



Torre Virreyes

**Supplemental Operating and Financial Data
Third Quarter 2020
Fibra Danhos**



Table of contents

Comments from our CEO	4
Fibra Danhos' financial evolution snapshot	5
Executive summary	6
1. Financial information of Fibra Danhos	7
2. Cash distribution for the third quarter 2020 and CBFI conciliation	9
3. Earnings	10
4. Operating indicators	14
5. Current Operating Portfolio	18
6. Current Development Portfolio and growth plan	18
7. Glossary	20

Disclaimer

This document may include forward-looking statements that may imply risks and uncertainty. Terms such as "estimate", "project", "plan", "believe", "expect", "anticipate", "intend", and other similar expressions could be construed as provisions or estimates. Fibra Danhos warns readers that: declarations and estimates mentioned in this document or realized by Fibra Danhos' management are subjected to risks and uncertainties that could change in function of various factors external to Fibra Danhos' control. Future expectations reflect Fibra Danhos' judgment at the date of this document's release. Fibra Danhos' reserves the right or obligation to update the information contained in this document or derived from this document. Past or present performance is not an indicator to anticipate future performance.

Fibra Danhos

We are a Mexican trust constituted, primarily, to develop, own, lease, operate, and acquire iconic and premier-quality commercial real estate assets in Mexico. Our objective is to provide attractive risk-adjusted returns to our CBFI holders, over the long-term, through stable cash distributions and the appreciation of our property values. We plan to maintain and grow a high-quality portfolio of properties. This, through our strong and unparalleled development capabilities and selective acquisitions of premier-quality iconic properties. We consider properties to be iconic if they have, the unique ability, to transform the areas surrounding their location. We consider properties to be premier-quality if they are located in prime locations, were developed with high construction and design standards, feature quality tenants, report high occupancy rates and, in the case of retail properties, attract a high volume of visitors and sales per square meter.

Investor Relations Contact Information

Elias Mizrahi Daniel

Office: +52 (55) 5284 0030 ext.1024

Email: investor@fibradanhos.com.mx



DANHOS FIBRA

Earnings

The quarterly results of the following quarters will be published on the following dates:

<u>Report</u>	<u>Release Date</u>
Fourth Quarter, 2020	Tentatively, Thursday, February 18 th , 2021
First Quarter, 2021	Tentatively, Thursday, April 22 nd , 2021
Second Quarter, 2020	Tentatively, Thursday, July 22 th , 2020
Third Quarter, 2021	Tentatively, Tuesday, October 21 th , 2021

Stock Information

<u>Ticker: DANHOS13</u>	<u>3Q20</u>	<u>2Q20</u>	<u>1Q20</u>	<u>4Q19</u>	<u>3Q19</u>
Closing price (high)	22.88	23.00	30.31	29.35	28.43
Closing price (low)	18.41	17.20	17.06	27.03	23.98
Average closing price	20.79	19.86	26.88	28.64	26.26
Average daily trading volume (CBFIs)	901,805	1,510,472	1,265,722	1,321,807	1,122,686
Issued CBFIs	1,552,383,510	1,560,862,486	1,560,862,486	1,560,862,486	1,560,862,486
Outstanding CBFIs (BMV)	1,489,880,044	1,475,372,283	1,472,089,688	1,468,807,093	1,463,002,445
CBFIs with economic rights	1,448,917,498	1,434,409,737	1,431,127,142	1,427,844,547	1,418,757,304
Market capitalization (millions of pesos)	30,184.97	29,517.1	28,617.42	42,125.4	40,188.7

Analyst Coverage

<u>Company</u>	<u>Analyst</u>	<u>E-mail</u>
Barclays	Pablo Monsiváis	pablo.monsivais@barclays.com
Bank of America Merrill Lynch	Carlos Peyrelongue	carlos.peyrelongue@baml.com
BBVA Bancomer	Francisco Chávez	f.chavez@bbva.com
Bradesco BBI	Victor Tapia	victor.tapia@bradescobbi.com.br
BTG Pactual	Gordon Lee	gordon.lee@btgpactual.com
Evercore ISI	Sheila McGrath	sheila.mcgrath@evercoreisi.com
HSBC	Eduardo Altamirano	eduardo.x.altamirano@us.hsbc.com
J.P. Morgan	Adrián Huerta	adrian.huerta@jpmorgan.com
ITAU BBA	Enrico Trotta	enrico.trotta@itaubba.com
Monex	Roberto Solano	jrsolano@monex.com.mx
Morgan Stanley	Nikolaj Lippmann	nikolaj.lippmann@morganstanley.com
Nau Securities	Luis Prieto	luisprieto@nau-securities.com
Santander	Jose Manuel Ramirez	jmramirezma@santander.com.mx
Signum Research	Armando Rodríguez	armando.rodriguez@signumresearch.com



Comments from our CEO

“Dear investors,

I am pleased to share with you that seven months after the start of the pandemic, we have adapted to the new normal by maintaining high occupancy levels and a value proposition for our tenants and visitors. The convenience of our locations is combined with a sustainable vision, operational efficiency and the design of relief programs for our commercial partners that have allowed the gradual recovery of traffic flow in our properties. Shopping centers show improved mobility and an increase in conversion rates while complying with health protocols, restricted time schedule, limited simultaneous capacity, and the staggered opening of some commercial formats. Average foot traffic has increased from levels of 30% in mid-July when activities restarted, to approximately 60% in recent dates compared to pre-covid periods. Shopping malls located in densely populated areas have reached foot traffic levels of up to 70% compared to pre-covid periods, while some others show a slower recovery, especially those located in the Reforma-Centro corridor and the western part of the city, which have been affected by the delay on the return to office spaces and by increased demonstrations and protests within the area.

Revenues and consolidated NOI reached 1,103.8 million pesos and 890.1 million pesos respectively, showing decreases of about 24% in both cases in relation to the previous year. NOI margin showed a slight reduction, but remains at a sound level of 80.6% while AFFO per CBF1 with economic rights reached Ps. 0.47, a drop of 33.8% y.o.y. Quarterly results were affected by a drop in base rents (adjusted for credit notes and covid provision), overage and parking revenue of 17.4%, 69.5%, and 64% respectively. Our liquidity remains healthy with a cash balance position of 677.3 million pesos, excluding 208.8 million pesos of restricted cash related to Parque Tepeyac’s trust and the committed revolving facility of 2 billion pesos. During the quarter we accumulated an additional 284.5 million pesos, after having used resources of about 482 million pesos in debt service, capex for Parque Tepeyac and in the buyback program.

A wave of M&A activity on the industry over the last couple of months has presented some investment opportunities on commercial real estate assets, however, we have not found a better alternative than the repurchase of our own CBFIs. In September we activated the authorized program, and to date we have accumulated a position that will be kept in the treasury, without economic rights, and their cancellation will be proposed at the next shareholders meeting. We will maintain the buyback for as long as we perceive a discrepancy in the market regarding the intrinsic value of our assets.

Parque Tepeyac is progressing according to budget with an overall work progress of 49%, and its opening date has been programmed for the first semester of 2022. The design has also been slightly adapted in its architecture to include more open-healthy spaces, and an innovative and diversified environment of retail concepts and entertainment options.

Current times have brought out the best of us. Our team has shown great commitment on implementing measures that have allowed us to overcome the crisis and provide support to our commercial partners. We stand strong backing this country, convinced that we will come out of this based on a well-defined, sustainable and long-term strategy. I thank and appreciate our shareholders, advisors and our team for their understanding and invaluable support.”

Salvador Daniel Kabbaz Zaga
CEO, Fibra Danhos



Fibra Danhos' Financial and Operating Evolution Snapshot

Fibra Danhos' financial information for the three months ended September 30, 2020 and September 30, 2019 and for the nine months ended September 30, 2020 and September 30, 2019 is derived from our consolidated financial statements. These statements were prepared in conformance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). Figures are expressed in Mexican pesos, unless otherwise indicated, and may vary due to rounding.

Fibra Danhos Financial Indicators	For the three months ended			For the nine months ended		
	Sep. 30, 2020	Sep. 30, 2019	Change %	Sep. 30, 2020	Sep. 30, 2019	Change %
Total Revenues	1,322,468,218	1,451,409,184	-8.9%	4,058,455,027	4,253,995,238	-4.6%
Invoiced Credit Notes COVID-19	(120,077,738)	-	NA	(393,902,501)	-	NA
Credit notes reserve COVID-19	(98,577,738)	-	NA	(264,274,217)	-	NA
Total Revenue (Post-discounts)	1,103,832,698	1,451,409,184	-23.9%	3,400,278,309	4,253,995,238	-20.1%
Net Operating Income	890,121,625	1,180,429,926	-24.6%	2,752,660,835	3,463,391,753	-20.5%
EBITDA	701,745,670	995,432,960	-29.5%	2,187,367,794	2,912,409,737	-24.9%
Net Income	614,558,625	776,429,301	-20.8%	1,956,456,537	2,442,173,621	-19.9%
FFO	623,915,956	877,476,643	-28.9%	1,936,434,601	2,622,379,876	-26.2%
AFFO	674,693,402	997,910,229	-32.4%	2,172,846,118	2,827,454,315	-23.2%
Distribution to CBFI holders	579,566,999	879,629,528	-34.1%	579,566,999	2,596,521,774	-77.7%
CBFIs with economic rights (ER)	1,448,917,498	1,418,757,304	2.1%	1,448,917,498	1,411,153,138	2.7%
AFFO per CBFI with economic rights	0.4657	0.7034	-33.8%	0.4657	2.0033	-76.8%
NOI (exc. TAP) per CBFI with ER	0.5520	0.7549	-26.9%	1.7043	2.2268	-23.5%
Tenant Admission Payments (Cash) with ER	0.0071	0.0260	-72.8%	0.0392	1.1095	-64.2%
Distribution per CBFI with economic rights	0.4000	0.6200	-35.5%	0.4000	1.8400	-78.3%
Non-distributed AFFO per CBFI with ER	0.0657	0.0834	-21.2%	0.0657	0.1633	-59.8%
AFFO payout ratio	85.9%	88.1%	-2.5%	85.9%	91.8%	-6.5%

Key Figures from our Balance Sheet	Sep. 30, 2020	Sep. 30, 2019	Change %
Cash and cash equivalents	886,098,722	1,470,972,245	-39.8%
Recoverable prepaid taxes, mainly VAT	165,765,143	60,098,940	175.8%
Investment properties	64,938,967,027	63,355,137,423	2.5%
Total assets	66,759,045,643	65,376,943,433	2.1%
Total debt	5,500,000,000	6,500,000,000	-15.4%
Total liabilities	7,701,529,763	8,545,985,901	-9.9%
Total stockholders' equity	59,057,474,879	56,830,957,531	3.9%
Loan-to-value (total debt/total assets)	8.2%	9.9%	-170.4

Fibra Danhos Operating Indicators	For the three months ended		
	Sep. 30, 2020	Sep. 30, 2019	Change %
Gross Leasable Area (000' sqm)	891.8	891.7	0.0%
Occupancy Rate - Total Properties	89.6%	92.0%	-240.0
Occupancy Rate - Same Property	95.4%	97.9%	-250.0
Average Monthly Fixed Rent per sqm (MXN)	404.8	390.0	3.8%
Occupancy Cost	NA	9.9%	NA
Renewal Rate	98.1%	99.4%	-128.0
Visitor flow - Total Property	12,337,227	31,024,758	-60.2%
Visitor flow - Same properties	9,428,883	24,520,762	-61.5%
Delinquency Rate	4.48%	0.67%	381.0
Rent Loss	3.14%	0.66%	248.0
Lease Spread (Operating Portfolio)	-0.9%	13.1%	-1,400.0
Lease Spread (Retail Portfolio)	2.0%	13.1%	-1,110.0



Fibra Danhos

Distribution	3Q20
Distribution to CBFi holders	579,566,999.20
<i>Distribution corresponding to net taxable income</i>	579,566,999.20
<i>Distribution corresponding to return of capital</i>	-
Dividend declaration date	October 27, 2020
Ex-Dividend Date	November 13, 2020
Record Date	November 17, 2020
Dividend payment date	November 18, 2020

Executive Summary

- **Malls and office spaces continue to operate under strict security and hygiene protocols, including time and capacity restrictions, established by the Mexican authorities.** Comparing to the same season statistics pre-covid: Office space mobility remains has been approximately 20%, while shopping malls have shown a consistent recovery going from 30% in July to 60% on September. Also, parking inflows have gone from 40% to 80% on average compared to the same season pre-covid.
- **Total revenues totaled 1,103.8 million pesos while Net Operating Income (NOI) for the quarter reached 890.1 million pesos,** a 23.9% and 24.6% decline against last year's quarter, respectively. Quarter figures show a recovery on fixed rent, overage and parking revenues, with increments of 33.4%, 233.5% and 273% respectively against the last consecutive quarter.
- **Relief program provided to our tenants during 3Q20 totaled 218.6 million pesos through credit notes invoiced and credit notes reserved, a 50.2% decline q.o.q.** We will continue to focus on maintaining our occupancy levels and a good relationship with our commercial partners.
- **Maintenance and operation expense declined 33.4% against last year.** Significant cost reductions have been achieved on energy consumption, security and cleaning services without neglecting the top-quality services provided on our assets.
- **AFFO reached 674.7 million pesos during the quarter, representing 0.47 pesos per CBFi with economic rights.** AFFO during the quarter posted a 33.8% drop vs. 3Q19. **Our Technical Committee approved a distribution of 0.40 pesos per CBFi with economic rights,** but remains cautious under current circumstances. Our balance sheet reflects sound liquidity, which allows us to focus on operating activities and avoid financial stress.
- **Accumulated tax profit as of 3Q20 stood at 706.4 million pesos.** Quarterly distribution of 579.6 million pesos corresponds entirely to fiscal earnings.
- **During the quarter the authorized buy-back program was activated, accumulating as of today close to 8.5 million CBFIs or 0.6% of outstanding CBFIs.** This repurchased position will be kept in the treasury, without economic rights, and its cancellation will be proposed at the next shareholders meeting.
- **Flow of visitors in our retail portfolio posted a drop of 57% with respect to 3Q19, however q.o.q. comparison showed a 282.3% increase.** Higher conversion rates with lower time of permanence have been observed, which is reflected on the increase rate of overage and parking revenues.
- **Same property occupancy rate reached 95.4% while Total property occupancy stood at 89.6%.** These figures posted a decline of 250 and 240 basis points, respectively, against last year.



- **Construction work at Parque Tepeyac continued on time and budget with changes that include slight architectural adjustments to its design that better serve current conditions.** Global work progress reached 49% and lease progress continued. Opening date was rescheduled for the first semester of 2022.



1. Financial information of Fibra Danhos

1.1 Consolidated statement of financial position

Fibra Danhos		
Mexican Pesos	As of September 30, 2020	As of September 30, 2019
Assets		
Current assets		
Cash and cash equivalents ¹	886,098,722	1,470,972,245
Accounts receivable and other	624,821,603	373,590,642
Prepaid taxes	165,765,143	60,098,940
Anticipated payments	61,705,102	72,860,912
Total current assets	1,738,390,570	1,977,522,739
Non-current assets		
Investment properties	64,938,967,027	63,355,137,423
Technological platform	2,981,175	9,043,211
Lease Right of Use	40,474,955	-
Other assets	4,729,929	6,400,000
Machinery and equipment	21,430,638	18,631,071
Deferred income tax of subsidiary	12,030,350	10,209,989
Total non-current assets	65,020,614,073	63,399,420,694
Total assets	66,759,004,643	65,376,943,433
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable and accumulated expenses	126,979,682	70,882,399
Prepaid rents	30,849,355	28,871,654
Accounts payable to related parties	561,455,771	194,242,890
Taxes payable	10,059,738	43,752,017
Tenant Admission Payments or deferred revenue	295,932,742	360,008,085
Short term debt	107,495,837	1,104,841,903
Short-Term Lease Right of Use	8,126,296	-
Total current liabilities	1,140,899,422	1,802,598,948
Non-current liabilities		
Security deposits	419,676,607	411,771,326
Tenant Admission Payments or deferred revenue	619,418,782	852,353,695
Employee benefits	17,159,510	13,259,372
Long term debt	5,470,671,524	5,466,002,560
Long Term Lease Right of Use	33,703,918	-
Total non-current liabilities	6,560,630,341	6,743,386,953
Total liabilities	7,701,529,763	8,545,985,901
Stockholders' equity		
Trustors' contributions	41,746,200,238	42,055,918,272
Consolidated net and comprehensive income	16,380,562,915	13,918,576,156
Labor Obligations	(3,500,059)	(2,154,136)
Non-controlling interest	1,032,009,667	858,617,239
CBFIs repurchase program	(97,797,882)	-
Total stockholders' equity	59,057,474,879	56,830,957,531
Total stockholders' equity	66,759,004,643	65,376,943,433

¹ In the cash balance shown in the Statement of Financial Position the 886.09 million pesos include 208.8 million pesos that correspond to Fideicomiso Invex 3382 (Parque Tepeyac) and are consolidated in Fibra Danhos' financial position.



1.2 Consolidated income statement

Mexican Pesos	For the three months ended			For the nine months ended		
	Sep. 30, 2020	Sep. 30, 2019	Change %	Sep. 30, 2020	Sep. 30, 2019	Change %
Base Rent	998,671,673	943,912,285	5.8%	2,985,009,622	2,776,496,876	7.5%
Invoiced Credit notes COVID-19	(120,077,738)	-	NA	(393,902,501)	-	NA
Credit note reserve COVID-19	(98,557,783)	-	NA	(264,274,217)	-	NA
Base Rent (Post-discounts COVID-19)	780,036,152	943,912,285	-17.4%	2,326,832,904	2,776,496,876	-16.2%
Overage	15,087,449	49,395,748	-69.5%	46,981,131	152,396,268	-69.2%
Tenant Admission Payments (Key money)	90,327,611	109,414,760	-17.4%	283,246,158	320,986,366	-11.8%
Parking	42,453,369	117,797,522	-64.0%	147,183,171	333,104,545	-55.8%
Maintenance, operation, advertising and other	175,928,117	230,888,868	-23.8%	596,034,944	671,011,183	-11.2%
Total operating revenues	1,103,832,698	1,451,409,184	-23.9%	3,400,278,309	4,253,995,238	-20.1%
Maintenance, operation, advertising and other expenses	133,142,329	199,892,414	-33.4%	424,931,970	581,085,616	-26.9%
Leasing Administration Fee	19,159,195	27,922,618	-31.4%	60,293,870	81,016,351	-25.6%
Property tax	50,886,825	34,210,432	48.7%	132,468,754	101,539,905	30.5%
Insurance	10,522,724	8,953,794	17.5%	29,922,881	26,961,612	11.0%
Advisory Fee	159,285,881	157,685,806	1.0%	476,952,525	468,099,779	1.9%
Administrative expenses	29,090,074	27,311,160	6.5%	88,340,517	82,882,237	6.6%
Total expenses	402,087,027	455,976,224	-11.8%	1,212,910,515	1,341,585,501	-9.6%
Interest income	4,383,241	17,722,611	-75.3%	16,344,262	53,774,444	-69.6%
Interest expense	84,996,344	132,054,927	-35.6%	260,117,752	342,540,721	-24.1%
Exchange rate gain - net	(6,462,943)	15,102,268	-142.8%	12,862,233	(1,820,328)	-806.6%
Adjustments to fair value of Investment Properties - net	-	(119,773,611)	-100.0%	-	(179,649,512)	-100.0%
Consolidated Net Income	614,669,625	776,429,301	-20.8%	1,956,456,537	2,442,173,621	-19.9%

1.3 Consolidated cash flow statements

Mexican Pesos	For the three months ended			For the nine months ended		
	Sep. 30, 2020	Sep. 30, 2019	Change %	Sep. 30, 2020	Sep. 30, 2019	Change %
Consolidated net income	614,669,625	776,429,301	-20.8%	1,956,456,537	2,442,173,621	-19.9%
Adjustments to net income	85,665,667	348,506,955	-75.4%	424,589,406	897,665,422	-52.7%
Changes in working capital	18,011,245	47,379,281	-62.0%	(184,534,504)	(150,024,880)	23.0%
Net cash generated in operating activities	718,346,537	1,172,315,537	-38.7%	2,196,511,438	3,189,814,163	-31.1%
Acquisitions of investment properties and development	(233,052,804)	(217,874,486)	7.0%	(476,854,106)	(483,773,970)	-1.4%
Acquisitions of machinery, equipment and tech platform	-	-	NA	-	(302,637)	-100.0%
Interest received	4,383,241	17,722,611	-75.3%	16,344,262	53,774,444	-69.6%
Net cash used in investing activities	(228,669,562)	(200,151,875)	14.2%	(460,509,843)	(430,302,163)	7.0%
Capital reimbursements	-	(442,410,267)	-100.0%	(290,805,991)	(985,230,330)	-70.5%
Lease Right of Use	(1,024,387)	-	NA	(3,180,990)	-	NA
Dividends paid	-	(417,361,636)	-100.0%	(608,736,074)	(1,585,165,033)	-61.6%
Credit opening fees paid	537,225	3,600,000	NA	1,599,998	3,600,000	NA
Obtaining long-term debt	-	-	NA	30,000,000	-	NA
Revolving credit line	-	-	NA	(180,000,000)	-	NA
Capital contributions to Tepeyac	50,693,515	-	NA	234,244,005	-	NA
CBFIs Repurchased	(62,760,470)	-	NA	(62,760,470)	-	NA
Interest paid	(226,236,112)	(261,399,167)	-13.5%	(460,619,101)	(530,352,225)	-13.1%
Net cash used in financing activities	(238,303,066)	(1,117,571,070)	-78.7%	(1,340,258,622)	(3,097,147,588)	-56.7%
Net decrease in cash	250,886,747	(145,407,406)	-272.5%	395,742,973	(337,635,583)	-217.2%
Cash at the beginning of period	635,211,975	1,616,379,651	-60.7%	490,355,749	1,808,607,828	-72.9%
Cash at the end of period	886,098,722	1,470,972,245	-39.8%	886,098,722	1,470,972,245	-39.8%



2. Cash Distribution for the third quarter of 2020 and CBFI Conciliation

Our accumulated fiscal earnings for the year amount to 706.4 million pesos. Our Technical Committee approved a distribution of 0.40 pesos per CBFI with Economic Rights, which amounts to 579.6 million pesos.

Per CBFI with economic rights		2014	2015	2016	2017	2018	2019	2020	Change %
1Q	AFFO	0.49	0.51	0.56	0.59	0.60	0.60	0.65	-9.0%
	Distribution	0.44	0.48	0.52	0.56	0.58	0.61	0.00	-100.0%
2Q	AFFO	0.47	0.58	0.62	0.61	0.66	0.70	0.39	-44.0%
	Distribution	0.44	0.49	0.53	0.57	0.60	0.61	0.00	-100.0%
3Q	AFFO	0.59	0.52	0.64	0.66	0.67	0.70	0.47	-33.5%
	Distribution	0.45	0.50	0.54	0.57	0.61	0.62	0.40	-35.5%
4Q	AFFO	0.46	0.55	0.66	0.66	0.75	0.75		
	Distribution	0.45	0.51	0.54	0.58	0.61	0.63		
Total	AFFO	2.00	2.16	2.48	2.52	2.68	2.76	1.51	
	Distribution	1.78	1.98	2.13	2.28	2.40	2.47	0.40	

CBFI Conciliation	As of September 30, 2020	As of June 30, 2020	Change %
Issued CBFIs as of September 30th, 2020	1,552,383,510	1,560,862,486	(8,478,976)
CBFIs with economic rights	1,448,917,498	1,434,409,737	14,507,761
Initial Operating Portfolio CBFIs	604,372,398	604,372,398	-
Initial Public Offering CBFIs (excluding overallotment option)	200,000,000	200,000,000	-
Executed overallotment option CBFIs	9,802,520	9,802,520	-
Toreo CBFIs with economic rights	249,407,738	249,407,738	-
Virreyes CBFIs with economic rights	227,505,097	224,222,502	3,282,595
CBFIs to be used as payment for plots of land for Parque Puebla	14,712,490	14,712,490	-
CBFIs used as payment for advisory fee*	107,748,749	88,044,607	19,704,142
Vía Vallejo CBFIs with economic rights	43,847,482	43,847,482	-
CBFI Repurchase Program	(8,478,976)	-	(8,478,976)
CBFIs without economic rights	103,466,012	126,452,749	(22,986,737)
Toreo CBFIs without economic rights	31,114,761	31,114,761	-
Torre Virreyes CBFIs without economic rights	-	3,282,595	(3,282,595)
Issued CBFIs to be used for future advisory fee payments	62,351,251	82,055,393	(19,704,142)
Issued CBFIs to be used for future contributions	10,000,000	10,000,000	-



3. Earnings

Fibra Danhos Mexican Pesos	For the three months ended			For the nine months ended		
	Sep 30, 2020	Sept 30, 2019	Change %	Sep 30, 2020	Sep 30, 2019	Change %
Base Rent	998,671,673	943,912,285	5.8%	2,985,009,622	2,776,496,876	7.5%
Invoiced credit notes COVID-19	(120,077,738)	-	NA	(393,902,501)	-	NA
Credit notes reserve COVID-19	(98,557,783)	-	NA	(264,274,217)	-	NA
Base Rent (Post-discounts COVID-19)	780,036,152	943,912,285	-17.4%	2,326,832,904	2,776,496,876	-16.2%
Overage	15,087,449	49,395,748	-69.5%	46,981,131	152,396,268	-69.2%
Tenant Admission Payments (Key money)	90,327,611	109,414,760	-17.4%	283,246,158	320,986,366	-11.8%
Parking	42,453,369	117,797,522	-64.0%	147,183,171	333,104,545	-55.8%
Maintenance, operation, advertising and other	175,928,117	230,888,868	-23.8%	596,034,944	671,011,183	-11.2%
Total operating revenues	1,103,832,698	1,451,409,184	-23.9%	3,400,278,309	4,253,995,238	-20.1%
Maintenance, operation, advertising and other expenses	133,142,329	199,892,414	-33.4%	424,931,970	581,085,616	-26.9%
Leasing Administration Fee	19,159,195	27,922,618	-31.4%	60,293,870	81,016,351	-25.6%
Property tax	50,886,825	34,210,432	48.7%	132,468,754	101,539,905	30.5%
Insurance	10,522,724	8,953,794	17.5%	29,922,881	26,961,612	11.0%
Total operating expenses	213,711,072	270,979,258	-21.1%	647,617,474	790,603,484	-18.1%
Net Operating Income (inc. TAP)	890,121,625	1,180,429,926	-24.6%	2,752,660,835	3,463,391,753	-20.5%
NOI margin (inc. TAP)	80.6%	81.3%	(69.1)	81.0%	81.4%	(46.1)
Net Operating Income (exc. TAP)	799,794,014	1,071,015,166	-25.3%	2,469,414,677	3,142,405,388	-21.4%
NOI margin (exc. TAP)	78.9%	79.8%	(89.41)	79.2%	79.9%	(67.50)
Advisory Fee	159,285,881	157,685,806	1.0%	476,952,525	468,099,779	1.9%
Administration Expenses	29,090,074	27,311,160	6.5%	88,340,517	82,882,237	6.6%
EBITDA (inc. TAP)	701,745,670	995,432,960	-29.5%	2,187,367,794	2,912,409,737	-24.9%
EBITDA margin (inc. TAP)	63.6%	68.6%	-501.0	64.3%	68.5%	-413.4
EBITDA (exc. TAP)	611,418,060	886,018,200	-31.0%	1,904,121,635	2,591,423,371	-26.5%
EBITDA margin (exc. TAP)	60.3%	66.0%	-569.5	61.1%	65.9%	-480.1
Interest income	4,383,241	17,722,611	-75.3%	16,344,262	53,774,444	-69.6%
Interest expense	84,996,344	132,054,927	-35.6%	260,117,752	342,540,721	-24.1%
Exchange rate gain - net	(6,462,943)	15,102,268	-142.8%	12,862,233	(1,820,328)	-806.6%
Adjustments to fair value of Investment Properties - net	-	(119,773,611)	-100.0%	-	(179,649,512)	-100.0%
Net Income	614,669,625	776,429,301	-20.8%	1,956,456,537	2,442,173,621	-19.9%
Exchange rate gain - net	(9,246,331)	18,726,270	-149.4%	20,021,935	(556,743)	-3696.3%
Adjustments to fair value of investment properties - Net	-	(119,773,611)	-100.0%	-	(179,649,512)	-100.0%
FFO	623,915,956	877,476,643	-28.9%	1,936,434,601	2,622,379,876	-26.2%
Net Tenant Admission Payments	(80,068,958)	(72,527,134)	10.4%	(226,392,265)	(166,401,072)	36.1%
Net anticipated rents	(9,211,859)	(513,383)	1694.3%	52,764,264	(14,746,063)	-457.8%
Net straight-line effect	5,669,300	(3,833,058)	-247.9%	17,774,530	(6,934,841)	-356.3%
Net property tax and insurance unaccrued	29,706,215	39,167,396	-24.2%	(34,974,427)	(40,193,324)	-13%
Net Advisory and Leasing Admin. Fee	104,682,748	158,139,765	-33.8%	427,239,414	433,349,738	-1.4%
AFFO	674,693,403	997,910,229	-32.4%	2,172,846,118	2,827,454,315	-23.2%



Fibra Danhos		Fixed Rent + Overage (includes credit notes)				
Property	3Q20	3Q19	Change %	9M20	9M19	Change %
Parque Alameda	5,734,425	12,310,830	-53.4%	23,717,950	36,281,615	-34.6%
Parque Delta	71,771,820	103,912,385	-30.9%	200,879,458	308,014,169	-34.8%
Parque Duraznos	12,206,072	17,020,442	-28.3%	34,374,853	52,228,119	-34.2%
Parque Esmeralda	18,187,634	34,582,220	-47.4%	90,938,171	103,746,660	-12.3%
Parque Lindavista	51,174,400	66,518,810	-23.1%	140,703,959	199,638,432	-29.5%
Reforma 222 (retail)	20,872,966	32,790,632	-36.3%	64,895,695	98,882,707	-34.4%
Reforma 222 (office)	32,297,098	28,466,872	13.5%	94,090,067	85,991,282	9.4%
Parque Tezontle	71,273,937	92,596,566	-23.0%	193,086,747	272,861,781	-29.2%
Toreo Hotel	3,612,536	14,550,863	-75.2%	27,124,847	42,215,617	-35.7%
Urbitec	6,933,818	14,211,794	-51.2%	31,315,397	41,848,411	-25.2%
Parque Vía Vallejo	48,358,836	67,463,566	-28.3%	141,422,923	200,935,734	-29.6%
Torre Virreyes	162,620,075	151,818,770	7.1%	484,035,663	455,549,267	6.3%
Toreo (retail)	65,600,074	92,138,790	-28.8%	182,920,140	285,373,185	-35.9%
Parque Virreyes	11,287,024	11,586,516	-2.6%	33,182,088	34,287,391	-3.2%
Same property	581,930,717	739,969,056	-21.4%	1,742,687,958	2,217,854,371	-21.4%
Parque Las Antenas	60,465,495	88,770,015	-31.9%	168,590,893	248,583,854	-32.2%
Parque Puebla	35,153,619	54,501,818	-35.5%	105,177,171	153,312,631	-31.4%
Puebla Hotel	984,267	5,842,252	-83.2%	10,012,508	10,775,710	-7.1%
Toreo (office A)	50,613,688	39,770,249	27.3%	141,776,842	106,481,648	33.1%
Toreo (office B&C)	65,975,815	64,384,643	2.5%	205,568,663	191,814,931	7.2%
Total property	795,123,601	993,238,033	-19.9%	2,373,814,035	2,928,823,144	-18.9%

Fibra Danhos		Net Operating Income (exc. TAP)				
Property	3Q20	3Q19	Cambio %	9M20	9M19	Change %
Parque Alameda	5,298,946	11,937,629	-55.6%	21,303,643	34,915,526	-39.0%
Parque Duraznos	82,720,741	128,376,406	-35.6%	239,531,184	375,215,862	-36.2%
Parque Esmeralda	12,310,784	21,399,882	-42.5%	37,928,350	63,965,789	-40.7%
Parque Lindavista	15,969,985	32,711,626	-51.2%	84,654,344	97,071,352	-12.8%
Reforma 222 CCA	58,878,294	88,452,148	-33.4%	168,699,718	261,679,484	-35.5%
Reforma 222 OFA	21,299,177	38,260,056	-44.3%	70,065,717	114,743,585	-38.9%
Urbitec	31,310,990	26,307,423	19.0%	90,498,748	80,854,724	11.9%
Parque Virreyes	82,128,200	109,717,224	-25.1%	228,967,522	323,794,762	-29.3%
Parque Delta	3,319,260	14,343,773	-76.9%	26,173,610	41,744,621	-37.3%
Parque Tezontle	6,032,044	13,998,578	-56.9%	30,452,794	41,983,555	-27.5%
Toreo Parque Central (componente comercial)	35,162,273	68,163,854	-48.4%	114,885,714	190,535,699	-39.7%
Parque Vía Vallejo	160,035,727	150,847,465	6.1%	481,772,872	456,087,184	5.6%
Toreo Hotel	70,879,165	104,129,265	-31.9%	199,253,741	321,711,910	-38.1%
Torre Virreyes	10,850,175	10,821,128	0.3%	33,678,487	32,541,503	3.5%
Same property	596,195,760	819,466,456	-27.2%	1,827,866,446	2,436,845,556	-25.0%
Parque Puebla	54,543,029	95,335,365	-42.8%	161,052,121	263,066,099	-38.8%
Toreo Torre A	37,901,417	55,164,046	-31.3%	113,474,278	154,830,738	-26.7%
Toreo Oficinas B&C	924,192	5,005,746	-81.5%	10,177,206	11,018,294	-7.6%
Puebla Hotel	46,644,815	36,740,214	27.0%	135,415,934	98,401,742	37.6%
Parque las Antenas	65,859,568	60,452,889	8.9%	228,507,011	182,206,747	25.4%
Total property	802,068,780	1,072,164,715	-25.2%	2,476,492,996	3,146,369,176	-21.3%

* The difference between Fixed Rent + Overage and NOI is due to expenses or incomes considered non-operational.



3.1 Debt

Our leverage is 8.2% (total debt /total assets). Our next debt maturities are scheduled for June 2026 (DANHOS16) and June 2027 (DANHOS17):

1. DANHOS 16: 3,000,000,000.00 (three billion 00/100 Mexican pesos) with a fixed nominal rate issued for a 10-year period with a 7.80% coupon rate (Mexican 10-year bond yield + 185 basis points).
2. DANHOS 17: 2,500,000,000.00 (two thousand five hundred million 00/100 Mexican pesos) with a fixed nominal rate issued for a 10-year period with an 8.54% coupon rate (Mexican 10-year bond yield + 169 basis points).

Debt	Institution / Issuance	Currency	Interest Rate	Issuance	Maturity	Tenor (years)	Balance
Bonds	Local (DANHOS 16)	MXN	Fixed 7.8%	11-July-16	29-Jun-26	5.76	3,000,000,000
Bonds	Local (DANHOS 17)	MXN	Fixed 8.54%	10-July-17	28-Jun-27	6.76	2,500,000,000
			Avg. 8.14%		Avg.	6.22	5,500,000,000

The following table shows information regarding compliance with the financial covenants of the debt:

Covenants as of September 30, 2019	Fibra Danhos	Limit	Status
Loan to Value (total debt/total assets)	8.2%	50%	OK
Secured debt limit	0%	40%	OK
Debt service coverage ratio (AFFO)	6.03x	1.5x min	OK
Unencumbered assets to unsecured debt	1197%	150%	OK

3.2 Leverage and Debt Service Coverage Index (CNBV)

Leverage (million pesos) for 3Q20

Leverage	(million pesos)
Publicly traded debt + financing	5,500
Total assets	66,759.0
Leverage (LTV)	8.2%

Where:

Financing: Aggregate amount corresponding to any credit facility, loan or financing pursuant to which the issuer has the obligation to pay, with charge to its equity, principal and, if applicable, any financial accessories related to the resources received.

Publicly traded debt: Value of the outstanding bonds ("Certificados Bursátiles") issued by the issuer, with charge to its equity.

Total assets: Sum of all asset items that are part of the issuer's state of financial position prepared under International Financial Reporting Standards ("IFRS").



Debt coverage service index (“ICDt”) (in thousands):

	Period	(Thousands of pesos)
Cash and cash equivalents (exc. restricted cash)	As of September 30, 2020	886,099
Recoverable VAT	Σ next 6 quarters	-
Estimated operating profit <u>after payment of distributions</u>	Σ next 6 quarters	2,400,000
Revolving credit lines, irrevocable and not willing	September 30, 2020	1,850,000
Subtotal 1		5,136,099
Amortization of interest derived from financing	Σ next 6 quarters	824,146
Amortization of financing principal	Σ next 6 quarters	-
Recurring capital expenditures	Σ next 6 quarters	30,000
Non-discretionary development expenses	Σ next 6 quarters	1,000,000
Subtotal 2		1,854,146
Debt service coverage ratio (subtotal 1 / subtotal 2)		2.77

4. Operating Indicators

4.1 Tenant Sales (same properties and total properties)

The most significant institutional commercial tenants in terms of ARB and Fixed Income that report sales by contractual obligation have been affected in their sales and consequently it is not feasible to report comparable occupancy cost and tenant sales.

4.2 Tenant Diversification

The following chart shows the distribution of GLA by type of business of our tenants as of September 30, 2020:

Type of business	As of September 30, 2020
Accessories, Jewelry and Optics	1%
Food	8%
Department Stores	10%
Electronics and Communications	1%
Entertainment	13%
Specialty	2%
Home and Decoration	2%
Clothing and Footwear	24%
Health and Beauty	4%
Services	35%
Total	100%



As of September 30, 2020, our ten largest tenants in terms of Base Rent represented 24.2% of Total Base Rent and 41.4% of the occupied GLA for the Current Operating Portfolio with no single tenant accounting for more than 5.1% of Base Rents or 7.0% of the occupied GLA attributable to our Current Operating Portfolio.

Tenant Type	Occupied GLA (sqm)	Percentage of Total Occupied GLA	Monthly Base Rent	Percentage of total monthly base rent
Department store, retail & clothing	55,894	7.0%	8,809,920	2.7%
Retail clothing	48,534	6.1%	16,536,464	5.1%
Entertainment	39,818	5.0%	2,784,600	0.9%
Department stores, telecommunications, financial services and specialty retail	39,116	4.9%	7,649,478	2.4%
Lodging	37,408	4.7%	9,016,724	2.8%
Office	34,151	4.3%	12,125,090	3.7%
Entertainment	22,417	2.8%	5,286,208	1.6%
Entertainment	19,393	2.4%	4,185,469	1.3%
Retail clothing	17,104	2.1%	2,811,432	0.9%
Restaurants	16,990	2.1%	9,066,423	2.8%
Total	330,825	41.4%	78,271,807	24.2%

4.3. Lease Expirations, Leasing Activity and Lease Spread in our Current Operating Portfolio

Lease expiration year ⁽¹⁾	Number of Expiring Leases	Square Meters of Expiring Leases ⁽²⁾	Percentage of Property Leased Square Meters	Annualized Base Rent of Expiring Leases ⁽⁴⁾ (Ps.)	Percentage of Property Annualized Base Rent of Expiring Leases	Annualized Monthly Base Rent (Ps./sqm)
2020	242	77,263	9.7%	327,515,842	8.4%	353.2
2021	420	113,738	14.2%	714,092,690	18.4%	523.2
2022	420	124,408	15.6%	771,664,511	19.9%	516.9
2023	295	115,964	14.5%	689,041,797	17.7%	495.2
2024	106	36,491	4.6%	199,440,009	5.1%	455.5
Beyond	178	331,236	41.4%	1,179,592,575	30.4%	296.8
Indefinite ⁽³⁾	4	192	0.0%	634,592	0.0%	275.7
Total	1,665	799,291	100.0%	3,881,982,016	100.0%	404.7

(1) Some contracts begin when the leasable area is given to the tenant, which might be different from the date the lease contract is signed; this might result in an effective date of the lease termination and that disclosed in the contract.

(2) Refers to the leasable area

(3) Lease contracts that are generating rent event though the ending date shown in it, is prior to September 30 2020.

(4) Annualized rent means the contractual Base Rent as of September 30, 2020 times 12.

The GLA-weighted average remaining life of the lease agreements in the properties of our Current Operating Portfolio was approximately 5.0 years. The GLA-weighted average remaining life of the lease agreements for the retail, office and mixed-use properties in our Operating Portfolio was approximately 5.0, 4.4 and 5.2 years, respectively.



The Lease Spread (definition on glossary) in 3Q20 was -0.9% for the overall Portfolio and 2.0% for the retail properties and retail components of the mixed-use properties in our Currently Operating Portfolio.

Lease Spread	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20
Operating Portfolio	6.9%	13.1%	5.9%	1.3%	-0.7%	-0.9
Retail properties and mixed-use retail components	7.1%	13.1%	6.9%	2.0%	2.2%	2.0%

The Lease Spread of the Current Operating Portfolio in 3Q20 was calculated over 17,593 sqm. The Lease Spread of the retail properties and mixed-use properties in 3Q20 was calculated over 12,657 sqm.

4.4. Leasing progress

Toreo office (towers B & C)	As of September 30, 2020		As of June 30, 2020	
	sqm of GLA	% of GLA	sqm of GLA	% of GLA
Executed lease agreements	53,036	82.3%	54,586	84.7%
Lease agreements in the process of being executed	-	0.0%	718	1.1%
Letters of intent	1,500	2.3%	6,389	9.9%
Total	54,536	84.6%	61,693	95.7%

Toreo office (tower A)	As of September 30, 2020		As of June 30, 2020	
	sqm of GLA	% of GLA	sqm of GLA	% of GLA
Executed lease agreements	40,231	64.3%	40,231	64.3%
Lease agreements in the process of being executed	-	0.0%	-	0.0%
Letters of intent	4,345	6.9%	17,066	27.3%
Total	44,576	71.2%	57,297	91.5%

Parque Puebla (Phase I)	As of September 30, 2020		As of June 30, 2020	
	sqm of GLA	% of GLA	sqm of GLA	% of GLA
Executed lease agreements	54,127	75.9%	54,603	76.5%
Lease agreements in the process of being executed	204	0.3%	224	0.3%
Letters of intent	4,536	6.4%	4,494	6.3%
Total	58,867	82.5%	59,321	83.1%

Parque Las Antenas (Phase I)	As of September 30, 2020		As of June 30, 2020	
	sqm of GLA	% of GLA	sqm of GLA	% of GLA
Executed lease agreements	94,070	86.4%	94,236	86.6%
Lease agreements in the process of being executed	533	0.5%	990	0.9%
Letters of intent	6,138	5.6%	6,404	5.9%
Total	100,742	92.6%	101,629	93.4%



4.5 ESG

The last three years we have prepared our report in accordance with GRI indicators, incorporating an increasing a number of aspects so that we can remain profitable as a company, while at the same time evolving to become a socially and environmentally responsible company. We are aware of the need to continually expand infrastructure to meet the needs of a growing population and economy. For this reason, and given our area of business, we work to create solutions that can help mitigate our impact, and systems that help us measure it in all the activities we carry out.

In environmental aspects, we are particularly attentive to our management of energy, water and waste, the most important components of our operations and those which directly affect the activities of the properties we manage.

In the area of social responsibility, we create positive impacts by being a profitable company and creating jobs, but we also offer our employees a comprehensive compensation and benefits package that exceeds the regulatory minimum, and with this we try to attract and retain the best talent and help improve their quality of life. In addition to competitive salaries, we offer benefits beyond what the law requires.

On the matter of corporate governance, we know that this is the framework within all the other elements are managed. Accordingly, we strive to demonstrate a clear and aligned governance structure. We have financial, environmental and social targets, as well as various policies that address each of the material aspects of our management. First, the Code of Ethics, which establishes the foundations for the performance of all members of Fibra Danhos and everyone with whom we have relations. We also have specific policies like Diversity and Inclusion; Occupational Safety; Environmental Protection; anti-corruption; Sustainable Sourcing; Stakeholder Relations and Sustainability; Recruitment, Selection and Hiring of Personnel; and a Supplier policy.

In 2018 we obtained the “**Green Star**” recognition from **GRESB** (Global Real Estate Sustainability Benchmark), we are pleased to announce that in 2019 we maintained such achievement with a considerable improvement in our score.

We participated in the **S&P Sam** index rating for our third consecutive year and we are waiting for the results to be announced.

In 2019 we received an upgraded rating from **MSCI ESG Ratings** from B to BB.

We became members of the UN Global Compact.

We have adopted the AMEFIBRA’s ESG Manual which includes:

- Standardization of Metrics.
- Elevate the standard of transparency in results.
- Make a commitment to the ESG initiative in the Fibra’s sector.



5. Portfolio

Fibra Danhos Portfolio	Opening Year	State / Municipality	GLA	% of GLA	Occupancy	Parking Spaces
Current Operating Portfolio						
<i>Retail</i>						
1. Parque Alameda	2003	Cuauhtémoc, Ciudad de México	15,755	1.7%	99.2%	308
2. Parque Delta	2005/2016 (expansion)	Benito Juárez, Ciudad de México	70,831	7.6%	99.2%	2,999
3. Parque Durazos	2000	Miguel Hidalgo, Ciudad de México	16,389	1.8%	89.8%	1,002
4. Parque Las Antenas	2018	Iztapalapa, Ciudad de México	108,830	11.7%	86.4%	4,351
5. Parque Lindavista	2006	Gustavo A. Madero, Ciudad de México	41,600	4.5%	98.5%	2,254
6.1 Reforma 222 (Retail)	2007	Cuauhtémoc, Ciudad de México	24,291	2.6%	90.9%	1,438
7.1 Parque Puebla	2017	Puebla, Puebla	71,360	7.7%	75.9%	3,404
8. Parque Tezontle	2007/2015 (expansion)	Iztapalapa, Ciudad de México	68,317	7.4%	98.6%	3,045
9.1 Toreo Parque Central (Retail)	2014	Naucalpan, Estado de México	92,707	10.0%	95.1%	3,400
10. Vía Vallejo	2016	Iztapalapa, Ciudad de México	84,619	9.1%	94.8%	4,499
Sub total Retail			594,699	64.2%	92.1%	26,700
<i>Office</i>						
6.2 Reforma 222 (Office)	2007	Cuauhtémoc, CDMX	20,398	2.2%	89.8%	288
7.2 Parque Puebla (Hotel)	2019	Puebla, Puebla	9,596	1.0%	100.0%	70
9.2 Toreo (Towers B&C)	2016	Naucalpan, Estado de México	64,432	7.0%	82.3%	1,314
9.3 Toreo (Tower A)	2017	Naucalpan, Estado de México	62,605	6.8%	64.3%	1,315
9.4 Toreo (Hotel)	2016	Naucalpan, Estado de México	17,297	1.9%	100.0%	400
11. Parque Esmeralda	2000	Tlalpan, CDMX	34,151	3.7%	100.0%	1,636
12. Torre Virreyes	2015	Miguel Hidalgo, CDMX	67,878	7.3%	98.5%	2,251
13. Urbitec	2009	Miguel Hidalgo, CDMX	12,912	1.4%	38.8%	316
14. Parque Virreyes	1989	Miguel Hidalgo, CDMX	7,783	0.8%	90.7%	251
Sub total Office			297,052	32.1%	84.7%	7,841
Total Current Operating Portfolio			891,751	96.2%	89.6%	34,541
Current Development Portfolio						
<i>Retail</i>						
15. Parque Tepeyac	2021e	Gustavo A. Madero, Ciudad de México	35,000	3.8%	NA	2,000
Sub total Retail			35,000	3.8%	NA	2,000
Total Current Development Portfolio			35,000	3.8%	NA	2,000
Total Portfolio			926,751	100.0%	89.6%	36,541
<i>Sub total/ Weighted Avg. Retail</i>			<i>629,699</i>	<i>67.9%</i>	<i>92.1%</i>	<i>28,700</i>
<i>Sub total/ Weighted Avg. Office</i>			<i>297,052</i>	<i>32.1%</i>	<i>84.7%</i>	<i>7,841</i>

6. Current Development Portfolio and Growth Plan

100% success rate for the development commitments made during our IPO. A very clear indicator of a low risk-high reward developmental operation. To date, only 4% our Portfolio is under development where as 96% is under operation and stabilization. We have started pre-



construction work in Parque Tepeyac. We have more than tripled the GLA of our Initial Operating Portfolio 3.3 times and have added more than 500,000 square meters of premier quality GLA since October 2013.

Expected GLA evolution (operation vs. development)

Fibra Danhos	2013	2014	2015	2016	2018	2019e	2019	2022e
Operating Portfolio	45%	49%	60%	79%	88%	96%	96%	100%
Pre-IPO development portfolio	55%	23%	12%	0%	0%	0%	0%	0%
Post-IPO development portfolio	0%	28%	28%	21%	12%	4%	4%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%

* The GLA shown in the table above is the total estimated GLA of the Current Operating Portfolio at the end of every year.

6.1 Parque Tepeyac – Expected opening date (Phase I): first semester 2022

In the Technical Committee session held on July 21, 2016, Fibra Danhos' participation in a new mixed-use development in the northeast area of Mexico City was approved. The area is heavily populated and with residential and commercial vocation. On December 21, 2017, we executed a binding partnership agreement with unrelated third parties to participate in the development of a shopping and entertainment center in the north-east of Mexico City called Parque Tepeyac. The participation of Fibra Danhos in the project is 50%.

The project will be developed in several plots of land with a total combined area of approximately 51,700 sqm. Fibra Danhos will be in charge of the design, construction, marketing and operation of the project. The GLA of Fibra Danhos (50%) will be approximately 35,000 sqm. The estimated net investment of Fibra Danhos will be approximately 1,800 billion pesos, including land, out of which we have invested 1,089 million pesos to date.

Construction work at Parque Tepeyac has been reactivated complying with the new required protocols for sanitation and safety. Lease progress continues with high expectations and global work progress reached 49%. The shopping center will have more than 120,000 sqm of retail area including Liverpool, Sears, Cinépolis, a self-service store and we are in the process of defining the anchor entertainment concept. There is a great interest on the part of our business partners to participate in the project and we continue making progress in the execution of lease agreements.

Parque Tepeyac

	Contribution to the work	As of September 30, 2020
Work progress	100.0%	48.6%
Excavation and foundations	20.0%	85.0%
Civil works	45.0%	68.0%
Installations and equipment	20.0%	5.0%
Finishes and facades	15.0%	0.0%

* Excludes construction completion certificates and occupancy permits



7. Glossary

Adjusted Funds From Operations (AFFO): Result of adjusting FFO by adding or subtracting, as applicable, the following items: (i) subtracting capital expenditures to maintain and improve the quality of assets; (ii) net Tenant Admission Payments, which are composed of Tenant Admission Payments collected in the current period that are unearned and Tenant Admission Payments collected in prior periods accrued in the current period; (iii) net rents collected in advance, which are composed of rents collected in advance in the current period that are unearned and rents collected in advance in prior periods that are accrued in the current period; (iv) net Leasing and net Advisory Fees accrued, which are composed of Leasing and Advisory Fees accrued in advance, Leasing and Advisory Fees accrued in the current period that remain unpaid and Leasing and Advisory Fees from previous periods; (v) adjusting for the straight-line effect (effect of recognizing the amounts of Base Rent, proportionately in straight line throughout the term of lease agreements, no matter the payment method agreed upon with the tenant); (vi) net Property Tax and Insurance expenses, which are composed of un-accrued Property Tax and Insurance expenses from the current period and Property Tax and Insurance expenses that correspond to previous periods. AFFO is a measure of the capacity to generate cash flows.

Base rent: Minimum fixed rent payable by tenants as determined in the lease agreement.

Delinquency Rate: Rental payment delayed beyond 60 days. When it is presented as a percentage, Delinquency Rate is rental payment delayed beyond 60 days as a percentage of annualized Base Rent of the respective period.

Current Development Portfolio: Means the properties and components of properties that are currently under development and/or conclusive phase. (Parque Tepeyac).

Current Operating Portfolio: Means, collectively, the properties that are part of the Initial Operating Portfolio, the retail component of Toreo Parque Central and Torre Virreyes. (Parque Alameda, Parque Delta, Parque Duraznos, Parque Esmeralda, Parque Las Antenas, Parque Lindavista, Reforma 222, Parque Puebla, Hotel Puebla, Parque Tezontle, retail component of Toreo Parque Central, office towers A, B & C of Toreo Parque Central, the hotel in Toreo Parque Central, Parque Vía Vallejo, Urbitec and Parque Virreyes.)

EBITDA: Earnings before interests, taxes, depreciation and amortization. In the case of pro forma financial information of the 9 properties in our Operating Portfolio, the Advisory Fee is subtracted from revenues to calculate EBITDA. In the case of financial information of Fibra Danhos, the Advisory Fee and professional fees to fourth parties, if any, are subtracted from revenues to calculate EBITDA. In any case, EBITDA is calculated before any adjustments relating to changes in the market value of assets reflected in results.

Economic Rights: Rights of CBFi holders to receive cash distributions, pursuant to the legal documents of Fibra Danhos' IPO.

Funds From Operations (FFO): As applicable, the result of adding to or subtracting from Net Income adjustments relating to negative or positive changes, respectively, in the market value of assets reflected in results.

Initial Development Portfolio: Means the two properties that were contributed to the Trust for its IPO. (Toreo Parque Central and Torre Virreyes)

Initial Operating Portfolio: Means the nine properties that were contributed to the Trust for its IPO. (Parque Alameda, Parque Delta, Parque Duraznos, Parque Esmeralda, Parque Lindavista, Reforma 222, Parque Tezontle, Urbitec and Parque Virreyes.)

Lease Spread: Compares in a given period of time the price per sqm of Fixed Rent of the renewed and new lease agreements with respect to the price per sqm of the expired and terminated lease agreements in the same period of time



Net Income: Result of (i) subtracting from operating revenues (Base Rent, Overage Rent, Tenant Admission Payments, parking revenues, and maintenance, operation, advertising and other revenues) operation and maintenance expenses; property taxes; insurance; Advisory Fee; Leasing Administration Fee; professional fees to fourth parties; net financial revenues/expenses; taxes attributable to the Management Subsidiary; and (ii) adding or subtracting, as applicable, any adjustments relating to changes in the market value of assets reflected in results.

Net Operating Income: Calculated by subtracting operating expenses of the properties (excluding net financial revenues/expenses and the Advisory Fee) from operating revenues of the properties.

Occupancy Cost: In the case of those retail tenants who are the most significant in terms of GLA and Fixed Rent, cost incurred associated to occupying a premise, which consists of Base Rent, Overage Rent and common area maintenance and advertising fees, expressed as a percentage of the corresponding Tenant Sales.

Overage Rent: The difference paid as rent (when positive), between Base Rent and the rent consisting of a percentage of Tenant Sales, as determined in the lease agreements of retail spaces.

Renewal Rate: Result of dividing the gross leasable area of premises that were renewed, by the total gross leasable area of the portfolio.

Rent loss: Rental payment delayed beyond 180 days. When it is presented as a percentage, Rental Loss is rental payment delayed beyond 180 days as a percentage of annualized Base Rent of the respective period.

Tenant Admission Payments: A one-time non-reimbursable payment made to us by some entering tenants in our retail properties and in the retail components of our mixed-use properties. Tenant Admission Payments are usually received at the time of leasing new space or when an expiring lease agreement is not renewed and the corresponding premise is leased to a new entering tenant.

Tenant Sales: Sales generated in the leased premises in a given period for those retail tenants who are the most significant in terms of GLA and Fixed Rent and have a contractual obligation to report sales under their lease agreements.