

VINTE: 4Q24 Results

Neutral quarterly results; the company expects revenues to increase 17% in 2025 and to generate synergies with JAVER

VINTE *	BUY
Target Price (MXN\$)	\$ 55.00
Current Price (MXN\$)	\$ 32.50
Min / Max (L12M)	\$ 28.72 - 33.30
Expected Dividend (MXN\$)	\$ 0.00
Expected Return	69.2%
Market Cap (MXN\$ Mn)	9,038
Enterprise Value (MXN\$ Mn)	15,843
Outstanding Shares (Mn)	278.1
Float	32.4%
ADTV (MXN\$ Mn)	\$ 1.08

Opinion and recommendation

VINTE reported neutral 4Q24 results with revenues above our expectations, but EBITDA and net profits below, due to an extraordinary charge related to the JAVER acquisition. Excluding such non-recurring item, we estimate that these last two indicators would have marginally exceeded our forecasts. We reiterate our BUY recommendation with a MXN\$55.0/share target price.

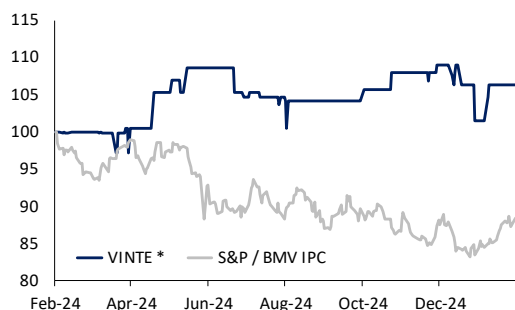
VINTE provided its 2025 guidance, which includes a 16.8% increase in revenues, mainly due to higher prices. The company's business plan excludes potential agreements with INFONAVIT for housing construction.

On the other hand, VINTE mentioned in its conference call it expects to generate additional synergies with JAVER including better supplier conditions, material purchases, financing costs, cross-selling of Proptechs, land development opportunities for the commercial and industrial sector, and optimization in land acquisition.

On December 16th, 2024, VINTE successfully concluded the acquisition of a 99.92% stake in JAVER, thus becoming the country's largest developer of affordable housing with annual volume of more than 15 thousand homes and pro forma revenues exceeding MXN\$14 billion.

4Q24 Results (pro forma Vinte + Javer)

Total revenues were up 2.9% YoY on a pro forma basis. Housing revenues showed an 11.4% growth (VINTE +7.3%, JAVER +15.5%) driven by increases of 9.2% in the average price per unit and 2.9% in titled units.



Martin Lara

+5255-6413-8563

martin.lara@miranda-gr.com

March 7th, 2025

Gross profit decreased 1.3%, resulting in a 30.8% gross margin in 4Q24, lower than the 32.2% in 4Q23. Reported EBITDA fell 15.4% while the margin contracted 3.3 PP to 15.3% due to extraordinary charges. For the same reason, net profit declined 4.6%. However, we estimate that adjusted EBITDA (excluding non-recurring items) would have fallen 10.0% and that the EBITDA margin would have been 16.2%.

The net debt to EBITDA ratio improved to 2.64x at the end of 4Q24, below the 3.0x target. It was also lower than 3.83x in 3Q24 and 2.90x in 4Q23. This improvement was due to the MXN\$1.9 billion capital increase related to the JAVER acquisition, as well as the latter's lower leverage.

(Figures in Millions of Pesos)	4Q24	4Q24E	Diff.	4Q23	Chg.
Total Revenues	4,107	4,001	2.7%	3,992	2.9%
Gross Profit	1,267	1,221	3.7%	1,284	-1.3%
<i>Gross Margin</i>	30.8%	30.5%		32.2%	
EBITDA	627	657	-4.6%	741	-15.4%
<i>EBITDA Margin</i>	15.3%	16.4%		18.6%	
Net profit	329	347	-5.2%	344	-4.6%

Discounted Cash Flow Model

(Figures in Millions of MXN\$)	2026E	2027E	2028E	2029E	2030E	Perp.
OPERATING PROFIT	2,951	3,284	3,652	4,061	4,513	4,604
Tax Rate	32%	32%	32%	32%	32%	30%
Adjusted Taxes	-944	-1,051	-1,169	-1,299	-1,444	-1,473
NOPLAT	2,006	2,233	2,484	2,761	3,069	3,131
Depreciation	209	215	222	228	235	240
Working Capital Changes	-728	-746	-810	-879	-956	-1,170
CAPEX	-28	-28	-28	-28	-28	-29
FCFF	1,459	1,675	1,868	2,082	2,320	2,172
Perpetuity Growth Rate						2.0%
PV of Explicit Period (2026E - 2030E)						7,023
Perpetuity Value						28,134
PV of Perpetuity Value						16,091
Enterprise Value						23,114
Net Debt						7,638
Minority Interest						181
Market Value						15,294
<i>Outstanding Shares</i>						278
Target Price						P\$ 55.00
Current Market Price						P\$ 32.50
Potential Return Incl. Dividends						69.2%
Target Forward EV/EBITDA						7.3x
Target Forward P/E						9.4x
Average Cost of Debt						11.8%
LT Tax Rate						30.0%
After-Tax Cost of Debt						8.2%
Cost of Equity						11.8%
Market Risk Premium						6.0%
Risk-Free Rate						9.9%
Beta						0.33
% Total Debt						49.5%
% Capital						50.5%
WACC						9.8%

Sensitivity Analysis Table, EV/EBITDA vs. EBITDA

	-10%	-5%	<i>Original</i>	+5%	+10%
Projected EBITDA	2,851	3,002	3,160	3,317	3,483
Target EV/EBITDA					
5.8x	31.58	34.69	37.96	41.23	44.66
6.3x	36.70	40.08	43.64	47.19	50.93
6.8x	41.83	45.48	49.32	53.16	57.19
7.3x	46.96	50.88	55.00	59.12	63.45
7.8x	52.09	56.27	60.68	65.09	69.72
8.3x	57.21	61.67	66.36	71.05	75.98

Sensitivity Analysis Table, P/E vs. Net Profit

	-10%	-5%	<i>Original</i>	+5%	+10%
Projected Net Profit	1,461	1,538	1,619	1,700	1,785
Target P/E					
6.4x	33.88	35.66	37.54	39.41	41.38
7.4x	39.13	41.19	43.36	45.53	47.80
8.4x	44.38	46.72	49.18	51.64	54.22
9.4x	49.64	52.25	55.00	57.75	60.64
10.4x	54.89	57.78	60.82	63.86	67.05
11.4x	60.14	63.31	66.64	69.97	73.47

(Figures in Millions of Pesos)

INCOME STATEMENT	2024	2025E	2026E	2027E	2028E	2029E	2030E
Total Revenues	5,289	15,683	17,167	18,696	20,367	22,193	24,189
Cost of Sales	-3,838	-10,584	-11,534	-12,506	-13,562	-14,712	-15,962
Gross Profit	1,451	5,099	5,633	6,190	6,805	7,482	8,227
General Expenses	-834	-2,306	-2,524	-2,749	-2,995	-3,263	-3,557
Operating Profit	606	2,635	2,951	3,284	3,652	4,061	4,513
EBITDA	928	2,838	3,160	3,499	3,874	4,289	4,748
Financial Gains	152	293	319	349	380	414	451
Financial Cost	-217	-853	-885	-870	-836	-779	-759
Pre-Tax Profit	539	2,070	2,381	2,758	3,192	3,691	4,200
Income Tax & Profit Sharing	-133	-663	-762	-882	-1,021	-1,181	-1,344
Net profit	406	1,408	1,619	1,875	2,171	2,510	2,856
BALANCE SHEET	2024	2025E	2026E	2027E	2028E	2029E	2030E
TOTAL ASSETS	23,030	25,768	27,714	29,694	31,793	34,023	37,233
Current Assets	13,091	14,974	16,250	17,557	18,978	20,523	22,204
LT Assets	9,939	10,794	11,464	12,137	12,815	13,500	15,029
TOTAL LIABILITIES	16,147	17,500	17,847	17,963	17,896	17,612	17,950
ST Liabilities	6,283	7,636	7,983	8,099	8,032	7,748	8,086
LT Liabilities	9,864	9,864	9,864	9,864	9,864	9,864	9,864
Total Debt	8,559	9,677	9,669	9,424	8,963	8,250	8,122
Net Debt	6,693	7,638	7,438	6,993	6,315	5,364	4,977
TOTAL CAPITAL	6,884	8,268	9,868	11,731	13,897	16,412	19,283
Stockholder's Equity	6,733	8,087	9,652	11,473	13,592	16,052	18,860
Minority Interest	151	181	216	257	305	360	423
CASH FLOW STATEMENT	2024	2025E	2026E	2027E	2028E	2029E	2030E
Net Profit	406	1,408	1,619	1,875	2,171	2,510	2,856
Inv. Related Activities	686	613	630	648	667	687	709
Pre-Tax Cash Flow	1,092	1,092	1,500	1,765	2,067	2,414	1,932
Working Capital Changes	-3,914	-1,475	-728	-746	-810	-879	-956
Operating Cash Flow	-2,823	-383	771	1,020	1,258	1,535	977
Investment Cash Flow	13	509	505	505	505	505	505
Financing Cash Flow	3,168	47	-1,083	-1,326	-1,545	-1,802	-1,222
Net Incr. (Decr.) in Cash & Temp. Inv.	358	173	193	199	217	237	259
Beg. of Period Cash and Temp. Inv.	1,507	1,865	2,039	2,232	2,431	2,648	2,885
End of Period Cash and Temp. Inv.	1,865	2,039	2,232	2,431	2,648	2,885	3,145

DISCLAIMER

The current report was prepared by Miranda Global Research ("Miranda GR") for Vector 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 for informational purposes. No declarations are made with respect to the 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 Vinte, Viviendas Integrales, S.A.B. de C.V. for independent analyst services. Companies or Fibras under coverage will have no right or opportunity to exert any influence on opinions, projections, recommendations, and/or target prices expressed hereby by Miranda GR.
