

CADU: 4Q24 Preview

Land sales will offset temporary delays in the social interest segment

CADU A	BUY
Target Price (MXN\$)	\$ 7.50
Current Price (MXN\$)	\$ 3.19
Min / Max (L12M)	\$ 2.95 - 5.17
Expected Dividend (MXN\$)	\$ 0.00
Expected Return	135.1%
Market Cap (MXN\$ Mn)	1,000
Enterprise Value (MXN\$ Mn)	2,515
Outstanding Shares (Mn)	313.5
Float	29.2%
ADTV (MXN\$ Mn)	\$ 0.25

4Q24 Preview

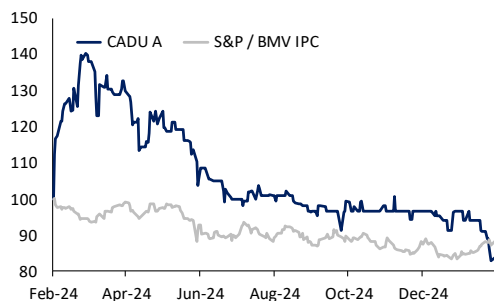
We expect CADU's consolidated revenues to rise marginally to MXN\$1.18 billion in the quarter. Housing revenues will likely decline 32% due to low inventory levels as a result of temporary permit delays in two low-income projects, which will be offset by land sales.

We forecast a 40 bps margin contraction due to the change in the sales mix, resulting in EBITDA of MXN\$227 million, practically in line with last year's figure.

We project a MXN\$97 million net profit in the quarter, higher than last year's figure of MXN\$28 million, due to a lower fiscal reserve.

Opinion and recommendation

We reiterate our BUY recommendation due to CADU's solid prospects and the low valuation of its shares with an EV/EBITDA of 3.5x and a P/E of 2.5x.



DISCLAIMER

The current report was prepared by Miranda Global Research ("Miranda GR") for CI, Casa de Bolsa, S.A. de C.V. The information is presented in summarized form and is not meant to be complete. There are no declarations or guarantees, expressed or implicit, with respect to the accuracy, impartiality, or integrity of the information.

Miranda GR, in accordance with applicable legislation, has made sure that the presented personalized recommendation is reasonable to the client, as it has verified congruency between the client's profile and the profile of the financial product. Under no circumstance should it be understood that the fulfillment of the previously mentioned recommendation, guarantees the result or the success of the proposed strategies in the presented document.

The information included in this presentation was obtained from public and/or private sources. Projections or previsions included in this presentation, are a generalized recommendation and are based on subjective assumptions and estimations about events and circumstances that have not yet happened and are subjected to significant variations. Therefore, it is not possible to guarantee that any of the results included in the current report will happen in the future, in other words, it does not guarantee the result or the success of the posed strategies.

This report has been prepared solely with informational purposes. No declarations are made with respect to precision, sufficiency, veracity, or accuracy of the information and opinions hereby included. Miranda GR will not answer (either because of negligence or for any other reason) for any damage or detriment derived or related to the use of this report or its content, or any connection to the report. Miranda GR is not responsible for the use or association with this report, including but not limited to, any declaration, expressed or implicit, or guarantees or omissions included in this information.

This report is based on facts and/or events that have happened up to this date. Consequently, any future facts and/or events can impair the conclusions hereby expressed. Miranda GR does not assume any responsibility to update, review, rectify, or invalidate this report based on any future occurrence.

The opinions related to this report eventually expressed by Miranda GR, should be considered only as suggestions/recommendations to better operate various topics related to the presentation.

This report and its contents are the property of Miranda GR and cannot be reproduced or broadcast in part or in its entirety without the previous written consent of Miranda GR.

Miranda Global Research receives fees from Corpovael, S.A.B. de C.V. ("CADU") for independent analyst services. Companies or Fibras under coverage cannot influence the opinions, recommendations, projections, and/or target prices that Miranda GR establishes in its research reports.

