

**Fideicomiso Irrevocable
No. F/17416-3 (Banco Nacional
de México, S.A., member of
Banamex Financial Group, Trust
Division) and Subsidiaries**

Consolidated Financial Statements for
the Years Ended December 31, 2021,
2020 and 2019, and Independent
Auditors' Report dated March 23, 2022



**Fideicomiso Irrevocable No. F/17416-3
(Banco Nacional de México, S.A., member of Banamex Financial
Group, Trust Division) and Subsidiaries**

**Independent Auditors' Report and
Consolidated Financial Statements for 2021,
2020 and 2019**

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Independent Auditors' Report to the Technical Committee and Trustors of Fideicomiso Irrevocable No. F/17416-3 (Banco Nacional de México, S.A., member of Banamex Financial Group, Trust Division) and Subsidiaries

Opinion

We have audited the consolidated financial statements of Fideicomiso Irrevocable No. F/17416-3 (Banco Nacional de México, S.A., member of Banamex Financial Group, Trust Division) and Subsidiaries (the "Entity" or the "Trust"), which comprise the consolidated statements of financial position as of December 31, 2021, 2020 and 2019, and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in trustors' capital and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Fideicomiso Irrevocable No. F/17416-3 (Banco Nacional de México, S.A., member of Banamex Financial Group, Trust Division) and Subsidiaries as of December 31, 2021, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. ("IASB").

Basis for opinion

We conducted our audits in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Consolidated Financial Statements* section of our report. We are independent of the trust with the International Ethics Standards Board for Accountants' *Code of Ethics for professional Accountants (IESBA Code)* and with the Ethics Code issued by the Mexican Institute of Public Accountants (*IMCP Code*), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and IMCP Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The accompanying financial statements have been translated into English for the convenience of readers.

Emphasis of a matter

In Note 1.a, of the accompanying consolidated financial statements, Management has included an analysis related to the impacts on the financial situation and results of operations due to the pandemic generated by the COVID-19 virus. Our opinion has not been modified in relation to this matter



Key audit matters

The key audit matters are those matters which, in our professional judgment, have been of the greatest significance in our audit of the consolidated financial statements of the current period. These matters have been addressed in the context of our audit of the consolidated financial statements taken as a whole, and in the formation of our opinion thereon, and we do not express a separate opinion on those matters. We have determined that the matters described below are the key audit matters which should be communicated in our report.

Valuation of Investment Properties

As explained in Note 7 to the accompanying consolidated financial statements, to estimate the fair value of the investment properties, with the support of an independent expert, it selects the valuation techniques it considers most appropriate under the specific circumstances of each investment property. The assumptions related to the estimates of the fair values of the investment properties include, among others, the procurement of the contractual rentals, the expectation of future market rentals, renewal rates, maintenance requirements, discount rates which reflect the uncertainties of current markets, capitalization rates and recent transaction prices.

Based on a sample of properties selected randomly, we tested the information contained in the valuation of the investment property, including the lease revenues, acquisitions and capital expenses, comparing them with that recorded by the Trust. Such information was then tested and substantiated against the lease agreements that were duly signed and approved, and we reviewed the respective support documentation. For the properties in development, we made random selections, reviewed the cost recorded as of this date, and recorded in accounting and ascertained that the costs incurred are similar in other fully completed projects.

We met with the independent appraisers and obtained the valuation reports of a sample of the properties. We analyzed such reports and confirmed that the valuation method of each property was applied in conformity with International Accounting Standard 40 "Investment Properties" and that the use in the determination of the book value was appropriate for financial statement purposes. Furthermore, we involved our internal valuation specialists to compare the valuations of each property against our market value expectation, and also reviewed and challenged the valuation methodology and assumptions considered by the independent appraiser. For this purpose, we used evidence of comparable market operations and focused specifically on properties where the growth in capital values was higher or lower compared to market indexes.

We questioned the methodology and reasoning of the Trust's management for the valuation of the investment properties, based on the above assumptions, and concluded that the values are fair.

Other information included in the consolidated financial statements and in the independent auditor's opinion

Management of the Trust is responsible for the other information. The other information will include the information that will be incorporated into the Annual Report which the Entity is required to prepare in conformity with article 33, section I, subsection b) of Title Fourth, Chapter First of the General Provisions Applicable to Issuers and Other Stock Market Participants in Mexico, and the Instructions which accompany those provisions ("the Provisions"). The Annual Report is expected to be available for reading after the date of this audit report.

Our opinion on the consolidated financial statements will not cover the other information and we will not express any form of assurance thereon.



In relation with our audit of the consolidated financial statements, our responsibility will be to read the Annual Report, when it is available, and when we do so, to consider whether the other information contained therein is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit or appears to contain a material misstatement. When we read the Annual Report, we will issue the legend on the reading of the annual report, as required in Article 33, Section I, subsection b) numeral 1.2 of the Provisions.

Responsibilities of Management for the Consolidated Financial Statements

Management of the Trust is responsible for the preparation and fair presentation of the accompanying consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management of the Trust determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters, related with the Trust to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Trust's management is responsible for overseeing the Trust's financial reporting process.

Independent Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Trust to cease to continue as a going concern.



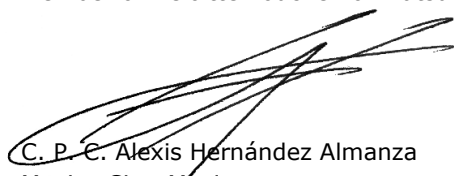
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtained sufficient and adequate evidence about the financial information of the entities or business activities within the Trust in order to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Trust. We remain solely responsible for our audit opinion.

We communicate to the Trust's management about, among other matters, the scope and the timing of the performance of the planned audit and the significant audit findings, as well as any material internal control deficiency that we identify during the course of the audit.

We also provide to the Trust's management a statement that we have complied with applicable ethical requirements in relation to independence and communicated with them about all the relationships and other matters which might be reasonably expected to have an effect on our independence and, as the case may be, the related safeguards.

From the matters communicated with those charged of Trust's management, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Galaz, Yamazaki, Ruiz Urquiza, S. C.
Member of Deloitte Touche Tohmatsu Limited



C. P. C. Alexis Hernández Almanza
Mexico City, Mexico
March 23 2022

(Concluded)



Fideicomiso Irrevocable No. F/17416-3
(Banco Nacional de México, S.A., member of Banamex Financial Group, Trust Division)
and Subsidiaries

Consolidated Statements of Financial Position

As of December 31, 2021, 2020 and 2019

(In Mexican pesos)

Assets	Notes	2021	2020	2019
<i>Current assets:</i>				
Cash, cash equivalents and restricted cash	5	\$ 611,855,145	\$ 864,292,307	\$ 490,355,748
Lease receivables and others	6	599,089,928	598,639,259	428,140,691
Accounts receivable from related parties	15	-	-	153,246
Recoverable taxes, (as of December 31, 2021, 2020 and 2019, includes \$299,738,231, \$199,548,850 and \$79,763,281 of VAT to be recovered)		304,696,801	206,127,579	84,514,506
Prepaid expenses, mainly insurance to amortize and deposits in guarantee		<u>65,713,898</u>	<u>31,419,927</u>	<u>26,467,213</u>
Total current assets		1,581,355,772	1,700,479,072	1,029,631,404
<i>Non-current assets:</i>				
Investment properties	7	66,392,163,670	65,335,059,747	64,364,614,588
Acquisition of technological platform		75,659	1,465,666	7,527,702
Right-of-use assets	14	26,173,464	39,162,601	-
Other assets		2,067,158	4,198,543	6,329,927
Machinery and equipment	8	26,966,377	25,218,500	27,663,200
Deferred income tax of subsidiary		<u>10,976,498</u>	<u>12,579,656</u>	<u>12,030,350</u>
Total non-current assets		<u>66,458,422,826</u>	<u>65,417,684,713</u>	<u>64,418,165,767</u>
Total assets		<u>\$ 68,039,778,598</u>	<u>\$ 67,118,163,785</u>	<u>\$ 65,447,797,171</u>
Liabilities and trustors' capital				
<i>Current liabilities:</i>				
Short-term financial liability	13	\$ 230,000,000	\$ -	\$ -
Interest payable of financial liabilities		223,280,484	221,920,196	220,206,566
Deferred lease revenue		220,525,351	265,541,347	347,541,836
Trade accounts payable and accumulated expenses	12	94,323,382	88,416,431	67,556,735
Rent collected in advance		39,526,965	26,933,061	35,050,189
Accounts payable to related parties	15	200,818,399	196,448,554	204,593,443
Taxes payable		92,761,028	36,903,186	50,231,969
Short-term lease liability	14	<u>4,829,177</u>	<u>6,723,117</u>	<u>-</u>
Total current liabilities		1,106,064,786	842,885,892	925,180,738
<i>Non-current liabilities:</i>				
Long-term financial liability	13	5,474,982,907	5,601,838,767	5,617,169,802
Deferred lease revenue		507,075,306	573,845,006	781,168,056
Guarantee deposits from tenants		413,658,099	407,843,970	408,431,794
Employee benefits	10	21,511,706	18,774,050	17,272,106
Long-term lease liability	14	<u>27,114,317</u>	<u>33,703,919</u>	<u>-</u>
Total liabilities		<u>6,444,342,335</u>	<u>6,636,005,712</u>	<u>6,824,041,758</u>
Total liabilities		7,550,407,121	7,478,891,604	7,749,222,496
<i>Trustors' capital:</i>				
Trustors' capital	16	41,387,649,750	42,167,547,323	41,871,466,618
Retained earnings		17,709,095,237	16,496,702,995	15,040,867,303
Repurchase of certificates		(168,090,485)	(168,090,485)	-
Other comprehensive results		<u>(2,886,119)</u>	<u>(2,780,161)</u>	<u>(3,500,059)</u>
Controlling interest		58,925,768,383	58,493,379,672	56,908,833,862
Non-controlling interest		<u>1,563,603,094</u>	<u>1,145,892,509</u>	<u>789,740,813</u>
Total trustors' capital:		<u>60,489,371,477</u>	<u>59,639,272,181</u>	<u>57,698,574,675</u>
Total liabilities and trustors' capital		<u>\$ 68,039,778,598</u>	<u>\$ 67,118,163,785</u>	<u>\$ 65,447,797,171</u>

See accompanying notes to the consolidated financial statements.



Fideicomiso Irrevocable No. F/17416-3
(Banco Nacional de México, S.A., member of Banamex Financial Group, Trust Division)
and Subsidiaries

Consolidated Statements of Profit or Loss and Other Comprehensive Income

For the years ended December 31, 2021, 2020 and 2019

(In Mexican pesos)

	Notes	2021	2020	2019
Fixed rental revenues		\$ 3,132,385,701	\$ 3,168,497,521	\$ 3,728,308,048
Variable rental revenues		281,006,137	73,283,010	264,342,408
Deferred lease revenue		292,706,778	380,527,324	413,521,331
Parking revenues		287,417,387	205,677,523	473,167,193
Maintenance and advertising revenues		<u>772,663,060</u>	<u>813,726,429</u>	<u>915,116,691</u>
		4,766,179,063	4,641,711,807	5,794,455,671
Advisory fees	15	643,915,534	637,807,701	633,639,389
Representation fees	15	90,980,042	83,512,004	108,707,379
Administration expenses		127,729,153	127,993,912	121,013,582
Operation and maintenance expenses		647,105,749	598,579,941	814,747,034
Property tax		150,646,248	186,601,411	133,673,275
Insurance		39,885,892	40,398,310	35,916,564
Interest income		(16,198,636)	(20,290,135)	(71,060,221)
Interest expense		351,858,849	345,893,049	448,158,512
Foreign exchange - Net		(18,084,993)	31,183,685	22,370,393
Adjustments to fair value of investment property	7	(58,669,921)	(36,033,690)	(563,065,748)
Income tax expense of subsidiary		<u>3,009,992</u>	<u>2,061,933</u>	<u>5,589,422</u>
Consolidated profit for the year		<u>\$ 2,804,001,154</u>	<u>\$ 2,644,003,686</u>	<u>\$ 4,104,766,090</u>
Profit attributable to:				
Controlling interest		\$ 2,804,837,383	\$ 2,644,138,765	\$ 4,091,268,558
Non-controlling interests		<u>(836,229)</u>	<u>(135,079)</u>	<u>13,497,532</u>
Consolidated profit for the year		2,804,001,154	2,644,003,686	4,104,766,090
Actuarial (losses) gains of employee benefits, net of taxes		<u>(105,958)</u>	<u>719,898</u>	<u>(1,345,923)</u>
Consolidated comprehensive income for the year		<u>\$ 2,803,895,196</u>	<u>\$ 2,644,723,584</u>	<u>\$ 4,103,420,167</u>
Basic and diluted comprehensive income per CBFi (pesos) (see Note 16)		<u>\$ 1.8681</u>	<u>\$ 1.7846</u>	<u>\$ 2.8219</u>

See accompanying notes to the consolidated financial statements



Fideicomiso Irrevocable No. F/17416-3

(Banco Nacional de México, S.A., member of Banamex Financial Group, Trust Division) and Subsidiaries

Consolidated Statements of Changes in Trustors' Capital

For the years ended December 31, 2021, 2020 and 2019

(In Mexican pesos)

	Trustors' capital	Retained earnings	Re-purchase of CBFIs reserve	Other items of comprehensive (loss) income	Controlling interest	Non-controlling interest	Total
Balance as of January 31, 2019	\$ 42,383,005,320	\$ 13,072,255,847	\$ -	\$ (2,154,136)	\$ 55,453,107,031	\$ 754,996,858	\$ 56,208,103,889
Increase in equity due to capitalization of advisory fees	578,108,176	-	-	-	578,108,176	-	578,108,176
Capital reimbursements	(1,327,367,790)	-	-	-	(1,327,367,790)	-	(1,327,367,790)
Dividends paid	-	(2,122,657,102)	-	-	(2,122,657,102)	-	(2,122,657,102)
Issuance of CBFIs Torre Virreyes	426,737,116	-	-	-	426,737,116	-	426,737,116
Cancellation of CBFIs Toreo (Comercial)	(189,016,204)	-	-	-	(189,016,204)	-	(189,016,204)
Decrease of non-controlling interest	-	-	-	-	-	(72,922,956)	(72,922,956)
Contribution of non-controlling interest	-	-	-	-	-	94,169,379	94,169,379
Comprehensive income:							
Consolidated net income for the year	-	4,091,268,558	-	-	4,091,268,558	13,497,532	4,104,766,090
Actuarial loss for employee benefits	-	-	-	(1,345,923)	(1,345,923)	-	(1,345,923)
	<u>-</u>	<u>4,091,268,558</u>	<u>-</u>	<u>(1,345,923)</u>	<u>4,089,922,635</u>	<u>13,497,532</u>	<u>4,103,420,167</u>
Balance as of December 31, 2019	41,871,466,618	15,040,867,303	-	(3,500,059)	56,908,833,862	789,740,813	57,698,574,675
Increase in equity due to capitalization of advisory fees	586,886,696	-	-	-	586,886,696	-	586,886,696
Capital reimbursements	(290,805,991)	-	-	-	(290,805,991)	-	(290,805,991)
Dividends paid	-	(1,188,303,073)	-	-	(1,188,303,073)	-	(1,188,303,073)
Re-purchase of CBFIs reserve	-	-	(168,090,485)	-	(168,090,485)	-	(168,090,485)
Contribution of non-controlling interest	-	-	-	-	-	356,286,775	356,286,775
Comprehensive income:							
Consolidated net income for the year	-	2,644,138,765	-	-	2,644,138,765	(135,079)	2,644,003,686
Actuarial gain for employee benefits	-	-	-	719,898	719,898	-	719,898
	<u>-</u>	<u>2,644,138,765</u>	<u>-</u>	<u>719,898</u>	<u>2,644,858,663</u>	<u>(135,079)</u>	<u>2,644,723,584</u>
Balance as of December 31, 2020	42,167,547,323	16,496,702,995	(168,090,485)	(2,780,161)	58,493,379,672	1,145,892,509	59,639,272,181
Increase in equity due to capitalization of advisory fees	586,263,648	-	-	-	586,263,648	-	586,263,648
Capital reimbursements	(1,366,161,221)	-	-	-	(1,366,161,221)	-	(1,366,161,221)
Dividends paid	-	(1,592,445,141)	-	-	(1,592,445,141)	-	(1,592,445,141)
Contribution of non-controlling interest	-	-	-	-	-	473,133,863	473,133,863
Decrease of non-controlling interest	-	-	-	-	-	(54,587,049)	(54,587,049)
Comprehensive income:							
Consolidated net income for the year	-	2,804,837,383	-	-	2,804,837,383	(836,229)	2,804,001,154
Actuarial loss for employee benefits	-	-	-	(105,958)	(105,958)	-	(105,958)
	<u>-</u>	<u>2,804,837,383</u>	<u>-</u>	<u>(105,958)</u>	<u>2,804,731,425</u>	<u>(836,229)</u>	<u>2,803,895,196</u>
Balance as of December 31, 2021	<u>\$ 41,387,649,750</u>	<u>\$ 17,709,095,237</u>	<u>\$ (168,090,485)</u>	<u>\$ (2,886,119)</u>	<u>\$ 58,925,768,383</u>	<u>\$ 1,563,603,094</u>	<u>\$ 60,489,371,477</u>



Fideicomiso Irrevocable No. F/17416-3
(Banco Nacional de México, S.A., member of Banamex Financial Group, Trust Division,)
and Subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2021, 2020 and 2019

(In Mexican pesos)

	2021	2020	2019
Cash flows from operating activities:			
Consolidated profit for the year	\$ 2,804,001,154	\$ 2,644,003,686	\$ 4,104,766,090
Adjustments to net profit:			
Income tax expense from subsidiary	3,009,992	2,061,933	5,589,422
Adjustments to fair value of investment properties	(58,669,921)	(36,033,690)	(563,065,748)
Advisory fee liquidated by equity instruments	586,263,648	586,886,696	578,108,176
Employee benefits	2,586,287	2,642,966	2,099,033
Depreciation of machinery and equipment	8,901,548	8,359,372	5,704,747
Lease depreciation right of use	4,953,612	6,025,016	-
Amortization of technological platform	1,390,006	6,062,035	6,062,036
Debt commissions – line of credit	2,131,386	2,131,386	3,670,073
Interest income	(16,198,636)	(20,290,135)	(71,060,221)
Financial expense - Net	347,189,878	341,224,084	440,831,609
Amortization of debt issuance commissions	4,668,971	4,668,965	7,326,903
Profit from derecognition of fixed asset	-	-	(4,516,448)
Total	<u>3,690,227,925</u>	<u>3,547,742,314</u>	<u>4,515,515,672</u>
Changes in working capital:			
(Increase) decrease in:			
Leases receivables and others	(34,744,639)	(175,451,282)	(2,203,680)
Accounts receivable from related parties	-	153,246	640,042
Recoverable taxes	(98,569,222)	(121,613,073)	(46,914,756)
Increase (decrease) in:			
Trade accounts payable and accrued expenses	9,170,856	12,400,885	(15,381,542)
Prepaid lease	12,593,904	(8,117,128)	(4,124,313)
Deferred lease revenue	(111,785,696)	(289,323,539)	(265,860,637)
Deposits of tenants	5,814,130	(587,824)	11,141,779
Income tax paid	54,451,008	(15,940,022)	(26,712,798)
Accounts payable to related parties	<u>4,369,845</u>	<u>(8,144,889)</u>	<u>14,176,927</u>
Net cash generated in operating activities	3,531,528,111	2,941,118,688	4,180,276,694
Cash flows from investing activities			
Acquisitions of investment properties	(868,554,836)	(804,176,468)	(820,505,715)
Acquisition of technological platform	-	-	(302,637)
Acquisitions of machinery and equipment	(10,649,425)	(5,914,672)	(10,456,141)
Proceeds from sale of land	-	-	11,293,333
Interest received	<u>16,198,636</u>	<u>20,290,135</u>	<u>71,060,221</u>
Net cash used in investing activities	(863,005,625)	(789,801,005)	(748,910,939)



	2021	2020	2019
Cash flows from financing activities:			
Loans obtained by third parties	830,000,000	130,000,000	150,000,000
Loan Payments	(730,000,000)	(150,000,000)	(1,000,000,000)
Paid expenses for financial liability issuance	(1,524,831)	-	-
Capital reimbursements	(1,366,161,221)	(290,805,991)	(1,327,367,790)
Re-purchase of CBFIs	-	(168,090,485)	-
Lease payments	(3,666,504)	(4,368,444)	-
Interest paid for lease liability	(2,684,489)	(429,999)	-
Dividends paid	(1,592,445,141)	(1,188,303,073)	(2,122,657,102)
Capital contributions of non-controlling interest, Fideicomiso Invex 3381 (Parque Tepeyac)	473,133,863	356,286,775	94,169,379
Decrease of non-controlling interest, Fideicomiso Invex 3381	(54,587,049)	-	-
Interest paid	<u>(473,024,276)</u>	<u>(461,669,907)</u>	<u>(543,762,322)</u>
Net cash used in financing activities	<u>(2,920,959,648)</u>	<u>(1,777,381,124)</u>	<u>(4,749,617,835)</u>
Cash, cash equivalents and restricted cash:			
Net (decrease) increase in cash, cash equivalents and restricted cash	(252,437,162)	373,936,559	(1,318,252,080)
Cash, cash equivalents and restricted cash at the beginning of period	<u>864,292,307</u>	<u>490,355,748</u>	<u>1,808,607,828</u>
Cash, cash equivalents and restricted cash at the end of period	<u>\$ 611,855,145</u>	<u>\$ 864,292,307</u>	<u>\$ 490,355,748</u>
Advisory fee liquidated by equity instruments (see Note 16)	\$ 586,263,648	\$ 586,886,696	\$ 578,108,176
Cancellation of CBFIs Tereo (Comercial) (see Note 1a y 7 “Relevant events” and “Investment properties, respectively)	-	-	(189,016,204)
Issuance of Torre Virreyes CBFIs (see Note 1a and 7 “Relevant events” and “Investment properties, respectively)	<u>-</u>	<u>-</u>	<u>426,737,116</u>
Total items that do not require cash flow	<u>\$ 586,263,648</u>	<u>\$ 586,886,696</u>	<u>\$ 815,829,088</u>

(Concluded)



Fideicomiso Irrevocable No. F/17416-3
(Banco Nacional de México, S.A., member of Banamex Financial Group, Trust Division)
and Subsidiaries

Notes to the Consolidated Financial Statements

For the years ended December 31, 2021, 2020 and 2019
(In Mexican pesos)

1. General information, activities and relevant events

Fideicomiso Irrevocable No. 17416-3 (Banco Nacional de México, S.A., integrante del Grupo Banamex División Fiduciaria) (the “Entity”, “Fibra Danhos” or the “Trust”) was established in Mexico City as a real estate trust on June 10, 2013, mainly to acquire, own, develop, lease and operate a wide variety of shopping centers, shops, offices, hotels, housing apartments, warehouses and industrial buildings in Mexico. The Trust was incorporated among the owners (the “Owners”) of certain properties, which were contributed in October 2013, contributed in exchange for Trust Certificates Real Estate (“CBFIs”), and simultaneously conducted a public offering, as detailed below.

The Trust, as a real estate investment trust (“FIBRA” for its acronym in Spanish), qualifies to be treated as a pass-through entity for Mexican federal income tax purposes. Therefore, all income from the conduct of the Trust’s operations is attributed to the holders of its real estate trust certificates (“CBFIs” for their acronym in Spanish) and the Trust itself is not considered a taxable entity in Mexico. In order to maintain FIBRA status, the Mexican Tax Administration Service (“SAT”) has established, per articles 187 and 188 of the Mexican Income Tax Law, that the Trust must annually distribute at least 95% of its taxable income to the holders of its CBFIs.

For the development of its operations, the Trust has entered into the following relevant contracts:

- i. An advisory agreement with DSD 1, S.C. to provide advisory services to the Trust for strategic planning.
- ii. A property management agreement with Administradora Fibra Danhos, S.C. (subsidiary) to conduct the day-to-day management of the operations of the Trust, including administering the related personnel. The Administrator will also be responsible for concluding agreements and contracts with third parties necessary for the operation of the properties, including advertising and marketing. Additionally, the Administrator held lease agreements with the Trust in connection with the operation of the parking and advertising spaces on the properties.
- iii. An advisory agreement with DSD2, S.C. to perform representation services which are necessary and appropriate for the development of the Trust’s operations.

The Trust’s address is Monte Pelvoux 220 7th floor, Lomas de Chapultepec, México City, Z.C. 11000.

a. Relevant events -

On October 21, 2021, the Trust carried out the extension of up to 5 years of the revolving long-term trust stock certificate program for an amount of up to \$8 billion pesos.

On April 23, 2021, a mandatory federal decree was published in Mexico where various labor and tax regulations were modified in order to generally prohibit the subcontracting of personnel and establish the rules under which specialized services may be subcontracted. During 2021, Administradora Fibra Danhos, S.C. (subsidiary of the Trust), completed the actions to implement the necessary administrative changes to fully comply with the terms of the new legal framework on the date of its entry into force.



As a result of the coronavirus (COVID-19) spread in Mexico and in the world, Fibra Danhos implemented strategies that allowed it to adapt and attend the health emergency, including the implementation of remote work schemes without detracting from productivity, implementation of high security standards on its properties and permanent support to its tenants. The temporary closures ordered by federal and state authorities to contain the spread of the virus affected the operation of buildings during 2020 and 2021, for which temporary discount and deferral programs were designed in payment of fixed rents depending on specific situations of each tenant. As of the third quarter of 2020, with the reopening of properties, signs of recovery were observed; however, this trend was interrupted by a second wave of infections that again caused the suspension of non-essential activities towards the end of the year, which was maintained until the gradual reopening of the different business lines in January and February 2021. During the second half of the year 2021, economic activities were normal without interruptions.

The amount of discounts granted to tenants in fiscal years 2021 and 2020 was for approximately \$338 million pesos and \$761 million pesos, respectively, the deferral agreements totaled approximately \$73 million pesos, most of which established payment dates during the second semester of 2020, and the first semester from 2021; during 2021 there were deferrals for \$16 million to be paid in 2022 and until June 2023. These deferral agreements are under constant review as of the date of these financial statements.

The COVID-19 Pandemic created an atypical situation in the real estate market that does not create conditions to update the properties value. As a result, the fair value of investment properties as of December 31, 2021 and 2020 showed a marginal growth compared to the values as of December 31, 2019, which is mainly explained by the investment in the new development of Parque Tepeyac.

Fibra Danhos maintains a constant approach and dialogue with its business partners in order to optimize their occupancy levels and constantly monitor their operations. It should be noted that the sources of employment were fully maintained without affecting wages and benefits, health measures and protocols were adopted that generate confidence in tenants and visitors, and policies to reduce expenses and preserve liquidity were implemented.

On March 27, 2020, it was approved at the holder's meeting to carry out the purchase of the number of CBFÍ's equivalent to up to 5% (five percent) of all the Certificates issued by Fibra Danhos for a total of \$168,090,485.

On February 13, 2020, the trust entered into an investment and participation agreement in the development of the "Parque Tepeyac" shopping center, in which they establish, among other rights and obligations of the parties, that Grupo Inmobiliario Sanborns (GIS) carry out the construction and operation of the Sanborns warehouse, such contract was signed between Grupo Inmobiliario Sanborns (GIS) and the investors of Tepeyac, therefore the investors gave the transfer of their trustee rights.

On December 23, 2019, the total of the DANHOS16-2 bond was paid, which corresponded to the Fiduciary Stock Certificates (CEBURES, for its acronym in spanishSpanish) issued on July 11, 2016, the amount settled is for 1,000 million pesos.

On December 13, 2019, the Michin Aquarium in Parque Puebla was successfully opened; this complements the entertainment offer of the property and generates a significant additional flow of visitors.

The construction of Parque Tepeyac is in process and progressing according to the construction program. As of December 31, 2021, 2020 and 2019, a 70.2%, 58% and 21.6% of advance was recorded, respectively. The project is anchored with department stores and commercial, entertainment and self-service chains; it has successfully started the commercialization plan, with an estimated opening date in the second half of 2022.



On July 5, 2019, it was approved by an extraordinary meeting to adjust the consideration of the commercial component of Toreo Parque Central and Torre Virreyes, which represent the cancellation of 7,269,854 CBFIs and issue of 16,412,966 CBFIs, respectively, resulting in a net issuance of 9,143,112 CBFIs. The process to determine the contribution value of such assets, which were in development at the time, was settled out in the Initial Public Offering documents with the idea of valuing them based on the stabilized flow that they would generate. Concluded the process, the adjustment was approved by our Technical Committee, adhering to the best market practices, resulting in a partial cancellation of titles in Toreo and negotiating a substantially smaller issuance corresponding to Torre Virreyes, achieving to align interests between contributors and minority investors.

On September 26, 2019, the exchange of the "DANHOS13" Real Estate Fiduciary Stock Certificates (CBFIs) was made, this covers the cancellation of the 7,269,854 CBFIs for the adjustment to the consideration of Toreo Parque Central and the issuance of 101,462,966 CBFIs which includes 16,412,966 CBFIs corresponding to the adjustment of the Torre Virreyes consideration of 85,050,000 CBFIs for future Advisory Considerations.

On April 15, 2019, the opening to the public of the Hotel in Parque Puebla was successfully completed, generating income at the beginning of the second quarter of 2019, which incorporated approximately 9,596 m2 of gross profitable into the Operating Portfolio to achieve approximately 892,000 m2 of ARB.

2. Adoption of new and modified International Financial Reporting Standards ("IFRS" or "IAS")

Impact of the initial application of Interest Rate Benchmark Reform

In prior year, the Entity adopted phase 1 of the Amendments to the Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7. These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

In the current year, the Entity adopted phase 2 of the Amendments to the Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. Adopting these modifications allows the Entity to reflect the effects of the transition from the Interbank Offered Rate (IBOR) to a reference interest rate (also known as "risk-free rate" or RFR) without generating an impact that could produce information that is not useful to users of financial statements. The Entity has not restated the prior period. Instead, the amendments have been applied retrospectively with any adjustments recognized in the appropriate components of capital as of January 1, 2021.

The amendments are not relevant to the Entity given that it does not applies hedge accounting.

Amendments to IFRS 16- Rent Concessions related to COVID-19 beyond June 30, 2021

In the prior year, the Entity early adopted *Rent Concessions related to COVID-19, under IFRS 16 (amendments to IFRS 16)*, which provides practical resources for the accounting of concessions for lessees as a direct consequence of the COVID-19, introducing a practical expedient to IFRS 16.

In March 2021, the IASB issued *Rent Concessions related to COVID-19 beyond June 30, 2021 (amendment to IFRS 16)*. When the IASB published the amendments to IFRS 16 in May 2020, the lessor was allowed to apply the rent allowance practical expedient for any reduction in lease payments affecting the original payments before or as of June 30, 2021. Due to the nature of the COVID-19 pandemic, the amendment extended a practical expedient to apply those original payments before or on June 30, 2022.

In the current year, the Entity has applied the amendments to IFRS 16 (as issued by the IASB in May 2021) in advance of the effective date.

Such amendments did not have a significant impact on the Entity.



New and revised IFRS Standards in issue but not yet effective

At the date of authorization of these financial statements, the Entity has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

IFRS 17	<i>Insurance Contracts</i>
IFRS 10 and IAS 28 (amendments)	<i>Sale or contribution of assets between an investor and its associate or joint venture</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to IFRS 3	<i>Reference to the conceptual framework</i>
Amendments to IAS 16	<i>Property, Plant and Equipment - proceeds before Intended Use</i>
Amendments to IFRS 37	<i>Onerous Contracts - Cost of Fulfilling a Contract</i>
Annual Improvements to IFRS Standards 2018-2020 Cycle	<i>Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases and IAS 41 Agriculture</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates</i>

Management does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Entity in future periods, except as noted below:

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

Amendments to IFRS 3 - Reference to the Conceptual Framework

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.



Amendments to IAS 37 - Onerous Contracts—Cost of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Annual Improvements to IFRS Standards 2018-2020 Cycle

The Annual Improvements include amendments to three Standards.

IFRS 1 First-time Adoption of International Financial Reporting Standards - not applicable to the Entity.

The amendment provides additional relief for the subsidiary that adopts for the first time after its parent with respect to accounting for accumulated translation differences. As a result of the amendments, a subsidiary uses the exception of IFRS 1: D16 (a) can now choose to mediate the accumulated effects of translation of foreign operations to book value which would be what is included in the consolidated statements of the parent, based on the date of transition of the parent to IFRS, if there were no adjustments for the consolidation procedures and for the business combination effects in which the parent acquired the subsidiary. A similar choice is available for an associate or joint venture that uses the exception in IFRS 1: D16 (a).

IFRS 9 Financial Instruments

The amendment clarifies that in applying the ‘10 per cent’ test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 16 Leases

The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies

The amendments change the requirements to IAS 1 with respect to disclosure of accounting policies. The amendment replaces the terms “significant accounting policies” with “information on material accounting policies”. Information on accounting policies is material when it is considered that, together with other information included in the financial statements of an entity, they may influence the decisions of the primary users of the financial statements in general use and that they are made in the basis of those financial statements.



The supporting paragraphs in IAS 1 are amended to clarify accounting policy information that relates to immaterial transactions, other events or conditions that are themselves material.

To support these modifications, the IASB has developed guidance and examples to explain and demonstrate the application of the “4-step materiality process” described in the IFRS practice 2 statements.

The amendments to IAS 1 will be in force for the annual periods beginning on January 1, 2021, with the option of early application and are applied prospectively. The amendments to the IFRS Practice 2 statements do not contain an effective date or transition requirements.

Amendments to IAS 8 Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates. Under the new definition, accounting estimates are “monetary amounts in the financial statements that are subject to measurement uncertainty”.

The definition of a change in accounting estimates was deleted. However, the IASB kept the concept of changes in an accounting estimate in the standard with the following clarifications:

- A change in an accounting estimate is the result of new information or a new development and is not the correction of an error.
- The effects of a change in an input or a valuation technique used to develop an accounting estimate are changes in accounting estimates if they do not result from a correction of prior period errors.

The IASB added two examples (example 4-5) to the IAS 8 Implementation Guide that accompanies the standard. The IASB has removed one example (example 3) as it could cause confusion from the amendments.

The modifications will be in force for the annual periods beginning on January 1, 2023 for changes in accounting policies and changes in accounting estimates that occur on or after the beginning of said period with the option of early application.

3. Significant accounting policies

The significant accounting policies followed by the Trust are as follows:

- a. ***Translation to English*** - The accompanying financial statements have been translated from Spanish into English for use outside Mexico. These financial statements are presented in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”). Certain accounting practices applied by the Entity that conform with IFRS may not conform with accounting principles generally accepted in the country of use.
- b. ***Statement of compliance***- The consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standard Board (IASB).
- c. ***Basis of measurement*** - The consolidated financial statements have been prepared in accordance with the historical cost basis, except for the investment properties that are measured at fair value, as explained in the accounting policies below.
 - i. ***Historical Cost***

Historical cost is generally based on the fair value of the consideration paid in exchange for goods or services.



ii. *Fair Value*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Entity considers the characteristics of the asset or liability if market participants would consider those characteristics when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

All the investment properties are category Level 3.

iii. *Going Concern*

The consolidated financial statements have been prepared by Management assuming that the Entity will continue to operate as a going concern.

During the first months of 2020, the infectious disease COVID-19 caused by the coronavirus appeared, which was declared by the World Health Organization (WHO) as a Global Pandemic on March 11, 2020, its recent global expansion has motivated a series of containment measures in the different geographies where the Entity operates and certain sanitary measures have been taken both by the Mexican authorities and by the different governments where the Entity operates to stop the spread of this virus. Derived from the uncertainty and duration of this pandemic, the Entity analyzed the applicability of the going concern assumption, concluding favorably.

- d. ***Basis of consolidation-*** The consolidated financial statements include the financial statements of the Trust and its subsidiaries Administradora Fibra Danhos, S.C and Fideicomiso Invex 3382 “Parque Tepeyac” in which it exercises control.

It obtains the control when the Trust:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The subsidiary was consolidated from the date its control was transferred to the Trust, which was on its date of incorporation.

All intercompany balances and transaction have been eliminated.



The Entity reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Entity has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Entity considers all relevant facts and circumstances in assessing whether or not the Entity's voting rights in an investee are sufficient to give it power, including:

- The size of the Entity's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Entity, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Entity has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Entity obtains control over the subsidiary and ceases when the Entity loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Entity gains control until the date when the Entity ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Entity and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Entity and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Entity's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Entity are eliminated in full on consolidation.

Changes in the Entity's ownership interests in existing subsidiaries

Changes in the Entity's ownership interests in subsidiaries that do not result in the Entity losing control over the subsidiaries are recorded as equity transactions.

The carrying amounts of the Entity's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of Entity.

When the Entity loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Entity had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.



- e. **Financial Instruments** – Financial assets and financial liabilities are recognized when the Trust becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial asset or liability are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in income.

Subsequent measurement of financial instruments depends on the accounting category in which they are classified. See a breakdown of the categories of financial instruments in Note 10 and the accounting treatment for each category in the accounting policies described below:

- f. **Financial assets**

Cash and cash equivalents

Cash and cash equivalents consist mainly of bank deposits in checking accounts and short-term investments. Cash is stated at nominal value and cash equivalents are valued at fair value. The Trust considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents are primarily represented by money market transactions and promissory notes on which returns are paid upon maturity.

Restricted cash

Restricted cash consists of cash in the custody of the Trust. In this account, the rental income is deposited and once deposited, the Trustee authorizes funding to the concentration account and subaccounts, for the operation of the Trust.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- If the financial asset is maintained in a business model whose objective is to maintain financial assets with the objective of obtaining contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are only payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- The financial asset is maintained within a business model whose objective is met by obtaining contractual cash flows and selling financial assets;
- The contractual terms of the financial asset give rise, on specific dates, to cash flows that are only payments of principal and interest on the principal amount outstanding

All other financial assets are subsequently measured at fair value through profit or loss.

Despite the foregoing, the Entity may make the following irrevocable election / designation in the initial recognition of a financial asset:

- May irrevocably elect to present subsequent changes in the fair value of an equity investment in other comprehensive income if certain criteria are met.
- It may irrevocably designate a debt instrument that meets the criteria of amortized cost or fair value through other comprehensive income if doing so eliminates or significantly reduces an accounting mismatch.



Loans and receivables

Accounts receivable, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are recognized at amortized cost using the effective interest method and are subject to impairment tests.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

The Entity recognizes a provision for expected credit losses in investments in debt instruments which are measured at amortized cost or at fair value through other comprehensive income, lease receivables, others receivable, as well as deposits in guarantee. The amount of expected credit losses is updated on each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The Entity recognizes expected credit losses for life for commercial accounts receivable, contractual assets and lease accounts receivable. The expected credit losses on these financial assets are estimated using a provision benchmark based on the Entity's historical experience of credit losses, adjusted for factors, which are debtors specifically, the general economic conditions and an evaluation of both the current management and of the forecast of conditions on the reporting date, including the time value of money when appropriate.

Derecognition of financial assets

The Trust derecognizes a financial asset only when the contractual rights to the asset's cash flows expire, or when substantially all the risks and rewards of owning the asset are transferred to another Entity.

g. ***Financial liabilities and equity***

Classification as debt or equity

Debt and equity instruments issued by the Trust are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements.

The key feature in determining whether a financial instrument is a liability is the existence of a contractual obligation of the Trust to deliver cash or another financial asset to the holder, or to exchange financial assets or liabilities under conditions that are potentially unfavorable. In contrast, in the case of an equity instrument the right to receive cash in the form of dividends or other distributions is at the Trust's discretion and, therefore, there is no obligation to deliver cash or another financial asset to the holder of the instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Trust are recognized at the proceeds received, net of direct issue costs.

When the Trust receives contributions or acquires properties which do not constitute a business, in return for its equity instruments, the transaction is recorded as a payment to third parties (other than employees) payable with share-based equity instruments, which are valued at the fair value of the assets received, except where the value cannot be estimated reliably. The effects on the financial position are recorded in the statements of changes in equity of the trustors as "equity contributions" and do not impact current earnings. The fair value of the properties is estimated as described in Note 7.



Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ' FVTPL' or 'other financial liabilities'.

Other financial liabilities, including long-term debt, are initially measured at fair value net of transaction costs. They are valued subsequently at amortized cost using the effective interest method, which is a method of allocating interest expense over the relevant period using the effective interest rate.

Derecognition of financial assets

The Trust derecognizes a financial asset only when the contractual rights to the asset's cash flows are fulfilled, cancelled or expire.

Derivative financial instruments

Financial instruments issued by the Trust, including over-allotment options of trust certificates, meet the definition of equity instruments and are presented as such. Consequently, there are no derivative financial instruments recognized in the Trust's consolidated financial statements.

Embedded derivatives

Embedded derivatives are non-derivative host contracts, which are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. The Trust has determined that it does not hold any embedded derivatives that require bifurcation.

- h. ***Deferred lease revenue*** - The Trust receives a single nonrefundable payment from its tenants, at the beginning and when signing new leases, which is amortized over the term of the lease. The unearned amount is presented as deferred revenue in the consolidated statements of financial position. The deferred revenue varies on the specifics of the leased premises and the lease term, among other factors.
- i. ***Leases***

The Entity as lessee

The Entity assesses whether a contract contains a lease at its origin. The Entity recognizes an asset for rights of use and a corresponding lease liability with respect to all lease contracts in which it is a lessee, except for short-term leases (term of 12 months or less) and those of low-value assets (such as electronic tablets, personal computers and small items of office furniture and telephones). For these leases, the Entity recognizes the rental payments as an operating expense under the straight-line method throughout the term of the lease, unless another method is more representative of the pattern of time in which the economic benefits from consumption of the leased assets.

The lease liability is initially measured at the present value of the rental payments that are not paid on the commencement date, discounted by the rate implicit in the contract. If this rate cannot be easily determined, the Entity uses incremental rates.

The rent payments included in the measurement of the lease liability consist of:

- Fixed rent payments (including fixed payments in substance), less any rental incentives received;
- Variable income payments that depend on an index or rate, initially measured using the index or rate on the commencement date;
- The amount expected to be paid by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments for penalties resulting from the termination of the lease, if the lease period reflects the exercise of a lease termination option.



The lease liability is presented as a separate concept in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the book value to reflect the interest accrued on the lease liability (using the effective interest method) and reducing the book value to reflect the rental payments made.

The Entity revalues the lease liability (and makes the corresponding adjustment to the related use rights asset) provided that:

- The lease term is modified or there is a significant event or change in the circumstances of the lease resulting in a change in the evaluation of the purchase option exercise, in which case the lease liability is measured by discounting the updated rent payments using a updated discount rate.
- Rent payments are modified as a consequence of changes in indices or rate or a change in the expected payment under a guaranteed residual value, in which cases the lease liability is revalued by discounting the updated rent payments using the same discount rate (unless the change in rent payments is due to a change in a variable interest rate, in which case an updated discount rate is used).
- A lease is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is revalued based on the lease term of the modified lease, discounting the updated rent payments using a discount rate. updated as of the effective date of the amendment.

Rights-of-use assets consist of the initial measurement of the corresponding lease liability, the rental payments made on or before the commencement date, less any lease incentives received and any direct initial costs. Subsequent valuation is cost less accumulated depreciation and impairment losses.

If the Entity incurs an obligation arising from the costs of dismantling and removing a leased asset, restoring the place in which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, a provision measured in accordance with IAS 37. To the extent that costs relate to a rights-of-use asset, the costs are included in the related rights-of-use asset, unless such costs are incurred to generate inventories.

Assets for rights of use are depreciated over the shorter period between the lease period and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the asset for rights of use reflects that the Entity plans to exercise a purchase option, the asset for rights of use will be depreciated over the useful life. Depreciation begins on the lease commencement date.

Assets for rights of use are presented as a separate concept in the consolidated statement of financial position.

The Entity applies IAS 36 to determine whether a rights-of-use asset is impaired and accounts for any identified impairment losses as described in the 'Property, plant and equipment' policy.

Leases with variable income that do not depend on an index or rate are not included in the measurement of the lease liability and the asset for rights of use. The related payments are recognized as an expense in the period in which the event or condition that triggers the payments occurs and are included in the concept of "Other expenses" in the consolidated statement of income.

As a practical expedient, IFRS 16 allows you not to separate the non-lease components and instead account for any lease and its associated non-lease components as a single arrangement. The Entity has not used this practical file. For contracts that contain lease components and one or more additional lease or non-lease components, the Entity assigns the consideration of the contract to each lease component under the relative selling price method independent of the lease component and relative selling price. Separate aggregate for all non-lease components.



The Entity as lessor

The Entity enters into lease agreements as lessor with respect to some of the investment properties.

Leases in which the Entity acts as lessor are classified as finance leases or operating leases. When the terms of the contract transfer substantially all the risks and rewards of the property to the lessee, the contract is classified as a finance lease. All other contracts are classified as operating contracts.

The rental income from operating leases is recognized on a straight-line basis through the relevant lease term. Direct initial costs incurred in the negotiation and arrangement of the operating lease are added to the book value of the leased asset and are recognized on a straight-line basis throughout the term of the lease.

When a contract includes lease and non-lease components, the Entity applies IFRS 15 to assign the consideration corresponding to each component under the contract.

- j. **Investment properties** - Investment properties are properties held to earn rentals and /or capital gains. Properties that are under construction or development may qualify as investment properties.

Investment properties acquired and related leasehold improvements are initially recorded at acquisition cost, including transaction costs related to the acquisition of assets. Investment property acquired in exchange for equity instruments are initially recorded at fair value, as detailed below.

Subsequent to initial recognition, investment properties are stated at fair value. Fair values are determined by independent appraisals recorded at the following moments:

- (i) At the time a factor that impacts the value of the investment property has been detected, and
- (ii) At least once annually from the acquisition of the property.

Gains and losses in fair value are recorded in the line item "fair value adjustments of investment properties - net" in the statements of profit or loss in the period in which they arise.

Initial direct costs incurred in negotiation of leases are added to the carrying amount of investment properties.

When the Trust operates a property under an operating lease to earn rentals or for capital appreciation, or both, it is classified and accounted for as investment property.

An investment property is derecognized upon its disposal or when the investment property is permanently out of use and no future economic benefits are expected from its disposal.

Any gain or loss arising on derecognition of the property (calculated as the difference between consideration received and the carrying value of the investment property) is included in profit or loss in the period in which the property is derecognized.

- k. **Intangible assets** - Intangible assets corresponds to the acquisition of technology platform, which have finite useful life, and are acquired separately and recognized at acquisition cost less accumulated amortization. Amortization is recognized based on the straight-line method over its estimated useful life. The estimated useful life and the amortization method are reviewed at the end of each year, and the effect of any change in the estimation recorded is recognized on a prospective basis. As of December 31, 2021, 2020 and 2019, the amortization of such platform corresponds to \$1,390,006.00, \$6,062,035 and \$6,062,036, respectively.
- l. **Machinery and equipment**-They are for use in the supply of goods and services leased to third parties or for management purposes, they are presented in the consolidated statement of financial position at their revalued amounts, calculating the fair value at the date of the revaluation, less any accumulated depreciation. Revaluations are carried out frequently enough so that the carrying amount does not defer significantly, from what would have been calculated using fair values at the end of the reporting period. As of December 31, 2021, 2020 and 2019 the depreciation of machinery and equipment corresponds to \$8,901,548, \$8,359,372 and \$5,704,747, respectively



Furniture and equipment are presented at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation is recognized to bring to cost the cost or valuation of assets, less their residual value, over their useful lives using the straight-line method, based on the following:

Machinery	10% year
Furniture and equipment	10% year
Christmas Display	25% year

The estimated useful life, the residual value and the depreciation method are reviewed at the end of each reporting period, and the effect of any change in the recorded estimate is recognized on a prospective basis.

m. **Foreign currency** - Foreign currency transactions are recognized at the rates of exchange prevailing at the dates of the related transactions. Monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences are recognized in the profit or loss.

n. **Income taxes** - As further explained in Note 1, the Trust intends to qualify for FIBRA status under the Mexican Income Tax Law and, accordingly, no provision for income taxes is recognized. The current and deferred tax consequences of a change in tax status are included in profit or loss for the period for the FIBRA's subsidiary, unless they relate to transactions that are recognized directly in equity or in other comprehensive income. The effects of income taxes of the subsidiary shown in the consolidated financial statements belong to the taxes of Administradora Fibra Danhos, S.C. (Subsidiary of the Trust). The (benefit) income tax expense represents the sum of the tax currently payable and deferred tax.

1. *Current tax*

Current income tax ("ISR") is recognized in the results of the year in which is incurred.

2. *Deferred income tax*

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

o. **Employee retirement benefits, termination benefits and statutory employee profit sharing (PTU)**

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Termination benefits are recognized at the time when it is not possible to remove the indemnification offer and / or the Trust recognizes the related restructuring costs.

PTU and employee benefits are only applicable to Administradora Fibra Danhos, S.C. (subsidiary of the Trust),

Employee profit sharing

PTU is recorded in the results of the year in which it is incurred and is presented in operating expenses in the consolidated statements of profit or loss.

PTU is determined based on taxable income, according to Section I of Article 10 of the Income Tax Law.



- p. **Deposits from tenants** - The Trust obtains refundable deposits from tenants, mainly denominated in pesos, as security for the lease payments for a certain period. These deposits are accounted for as a financial liability (see financial instruments accounting policy below) and are initially recognized at fair value. If a significant difference between the fair value and the cost at which the liability was initially recorded arises, it would be considered as an initial rent payment and consequently, it would be amortized over the lease term. The deposit would subsequently be measured at amortized cost. Currently, there are no significant deferred lease payments.
- q. **Provisions** - Provisions are recognized when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that the Trust will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation.
- r. **Consolidated Statement of Cash Flows** - The Trust presents its statements of cash flows using the indirect method. Interest received is classified as investing cash flows, while interest paid is classified as financing cash flows. Items which did not require cash, nor form part of the consolidated net income, are not included in this statement, as in the case of capital contributions that are shown in the consolidated statements of changes in trustor's capital, and part of the valuation adjustments described in Note 7.

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Trust's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily available through other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a. **Critical judgments in applying accounting policies**

The following are the critical judgments, in addition to those involving estimates (see below), that management has made in the process of applying the Trust's accounting policies and that has a significant effect in the consolidated financial statements.

Capitalization of borrowing costs

As described in note 7, the Entity capitalizes the cost of loans directly upon acquisition of investment properties.

Lease classification

As explained in Note 3g, leases are classified based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the Trust or the tenant, depending on the substance of the transaction rather than the form of the contracts. The Trust has determined, property in an evaluation of the terms and conditions of the agreements that substantially maintains all the significant risks and benefits inherent to the ownership of these assets and, therefore, classifies them as operating leases.

Income taxes

In order to continue to maintain its FIBRA status for Mexican federal income tax purposes, the Trust needs to meet the various requirements, which relate to matters such as the annual distribution of at least 95% of its net taxable income. The Trust applies judgment in determining whether it will continue to qualify under such tax status. The Trust does not recognize current nor deferred income tax.



Invex 3382 "Parque Tepeyac" Trust Control

As mentioned in note 8, Fideicomiso Invex 3382 "Parque Tepeyac" is a subsidiary of the Entity because it owns a 50% participation percentage of the voting rights in Fideicomiso Invex 3382 "Parque Tepeyac" and exercises control based on its right contractual of being in charge of the management, construction, operation and administration of the project.

As described in Note 3c, Fibra Danhos consolidates Parque Tepeyac because it has control and is exposed or has the right to variable returns and has the ability to affect such returns. In this sense, Fibra Danhos management continually reviews whether they still having control or not over Parque Tepeyac.

b. *Key sources of estimation uncertainty*

The following are the key assumptions concerning key sources of estimation uncertainty at the end of the reporting period and that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Valuation of investment properties

In order to estimate the fair value of the investment properties, management, with the assistance of an independent appraiser, selects the appropriate valuation techniques given the particular circumstances of each property and valuation. Critical assumptions relating to the estimates of fair values of investment properties include the receipt of contractual rents, expected future market rents, renewal rates, and maintenance requirements, discount rates that reflect current market uncertainties, capitalization rates and recent investment property prices. If there is any change in these assumptions or regional, national or international economic conditions, the fair value of investment property may change materially.

The Trust's management considers that the valuation techniques and critical assumptions used are appropriate to determine the fair value of its investment properties.

Discount rate used to determine the Entity's book value of the defined employee benefit obligation

The determination of the benefits of the borrowed obligations depends on some assumptions, which include the selection of the discount rate. The discount rate is set by reference to the market return at the end of the period in corporate bonds. Significant assumptions need to be made when setting the criteria for the bonds and must be included in the yield curve. The most important criteria to consider for bond selection include the current size of the corporate bonds, their quality and the identification of exclusion guidelines. These assumptions are considered key to estimating uncertainty as relatively insignificant changes, it may be that they have a significant effect on the Entity's Financial Statements for the following year. For more information on the Entity's book value, see note 10.

Fair Value measurement and valuation processes

When estimating the fair value of an asset or liability, the Entity uses observable market data to the extent that they are available. When Level 1 results are not available, the Entity hires external appraisers to establish an appropriate valuation technique. The Finance Director reports to the Technical Committee on the results each quarter to explain the causes of fluctuations in the fair value of assets and liabilities.

The valuation of investment in private securities, considered in business combinations of non-financial assets held for exchange, are particularly sensitive to changes in one or more observable results, which are considered reasonably possible for the following financial year. For more information see note 7.



5. Cash, cash equivalents and restricted cash

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statements of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

	2021	2020	2019
Cash in bank deposits (1)	\$ 197,989,132	\$ 329,904,944	\$ 208,159,222
Temporary investments (2)	413,672,519	534,181,363	281,990,526
Restricted cash	<u>193,494</u>	<u>206,000</u>	<u>206,000</u>
	<u>\$ 611,855,145</u>	<u>\$ 864,292,307</u>	<u>\$ 490,355,748</u>

- (1) As of December 31, 2021, 2020 and 2019, includes \$33,202,880, \$90,729,643 and \$108,695,350 of the Invex 3382 Trust, respectively.
- (2) As of December 31, 2021, 2020 and 2019, includes \$106,716,708, \$11,100,672 and \$207,325,753, of the Invex 3382 Trust, respectively.

6. Lease receivables and others receivable

	2021	2020	2019
Receivables from tenants	\$ 554,194,711	\$ 540,380,000	\$ 345,523,925
Straight- line receivables	39,990,787	53,382,001	77,696,306
Other receivables	<u>4,904,430</u>	<u>4,877,258</u>	<u>4,920,460</u>
	<u>\$ 599,089,928</u>	<u>\$ 598,639,259</u>	<u>\$ 428,140,691</u>

a. *Lease receivables and credit risk management*

At the inception of lease contracts, the Trust requests a refundable deposit from its customers to guarantee timely payment of rents on its commercial property leases, generally denominated in Mexican pesos, consisting in most of the cases, of two months of rent, which is presented under the caption "Deposit from tenants" in the accompanying consolidated statements of financial position. In addition, depending on the characteristics of the commercial property, the Trust may request a non-refundable deposit.

On a combined basis, and considering only the figures for the months of December 2021, 2020 and 2019, the rental revenues of the property "Toreo Parque Central", "Parque Delta", "Parque Tezontle" and "Parque Las Antenas" (the last one only applicable to 2018 and 2019, as indicated in note 1, began operations in 2018) represents 41%, 37% and 42%, respectively of the Trust's lease revenue.

In addition, individual properties comprising the combined properties may be individually subject to concentrations of credit risk.

b. *Age of receivables that are past due but not impaired*

Currently, the Trust holds monthly collection levels equal to its monthly billing period. Business practices and negotiation allow the Trust to maintain its accounts receivable with maturities of no greater than 60 days.



7. Investment properties

As of December 31, the integration of investment properties at fair value is as follows:

	2021	2020	2019
Fair Value			
Investment properties for lease ⁽¹⁾	\$ 63,013,660,786	\$ 62,702,583,000	\$ 62,580,452,000
Investment properties under construction and capitalized loan costs. ⁽²⁾	<u>3,378,502,884</u>	<u>2,632,476,747</u>	<u>1,784,162,588</u>
Fair value of investment properties	<u>\$ 66,392,163,670</u>	<u>\$ 65,335,059,747</u>	<u>\$ 64,364,614,588</u>

⁽¹⁾ Corresponds to the operating portfolio of Fibra Danhos as of December 31, 2021, 2020 and 2019.

⁽²⁾ Corresponds to the development Portfolio of Fibra Danhos. As of December 31, 2020 and 2019, it mainly includes the development of Parque Tepeyac and Parque Esmeralda Corporate Offices.

As of December 31, the detail of investment properties at fair value are as follows:

	2021	2020	2019
Balance at the beginning of the year	\$ 65,335,059,747	\$ 64,364,614,588	\$ 62,716,149,554
Investment in Development Portfolio ⁽¹⁾ , ⁽²⁾	998,434,002	995,795,351	847,678,374
CBFIs adjustments ⁽⁴⁾	-	-	237,720,912
Cession of rights ⁽⁵⁾	-	(61,383,882)	-
Adjustments to the fair value of investment properties ⁽³⁾	<u>58,669,921</u>	<u>36,033,690</u>	<u>563,065,748</u>
Balances as of December 31	<u>\$ 66,392,163,670</u>	<u>\$ 65,335,059,747</u>	<u>\$ 64,364,614,588</u>

⁽¹⁾ As of December 31, 2021, and 2020, additions correspond mainly to cash payments due to the construction completion an increase in the construction work, plus capitalization of interests of Parque Tepeyac.

⁽²⁾ As of December 31, 2019, additions correspond mainly to cash payments due to the construction completion in Parque Las Antenas, Parque Vía Vallejo, Parque Puebla, and an increase in the construction work of Toreo Business and Parque Tepeyac, plus capitalization of interests of Parque Tepeyac.

⁽³⁾ Adjustments at fair value of investment properties at December 31, 2021, 2020 and 2019 were \$58,669,921, \$36,033,690 and \$563,065,748, respectively.

All of the Trust's investment properties are held under freehold interests.

The fair value of the investment properties as of December 31, 2021, 2020 and 2019 was determined under the respective dates by independent appraisers not related to the Trust. They are members of the Institute of Appraisers of Mexico, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The appraisal was conducted in accordance with International Valuation Standards and was determined based on market evidence of transaction prices for similar properties. In estimating the fair value of the properties, the highest and best use of the properties is their current use. It first considers whether it can use current prices in an active market for a similar property in the same location and condition, and it is subject to leases and other similar contracts.



However, in most cases, it uses a valuation technique of discounted cash flows given the availability of information. The valuation technique of discounted cash flows requires the projection of periodic cash flows expected in a property in operation or under development. Periodic expected cash flows generally include the incomes considering the occupation and bad debt less operating expenses. These flows are treated with an appropriate discount rate, derived from assumptions made by market participants, to determine the present value of the cash flows associated with the property, which represents, its fair value.

Categorization of fair value measurements at different levels of the fair value hierarchy depends on the degree to which the data entries in the fair value measurements and the importance of inputs to measure fair value are observed.

There were no transfers between Levels 1 and 2 during the year.

All of the Trust's investment properties are held under freehold interests. Valuations of investment properties generally qualify as Level 3 under the fair value hierarchy. No transfers out of Level have occurred for the periods presented in the accompanying consolidated financial statements.

- (4) As mentioned in Note 1, on July 5, 2019, in an extraordinary meeting it was approved to record an adjustment to the consideration of the commercial component of Toreo Parque Central and Torre Virreyes, which represent the cancellation of 7,269,854 CBFIs and issuance of 16,412,966 CBFIs, respectively, resulting in a net issue of 9,143,112 CBFIs, which corresponds to \$ 189,016,204 of the cancellation and \$ 426,737,116 of the issuance, respectively.
- (5) As mentioned in Note 1, on February 13, 2020 it entered into an investment and participation agreement in the development of the "Parque Tepeyac" shopping center, in which they established, among other rights and obligations of the parties, that Grupo Inmobiliario Sanborns (GIS) carry out the construction and operation of the Sears and / or Sanborns warehouse, such contract was entered into between Grupo Inmobiliario Sanborns (GIS) and the investors of Tepeyac, therefore the investors gave the transfer of their trustee rights by an amount of (61,383,880)

8. Machinery and equipment

	Balances as of December 31,2020	Additions	Fixed assets sale	Balances as of December 31,2021
Investment:				
Machinery and equipment	\$ 1,600,000	\$ -	\$ -	\$ 1,600,000
Vehicles	168,520	-	-	168,520
Furniture and fixtures	11,070,544	-	-	11,070,544
Christmas Dislay	<u>30,537,979</u>	<u>10,649,425</u>	<u>-</u>	<u>41,187,404</u>
Total investment	43,377,043	10,649,425	-	54,026,468
Depreciation:				
Machinery and equipment	(1,026,666)	(160,000)	-	(1,186,666)
Vehicles	(168,520)	-	-	(168,520)
Furniture and fixtures	(2,103,604)	(1,107,054)	-	(3,210,658)
Christmas Dislay	<u>(14,859,753)</u>	<u>(7,634,494)</u>	<u>-</u>	<u>(22,494,247)</u>
Total accumulated depreciation	<u>(18,158,543)</u>	<u>(8,901,548)</u>	<u>-</u>	<u>(27,060,091)</u>
Net Investment	<u>\$ 25,218,500</u>	<u>\$ 1,747,877</u>	<u>\$ -</u>	<u>\$ 26,966,377</u>



	Balances as of December 31,2019	Additions	Fixed assets sale	Balances as of December 31,2020
Investment:				
Machinery and equipment	\$ 1,600,000	\$ -	\$ -	\$ 1,600,000
Vehicles	168,520	-	-	168,520
Furniture and fixtures	5,155,872	5,914,672	-	11,070,544
Christmas Dislay	<u>30,537,979</u>	<u>-</u>	<u>-</u>	<u>30,537,979</u>
Total investment	37,462,371	5,914,672	-	43,377,043
Depreciation:				
Machinery and equipment	(866,666)	(160,000)	-	(1,026,666)
Vehicles	(168,520)	-	-	(168,520)
Furniture and fixtures	(1,538,727)	(564,877)	-	(2,103,604)
Christmas Dislay	<u>(7,225,258)</u>	<u>(7,634,495)</u>	<u>-</u>	<u>(14,859,753)</u>
Total accumulated depreciation	<u>(9,799,171)</u>	<u>(8,359,372)</u>	<u>-</u>	<u>(18,158,543)</u>
Net Investment	<u>\$ 27,663,200</u>	<u>\$ (2,444,700)</u>	<u>\$ -</u>	<u>\$ 25,218,500</u>
Investment:				
Machinery and equipment	\$ 1,600,000	\$ -	\$ -	\$ 1,600,000
Vehicles	168,520	-	-	168,520
Furniture and fixtures	5,155,872	-	-	5,155,872
Christmas Dislay	<u>20,081,838</u>	<u>10,456,141</u>	<u>-</u>	<u>30,537,979</u>
Total investment	27,006,230	10,456,141	-	37,462,371
Depreciation:				
Machinery and equipment	(706,666)	(160,000)	-	(866,666)
Vehicles	(159,820)	(8,700)	-	(168,520)
Furniture and fixtures	(1,023,140)	(515,587)	-	(1,538,727)
Christmas Dislay	<u>(2,204,798)</u>	<u>(5,020,460)</u>	<u>-</u>	<u>(7,225,258)</u>
Total accumulated depreciation	<u>(4,094,424)</u>	<u>(5,704,747)</u>	<u>-</u>	<u>(9,799,171)</u>
Net Investment	<u>\$ 22,911,806</u>	<u>\$ 4,751,394</u>	<u>\$ -</u>	<u>\$ 27,663,200</u>

9. Investment in subsidiaries

The details of the Trust's consolidated subsidiaries as of December 31 are:

Name of the subsidiary	Main activity	Place and date of establishment	Proportion of ownership interest and voting power		
			2021	2020	2019
Administradora Fibra Danhos, S.C.	Managing services	Mexico City	100%	100%	100%
Trust Invex 3382 "Parque Tepeyac" (1)	Management, construction, operation and administration of shopping center	Mexico City	50%	50%	50%

- (1) The Entity exercises control based on its contractual right to be in charge of the management, construction, operation and administration of the project, as well as in making operational decisions and distribution of results.



10. Employee benefits

a. *Defined benefit plans*

The Trust operates defined contribution retirement benefit plans, which consist in one payment of 12 days for each worked year on a basis of the last wage, limited by double minimum wage, that it is established by the Mexican labor law. The net defined benefit liability and the annual expense, are calculated by an independent actuary under the circumstances of a defined benefit plans, were measured using the projected unit credit method.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as of December 31, 2021, 2020 and 2019 by independent actuaries, which are members of the Institute of Actuaries of Mexico. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	2021	2020	2019
	%	%	%
Discount rate	8.10	6.25	7.40
Expected wage increase rate	4.85	4.85	4.85

Movements in the present value of the defined benefit obligation in the current year were as follows:

	2021	2020	2019
Defined benefit obligation at the beginning of the year	\$ 18,774,050	\$ 17,272,106	\$ 13,259,369
Current labor service cost	2,586,287	2,642,966	2,099,033
Payments during the year	-	(112,596)	(9,040)
Actuarial loss (gain)	<u>151,369</u>	<u>(1,028,426)</u>	<u>1,922,744</u>
Total	<u>\$ 21,511,706</u>	<u>\$ 18,774,050</u>	<u>\$ 17,272,106</u>

The current service cost is included in the employee benefits expense in the consolidated statements of profit or loss and other comprehensive income. As a part of the expense for the years 2021, 2020 and 2019, \$2,586,287, \$2,642,966 and \$2,099,033, respectively, has been included in results of operations within administration expenses and \$151,369, \$(1,028,426) and \$1,922,744, respectively has been included in other comprehensive income.

Actuarial loss (gain) of the net defined benefit liability are included in other comprehensive income.

The amount included in the statements of financial position arising from the obligation of the Trust with respect to its defined benefit plans is as follows:

Significant actuarial assumptions for the determination of the defined obligation are the discount rate, expected salary increase and mortality rates. It is important to mention that a sensibility analyses was not performed, as the value of the defined benefit obligation is not significant.



11. Financial instruments

Financial Instruments categories:

	2021	2020	2019
Financial assets:			
Cash, cash equivalents and restricted cash	\$ 611,855,145	\$ 864,292,307	\$ 490,355,748
Accounts receivable and others	599,089,928	598,639,259	428,140,691
Due to related parties	-	-	153,246
Financial liabilities:			
Amortized Cost:			
Trade accounts payable	\$ 94,323,382	\$ 88,416,431	\$ 67,556,735
Due to related parties	200,818,399	196,448,554	204,593,443
Interest payable on financial liabilities	223,280,484	221,920,196	220,206,566
Lease liability	31,943,494	40,427,036	-
Financial liabilities	5,704,982,907	5,601,838,767	5,617,169,802

a. **Capital risk management**

The Trust manages its capital to ensure that the Trust will be able to continue as a going concern while maximizing the return to partners through the optimization of the debt and equity balances. The overall strategy of the Trust has not been changed compared to 2020.

The Trust's capital consists of debt and trustors' capital. The trust's objectives in managing capital are to ensure that adequate operating funds are available to maintain consistent and sustainable distributions, to fund leasing costs and capital expenditure requirements, and to provide for resources needed to acquire new properties.

Various financial reasons related to equity and distributions to ensure capital adequacy and monitor capital requirements are used.

b. **Financial risk management objective**

The objective of financial risk management is to meet financial expectations, results of operations and cash flows that will enhance the trading price of the CBFIs, to ensure the ability to make distributions to holders of CBFIs and to satisfy any future debt service obligations.

The Trust's Technical Committee function provides services to the business, coordinates access to domestic financial markets and monitors and manages the financial risks relating to the operations of the Trust through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

c. **Market risk management**

The activities of the Trust, expose it primarily to the financial risks of changes in foreign currency, however these effects are not material and are not considered additional disclosures in this regard.

d. **Interest rate risk management**

The following sensitivity analysis is based on the assumption of an unfavorable movement of base points in interest rates, in the amounts indicated, applicable to the category of financial liabilities that controls variable rate. This sensitivity analysis covers all the Trust's debt. The Trust determines its sensitivity by applying the hypothetical interest rate to its outstanding debt.



As of December 31, 2020, a hypothetical, instantaneous and unfavorable change of 100, 50 and 25 basis points in the interest rate applicable to the variable rate financial liability would have resulted in an additional financing expense of approximately \$2,300,000, \$1,149,998 and \$574,999 respectively. As of December 31, 2020, this hypothetical change was calculated for the disposed debt for the amount of \$230,000,000

e. **Foreign currency risk management**

The Trust enters into transactions where rental revenues and some maintenance services and fees are denominated in U.S. dollars ("dollar"), therefore, is exposed to currency fluctuations between the exchange rate of the Mexican peso and the dollar.

1. The foreign currency financial position is as follows:

	2021	2020	2019
U.S. dollars:			
Financial assets	8,542,417	13,150,686	5,276,189
Financial liabilities	<u>(6,438,707)</u>	<u>(6,138,474)</u>	<u>(5,896,388)</u>
Net financial asset position	<u>2,103,710</u>	<u>7,012,212</u>	<u>(620,199)</u>
Equivalent in Mexican pesos	<u>\$ 43,159,083</u>	<u>\$ 139,789,857</u>	<u>\$ (11,704,830)</u>

- (1) Mainly corresponds to security deposits and prepaid lease.

2. The exchange rates, in pesos, in effect as of the date of the consolidated statements of financial position and the date of issuance of the accompanying consolidated financial statements, are as follows:

	<u>December 31,</u>			<u>March 23,</u>
	2021	2020	2019	2022
U.S. dollar	<u>\$ 20.5157</u>	<u>\$ 19.9352</u>	<u>\$ 18.8727</u>	<u>\$ 20.1800</u>

f. **Foreign currency sensitivity analysis**

The Trust entered into transactions denominated in foreign currency, and consequently is exposed to fluctuations in the exchange rate, which are managed within approved policies.

If exchange rates had been one Mexican peso per U.S. dollar higher/lower and all other variables were held constant, the Trust's net income and trusts' capital for the year ended December 31, 2021, 2020 and 2019 would have decreased/increased by \$2,103,710, \$7,012,212 and \$(620,199), respectively.

g. **Credit risk management**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Trust. Substantially all Trust income derives from rental revenues from commercial property. As a result, its performance depends on its ability to collect rent from its tenants and its tenants' ability to make rental payments. Income and funds available for distribution would be negatively affected if a significant number of tenants, or any major tenant fails to make rental payments when due or close their businesses or declare bankruptcy.

As of December 31, 2021, 2020 and 2019, the Trust's 10 largest tenants occupied approximately 39%, 42.7% and 41.7%, respectively, of the total leasable area and represented approximately 25.2%, 25.2%, and 24.6%, respectively, of base rents attributable to its investment property portfolio. In addition, one tenant as of December 31, 2021, 2020 and 2019 representing approximately 7.3%, 7.2% and 6.9%, respectively, of the leasable area.



The Trust has adopted a policy of only dealing with counterparties with liquidity and obtaining sufficient collateral, where appropriate, which results in mitigating the risk of financial loss from defaults.

Credit risk arises from balances of cash and cash equivalents, accounts receivable and due from related parties and financial instruments. The maximum exposure to credit risk is the balance of each of those accounts as shown in the consolidated statements of financial position.

h. **Liquidity risk management**

Liquidity risk represents the risk that the Trust will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Ultimate responsibility for liquidity risk management rests within the Trust Technical Committee, which has established an appropriate liquidity risk management framework for the management of the Trust's short-, medium- and long-term funding and liquidity management requirements. The Trust manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of forecasted rental cash flows and liabilities. The Treasury department monitors the maturity of liabilities to program payments.

The following tables detail the Trust's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods.

December 31, de 2021	Less than 1 year	1 to 5 years	More than 5 years	Total
Accounts payable	\$ 94,323,382	\$ -	\$ -	\$ 94,323,382
Due to related parties	200,818,399	-	-	200,818,399
Interest payable of financial liabilities and leases	458,411,539	1,824,357,675	-	2,282,769,214
Long-term lease liability	4,829,177	27,114,317	-	31,943,494
Financial liability	<u>230,000,000</u>	<u>5,474,982,907</u>	<u>-</u>	<u>5,704,982,907</u>
	<u>\$ 988,382,497</u>	<u>\$ 7,326,454,899</u>	<u>\$ -</u>	<u>\$ 8,314,837,396</u>
December 31, de 2020	Less than 1 year	1 to 5 years	More than 5 years	Total
Accounts payable	\$ 88,416,431	\$ -	\$ -	\$ 88,416,431
Due to related parties	196,448,554	-	-	196,448,554
Interest payable of financial liabilities and leases	454,642,269	2,164,190,497	106,156,945	2,724,989,711
Long-term lease liability	-	33,464,201	6,962,835	40,427,036
Financial liability	<u>-</u>	<u>130,000,000</u>	<u>5,471,838,767</u>	<u>5,601,838,767</u>
	<u>\$ 739,507,254</u>	<u>\$ 2,327,654,698</u>	<u>\$ 5,584,958,547</u>	<u>\$ 8,652,120,499</u>
December 31, de 2019	Less than 1 year	1 to 5 years	More than 5 years	Total
Accounts payable	\$ 67,556,735	\$ -	\$ -	\$ 67,556,735
Due to related parties	204,593,443	-	-	204,593,443
Interest payable of financial liabilities	468,149,586	2,295,733,413	440,922,225	3,204,805,224
Financial liability	<u>-</u>	<u>150,000,000</u>	<u>5,467,169,802</u>	<u>5,617,169,802</u>
	<u>\$ 740,299,764</u>	<u>\$ 2,445,733,413</u>	<u>\$ 5,908,092,027</u>	<u>\$ 9,094,125,204</u>



i. **Fair value of financial instruments**

Fair value of financial instruments carried at amortized cost

The carrying amounts of accounts receivable, accounts payable and other financial assets and liabilities (including due to/from related parties, prepaid expenses and lease liabilities) are of a short and long term nature and, excluding liabilities related to advisory services (which is not a significant amount), and in some cases, bear interest at rates tied to market indicators. Accordingly, the Trust believes that their carrying amounts approximate their fair value. Further, deposits from tenants approximate their fair value since the discount rate used to estimate their fair value upon initial recognition has not changed significantly.

Fair value of financial liabilities that are not measured at fair value (but fair value disclosures are required):

December 31, 2021	Fair value	Value in books	Hierarchy and Valuation Technique
Financial liability	\$ 5,604,020,404	\$ 5,704,982,907	Level 2 - Market value. The fair value of the debt is measured by information that is not observable
December 31, 2020	Fair value	Value in books	Hierarchy and Valuation Technique
Financial liability	\$ 5,047,790,804	\$ 5,601,838,767	Level 2 - Market value. The fair value of the debt is measured by information that is not observable

j. **Valuation techniques and assumptions applied for the purposes of measuring fair value**

In estimating the fair value of an asset or a liability, the Trust considers the characteristics of the asset or liability market participants would utilize when pricing the asset or liability at the measurement date.

Furthermore, financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable inputs in measurements and their importance in determining fair value are included as a whole, which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 fair value measurements incorporate inputs that are not based on observable market data.

12. Accounts payable and accrued expenses

	2021	2020	2019
Accounts payable	\$ 82,139,894	\$ 72,073,866	\$ 62,435,390
Accrued expenses	<u>12,183,488</u>	<u>16,342,565</u>	<u>5,121,345</u>
	<u>\$ 94,323,382</u>	<u>\$ 88,416,431</u>	<u>\$ 67,556,735</u>



13. Financial liability

Not guaranteed, with amortized cost Payable in Mexican pesos	2021	2020	2019
On December 21, 2015, the Entity signed off a credit agreement with BBVA Bancomer, SA, and modified on September 25, 2019, for \$2,000,000,000, of which, the Trust disposed \$230,000,000 with maturity per month on December 2022, accruing interest at an annual base rate of TIIIE plus 135 basis points.	\$ 230,000,000	\$ -	\$ -
On December 21, 2015, the Entity signed off a credit agreement with BBVA Bancomer, SA, and modified on September 25, 2019, for \$2,000,000,000, of which, the Trust disposed \$130,000,000 with maturity per month on December 2022, accruing interest at an annual base rate of TIIIE plus 135 basis points. (e)	-	130,000,000	-
On December 21, 2015, the Entity signed off a credit agreement with BBVA Bancomer, SA, and modified on September 25, 2019, for \$2,000,000,000, of which, the Trust disposed \$150,000,000 with maturity per month on December 2022, accruing interest at an annual base rate of TIIIE plus 135 basis points. (d)	-	-	150,000,000
10-year line of credit of Fiduciary Stock Certificates in nominal fixed rate, the coupon was placed with the 7.80%.	3,000,000,000	3,000,000,000	3,000,000,000
Disposal of a nominal fixed-rate Fiduciary Stock Certificates credit line with a maturity of 10 years, which was placed with an 8.54% coupon.	<u>2,500,000,000</u>	<u>2,500,000,000</u>	<u>2,500,000,000</u>
	5,730,000,000	5,630,000,000	5,650,000,000
Short-term financial liabilities	230,000,000	-	-
Expenses of issuance of financial liabilities corresponding to CEBURES	<u>(25,017,093)</u>	<u>(28,161,233)</u>	<u>(32,830,198)</u>
	<u>\$ 5,474,982,907</u>	<u>\$ 5,601,838,767</u>	<u>\$ 5,617,169,802</u>

- a. Long-term loans include certain restrictive clauses that limit the Bank to its level of indebtedness, guaranteed debt, hedges, and total non-taxable assets. For the year ended as of December 31, 2021, these restrictions were met.



- b. As of December 31, 2021, 2020 and 2019, the company amortized the amount of \$4,668,971, \$4,668,695 and \$7,326,903, respectively of debt issuance expenses, and also amortized the amount of \$2,131,386, \$2,131,386 and \$3,670,073, related to the credit line expenses, respectively.
- c. On December 23, 2019, the payment of the Danhos 16-2 bond for \$ 1,000,000 was made.
- d. On June 12, 2020, the payment of the disposition of the Credit Line of BBVA Bancomer for \$ 150 Million was settled
- e. On February 23, 2021, the payment of the disposition of the Credit Line of BBVA Bancomer for \$ 130 Million was settled

14. IFRS 16 Leases

a) *Right-of-use assets*

	Balance as of January 31, 2021	Direct additions	Adjustments	Balance as of December 31, 2021
Investment:				
Building	\$ 45,187,617	\$ -	\$ (8,035,525)	\$ 37,152,092
Total investment	45,187,617	-	(8,035,525)	37,152,092
Accumulated depreciation				
Building	(6,025,016)	(4,953,612)	-	(10,978,628)
Total accumulated depreciation	(6,025,016)	(4,953,612)	-	(10,978,628)
Net investment	<u>\$ 39,162,601</u>	<u>\$ (4,953,612)</u>	<u>\$ (8,035,525)</u>	<u>\$ 26,173,464</u>
	Balance as of January 31, 2020	Direct additions	Adjustments	Balance as of December 31, 2020
Investment:				
Building	\$ -	\$ 45,187,617	\$ -	\$ 45,187,617
Total investment	-	45,187,617	-	45,187,617
Accumulated depreciation				
Building	-	(6,025,016)	-	(6,025,016)
Total accumulated depreciation	-	(6,025,016)	-	(6,025,016)
Net investment	<u>\$ -</u>	<u>\$ 39,162,601</u>	<u>\$ -</u>	<u>\$ 39,162,601</u>

b) *Lease liability*

Balance of the Lease Liability as of January 1, 2020	\$ -
New Lease Liabilities	45,225,479
Interest paid for lease	(429,999)
Cash outflow for Lease payments	(4,368,444)
Balance of the Lease Liability as of December 31, 2020	40,427,036
Adjustmnets	(2,132,549)
Interest paid for lease	(2,684,489)
Cash outflow for Lease payments	(3,666,504)
Balance of the Lease Liability as of December 31, 2021	<u>\$ 31,943,494</u>
Short-term Lease Liability	<u>\$ 4,829,177</u>
Long-term Lease Liability	<u>\$ 27,114,317</u>



Maturity	
1 year	\$ 4,829,177
2 year	5,224,445
3 year	5,652,066
4 years onwards	<u>16,237,806</u>
	<u>\$ 31,943,494</u>

15. Transactions and balances with related parties

Transactions with related parties were as follows:

	2021	2020	2019
Advisory fees (1)	<u>\$ 643,915,534</u>	<u>\$ 637,807,701</u>	<u>\$ 633,639,389</u>
Representation fees (2)	<u>\$ 90,980,042</u>	<u>\$ 83,512,004</u>	<u>\$ 108,707,379</u>

- (1) Based on the consulting services agreement celebrated on October 8, 2013 and modified on 2015, the Trust pays the amount equivalent to 0.75% of the initial contribution value of property; this percentage increased to 1% in 2020 with an increase in a linear base of .0625% each year. In addition, the Trust pays 1% on the value of property acquired after the initial contribution. Payment is made through CBFIs, or in cash, if the Consultant so requests to cover their taxes.
- (2) The Trust pays a monthly fee in an amount equal to 2.0% of the lease payments received, plus any applicable value-added taxes in exchange for representation services.

Balances receivables and payables with related parties are as follows:

	2021	2020	2019
Receivables:			
Banco Invex, S.A. Fideicomiso 1629	\$ -	\$ -	\$ 153,246
Construcciones de Inmuebles Premier GD, S.A. de C.V.	-	-	-
Daniel Hermanos S.A. de C.V.	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153,246</u>
Payables:			
DSD2, S.C.	\$ 11,165,726	\$ 9,149,561	\$ 10,408,431
DSD1, S.C.	188,238,824	186,592,004	192,025,948
Constructora El Toreo, S.A. de C.V.	1,003,299	706,989	1,497,203
Ad Space & Comm Skills, S.C.	<u>410,550</u>	<u>-</u>	<u>661,861</u>
	<u>\$ 200,818,399</u>	<u>\$ 196,448,554</u>	<u>\$ 204,593,443</u>

16. Trustors' capital

Contributions

- a. Capital contributions of trustors at par value is as follows:

Trustors' capital as of December 31, 2021	Trustors' capital as of December 31, 2020	Trustors' capital as of December 31, 2019
<u>\$ 41,387,649,750</u>	<u>\$ 42,167,547,323</u>	<u>\$ 41,871,466,618</u>



- b. In Technical Committee sessions held during 2021, 2020 and 2019, it was decided to carry out increases to equity by capitalization of payments for advisory commission for \$586,263,648, \$586,886,696 and \$578,108,176, respectively.
- c. In Technical Committee sessions held during 2021, 2020 and 2019, it was decided to carry out capital reimbursements and distribution of dividends to CBFIs' holders. The detail is as follows:

2021				
Date of the Technical Committee	Approved capital reimbursements	Approved dividend distribution	Total distribution to holders of CBFIs	Distribution per economic certificate
February 18, 2021	\$ 284,477,815	\$ 589,319,104	\$ 873,796,919	0.60
April 22, 2021	314,734,705	270,366,158	585,100,863	0.40
July 22, 2021	396,914,614	336,551,718	733,466,332	0.50
October 27, 2021	<u>370,034,087</u>	<u>396,208,161</u>	<u>766,242,248</u>	0.52
Total	<u>\$1,366,161,221</u>	<u>\$1,592,445,141</u>	<u>\$2,958,606,362</u>	
2020				
Date of the Technical Committee	Approved capital reimbursements	Approved dividend distribution	Total distribution to holders of CBFIs	Distribution per economic certificate
February 20, 2020	\$ 290,805,991	\$ 608,736,074	\$ 899,542,065	0.63
October 27, 2020	<u>-</u>	<u>579,566,999</u>	<u>579,566,999</u>	0.40
Total	<u>\$ 290,805,991</u>	<u>\$1,188,303,073</u>	<u>\$1,479,109,064</u>	
2019				
Date of the Technical Committee	Approved capital reimbursements	Approved dividend distribution	Total distribution to holders of CBFIs	Distribution per economic certificate
February 21, 2019	\$ 159,516,751	\$ 693,986,366	\$ 853,503,117	0.61
April 25, 2019	383,303,312	473,817,032	857,120,343	0.61
July 25, 2019	442,410,267	417,361,636	859,771,902	0.61
October 24, 2019	<u>342,137,460</u>	<u>537,492,068</u>	<u>879,629,529</u>	0.62
Total	<u>\$1,327,367,790</u>	<u>\$2,122,657,102</u>	<u>\$3,450,024,891</u>	

- d. As of December 31, 2021, 2020 and 2019 there were 1,552,383,510, 1,560,862,486 and 1,466,669,374 CBFIs in circulation, respectively, which are distributed as follows:

CBFI's								
With economic rights			Outstanding CBFIs			CBFI's issued		
2021	2020	2019	2021	2020	2019	2021	2020	2019
1,480,452,332	1,456,328,199	1,427,844,547	1,511,567,093	1,487,442,960	1,468,807,093	1,552,383,510	1,552,383,510	1,560,862,486

- e. The basic net income per CBFIs was calculated by dividing the net income of the period by the weighted average of CBFIs with economic right and the diluted net income of CBFIs considers the diluted events as if it had occurred after the issuance of the CBFIs with these characteristics. As of December 31, 2021, 2020 and 2019, the basic net income per CBFIs amounted to \$1.8681, \$1.7846 and \$2.8219, respectively, and net income per diluted CBFIs amounts to a \$1.8062, \$1.6961 and \$2.7647, respectively.



17. Income taxes

In order to maintain its FIBRA status, the SAT has established, per articles 187 and 188 of the Mexican Income Tax Law, that the Trust must annually distribute at least 95% of its taxable income to the holders of its CBFIs. The details of the distributions made in 2020 was disclosed in Note 15 c.

Moreover, Administradora Fibra Danhos, S.C., the Subsidiary is taxpayer and subject to income tax (ISR), which are recorded in the income statements in the year as incurred. The deferred tax effect is not material; therefore, no additional disclosures are included.

18. Future leases

The annualized amount of minimum future rentals to be received under existing contracts at December 31, 2020, with remaining terms ranging from one to six years, is as follows:

Year	Commercial	Offices	Total
2022	\$ 1,962,694,181	\$ 1,192,190,410	\$ 3,154,884,591
2023	1,238,688,909	1,016,805,498	2,255,494,407
2024	817,741,591	909,987,681	1,727,729,272
2025	599,236,148	651,489,127	1,250,725,275
2026	416,740,133	316,466,015	733,206,148
2027 and subsequent years	<u>1,210,007,438</u>	<u>420,528,616</u>	<u>1,630,536,054</u>
	<u>\$ 6,245,108,400</u>	<u>\$ 4,507,467,347</u>	<u>\$ 10,752,575,747</u>

The above summary does not consider any adjustments to the amounts of future rent with respect to contingent rental payments, as may be established in the lease contract, and in most cases corresponds to the effects of inflation. In addition, it is not considered any income variable character or renewal periods, but only the mandatory terms for tenants, in accordance with the aforementioned concept of minimum future rents.

By comments from the management of the properties, according to the history and behavior of the leases are renewed at the end of their respective lease periods, because of the high demand and attractiveness of the Properties and their locations. The average occupancy rate at the issuance date of these consolidated financial statements is 85.60% (unaudited).

19. Subsequent Events

Regarding the COVID-19 issue, as of the date of these financial statements, the Trust has granted discounts on rents from January 1st 2022 to the date of the issuance of this financial statements in the amount of \$3.5 million pesos and the surveillance and expense reduction measures continue, revaluation of contracts with non-essential third parties and constant monitoring of their results. In the same way, a close relationship with clients is maintained to identify possible problems and negotiations. Although the duration of the COVID-19 Pandemic is unknown, the Trust's administration considers that as of this date there are no ongoing business problems and the real estate market trends remain similar to those of December 31, 2020.

20. Authorization to issue the consolidated financial statements

On March 23, 2022, the issuance of the consolidated financial statements was authorized by C.P. Blanca Canela, Executive Director of Administration. These consolidated financial statements are subject to the approval at the Ordinary General Meeting of Holders of CBFIs, which may amend to the consolidated financial statements based on provisions set forth in the Mexican General Corporate Law.

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