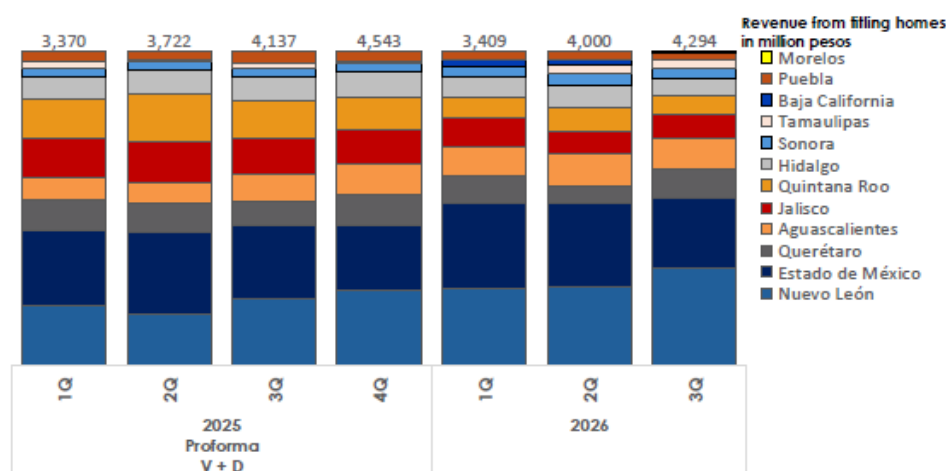
Sonora: Added through the Derex acquisition, Sonora provides VINTE with an established housing-development platform in Hermosillo and Nogales. The market expands the Group's exposure to formal employment, manufacturing activity, and housing demand in northwestern Mexico.

Baja California: Derex also established VINTE's presence in Tijuana, a market where management sees meaningful long-term expansion potential. The region benefits from industrial activity, cross-border commerce, population growth, and demand for affordable and middle-income housing.

Morelos: The Group's presence in Morelos extends its operations to 12 Mexican states, with residential developments in the Cuernavaca area.

Exhibit 3: VINTE Geographic Overview

Grupo Vinte Revenue Distribution by State



Source: Company Presentation

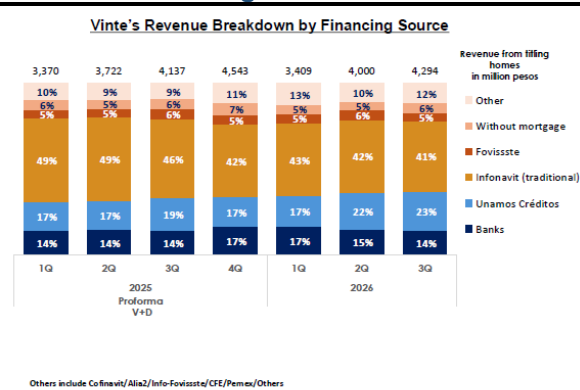
Clients' Mortgage Access & Corporate Funding Structure

VINTE's buyers primarily access housing through mortgage products backed by federal programs. The most prominent of these is INFONAVIT, Mexico's National Workers' Housing Fund, which serves as the primary lender across VINTE's developments. INFONAVIT provides long-term, fixed-rate mortgages to formally employed individuals, often with lower rates for the affordable income segment and flexible terms. VINTE's alignment with INFONAVIT allows it to serve a broad customer base at various income levels. INFONAVIT is a mutual fund based on constitutional law where all private employees in Mexico receive 5% of their salaries, which can only be used through home acquisition or at retirement.

Notably, the Unamos Créditos program—an initiative under INFONAVIT that allows two people (often couples or family members) to combine their mortgage entitlements—has become a key driver of home accessibility for dual-income households. Alongside the Infonavit traditional mortgage, which offers better terms for energy-efficient homes, programs represent an important source of mortgage funding across VINTE's developments. Their popularity underscores the growing demand for accessible, green housing solutions in Mexico's formal economy.

Exhibit 4: VINTE Financing Overview

From a corporate financing perspective, VINTE has diversified its capital sources through the use of sustainable bonds and loans, which are supported by multilateral institutions such as IFC, IDB Invest, DEG, the North American Development Bank and Finance in Motion. These issuances are backed by the environmental performance of VINTE's EDGE-certified homes and provide favorable rates and extended maturities. VINTE has used sustainable financing to support land acquisition and development pipelines. Additionally, Vinte has had support from impact and institutional investors on its Equity such as Proparco, Impact Fund Denmark, IFC, IDB Invest, Mexican Pension Funds and Family Offices, in Equity issuances as a private company in 2008 and 2013, and as a public company in 2016 (its IPO), 2019, 2020 and December 2024.



Source: Company Presentation

Additionally, the average home price across VINTE's developments increased by approximately 10.5% year-over-year in 2024, reflecting both broader inflation trends and VINTE's focus on integrated communities with added amenities and green features. This metric supports top-line growth while maintaining affordability for buyers using Infonavit low interest rate loans.

Despite elevated interest rate levels, banks' mortgage rates have remained relatively steady and fixed-rate government mortgage programs have maintained accessibility and market stability. Together, these trends support revenue expansion while keeping default risk in check.

Growth Drivers

VINTE is strategically positioned to benefit from a range of long-term structural and company-specific growth catalysts mentioned below. These growth drivers provide a robust foundation for VINTE to expand its market share, improve margins, and deliver consistent housing volume growth in a structurally undersupplied market.

Demographic Tailwinds: Mexico's large, young population continues to drive new household formation, with over 650,000 households created annually. This growth, combined with ongoing urbanization, creates robust and recurring housing demand.

Sustainability Differentiation: VINTE's leadership in EDGE-certified housing allows it to access green bond capital, meet ESG mandates, and appeal to environmentally conscious consumers and investors. This advantage is expected to grow as sustainability standards tighten across global capital markets.

Strong Mortgage Institutions Support: Programs such as INFONAVIT and Unamos Créditos support homeownership by offering fixed-rate, long-term financing to formally employed workers. These programs accounted for more than two-thirds of VINTE's mortgage-funded transactions in 2024 and provide a stable, scalable demand engine. Commercial banks' capitalization is in historic highs and have supported mortgage origination constantly for more than 10 years.

Digital Proptech Ecosystem: VINTE's proprietary platforms (Xante, iVentas, and Emobel) and platforms with minority strategic participations (Casa Bravo, Yave and Homie) improve efficiency, enhance the customer journey, and generate data that supports continuous product innovation. These systems are also increasingly monetized through referrals and service fees.

Post-Acquisition Synergies: The acquisitions of Javer and Derex create opportunities for geographic expansion, operational scale, and product diversification. The expanded platform supports procurement efficiencies, product diversification, regional expansion and the application of VINTE's sustainability and technology practices across different brands.

Capital Markets Access: VINTE has built strong relationships with multilateral institutions (IFC, IDB Invest, DEG, Proparco, Impact Fund Denmark, North American Development Bank, Finance in Motion and other institutional and impact investors), which support its ability to raise sustainable financing on favorable terms. This access underpins its development pipeline and balance sheet strength.

Risks

As with any investment, there are certain risks associated with VINTE's operations as well as with the surrounding economic and regulatory environments common to the real estate industry.

Competition – VINTE operates in a highly competitive industry. The Company competes with other builders, some of whom have greater access to financial resources. Should VINTE lose out on quality properties in potential growth markets to its competitors, its operations and ability to grow its portfolio are at risk.

Interest Rates – High interest rates have historically impacted the value of real estate. Considering builders are significantly sensitive to volatile movements in interest rates as a result of their leverage, VINTE could see a reduction in the value of its assets as well as a rise in the cost of debt should rates remain volatile.

Buyers – Weakening economic conditions could cause VINTE's buyers to be unable to purchase homes. Any failure to meet these obligations would result in a significant impact on VINTE's operations.

Geography – The locations of VINTE's geographic markets pose environmental and economic risks. Immobile hard assets are subject to environmental disasters such as forest fires, hurricanes, and earthquakes which could damage the properties.

Regulatory – The Company is subject to regulatory risks because mortgage access depends in part on institutions such as Infonavit and on applicable housing and land-use rules. Any future changes in the laws, regulations, agreements, or judicial rulings could impact the Company's operations and financial results.

DISCOUNTED CASH FLOW

Vinte Viviendas Integrales, S.A.B. de C.V. Discounted Cash Flow Model <i>(in \$M, except per share)</i>														Terminal Value
Estimates:	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	
Revenue	7,239.7	15,705.6	16,786.0	18,718.1	19,448.1	20,158.0	20,863.5	21,531.2	22,198.6	22,864.6	23,516.2	24,104.1	24,646.5	
Operating Income	1,135.6	2,579.0	2,845.1	3,178.1	3,302.0	3,422.6	3,651.1	3,768.0	3,884.8	4,115.6	4,232.9	4,387.0	4,485.7	
Less: Taxes (benefit)	150.2	556.4	713.4	773.4	825.5	855.6	912.8	942.0	971.2	1,028.9	1,058.2	1,096.7	1,121.4	
NOPAT	985.4	2,022.6	2,131.7	2,404.7	2,476.5	2,566.9	2,738.3	2,826.0	2,913.6	3,086.7	3,174.7	3,290.2	3,364.2	
Plus: Depreciation & Amortization	-	-	170.9	210.0	218.2	211.7	219.1	215.3	222.0	205.8	211.6	204.9	209.5	
Plus: Changes in WC	(1,300.1)	(2,650.2)	(839.3)	(935.9)	(972.4)	(604.7)	(625.9)	(645.9)	(222.0)	(228.6)	(235.2)	(241.0)	(246.5)	
Less: Capex	(21.6)	(147.6)	(83.9)	(93.6)	(97.2)	(100.8)	(104.3)	(107.7)	(111.0)	(114.3)	(117.6)	(120.5)	(123.2)	
Free Cash Flow	(336.3)	(775.1)	1,379.4	1,585.2	1,625.1	2,073.1	2,227.2	2,287.7	2,802.6	2,949.5	3,033.6	3,133.5	3,204.0	31,125.0
Discount period - months			6	18	30	42	54	66	78	90	102	114	126	
Discount period - years			0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	
Discount factor			0.94	0.84	0.74	0.66	0.59	0.52	0.47	0.41	0.37	0.33	0.29	
PV of FCF			1,300.5	1,328.5	1,210.6	1,372.7	1,310.9	1,196.9	1,303.4	1,219.3	1,114.7	1,023.5	930.2	9,036.6
Growth rate assumptions:														
Revenue		116.9%	6.9%	11.5%	3.9%	3.7%	3.5%	3.2%	3.1%	3.0%	2.9%	2.5%	2.3%	
Operating Income		127.1%	10.3%	11.7%	3.9%	3.7%	6.7%	3.2%	3.1%	5.9%	2.8%	3.6%	2.3%	
EBITDA		127.1%	16.9%	12.3%	3.9%	3.2%	6.5%	2.9%	3.1%	5.2%	2.8%	3.3%	2.3%	
Free Cash Flow		130.5%	-278.0%	14.9%	2.5%	27.6%	7.4%	2.7%	22.5%	5.2%	2.8%	3.3%	2.3%	
Margin assumptions:														
Operating Income	15.7%	16.4%	16.9%	17.0%	17.0%	17.0%	17.5%	17.5%	17.5%	18.0%	18.0%	18.2%	18.2%	
D&A as a % of sales	0.0%	0.0%	1.0%	1.1%	1.1%	1.1%	1.1%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	
EBITDA	15.7%	16.4%	18.0%	18.1%	18.1%	18.0%	18.6%	18.5%	18.5%	18.9%	18.9%	19.1%	19.1%	
Taxes	13.2%	21.6%	25.1%	24.3%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	
Changes in WC	-18.0%	-16.9%	-5.0%	-5.0%	-5.0%	-3.0%	-3.0%	-3.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	
Capex as a % of sales	-0.3%	-0.9%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	
Valuation:														
Shares outstanding	281.3													
PV of FCF	13,311.1													
PV of Terminal Value	9,036.6													
Enterprise Value	22,347.8													
less: Net Debt	7,911.0													
Estimated Total Value:	14,436.7													
Est Equity Value/share:	\$51.31													
Price	\$34.13													

Sensitivity Analysis:

		Terminal Growth Rates				
		1.0%	1.5%	2.0%	2.5%	3.0%
Discount rate	11.50%	\$56.40	\$58.33	\$60.46	\$62.83	\$65.47
	12.00%	\$52.12	\$53.80	\$55.65	\$57.69	\$59.96
	12.50%	\$48.23	\$49.70	\$51.31	\$53.08	\$55.04
	13.00%	\$44.68	\$45.97	\$47.38	\$48.92	\$50.62
	13.50%	\$41.42	\$42.56	\$43.80	\$45.15	\$46.63

Source: Company Reports; Stonegate Capital Markets

BALANCE SHEET

Vinte Viviendas Integrales, S.A.B. de C.V.
Consolidated Balance Sheets (MXN\$ Million)
Fiscal Year End: December

ASSETS	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 Sep-26
Cash and Cash Equivalents	710.8	1,507.4	1,120.7	1,100.5	1,464.8	1,865.5	1,865.5	2,159.2	2,491.5	1,841.9	1,971.7	1,971.7	1,849.7	1,612.7	1,378.7
Accounts and Notes Receivable	587.9	837.0	276.8	301.0	375.1	1,344.3	1,344.3	1,368.4	1,243.6	1,451.6	1,461.0	1,461.0	1,084.5	1,151.5	1,284.0
Inventory	3,824.0	4,486.2	4,526.8	5,009.9	5,607.4	8,798.6	8,798.6	9,424.6	9,988.1	10,476.7	10,660.6	10,660.6	11,116.6	11,807.2	12,853.0
Prepaid Expenses and Other	236.2	378.4	353.3	386.5	393.4	1,083.1	1,083.1	1,174.8	1,201.5	1,337.8	1,265.1	1,265.1	1,296.5	1,385.5	1,504.4
Total Current Assets	5,359.0	7,209.0	6,277.7	6,797.9	7,840.6	13,091.4	13,091.4	14,126.9	14,924.6	15,108.0	15,358.3	15,358.3	15,347.2	15,956.9	17,020.2
Inventory	4,129.5	4,129.5	4,375.0	4,375.0	4,375.0	7,957.2	7,957.2	7,929.8	8,394.6	8,145.5	8,625.5	8,625.5	8,675.1	8,856.7	8,817.2
Right-of-use Assets	-	-	-	-	-	214.8	214.8	232.3	224.1	243.9	255.3	255.3	264.7	271.8	285.8
Goodwill	-	-	-	-	-	823.6	823.6	826.4	823.6	823.6	977.9	977.9	380.3	380.3	380.3
Other Assets	65.3	73.3	71.9	69.6	73.2	63.3	63.3	56.6	53.0	55.7	54.7	54.7	1,321.5	1,002.2	1,003.6
Property Plant and Equipment	95.2	91.7	90.5	89.3	87.2	116.0	116.0	90.6	90.4	88.5	100.1	100.1	97.3	93.9	95.6
Investments and in Trusts and JV's	16.6	23.2	23.0	23.0	22.5	21.4	21.4	19.6	18.0	16.9	16.0	16.0	14.6	12.4	-
Other Non-Current Assets	55.5	55.5	88.0	88.0	88.0	161.5	161.5	125.8	112.8	101.5	97.8	97.8	98.4	98.7	99.8
Long-term Receivables Net	87.1	87.1	557.9	557.9	501.0	420.3	420.3	420.3	420.3	420.3	396.7	396.7	396.7	396.7	396.7
Other Long Term Investments	72.4	75.9	158.2	158.2	158.2	158.2	158.2	158.2	158.2	158.2	158.2	158.2	158.2	158.2	158.2
Total Assets	9,880.5	11,745.2	11,642.1	12,158.8	13,145.6	23,027.6	23,027.6	23,986.6	25,219.6	25,162.1	26,040.3	26,040.3	26,753.8	27,227.7	28,257.3
LIABILITIES AND SHAREHOLDERS' EQUITY															
Accounts Payable to Suppliers	575.0	573.8	551.5	745.9	1,078.8	3,444.5	3,444.5	3,325.8	3,855.5	3,879.6	3,576.4	3,576.4	3,368.4	4,099.2	4,264.1
Accounts Payable to Land Suppliers	158.1	221.3	169.3	187.1	114.6	294.0	294.0	251.3	354.7	324.2	451.5	451.5	426.7	338.5	777.4
Interest Bearing Debt	275.0	149.8	154.7	151.7	950.2	1,495.9	1,495.9	1,552.1	1,299.7	503.1	685.5	685.5	779.9	743.3	579.6
Accumulated Expenses and Taxes	163.2	170.2	141.3	146.5	152.7	399.8	399.8	332.5	333.3	358.9	388.1	388.1	322.5	327.7	338.8
Obligations from the Sale of Contracts	376.1	504.3	455.0	562.2	235.7	500.3	500.3	605.4	568.1	526.0	589.3	589.3	419.2	440.4	298.9
Other Current Liabilities	53.9	80.9	86.2	81.7	70.5	148.0	148.0	159.4	166.2	202.8	208.4	208.4	194.5	206.2	208.6
Total Current Liabilities	1,601.3	1,700.1	1,557.9	1,875.2	2,602.5	6,282.5	6,282.5	6,226.5	6,577.5	5,794.4	5,899.2	5,899.2	5,511.2	6,155.3	6,467.4
Long Term Debt	779.7	649.6	598.9	565.4	876.7	4,100.2	4,100.2	3,948.6	3,306.0	2,713.1	2,800.9	2,800.9	2,651.4	2,859.8	2,703.8
Debt Certificates	1,768.7	3,259.5	3,262.0	3,264.4	3,266.9	2,962.6	2,962.6	3,777.0	5,034.0	5,844.6	5,848.3	5,848.3	5,852.0	5,670.7	6,006.4
Deferred Income Tax	1,003.4	1,155.5	1,149.0	1,195.4	1,220.0	2,438.1	2,438.1	2,557.8	2,702.9	2,814.4	2,983.2	2,983.2	3,753.9	3,573.9	3,789.4
Other Liabilities	131.4	136.7	140.6	140.6	139.8	363.2	363.2	362.6	403.2	415.1	485.6	485.6	450.4	571.5	548.1
Total Liabilities	5,284.4	6,901.4	6,708.4	7,041.0	8,105.9	16,146.5	16,146.5	16,872.5	18,023.4	17,581.6	18,017.2	18,017.2	18,218.9	18,831.3	19,515.1
Capital Stock	1,609.1	1,609.1	1,609.1	1,609.1	1,609.1	3,388.0	3,388.0	3,421.0	3,418.9	3,418.9	3,487.7	3,487.7	3,487.7	3,488.6	3,490.6
Reserves for Share Repurchase	68.3	62.0	60.6	94.6	96.0	62.0	62.0	32.4	195.8	189.8	167.5	167.5	200.0	215.6	179.0
Retained Earnings from Previous Years	2,506.5	2,739.8	3,033.2	3,036.5	2,879.0	3,055.9	3,055.9	3,282.5	2,838.8	2,849.4	2,840.0	2,840.0	4,394.4	4,544.9	4,920.4
Income Attributable to Non-Controlling Interest	401.5	423.5	85.5	227.3	303.8	227.3	227.3	226.2	592.6	971.9	1,379.4	1,379.4	304.9	-	-
Total Parent Net Equity	4,585.4	4,834.4	4,788.5	4,967.5	4,887.8	6,733.2	6,733.2	6,962.2	7,046.1	7,430.1	7,874.6	7,874.6	8,387.0	8,249.2	8,590.0
Non-Controlling Interest	10.7	9.5	145.3	150.4	151.9	147.9	147.9	151.9	150.1	150.4	148.6	148.6	148.0	147.3	152.2
Total Consolidated Equity	4,596.1	4,843.9	4,933.8	5,117.9	5,039.7	6,881.1	6,881.1	7,114.0	7,196.2	7,580.5	8,023.1	8,023.1	8,534.9	8,396.5	8,742.2
Total Liabilities and Shareholders' Equity	9,880.5	11,745.2	11,642.1	12,158.8	13,145.6	23,027.6	23,027.6	23,986.6	25,219.6	25,162.1	26,040.3	26,040.3	26,753.8	27,227.7	28,257.3
Liquidity															
Current Ratio	3.3x	4.2x	4.0x	3.6x	3.0x	2.1x	2.1x	2.3x	2.3x	2.6x	2.6x	2.6x	2.8x	2.6x	2.6x
Quick Ratio	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x	0.1x
Working Capital	3,757.7	5,508.8	4,719.8	4,922.8	5,238.1	6,808.9	6,808.9	7,900.5	8,347.1	9,313.6	9,459.0	9,459.0	9,836.0	9,801.6	10,552.8
Leverage															
Net Debt to Equity	46.0%	52.7%	58.7%	56.3%	72.0%	97.3%	97.3%	100.1%	99.3%	95.2%	91.8%	91.8%	87.1%	91.2%	90.5%
Net Debt to Assets	21.4%	21.7%	24.9%	23.7%	27.6%	29.1%	29.1%	29.7%	28.3%	28.7%	28.3%	28.3%	27.8%	28.1%	28.0%

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Vinte Viviendas Integrales, S.A.B. de C.V.

Consolidated Statements of Income (in MXN\$ Million, except per share amounts)

Fiscal Year End: December

	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 Sep-26	Q4 E Dec-26	FY 2026E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027E
Revenue	\$ 4,160	\$ 4,357	\$ 4,820	\$ 7,240	\$ 3,274	\$ 3,664	\$ 4,117	\$ 4,650	\$ 15,706	\$ 3,504	\$ 4,063	\$ 4,361	\$ 4,858	\$ 16,786	\$ 4,324	\$ 4,566	\$ 4,818	\$ 5,009	\$ 18,718
Total Revenues	4,159.8	4,356.8	4,820.5	7,239.7	3,274.2	3,664.3	4,117.1	4,650.0	15,705.6	3,503.7	4,063.4	4,361.1	4,857.8	16,786.0	4,324.1	4,566.5	4,818.3	5,009.3	18,718.1
Operating Expenses:																			
COGS	2,957.6	3,041.7	3,319.1	4,932.1	2,231.9	2,472.0	2,772.6	3,131.6	10,608.2	2,329.3	2,696.8	2,845.5	3,206.1	11,077.6	2,864.7	3,031.7	3,180.1	3,296.1	12,372.6
Gross Profit	1,202.2	1,315.1	1,501.4	2,307.6	1,042.2	1,192.3	1,344.5	1,518.4	5,097.4	1,174.4	1,366.6	1,515.6	1,651.6	5,708.3	1,459.4	1,534.8	1,638.2	1,713.2	6,345.6
SG&A	520.8	557.8	637.5	1,088.1	526.9	552.9	585.0	695.0	2,359.9	565.2	689.6	660.9	777.2	2,692.9	683.2	721.5	761.3	791.5	2,957.5
Depreciation and Amortization	47.3	49.5	52.7	78.8	34.6	37.0	37.9	50.0	159.6	40.2	41.2	40.5	49.0	170.9	52.0	52.0	53.0	53.0	210.0
Other	-	-	-	5.2	-	(2.5)	1.4	-	(1.1)	0.2	(2.0)	1.2	-	(0.6)	-	-	-	-	-
Total Operating Expenses	568.1	607.4	690.2	1,172.0	561.5	587.5	624.4	745.0	2,518.4	605.6	728.8	702.6	826.2	2,863.2	735.2	773.5	814.3	844.5	3,167.5
Operating Income	634.1	707.7	811.2	1,135.6	480.7	604.8	720.1	773.4	2,579.0	568.8	637.9	813.0	825.4	2,845.1	724.2	761.3	823.9	868.7	3,178.1
Comprehensive Financing Result	145.6	145.1	241.0	343.7	122.9	93.1	190.8	230.3	637.1	123.4	154.2	231.3	100.0	608.9	150.0	150.0	150.0	150.0	600.0
Interest in JV	-	0.4	0.4	1.8	1.8	1.6	1.1	0.9	5.4	1.4	2.2	-	-	3.7	-	-	-	-	-
Profit Before Taxes	488.6	562.2	569.7	790.1	356.0	510.1	528.2	542.2	1,936.5	444.0	481.5	581.7	725.4	2,232.6	574.2	611.3	673.9	718.7	2,578.1
Income Tax	117.3	150.0	136.7	150.2	128.6	142.8	148.5	136.6	556.4	139.5	151.8	204.5	217.6	713.4	172.3	183.4	202.2	215.6	773.4
Net Income	371.3	412.2	433.0	639.9	227.4	367.4	379.7	405.6	1,380.1	304.5	329.7	377.3	507.8	1,519.2	401.9	427.9	471.8	503.1	1,804.7
Basic EPS	\$ 1.65	\$ 1.86	\$ 1.96	\$ 2.29	\$ 0.81	\$ 1.31	\$ 1.36	\$ 1.45	\$ 4.90	\$ 1.08	\$ 1.17	\$ 1.32	\$ 1.81	\$ 5.39	\$ 1.43	\$ 1.52	\$ 1.68	\$ 1.79	\$ 6.42
Diluted EPS	\$ 1.65	\$ 1.86	\$ 1.96	\$ 2.29	\$ 0.81	\$ 1.31	\$ 1.36	\$ 1.45	\$ 4.90	\$ 1.08	\$ 1.17	\$ 1.32	\$ 1.81	\$ 5.39	\$ 1.43	\$ 1.52	\$ 1.68	\$ 1.79	\$ 6.42
WTD Shares Out - Basic	216.4	216.4	216.4	278.1	279.1	279.1	279.1	281.3	281.3	281.4	281.4	281.3	281.3	281.3	281.6	281.6	281.6	281.6	281.6
WTD Shares Out - Diluted	216.4	216.4	216.4	278.1	279.1	279.1	279.1	281.3	281.3	281.4	281.4	281.3	281.3	281.3	281.6	281.6	281.6	281.6	281.6
EBITDA	\$ 681.4	\$ 757.3	\$ 863.9	\$ 1,264.0	\$ 522.9	\$ 647.6	\$ 773.9	\$ 829.0	\$ 2,773.5	\$ 617.1	\$ 690.1	\$ 875.6	\$ 884.4	\$ 3,067.2	\$ 786.2	\$ 823.3	\$ 886.9	\$ 931.7	\$ 3,428.1

Margin Analysis

Gross Margin	28.9%	30.2%	31.1%	31.9%	31.8%	32.5%	32.7%	32.7%	32.5%	33.5%	33.6%	34.8%	34.0%	34.0%	33.8%	33.6%	34.0%	34.2%	33.9%
Operating Margin	15.2%	16.2%	16.8%	15.7%	14.7%	16.5%	17.5%	16.6%	16.4%	16.2%	15.7%	18.6%	17.0%	16.9%	16.7%	16.7%	17.1%	17.3%	17.0%
EBITDA Margin	16.4%	17.4%	17.9%	17.5%	16.0%	17.7%	18.8%	17.8%	17.7%	17.6%	17.0%	20.1%	18.2%	18.3%	18.2%	18.0%	18.4%	18.6%	18.3%
Pre-Tax Margin	11.7%	12.9%	11.8%	10.9%	10.9%	13.9%	12.8%	11.7%	12.3%	12.7%	11.8%	13.3%	14.9%	13.3%	13.3%	13.4%	14.0%	14.3%	13.8%
Net Income Margin	8.9%	9.5%	9.0%	8.8%	6.9%	10.0%	9.2%	8.7%	8.8%	8.7%	8.1%	8.7%	10.5%	9.1%	9.3%	9.4%	9.8%	10.0%	9.6%
Tax Rate	24.0%	26.7%	24.0%	19.0%	36.1%	28.0%	28.1%	25.2%	28.7%	31.4%	31.5%	35.1%	30.0%	32.0%	30.0%	30.0%	30.0%	30.0%	30.0%

Growth Rate Y/Y

Total Revenue	13.9%	4.7%	10.6%	50.2%	250.9%	211.3%	302.7%	13.2%	116.9%	7.0%	10.9%	5.9%	4.5%	6.9%	23.4%	12.4%	10.5%	3.1%	11.5%
Total cost of revenues	9.1%	6.9%	13.6%	69.8%	325.9%	288.0%	279.2%	2.9%	114.9%	7.8%	24.1%	12.5%	10.9%	13.7%	21.4%	6.1%	15.9%	2.2%	10.6%
Operating Income	11.8%	11.6%	14.6%	40.0%	194.1%	124.0%	352.1%	42.5%	127.1%	18.3%	5.5%	12.9%	6.7%	10.3%	27.3%	19.3%	1.3%	5.2%	11.7%
Pre-Tax Income	11.1%	15.1%	1.3%	38.7%	212.6%	163.9%	415.0%	42.6%	145.1%	24.7%	-5.6%	10.1%	33.8%	15.3%	29.3%	27.0%	15.8%	-0.9%	15.5%
Net Income	8.2%	11.0%	5.0%	47.8%	162.8%	150.1%	387.0%	23.5%	115.7%	33.9%	-10.3%	-0.6%	25.2%	10.1%	32.0%	29.8%	25.0%	-0.9%	18.8%

Source: Company Reports, Stonegate Capital Partners estimates

IMPORTANT DISCLOSURES AND DISCLAIMER

- (a) The research analyst and/or a member of the analyst's household do not have a financial interest in the debt or equity securities of the subject company.
- (b) The research analyst responsible for the preparation of this report has not received compensation that is based upon Stonegate's investment banking revenues.
- (c) Stonegate or any affiliate have not managed or co-managed a public offering of securities for the subject company in the last twelve months, received investment banking compensation from the subject company in the last 12 months, nor expects or receive or intends or seek compensation for investment banking services from the subject company in the next three months.
- (d) Stonegate's equity affiliate, Stonegate Capital Partners, "SCP" has a contractual agreement with the subject company to provide research services, investor relations support, and investor outreach. SCP receives a monthly retainer for these non-investment banking services.
- (e) Stonegate or its affiliates do not beneficially own 1% or more of any class of common equity securities of the subject company.
- (f) Stonegate does not make a market in the subject company.
- (g) The research analyst has not received any compensation from the subject company in the previous 12 months.
- (h) Stonegate, the research analyst, or associated person of Stonegate with the ability to influence the content of the research report does not know or have reason to know of any material conflicts of interest at the time of publication or distribution of the research report.
- (i) No employee of Stonegate has a position as an officer or director of the subject company.

Ratings - Stonegate does not provide ratings for the covered companies.

Distribution of Ratings - Stonegate does not provide ratings for covered companies.

Price Chart - Stonegate does not have, nor has previously had, a rating for its covered companies.

Price Targets - Stonegate does not provide price targets for its covered companies. However, Stonegate does provide valuation analysis.

Regulation Analyst Certification:

I, Dave Storms, CFA, hereby certify that all views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this report.

For Additional Information Contact:

Stonegate Capital Markets, Inc.

Dave Storms, CFA

Dave@stonegateinc.com

214-987-4121

Please note that this report was originally prepared and issued by Stonegate for distribution to their market professional and institutional investor customers. Recipients who are not market professional or institutional investor customers of Stonegate should seek the advice of their independent financial advisor prior to taking any investment decision based on this report or for any necessary explanation of its contents. The information contained herein is based on sources which we believe to be reliable but is not necessarily complete and its accuracy cannot be guaranteed. Because the objectives of individual clients may vary, this report is not to be construed as an offer or the solicitation of an offer to sell or buy the securities herein mentioned. This report is the independent work of Stonegate Capital Partners and is not to be construed as having been issued by, or in any way endorsed or guaranteed by, any issuing companies of the securities mentioned herein. The firm and/or its employees and/or its individual shareholders and/or members of their families and/or its managed funds may have positions or warrants in the securities mentioned and, before or after your receipt of this report, may make or recommend purchases and/or sales for their own accounts or for the accounts of other customers of the firm from time to time in the open market or otherwise. While we endeavor to update the information contained herein on a reasonable basis, there may be regulatory, compliance, or other reasons that prevent us from doing so. The opinions or information expressed are believed to be accurate as of the date of this report; no subsequent publication or distribution of this report shall mean or imply that any such opinions or information remains current at any time after the date of this report. All opinions are subject to change without notice, and we do not undertake to advise you of any such changes. Reproduction or redistribution of this report without the expressed written consent of Stonegate Capital Partners is prohibited. Additional information on any securities mentioned is available on request.