



FibraHotel_{mx}



ANNUAL
REPORT
2023

2023 HIGHLIGHTS

12,395
rooms in operation

63%
occupancy
(excluding FACC)

\$1,420
million pesos of
adjusted EBITDA
+6%
vs. 2022

44.32
kWh/room night as
energy consumption
intensity (Electricity + Fuel)
-9%
vs. 2022

4,402
people in the
hotel teams
53% woman

2.7
million room nights

+5%
vs. 2022

\$5,224
million pesos
in revenues

+11%
vs. 2022

\$4,390
million pesos in
financial debt

-2%
vs. 2022

15.44
kg CO₂e/room night as
GHG emissions
intensity

-6%
vs. 2022

(Data as of December 31st de 2023)

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NOTE: The publication date of this Annual Report is July 8th, 2024.

PDF navigation. This Content page has links to navigate through the Report. The paginated number, when clicked, returns to Contents. The Financial Statements have their own navigation. ESG index pages lead to sections that are bookmarked.

External links. The document have text marked in light blue and information sources in superscript, both have external links for consultation.

LETTER FROM THE CEO

(GRI 2-22)

Dear stakeholders:

The year 2023 was marked by continued record operational results for FibraHotel and significant progress in ESG matters. These achievements reflect the strength and quality of our hotels, as well as positive trends in the hotel sector in Mexico. The appreciation of the peso against the dollar also presented challenges, however, our ability to adapt and efficiently manage our financial resources allowed us to achieve these results.

In 2023, the portfolio had an occupancy rate of 63.0%, which was 308 basis points higher than in the previous year. The Average Rate of MXN\$1,427 was 8% above 2022, and the Effective Rate was 13% higher than in 2022. Overall, revenues of MXN\$5,224 million represented an 11% increase compared to the previous year, while Adjusted EBITDA of MXN\$1,420 million was 6% higher than 2022.

During the year, we experienced a compression in operating margins. It was partly due to a decrease in revenues from the Fiesta Americana Condesa Cancún hotel, as well as operational deleveraging and increased operating costs,

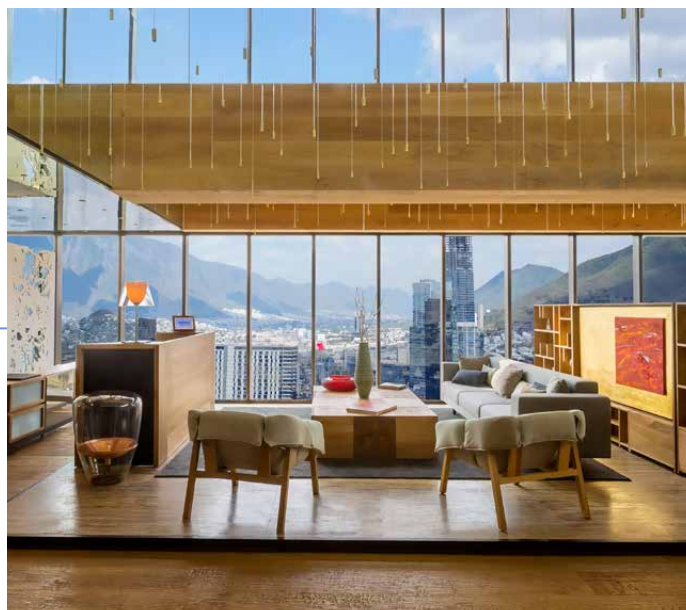
especially in the labor component. Despite those pressures, the 2023 revenues, which reached MXN\$5,224 million, and EBITDA of MXN\$1,420 million, are the highest in FibraHotel's history. We maintain a solid financial footing and have worked to improve our capital structure through refinancing at better rates, an optimized amortization schedule, and a higher percentage of debt in dollars, aligned with the composition of our portfolio.

At the end of 2023, we achieved an AFFO of MXN\$733 million. This allowed us a 5% debt reduction by compared to 2022, ending the year with a net debt of less than MXN\$4,000 million, a net debt to EBITDA ratio of 2.7 times, and an LTV of 24.9%, 89 basis points less than 2022.

At the beginning of the year, a new distribution policy based on a fixed amount per CBFi was established. 12.5 cents per CBFi were distributed quarterly, totaling 50 cents per CBFi for the year. This new policy provides greater visibility on distributions while allowing the company to retain cash flow to execute its business plan.

04

Live Aqua Monterrey Valle





Fiesta Americana Satélite

In ESG matters, 2023 was characterized by significant progress in certifications in various hotels and FibraHotel headquarters, as well as alliances with different organizations that have allowed us to reinforce our commitment to social issues.

During the year, we published the 2022 Emissions Inventory Report, describing the Greenhouse Gas (GHG) emissions associated with FibraHotel's activity in 2022, specifying their sources and calculation methodology. In line with this, the Second Party Opinion for compliance and monitoring of the green loan issued in June 2021 was published. We also participated in the GRESB (Global Real Estate Sustainability Benchmark) questionnaire, which measures our portfolio status and progress in ESG matters, continuing our commitment to leadership and continuous improvement in sustainable issues.

We are proud to announce the certifications we obtained this year, starting with the FibraHotel headquarters. LEED (Leadership in Energy and Environmental Design) Gold certification was achieved under the LEED v4.1 O+M interiors system. Meaning, it demonstrates efficiency and sustainability, as well as a healthy and comfortable workspace for employees. Likewise, the Live Aqua San Miguel de Allende hotel obtained LEED

Gold certification, demonstrating that the hotel consumes less energy than 86% of similar buildings and uses less potable water than 28% of them. The Courtyard Tereos hotel achieved the Excellence in Design for Greater Efficiencies (EDGE) certification, which was obtained thanks to practices implemented from the design, construction, and operation of the building, achieving 36% savings in energy, 24% in water, and 87% in materials. Finally, the AC Hotel Querétaro achieved EDGE certification, achieving 20% savings in energy, 28% in water, and 91% in materials. All certifications demonstrate FibraHotel's high commitment to sustainable building certifications, promoting operational efficiency and sustainability in operations, as well as a healthy and comfortable space for the benefit of employees and guests. This emphasizes compliance with the indicators related to the percentage of certified portfolio within the company's ESG objectives.

Year after year, we continue to reaffirm our commitment to our employees, partners, investors, and all our stakeholders. At FibraHotel, we remain convinced of the great potential of our team and our hotels, so despite all the upcoming challenges, we will continue working to attain our goals and improve in all aspects.

Simón Galante
CEO FibraHotel

INTRODUCTION TO THE ANNUAL REPORT

(GRI 2-2, 2-3, 2-4, 2-5, 2-14)
(AMEFIBRA GASG01, GASG04)

At FibraHotel, we understand sustainability as a goal that must be achieved in all three ESG axes (Environmental, Social and Governance). From operating and designing the business model to the daily activities of all of us who are part of the company.

In line with our commitment to transparency, and for the third consecutive year, we have produced an integrated annual report that reflects our management's key initiatives and results from January to December 2023, including financial and operational indicators as well as ESG aspects.

We report on the activities of all hotels in our portfolio. FibraHotel reports according to the Global Reporting Initiative (GRI) standards. Including GRI 1: Fundamentals 2021, GRI 2: General Disclosures 2021, and GRI 3: Material Aspects 2021.

In addition, for the third successive year, we are reporting in accordance with the Sustainability Accounting Standards Board (SASB).

Readers are encouraged to refer to Annexes I and II of this document to gain a better understanding of how the content of our report aligns with GRI and SASB standards.

06

ESG information presented addresses the topics identified in the updated materiality analysis conducted at the end of 2022, which incorporated financial materiality (addressing double materiality).

Additionally, we applied the recommendations framework of the Task Force on Climate-Related Financial Disclosures (TCFD), based on the climate change risk and opportunity analysis conducted.

In detail:

- > **Global Reporting Initiative (GRI)**. This represents the best global practice for publicly reporting an organization's economic, environmental, and social impacts, providing a comprehensive and balanced perspective on the organization's material topics, related impacts, and how they are managed.
- > **Sustainability Accounting Standards Board (SASB)**. identifies the subset of environmental, social, and governance (ESG) aspects most relevant to financial performance applicable to the real estate sector. Additionally, they are designed to help companies disclose financially

material sustainability information to investors.

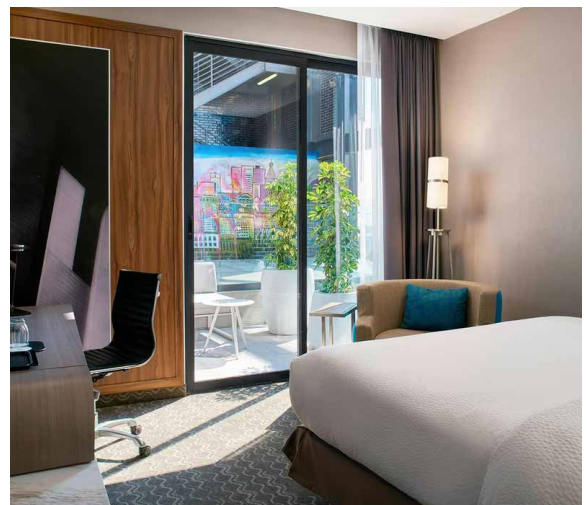
- > **Task Force on Climate-Related Financial Disclosures (TCFD)**. It is a framework for reporting climate-related financial matters applicable to organizations in all sectors. They are designed to request decision-useful and forward-looking information that can be included in conventional financial disclosures.

On the other hand, our report adheres to the 2024 updated version of the ESG Indicators Manual from AMEFIBRA (Mexican Association of Real Estate FIBRAs), of which we are members. With this, we aim to disclose information considered relevant at the industry level.

The ESG information presented addresses the topics identified in the updated materiality analysis conducted at the end of 2022, which incorporated financial materiality (addressing double materiality).

Additionally, an external verification is performed on the entire integrated annual report, complementing the review conducted by our team. Specifically, on the environmental issue, a second verification is carried out to validate the accuracy of the obtained information and its traceability in accordance with our type of activities and business model, determining the SDGs based on the material impact topics.

How to identify contents:



Courtyard Toreo

How to identify contents:

ESG indicators	SDG	
> References to the SDGs can be found on the cover page of each chapter and in some sections within them.	3 Good health and well-being	9 Industry, innovation and infrastructure
> At the beginning of each section there is a reference to the contents of the ESG indicators of the AMEFIBRA Manual, GRI standards, SASB parameters and detailed TCFD recommendations.	4 Quality education	11 Sustainable cities and communities
> Appendix II of the Report contains the specific index for: GRI, SASB, TCFD and AMEFIBRA indicators.	5 Gender equality	12 Responsible consumption and production
	6 Clean water and sanitation	13 Climate action
	7 Affordable and clean energy	16 Peace, justice and strong institutions
	8 Decent work and economic growth	17 Partnerships for the goals

For more information about our performance, we invite you to visit our website: www.fibrahotel.com
For any questions or comments, please send an e-mail to the following address: acardenas@fibrahotel.com

COMPANY'S PROFILE

INTRODUCTION

(GRI 2-1)

FibraHotel is a Mexican trust formed primarily to develop, acquire, and own hotels in Mexico. We are the largest hotel owner in the country and the first real estate investment trust in the hotel industry (also known as FIBRAs) in Latin America.

Mission

Develop, acquire, and own hotels in Mexico that generate attractive returns by efficiently operating a high-quality, geographically diversified portfolio of hotels affiliated with recognized brands and operators.

Vision

To be the largest hotel owner in Mexico that, in turn, provides attractive returns to third parties through cash distributions and portfolio value appreciation.

Values

At FibraHotel, we respond to our commitment with a sense of belonging and responsibility. Our values are an integral part of the organization and are the basis of the standards by which decisions are made, and value-added actions are undertaken. FibraHotel's values are:

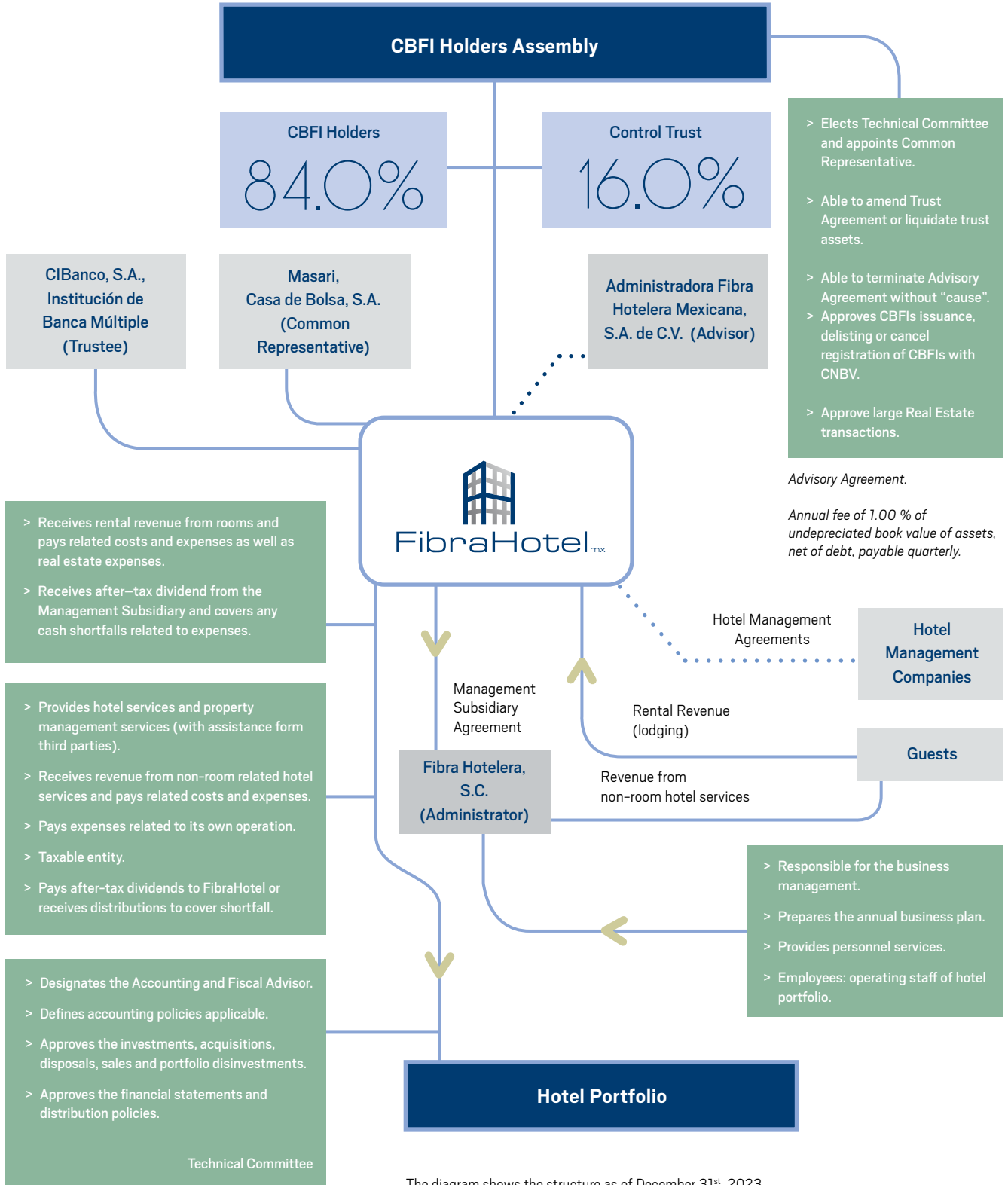
1. Passion for service and client focus
2. Innovation and creativity
3. Quality and productivity
4. Respect, integral development, and personnel excellence
5. Honesty, integrity, and austerity
6. Social and environmental

Structure

(GRI 2-1, 2-2)
(AMEFIBRA GASG01)

The following diagram outlines our structure, characterized by the interaction of different entities, each with clear responsibilities and coordination for the purpose of creating integral value:

Structure abstract



The diagram shows the structure as of December 31st, 2023.

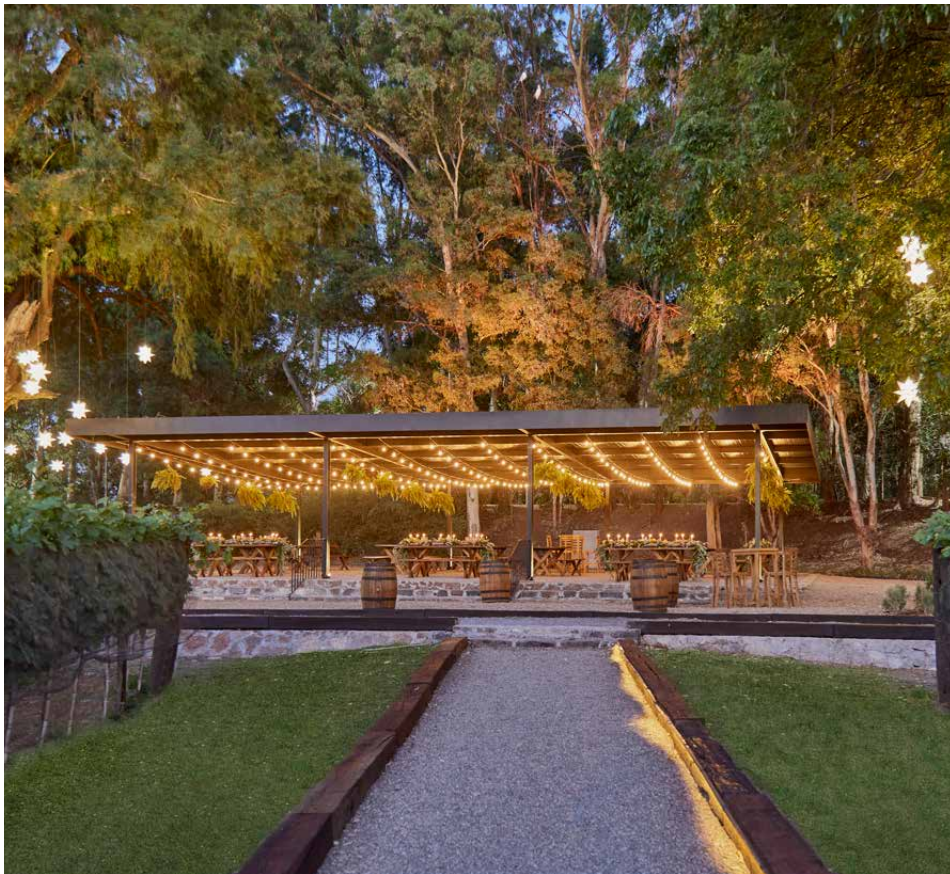
FibraHotel's structure is composed of the following entities:

Advisor

FibraHotel is externally advised by Administradora Fibra Hotelera, S.A. de C.V. The Advisor is responsible, among other tasks, for guiding and advising FibraHotel in the development strategy and acquisitions of hotel projects, as well as long-term strategic and financial planning.

Administrator

FibraHotel is managed internally by Fibra Hotelera S.C. The Administrator's duties include the day-to-day management of FibraHotel's business, property and hotel maintenance, obtaining the necessary permits and licenses, due diligence for potential acquisition and development opportunities, and negotiating and signing management and franchise agreements associated with the hotels. It is also responsible for providing certain services not related to room rental, such as food and beverage, telephone, Internet, and other similar services, billed to hotel guests separately. It is worth mentioning that FibraHotel's staff is under the oversight of the Administrator.



Fiesta Americana Hacienda Galindo

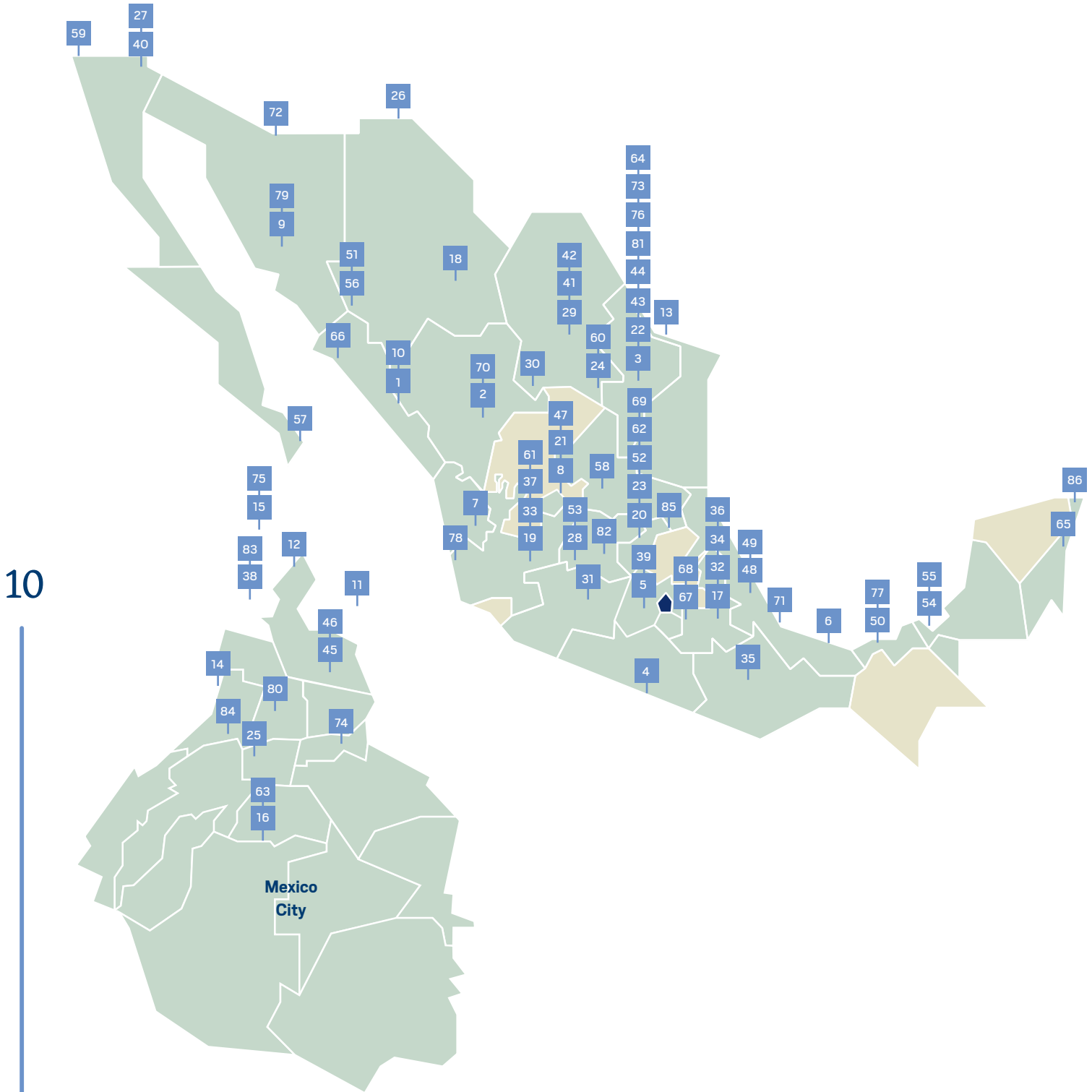
PORTFOLIO

(GRI 2-1)

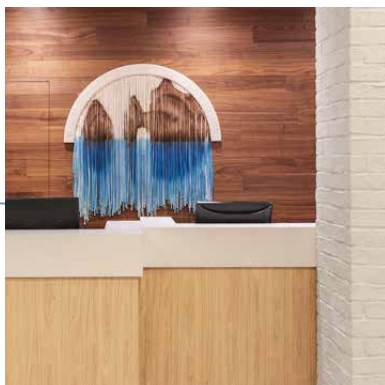
(SASB IF-RE-000.A, SASB IF-RE-000.B)

(AMEFIBRA GASG01)

As of December 31st, 2023, our portfolio consisted of 86 hotels and 12,554 rooms, of which 85 hotels, 12,395 rooms and 706,831 m² were in operation, with a presence in 26 Mexican states. Our hotels operate under 15 brands, five operating companies and total assets of MXN\$17,666 million.



Fairfield Inn
Los Cabos



Courtyard Toreo



86¹

12,554¹

26

HOTELS

ROOMS

STATES

1	Fiesta Inn Culiacán	30	Fiesta Inn Torreón	59	Gamma Tijuana ⁽¹⁾
2	Fiesta Inn Durango	31	Fiesta Inn Morelia	60	Fiesta Inn Saltillo
3	One Monterrey ⁽¹⁾	32	Camino Real Suites Puebla	61	AC Hotel Torre Américas Guadalajara
4	One Acapulco** ⁽¹⁾	33	One Tapatío	62	AC Hotel Antea Querétaro
5	One Toluca	34	Fiesta Inn Puebla Finsa	63	One Perisur
6	One Coatzacoalcos	35	Fiesta Inn Oaxaca	64	Sheraton Ambassador Monterrey
7	Fiesta Inn Tepic	36	One Puebla Finsa	65	The Yucatan Resort Playa del Carmen, Tapestry Collection
8	One Aguascalientes ⁽¹⁾	37	Gamma Guadalajara Centro ⁽¹⁾	66	Fiesta Inn Los Mochis
9	Fiesta Inn Hermosillo	38	Fiesta Inn Tlalnepantla	67	Fiesta Inn Cuernavaca
10	One Culiacán	39	Fiesta Inn Toluca Tollocan	68	One Cuernavaca
11	Fiesta Inn Ecatepec	40	Real Inn Mexicali ⁽¹⁾	69	Fairfield Inn & Suites Juriquilla
12	Fiesta Inn Perinorte ⁽¹⁾	41	Fiesta Inn Lofts Monclova ⁽²⁾	70	One Durango
13	Fiesta Inn Nuevo Laredo	42	One Monclova	71	AC Hotel Veracruz
14	Fiesta Inn Naucalpan	43	Grand Fiesta Americana Monterrey	72	Fairfield Inn & Suites Nogales
15	Fiesta Inn Cuautitlán	44	Live Aqua Monterrey	73	Fiesta Inn Lofts Monterrey
16	Fiesta Inn Perisur	45	Courtyard Vallejo	74	Fiesta Americana Viaducto Aeropuerto
17	Camino Real Puebla ⁽²⁾	46	Fairfield Inn Vallejo	75	One Cuautitlán ⁽¹⁾
18	Fiesta Inn Chihuahua	47	Fiesta Americana Aguascalientes ⁽¹⁾	76	Fiesta Americana Pabellón M
19	Fiesta Inn Guadalajara	48	Fiesta Inn Xalapa	77	Fiesta Inn Villahermosa
20	One Querétaro	49	One Xalapa	78	Fiesta Inn Puerto Vallarta
21	Fiesta Inn Aguascalientes	50	Fairfield Inn Villahermosa	79	Fiesta Americana Hermosillo
22	Fiesta Inn Monterrey La Fe ⁽²⁾	51	Fiesta Inn Ciudad Obregón	80	Fiesta Inn Buenavista
23	Fiesta Inn Querétaro ⁽²⁾	52	Fiesta Inn Lofts Querétaro	81	Fiesta Inn Monterrey Valle
24	Fiesta Inn Saltillo	53	Hotel León*	82	Live Aqua San Miguel de Allende
25	One Patriotismo	54	Fiesta Inn Ciudad Del Carmen ⁽¹⁾⁽²⁾	83	Fiesta Americana México Satélite
26	Fiesta Inn Ciudad Juárez	55	Fiesta Inn Lofts Ciudad Del Carmen	84	Courtyard Toreo
27	Fiesta Inn Mexicali	56	Hotel Ciudad Obregón	85	Fiesta Americana Hacienda Galindo
28	Fiesta Inn León	57	Fairfield Inn Los Cabos	86	Fiesta Americana Condesa Cancún
29	Fiesta Inn Monclova	58	Fiesta Inn San Luis Potosí Oriente		

- Limited Service
- Select Service
- Full Service

- (1) Includes commercial component
- (2) Includes prolonged stay component

1. As of December 31st 2023, FibraHotel has one closed hotel (Select Service León*), representing 159 rooms. For the quarterly operational indicators, the room inventory of this hotel is not being considered. The One Acapulco** hotel was temporarily closed at the end of October 2023 due to the effects of hurricane Otis. The operating period results are included in the quarterly results.

The type of hotels that make up FibrHotel's portfolio are divided into different segments, as described below:

Limited Service

Limited-Service hotels offer convenient hotel service, with a limited selection of food (breakfast included) and, in some cases, meeting space and business and fitness centers.

Select Service

Unlike Limited-Service hotels, Select Service hotels offer additional services such as: food and beverage selection, restaurants, bars and 24-hour room service, lounges for social events and business meetings, as well as additional in-room services.

Full Service

Full-Service hotels offer a wide range of food and beverage options with multiple consumption centers (restaurants and bars), meeting and conference rooms for social and business events with a capacity for more than 500 people and additional services associated to Full-Service hotels: spas, room service during extended hours, valet parking, concierge, bellhops, and large public areas.

Resort

Resort hotels generally have 400 rooms or more and are in tourist destinations with a high volume and flow of domestic and international visitors, including hotels that operate under the All-Inclusive and European Plan, with services and recreational activities designed to provide customers with an enjoyable vacation experience. They are also equipped to host large events. Because the Resorts cater to international travelers and, to a lesser extent, domestic travelers, they generate mainly dollar-denominated revenues.

Evolution of the portfolio with number of hotels and rooms in operation

Throughout the year, FibrHotel had 86 hotels and 12,554 rooms, of which 85 hotels and 12,395 rooms were in operation.

The portfolio composition by service type as of December 31st, 2023, is as follows²:

Segment	Hotels		Rooms	
	#	%	#	%
Limited-Service	22	25%	2,792	22%
Selected-Service	47	55%	6,525	52%
Full-Service	16	19%	2,730	22%
Resort	1	1%	507	4%
TOTAL	86	100%	12,554	100%



One Aguascalientes

INDUSTRY CONTEXT

(GRI 203-2)

(i) Global Economy

The global and Mexican economies maintained a linear growth tendency in 2023 with an estimation of 3.1% growth of the global GDP. Inflation has had a bigger decrease than expected in most regions, but global GDP projections for 2024 and 2025 are lower than the historic average of 3.8% (2000-2019).

2. From 1Q 2023, 4 rooms were removed due to refurbishments: By segment, the 4 rooms were removed from Full Service. By region, 2 rooms from Northeast and 2 rooms from Bajío. The One Acapulco hotel was temporarily closed at the end of October 2023 due to the effects of Hurricane Otis.

The IMF's low global GDP projection is due to high interest rate monetary policy aimed at continuing to reduce inflation and withdrawal of fiscal support in an environment of high indebtedness that is slowing economic activity. On the negative side, there have been increases in commodity prices due to geopolitical tensions both in the Red Sea and the ongoing Russia-Ukraine war, now in its second year with no end in sight.

This economic context is influenced not only by the internal policies of countries but also by global dynamics such as geopolitical tensions and rapid technological changes. In this environment, the electoral process in several countries become particularly relevant, as presidential elections in both the United States and six countries in Latin America (including Mexico and Brazil) have the potential to redefine economic policies and thus influence economic direction both nationally and internationally.

The transition to clean energy is presented as an economic and environmental imperative. The fight against climate change and the reduction of dependence on fossil fuels require massive investments in renewable energies, electric vehicles, and energy efficiency technologies. This transition is not only crucial for meeting global environmental goals but also offers opportunities for economic growth, technological innovation, and the development of new markets. However, this transformation poses challenges, such as the need to ensure supplies of critical raw materials and manage the labor transformation associated with the decline of fossil-fuel-based industries.

(ii) Mexican Economy

Mexico's 2023 economic context turned out to be better than the projected by the IMF. The GDP saw an increase of 3.4%, compared to the projected 1.7%. Although projections for 2024 anticipate a slowdown of 0.7%, the Mexican financial system maintains a solid and resilient position, with very little volatility entering 2024.

According to Banxico, inflation expectations for 2024 are at 4.1%, compared to the projected increase of 4.4% in 2023, with actual inflation at 4.7%. There has been a deceleration compared to forecasts from previous years, but further decreases are expected.

Forecasts for both overall and core inflation have been adjusted upwards, and it is anticipated that inflation will reach the 3.0% target by the fourth quarter of 2024. To achieve this target, the Banxico emphasized the importance of maintaining the reference rate at the level of 11.25%, reached at the end of March 2023. The Governing Board communicated that from that point onwards, the pace of increases would slow down. On May 18th it was decided to keep the rate unchanged, thus concluding the tightening cycle.

Some elements that will promote growth in Latin America and especially Mexico include foreign investment, which has grown considerably since 2020, and nearshoring, with large multinational companies looking to build production plants, thereby increasing the employment rate.

Top Fifteen Richest Nations by GDP (millions of dollars)

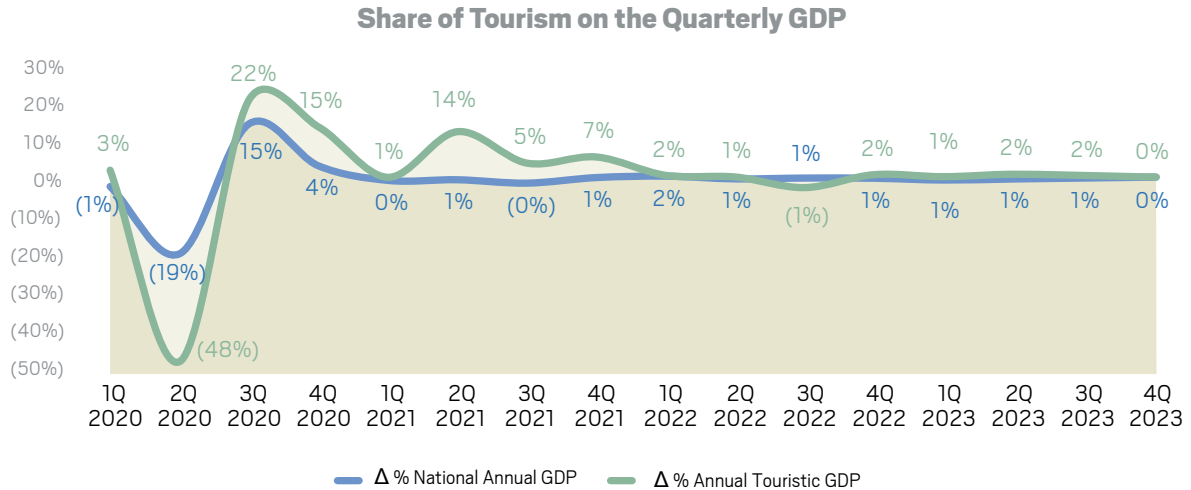


Consumption

The main component of aggregate demand is private consumption, which represents almost 70% of GDP in Mexico. Despite high inflation, private consumption has continued to increase due to rising wages, remittances, government support, and increased consumer confidence. Consumer confidence has benefited from government support. As of February 2023, the confidence indicator has recorded six consecutive months of monthly growth, accumulating a significant increase. This growth has been primarily driven by the opportunity to acquire durable goods and the country's economic indicators.

(iii) Tourism in Mexico 2023

Tourism activity serves as an engine for the economy and employment in Mexico, and the reason why it is a strategic element of development in the country. The tourism GDP grew 5.1% in comparison to the same quarter of the previous year and represents 4.2% of national GDP.



By 2023, Mexico was ranked as the seventh most-visited country in the world. It saw an increase of 17.6% compared to 2022, adding 45.0 million tourists in the year, versus 38.3 million in 2022.

There was a 9.9% increase in the number of passengers arriving in Mexico by air compared to 2022. A total of 91.9 million passengers traveled domestically and internationally. The table below shows air arrivals to major business and tourist cities.

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Most Visited Countries by International Arrivals³

Country	2023 (millions of tourists)	2022 (millions of tourists)	Δ % 2023/2022
France	89.0	76.0	17.1%
Spain	84.0	71.0	18.4%
United States	79.0	50.0	58.1%
China*	66.0	-	-
Italy	65.0	48.4	34.4%
Turkey	51.0	49.7	2.6%
Mexico	45.0	38.3	17.6%

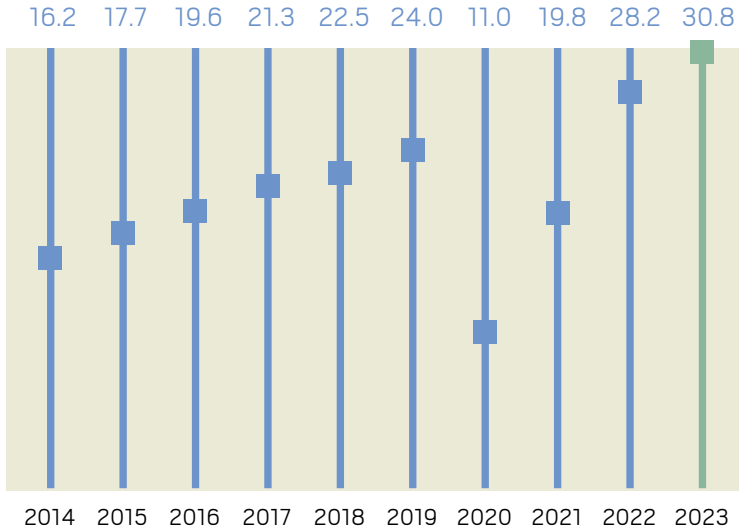
* No official data reported in 2022.

Passenger Arrivals by air versus 2022

Cities	2023 (millions of tourists)	2022 (millions of tourists)	Δ % 2023/2022
Mexico City	24.1	23.6	2.3%
Cancún	16.3	15.1	7.9%
Guadalajara	8.8	7.8	13.3%
Tijuana	6.9	6.4	8.1%
Monterrey	6.7	5.5	21.2%
Los Cabos	3.8	3.5	9.7%
Puerto Vallarta	3.4	3.1	9.6%

Foreign Exchange Income from International Visitors in Mexico

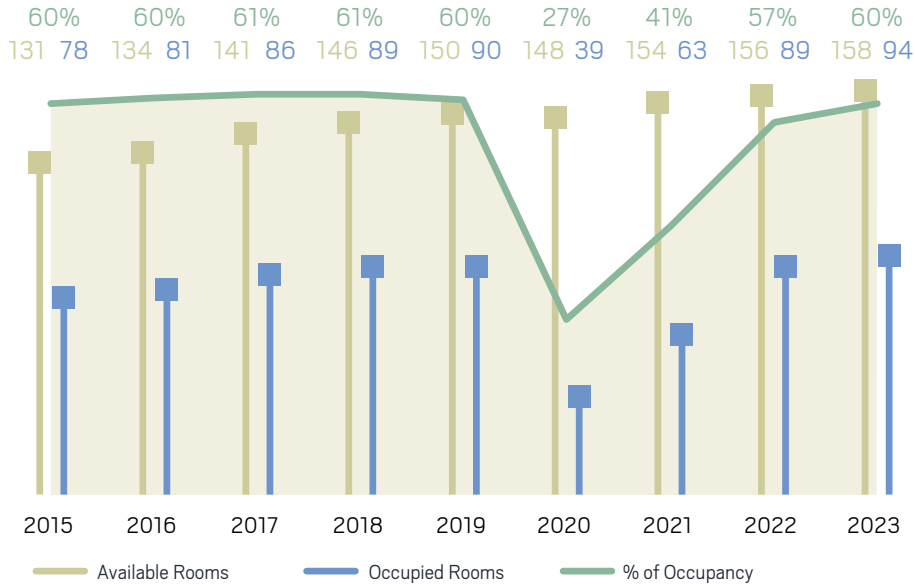
Foreign exchange income from international visitors exceeded USD\$30 billion in 2023, 28.4% more compared to 2019⁴. The sector surpassed pre-pandemic revenue in 2022 and has continued to grow.



* Presented in millions of dollars.

Foreign exchange receipts from international tourists increased by 9.4% in 2023 compared to 2022. According to the Secretariat of Tourism, there was a 2.8% increase in average room occupancy per month with a 59.6% occupancy rate.

Tourist Arrivals to Hotel Rooms⁵



* Available and occupied rooms expressed in millions.

Fiesta Inn Buenavista



4. SECTUR. (2024). *Resultados de la actividad turística*. Extracted from: DATATUR

5. Secretaria de Turismo. (2023). *Ocupación hotelera registró 56.7% en 70 destinos turísticos de México en 2022*. Extracted from: SECRETARIA DE TURISMO

Hotel occupancy in Mexico increased by 2.8 percentage points. In 2023, the average occupancy rate was 59.6%, compared to 56.8% in 2022. Mexico's largest cities (Mexico City, Monterrey, and Guadalajara) recorded an occupancy rate of 58.7 %, a strong recovery compared to 2022, but some cities have not yet reached their 2019 (pre-pandemic) occupancy levels (62.4%).

Hotel room arrivals increased by 4.2% compared to the previous year. A total of 63.4 million domestic tourist arrivals and 22.6 million international tourist arrivals were reported.

International Tourism in Mexico

From January to December 2023, more than 21 million international air travelers arrived by air, an increase of 6.2% compared to the same period in 2022.

Arrival by air of citizens from the following countries stands out:

- > United States (13 million passengers)
- > Canada (more than 2 million passengers)
- > Colombia (more than 735 thousand passengers)
- > United Kingdom (more than 496 thousand passengers)
- > Spain (more than 366 thousand passengers)
- > Other nationalities (4 million passengers)

The Canada passenger market grew by 40.3% in terms of arrivals. Most passengers entered Mexico through the airports of Cancun, Mexico City, Puerto Vallarta and Los Cabos.

(iv) Growth Opportunity in Tourism

2023 was a great year for the tourism industry. In Mexico, there were 94 million occupied rooms, reaching historical highs compared to 90 million in 2019.

For 2024, the Ministry of Tourism anticipates that tourism in Mexico will welcome over 2 million more tourists than the previous year, thus reaching 47 million. The sector has already fully recovered from the pandemic, so growth compared to the last 3 years will be slightly slower.

(v) Labor situation in Mexico

Starting January 1, 2024, the general minimum wage in Mexico rose from \$207.44 to \$248.93 pesos per day, while in the Northern Border Free Zone it went up from \$312.41 to \$374.89 pesos per day. It represents a 19.9% increase in both wage zones and implies a significant change in the purchasing power of Mexican workers. Continuous increases in the minimum wage have positioned Mexico as the country within the Organization for

Economic Co-operation and Development (OECD) that has seen the highest growth in this indicator.

In 2018, Mexico ranked 16 out of 19 Latin American countries in terms of minimum wages. However, with the increases up to 2024, Mexico has climbed to the 6th position in the region, although it still falls behind countries like Uruguay, Chile, and Paraguay in this aspect. This change reflects a notable improvement in the standard of living for Mexican workers, although there is still room for further growth compared to other Latin American countries.

The end of 2023 saw a total of 4.8 million workers in Mexico. Currently, there is a stalled vote to reduce the workweek in the country from 48 to 40 hours, which would also imply an additional day of weekly rest. The proposal was set forth because the workweek in Mexico is among the longest worldwide. The consequences of this measure will depend on several factors, including how the reduction is implemented and the reactions of employers, workers, and the market in general.

These potential changes could imply various consequences. On the negative side, employees in the hotel sector may have less time to complete the same workload, requiring greater investment in technology and more efficient processes to maintain service quality, possibly resulting in increased labor costs. On the other hand, these modifications could translate into higher job satisfaction and stronger employee retention.

RELATIONSHIP WITH OPERATORS

(GRI 2-6)

At FibraHotel, we establish a mutually beneficial relationship with operators, focused on providing the best guest experience. We work closely with each hotel, with different responsibilities, joint decisions, and constant communication.

Our hotels are affiliated with Grupo Posadas, Marriott International, Camino Real Hotel Group, Playa Hotels and Resorts, and InHouse Hotels⁷, leading hotel management and service quality companies. We rely on them for the sustainable development of our business.

The operator is responsible for managing operations at each of our hotels. In keeping with signed agreements, we pay each operator a predominantly variable commission based on operating profit.

Below are the primary responsibilities of each party for hotel operations to enhance business sustainability.

6. BTG Pactual. (2023, April). *A look at Mexico's tourism and hotel industry*.

7. InHouse Hotels is accounted as a leasing operator.

Main responsibilities in each hotel

FibraHotel	Operator
<ul style="list-style-type: none"> > Provides of the infrastructure and facilities to the operator, either through the hotel's own development and/or adaptation of incorporation made for the portfolio. > Provides operating equipment (including operating technology). > Proposes of infrastructure and equipment with greater efficiencies. > Approval of the hotel's business plans. > Monitoring of rates (accommodation, food and beverages, other services). > Maintenance CAPEX for hotels. > Obtaining permits and licenses. > Responsibility for real estate activities (property and insurance, etc.). > Payment of hotel staff payroll. > Consolidation of the hotels' operating income; payment of commissions to operators. > Payment of energy and water. > Recruitment of personnel. 	<ul style="list-style-type: none"> > Determines brand standards for the infrastructure (of the brand that operates the hotel). > Development of the annual business plan (income and costs / expenses included). > Administration with their own operating team. > Definition of the rate policy (accommodation, food and beverages, other services). > Food and beverage sales strategies. > Provision of reservation platforms and loyalty programs. > Preventive maintenance of major equipment and operating CAPEX. > Proposal for capital expenditures to maintain the hotels in optimal conditions. > Selection and administration of hotel staff. > Renewal of permits and licenses. > Waste management.

Our Operators

 POSADAS.

Grupo Posadas. It is the largest Mexican hotel operator in the country, with more than 189 hotels and 29,150 rooms at beach and urban destinations in every states. The positioning of its brands such as Live Aqua, Grand Fiesta Americana, Fiesta Americana, Fiesta Inn and One Hoteles is outstanding.

 CAMINO REAL
HOTELES

The Camino Real Hotel Group is an example of Mexican hospitality, with tradition, style, and warmth. It is comprised of three different brands, creating a collection of 32 hotels in 21 destinations, covering the most visited cities and beaches in Mexico.

 Marriott.

Marriott International, Inc. is the world's largest hotel company headquartered in Bethesda, Maryland, USA, with 8,500 properties in 138 countries and territories. Marriott operates and franchises hotels and resort licenses.

 PLAYA
HOTELS & RESORTS*

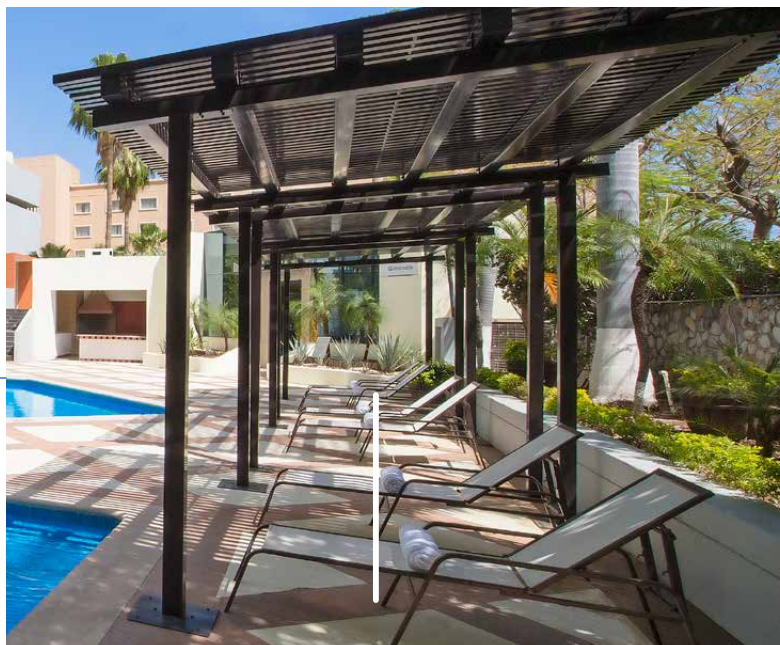
Playa Resorts is a leading owner, operator and developer of all-inclusive resorts in prime locations in popular vacation destinations in Mexico and the Caribbean. Playa owns and/or manages a total portfolio of 23 resorts (8,595 rooms) located in Mexico, Jamaica, and the Dominican Republic.

 InHouse
HOTELS

InHouse Hotels⁸ is a hotel operator designed to potentialize the positive results of hotels, with a responsible business model for its owners, investors collaborators and clients. Their facilities are versatile spaces with modern touches, ensuring a productive stay. They are currently in three states of Mexico.

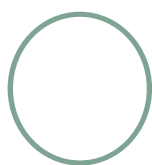
8. InHouse Hotels is accounted as a leasing operator.

Fiesta Americana Hermosillo



INVESTMENT AND DEVELOPMENT STRATEGY

18



Our goal is to generate attractive risk-adjusted returns for our CBFH holders. This requires efficientl managing a high-quality, geographically diversified hotel portfolio of different brands, which is one of the key strengths that support our leadership in real estate asset management, as described below:

1. Market leader with an attractive, multi-branded, diversified hotel portfolio that is difficult to replicate.

We believe that the quality and diversity of our portfolio differentiates us from our competitors. Our hotels are located primarily in markets with significant industrial, business and/or tourism activity. We have a portfolio of high-quality hotels in Mexico diversified by hotel segment, geography, brand, operator, and customer base. We believe that our portfolio is well balanced and structured to perform in a variety of market conditions and lodging cycles due to the combination of hotels in different segments.

We also believe that the quality of our hotels, combined with the diversity of our portfolio, differentiates us from our competitors. In addition, the location of our hotels in these strategic locations is difficult to replicate and offers our guests convenience and access to a wide range of complementary services and amenities

that enhance guest experience. Similarly, our hotels, which are managed by leading operating companies, including Grupo Posadas, Marriott International, Camino Real Hotel Group, and Playa Hotels and Resorts, operate under nationally and internationally recognized brands. Our association with these strong brands strengthens the demand for our hotels' quality of service, loyalty programs, modern reservation systems, and national and international marketing platforms.

2. Robust business model.

We have structured agreements where we pay predominantly variable fees based on our gross operating profit. This agreement allows us to operate at lower break-even points during unfavorable business cycles and aligns our interests with those of the operating companies. Further, we have a proven internalized development platform. Rigorous asset management is the cornerstone of our business model. We actively monitor and advise our third-party hotel management companies on most aspects of our hotels' operations, including property positioning and repositioning, operations analysis, physical design, renovation and capital improvements, budgets and overall strategic direction. As a result of our rigorous asset management, we believe that we have developed an efficient operating model. After the impact of the pandemic, there is a strong upside to current RevPAR levels.

3. Association with leading hotel brands and hotel management companies.

Our hotels are associated with nationally, and internationally recognized brands and are operated by leading hotel management companies, including Grupo Posadas, Marriott International, Camino Real Hotel Group, Playa Hotels and Resorts and InHouse Hotels. We believe this association generates demand due to their strong brand recognition, quality of service, loyalty programs, national distribution channels, marketing platforms, modern reservation systems, and effective product segmentation, resulting in higher occupancy rates, ADR, and RevPAR. Furthermore, our open architecture enables us to select the right hotel management company and brand for each hotel opportunity. This better positions us to continue our growth across segments and geographic regions without sacrificing profitability, thereby generating added value for our CBFI holders. We believe that our management team's strong relationships with leading hotel management companies provides us with valuable insights related to each brand and gives us greater access to acquisition and development opportunities, several of which may not be available to our competitors.

4. Established, highly scalable platform with a solid growth track record.

We have a well-established, market-leading, and highly scalable platform with over 30 years of history, including over nine years as a public company, and a combination of an experienced senior management team, strong relationships, comprehensive industry knowledge and an industry-leading position in Mexico's lodging market. Since our initial offering in November 2012, we have grown our initial contribution portfolio of 21 hotels with 2,810 rooms at the time of our initial offering to a portfolio that today includes 86 hotels with 12,554 rooms. We believe that our platform differentiates us from many of our competitors and will continue to support our growth strategy as we seek to expand our business and capitalize on the numerous attractive opportunities that we believe exist in Mexico's lodging market.

5. Strong balance sheet and access to various sources of capital to fund our growth.

As of December 31st, 2023, we had a cash position of MXN\$608 million and total debt of MXN\$4,390 million, representing 24.9% of our total assets. We have access to capital from financial institutions at what we consider to be an attractive borrowing cost relative to our competitors due to our strong credit track record and the quality of our assets. In addition, as a publicly traded FIBRA, we have access to public capital markets.

Our investment and development strategies are based on those strengths in order to create value for CBFI holders and other stakeholders. Currently our objective remains the same and considers the context resulting from the pandemic incidence, focusing on:

A. Take advantage of organic growth opportunities and the stabilization of hotels.

We believe that we can take advantage of organic growth opportunities due to (i) the quality of our hotels, which we consider superior to their respective competitive sets, and their strategic location in commercial and industrial centers. The quality of our hotels will allow us to continue benefiting from the growth in demand above the offer of business accommodation; (ii) our rigorous asset management, that continually seeks to make our operation more efficient and improve the experience for our guests; (iii) our relationship with the best hotel operators and brands, which gives us access to their commercial strategies and loyalty programs; and (iv) economies of scale derived from our larger size, which gives us advantages to seek improvements in the operating margins of our hotels

B. Ensure the growth of the hotels in Resort and Full-Service segments, particularly those that also serve leisure and group travelers who have a greater capacity to secure dollar rates.

2023 was a great year for the tourism industry. In Mexico, there were 94 million occupied rooms, reaching historical highs compared to 90 million in 2019.

For 2024, the Ministry of Tourism anticipates that tourism in Mexico will receive over 2 million more tourists than the previous year, thus reaching 47 million. The sector has already fully recovered from the pandemic, so growth compared to the last 3 years will be slightly slower.

C. Maximize the value of properties

Our properties are of high quality and there could be alternatives to increase their value. We seek to continue to increase hotel profitability through (i) operational efficiencies and cost reductions, (ii) rate increases, (iii) hotel repositioning through investments in the property, change of brand and/or operator. Additionally, we are exploring different alternatives in the properties to be repositioned for other uses or sold.

D. Invest in technology for operational efficiency and environmental improvement.

Our efforts to minimize our environmental impact will have a positive financial impact.

For this reason, we will continue to implement technologies that allow us to save energy consumption and replace the supply fossil fuels with green energy. We are also committed to a modern infrastructure that supports our environmental performance.

Moreover, our main efficiency investments include the use and installation of efficient lighting, motion sensors, machine room automation, renovation and preventive maintenance of HVAC systems, replacement of LP gas with natural gas, solar heating of swimming pools, energy storage, and with greater emphasis on a transition to renewable energy consumption. For water consumption savings, we opted for water-saving equipment throughout the portfolio, as well as a water monitoring and reuse system.

INTEGRAL APPROACH TO SUSTAINABILITY

PRIORITIES

(GRI 3-3)
(AMEFIBRA GASG03)

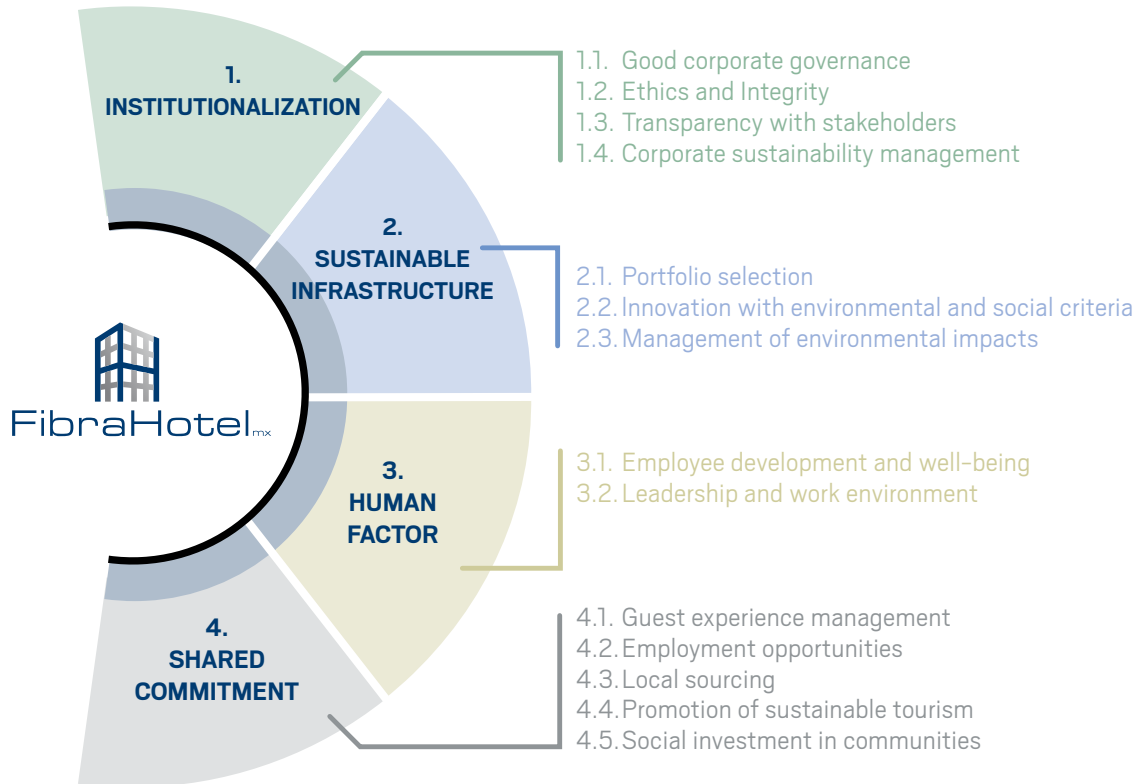
At FibraHotel we are aware that our operation must generate value for all our stakeholders, combining profitability and future financial projection with socio-economic development and respect for the environment.

Therefore, our sustainability strategy is designed not only to promote optimal growth and generate a positive impact on the three fundamental pillars: economic, social, and environmental, but also to ensure the stability of our operations.

We developed our Sustainability Strategy, which consists of focuses and lines of action.

DOMAINS

LINES OF ACTION



Each line of action is based on our material topics and is integrated with different initiatives, in whose implementation we work together with operators, suppliers, guests, and other partners. Each of our domains contribute positively to the Sustainable Development Goals.

Correlation of Sustainability Strategy with material issues and SDG:

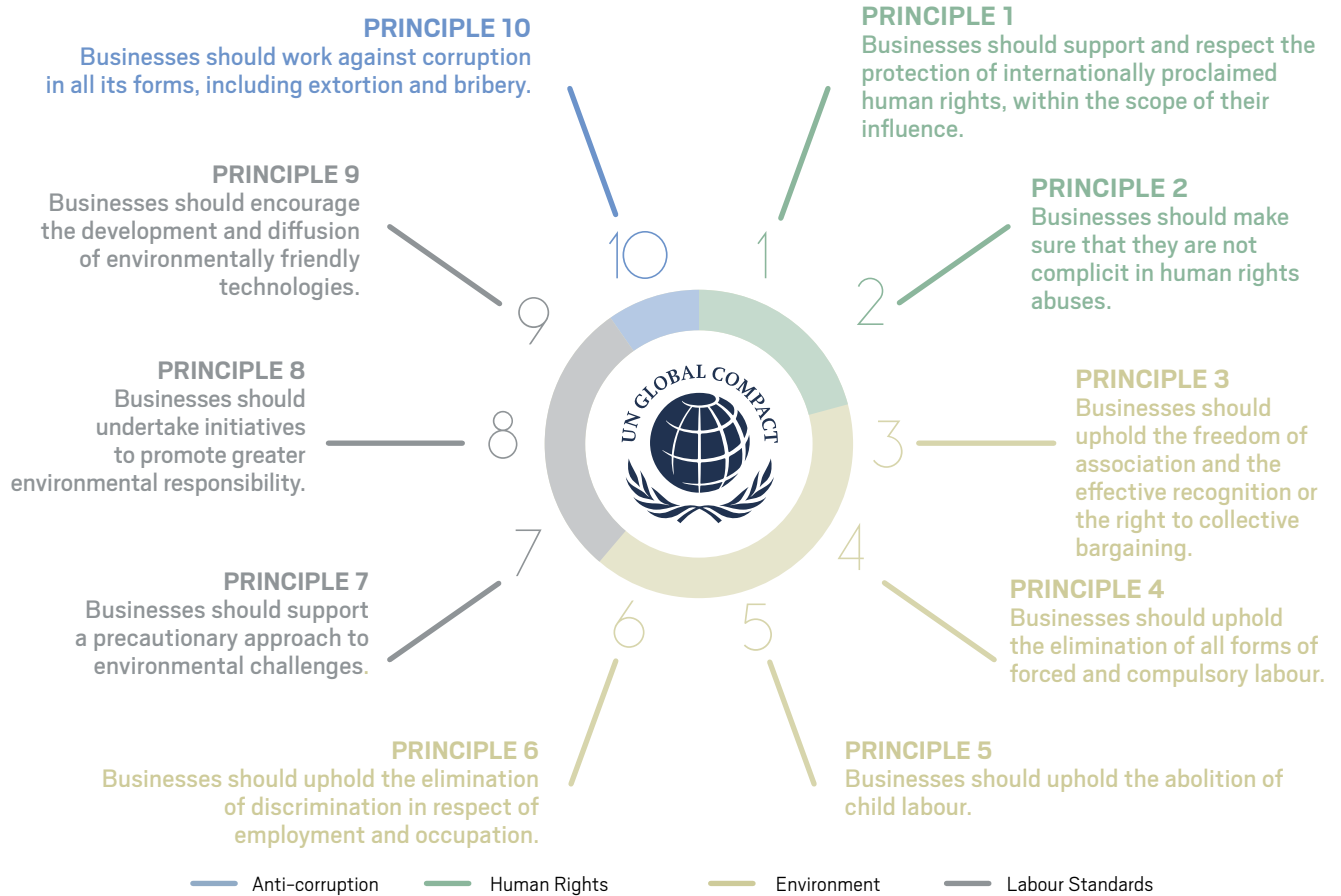
Scopes	Material Issues	SDG
Institutionalization	<ul style="list-style-type: none"> ✓ Corporate Governance ✓ Corporate ethics and integrity ✓ Business continuity and risk management ✓ Stakeholder engagement and transparency 	
Sustainable Infrastructure	<ul style="list-style-type: none"> ✓ Energy efficiency and renewable energies ✓ Sustainability considerations in the design, construction, and operation of assets ✓ Circularity and waste recycling ✓ Maintenance and investment in property and equipment ✓ Waste management ✓ Emissions management ✓ Innovations and technology in operations 	
Human Factor	<ul style="list-style-type: none"> ✓ Work related practices ✓ Diversity and equal opportunities ✓ Employee development ✓ Customer health and safety 	
Shared commitment	<ul style="list-style-type: none"> ✓ Socioeconomic development of communities ✓ Work related practices ✓ Sustainability assessment of suppliers 	



Live Aqua San Miguel de Allende

FibraHotel is fully committed to its sustainability journey. As of 2021, we are a signatory to the United Nations Global Compact, the world's largest corporate sustainability initiative. In doing so, we commit to the "Ten Principles" in our strategies and operations; the Principles include human rights practices, labor relations, the environment, and anti-corruption.

Ten Principles of the Global Compact



Furthermore, the FIBRA sector in Mexico, led by AMEFIBRA (Mexican Association of FIBRAs), is committed to increasing transparency and strengthening the industry's communication on environmental, social and governance issues.

We are aligned with the Environmental, Social, and Governance (ESG) Indicators Manual, which presents a standardized reporting framework governed by the highest international standards, providing insight into the impact and strengthening of the sector. FibraHotel, as a member of AMEFIBRA, has continued its commitment to manage, report, and ensure transparency on various environmental, social, and governance topics through specific indicators for the sector and the sociopolitical environment.

Honoring Simon Galante, CEO of FibraHotel, as the current president for the period 2022-2024 and one of the leading promoters of ESG for FIBRAs in Mexico.

FOLLOW-UP OF INDICATORS

(GRI 2-17, 205-2)

Strategy and as a result of the four lines of action: Institutionalization, Sustainable Infrastructure, Human Factor, and Shared Commitment, 24 indicators were created with objectives that cover our sustainability focus and related ESG factors. For us, it is important that our stakeholders understand our performance, which will help us achieve our future vision in ESG matters.

Institutionalization

(GRI 205-2)

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	Performance			Goal
	2021	2022	2023	2027
% of personnel who participate in ethics and compliance training	100	100	100	100
% of suppliers who sign the Code of Ethics ⁹	0	54	54	>70
CSA Score (S&P)	46	49	50	72
% of directors with a variable income based on the achievement of sustainability goals	12.5	100	100	>85
Average hours of ESG training for members of the Technical Committee	0	1	4	4

In 2023, all FibrHotel employees completed the annual training in Ethics and Compliance. Additionally, during the year, the Code of Ethics was distributed to active suppliers, who collectively represented 80% of the expenditure, achieving a signature rate of 54%. Specifically, regarding variable compensation linked to sustainability goals, a restructuring was carried out so that 100% of the directors have the same goal.

In line with the previous year, despite changes to the questionnaire and increasingly more rigid evaluation parameters, FibrHotel maintained an increase in the CSA (S&P) score. In the “environmental” and “governance” areas, there was an increase of 13% and 19% respectively. Particularly in the “social” area, the score decreased by 19% due to indicators related to the health and well-being of guests. FibrHotel has a close relationship with operators, who are responsible for the relationship with guests, and we are committed to improving their experience at our properties. We maintain a proactive communication channel to understand the main complaints and/or suggestions to identify investments needed to improve the experience at our properties.

The overall score increased by 2% compared to the previous year, and we are on track to reach the 2027 objective.

Further, FibrHotel maintained a “C” rating in the Carbon Disclosure Project (CDP) climate change questionnaire, averaging with the Latin

American score, and specifically improving in the areas of disclosure of opportunities and emission reduction initiatives compared to the 2022 results. We continue working on the transparency of risks and opportunities related to climate change to increase our score in these aspects.

Sustainable Infrastructure

6

7

9

11

13

	Performance			Goal
	2021	2022	2023	2027
% of portfolio with water-efficient technologies over total area of portfolio	83	87	87	>97
% energy from renewable sources ¹⁰	0	0	0	20
% hotels with natural gas per available room ¹¹	52	54	56	72
% of certified portfolio (over the number of hotels) ¹²	84	84	86	87
% of certified portfolio (in available room)	85	85	86	87
GHG emissions intensity (kgCO ₂ e/m ²)	55.39	64.14	60.09	37.52
GHG emissions intensity (kgCO ₂ e/room night)	17.37	16.35	15.44	11.76
Energy consumption intensity (kWh/m ²)	93.71	102.31	95.45	61.60
Energy consumption intensity (kWh/room night)	29.39	26.08	26.06	19.31
Water collection intensity (m ³ /occupied room)	0.47	0.41	0.42	0.47
% of new portfolio evaluated with international ESG criteria ¹³	-	NA	100	>90
% of portfolio with efficient lighting over total portfolio area	90	93	93	97
% of water reuse in the portfolio	NA	2	2	6

9. On the set of active suppliers that together represent 80% of the expense; assets are those with a contract in force and/or contract(s) signed during the year.

10. Includes the sum of self-supply and purchase from third parties. It is subject, therefore, to the availability of renewable energy supply options by third parties in the market.

11. Subject, at each hotel, to the availability of infrastructure of the supplier(s) to be able to supply gas.

12. Certifications that apply: Green Key, Edge, LEED, Well, Blue Flag, Distintivo A, Hotel Hidrosustentable, PROFEPA, BREEAM, Green Star, Living Building Challenge, BOMA BEST. The certifications that apply can be modified according to the development of the industry.

13. Applies to those international methodologies developed by third parties and that have public recognition.

Focused on Sustainable Infrastructure, some progress can be observed; however, there are also areas of opportunity given the context and the behavior of the portfolio. Foremost, the indicators of GHG emission intensity and energy consumption intensity stand out. We reduced the amount of kWh/room occupied by 4%, as well as the intensity per square meter. This reflects better consumption efficiency in our hotels. The GHG emission intensity resulted in 60.09 kgCO₂e/m² compared to 64.14 kgCO₂e/m², representing a 9% decrease.

We maintained the indicator for the installation of water and lighting efficiency technologies at 87%. Following the conclusion of the hotel inventory, we will work to implement these technologies in priority hotels.

Specifically, in the area of natural gas, two hotels in the portfolio transitioned, achieving 58%. While we continue to work on obtaining electricity from renewable sources, two solar heating systems were installed as a replacement for natural gas and LP gas for pool heating. Committed to the energy transition and in line with our goal of achieving 20% of FibraHotel's energy consumption from renewable sources by 2027, we worked throughout 2023 to implement ambitious energy generation and storage projects in our properties. These projects became operational at the end of 2023, so we will be able to observe the percentage of progress toward the indicator in 2024, as well as the reduction in energy consumption from the grid.

We value the importance of certifying the efficiency of our properties. By the end of 2023, 86% of our portfolio (72 properties) had obtained some type of certification related to sustainable buildings. In this way, we are on track to achieve the goal set for 2027.

On the other hand, the energy consumption intensity indicator showed 101.25 kWh/m² compared to 93.71 kWh/m², or 9% higher. Against the target, it increased by 20%. Considering the results obtained and starting from a considerable upsurge in occupied rooms, it was determined that the efficiency indicator is better reflected by switching the targets to GHG emission intensity measured in kgCO₂e/room night and energy consumption intensity in kgCO₂e/room night. Considering the change, GHG emission intensity per room night decreased by 6%, and energy intensity per room night decreased by 11%. While indicators per m² will continue to be monitored, the actual efficiency will result in room nights.

Moreover, the water capture intensity indicator achieved 0.42 m³/room night. We are committed to focusing our efforts on implementing water management projects, as well as monitoring water consumption in our properties.

Consequently, no new hotels were acquired during 2023, so the evaluation indicator with ESG criteria did not apply. However, as part of the **Responsible Investment Policy**, we established certain ESG impact criteria to consider in the investment process. Finally, it was determined that 2% of the portfolio has water reuse technologies, with a goal of 6% of the total portfolio having water reuse technologies by 2027.

Human Factor¹⁴

3

	Performance			Goal
	2021	2022	2023	2027
% Absenteeism rate ¹⁵	0	1	0	<5
Average rating of work climate survey: % commitment	NA	82	82	87
Average rating of work climate survey: % loyalty/pride	NA	82	86	87
Average rating of work climate survey: % leadership	NA	80	85	87
Average annual training hours per employee	5	7	7	12

Within the Human Factor focus, all targets were met. Indicators from the work climate survey, commitment and loyalty/pride are above target. The loyalty/pride rating increased by 4% and leadership by 5%. Absenteeism remained within the target of 0.0% and the target for annual training hours per employee of 7 hours was met.



Fiesta Americana Aguascalientes

14. Considers only corporate employees.

15. Considers both voluntary and involuntary absences (accidents, illnesses).

Shared Commitment

3

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13

SUSTAINABILITY GOVERNANCE

(GRI 2-9, 2-13, 2-23, 2-24)
(TCFD GOB-A)
(AMEFIBRA GOB01)

	2021	2022	2023	2027
Average expenditures in local suppliers¹⁶				
Limited Service	NA	32	33	34
Select Service	NA	50	57	52
Full Service	NA	175	177	182
Total Portfolio	NA	67	70	70
Average amount of social investment initiatives per hotel	NA	17,146	32,378	18,021
% satisfied guests¹⁷	59	54	54	65

For Shared Commitment, a baseline was established for the average number of local suppliers in order to set the target and track the indicator. Similarly, the spending on local suppliers per available room was tracked, increasing in each segment. Lastly, the percentage of satisfied guests was monitored. The value for satisfied guests was maintained and an action plan was implemented with the operators to continue improving the indicator.

As part of our commitment to strengthen corporate governance, we have developed a set of policies that are the result of efforts and goals outlined in our Sustainability Strategy. These policies not only serve as the foundation, but they guide all FibraHotel's actions towards the creation of value.

They represent the tangible result of our efforts and goals in ESG matters, aiming to align with the best international practices and consolidate a solid self-regulation framework that will help us achieve the objectives outlined in the sustainability strategy.

The **Sustainability Policy** establishes guidelines for integrating ESG aspects into the business model, as well as for making investment and operational decisions, with the primary goal of creating value for our stakeholders.

As part of our strong commitment to respecting human rights, our **Human Rights Policy** outlines guidelines for identifying, preventing, and mitigating potential impacts associated with our operations, value chain, and stakeholder relationships. Special emphasis is placed on prevention and fostering a culture of compliance.

Due to the importance of stakeholders in the effective and transparent management of the organization, our **Stakeholder Engagement Policy** includes guidelines for inclusively involving groups that impact and are impacted by our business in the identification, understanding, and addressing of material issues.

We recognize the need for specific management guidelines on various topics. Therefore, we have developed the following thematic policies to address these issues directly:

- > **Environmental and Climate Change Policy:** Defines the guidelines that reflect our commitment to environmental care, measures to reduce our contribution to climate change effects, and resilience to potential impacts.
- > **Anti-Corruption Policy:** Establishes our guidelines for preventing acts of corruption in any form, conflicts of interest, and any other practices that could deteriorate the company's assets.

Fiesta Americana Satélite



16. An indicator will be presented for each segment in which our portfolio is divided, in MXN/room night (available, measure of capacity).

17. Considers only the portfolio operated by Posadas, which has the methodology applied for monitoring. The value and year of the baseline and the goals may vary if the measurement of satisfaction in the rest of the operators we have is integrated.

- > **Diversity Policy:** Promotes a culture of respect for diversity, equity, and inclusion within the company, ensuring non-discrimination, equal opportunities, and respect for all individuals.

Sustainability Committee¹⁸

The committee is focused on the review, execution, and continuous improvement of FibraHotel's ESG performance within the framework of the objectives and goals established in the Sustainability Strategy.

Technical Committee itself and managers from the Administrator, which allows for a more accurate approach and understanding of the strengths and areas of opportunity in sustainability.

Members and chairs are elected and may be changed at any time by the Technical Committee. They are made up of both members of the

The Committee is composed of the Executive Committee (33% women) and the Operations Committee (30% women), whose members are as follows:

ESG Executive Committee	ESG Operations Committee
> Alberto Galante Zaga (Technical Committee Proprietary Member)	> Eduardo López (General Manager)
> Simón Galante Zaga (Technical Committee Proprietary Member)	> Guillermo Bravo (CIO)
> María Dolores Domínguez (Technical Committee Proprietary Member)	> César Chávez (Operations Manager)
> Eduardo López (Technical Committee Alternate Member)	> Isaac Aguilar (Operations Manager)
> Edouard Boudrant (CFO)	> Luis de la Barrera (Operations Manager)
> Guillermo Bravo (CIO)	> David González (Engineering and Maintenance Manager)
> Lorena García Núñez (Legal Officer)	> Antonio Cárdenas (Director of Real Estate Projects and Head of Sustainability at FibraHotel)
> Antonio Cárdenas (Director of Real Estate Projects and Head of Sustainability at FibraHotel)	> Aranza Enríquez Gutiérrez (Sustainability Manager)
> Aranza Enríquez Gutiérrez (Sustainability Manager)	> Mariana Olmos (Human Resources Manager)
	> Alejandra Medina (Comptroller)

The Committee held four meetings in 2023 to follow up on the strategy, including the preparation and/or implementation of new projects related to sustainable practices and/or technologies in electricity, gas and water consumption, waste management, as well as sustainability certifications and social projects. In addition, compliance with corporate objectives in social, environmental and corporate governance matters was monitored.

Regarding our performance on transparency, including the progress of the Sustainability Strategy, we continue to respond to the international questionnaires CSA by S&P, GRESB, and the CDP Climate Change questionnaire.



18. The Sustainability Committee (ESG Committee) is not legally registered as such; however, it fulfills the functions of a Committee.



FINANCIAL AND OPERATIONAL RESULTS

MAIN INDICATORS

Total Revenues

The financial results described in this section refer to financial statements comprising 85 hotels as of December 31st, 2023:

- > 83 managed hotels.
- > 2 hotels under lease agreement.

2023 total revenues were MXN\$5,224 million, compared to MXN\$4,696 in 2022 (11.2% increase):

- > Room Rental: MXN\$3,849 million (73.7% of total revenues), an increase of 13.1% compared to 2022.

- > Food and Beverage: MXN\$913 million (17.5% of total revenues), an increase of 15.8% compared to 2021.
- > Lease: MXN\$419 million for (i) two hotels (ii) retail space/antennas (8.0% of total revenues), an increase of 9.0% compared to 2022.
- > Other revenues: MXN\$43 million (0.8% of total revenues), an increase of 1.4% compared to 2022.

Total revenues, for managed hotels, were MXN\$4,805 million in 2023 compared to MXN\$4,235 million in 2022.

FibraHotel's revenues by quarter in 2023 were:

(Figures in million of pesos)	1Q 2023	2Q 2023	3Q 2023	4Q 2023	Year 2023
Total Revenues	1,256	1,323	1,273	1,373*	5,224*
Room Revenues	915	967	947	1,020	3,849
Food and Beverage	209	233	223	247	913
Lease	124	109	93	93	419
Others	7	14	10	12	43
Revenues – Managed Hotels	1,132	1,214	1,180	1,280	4,805*
% of total revenues	90.1%	91.7%	92.7%	93.2%	92.0%
# of Hotels in operation	84	84	85	85	85
# of managed Hotels	83	83	83	83	83
# of leased Hotels	1	1	2	2	2
# of temporary closed Hotels	2	2	1	1	1

* Figures rounded to the nearest whole number, so the sum may vary by quarters.

The following table shows the operating and financial indicators of the hotels under management during the four quarters of 2023, from the acquisition date, excluding leased hotels.

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Year 2023	Available Rooms	Occupied Rooms	Occup.	Room Revenues MXN\$ Million	ADR	RevPar
1 st quarter	1,057,546	637,626	60.3%	\$915	\$1,436	\$866
2 nd quarter	1,069,250	672,852	62.9%	\$967	\$1,437	\$904
3 rd quarter	1,081,368	689,835	63.8%	\$947	\$1,372	\$875
4 th quarter	1,074,564	697,907	64.9%	\$1,020	\$1,462	\$949
Total	4,282,728	2,698,220	63.0%	\$3,849	\$1,427	\$899

* Temporary closed hotel excluded.

Costs and general expenses

In 2023, the total costs and general expenses of hotels managed by FibraHotel will be MXN\$3,394 million, compared to MXN\$2,985 million in 2022 (an increase of 13.7%):

- > Indirect Costs: MXN\$1,919 million (56.6% of total costs and general expenses). Includes administrative costs, advertising

and promotion, maintenance, human resources, energy, and fees paid to hotel management companies.

- > Room Expenses directly related to room rental revenues: MXN\$874 million (25.8% of total costs and general expenses) directly related to room rental revenues.
- > Food and Beverage Expenses: MXN\$601 (17.7% of total costs and general expenses). Associated with expenses not related to room rentals (food and beverages, among others).

19. Lodging contribution corresponds to the addition of revenues (rooms, food and beverage, leases and others) minus total costs and indirect expenses normally directly related to hotel operation, without considering real estate expenses (property tax, insurance, tax, among others) and administrative expenses of FibraHotel. This is not an IFRS figure.

Lodging Contribution

2023 lodging contribution¹⁹ was of MXN\$1,831 million, or 35.0% of total revenues, compared with MXN\$1,711 million in 2022, or 36.4% of total revenues:

- > MXN\$1,411 million related to managed hotels (29.4% margin),

compared to MXN\$1,249 million in 2022 (29.5% margin).
> MXN\$420 million corresponded to leased hotels and retail space (100% margin), compared to \$461 million in 2022. The following table shows the evolution of revenues and contribution from lodging between 2022 and 2023:

(Figures in thousands of pesos)	Year 2023	%	Year 2022	%
Revenues:				
Total Managed Hotels	4,805	92.0%	4,235	90.2%
Leasing - Hotels / Antennas / Retail Spaces	420	8.0%	461	9.8%
Total Revenues	5,224*	100%	4,696	100%
Lodging Contribution:				
Total Managed Hotels	1,411	77.1%	1,249	73.0%
Leasing	420	22.9%	461	27.0%
Total Lodging Contribution	1,831	100%	1,711*	100%
Lodging Contribution Margin:				
Managed Hotels	29.4%		29.5%	
Leasing	100%		100%	
Total Lodging Contribution Margin	35.0%		36.4%	

* Figures rounded to the nearest whole number, so the sum may vary.

Operating Profit

Other operating expenses of MXN\$916 million are comprised mainly of:

- > Depreciation: MXN\$506 million.
- > Real estate expenses: MXN\$88 million.
- > Administrative expenses: MXN\$140 million.
- > Advisory Fee: MXN\$170 million.
- > CBFi compensation plan: MXN\$10 million.
- > Employee Benefits: MXN\$2 million.

2023 operating income was MXN\$914 million in compared to MXN\$822 million in 2022.

Adjusted Operating Profit

During 2023, non-operating expenses amounted to MXN\$13.5 million, primarily related to acquisitions and hotel development expenses (taxes, appraisals, technical audits, pre-operating expenses, among others). In 2022, these expenses were MXN\$6.7 million.

As of December 31st, 2023, other income was MXN\$3.0 million compared to MXN\$4.0 million in 2022.

As of December 31st, 2023, the Fiesta Americana Condesa Cancún hotel, under lease, is recorded under IAS 40 Investment Property. The fair value adjustment as of December 31st, 2023, compared to the fair value as of December 31st, 2022, represented a negative impact of (MXN\$22.1 million) with no impact on cash flow. As of December 31st, 2022, the fair value adjustment for the Fiesta Americana Condesa Cancún hotel was positive at MXN\$506 million.

Adjusted operating income was MXN\$882 million compared to MXN\$1,325 million in 2022.

Comprehensive Financial Results

FibraHotel ended 2023 with a net debt position of MXN\$3,782 million (total debt was MXN\$4,390 million) compared to MXN\$3,998 million as of December 31st, 2022 (total debt was MXN\$4,999 million).

During the same year, FibraHotel's financial debt generated a financial cost of (MXN\$438 million) compared to (MXN\$438 million) for 2022.

For 2023, the comprehensive financing result was negative at (MXN\$312 million) compared to (MXN\$405 million) for 2022.

(Figures in thousand of pesos)	Year 2022	Year 2023	%
Interest Income	20,628	37,754	83.0%
Interest Expense	(437,663)	(437,530)	0.0%
Other Financial Expenses	(2,334)	(2,532)	(8.5%)
Bank Fees	(8,014)	(5,749)	28.3%
Exchange Profit/Loss	22,580	95,658	323.6%
Total	(404,803)	(312,398)	22.8%

Consolidated net profit

After MXN\$7.3 million in taxes, at the Civil Society level on profits generated by non-accommodation income (food and beverages, etc.), consolidated comprehensive income reached MXN\$560 million in 2023, compared to MXN\$922 million in 2022.

Summary of results for the year 2023 by quarter (thousands of pesos)

	1Q 2023	2Q 2023	3Q 2023	4Q 2023	Year 2023
Revenues					
Rooms	915,493	966,583	946,695	1,020,297	3,849,068
Food and Beverages	208,986	233,191	223,388	247,463	913,027
Lease	124,017	109,118	92,983	93,222	419,340
Other	7,232	13,824	9,783	12,163	43,002
Total Revenues	1,255,728	1,322,715	1,272,849	1,373,145	5,224,437
Revenues - Managed Hotels	1,131,510	1,213,561	1,179,858	1,279,821	4,804,751
% of Total Revenues	90.1%	91.7%	92.7%	93.2%	92.0%
Costs and general expenses					
Rooms	206,973	218,994	212,999	235,165	874,131
Food and Beverages	139,218	149,464	149,075	162,741	600,497
Administrative Expenses	455,853	478,656	481,442	503,316	1,919,267
Total Costs and General Expenses	802,044	847,114	843,515	901,221	3,393,895
Total Lodging Contribution	453,684	475,601	429,334	471,924	1,830,543
Total Lodging Contribution Margin	36.1%	36.0%	33.7%	34.4%	35.0%
Lodging Contribution - Managed Hotels	329,466	366,447	336,343	378,624	1,410,880
Margin	29.1%	30.2%	28.5%	29.6%	29.4%
Real Estate Expenses	22,185	21,928	22,534	21,181	87,828
Net Operating Income (NOI)					
Administrative Expenses related to FibraHotel	32,928	34,713	36,275	35,619	139,535
Employee Benefits	1,058	1,064	1,111	(1,325)	1,908
Employee CBFIs Compensation Plan	2,611	2,611	2,611	2,611	10,443
Advisory Fee	41,869	42,446	42,818	43,316	170,449
Depreciation	126,024	125,431	126,308	128,122	505,886
Income / (Loss) From Operations	227,009	247,408	197,676	242,401	914,494
Margin	18.1%	18.7%	15.5%	17.7%	17.5%
Extraordinary Expenses	1,388	3,380	4,745	3,945	13,458
Non Operating Income	(1,158)	2,185	(104)	1,963	2,886
Adjustment to Fair Value Investment Properties	-	-	-	(22,146)	(22,146)
Adjusted Result from Operations	224,463	246,213	192,828	218,273	881,776
Comprehensive Financial Result	(62,727)	(72,484)	(121,458)	(55,730)	(312,398)
Income Before Taxes	161,736	173,729	71,370	162,543	569,378
Taxes	(4,296)	(3,382)	(3,807)	18,808	7,323
Participation in results of Joint Ventures	-	-	-	2,511	2,511
Consolidate Net Income	166,032	177,112	75,177	141,224	559,544
Margin	13.2%	13.4%	5.9%	10.3%	10.7%

CASH FLOW AND LIQUIDITY

Operating cash flow

During 2023, FibraHotel generated an operating net cash flow of MXN\$1,439 million compared to MXN\$1,276 million in 2022.

Investment cash Flow

In 2023, FibraHotel generated a negative investment net cash flow of (MXN\$597 million):

- > (MXN\$222 million) regarding investments in associates.
- > (MXN\$205 million) regarding CAPEX maintenance.
- > (MXN\$93 million) regarding hotel renovations.
- > (MXN\$79 million) on investments in the development portfolio, and improvements at some hotels.
- > (MXN\$37 million) regarding investments in the Fiesta Americana Condesa Cancún hotel.
- > MXN\$0.6 million regarding the furniture sale.
- > MXN\$38 million with respect to the interest income.

During 2022, FibraHotel generated a negative investment net cash flow of (MXN\$364 million):

- > (MXN\$174 million) with respect to maintenance CAPEX.
- > (MXN\$85 million) on investments in the development portfolio, and improvements at some hotels.
- > (MXN\$68 million) regarding investments in the Fiesta Americana Condesa Cancún hotel.
- > (MXN\$58 million) regarding hotel renovations.
- > MXN\$0.7 million regarding furniture sale.
- > MXN\$21 million with respect to interest income.

Financing Cash Flow

As of December 31st 2023, FibraHotel had a net debt position of MXN\$3,782 million and total debt of MXN\$4,390 million.

During 2023, FibraHotel generated a negative financing cash flow of (MXN\$735 million):

- > (MXN\$601 million) related to amortizations.
- > (MXN\$430 million) in relation to interests paid.
- > (MXN\$295 million) in relation to the distribution to holders.
- > (MXN\$6.0 million) regarding other financial expenditures.
- > MXN\$597 million regarding the disposition of a credit line of Banorte.

During 2022, FibraHotel generated a negative financing cash flow of (MXN\$897 million):

- > (MXN\$954 million) related to amortizations.
- > (MXN\$412 million) in relation to interests paid.
- > (MXN\$8.0 million) regarding other financial expenditures.
- > MXN\$477 million regarding the disposition of a credit line of Banorte.
 - (MXN\$486 million) were converted to USD\$24.6 million.

Adjusted Funds from Operations

During 2023, FibraHotel generated:

- > Funds from Operations (AMEFIBRA FFO) of MXN\$1,016 million, compared to MXN\$931 million in 2022.
- > Adjusted Funds from Operations (AFFO) of MXN\$733 million compared to MXN\$672 million in 2022.

	1Q 2023	2Q 2023	3Q 2023	4Q 2023	FY 2023
Consolidated net income	166.0	177.1	75.2	141.2	559.5
Adjustment to Fair Value of Investment Properties	-	-	-	22.1	22.1
Depreciation	126.0	125.4	126.3	128.1	505.9
Expenses related to acquisition & development properties	1.4	3.4	4.7	3.9	13.5
Exchange rate fluctuation	(38.4)	(29.3)	17.8	(45.7)	(95.7)
CBFIs compensation plan	2.6	2.6	2.6	2.6	10.4
AMEFIBRA FFO	257.6	279.3	226.6	252.3	1,015.8
CapEx reserve	(68.9)	(72.3)	(68.8)	(75.3)	(285.3)
Other adjustments	-	-	-	2.5	2.5
FIHO FFO	188.7	207.0	157.9	179.5	733.0
<i>Number of CBFIs</i>					
In circulation	786.4	786.4	786.4	786.4	786.4
With economic rights	786.4	786.4	786.4	786.4	786.4
<i>/CBI with economic rights</i>					
FFO	\$0.2399	\$0.2632	\$0.2007	\$0.2283	\$0.9322
AFFO	\$0.3276	\$0.3551	\$0.2882	\$0.3208	\$1.2918

* Figures in millions of pesos, except for information per CBI in pesos / figures rounded to one decimal place, so quarterly sums may not add up.

Liquidity Position

FibraHotel closed 2023 with:

- > A cash position, including VAT of MXN\$608 million compared to MXN\$501 million as of December 31st, 2022.
- > A total debt position of MXN\$4,390 million compared to \$4,499 as of December 31st, 2022*. The net debt position was MXN\$3,782 million.

* Doesn't consider the adjustment for issuance costs FIHO19 MXN \$13.4 million in 2023 and MXN \$15.8 million in 2022.

The following table shows the detail of FibraHotel's cash position:

	Year 2022	Year 2023	Comment
Cash, cash equivalents and restricted cash	501.2	608.5	
Available cash and cash equivalents – Operation	336.1	387.7	Hotel's working capital
Restricted cash and cash equivalents – Operation	81.2	74.7	Available for CAPEX maintenance
Restricted cash and cash equivalents – Reserves	42.8	46.2	Available for reserve guarantees
Available cash and cash equivalents	41.1	99.9	Cash available
Cash position without restricted cash	377.2	487.6	

Figures in million of pesos.

The following table shows the detail of FibraHotel's debt position:

	2023	Currency	Interest Rate	Maturity
BBVA 1	643.6	MXN	TIE 28d + 150bps	oct-27
BBVA 2*	136.7	USD	SOFR 91d + 220bps	aug-24
Banorte 3	417.6	MXN	TIE 91d + 200bps	jun-28
Banorte 5**	382	USD	SOFR 91d + 250bps	jun-28
Scotiabank***	324.1	USD	SOFR 91d + 180bps	oct-28
FIHO 19	2,500	MXN	8.83%	sep-29
Total debt position	4,403.8			

* Equivalent in pesos to USD \$8 million with an Exchange rate of MXN\$16.89

** Equivalent in pesos to USD \$22 million with an Exchange rate of MXN\$16.89.

*** Equivalent in pesos to USD \$19 million with an Exchange rate of MXN\$16.8.

The following table presents a detailed amortization schedule of FibraHotel's debt position:

Year	Payment	%
2024	388.0	8.8%
2025	314.5	7.1%
2026	337.0	7.7%
2027	1,211.2	27.5%
2028 and later	2,153.1	48.9%
Total	4,403.8	100%

Regulation Applicable to FIBRAs

In accordance with the general provisions applicable to issuers of securities and other participants in the securities market known as "Circular Única de Emisoras" ("CUE"), the Holders' Assembly is granted the powers to establish the financing rules for each FIBRA. The rules approved by the Holders' Assembly shall establish the maximum leverage limit and debt service coverage ratio to be observed by the FIBRA and must be calculated in accordance with ANNEX AA of the CUE. In addition, the amendments made to Appendix AA establish a four-quarter period for calculating the maximum leverage and debt service coverage ratios.

On April 23rd, 2021, FibrHotel Holders' Assembly established FibrHotel's maximum leverage ratio limit at 40% and the debt service coverage ratio limit of at least 1.0x.

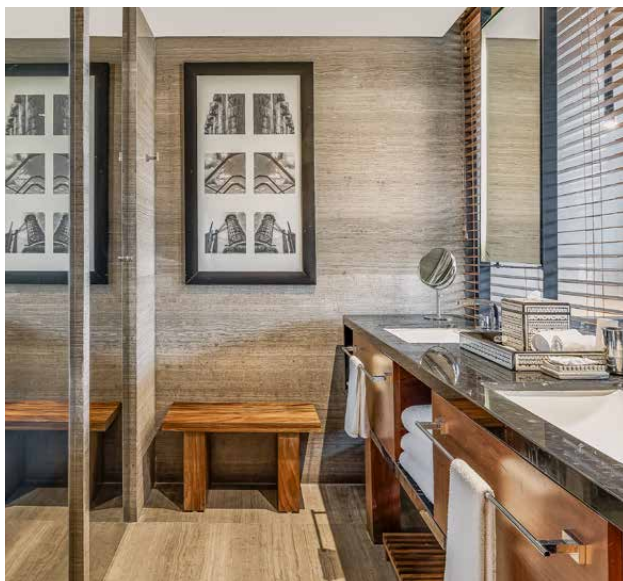
- > **Leverage level:** FibrHotel closed 2023 with debt of MXN\$4,390 million and total assets of MXN\$17,666 million, corresponding to a 24.9% leverage level.
- > **Debt service coverage ratio:** For FibrHotel, the commitments correspond to: Debt service (principal and interest), Capital expenditures (CAPEX for hotel maintenance), and non-discretionary development expenses (announced development projects). As of December 31st, 2023, this ratio is 1.71x.

CAPITAL EXPENDITURES

As of December 31st 2023, the available maintenance capital reserve, intended to keep hotels in optimal state and their operating conditions, and established based on a percentage of the gross revenue of hotels under operation contracts, amounted to MXN\$75 million compared to MXN\$81 million as of December 31st 2022.

The most significant capital expenditures for FibrHotel in 2023 were as follows:

- > **Investments in Associates:** MXN\$222 million
- > **Maintenance capital expenditures to maintain assets:** MXN\$205 million.
- > **Capital expenditures on current hotels:** FibrHotel consistently assesses the opportunity to make capital investments in current portfolio when the expected returns justify the



Grand Fiesta Americana Monterrey Valle

investment. In 2023, FibrHotel made the following investments:

- **Investments in the Hotel Fiesta Americana Condesa Cancún:** MXN\$37 million.
- **Development CAPEX:** MXN\$79 million, including improvements in some hotels.
- **Remodeling:** MXN\$93 million in several hotels (One Acapulco, Fiesta Inn Cuernavaca, Real Inn Mexicali, etc.)

CASH DISTRIBUTION

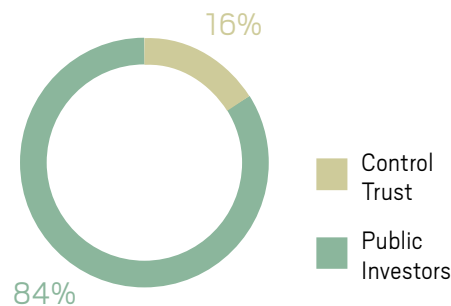
For the period from January 1st to December 31st, 2023, the fiscal year results had distributions of 12.5 cents per CBFi each quarter, for a total of 50.0 cents per CBFi for the year.

CBFIs

As of December 31st, 2023, FibrHotel had 786,364,220 CBFIs with economic rights.

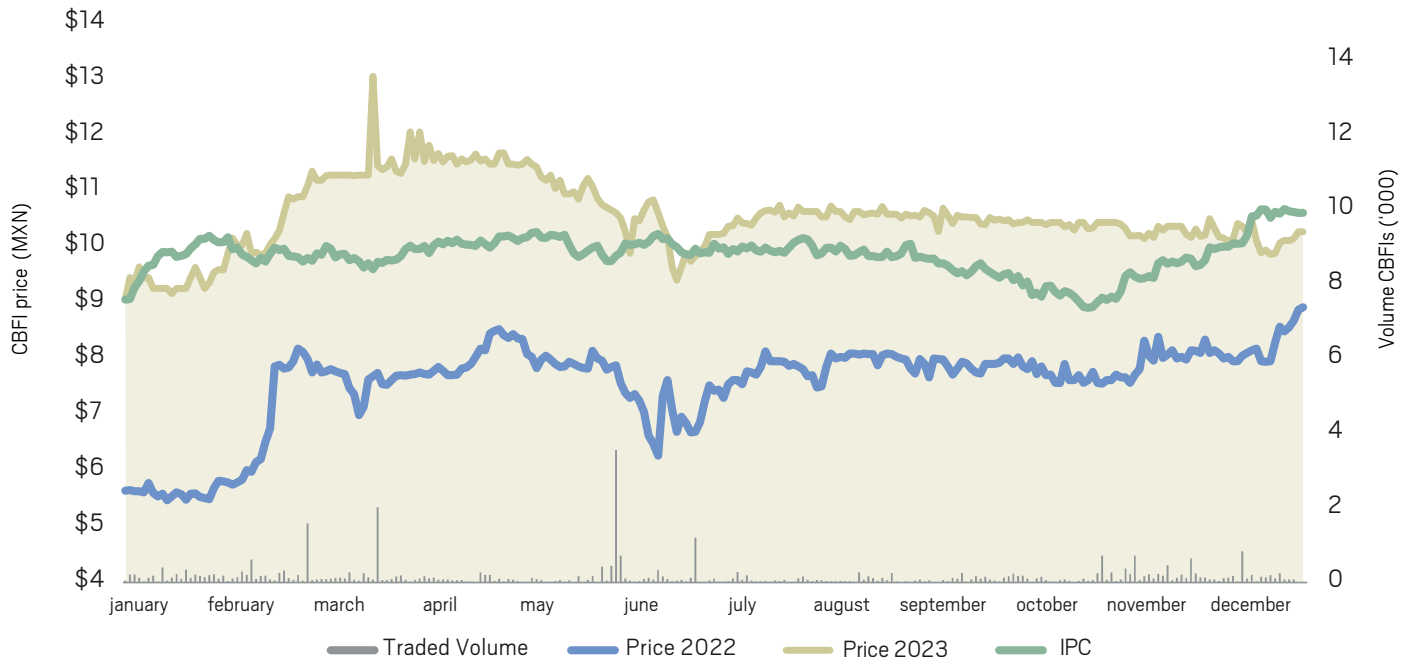
PRESENCE IN THE CAPITAL MARKET

FibrHotel is a REIT, hence, its objective is to generate risk-adjusted returns for the CBFi Holders, mainly through Cash Distributions from Taxable Income, as determined by the Technical Committee and capital appreciation of the CBFIs themselves. As of the date of this Annual Report, our shareholding is as follows:



EVOLUTION OF CBFIS

The following chart²⁰ shows the evolution of FibraHotel's CBFi price and volumes between January 1st and December 31st, 2023.



ECONOMIC VALUE GENERATED AND DISTRIBUTED

(GRI 3-3, 201-1)

At FibraHotel, we seek to generate value for our stakeholders through our portfolio management materialized in operation and how we address the different impacts and opportunities.

Below, our economic value generated and distributed, which includes the items that benefit our different stakeholders.

Economic Value Generated and Distributed (EVG and EVD) (in millions of pesos)

	2022	2023	Var. 22-23 (%)
Revenues (Economic Value Generated, EVG)	4,696	5,224	11.2%
Expenses (Economic Value Distributed, EVD)	3,774	4,665	23.6%
Operating Expenses (includes expending in suppliers and salaries)	3,371	4,343	28.8%
Payment to capital suppliers	405	312	(22.9%)
Taxes and contributions	(2)	7	439.8%
Retained (EVG - EVD)	923	560	(39.3%)

20. The left axis of the graph shows the CBFi price in Mexican pesos, the right axis shows the volume of CBFis traded in thousands.

RISK MANAGEMENT

INTRODUCTION

(GRI 2-25, 3-3)
(TCFD EST-C, GDR-B, GOB-A, GOB-B, GDR-B)
(AMEFIBRA GOB05)

FibraHotel and the business model are exposed to a variety of factors with both internal and external variables. Any of the risks described below, if they materialize, could affect the liquidity, operations or financial condition of the Trust or the Administrator and, consequently, the Trust Equity. Therefore, they should be taken into consideration by public investors.

Main risks are evaluated annually, updating the prevention and mitigation plans. A Risk Committee conducts the process internally, evaluating the economic, social, environmental, and health/sanitation aspects. Prevention and mitigation plans are then drawn up for the risks identified. The result is presented to the Technical Committee, which approves the update and steps to be followed for each of the risks.

The main risk factors are listed below:

Dimension	Risk	Description
Social (customers, collaborators, and communities)	Guest behavior	The economic and social context can generate changes in guest travel patterns. Technology can lead to different habits that we must address in order to innovate from current hosting models. These existing distribution channels requires the proper infrastructure.
	Operator performance	Quality service is the key to guest satisfaction and willingness to return. The proposition by each hotel brand, the loyalty program, the distribution channels, and the service offering, is operator dependent. We also consider the health and safety management of the guests by the operator, as well as the hotel team, including accident prevention.
	Competition	There is strong competition from other owners and operators who may have cheaper operating models or expected rates of return and attract guests with lower rates at lower value-added segments.
	Team availability	The training required for employment and its distribution throughout the country can lead to staff shortages in some destinations. It is necessary to work on attracting and retaining talent.
	Safety	Safety conditions determine the choice of travelers. Insecurity affects the arrival of guests.
Environmental	Climate related events	The most extreme climatic phenomena, such as hurricanes, storms, and droughts, among others, as well as changes in the environment sometimes linked to climate change, such as seaweed, affect tourist arrival to destinations, therefore, hotel occupancy. In the same way, there is a risk of possible effects on the operation, infrastructure of hotels, and availability of energy and water.
	Transition to a low carbon economy	Regulations and voluntary incentives from the authorities and other stakeholders, such as investors and capital providers, encourage infrastructure and equipment with greater efficiency in water and energy consumption, as well as the use of renewable energy sources in order to reduce Greenhouse Gas (GHG) emissions.
Health and sanitation	Epidemic Outbreaks in general	Outbreaks of viruses, bacteria, pandemics, or epidemics in general can cause destabilization in the financial markets resulting in a global economic recession that could have a negative impact on the results and operation of the Trust. Such events may result in interrupted hotel operation, as well as total or partial closures. Restrictions on travel, transportation, and mobility of guests in general.

During 2023, we deepened the internal analysis of our climate-related risks, considering TCFD recommendations of the and the criteria evaluated in the Carbon Disclosure Project (CDP) initiative. We considered both criteria to provide a comprehensive overview that offers a broad and in-depth analysis of the risks our business faces.

CLIMATE CHANGE RISKS AND OPPORTUNITIES

(GRI 201-2)
(TCFD EST-A, EST-B, GDR-A)
(SASB IF-RE-450a.2)
(AMEFIBRA GOB05)

During the year 2022, we conducted the **Climate Change Risk and Opportunity Analysis** of our managed portfolio, as well as their operation with the purpose of identifying the risks and opportunities associated with climate change that may impact operational and/or financial stability; they arise

because of the transition to a low-carbon economy, as well as the hydro-meteorological events to which Mexico is exposed.

The goal of the analysis was to identify and understand the impact of climate change on us as a company, catalog the risks and opportunities identified, prioritize by mapping the risks, and generate recommendations for the opportunities identified.

Identified risks and opportunities were categorized based on the nomenclature of the Task Force on Climate-Related Financial Disclosures (TCFD):

- > **Transition risks** - those associated with changes in the pathway to a low-carbon economy, e.g., in legislation, to address climate change mitigation and adaptation.
- > **Physical risks** - those associated with events of greater intensity (acute) and/or long-term changes in weather patterns (e.g., temperature) (chronic). They can cause damage to infrastructure, affect operational continuity, etc.

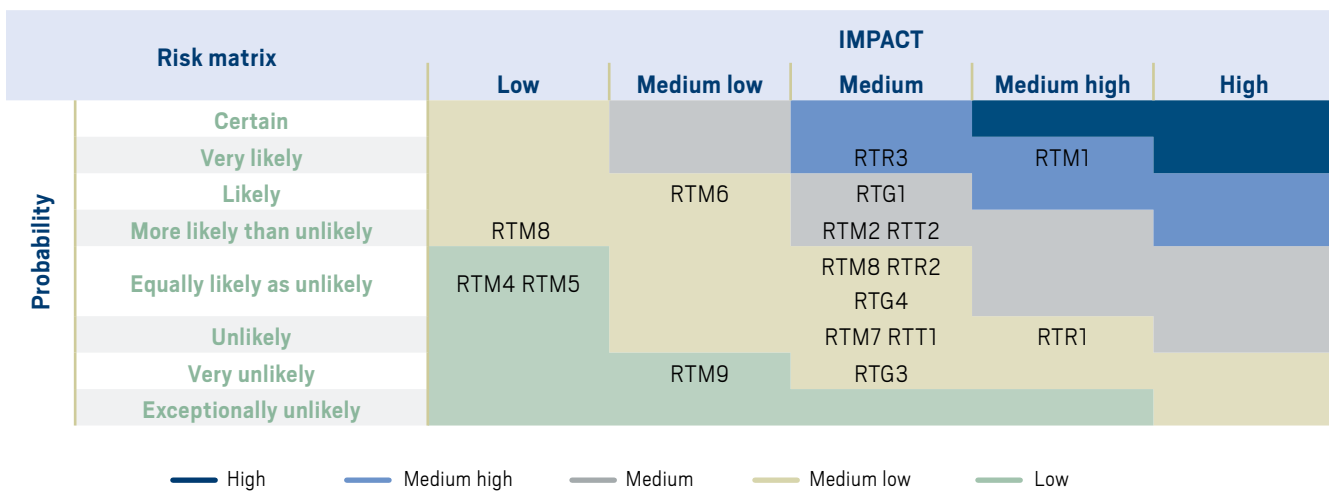
A total of 17 risks classified as transitory and 10 classified as physical, the latter related to hydrometeorological events, were identified and will be described in the following section.



Transition Risks

No.	Type of Risk	Description
RTM1	Market	Increased investor's demands in terms of transparency and standards related to environmental, social and corporate governance criteria and climate change risks.
RTM2	Market	Changes in consumer behavior that increase the demand for more sustainable and less polluting energy sources.
RTM4	Market	National or international policies to mitigate greenhouse gas emissions have an impact on increased transportation costs, especially in air transportation.
RTM5	Market	Any reduction in global GDP caused by climate change would lead to a reduction in the income available to tourism consumers, which would have a negative impact on future tourism growth forecasts.
RTM6	Market	Low resilience of destination communities and destination operators that have invested heavily in real estate capital assets.
RTM7	Market	Increased cost and/or price volatility of inputs required for the operation.
RTM8	Market	Entry into the market of new competitors that promote sustainability and climate criteria.
RTM9	Market	Increase in the price of GHG emissions listed on regulated markets.
RTR1	Reputational	Rejection by tourists, particularly international tourists, of political instability and social unrest. This can lead to negative repercussions on tourism demand in areas where security is especially fragile.
RTR2	Reputational	Potential reputational impact due to inaction or delayed action towards a low GHG emissions model.
RTR3	Reputational	Growing concern from shareholders and other stakeholders regarding the contribution to climate change and environmental impact.
RTG1	Regulation	Increased reporting and transparency obligations in terms of GHG emissions, environmental indicators, climate change risks and management strategies.
RTG2	Regulation	Establishment of limits on operations based on environmental criteria, such as emissions, water use and/or waste generation.
RTG3	Regulation	Establishment and modification of prices for GHG emissions.
RTG4	Regulation	Increased exposure to legal proceedings and fines arising from climate change and the company's environmental impact.
RTT1	Technological	Replacement of products and services with lower emission options.
RTT2	Technological	Capital investments in technology development or costs of adopting/deploying new practices and processes (renewable energy, technology to reduce GHG emissions).

The risks mentioned above can be classified into “High”, “Medium high”, “Medium”, “Medium low”, and “Low” categories.



Physical Risks per asset

Risk	Description	Plans/programs/procedures to address risk
Market	Changes in consumer behavior where preference is given to the use of business-related technologies, such as the use of video calls for business meetings.	Adaptation of our facilities so that guests can hold business meetings on the premises. Focus on changes in travel trends such as guests needing both work and leisure experiences, as well as adequate facilities for personal interactions and integration with work teams.
	Increased <u>investor demands</u> in terms of transparency and standards related to environmental, social, and corporate governance criteria and climate change risks.	FibraHotel started the ESG trajectory in 2019, by creating the Sustainability Strategy, considering all stakeholders and with a strategic priority from the Technical Committee. Since then, we have been implementing strategies to increase our transparency, mitigate the environmental impact of our value chain and create social plans in our daily activities. This is reflected in the evolution of our sustainability reports, created for the second consecutive year, the integrated annual report. We also participate in the GRESB, CDP and CSA questionnaires, promoting transparency and corporate evolution in all ESG issues. Our objective is to improve their results.
	Changes in consumer behavior that increase the demand for more sustainable and less polluting energy sources.	One of our objectives is to transition our portfolio to 20% renewable energy by 2027. Additionally, we seek to implement best practices in the hotel operation on environmental issues.
Reputational	Growing concern from shareholders and other stakeholders regarding contribution to climate change and environmental impact.	Transparency in our activity is extremely important to us, so we publish our progress in ESG and climate change impact mitigation on a quarterly basis. Likewise, we created an integrated annual report opting for transparency in the GHG emissions of scope 1, 2 and 3, the evolution of these and the actions being implemented to mitigate the contribution to climate change.
Regulation	Increasing reporting and transparency obligations in terms of GHG emissions, environmental indicators, climate change risks and management strategies.	Transparency in our activity is extremely important to us, which is why we publish our progress on ESG and climate change impact mitigation on a quarterly basis. We create an integrated annual report opting for transparency in the GHG emissions of scope 1, 2 and 3, the evolution of these and the actions being implemented to mitigate the contribution to climate change. We also have environmental impact and GHG emission reduction targets for Scope 1, 2 and 3. Also since March 2022 we are publicly recognized by SBTi for creating our science-based targets.
Technological	Capital investments in technological development or costs of adopting/deploying new practices and processes (renewable energy, technology to reduce GHG emissions).	We are currently investing in technologies to reduce our emissions and mitigate the impact of our activities.

A study involving the 86 portfolio hotels was carried out to identify physical risks (TCFD) for each asset. The climate risk analysis was performed based on geographic and climatic information on the location of each asset and an approximation of possible events or risks to which the property is exposed. The risks were evaluated based on official information sources (National Risk Atlas, National Forestry Commission, National Water Commission, National Institute of Ecology and Climate Change, among others). Eleven risk categories were analyzed, mostly related to climatic conditions (10); however, the effect of earthquakes was considered for its importance to the portfolio.

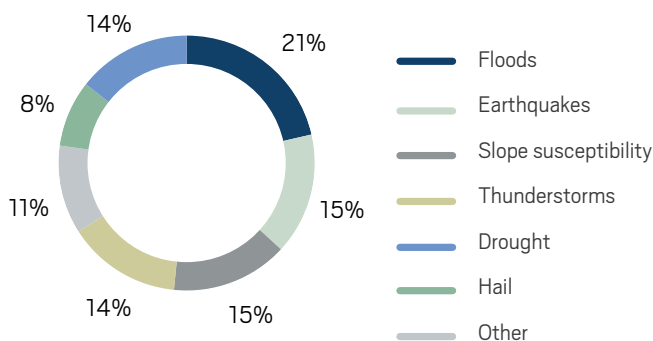
The analysis was carried out through a numerical matrix and descriptive statistics of the data, based on the weighting (Very high-5, High-4, Medium-3, Low-2, and Very low-1) and categories evaluated (all physical risks).

Main physical risks of impact on FibraHotel's assets

Risk (Very high and High)	Number of Properties	(%) of Portfolio
Floods	61	21%
Earthquakes	44	15%
Slope susceptibility	42	15%
Thunderstorm	41	14%
Drought	32	11%
Hailstorm	24	8%
Others (Hurricane, Fires, Cyclone, Snowstorm, Heat Wave)	41	14%

We identified risks with an impact classified as Very high and High to the properties, considering risks that involve more than 30% of our portfolio.

Very high and High risks, as well as number of properties impacted



The main risks by region that were identified are:

Region	Main degree of impact	Physical Risks
Bajío	Medium	Thunderstorms Floods Heat Waves
North	Medium	Drought Floods Heat Waves
Leisure	Medium	Floods Thunderstorms Drought
South	Medium	Floods Thunderstorms Earthquake
Mexico City	Medium	Floods Thunderstorms Hail
Pacific/West	High	Floods Drought Slopes

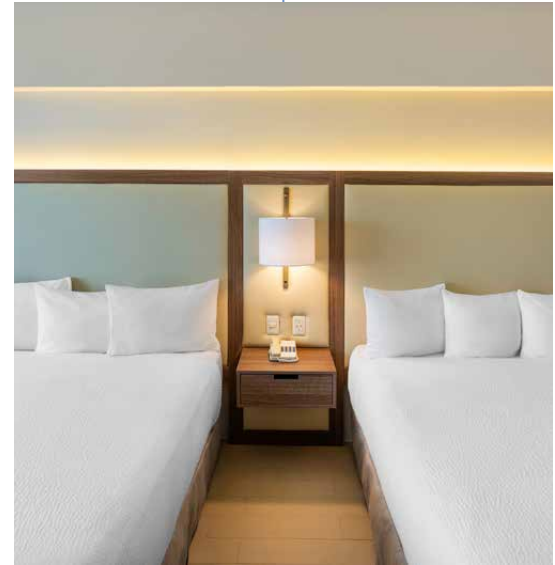


One Culiacán

The analysis seeks to demonstrate the classification of the properties in the “Leisure” category and the main risks identified, since these are the most relevant hotels to the portfolio:

Property	Physical risk
Fiesta Americana Condesa Cancún	Hurricanes Floods Cyclones
Fiesta Americana Hacienda Galindo	Floods Thunderstorms Drought
Live Aqua San Miguel de Allende	Thunderstorms Slope susceptibility Drought
The Yucatan Resort, Tapestry Collection	Hurricanes Flooding Cyclones
AC Hotel Veracruz	Floods Heat waves Earthquakes
Fairfield Inn Los Cabos	Hurricanes Slope susceptibility Heat waves
Fiesta Inn Oaxaca	Earthquakes Floods Thunderstorms
Fiesta Inn Puerto Vallarta	Earthquakes Thunderstorms Floods
One Acapulco	Floods Earthquakes Hurricanes Slope susceptibility
Fiesta Inn Cuernavaca	Thunderstorms Hailstorm Floods
One Cuernavaca	Thunderstorms Hailstorm Flood

Fairfield Inn Los Cabos



Fiesta Americana Aguascalientes

Physical risks in five sample hotels of FibraHotel

We conducted an analysis in five of the most important properties in the portfolio (Fiesta Americana Condesa Cancun, Live Aqua San Miguel de Allende, Fiesta Americana Hacienda Galindo, Grand Fiesta Americana Monterrey Valle/Live Aqua Monterrey, Fiesta Americana Satellite). We obtained 25 physical risks to which the infrastructure of the five hotels shown could be exposed due to hydrometeorological phenomena. Each risk is associated with a type of phenomenon and not all of them are applicable to each hotel analyzed as described above. The risks identified by event, as well as their degree of impact and probability are shown below:

No.	Hydromet. Phen.	Physical or acute	Description	Fiesta Americana Condesa Cancun	Live Aqua San Miguel de Allende	Fiesta Americana Hacienda Galindo	Grand Fiesta Americana Monterrey Valle / Live Aqua Monterrey	Fiesta Americana Satélite
				RISK	RISK	RISK	RISK	RISK
PI1	Floods	Sharp	Material damage due to floods, landslides.	7	15	21	6	8
PI2		Chronic	Epidemics and pest control costs. Proliferation of mosquito-borne diseases.	7	5	21	6	8
PI3		Sharp	Interruption of operations and road closures.	7	10	7	6	8
PI4		Sharp	Disruption of tourist seasons due to flooding.	7	5	7	6	8
PS1	Droughts	Chronic	Decrease in freshwater availability.	7	14	20	28	
PS2		Sharp	Increased water supply / purification costs.	7	14	15	28	
PS3		Chronic	Possible supply restrictions. Increased competition for water resources between tourism and other sectors.	7	7	5	28	
PS4		Sharp	Investment in water use technologies (e.g., desalination plants) has been required.	7	21	5	28	
P01	Warm Waves	Sharp	Material damage due to exposure to increased heat.	4	5	5		
P02		Sharp	Forest fires around the hotel facilities.	4	5	5		
P03		Chronic	Proliferation of sargassum and distribution of insects.	4	N/A	N/A		
P04		Chronic	Increased energy consumption due to climate, which leads to increased cooling costs.	8	10	20		
P05		Chronic	Alteration of tourists' comfort.	4	10	5		
P06		Sharp	Investments in infrastructure for repair or adaptation to new conditions due to heat waves.	N/A	5	5		
PC1	Hurricanes	Sharp	Material damage to the building structure due to tropical cyclones.	14				
PC2		Sharp	Damage to supply networks (electricity, drinking water).	14				
PC3		Sharp	Damage to access routes.	14				
PC4		Chronic	Safety problems for guests and the population.	14				
PC5		Sharp	Interruption of hotel activities due to tropical cyclones.	14				
PC6		Chronic	Increase in insurance premiums.	14				
PC7		Chronic	Loss of property value.	7				
PC8		Sharp	Cuts in food supply.	7				
PN1	Sea level rise	Sharp	Erosion/loss of beaches.	20				
PN2		Chronic	Erosion of infrastructure.	20				
PN3		Chronic	High costs for waterfront retention.	15				

- High
- Medium high
- Medium
- Medium low
- Low

Risks with a rating higher than 21, i.e., High, could also be considered within the corporate risk analysis for monitoring and/or permanent action plan, specifying that these facilities may represent a significant impact on the company's revenues.

No.	Hydromet. associated	Risk type	Description	Risk
PS1	Droughts	Chronic	Decrease in freshwater availability.	28
PS2	Droughts	Sharp	Increased water supply / purification costs.	28
PS3	Droughts	Chronic	Possible supply restrictions. Increased competition for water resources between tourism and other sectors.	28
PS4	Droughts	Sharp	Investment has been required in water use technologies (e.g., desalination plants).	28
PI1	Floods	Sharp	Material damage due to floods, landslides.	21
PI2	Floods	Chronic	Epidemics and pest control costs. Proliferation of mosquito-borne diseases.	21
PS4	Droughts	Sharp	Investment has been required in water use technologies (e.g., desalination plants).	21

Hacienda Galindo is vulnerable to flooding because there is a dam near the hotel, which has the risk of overtopping and affecting the facilities.

Conclusions

Recent events in Mexico related to overexploitation of aquifers and low level reserves in water basins, combined with lack of precipitation and heatwaves in certain regions of the country, particularly in the north, emphasize the need to formally integrate continuous monitoring of climate-change-related risks.

According to the analysis, transient climate risks are typically not regional, and their impacts tend to be linear, meaning they are applicable to all locations, and their assessment can be carried out at a corporate level through a comprehensive climate change strategy.

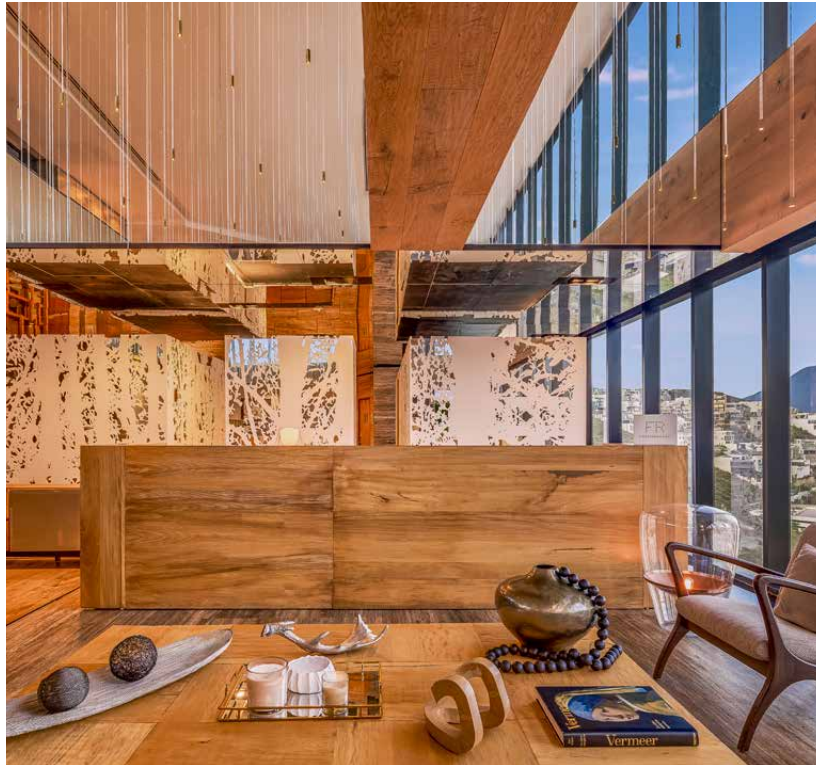
On the other hand, physical climate risks are characterized as much more localized and, in most cases, non-stationary, which can lead to non-linear impacts. Likewise, we found that potential impacts could increase over time, become more unpredictable, and recurrent on a seasonal scale.

This integration will make it possible for us to become a more resilient company, to make better investment decisions by taking climate risks into account, to seek better long-term investments and to increase the efficiency of the company's activities.

From the table above, we can see that the main physical risk faced by the hotels, especially Grand Fiesta Americana Monterrey Valle/Live Aqua Monterrey and Live Aqua San Miguel de Allende, is drought, as can be confirmed by the current situation in Monterrey. On the other hand, Fiesta Americana



Fiesta Americana Condesa Cancún



Live Aqua
Monterrey Valle

PREVENTION AND MITIGATION MEASURES

Currently at FibraHotel we are developing the following prevention and mitigation physical risk activities:

Risk	Prevention and mitigation actions
Thunderstorms and Hail	<ul style="list-style-type: none"> > Lightning rods at strategic points to protect the building and its surroundings. > Continuous revision for leaks. > Training of personnel in outdoor areas. > Reinforcement of roofs and shingles or impact-resistant roof installations.
Floods and Slopes	<ul style="list-style-type: none"> > Adequate and recurrent cleaning of downspouts and drainage to prevent flooding and dampness in buildings. > Rain catchment systems. > Surface monitoring to prevent crumbling and cracking. > Construction of terraces with drainage channels and slope stabilization walls.
Drought	<ul style="list-style-type: none"> > Care and saving of water through the installation of low consumption systems and efficient technologies at consumption points. > Rain catchment systems. > Periodic revision of systems and mechanisms to avoid leaks. > Encouragement of responsible water use among clients and personnel.
Heat Waves	<ul style="list-style-type: none"> > Estimating future energy consumption as a way of forecasting energy demand and expenditure. > Maintenance of air conditioning and cooling systems. > More efficient energy management, contributing to energy savings. > Use of renewable energies to reduce costs and environmental impact.

Opportunities

In addition to identifying the main risks to company activities, climate opportunities were pinpointed that through their mitigation and adaptation can generate resource efficiency and cost savings, the adoption of low-emission energy sources, the development of new services, access to new markets and the promotion of resilience in the supply chain.

Category	Description of the opportunity	Horizon
Energy Source	To address greenhouse gas emissions generated by tourism, four basic mitigation strategies can be distinguished: i) use of less energy, ii) improved energy efficiency, iii) increased use of renewable energy, and iv) the capture of carbon through sinks.	Short Term
Market	Short-distance tourism tends to be less vulnerable to the global social context.	Short Term
Resilience	Definition of an internal carbon price and science-based GHG emission reduction targets (SBTi), which are designed to support the development of low-emission goods and services.	Short Term
Resource Efficiency	FibraHotel has set a new context-based target to reduce water consumption per occupied room. As such, we continue to invest in new water efficiency projects, including low-flow toilets, faucets and showerheads across the hotel portfolio.	Short Term
Resilience	The Company is committed to identifying and incorporating sustainability opportunities into its investment and asset management strategies, with a focus on minimizing its environmental impact through reductions in energy and water consumption and improvements in waste management.	Short Term
Resilience	Development and/or expansion of low-emission goods and services.	Short Term
Resilience	Development of internal carbon pricing and science based GHG emissions reduction targets (SBTi) to align climate change efforts with comparable global initiatives. Currently, FibraHotel has already sent the target for review.	Short Term
Resilience	Maintain its attractiveness and reputation to clients and investors as a responsible stakeholder by: communicating the actions of the Social Investment Strategy, offering responsible meeting solutions, certifying hotels and responding to additional financial questionnaires.	Short Term
Products/ Services	Promoting more efficient buildings. Alliances with technology and artificial intelligence companies to identify areas of opportunity and promote smarter and more sustainable buildings.	Short Term
Products/ Services	Reduction of water use and consumption. New objectives and projects to reduce water use and consumption throughout the hotel chain, in addition to standardization in the sector as a general practice.	Short Term
Resilience	Promoting more efficient buildings. Collaboration with expert suppliers in each region and country to cross-pollinate knowledge and skills as well as engage and support hotel managers with fixed annual support to promote best sustainability practices.	Short Term
Products/ Services	During 2023 we achieved two LEED gold level certifications (Live Aqua San Miguel de Allende and the corporate offices) and two EDGE certifications (Courtyard Tereo and AC Hotel Querétaro).	Medium Term
Resource Efficiency	Monitor real-time energy performance and help identify and validate new energy projects.	Medium Term
Energy Source	FibraHotel seeks to invest in small and large-scale solar photovoltaic (PV) systems to enable decentralized renewable energy. In addition, it has also invested heavily in power generation systems that eliminate its reliance on less efficient steam utilities.	Medium Term
Energy Source	With the goal of achieving 20% renewable energy consumption and a 32% reduction in Scope 1 and 2 emissions per square foot by 2027, they continue to actively evaluate new renewable energy opportunities in key Markets. In addition, it continues to invest in energy efficiency projects. In 2022 FibraHotel installed the first energy storage system, which contributes by reducing stress on the Mexican electricity grid.	Medium Term
Resilience	Promoting more efficient buildings. Integrating the company's values, principles, and efforts throughout the value chain by involving operational and brand leaders, team members, guests, franchisees, and suppliers.	Medium Term
Resource Efficiency	Promoting more efficient buildings. Driving the real-time remote energy monitoring project and assisting in identifying and validating new energy management projects through other tools such as the Internet of Things (IoT) and machine learning algorithms based on information gathered from building management systems.	Medium Term
Energy Source	Participation in renewable energy and energy efficiency programs. Setting renewable energy consumption targets for 2025, 2030, and 2050 in corporate offices and hotels.	Medium Term
Energy Source	Transitioning to decentralized energy generation. Initiating investments in small- and large-scale photovoltaic (PV) solar systems to enable decentralized renewable energy.	Medium Term
Products / Services	Shift in consumer preferences. Developing one or more iconic properties that are at the forefront of sustainability practices, such as a hotel with zero carbon footprint or water footprint.	Long Term

Short Term: < 2 years

Medium Term: 2-4 years

Long Term: > 5 years

From the identified opportunities presented by climate change, we have addressed most of them, in some cases with short-term implementation (0 to 1 year) and in other cases with a broader horizon.

CLIMATE SCENARIO ANALYSIS

(ACC2, AMEFIBRA)
 (SASB IF-RE-450a.2)
 (GRI 201-2)
 (GRESB RM6.1, RM6.2)

We conducted a **Climate Scenario Analysis** considering FibraHotel portfolio properties as of the end of 2023. The analysis aimed to identify the risks arising from different projected climate scenarios for the coming years. With this information, we will have a clearer picture when developing action plans to enhance the resilience of our assets and operations against future events resulting from the effects of climate change.

For this evaluation, the scenarios developed by the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS) were used.

For a broader view of the risks facing our properties, we evaluated two main time periods: short-term (2030) and medium-term (2050), under the following scenarios:

Scenario	Name	Description
RCP	2.6	This scenario assumes small constant net negative emissions after 2100 (unlike RCP 8.5, which assumes stabilization with high emissions between 2100 and 2150). As it implies net negative CO ₂ emissions after 2070, under this pathway, CO ₂ concentrations slowly decrease to 360 ppm by 2300 (compared to 2000 ppm in the RCP 8.5 scenario).
	8.5	This scenario assumes high emissions between 2100 and 2150 and predicts stabilizing concentrations only by 2250, with CO ₂ concentrations of approximately 2000 ppm, almost seven times pre-industrial levels (compared to 360 ppm in RCP 2.6 by 2300).
NGFS	NET ZERO 2050	It is an ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation, achieving net-zero CO ₂ emissions around 2050. This scenario assumes that ambitious climate policies are immediately introduced. Net CO ₂ emissions will reach zero around 2050, providing at least a 50% chance of limiting global warming below 1.5°C by the end of the century, with minimal or no (<0.1°C) exceedance of 1.5°C in earlier years. Physical risks are relatively low, but the transition risks are high.
	Current Policies (CP)	It assumes that only currently implemented policies are maintained, leading to high physical risks. Emissions will grow until 2080, causing approximately 3°C of warming and severe physical risks. This includes irreversible changes such as a significant rise in sea levels. This scenario can help central banks and supervisors consider the long-term physical risks to the economy and financial system if we continue our current path towards a "greenhouse world."

Both scenarios are public and include various variables: the Representative Concentration Pathways (RCP) from the IPCC include time series of emissions and concentrations of the complete set of greenhouse gases, aerosols, and chemically active gases, as well as land use. They are used to develop climate projections through information on physical climate system models.

The NGFS scenarios provide a common and updated benchmark for understanding how climate change (physical risk) and climate policy and technological trends (transition risk) could evolve in different futures.

Evaluated aspects

Within this analysis, we evaluated seven main categories of risk:

Physical risk	Description
River flooding	The fraction of land exposed annually to river flooding is defined as the fraction of land area flooded, on average, during the most severe flood of the year.
Wildfires	The fraction of land exposed annually to wildfires describes the fraction of land area burned on average at least once a year by fires.
Precipitation	Precipitation is defined as the mass of water (both rain and snow) that falls on the Earth's surface per unit area and time.
Snowfall	Snowfall is defined as the mass of water that falls on the Earth's surface in the form of snow, per unit area and time. Due to the low incidence of snowfall in the national territory, this work handles it as frequency of occurrence
Average air temperature	The average air temperature refers to the mean temperature of the air masses near the Earth's surface (2 meters above the ground in this case).
Water Stress	Measures the ratio between total water demand and available renewable surface and groundwater supplies. Water demand includes domestic, industrial, irrigation, and livestock uses. Higher values indicate more competition among users.
Expected annual damage from tropical cyclones	The expected annual damage from tropical cyclones is expressed in 2005 US dollars and is defined as the level of damage expected to occur on average each year due to such events. Projections were calculated assuming that both the size and distribution of GDP remained constant as of 2005.

Key findings

For each FibraHotel asset, the future behavior extrapolated by the models was identified to establish trends. The following categorization was used to express these trends with the evaluated models:

- > **Decrease:** Both the maximum and minimum values are below the current value.
- > **Apparent decrease:** Although slight increases were found in the evaluation, the decrease compared to current values is greater.
- > **No apparent change:** Future and current values are equal, with no expected variation.
- > **Apparent increase:** Although slight decreases were found in the evaluation, the increase compared to current values is greater.
- > **Increase:** Both maximum and minimum values are above the current value.

The following tables display the trends for 2030 and 2050 by state, considering those where our properties are located for each of the evaluated risks:

Category	Trend by state for 2030				
	Decrease	Apparent decrease	No apparent change	Apparent Increase	Increase
Fraction of Land Exposed to River Flooding	-	Baja California, Campeche, Sonora y Tabasco.	Aguascalientes, Chihuahua y Mexico City.	Baja California Sur, Coahuila, Durango, Guanajuato, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Nayarit, Nuevo León, Oaxaca, Puebla, Querétaro, Quintana Roo, San Luis Potosí, Sinaloa, Tamaulipas y Veracruz.	-
Fraction of land exposed to wildfires	-	-	Baja California, Chihuahua, Mexico City, Jalisco, Michoacán, Oaxaca, Puebla, Sinaloa, Tabasco, Tamaulipas y Veracruz.	Aguascalientes, Baja California Sur, Campeche, Coahuila, Durango, Guanajuato, Guerrero, Estado de México, Morelos, Nayarit, Nuevo León, Querétaro, Quintana Roo, San Luis Potosí y Sonora.	-
Precipitation	-	Campeche, Chihuahua, Mexico City, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Oaxaca, Puebla, Quintana Roo, Sonora, Tabasco y Veracruz.	-	Aguascalientes, Baja California, Baja California Sur, Coahuila, Durango, Guanajuato, Nayarit, Nuevo León, Querétaro, San Luis Potosí y Sinaloa.	Tamaulipas
Snowfall	Campeche, Chihuahua y Sonora	Aguascalientes, Baja California, Coahuila, Durango, Nuevo León, Puebla, Querétaro, San Luis Potosí y Veracruz.	Michoacán, Nayarit y Tabasco.	Baja California Sur, Mexico City, Guanajuato, Guerrero, Jalisco, Estado de México, Morelos, Oaxaca, Quintana Roo, Sinaloa y Tamaulipas.	-
Average air temperature	-	-	-	-	Aguascalientes, Baja California, Baja California Sur, Campeche, Chihuahua, Coahuila, Mexico City, Durango, Guanajuato, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Nayarit, Nuevo León, Oaxaca, Puebla, Querétaro, Quintana Roo, San Luis Potosí, Sinaloa, Sonora, Tabasco, Tamaulipas y Veracruz.
Water stress	-	-	Aguascalientes, Baja California, Baja California Sur, Chihuahua, Coahuila, Mexico City, Durango, Guanajuato, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Nayarit, Nuevo León, Oaxaca, Puebla, Querétaro, San Luis Potosí, Sinaloa, Sonora, Tabasco, Tamaulipas y Veracruz.	-	Campeche y Quintana Roo.
Expected annual damage from tropical cyclones	-	-	-	-	Aguascalientes, Baja California, Baja California Sur, Campeche, Chihuahua, Coahuila, Mexico City, Durango, Guanajuato, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Nayarit, Nuevo León, Oaxaca, Puebla, Querétaro, Quintana Roo, San Luis Potosí, Sinaloa, Sonora, Tabasco, Tamaulipas y Veracruz.

Category	Trend by state for 2050				
	Decrease	Apparent decrease	No apparent change	Apparent increase	Increase
Fraction of Land Exposed to River Flooding	-	Baja California, Campeche, Sonora y Tabasco.	Aguascalientes, Chihuahua y Mexico City.	Baja California Sur, Campeche, Coahuila, Durango, Guanajuato, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Nayarit, Nuevo León, Oaxaca, Puebla, Querétaro, Quintana Roo, San Luis Potosí, Sinaloa, Tabasco, Tamaulipas y Veracruz.	-
Fraction of land exposed to wildfires	-	-	Baja California, Chihuahua, Mexico City, Jalisco, Michoacán, Oaxaca, Puebla, Sinaloa, Tabasco, Tamaulipas y Veracruz.	Aguascalientes, Baja California Sur, Campeche, Coahuila, Durango, Guanajuato, Guerrero, Estado de México, Morelos, Nayarit, Nuevo León, Querétaro, Quintana Roo, San Luis Potosí y Sonora.	-
Precipitation	-	Baja California Sur, Campeche, Chihuahua, Mexico City, Durango, Guanajuato, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Nayarit, Oaxaca, Puebla, Querétaro Quintana Roo, Sinaloa, Sonora, Tabasco y Veracruz.	-	Aguascalientes, Baja California, Coahuila, Nuevo León, San Luis Potosí y Tamaulipas	-
Snowfall	Campeche, Chihuahua, Sonora y Veracruz.	Aguascalientes, Baja California, Coahuila, Durango, Nuevo León, Puebla, Querétaro, San Luis Potosí y Tamaulipas.	Michoacán, Nayarit y Tabasco.	Baja California Sur, Mexico City, Guerrero, Estado de México, Morelos, Oaxaca, Quintana Roo y Sinaloa.	-
Average air temperature	-	-	-	-	Aguascalientes, Baja California, Baja California Sur, Campeche, Chihuahua, Coahuila, Mexico City, Durango, Guanajuato, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Nayarit, Nuevo León, Oaxaca, Puebla, Querétaro, Quintana Roo, San Luis Potosí, Sinaloa, Sonora, Tabasco, Tamaulipas y Veracruz.
Water stress	-	-	Aguascalientes, Baja California, Baja California Sur, Chihuahua, Coahuila, Mexico City, Durango, Guanajuato, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Nayarit, Nuevo León, Oaxaca, Puebla, Querétaro, San Luis Potosí, Sinaloa, Sonora, Tabasco, Tamaulipas y Veracruz.	-	Campeche y Michoacán.
Expected annual damage from tropical cyclones	-	-	-	-	Aguascalientes, Baja California, Baja California Sur, Campeche, Chihuahua, Coahuila, Mexico City, Durango, Guanajuato, Guerrero, Jalisco, Estado de México, Michoacán, Morelos, Nayarit, Nuevo León, Oaxaca, Puebla, Querétaro, Quintana Roo, San Luis Potosí, Sinaloa, Sonora, Tabasco, Tamaulipas y Veracruz.

Financial implications

The main risks increasing and equally important for both evaluated time periods are: a rise in average temperature and damage from tropical cyclones. In terms of water, water stress remained apparently unchanged; however, it is currently at high to extremely high levels in most of the country. Finally, the risks showing an apparent increase are: flooding, wildfires, and with a decrease, precipitation and snow-fall. This becomes more evident in the long-term scenario (2050).

Due to recent events that have impacted our country, it is crucial to refer to the trend of tropical cyclones, where a generalized upsurge in economic impact from these phenomena was identified. This was significant, with an average increase ranging from 6% to 86%.

It is also important to highlight that in both short-term (2030) and long-term (2050) scenarios, climate-related hazards are expected to worsen in some areas with potential of business interruptions at some facilities. Notable among these are the increase in wildfires, river flooding, and in all cases, the rise in average air temperature, which may lead to an increase in the magnitude and frequency of other climate-related phenomena.

Based on the risk analysis evaluated for both short-term (2030) and medium-term (2050) scenarios, an estimate of the cost to address the impacts was conducted. These costs were estimated using current insurance contracts, allowing us to make a conservative estimate of the increase in these costs.

From the shared information and listed properties, the premium cost for 2024-2025 was established at USD \$1.329 billion.

It is estimated that claims costs will increase by between 90% and 120% over the next 20 years. Consequently, policies are expected to increase by between 33% and 41% between 2020 and 2040.

Based on all the previous estimates, an estimate of the financial implications regarding the cost of premiums was determined. The detailed breakdown by asset is shown in the following table:

Segment	Premium 24-25	Inferior limit (33%)	Superior limit (41%)
Limited Service	2,479.07	3,297.15	3,495.48
Sinaloa	7,373.28	9,806.46	10,396.32
Fairfield Inn Villahermosa	12,058.54	16,037.85	17,002.54
Guerrero	17,790.40	23,661.23	25,084.46
Baja California Sur	20,673.79	27,496.14	29,150.04
Select Service	5,904.80	7,853.38	8,325.76
Sinaloa	17,705.97	23,548.94	24,965.41
Tabasco	22,283.82	29,637.48	31,420.18
Jalisco	30,628.00	40,735.24	43,185.48
Campeche	122,430.31	162,832.30	172,626.73
Full Service	11,759.78	15,640.50	16,581.28
Veracruz	46,544.07	61,903.61	65,627.13
Quintana Roo	110,965.68	147,584.35	156,461.60
Leased	2,758.00	3,668.14	3,888.78

* Figures in USD.

The analysis was conducted by hotel; however, in the table it is shown by segment, separating those hotels that alter the sample. These hotels are in areas at higher risk and, therefore, premiums are higher. Cities with the highest risk are highlighted: Culiacán, Villahermosa, Acapulco, Los Cabos, Puerto Vallarta, Ciudad del Carmen, Veracruz, Playa del Carmen, and Cancún, as they are coastal areas with a higher risk of Tropical Cyclones.

100% of the properties in the FibraHotel portfolio are insured, and the policies cover any physical risks derived from the analysis of physical risks and evaluated climate scenarios. In this regard, the increase in premium costs must be considered a significant financial impact on our assets.

Financial implications of hurricane Otis

In October 2023, an unprecedented climate event impacted the coasts of Guerrero, with the port of Acapulco receiving the greatest impact. Hurricane “Otis” was the strongest hurricane ever recorded on the Pacific coast of Mexico. It made landfall as a Category 5 hurricane, the strongest within the Saffir-Simpson scale, with winds exceeding 300 km/h.

The impact of this tropical cyclone affected the facilities of one of our assets: One Acapulco, located in the coastal area of the port. The hotel represents less than 1% of FibraHotel’s assets and income. The estimated impact was approximately USD \$3 million, including MXN\$60 million investment in renovation and reopening.

Thanks to the effort and investment made to rehabilitate this property, One Acapulco reopened its doors on March 25, 2024. We reaffirm our commitment to revitalizing the local economy and providing renovated and comfortable facilities so that guests staying in our properties have a pleasant experience.

Recommendations

Based on the analysis results and understanding the impact it can have on our properties and business sustainability, it is crucial to have plans in place to mitigate those risks, aiming to minimize the impact on our assets and ensure business continuity.

Within the general recommendations, we can highlight:

- > Establish a culture of foresight and proactivity in risk management, allowing for economic savings and impact mitigation.
- > Adoption of prevention and emergency plans is essential, along with continuous drills and emergency exercises for natural disasters.
- > Strengthening the infrastructure exposed to the phenomenon.
- > Analyzing the adoption of building resilience tests against the most severe anticipated threats, thus determining the impact on employees, buildings, community infrastructure, suppliers, guests, and overall operational resilience.
- > Using this assessment as a guide in site selection, integrating climate risk into the due diligence process to minimize the risk of occupying areas susceptible to severe future impacts.

There are also some recommendations for each of the evaluated risks:

Risk	Category	Recommendation
Average temperature	Increase	> Application of bioclimatic architecture techniques and practices**
Water stress		> Establish water efficiency plans
		> Install smart water management systems
		> Water harvesting, treatment, and reuse
Tropical cyclones		> Use natural barriers against threats, such as reefs, mangroves, dune zones, or jungle and forest mountains, which reduce wind speed and wave action
		> Implement anti-hurricane infrastructure: use materials such as safety glass, cross-laminated timber (plates joined perpendicularly to make the material more resistant), or foam adhesives specialized in thermal insulation and resistant to intense winds
		> Analyze the feasibility of placing doors and windows in the direction of prevailing winds or removing equipment or structures susceptible to damage, such as emergency plants
Floods	Apparent Increase	> Include a review of water entry routes into buildings, the reliability of critical public services (water supply, drainage, energy supply, such as fuels and electricity) in flood-prone levels, and other vulnerable components that could disrupt operations and access to buildings
Wildfires		> Control of dry vegetation around the property
		> Maintenance of passive control systems (extinguishers, fire hydrants, dry columns)
Precipitation	Apparent decrease	> See water stress section
Snowfall		> Review infrastructure

** Bioclimatic architecture refers to the design of a building or space that considers the climate of the region (sun, wind, rain, among others) with the aim of creating comfort by utilizing natural sources and reducing environmental impact.

Here are some recommendations for incorporating bioclimatic architecture aspects into existing buildings:

- > Use of low-consumption furniture and equipment.
- > Installation of thermal and acoustic insulation in walls and windows (including green walls, green roofs, and natural barriers such as vegetation).
- > Rainwater or wastewater collection and reuse, with filtration and/or treatment processes for use in cleaning, irrigation, water features (fountains, ponds, reflecting pools), and toilets.
- > Irrigation system with automated controllers and a system adapted to the rainy season.

CORPORATE GOVERNANCE

(GRI 2-9, 2-10, 2-11, 2-12, 2-14, 2-15 2-18,2-19, 2-20, 3-3, 405-1)

(TCFD GOB-A, GOB-B)

(AMEFIBRA GOB01)

At FibraHotel, our corporate governance is aligned with applicable regulations and focused on ensuring ethical and transparent operations in terms of accountability.

The Holders' Assembly constitutes the highest decision-making body in relation to the trust, which meets on an ordinary basis, once a year, and includes among its responsibilities, approval of the financial statements and the authorization of the CBFi issuance. The Holders' Assembly is governed by the General Law of Securities and Credit Operations (*Ley General de Títulos y Operaciones de Crédito, LGTOC*).

On April 27th, 2023, FibraHotel held its CBFi Holder's holders of FIHO12 Certificates Assembly where the following agenda items were approved: authorization of the Audited Financial Statements, the appointment and ratification of all members of the Technical Committee. Appointment of Ms. Jimena Fernández Cortina as an Independent Member of the Technical Committee of Trust F/1596, including her qualification as independent. Additionally, the maximum amount for the Buyback Fund was authorized for the period from April 30th, 2023, to April 30th, 2024.

On April 22nd, 2024, FibraHotel held a meeting of the holders of FIHO12 Certificates where the following agenda items were approved: authorization of the Audited Financial Statements, appointment and ratification of all members of the Technical Committee, authorization of the maximum amount for the Buyback Fund for the period from April 30th, 2024, to April 30th, 2025. Additionally, the employee compensation plan based on CBFIs was authorized.

Technical Committee

Under the Trust Agreement terms, the Technical Committee's responsibilities include approving major financial and portfolio transactions (investments, acquisitions, disposals, sales, and divestments). It also focuses on the supervision and management of REIT operations and monitors the Administrator's performance.

The Control Trust²¹ is reserved to the appointment of half plus one of the members and never those with the role of independents. independent members are appointed for their experience, capacity, and professional prestige, as well as for being free of conflicts of interest. All members are appointed for one-year terms, with the possibility of renewal.

Fiesta Americana
Aguascalientes



21. The Control Trust must have 16% or more of the CBFIs in circulation.

As of the date of the report, the Committee was composed of 11 proprietary members, five of whom are independent. We have four women as members, and we seek to continue advancing in the diversity of the composition obtaining 36% gender diversity, and strive to continue advancing in the diversity of our work teams and collaborators. The average length of service was 7.9 years. Simón Galante Zaga, who is also a member of the Advisor, continued to serve as Chairman of the Technical Committee and is also a member of the Advisory Board.

Only independent members receive remuneration for their work, set by the Technical Committee itself without their participation and ratified by the Holders' Meeting, always within the terms of the Trust Agreement.

The Committee has an annual regular meeting schedule, and additionally, any member of the Technical Committee can request the a

session. During 2023, four regular sessions were held in the months of February, April, July, and October. Attendance at these four sessions was 100%.

The most frequently addressed topics in the regular sessions of the technical committee were:

- > Operating and financial results update
- > Distribution Policies
- > Funding Authorization
- > Labor Reform Update
- > FibraHotel's Vision 2025 and projects to achieve it
- > Balance situation, debt, covenants, and liquidity status
- > Update on projects
- > Training on ESG (Environmental, Social and Corporate Governance)
- > Update on ESG (Environmental, Social and Corporate Governance)

Composition of the Technical Committee²²

Name	Role	Age	Seniority as a member (years)
Simón Galante Zaga	Proprietary Member	52	11
Alberto Galante Zaga	Proprietary Member	62	11
Adolfo Benjamín Fastlicht Kurian	Proprietary Member	58	11
Jorge Sandor Valner Watstein	Proprietary Member	63	11
Eduardo Zaga Cojab ²³	Proprietary Member	36	-
María Dolores Domínguez	Proprietary Member	55	3
Felipe de Yturbe Bernal	Independent Proprietary Member	78	11
Jaime Zabłudowsky Kuper	Independent Proprietary Member	68	11
María del Mar Torreblanca	Independent Proprietary Member	40	2
Pablo de la Peza Berríos	Independent Proprietary Member	69	10
Jimena Fernández Cortina	Independent Proprietary Member	69	1
Eduardo López García	Alternate Member	57	10
Edouard Paul Maurice Boudrant	Alternate Member	45	-
Guillermo Bravo Escobosa	Alternate Member	44	-

During 2023, an evaluation of the Technical Committee was conducted, yielding the following results:

- > Overall, the Committee considers that the pertinent session information is provided in a timely and proper manner by FibraHotel. Likewise, the information is deemed relevant and appropriate for decision-making.
- > Members believe there is clarity on the topics to be discussed and that the problem resolution is efficient.
- > It is also considered as a whole that the sessions are correctly programmed.
- > Regarding the structure of the Committee, it is unanimously considered that the sessions are correctly scheduled, as well as the roles and responsibilities of the members, who possess relevant experience and skills.
- > There is a recognized area of opportunity concerning the preparation of analyses on emerging topics.

22. More information about the members of the Technical Committee.

23. Substituted Mayer Zaga Bucay in the third quarter of 2023.

- > Regarding the frequency, duration of the sessions, and the time commitment required for participation, only one member considers these aspects to be impartial.
- > 100% of the Technical Committee members received training on ESG topics. Four hours of annual training on ESG topics are provided to all committee members. Additionally, during each session, the review and update of ESG projects, as well as the progress of the strategy, are conducted.

The Technical Committee has different supporting committees. Below, we describe in detail the functions of the three supporting committees. Member assignment and respective presidents is the responsibility of the Technical Committee²⁴.

Corporate Practices Committee

Sessions as often as required. All its members are independent. The Practices Committee is responsible, among other things, for (i) providing opinions to the technical committee with regard to transactions that our practices committee is involved in with related parties, (ii) providing opinions to the technical committee with regard to the value of transactions that our technical committee is involved with in carrying out its duties, (iii) making recommendations to the Technical Committee as to which reports it should request from our Advisor or the Trustee in the performance of its duties, (iv) advising the Technical Committee in the performance of its duties under our Trust Agreement, (v) presenting to the Technical Committee market studies relating to the industries in which our properties and assets are located and making recommendations as appropriate, and (vi) seeking and obtaining independent expert opinions. This committee is composed of 40% women, and 100% of the members are independent.

Name	Role
Felipe de Yturbe	Independent Proprietary Member
Jaime Zabłudowsky Kuper	Independent Proprietary Member
Pablo de la Peza Berríos	Independent Proprietary Member
María del Mar Torreblanca	Permanent Guest
Jimena Fernández Cortina	Permanent Guest

Audit Committee

Sessions as often as required. All its members are independent. The Audit Committee is responsible, among other things, for (i) evaluating the external auditors and analyzing their reports, (ii) analyzing the financial statements and discussing them with appropriate personnel, and based thereon assessing whether to recommend their approval to our technical committee, (iii) informing

the technical committee of its view as to the internal controls and internal audit system including any irregularities that may be detected, (iv) requesting and obtaining independent expert opinions, (v) investigating non-compliance with operating and accounting guidelines and policies or with the internal controls or internal audit system, (vi) informing the technical committee of any important irregularities it may encounter and proposing remedial measures, (vii) verifying the implementation of internal control mechanisms and their compliance with applicable law, among others. This committee is composed of 40% women, and 100% of the members are independent.

Name	Role
Felipe de Yturbe	Independent Proprietary Member
Jaime Zabłudowsky Kuper	Independent Proprietary Member
Pablo de la Peza Berríos	Independent Proprietary Member
María del Mar Torreblanca	Permanent Guest
Jimena Fernández Cortina	Permanent Guest

Nominating Committee

The Nominating Committee is responsible for, among other things: (i) searching, analyzing and evaluating candidates for election or appointment as independent members of our technical committee; (ii) proposing to the CBFH holder assembly individuals who, in the committee's opinion and based on their satisfying the independence requirements under the Mexican Securities Market Law, may join the technical committee as independent members, or when applicable, as substitute members to such independent members, and, if applicable, proposing to the CBFH holder assembly independent members who, in the committee's opinion, should be replaced; (iii) monitoring and reviewing all matters relating to the independence of the independent members of the technical committee, including any issues involving potential conflicts of interest; and (iv) considering the audit committee's opinion on the removal of members of our Technical Committee, among others. This committee is composed of 100% men, and 60% of the members are independent.

Name	Role
Simón Galante Zaga	Proprietary Member
Alberto Galante Zaga	Proprietary Member
Felipe de Yturbe	Independent Proprietary Member
Jaime Zabłudowsky Kuper	Independent Proprietary Member
Pablo de la Peza Berríos	Independent Proprietary Member

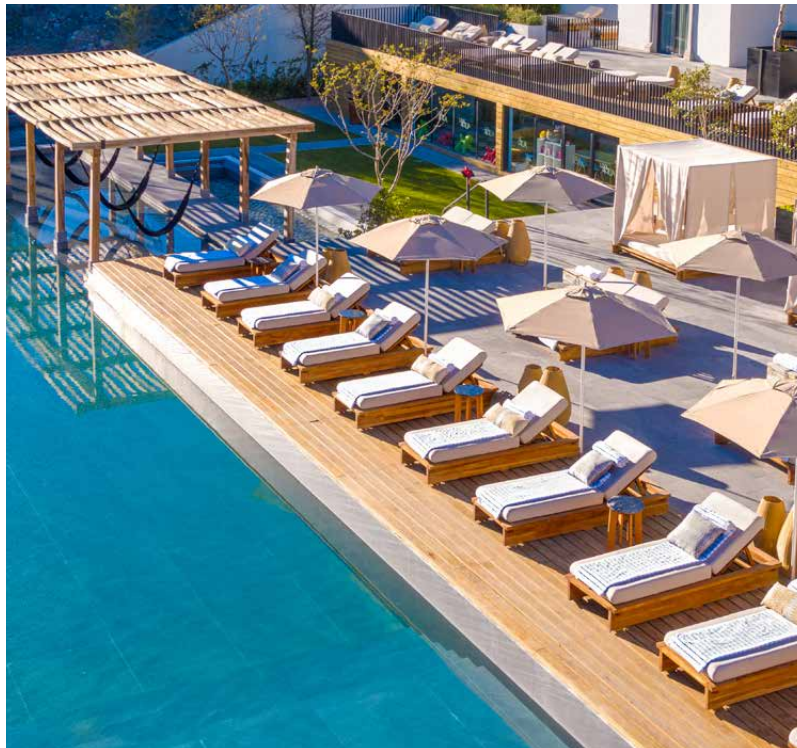
24. Detailed functions of the Committees can be obtained for in the Reports of the Bolsa Mexicana de Valores (BMV).

The Administrator is responsible for the FIBRA operation and stands out for having a management team notable for their knowledge and experience, working in accordance with the strategic guidelines established by the Technical Committee.

FibraHotel Advisor					
Roberto Galante		Alberto Galante		Simón Galante	
FibraHotel Administrator					
Eduardo López Chief Executive Officer					
Edouard Boudrant Chief Financial Officer > Controller > Treasury > Fixed Assets > Administration	Guillermo Bravo Chief Investment Officer > Investments > Strategy > Investor Relations	Isaac Aguilar Asset Management Director > Operation > Maintenance > CAPEX	César Chávez Asset Management Director > Operation > Maintenance > CAPEX	Luis de la Barrera Asset Management Director > Operation > Maintenance > CAPEX	Lorena García Legal Counsel > Legal Issues

FibraHotel is externally advised by Administradora Fibra Hotelera, S.A. de C.V., which is responsible, among others, for guiding and advising on the development strategy and acquisitions of hotel projects.

The Administrator’s management team members receive variable remuneration associated with objectives established in accordance with their management. Goals are aligned with the 2025 vision, which derives from AFFO generation, the improvement of operating indicators and performance analysis in relation to the industry, as well as ESG policy objectives and indicators.



Live Aqua San Miguel de Allende

ETHICS & COMPLIANCE

(GRI 2-15, 2-23, 2-24, 2-25, 2-26, 2-27, 3-3, 201-4, 204-1, 205-1, 205-2, 205-3, 206-1, 415-1)
(AMEFIBRA GOB02, GOB03)

At FibraHotel, we work with a culture of compliance, adhering to the law and the internal policies we develop for the operation.

We ensure decision-making based on the guidelines of our corporate governance, with a structure built on the company's commitments, supported by our codes and politics, under the supervision of the Technical Committee, Corporate Practices Committee, as well as the Legal, Administrative, and Controller's departments.

Our staff is guided by the **Code of Ethics**, implementing the values of honesty and integrity. The performance of the Technical Committee, the relationships between our employees and suppliers/business partners, and the operators are based on the guidelines of our code. We provide this Code and the Anti-Corruption Policy to all employees in their induction course and it is available on our intranet; it is also available to the public on our website (FibraHotel - Policies and other documentation): www.fibrahotel.com/eng/policies/ as well as the **Anti-Corruption Policy**.

Additionally, we have an **Anti-Corruption Policy** that seeks to prevent acts in any form, as well as conflicts of interest and any other practice detrimental to company assets. In this way, we reaffirm our position and commitment to continuously operate under the highest ethical values and integrity and in strict compliance with national and local laws applicable to the Company.

On the other hand, we have an independent and anonymous **Complaint Line**, which can be used by any of our stakeholders to report inappropriate behavior and/or any irregularity within FibraHotel or in its external interaction with customers, operators and suppliers.

Reports, which can be anonymous, either via telephone or email, are received by an external third party contracted by the company. This third party forwards the reports to the appropriate internal party based on the type of case, as well as to a specific committee that can convene if necessary to apply the consequence system. The process aims to be a guarantor for all parties involved.

During the year, we did not receive any reports related to the operation of FibraHotel through the reporting line, nor did we identify any violations through internal audit processes. Similarly, no cases of corruption were reported by third parties or identified directly by us. We trained our employees on policies, codes, and other critical aspects related to company ethics and corruption prevention, including the operation of the Complaint Line, Code of Ethics, **Irrevocable Trust Contract Number F1596**, AMEFIBRA FFO, ESG Policies, Amendment Agreement to Irrevocable Trust Number F159, and ESG Policies. 100% of our employees were trained, covering the most important topics for each of these areas.

Additionally, FibraHotel maintains a neutral stance towards political parties; all our operations and activities are conducted independently of political parties, maintaining a strictly operational relationship with local and federal governments. FibraHotel does not make contributions to political parties or representatives, nor have we received financial assistance from governments.

To guarantee our commitment to always operate under the highest ethical values and integrity, as well as in strict compliance with applicable national and local laws, it is important to highlight that during the year, there were no significant sanctions related to social and/or economic issues, including competitive practices.

Fiesta Inn Los Mochis



SUSTAINABLE INFRASTRUCTURE

INVESTMENT AND MANAGEMENT

(GRI 3-3, 203-1)

(SASB IF-RE-130a.5, IF-RE-410a.3)

(TCFD GDR-B)

(AMEFIBRA GOB04, GOB06, AMB01, AMB02)

At FibraHotel, we are committed to ensuring that the operation of our hotels is efficient in resource use and respectful of the environment, including surrounding biodiversity, and contributes positively to society. When incorporating hotels into the company, the evaluation includes socio-environmental criteria, aiming to consolidate a portfolio characterized by the quality of assets in terms of location, business potential, and market, but also in sustainability and long-term viability.

Aligned with this commitment, we published our **Responsible Investment Policy**, designed to establish guidelines and directives that steer FibraHotel when making investment decisions incorporating ESG criteria, in line with fiduciary duty, to generate sustainable long-term value for the organization and stakeholders, while minimizing the negative impacts of future acquisitions.

Within the criteria considered in the previously mentioned Policy, we seek to have traceability of Environmental, Social, and Governance impact aspects. These include legality, energy, biodiversity, water, waste, emissions, safety, communities, transparency, ethics, among others.

In social terms, we currently have a **Human Rights Policy**²⁵, in which we state our commitment to respect them and exercise due diligence. To do this, we consider the identification, prevention, and mitigation of possible impacts associated with our operations, including our entire value chain and relationships with our various stakeholders.

As to environmental efficiency, the infrastructure we provide to the hotels is key, as is the investment we make in equipment and technology, and maintenance. We work closely with the operators to ensure that the service offering considers sustainability criteria and, at the same time, raises awareness among guests and employees, primarily about energy use, water use, and waste management.

Via their investment and maintenance program, the hotels ensure that facilities and equipment are in the best condition and that energy is used efficiently. In this regard, during 2023, maintenance CAPEX expenditures were MXN\$205 million pesos and remodeling expenditures were MXN\$93 million pesos. Specifically, on efficiency and sustainability issues, during the year FibraHotel made investments in renewable energy through the installation of distributed generation systems and qualified supply; installation of efficient lighting, energy storage, and efficient air conditioning equipment. On the other hand, during 2022, maintenance CAPEX expenditures were MXN\$174 million pesos and remodeling expenditures were MXN\$58 million pesos.

In addition, we closely monitor energy and water consumption in our portfolio hotels, which allows us to make decisions that favor efficiency. 86% of the hotels have individualized data with exclusive meters.

Undoubtedly, our commitment to the environment is reflected via **Environmental and Climate Change Policy**²⁶, as well as the necessary measures to reduce potential effects on climate change and be resilient to impacts, which is aligned with efficiency in the use of energy, water, and materials in the development of properties, including the design and construction stages in the portfolio's operation and the commitment to facilitate waste management based on circular economy criteria.

Further, with the objective of consolidating our commitment to biodiversity, we are working on the Biodiversity Policy in accordance with the guidelines of the Taskforce on Nature-related Financial Disclosures (TNFD). This policy will be published during 2024.

All these actions add to and consolidate our efforts by setting the standard for due diligence processes in our investments and the exercise of daily operations.

25. More information about the Human Rights Policy.

26. More information about the Environmental and Climate Change Policy.

Our commitment to sustainability and working together with the operators did not stop as reflected by the certifications of our portfolio as shown below:



- > **58 hotels** have the **Green Key** certification, awarded by the Foundation for Environmental Education.
- > The hotels **AC Hotel Veracruz, AC Hotel Querétaro, Courtyard Tereo, Fiesta Americana Viaducto Aeropuerto, and Fiesta Americana Satélite** have **EDGE** (Excellence in Design for Greater Efficiencies) certification.
- > **FibraHotel's** corporate offices and the **Live Aqua San Miguel de Allende** hotel achieved **LEED** (Leadership in Energy and Environmental Design) **Gold** certification, because of efficiency and sustainability actions.
- > The **Fiesta Americana Condesa Cancún** hotel has **Blue Flag** certification, representing a commitment to beach users and the environment.
- > **9 of our hotels** have the **Tourist Environmental Quality** certification awarded by PROFEPA in recognition of the reduction of waste, discharges, and emissions, as well as the consumption of electricity, fuels, and water.
- > The hotels **Fiesta Americana Pabellón M, Fiesta Inn Periférico Sur, and Fiesta Inn Tlalneptla** received **hydro-sustainable hotel** certification for efficient water use.

At the end of 2023, 87% of our portfolio (71 properties) hold some type of certification related to sustainable buildings. Thus, of our portfolio (71 hotels), 85% of the surface area holds some type of sustainability-related certification.

ENERGY AND EMISSIONS

At FibraHotel we have established a self-regulatory and institutional framework to facilitate environmental management and reduce our impacts. We work to advance in reducing Greenhouse Gas (GHG) emissions in the hotels in our portfolio, hand in hand with efficiency in the use of energy.

Energy Data Scope	2021	2022 ²⁸	2023
Number of hotels ²⁹	83	83	83
% of portfolio	97%	97%	97%

Fuel Consumption (GJ)³⁰

Fuel	2021	2022	2023
Gasoline	13,073	18,183	19,090
Diesel (stationary and mobile sources)	2,693	2,546	2,505
Natural Gas	63,080	99,765	93,477
LP Gas	82,163	85,670	86,192
Firewood	171	94 ³⁰	61
Bioethanol	8	6	0
Coal	83	258	97
Total Fuel (GJ)	161,270	206,523	201,422
Total Fuel (kWh)	44,797,153	57,367,473	55,950,555
Occupied Rooms	1,997,814	2,569,711	2,849,159
Guests	3,115,464	3,934,035	4,157,403

58

Energy

(GRI 3-3, 302-1, 302-3, 302-4, 302-5)
 (SASB IF-RE-130a.1, IF-RE-130a.2, IF-RE-130a.3)
 (TCFD MYO-A, MYO-B, MYO-C)
 (AMEFIBRA AMB03, AMB06)

In 2023, we consumed 125,823,525 kWh of energy equivalent to 452,964.32 GJ, including both fuels and electricity. Electricity accounted for 55% of our total energy consumption and, as for fuels, we required mainly LP gas and natural gas.

The energy consumption intensity²⁷ was 44.32 kWh/room night and 172.49 kWh/m².

27. Notes to the energy consumption tables:
 > The energy record (fuels and electricity) is provided by the hotels and consolidated by the Administrator.
 - The Fiesta Americana Condesa Cancún and InHouse Ciudad Obregón hotel, which started operations in September 2023, are not included as they are under lease agreement. In these cases, energy is managed directly by the operator.
 - The itemization of calorific fuel values are included in the GHG emissions inventory report.

28. The three remaining hotels to complete the portfolio (86) are the Fiesta Americana Condesa Cancun, InHouse (as their lease contract exempts FibraHotel from paying for energy) and one closed hotel.

29. The hotel count was based on those that were in operation throughout 2023.

30. The calculation corresponds to the energy consumption by the hotels relative to their respective surface areas, not the entire portfolio.

Electricity consumption (kWh)

2021	2022	2023
58,715,801	66,681,757	69,872,970

Electricity consumption during 2023 was equivalent to 251,542.49 GJ. The electricity supply during the year was 100% from the grid. However, we are implementing ambitious distributed generation and qualified supply projects that will show visible results in 2024.

Electricity Consumption (kWh/Occupied Rooms)

2021	2022	2023
29.39	26.08	24.52

Energy Consumption Intensity (Electricity + Fuels)³¹

	2021	2022	2023
kWh/m ²	165.21	197.99	172.49
kWh/ Room Night	51.81	48.51	44.32

Both FibraHotel and the operators have initiatives to reduce energy consumption, which are supported by hotel employees and aimed at fostering guest awareness.

The main energy efficiency measures that we are currently implementing:

Lighting

- > Replacement of traditional bulbs with LEDs.
- > Installation of motion sensors in public areas.
- > Machine room automation

Insulation and air conditioning

- > Investment in preventive equipment maintenance to maintain optimum efficiency.
- > Switching central air conditioning units to more efficient models and heat recovery chillers.
- > Installation of air controls that can automatically turn off the equipment when the guest is not there (in hotels without integrated control systems).
- > Installation of Low-E glass and other products with better thermal insulation.

- > Machine room automation.
- > Switch to natural gas from LP gas where available
- > Solar water heating systems

In addition to these measures, we are continuously improving our maintenance procedures to reduce consumptions through initiatives such as:

Electricity

- > Turning off computers at the end of each workday.
- > Turning off office lights every time staff leaves even if temporary.
- > In cold places, open blinds to let in natural light and avoid the use of heating.
- > Verifying that room switches are off when not in use.
- > Validating guest departures per week so as to close and turn off empty floors.
- > Placing motion sensors in the collaborators' dining room to turn off the lights.
- > Inclusion of energy storage systems.

Gas

- > Depending on occupation, closing gas valves in the evenings on weekends.
- > Cleaning programs for kitchen burners.
- > Monthly scheduled cleaning and adjustments to heaters.
- > Temperature adjustments in hot water tanks.
- > Weekly review of pipeline regulators.

We are also committed to using energy from renewable sources. We have several initiatives:

- > Water heating pilot program from solar panels.
- > Water heating pilot with hydrogen system, as an alternative to LP gas and natural gas.
- > Supply changes from LP gas to natural gas where available.

Emissions

(GRI 305-1, 305-2, 305-3, 305-4, 305-5)
(TCFD MYO-A, MYO-B, MYO-C)
(AMEFIBRA AMB06)

We aim to reduce Greenhouse Gas (GHG) emissions from our hotel portfolio through energy efficiency measures and renewable energy initiatives. We accounted for the emission of 43,988 tons of CO₂e in 2023, 70% of which is due to electricity consumed.

31. The remaining three hotels to complete the portfolio (86) are the Fiesta Americana Condesa Cancun and InHouse (because it is under lease agreement and FibraHotel does not pay for the energy), and one closed hotel.

GHG emissions (tCO₂e)³²

Emission sources	2021	2022	2023
Scope 1 ³³	9,870	12,796	13,383
Scope 2 ³⁴	24,837	29,007	30,604
Total S1 + S2	34,707	41,803	43,987

Intensity of GHG emissions generation

	2021	2022	2023
Kg CO ₂ e/m ²	55.39	64.14	60.09
Kg CO ₂ e/ Room Night	17.37	16.35	15.44

Emission intensity was 15.44 kg CO₂e/room night and 60.09 Kg CO₂e/m² in 2023, compared to 64.14 Kg CO₂e/m² in 2022.

Scope 1 and 2 emissions correspond to portfolio hotels in which we hold a hotel management contract with the operators, so we are responsible for the energy expenses. In addition, two hotels (Fiesta Americana Condesa Cancun and InHouse Ciudad Obregón) are under a lease agreement, where the operator is responsible for those expenses as part of its management, so it is included in Scope 3 emissions.

During 2023, we continued with our goal toward better and more traceability of scope 3 emissions. Particularly, we had more information from the operating companies corresponding to the categories in this scope, which is why they increased considerably. This scope includes emissions corresponding to fuel, electricity and refrigerant gases in hotels under lease contract.

Fiesta Americana Condesa Cancún



Since 2022, we continued incorporating new Scope 3 categories for the entire portfolio as part of our efforts to gain a more comprehensive understanding of the carbon footprint related of our activities and to construct reduction targets in accordance with the Science Based Targets initiative (SBTi).

These categories include waste generation from hotel operations and staff travel. In addition, FibraHotel's corporate emissions were considered for business travel, both by air and by car. Six categories of Scope 3 emissions were included, strengthening the analysis of FibraHotel's total emissions.

Scope 3 Emissions (tCO₂e)³⁵

Category	2021	2022	2023
Refrigerant recharge (Category 1; Scope 3)	87	1,426	1,941
Electricity and fuels (Category. 3; Scope 3)	11,441	8,930	11,177
Waste Generation (Category. 5; Scope 3)	1,965	2,206	1,716
Business travel (Category 6; Scope 3)	97	130	86.36
Displacement of employees (Category 7; Scope 3) ³⁶	144	165	24,144
Downstream leased assets (Category. 13; Scope 3)	5,598	6,572	7,910
Total Emisiones Scope 3	19,333	19,428	46,976

32. Considers CO₂, CH₄ y N₂O emissions. The base year will be from 2021.

33. Scope 1: Direct emissions from fuel combustion and refrigerant leakage.

34. Scope 2: Indirect emissions from generation of consumed electricity.

35. Includes FACC and InHouse Ciudad Obregón, which started operating in September 2023, as leased hotels.

36. The difference from 2022 to 2023 are due to more traceability considered for this indicator.

OTHER ENVIRONMENTAL INDICATORS

Water

(GRI 3-3, 303-1, 303-2, 303-3, 303-4, 303-5)
 (SASB IF-RE-140a.1, IF-RE-140a.2, IF-RE-140a.3, IF-RE-140a.4)
 (AMEFIBRA GOB05, AMB04)

Reducing water consumption in our hotels is part of our commitment to the environment and efficient use of resources. We have been working on the following specific initiatives:

- > Incorporation of water savers in sinks and showers.
- > Installation of WC with double discharge valves and pressurized WC.
- > Development of a water treatment and recovery project.

Additionally, each operator has its own initiatives that complement those promoted by FibraHotel.

Most of portfolio hotels use water from pipelines or pipes with no direct impact on groundwater availability. In terms of discharges, it should be noted that all hotels record water conditions and progress is being made to ensure that an increasing number of hotels have treatment plants.

Water data scope ³⁷	2021	2022	2023
Number of hotels ³⁸	83	75	83
% of the portfolio	97%	85%	97%

Water withdrawal across our portfolio was 1,215 thousand m³, or 0.42 m³/room night and 1.66 m³/m², compared to 0.41 m³/room night y 1.6 m³/m² in 2022.

The following is a breakdown of water withdrawn by type of source:

Water withdrawal by source (Thousands of m³)

Source	2021	2022	2023
Pipeline and pipe	860	952	1,139
Sea Water	-	-	-
Underground water	82	88	75
Used by other organizations	-	-	-
Total	942	1,040	1,215
Number of hotels	83	83	83
% portfolio (hotels)	97%	97%	97%

Our maintenance efforts include the following activities:

- > Replacement of damaged or defective energy savers in rooms and common areas.
- > Ongoing staff training on water conservation and water care.
- > Avoid defrosting products with water jets.
- > Continuously inform all employees about leaks in toilets, faucets, showers, etc.
- > Constant pressure monitoring in pipelines to quickly detect pipeline leaks.
- > Review and maintenance of swimming pools and wet areas.
- > Water treatment plants.

Concerning water discharge, we comply with the law. We invest in the availability of infrastructure and technology for their treatment and reuse, progressively advancing in equipping the hotels in our portfolio.

AC Hotel Querétaro



37. The three remaining hotels to complete the portfolio (86) correspond to the: Select Service León (temporarily closed), Fiesta Americana Condesa Cancun and InHouse Ciudad Obregón, which started operating in September 2023 (under a lease agreement and FibraHotel does not pay the water).
 38. The count of the hotels was made based on those that were in operation throughout 2022.

Next, discharged water by destination³⁹:

Water discharge (Thousands of m³)⁴⁰

Source	2021	2022	2023
Superficial	595	761	952
Sea water	-	-	-
Underground water	23	88	-
Used by other organizations	14	-	0.03
Total	632	849	952

Waste

(GRI 306-1, 306-2, 306-3, 306-4, 306-5)
(AMEFIBRA AMB05)

The operators carry out waste management; each complies with Mexican laws and environmental standards.

We work closely with them to promote best practices. In this regard, hotel employees receive constant training in handling, segregating and temporary disposal of waste. Similarly, each hotel has a temporary waste storage facility maintained according to established programs. There are collection and final disposal service contracts with suppliers accredited by the Secretariat of the Environment.

As for FibraHotel, it has the **Environmental and Climate Change Policy**, which establishes a sense of responsibility in the use of natural resources, based on the principles of reducing the use of primary and/or non-renewable resources. The **Sustainability Policy**, on the other hand, promotes a culture of environmental respect

and resource efficiency among employees and, through the operators, among hotel staff and guests.

In 2022, for the first time, we accounted for waste management within the portfolio. The following data represents the amount of waste corresponding to 83 hotels, representing 97%⁴¹:

Amount of Waste (Tons)⁴²

Type of waste	Tons
Organic waste	1473
Inorganic waste	1,552
Special handling waste	2
Hazardous waste	23
Total	3,050

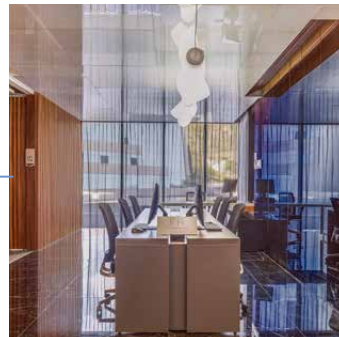
Additionally, we display the waste management per ton:

Waste Management (Tons)

Type of waste	Tons
Recycled waste	354
Reused waste	11
Sanitary Waste	2,684
Incineration	1
Total	3,050

FibraHotel, together with operators, is constantly searching for best practices for waste handling and management. Specifically, work is being done to reduce single-use plastic consumption and alliances are being created with suppliers to consume previously recycled and returnable products. As proof of this, compared to the previous year, waste generation decreased by 26%.

Live Aqua Monterrey Valle



Fiesta Inn Ciudad Juárez



39. The three remaining hotels to complete the portfolio (86) correspond to the: Select Service León (temporarily closed), Fiesta Americana Condesa Cancun and InHouse Ciudad Obregón, which started operating in September 2023 (under a lease agreement and FibraHotel does not pay the water).
 40. The information on water discharge in 2022 corresponds to the sum of water discharge from 75 hotels compared to 61 of 2021. This data is due to 1) the availability of data, 2) that some of the assets share bills due to being located in clusters, and 3) The two temporarily closed hotels are not included.
 41. Excluding two leased, and one closed hotel.
 42. Hazardous waste includes: Oil, ballasts, aerosol cans, empty paint cans, greased containers, solvents, contaminated and hazardous containers, fluorescent lamps, batteries, paints, chemicals. Inorganic waste: Aluminum, bags, cardboard, glass, iron, cans, wood, metals, mixed, paper, PET, plastic and inorganic waste.

HUMAN CAPITAL

DEMOGRAPHY AND DIVERSITY

(GRI 2-7, 2-30, 3-3, 401-1, 405-1, 406-1)
(AMEFIBRA GASG01, SOC01)

At FibraHotel we are proud of the talent and commitment of each of our employees. We are a multidisciplinary and highly specialized team focused on creating value through an efficient operation⁴³.

At the end of 2023, our corporate team consisted of 33 employees, all with permanent contracts and full-time positions. Of these, 42% are women. 100% of our employees have indefinite contracts and work full-time; we do not have any part-time employees.

We are open to active participation from all team members. We do not have any unionized employees.

Moreover, we firmly believe in the value of diversity by ensuring the integrity of each of our employees, fostering a culture of respect. We promote gender equity both in access to employment and professional development. We believe that the different generations that make up the team, their perspectives, and backgrounds, enrich decision-making. So far, we do not have any employees with disabilities, but we are ready for their incorporation should they be candidates for our vacancies.

Therefore, we operate according to principles of respect for the dignity of all people who are part of the company. This commit-

ment underpins our **Diversity Policy** and is also present in our **Human Rights Policy**.

Efforts to promote this culture, guidelines, and self-regulation measures resulted in the absence of discrimination cases during 2023.

Remuneration is established through a formal process that considers characteristics of the profile and the market context. It is important to highlight that 100% of the staff receive a salary above the minimum established by the Secretariat of Labor and Social Welfare (STPS) through the National Minimum Wage Commission.

The team is responsible for asset administration and monitors hotel management, which is in turn handled by the operating companies with which we have agreements.

Labor Demographics⁴⁴

	2021	2022	2023
Number of collaborators	28	29	33
Percentage of permanent contracts (%)	100	100	100
Percentage of women (%)	35	38	42

During 2023, the employees of FibraHotel accumulated a total of 73,728 hours worked.

Collaborators by Professional, Gender and Age Category – 2021

Professional Category	<30 years		30 and 50 years		>50 years		Total	
	Women	Men	Women	Men	Women	Men	Women	Men
Director	-	1	1	4	-	1	1	7
Manager	1	1	4	6	-	2	5	9
Analyst	1	1	1	-	-	-	2	1
Assistant	-	-	1	1	-	-	1	1
Total	2	3	7	11	-	3	9	18

43. The staff and management referenced correspond to Fibra Hotelera S.C. (the Administrator) The detail of the hotels' staff is presented in the subchapter Socio-economic environment development (chapter on Shared Commitment).

44. The section only includes employees of the Administrator.

Collaborators by Professional, Gender and Age Category – 2022

Professional Category	<30 years		30 and 50 years		>50 years		Total	
	Women	Men	Women	Men	Women	Men	Women	Men
Director	-	-	1	5	-	1	1	6
Manager	-	-	4	6	-	-	4	6
Analyst	3	2	3	1	-	1	6	4
Assistant	-	-	-	2	-	-	0	2
Total	3	2	8	14	-	2	11	18

Collaborators by Professional, Gender and Age Category – 2023

Professional Category	<30 years		30 and 50 years		>50 years		Total	
	Women	Men	Women	Men	Women	Men	Women	Men
Director	-	-	-	6	1	1	1	7
Manager	1	-	6	3	-	-	7	3
Analyst	4	4	2	2	-	1	6	7
Assistant	-	-	-	2	-	-	-	2
Total	5	4	8	13	1	2	14	19

New hires

During the year, due to the business model focus and structure consolidation, hires were made to support those areas of the business in expanding analysis and thus improving decision-making. This is reflected in a lower turnover rate, which was 6%. There were two voluntary resignations reported during 2023.

	2023
New hires	6
Women	83%
Men	17%

DEVELOPMENT AND WELL-BEING

(GRI 401-2, 403-9, 403-10, 404-1, 404-2)
(AMEFIBRA SOC02, H1, H2)

We continue to support our employees' development and growth through various training sessions, mainly external, to complement the specialized knowledge they require. During 2023, 100% of the staff received training, totaling 3,642 hours of training, which includes programs provided by third parties outside of working hours (e.g., diplomas, master's degrees, English courses, etc.). The investment made during the year in training and development of our employees amounted to MXN\$915 thousand.

Employees who decide to continue their academic training on their own receive our support and the necessary assistance, such as schedule flexibility.



Sheraton Monterrey

Trainings by Professional Category

Professional Category	2021		2022		2023	
	Total Training Hours	Collaborators trained	Total Training Hours	Collaborators trained	Total Training Hours	Collaborators trained
Director	264	1	435	7	564	2
Manager	36	1	5	10	14	10
Analyst	1,560	1	1,490	10	3,054	12
Assistant	0	0	5	1	10	4
Total	1,860	3	1,935	28	3,642	28

Note: there are no gender-based differences in training among employees of equal position and seniority.

Additionally, we provide benefits that contribute to the well-being of our staff. All employees receive a year-end bonus higher than that mandated by law. Those who have been with the company for more than a year have major medical expense insurance.

At FibraHotel, we are committed to the safety and health of our team through the promotion of self-care and prevention with training sessions. We have guidelines to promote these two factors, allowing employees to report any risk factors they identify.

As in the previous year, there were no fatalities, accidents, or illnesses caused by company activities. In the case of a positive COVID-19 test, employees worked under a home office scheme. Consequently, the absenteeism rate was 0.0%⁴⁵.

Aware that the situation we experienced post COVID-19 pandemic has provoked a radical change in personal and work life, during

2023, we continued advancing in the implementation of NOM 035, focused on promoting an optimal organizational environment for the integrity of employees.

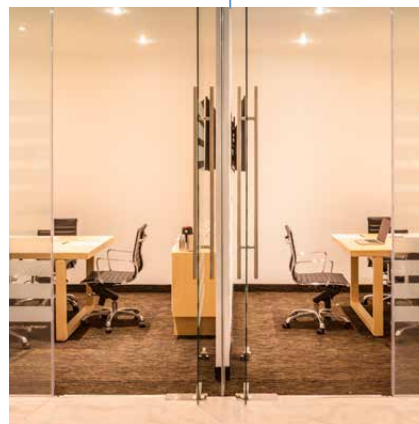
For the second consecutive year, we conducted the employee climate survey to understand the state of the work environment conditions and address the needs of our employees promptly. The participation rate was 100%. We have focused on monitoring three main indicators: commitment, loyalty/pride, and leadership. These key indicators help us define action plans that result in the retention and development of our employees.

According to this year's results, commitment was 82%, maintaining the percentage from last year. Loyalty/pride increased by 4%, reaching 86%, and leadership achieved 85%, increasing by 5% compared to the previous year's results. At FibraHotel, we are constantly seeking to improve the work environment by annually monitoring indicators and creating action plans accordingly.

The Yucatan Resort Playa del Carmen, Tapestry Collection



Fiesta Inn Tlalnepanitla



45. Absenteeism rate = Lost days * 100 / total working days (for the entire workforce). Corresponds to voluntary cases, since there were no accidents or occupational diseases.

SHARED COMMITMENT

GUEST EXPERIENCE

For FibraHotel, the guest experience is fundamental, and we are committed to working with operators to improve it constantly. As a result of the pandemic, we have focused on technological investments in hotels, leading to the digitalization of services such as air conditioning, lighting, screens, among others.

Continuing with this vision, during 2023, the primary focus on guest experience remained on the maintenance and acquisition of major equipment such as air conditioners, operational equipment like furniture, mattresses, bedding, and towels, as well as technology, entertainment, and Internet access equipment. Additionally, to enhance the guest experience at each of our properties, we worked on the renovation and rehabilitation of our inventory throughout 2023. We also remodeled some of the rooms in our portfolio to ensure our guests enjoy updated and more efficient facilities. This investment is crucial to keeping our hotels equipped with the best services and amenities to ensure a pleasant stay for each guest.

We continuously collaborate with our operators to meet and exceed guest expectations. To track progress, we monitor their experience through the operators' platforms and follow up on reviews on online travel agencies (OTAs) and partner websites.

66

In 2023, we maintained the NPS (Net Promoter Score), a metric used to measure customer satisfaction and experience, at 54%. We continue to implement actions together with the operators to achieve the goal set for 2027.

We integrated sustainability questions into the 2023 guest satisfaction survey. Notably, 88% of guests in the portfolio operated by Posadas consider important to stay in a hotel with sustainable initiatives, and 4 out of 10 guests would be willing to pay a higher rate for a hotel with sustainable initiatives. This reaffirms our commitment to sustainable business management and the importance of continuing to implement ambitious projects aimed at achieving the objectives set out in our sustainability strategy.

SOCIO-ECONOMIC DEVELOPMENT OF THE ENVIRONMENT

(GRI 2-6, 2-8)
(AMEFIBRA GASG05)

Through our business model, especially the relationship we maintain with operators, we contribute to the socioeconomic development of the areas where the portfolio hotels are located. It is worth noting the generation of employment and the economic impact that directly benefits the hotels' environs.

We ensure that working conditions respect the integrity and safety of personnel, promoting their professional development in collaboration with operators and service companies that support us in both selection and management of staff. Regarding these companies, we ensure fair wages, in line with the sector and market, for hotel staff.

Once again, we reaffirm our commitment to providing a workplace with the necessary infrastructure to protect and ensure the well-being of our employees. We have also sought to implement the best sanitary measures to keep spaces safe.

In terms of employment opportunities in portfolio hotels, there is a notable emphasis on those generated for women compared to less inclusive sectors. For us, gender diversity and equitable opportunities are key to the socioeconomic development of the environment around our portfolio.

During the year, along with operators, we worked on various human rights campaigns, including equity and diversity. Specifically, the eleven hotels operated by Marriott received certification from the Human Rights Campaign Foundation as "Best Places to Work for LGBTQ+." Additionally, different compensation schemes were established to promote greater performance, professionalism, and commitment.

The total number of employees as of December 31, 2023, was 4,402, of which 53% are women and 47% are men.

Portfolio Hotels Employee Demographics

	2021	2022	2023
Nº total colaboradores	4,209	4,434	4,402
% Women	51%	52%	53%

Moreover, we continue our efforts to indirectly promote job development through the hiring of local suppliers, facilitating the participation of SMEs and startups. Working as a team with local suppliers has demonstrated quality, safety, compliance with regulations, and innovation.

Among the main suppliers for the hotels are those related to administration, development, and maintenance services, as well as equipment and consumables.

Additionally, we contribute to increased economic activity in the areas where the hotels are located through the arrival of guests and their consumption of products and services outside our facilities.

SOCIAL INVESTMENT

(GRI 2-29, 3-3)
(AMEFIBRA SOC05)

We are aware of the importance of social development in the communities surrounding our portfolio and understand that social support for their well-being is crucial. We contributed to this goal in 2023 by collaborating with various organizations to address infrastructure and education needs.

Similarly, the operating companies carry out various activities as part of their brands' social responsibility, as well as the commitment of the teams working in the hotels.

Based on the priorities identified within the context of our operations, we published our social investment strategy in 2022. In line with this, we continue to make progress in implementing impactful projects that contribute to the three focuses outlined in our strategy.



Volunteer initiatives in Marriott's Serve 360

In the case of Marriott, we participated in their Serve360 strategy, which was created to guide the company's commitment and deliver positive outcomes across four coordinates: nurturing our world, operating responsibly, empowering through opportunity, and welcoming all while advancing human rights.

During 2023, FibraHotel's hotels had the participation of 925 volunteers who contributed a total of 2,609 volunteer hours, which were divided as follows:

Coordinates	Volunteer Hours 2023	Description
Nourishing Our Planet	800	Efforts were made to support the community, focusing on helping children and young people, including those at risk and socially disadvantaged, develop their skills and aptitudes for employment and vitality.
Maintain responsible operations	620	Reducing the environmental impact of our operations by lowering resource and energy consumption, minimizing food waste, and opting for the use of renewable energy.
Empowering through opportunities	379	Activities focused on expanding and strengthening programs and partnerships that develop skills and opportunities for youth, diverse populations, women, people with disabilities, refugees, etc.
Inclusion and promoting human rights	68	Focus on training and awareness-raising for associates on human trafficking, responsible sourcing and inclusive hiring policies and practices, strengthening our global approach of NO DISCRIMINATION.
Others	742	Additional activities are categorized as: visits to nursing homes, shelters, and providing supplies for victims in Acapulco affected by hurricane Otis, etc.

These were distributed as follows:

Hotel	Reported activities	Volunteer Hours
AC Hotel Guadalajara	14	378
AC Hotel Querétaro Antea	11	414
AC Hotel Veracruz	14	329
Courtyard México City Vallejo	9	256
Courtyard México Toreo	8	139
Fairfield Inn & Suites Querétaro	12	247
Fairfield Inn & Suites Villahermosa	11	240
Fairfield Inn & Suites Nogales	11	93
Fairfield Inn & Suites Los Cabos	11	270
Fairfield Inn & Suites Mexico City Vallejo	9	177

In total, the Serve360 efforts corresponding to the hotels in our portfolio amounted to MXN\$0.4 million.

Social Investment Grupo Posadas

We work with Grupo Posadas on the initiatives of its Foundation, which is dedicated to the integral development of families. It focuses on health, education, and disaster relief, including volunteer activities.

The efforts of the Posadas Foundation corresponding to the hotels in our portfolio amounted to MXN\$2.3 million, divided among 333 beneficiaries and contributions from the portfolio hotels, distributed as follows:

Program	Activities Completed 2023	Amount Donated
Health	61	284,120
Education / Scholarships	146	2,048,334
Victims	126	42,059
Total	333	2,374,513

Within the framework of the education axis, scholarships were provided for educational levels from primary school to university. Regarding healthcare, various treatments were offered, including surgeries, prosthetics, psychomotor therapies, among others; additionally, vision tests, glasses, and hearing aids were provided.

Regarding support for victims of natural disasters, we assisted with construction materials, food supplies, medicines, and household items for families affected by hurricane Otis in Acapulco.

FibraHotel Initiatives

In 2023, FibraHotel engaged in various social development and community support initiatives around our properties. Throughout the year, multiple alliances were formed to consolidate the social pillar of our strategy. The total efforts in-kind and cash amounted to MXN\$1.2 million, of which MXN\$0.6 million were in cash.

Dr. Sonrisas, together with the foundation, we organized an activity at the Granja de las Américas, involving 30 employees and 30 families from the organization. The total effort for this activity amounted to MXN\$40 thousand. A nonprofit organization created to help children with life-threatening illnesses live their childhood as normally as possible.

Xolo Plastics, a social enterprise that generates a positive impact on society and the country by recycling plastic into art, with economic benefits supporting the communities in which it operates. The event organized by Xolo Plastics, "Subasta Querétaro 2023," featured over 20 artists and aimed to maximize the positive impact of their artworks. In support of this cause, FibraHotel donated 42 hotel rooms at Fiesta Inn Querétaro for the organizers and participating artists.

Meyalli, for the second consecutive year, during the holiday season, FibraHotel employees donated 33 gifts to benefit the girls studying at this institution. Meyalli aims to be a reference in the integral formation of women who, from childhood, develop their intellectual and human capacities in line with the institution's values through education, fostering competencies and virtues that lead them to commit to doing good in their familial, social, and professional environments.

Additionally, through various alliances, FibraHotel donated a total of 81 computer units to various organizations working in different social impact areas, including:

1. **"La escuela más grande del Mundo"**, a project support-

ing schools in obtaining Internet access. FibraHotel donated computer equipment to the *Centro de Bachillerato Tecnológico Agropecuario*, helping 120 students strengthen their education with technology access.

2. **Culiacán Participa**, an institution working in "polygons of peace," neighborhoods characterized by high school dropout rates, high levels of domestic violence, and a strong presence of violent groups. FibraHotel contributed to the "Peace Rooms" program by donating computer equipment to create dignified spaces for learning various disciplines, such as training in worthy trades, thereby reducing public crime.
3. **Unidos por la Montaña, A.C.**, a nonprofit organization that has developed a comprehensive poverty alleviation model based on eight action axes (healthcare, nutrition, income, environment, housing, social cohesion, basic services and infrastructure, and education), initially applied in the high mountain region of Guerrero and replicated in highly marginalized localities in the state of Guanajuato.
4. **Cruz Roja Mexicana**, a humanitarian private assistance institution mobilizing networks of volunteers, communities, and donors to operate programs and services aimed at preserving health, life, and alleviating human suffering among vulnerable populations. It serves people or communities affected by emergencies or disasters, health problems, diseases and injuries from accidents, as well as migration and social exclusion.

Hurricane "Otis", FibraHotel donated a total of MXN\$650 thousand, of which MXN\$380 thousand was specifically donated for the reconstruction of homes for hotel employees. Additionally, at the start of the event, support was provided for the initial contingents of the National Guard, who stayed at the hotel facilities for about 20 days. Furthermore, FibraHotel joined two initiatives promoted by AMEFIBRA in collaboration with CADENA, a civil association dedicated to crisis and disaster prevention and assistance worldwide. The first initiative involved the setup of over 1,000 single-family temporary shelters consisting of tents, mattresses, and solar lamps, with a lifespan of one year. The second initiative was a fundraising campaign among the 16 associates to purchase food and essential items for the beneficiaries of the temporary shelters.

At FibraHotel, we are convinced that everyone's contribution is needed to reduce the social gap. We are committed to becoming positive agents of change for society and contributing to a more equitable Mexico.

APPENDIX I: ADDITIONAL ESG INFORMATION

RELATIONSHIP WITH OUR STAKEHOLDERS

(GRI 2-25, 2-26, 2-29, 3-3)
(AMEFIBRA GASG-2)

The relationship with our stakeholders is a fundamental element in achieving our goals. We emphasize the trust of operators and investors and the commitment of hotel collaborators and staff to the portfolio.

The communities surrounding our hotels are the most diverse group of our stakeholders. It is important for us to support their growth. While the economic benefits of operating hotels are important, this year we continued to support communities through social investment projects.

We consider stakeholders to be those who are significantly affected by our activities and those who are critical to the

achievement of our business goals and objectives. We therefore adopt a dual perspective to identify them.

As part of our management, we are committed to regularly update our stakeholder mapping to identify potential changes in stakeholder relevance. We are also committed to involving them in our analysis of key ESG issues as we update our Sustainability Strategy, which is progressing steadily.

Below, the groups identified, our value proposition for each one of them, the communication mechanisms, and key issues that we identified in the dialogue.

	Stakeholders	Value Proposal	Communication channels	Relevant Issues
Holders	Owners of the CBFIs issued by the Trust	<ul style="list-style-type: none"> > Attractive returns through cash distributions and appreciation of the value of real estate in the long term. > Optimize asset value. > Manage assets and maintain strict control over the updating, planning and management of possible risks. > Respond quickly and efficiently to contextual crises that have a direct impact on our operations. 	<ul style="list-style-type: none"> > Reunions with a dedicated Investor Relations Department > Quarterly and annual reports (corporate reports, sustainability report) > Regular and extraordinary meetings, participation in events and conferences > Telephone conferences 	<ul style="list-style-type: none"> > Business continuity and risk management > Corporate governance > Maintenance and investment in property and equipment > Economic performance > Financial implications and resilience to climate change
Banks	Financial institution which offers different financial services	<ul style="list-style-type: none"> > Jointly develop mutually beneficial proposals in relation to their financial services. > Guarantee transparency in the entire process of any transaction or relationship with the entity. 	<ul style="list-style-type: none"> > Finance Department in charge of financing strategies > Quarterly and annual reports (corporate reports, sustainability report) 	<ul style="list-style-type: none"> > Financial contracts and their compliance > Economic performance and financial evolution of the company

	Stakeholders	Value Proposal	Communication channels	Relevant Issues
Operators	Groups of prestigious hotel operators that operate our facilities.	<ul style="list-style-type: none"> > Jointly develop a proposal of quality guest services, making the relevant infrastructure available to operators, as well as maintaining and updating it, including incorporation of the most appropriate technology and best market practices. 	<ul style="list-style-type: none"> > Operations Management Department in charge of asset management > Regular coordination meetings > Daily, weekly, monthly, quarterly, and annual reports > Participation in associations of the hotel and tourism sector > Market information providers 	<ul style="list-style-type: none"> > Energy efficiency and other inputs > Financial implications and resilience to climate change > Innovation and investment in local communities, including joint action with operators. > Waste management > Water > Guidelines for the design, construction, and maintenance of real estate
Employees	Employees of the Administrator	<ul style="list-style-type: none"> > Employee opportunities for growth and professional development in a suitable work environment. > Promote a work environment that allows the satisfaction of those who are part of the team and sustains their commitment to the company and the rest of our stakeholders. > Provide health and safety in their daily tasks and attend to their needs related to COVID-19 	<ul style="list-style-type: none"> > Participation spaces (forums and training) > Work environment survey > Performance evaluation processes > Presentation of company results > Intranet > Channel for reporting complains 	<ul style="list-style-type: none"> > Corporate ethics and integrity > Legal compliance > Labor conditions > Diversity and equal opportunities > Training and career development > Strengthening the brand > Relationship with operators > Economic performance and financial evolution of the company.
Guests	Clients who stay at our facilities	<ul style="list-style-type: none"> > Provide a diverse and convenient offer based on the different needs. Facilitate quality experience, along with prestigious operators. > Provide services with the highest sanitary standards offering 100% safe stays. 	<ul style="list-style-type: none"> > Channels between operators and guests (including service surveys). > Comments and information about Internet services. > Meetings to monitor guest satisfaction between the operator and FibraHotel. 	<ul style="list-style-type: none"> > Value of money. > Offer of facilities and services. > Attention during stay. > Technology in real estate. > Facilities with sustainability criteria > Operator's reputation.
Suppliers	Providers of different products and services	<ul style="list-style-type: none"> > Establish a relationship that generates value for all parties, not only from the commercial side but also in the development of products and services, attending to innovate criteria for guest satisfaction. > Fulfillment of all our contractual obligations so that suppliers are not affected by issues of total or partial operation closure due to the contingency. 	<ul style="list-style-type: none"> > Selection and contracting processes (including tenders) > Operation meetings > Quality evaluations 	<ul style="list-style-type: none"> > Economic performance and financial evolution of the company > Anti-corruption and ethical practices of employees > Contract conditions and their fulfilment

	Stakeholders	Value Proposal	Communication channels	Relevant Issues
Authorities	Federal, state, and municipal authorities that regulate our operation.	<ul style="list-style-type: none"> > Permanently comply with current applicable regulations, also promoting a culture of adherence to the law and compliance in the relationship with all our stakeholders. > Collaborate, generate dialogue, and follow, always, the instructions from local and federal health authorities to address the situation due to COVID-19 in the best possible way 	<ul style="list-style-type: none"> > Response to requirements. > Other inquiries > Financial reports > Tax declaration 	<ul style="list-style-type: none"> > Risk prevention and mitigation > Legal compliance > Compliance with tax obligations > Employee ethics
Communities	Inhabitants of the area of influence of our facilities	<ul style="list-style-type: none"> > Contribute to the socioeconomic development of the environment in which our hotels are located. Likewise, work in close dialogue to contribute to solving the main difficulties of the communities, safeguarding the environment and cultural heritage. > Support as far as possible, vulnerable groups affected by adverse situations in terms of climate change, social or health context. 	<ul style="list-style-type: none"> > Meetings with operators > Relationship of the operators themselves with local groups > Participation in forums > Meetings with local authorities > Collaboration with Civil Society Organizations (CSO) 	<ul style="list-style-type: none"> > Economic impact, especially job creation > Purchases from local suppliers > Environmental performance > Support local culture > Development of infrastructure for the operation
Real Estate developers	Companies in charge of construction and renovation of our hotel facilities	<ul style="list-style-type: none"> > Generate capital investment in hotels efficiently through projects based on quality and efficiency requirements of operators and FibraHotel, as well as the developer's experience and the commitment to sustainability. Thus, generate and maintain assets of verifiable value in projects supported by collaboration. 	<ul style="list-style-type: none"> > FibraHotel asset management and maintenance team > Selection and hiring processes > Investment meetings with operators (including projects in development and asset investment plans) 	<ul style="list-style-type: none"> > Financial capacity of the company (FibraHotel) > Relationship with operators and their requirements (on projects) > Portfolio criteria (from FibraHotel)

Fairfield Inn Los Cabos



As part of our Sustainability Strategy, annually, we will review the objectives of the relationship with each stakeholder and measure the results of the relationship using specific indicators. We will establish a relationship plan based on the fulfillment of the previous year's objectives and new needs identified through continuous dialogue with the groups. The plan is authorized by our Technical Committee.

At FibraHotel we are committed to ethics, transparency, effective and bidirectional communication, as well as mutual benefit in all relationships with our stakeholders.

RESPECT FOR HUMAN RIGHTS

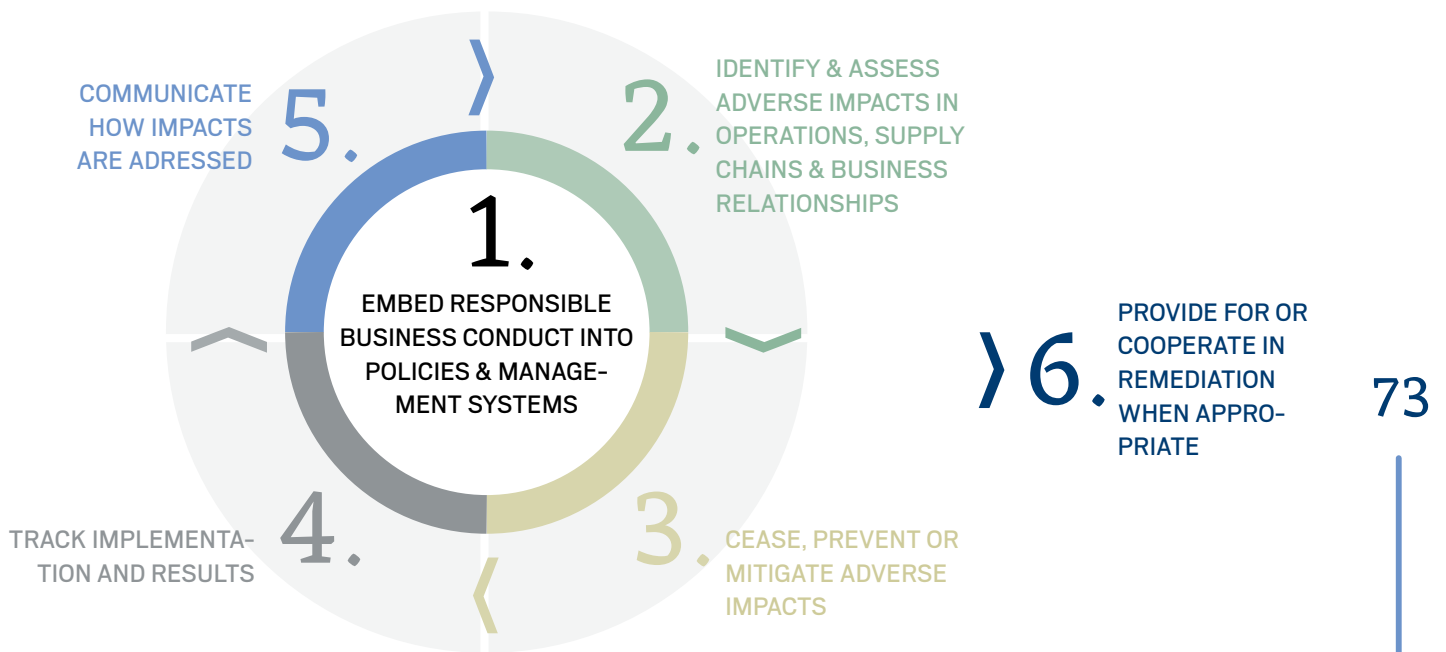
(GRI 2-23, 2-24, 2-25, 2-26, 3-3)
(AMEFIBRA SOC03)

We are committed to respecting human rights (HR) according to the UN Guiding Principles on Business and Human Rights. We perform due diligence to address potential risks associated with our activity and that of our value chain (operators, hotel staff, customers, suppliers).

Due diligence is integrated as part of our operational management, including risk management and stakeholder relations considerations.

It comprises the identification and prioritization of risks and establishing prevention and mitigation measures.

Due diligence process and supporting measures



AC Hotel Guadalajara



Grand Fiesta Americana Monterrey Valle



Process	Performance
<p>1. Incorporate responsible business conduct into management policies and systems.</p>	<p>We have:</p> <ul style="list-style-type: none"> > Human Rights Policy (HR), in which we establish the guidelines to fulfill our responsibility toward respect human rights and exercise due diligence. > Code of Ethics As a framework for compliance with various human rights-related issues, we extend our Code of Ethics guidelines and human rights and anti-corruption policies to hotel staff and suppliers. > Stakeholders Engagement Policy, with which we seek to involve stakeholders in our operations in a way that generates value for all parties. <p>Specific policies for issues related to human rights:</p> <ul style="list-style-type: none"> > Anti-Corruption Policy > Diversity Policy <p>It is worth noting that hotel staff adhere to the operators' policies as complementary guidelines to ours.</p>
<p>2. Identify and assess negative impacts on operations, supply</p>	<p>We have our complaint line for any person to report a suspicion or confirmation of non-compliance with our policies and codes, including the Human Rights Policy.</p> <p>The process of analyzing them is guaranteed for the parties, with the participation of the necessary managers and internal bodies.</p> <p>In addition, in 2021, we carried out an exhaustive exercise to identify and prioritize human rights risks, detailed in this Appendix.</p> <p>In the process of identifying and prioritizing risks, we have considered:</p> <ul style="list-style-type: none"> > The different processes that make up our operation (of the Administrator) and those of the chain value itself: e.g., management by the operators, performance of hotel personnel, etc. > For the different processes, which stakeholders are crucial and how are our direct or indirect activities (of our chain value) related to them. > This resulted in an initial identification of the risks. > We then prioritized them based on the probability of occurrence and impacts. They were evaluated by our employees (management level), the operators and a selection of other partners (suppliers, developers, etc.). <p>The prioritization map is presented in this Appendix.</p>
<p>3. Halt, prevent and/or mitigate negative impacts.</p>	<p>We then prioritized them based on the probability of occurrence and impacts. They were evaluated by our employees (management level), the operators and a selection of other partners (suppliers, developers, etc.).</p>

Process	Performance
4. Follow up on the implementation of the results	<p>After establishing the action plan at the end of 2021, FibraHotel will follow up and monitor the implementation of the different initiatives.</p> <p>Depending on the team(s) in charge of the initiatives, they will be followed up in internal committees in addition to the Sustainability Committee itself.</p> <p>Our sustainability committee also has two bodies: Executive Committee and the Operating Committee, whose responsibility is to oversee the optimal implementation of ESG issues and report on progress to the Technical Committee.</p> <p>We report on the progress of our human rights initiatives in this integrated annual report.</p> <p>We also have indicators linked to the focuses of our Sustainability Strategy (health and safety, training and development, leadership and work environment, among others).</p>
5. Report on how impacts are addressed	<p>We consolidated our human rights efforts in this appendix, reinforcing the contents of our integrated annual report.</p> <p>We responded to specific information requests from our different stakeholders.</p>
6. Repair or assist in the repair of the impact when appropriate.	<p>Through our preventive management with initiatives and internal policies and extended to our chain value, we have avoided incurring significant human rights violations (cases of discrimination, harassment, insecurity, corruption). Likewise, due to the nature of FibraHotel's operations, we do not have risks evaluated as high in the exercise carried out.</p>

Identified Risks

- > Impact on livelihoods/ways of living
- > Eviction and displacement of households
- > Change in land use
- > Insecurity (delinquency)
- > Human trafficking
- > Child labor/exploitation (in the Operator's supply chain)
- > Discrimination in access to hotel services (operator-guest relationship)
- > Sexual harassment (guest to co-workers - e.g. female co-workers)
- > Discrimination towards the community (operator to the community)
- > Road accidents (traffic)
- > Effluents (waste, spills, etc.). Operator
- > Floating population not integrated in the community.
- > Corruption (in any of its forms). Authorities
- > Corruption. Suppliers and managers
- > COVID-19 Affectations
- > Accidents and health conditions (property development)
- > Accidents and health conditions. Operation
- > Discriminatory practices (property development)
- > Discriminatory practices. Operation/Operator
- > Precarious employment (temporary, wages): Property development

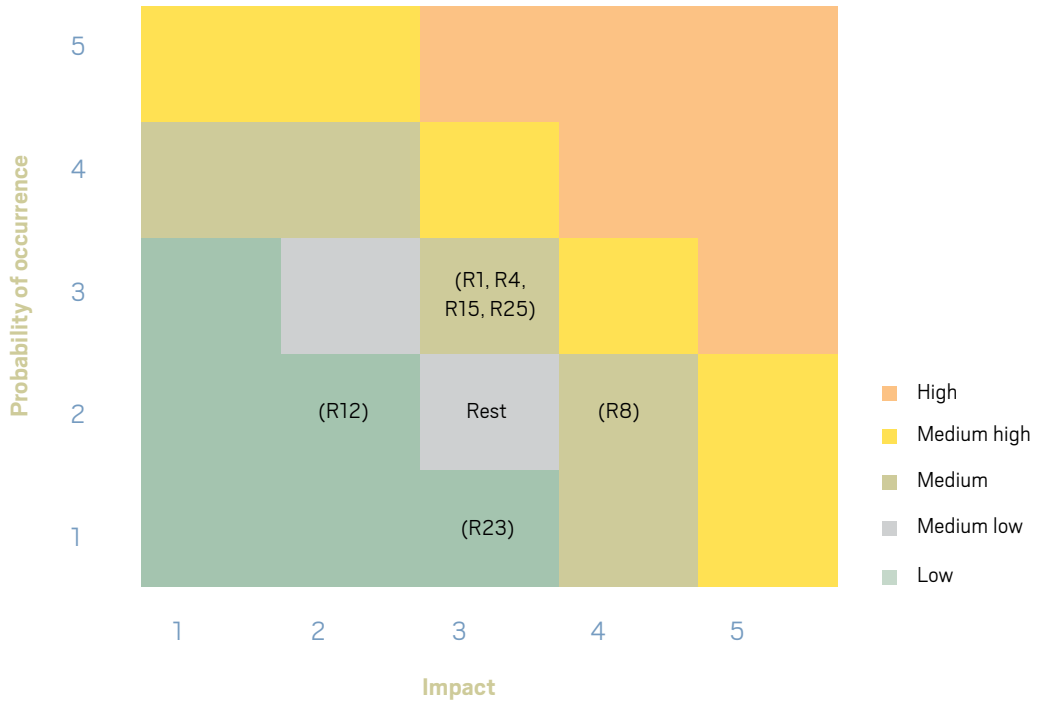
Fiesta Americana
Condesa Cancún



AC Hotel Querétaro



Risk prioritization



Detail of the prioritized risks of the medium category and the measures established in the action plan.

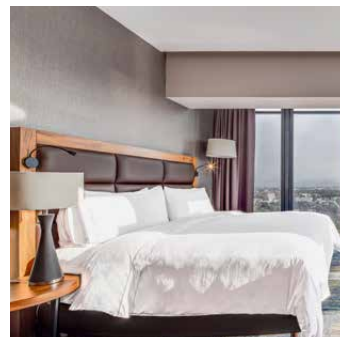
Risk	Description	Measures
Impact on livelihoods/ways of living	The development of hotel activity may generate displacement of the local population from their traditional livelihoods to employment in the hotel(s) and/or its supply chain.	<p>As part of future measures within the framework of our ESG strategy:</p> <ul style="list-style-type: none"> > Evaluate using socio-environmental criteria both the already developed assets that we are considering acquiring and the developments that we are going to do on land we own via our Responsible Investment Policy > Consider the focus on analyzing the social impact with identification of the affected traditional activities. <p>Efforts will be made to incorporate those affected as local suppliers of the hotels (whenever possible due to the type of activity) (in the case of materializing the risk in impacts).</p> <ul style="list-style-type: none"> > Complementarily, we will advance in: > Local supplier development program > Local sourcing agreement with operators

Impact on livelihoods/ways of living

One Cuernavaca



Fiesta Americana Viaducto



Risk	Description	Measures
Insecurity (delinquency)	The attraction of guests and the development of service activities associated with lodging can attract crime because of their purchasing power, their vulnerability due to lack of local knowledge, the lower risk of action taken by the authorities (short stays of guests), etc. The impact is on hotel staff and guests but also on the communities in which the hotels operate.	<p>Among the different measures, the following are included if a significant increase in crime is detected:</p> <ul style="list-style-type: none"> > Instruction/sensitization of guests. > Additional physical security measures (e.g. reinforcement of security equipment). > Reinforcement of lighting in and around the facilities. <p>Continuously, if needed:</p> <ul style="list-style-type: none"> > We continually reinforce internal work regulations in our hotels. > We will support the initiatives of authorities and/or business associations on spaces for dialogue and synergies regarding public safety. > We will participate in public-private partnerships for the development of prevention and social rehabilitation programs.
Sexual harassment of guests towards employees	Employees may suffer harassment and/or violence from guests, especially if gender is included in the interaction/relationship (female employee and male guest, the risk may increase due to cultural aspects).	<ul style="list-style-type: none"> > The framework formed by the Code of Ethics, other policies of the Administrator, as well as those of the operators, and the hotels' own internal work codes, seek to prevent possible incidents. > On the other hand, the technology we are implementing reduces contact with customers that is not absolutely necessary. > In addition, we will work on training all employees on harassment so that they can identify and report possible situations (with customers, but also among employees) at an early stage.
Food waste (operators)	Food Waste that represents loss, especially for groups with economic difficulties in the communities.	<p>We are evaluating how to move forward with prevention measures, which include:</p> <ul style="list-style-type: none"> > Awareness campaigns for customers to minimize unnecessary consumption. > Strengthening of "Slow Food" to include products from the communities where our hotels operate and reduce the risk that they may deteriorate before consumption. > Moreover, we already promote food delivery schemes, which reduce food waste.

ALLIANCES AND MEMBERSHIPS

(GRI 2-28)

The work done with partners such as operators, organizations, and other stakeholders was of utmost importance in 2023.

We remain committed as signatories to the **United Nations Global Compact**, demonstrating our commitment to align our strategy with the universal "Ten Principles," taking actions that promote the Sustainable Development Goals (SDGs) and the 2030 Agenda. In 2023, we presented the **Communication on Progress (COP)** in accordance

with the new guidelines established by the Global Compact. This update aims to ensure greater transparency and more efficient data collection from organizations, which will enable continuous improvement in the sustainability efforts of participating organizations.

We support the ESG reporting initiative of the **Mexican Association of Real Estate FIBRAs (AMEFIBRA)**, whose indicators are integrated into this report.

MATERIALITY ANALYSIS

(GRI 3-1, 3-2, 3-3)

We support the ESG reporting initiative of the **Mexican Association of Real Estate FIBRAs** (AMEFIBRA), whose indicators are integrated into this report.

FibraHotel participates in the Mexican Association of Hotel Chains, contributing to maintaining tourism as one of Mexico's most important industries, as well as collaborating in environmental care and promoting and implementing green actions.

As part of FibraHotel's social investment strategy, during 2023, we established various alliances with civil society organizations to strengthen our social impact initiatives. We carried out volunteer activities and social events with 30 beneficiary families of the **Dr. Sonrisas** Foundation, whose mission is to support children affected by health-compromising illnesses. Following this line of action, during the holiday season, we organized a special activity with our employees to distribute meaningful gifts, contributing to the girls benefiting from the **Meyalli** Institution.

Utilizing our assets as tools for promoting works that integrate the circular economy and have a positive social and environmental impact, we made an in-kind donation of 42 hotel nights to **Xolo Plastics**, a social enterprise that generates impact through recycling plastic into art.

Additionally, we donated computer equipment, which was distributed to various organizations to generate the greatest possible impact. The beneficiary organizations included: **La Escuela Más Grande del Mundo, Culiacán Participa, Unidos por la Montaña, A.C.**, and **Cruz Roja Mexicana**.

Lastly, due to the devastating impact of hurricane Otis on the coast of Guerrero, we joined the activities promoted by AMEFIBRA, in collaboration with **CADENA**, a nonprofit organization specializing in assisting those affected by natural disasters globally. The initiatives we supported included organizing temporary shelters and a monetary donation for the purchase of food and essential items.

At FibraHotel, we are convinced that fostering alliances between companies and civil society organizations is crucial to addressing complex challenges in a comprehensive manner, as these promote innovation by combining diverse resources and knowledge, generating more effective and sustainable solutions. Additionally, they strengthen the social fabric by promoting corporate responsibility and active citizen participation.

We conducted our first materiality analysis in 2019 to identify our company's material ESG issues, taking into account our strategy and stakeholder perspectives.

Based on its outcome, we established the priorities that make up our Sustainability Strategy and set the scope of the contents of the Global Reporting Initiative (GRI) Standards to be reported.

Subsequently, in 2020 we added financial materiality to the impact materiality (mentioned above) by incorporating the topics established by SASB for the industry in which we operate.

For this reason, during 2023, we applied the concept of double materiality, in line with international trends, which allows us to meet the information expectations of the broadest set of stakeholders. Striving toward the most comprehensive vision possible for this double materiality exercise, we identified and prioritized our key stakeholders.

As a result of this identification, the stakeholders who participated in this exercise were:

Impact Materiality: This reflects the most significant impacts of the company on the outside world, including the economy, the environment, and people. These impacts can have positive or negative consequences for the company (in terms of operations, reputation, and finances). We conducted a prioritization of ESG topics, in which both a selection of our stakeholders and the company's senior management participated.

Financial Materiality: This reflects the ESG factors that could reasonably be expected to affect the company's financial condition, operational performance, and cash flows. We considered the topics outlined by the Sustainability Accounting Standards Board (SASB) standard for the real estate industry.

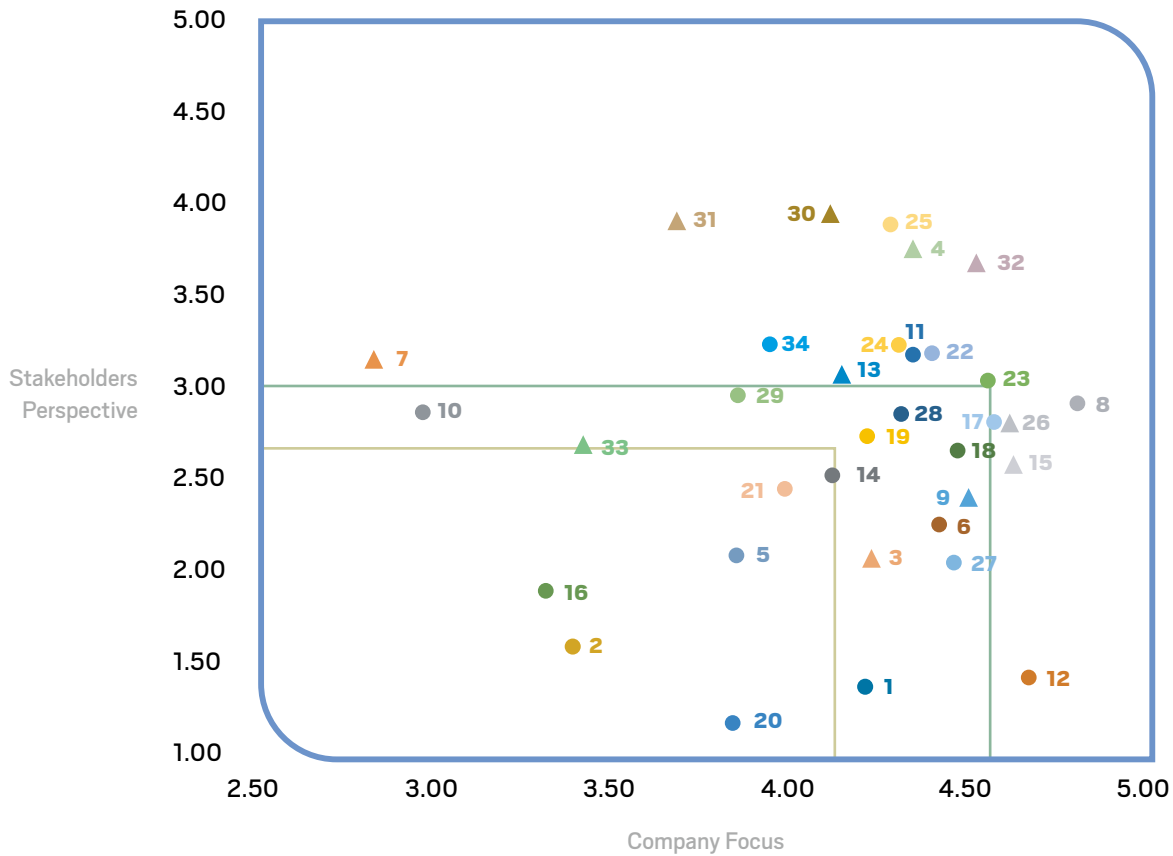
In order to have the broadest possible perspective for this double materiality exercise, we identified and prioritized our key stakeholder groups, who participated in this exercise in 2023.

For this update, we considered the perspectives of the following actors relevant to the business strategy:

FIHO Strategy General Management	Stakeholders
Finance	Employees
Maintenance	Authorities
Operations	Investors
Human Resources	Operators
Investor Relations	Suppliers
Sustainability	

We present the materiality analysis integrating both the financial and the impact matrix:

Integrated Materiality Matrix



Material Topics

No.	Topics
32	Energy efficiency and renewable energies
25	Commitment to stakeholders and transparency
4	Work-related practices
30	Water management and care
8	Maintenance and investment in property and equipment
23	Development of collaborators
22	Socio-economic development of communities
31	Circularity and waste recycling
11	Business continuity and risk management
24	Corporate governance
26	Corporate ethics and integrity
17	Diversity and equal opportunities
15	Customer health and safety
13	Sustainability considerations in the design, construction and operation of assets
34	Emission management
12	Innovation and technology in operations
7	Sustainability assessment in suppliers

Emerging issues

No.	Topics
28	Relations with authorities
18	Occupational health and safety
19	Human rights
9	Quality of service and customer satisfaction
29	Investor relations
6	Responsible Tourism
27	Legal compliance
3	Financial implications and resilience to climate change
33	Protection of biodiversity
10	Certification and qualification of assets
1	Macroeconomic context

Non-proactive management issues

No.	Topics
14	Accessibility and mobility
21	Preservation of local culture
5	Data protection and customer privacy
16	Attention and support for natural disasters
20	Community resettlement
2	Strengthening the brand

Impact materiality

X	Y	
> 4.6	> 3	Material topic
> 4.2	> 2.7	Emerging issues
< 4.2	< 2.7	Non-proactive management issues

Financial material topic

△ Financial material topic










SDGS CONTRIBUTION

(AMEFIBRA GASG-4)





In FibraHotel we work so that our actions contribute to economic, social, and environmental development, including the priorities established by the United Nations in the 2030 Agenda and integrated into the Sustainable Development Goals (SDG).

Below, we highlight our strategic contribution to the different objectives and goals.

SDG	Description of the SDG	Goals	FibraHotel´s Contribution
	<p>Ensure inclusive, equitable, and quality education and promote lifelong learning opportunities for all.</p>	<p>4.4 4.7</p>	<p>As a result of generating employment opportunities for young people without prior work experience and providing the necessary training support, we will significantly increase the number of young people and adults with the required skills, particularly technical and professional skills, to access employment, decent work, and entrepreneurship by 2030.</p> <p>Employment is accompanied by opportunities for professional development, including training provided by the operators. This is made possible through the financial security and business growth resulting from the success of our model. At FibraHotel, we promote continuous learning among our employees through training programs and provide financial support for master's degrees and university studies.</p> <p>Similarly, by 2030, we aim to ensure that all employees acquire the necessary theoretical and practical knowledge to promote development and a sustainable lifestyle.</p> <p>We strengthen this commitment through our Sustainability Policy, which drives the development and well-being of our employees, gender equality, the promotion of a culture of peace and non-violence, global citizenship, the appreciation of cultural diversity, and contributing to sustainable development, especially in the communities where our hotels are located.</p>
	<p>Combat gender inequality by facilitating access to quality education, timely medical care, job development, and citizen participation Combat gender inequality by facilitating access to quality education, timely medical care, job development, and citizen participation</p>	<p>5.1 5.2 5.5</p>	<p>The generation of employment in hotels because of our activity, together with the operators, has a special impact on women, who make up most of the workforce in the hotel sector.</p> <p>We ensure equal opportunities and gender equity in our teams. Likewise, we extend the commitment to our value chain, with a relevant role of operators and service companies.</p> <p>We strive to put an end to all forms of discrimination against women and girls in all our spaces. Our Diversity Policy drives this commitment in all our guidelines and procedures, from recruitment and selection to evaluation and performance, in conjunction with our Human Rights Policy that promotes the necessary measures for achieving equality across all stakeholder groups.</p> <p>We call for thorough monitoring to prevent any form of sexual exploitation and human trafficking to eliminate all forms of violence against women and girls in both public and private spheres, including trafficking and sexual exploitation.</p> <p>To report inappropriate behavior and any irregularities within FibraHotel or in its external interactions with clients, operators, and suppliers, as well as to establish necessary consequences and penalties, we provide all our employees with an Anonymous Reporting Line.</p>

	<p>Ensure the availability and sustainable management of water and sanitation for all.</p>	<p>6.3 6.4</p>	<p>We have initiatives in place to reduce water consumption in hotels, such as incorporating water-saving devices in sinks and showers.</p> <p>Similarly, we aim to raise awareness among guests about responsible water resource usage, with the involvement of operators.</p> <p>Regarding wastewater discharge, we monitor water quality and work towards implementing treatment processes.</p>
	<p>Innovate and implement sustainable initiatives for resource protection to stop global warming.</p>	<p>7.2 7.3</p>	<p>We are committed to energy efficiency both in hotel design and their equipment, including the incorporation of leading technology, systems, and processes. This is the case of Fiesta Americana Viaducto, our most recent opening, developed by the company.</p> <p>Likewise, we consider more efficient options for renovations and capital investments we make to the hotels in the portfolio. Examples: replacement of luminaires with LEDs, better performance chillers (air conditioning), air conditioning automation, heat recovery systems, among others, etc.</p> <p>In addition, we seek to use cleaner and even renewable sources. We have pilots of generation by solar panels and hydrogen systems, likewise, we are promoting the change from LP gas to natural gas in hotels.</p>
	<p>Offer decent jobs for working-age population and share economic progress in order to positively influence the life of employees and in turn boost the economy.</p>	<p>8.5 8.6 8.9</p>	<p>In our team, collaborators have job opportunities that allow their development, as well as job security.</p> <p>In addition, through our model, we generate employment for hotels, which constitutes a special opportunity for young people, even as first work experiences. It is a characteristic of the tourism sector. There is also an important contribution to the employability of women.</p> <p>Through the relationship with local suppliers, we also promote employment in operating environments, including services to guests outside the facilities, through which we seek to adhere to the respect and preservation of cultural heritage and the environment.</p>
	<p>Invest, innovate, and promote a sustainable, modern, technological and environmentally sound infrastructure.</p>	<p>9.4</p>	<p>We promote energy efficiency and water savings in our portfolio hotels, both in the design of those we develop and renovations of those we acquire, and always in our investments in maintenance. We rely on developing technologies, as well as our team's knowledge and experience.</p> <p>For this, operator collaboration is also key, as they do their part to promote responsible habits among guests.</p> <p>We have different certifications of efficiency and environmental performance in our portfolio hotels: EDGE (Excellence in Design for Greater Efficiencies), Tourist Environmental Quality and Sustainable Hydro Hotel⁴⁶. We also have the Green Key certificate, which also includes social aspects.</p>
	<p>Promote a sustainable growth model, where there is a balance between the environment and natural resources.</p>	<p>11.3 11.4</p>	<p>We view our hotels as part of the environment in which they are located, studying their integration into the existing urban fabric, the relationship with road and service supply infrastructures (energy, water, telecommunications, etc.). We seek to avoid incidents that may affect the communities and continuity of hotel operations.</p> <p>On the other hand, we consider tourism as an opportunity to value the cultural and natural heritage of the different places where we are. Bringing it closer to visitors, it makes itself known and is more appreciated as it is also an engine of socio-economic development. But all this must be done with respect to the communities, and this is our approach, which we share with the operators we work with.</p>

46. More information in the Sustainable Infrastructure chapter.

	<p>Reduce the use of resources to avoid overexploitation and harmonize the relationship with the environment to avoid further degradation.</p>	<p>At FibraHotel we along with operators promote responsible tourism. Our aim is for the arrival of guests to be an opportunity for local economic development, always respectful of the communities, their culture and the environment.</p> <p>We identify in our guests an opportunity for local economic development while respecting the communities, their culture, and the environment.</p> <p>12.2</p> <p>12.8</p> <p>We demand from the operators and companies responsible for the employees in the hotels within our portfolio compliance with our Business Code of Ethics and other ESG policies, including our Sustainability Policy. This policy sets forth environmental and social criteria that govern the operations and development of assets, and it applies equally to the suppliers with whom we engage.</p> <p>Most of hotels in our portfolio have the Green Key certification, which considers both environmental and social aspects, the latter linked to the integration of communities in employment and responsible tourism⁴⁷.</p>
	<p>Measurements to take urgent action to combat climate change and its impacts.</p>	<p>Based on our Environmental and Climate Change Policy, we identify climate-related risks and natural disasters in all our spaces to strengthen resilience and adaptive capacity to the identified risks.</p> <p>We establish action plans to achieve energy efficiency using renewable energy, water management, and emissions control, where we monitor real-time energy performance. Additionally, we continue to invest in small and large-scale photovoltaic (PV) solar systems to enable decentralized renewable energy.</p> <p>13.1</p> <p>13.3</p> <p>We identify and validate new energy management projects using tools such as the Internet of Things (IoT) and machine learning algorithms based on information collected from building management systems to promote more efficient, intelligent, and sustainable buildings.</p> <p>We are committed to reducing greenhouse gas emissions (GHG) generated directly and indirectly from our corporate operations and the activity in the hotels within our portfolio.</p> <p>We seek the integration of the company's values, principles, and efforts throughout the value chain by involving operational and brand leaders, team members, guests, franchisees, and suppliers. This includes promoting education, awareness, and human and institutional capacity regarding climate change mitigation, reduction of its effects, and early warning systems.</p>
	<p>Promote just, peaceful, and inclusive societies.</p>	<p>We promote a culture of ethics and compliance, based on four pillars:</p> <p>16.5</p> <p>16.6</p> <p>16.7</p> <ol style="list-style-type: none"> 1. Self-regulation: Code of Ethics, Anti-Corruption Policy, and other internal regulations. 2. Performance on processes and controls, including the functioning of the ethics hotline and internal and/or external audits. 3. Training and awareness-raising for employees. 4. Encouraging ethics in suppliers and the performance of hotel employees.
	<p>Revitalize the Global Alliance for Sustainable Development</p>	<p>17.17</p> <p>Our business model is based on collaboration, particularly in our relationship with operators, as detailed in the report.</p> <p>We work closely with suppliers to improve energy and water efficiency, as well as other environmental measures.</p> <p>Similarly, we develop initiatives in communities by integrating efforts with the social investment and volunteer programs of the operators.</p>

47. More information in the Sustainable Infrastructure chapter.

APPENDIX II: CORRELATION WITH REPORTING FRAMEWORKS AND INITIATIVES

EXTERNAL VERIFICATION

(GRI 2-5)
(AMEFIBRA GASG-4)

Letter of external verification



2023 Annual Report Verification Report

To the Board of Directors of Fibra Hotel:

We inform you that Redes Sociales en Línea Timberlan was hired to conduct a limited and independent verification of a sample of GRI Standard Disclosures and sector-specific indicators "Infrastructure – Real Estate" from the Sustainability Reporting Standards Board ("SASB") presented in the 2023 Annual Report of Fibra Hotel and listed on the second page of this document.

The scope of our verification covered the results of the portfolio of 86 hotels that comprise Fibra Hotel, corresponding to the period from January 1st to December 31st, 2023.

The Fibra Hotel's direction is responsible for the preparation and publication of the information contained in the "2023 Annual Report" and that presented in the verification process, which implies, but is not limited to, the identification of material topics, the selection and publication of the GRI Disclosures and SASB indicators, as well as providing true and sufficient documentary and/or visual evidence to carry out the limited verification of the sample to be verified.

Our mission is to issue impartial and objective opinions about the quality of the data included in the selected sample to be verified, validating its accuracy, traceability, and reliability. Our work is based on the activities of the International Standard on Assurance Engagements (ISAE) 3000, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the methodological requirements in accordance with the SASB and GRI Standards.

Among the activities carried out during the verification process are listed:

- Verification of qualitative and quantitative information through visual, documentary, and public evidence of the GRI Disclosures sample to be verified.
- Comparison of data from the previous 2 years.
- Validation of methodological compliance in accordance with SASB and GRI Standards.
- Understanding of internal management systems (policies, processes, source documents, etc.)

Conclusions: As a result of our work and the review of the 2023 Annual Report, "no inconsistencies were found that would lead us to consider that the evidence of the selected sample did not comply with the principles of accuracy, reasonableness, and reliability."

Recommendations: A separate internal report exclusive to the client is delivered, which contains areas of opportunity for a future report.

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Statement of Independence and Competence of Redes Sociales. The collaborators of Redes Sociales en Línea Timberlan have the necessary level of competence to verify compliance with standards used in the preparation of Sustainability Reports, thereby being able to issue a professional opinion on non-financial information reports, adhering to the principles of independence, integrity, objectivity, competence and professional diligence, confidentiality, and professional conduct. In no case should our verification statement be understood as an audit report, thus no responsibility is assumed for the management and internal control systems and processes from which the information is obtained. This Verification Letter is issued on July 5th, 2024, and is valid as long as no subsequent and substantial modifications are made to the 2023 Annual Report of Fibra Hotel.

GRI Disclosures		SASB IF-RE: Infrastructure Sector - Real Estate	Verified Data 2023
3-2	List of material topics		List of material topics (See page 79)
Environment			
302-1	Energy consumption within the organization	IF-RE-130a.2 (1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity and (3) percentage renewable, by property sector	125,823,525 kWh of energy, equivalent to 452,964.32 GJ, including both fuels and electricity.
302-3	Energy intensity		Energy consumption intensity was 44.32 kWh/room night and 172.49 kWh/m ² .
		IF-RE-130a.5 Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Description of energy management considerations (See page 57)
303-1	Interactions with water as a shared resource	IF-RE-140a.4 Description of water management risks and discussion of strategies and practices to mitigate those risks	Interaction and description of water management risks (See page 61)
303-3	Water withdrawal	IF-RE-410a.2 Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property sector	Water extracted from surface sources: 1,139 (thousands of m ³) Groundwater: 75 (thousands of m ³)
305-1	Direct (Scope 1) GHG emissions		13,383 (tCO ₂ e)
305-2	Energy indirect (Scope 2) GHG emissions		30,604 (tCO ₂ e)
305-3	Other indirect (Scope 3) GHG emissions		46,975 (tCO ₂ e)
305-4	GHG emissions intensity		60.09 (Kg CO ₂ e/m ²)
Social			
2-6	Activities, value chain and other business relationships		FibraHotel is a Mexican trust primarily created to develop, acquire, own, and operate hotels in Mexico. They have a portfolio of high-quality hotels through affiliations with various brands and operators, as well as geographic and segment diversification. FibraHotel has 86 hotels in 26 states of the Mexican Republic, totaling 12,558 rooms.
401-1	New employee hires and employee turnover		6 New hires 83% women 17% men
403-9	Work-related injuries		No fatalities, accidents, or illnesses caused by company activity were reported.
403-10	Work-related ill health		
404-1	Average hours of training per year per		Average hours of training (Refer to page 65 for a table of
405-1	Diversity of governance bodies and employees		Diversity of governance bodies Technical Committee: 11 members, 36% women (4) Corporate Practices Committee: 5 members, 40% women (1) Audit Committee: 5 members, 40% women (1) Nominations Committee: 5 members Diversity of employees (refer to page 64, table of employees by professional category, gender and age - 2023)
Governance			
2-13	Delegation of responsibility for managing impacts		Delegation of impact management responsibilities (See pages 25 and 26)
2-23	Policy commitments		- Sustainability Policy: guidelines for the integration of ESG aspects into the business model, as well as making investment
2-24	Embedding policy commitments		There is an independent and anonymous Report Line that can be used by any of the interest groups to report inappropriate conduct and any irregularity within FibraHotel or in its external interaction with clients, operators and suppliers.
2-26	Mechanisms for seeking advice and raising concerns		
201-1	Direct economic value generated and		Income- Economic Value Generated EVG 5,224 (millions of
203-1	Infrastructure investments and services		Posadas Foundation Beneficiaries
		IF-RE-450a.2 Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Description of the analysis of exposure to climate change risk (See pages 36 to 44)

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	H2	Employee Health and safety indicators	64-65

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	OMISSION	UN GLOBAL IMPACT PRINCIPLES	PAGES	
FibraHotel has prepared the report in accordance with the GRI Standards for the period from January 1, 2023, to December 31, 2023.					
Used GRI 1					
GRI 1: Foundation 2021					
GRI 2: General Disclosures 2021					
The organization and its report presentation practices	GRI 2-1	Organizational details		07-12, 140	
	GRI 2-2	Entities included in the organization's sustainability reporting		06-09	
	GRI 2-3	Reporting period, frequency, and contact point		06-07	
	GRI 2-4	Restatements of information		06-07	
	GRI 2-5	External assurance		06, 83, 84	
Activities and workers	GRI 2-6	Activities, value chain and other business relationships		16-17, 66	
	GRI 2-7	Employees		63	
	GRI 2-8	Workers who are not employees		66	
Governance	GRI 2-9	Governance structure and composition		25-27, 51-54	
	GRI 2-10	Nomination and selection of the highest governance body		51-54	
	GRI 2-11	Chair of the highest governance body		51-54	
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts		51-54	
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	GRI 2-14	Role of the highest governance body in sustainability reporting		6, 51-54	
	GRI 2-15	Conflicts of interest		51-55	
	GRI 2-16	Communication of critical concerns	Confidentiality restrictions		
	GRI 2-17	Collective knowledge of the highest governance body		22	
	GRI 2-18	Evaluation of the performance of the highest governance body		51-54	
	GRI 2-19	Remuneration policies		51-54	
GRI 2-20	Process to determine remuneration		51-54		
GRI 2-21	Annual total compensation ratio	Confidentiality restrictions			

GRI STANDARD	DISCLOSURE		OMISSION	UN GLOBAL IMPACT PRINCIPLES	PAGES
Strategy, policy and practice	GRI 2-22	Statement on sustainable development strategy			04-05
	GRI 2-23	Policy commitments		Principles 1, 2, 4, 5, 6, 7, 8, 10	25, 55, 73
	GRI 2-24	Embedding policy commitments		Principles 1, 2, 4, 5, 6, 7, 8, 10	25, 55, 73
	GRI 2-25	Processes to remediate negative impacts		Principles 1, 2	35, 55, 70, 73
	GRI 2-26	Mechanisms for seeking advice and raising concerns		Principles 1, 2, 10	55, 70, 73
	GRI 2-27	Compliance with laws and regulations			55
	GRI 2-28	Membership associations			77
Stakeholder engagement	GRI 2-29	Approach to stakeholder engagement			67, 70
	GRI 2-30	Collective bargaining agreements		Principles 3	63-64
GRI 3: Material Topics 2021					
	GRI 3-1	Process to determine material topics			77-78
	GRI 3-2	List of material topics			77-78
	GRI 3-3	Management of material topics	Addressed throughout the report		

MATERIAL TOPIC	GRI STANDARD	DISCLOSURE	OMISSION	PAGES
Business continuity and risk management	GRI 3: Material Topic 2021	3-3 Management of material topics		34, 55
		201-1 Direct economic value generated and distributed		34
		201-2 Financial implications and other risks and opportunities due to climate change		36, 45
	GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	Not available. The company is changing its human capital management model. We are making progress towards its inclusion in the next Report.	
		201-4 Financial assistance received from the government		55
Diversity and equal opportunities	GRI 3: Material Topic 2021	3-3 Management of material topics		63
	GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees		51, 63
		405-2 Ratio of basic salary and remuneration of women to men	Not available. We are progressing with the calculation for inclusion in the next Report.	
	GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		63

MATERIAL TOPIC	GRI STANDARD	DISCLOSURE	OMISSION	PAGES
Energetic efficiency and renewable energies	GRI 3: Material Topic 2021	3-3 Management of material topics		58
	GRI 302: Energy 2016	302-1 Energy consumption within the organization		58
		302-3 Energy intensity		58
		302-4 Reduction of energy consumption		58
		302-5 Reductions in energy requirements of products and services		58
		305-1 Direct (Scope 1) GHG emissions		59
	GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions		59
		305-3 Other indirect (Scope 3) GHG emissions		59
		305-4 GHG emissions intensity		59
		305-5 Reduction of GHG emissions		59
305-6 Emissions of ozone-depleting substances (ODS)		Not applicable: due to the nature of FibraHotel's activities		
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Not applicable: Due to the nature of the administrator's activities, the main emissions are related to GHG from the use of fuels and electricity.		
Corporate ethics and Integrity	GRI 3: Material Topic 2021	3-3 Management of material topics		55
	GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption		55
		205-2 Communication and training about anti-corruption policies and procedures		22-23, 55
		205-3 Confirmed incidents of corruption and actions taken		55
	GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		55
	GRI 415: Public Policy 2016	415-1 Political contributions		55
Water care and management	GRI 3: Material Topic 2021	3-3 Gestión de los Temas Materiales		60
	GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource		60-61
		303-2 Management of water discharge-related impacts		60-61
		303-3 Water withdrawal		60-61
		303-4 Water discharge		60-61
		303-5 Water consumption		60-61
Corporate governance	GRI 3: Material Topic 2021	3-3 Management of material topics		51

MATERIAL TOPIC	GRI STANDARD	DISCLOSURE	OMISSION	PAGES
Commitment to stakeholders and transparency	GRI 3: Material Topic 2021	3-3 Management of material topics		57
	GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported		57
		203-2 Significant indirect economic impacts		12-16
Maintenance and investment in property and equipment	GRI 3: Material Topic 2021	3-3 Management of material topics		66
Collaborator development	GRI 3: Material Topic 2021	3-3 Management of material topics		63
	GRI 401: Employment 2016	401-1 New employee hires and employee turnover		63
		401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		64
		401-3 Parental leave	Not available. We are progressing in the human capital management survey. It will be included in the next report.	
	GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries		64
		403-10 Work-related ill health		64
	GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		64
		404-2 Programs for upgrading employee skills and transition assistance programs		64
		404-3 Percentage of employees receiving regular performance and career development reviews	Not available. We are advancing in the strategy together with human capital. It will be included in the next report.	
Circularity and waste recycling	GRI 3: Material Topic 2021	3-3 Management of material topics		62
	GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		62
		306-2 Management of significant waste-related impacts		62
		306-3 Waste generated		62
		306-4 Waste diverted from disposal		62
		306-5 Waste directed to disposal		62
Innovation and technology in operations	GRI 3: Material Topic 2021	3-3 Management of material topics		23-24
Sustainability evaluation in suppliers	GRI 3: Material Topic 2021	3-3 Management of material topics		23-24

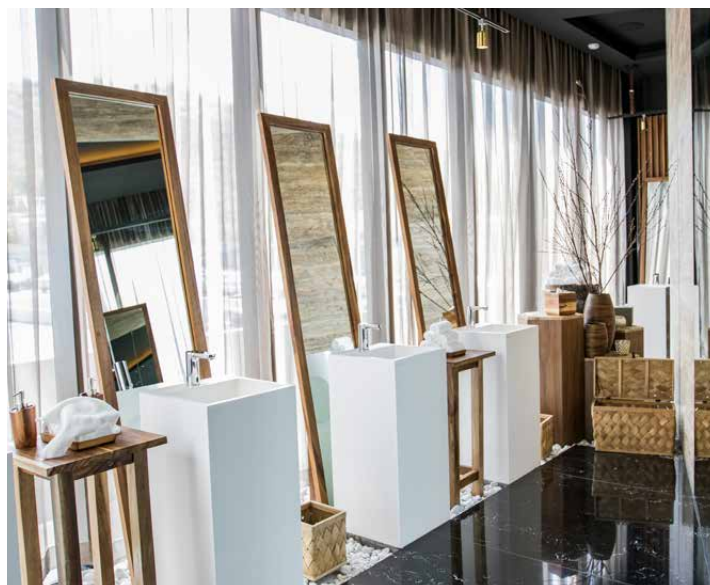
SASB PARAMETERS INDEX

TOPIC SASB	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE	COMPLEMENTARY RESPONSE
ACTIVITY PARAMETER						
Activity metric	IF-RE-000.A	Number of properties, by real estate subsector	Number		10-11	
	IF-RE-000.B	Rentable land area, by real estate subsector	Square feet	Property dimensions are presented in number of rooms. In the case of hotels, this is a management metric.	10-11	
	IF-RE-000.C	Percentage of indirectly managed properties, by real estate subsector	Percentage by land area		-	Of the portfolio of 86 hotels, two are leased, representing 2.3%.
	IF-RE-000.D	Average occupancy rate, by real estate subsector	Percentage		-	
ACCOUNTING METRICS						
Energy management	IF-RE-130a.1	Coverage of energy consumption data as a percentage of total area, by real estate subsector	Percentage by land area		57-58	
	IF-RE-130a.2	1) Total energy consumed by area with data coverage, 2) percentage of grid electricity, and 3) percentage of renewables, by real estate subsector	Giga-joules, percentage		57-58	
	IF-RE-130a.3	Percentage variation in energy consumption under similar conditions for the portfolio area with data coverage, by real estate subsector.	Percentage		57-58	
	IF-RE-130a.4	Percentage of the qualified portfolio that (1) has an energy rating and (2) is ENERGY STAR certified, by real estate subsector.	Percentage by land area		-	We do not have hotels in our portfolio with energy ratings, but we do have those with comprehensive sustainability certifications that include various aspects (e.g., Edge) (see the subchapter on investment and management in the chapter on Sustainable Infrastructure).
	IF-RE-130a.5	Description of how building energy management considerations are integrated into real estate investment analysis and operational strategy	N/A		-	

TOPIC SASB	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE	COMPLEMENTARY RESPONSE
Water management	IF-RE-140a.1	Coverage of data on water extracted, expressed as a percentage, from (1) the total usable area and (2) the usable area in regions where initial water stress is high or extremely high, by real estate subsector.	Percentage by land area	Water withdrawal analysis by characteristic water stress is not available.	60	
	IF-RE-140a.2	1) Total water extracted by area of the portfolio that has data coverage and 2) percentage in regions with high or extremely high initial water stress, by real estate subsector.	Thousand cubic meters, percentage	1) Reported 2) The analysis of water extraction by characteristic water stress of the area is not available.	60	
	IF-RE-140a.3	Percentage variation in water extracted for the portfolio area with data coverage, by real estate subsector.	Percentage		60	
	IF-RE-140a.4	Description of water management risks and analysis of strategies and practices to mitigate them	N/A		60	
Management of tenant sustainability impacts	IF-RE-410a.1	1) Percentage of new lease agreements that include a cost recovery clause for structural improvements related to resource efficiency and 2) associated leased usable area, by real estate subsector.	Percentage by land area	Not available	-	
	IF-RE-410a.3	Analysis of the method for measuring, incentivizing, and improving the effects of tenants on sustainability.	NA		-	Only two of the hotels have lease agreements in which FibraHotel is not responsible for monitoring energy consumption and payments; this represents 2.3% of the total portfolio (in terms of the number of hotels).
Climate change adaptation	IF-RE-450a.1	Surface area of properties located in 100-year flood zones, by real estate subsector.	Square feet	Not available	-	
	IF-RE-450a.2	Description of the analysis of exposure to climate change risk, the degree of systematic exposure of the portfolio, and strategies to mitigate these risks.	N/A			

TCFD RECOMMENDATIONS INDEX				
RECOMMENDATIONS	RECOMMENDED REPORT	CODE	PAGES	SUPPLEMENTARY INFORMATION
Governance	a) Describe the role of management in evaluating and managing climate-related risks and opportunities.	GOB-A	35-54	We have two sustainability committees, one at the operational level and another at the executive level, with members from the Technical Committee. The identification of climate change risks and opportunities was conducted by the sustainability team, with external specialists, and evaluated by the operational sustainability committee.
	b) Describe the board of directors' oversight of climate-related risks and opportunities.	GOB-B	35-54	The decisions made by the Operational Sustainability Committee are reported to the Executive Committee, which includes senior management members (General Director of Investor Relations and Operations, Sustainability Manager of FibraHotel).
Strategy	a) Describe the climate-related risks and opportunities the organization has identified in the short, medium, and long term.	EST-A	35-50	<p>During 2022, we deepened our internal analysis of climate-related risks, referencing the TCFD recommendations and the criteria evaluated in the Disclosure Insight Action (CDP) initiative. We considered both criteria to provide a comprehensive analysis of the risks facing our business. A total of 18 risks classified as transitional and 25 classified as physical were identified</p> <p>According to the analysis, the three main risk categories were considered: High, Medium, and Low, covering all regions. Only two zones, Durango and Baja California Sur, were categorized as high risk, while two zones, Puebla and Aguascalientes, were categorized as low risk. The remaining 22 zones were classified as medium risk. The three main risks in the portfolio were also determined: Flooding at 16%, Lightning storms at 14%, and Droughts at 12%.</p> <p>As a result of the climate scenario analysis, the financial implications derived from the possible impacts of 5 assessed risks were analyzed:</p> <ul style="list-style-type: none"> - Fraction of land exposed annually to fluvial flooding - Fraction of land exposed annually to fires - Fraction of land exposed annually to heat waves - Precipitation - Snowfall - Average air temperature - Expected annual damage from tropical cyclones - Water stress <p>100% of the assets comprising FibraHotel's portfolio are insured against the risks derived from the possible impacts of the effects of the climate scenarios evaluated.</p>
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	EST-B	35-50	
	c) Describe the resilience of the organization's strategy, taking into account different climate-related scenarios, such as a 2-degree Celsius reduction.	EST-C	35-50	As actions to prevent and mitigate these risks, actions have been carried out in the different hotels, such as the installation of water collectors that contribute to the problem of flooding energy storage systems, solar water heaters, among others.

RECOMMENDATIONS	RECOMMENDED REPORT	CODE	PAGES	SUPPLEMENTARY INFORMATION
	a) Describe the organization's processes to identify and evaluate climate related risks.	GDR-A	36-44	<p>The main risks are evaluated annually, and prevention and mitigation plans are updated. The process is carried out internally by a Risk Committee, which evaluates economic, social, environmental and health/sanitary factors. Subsequently, prevention and mitigation plans are created for the identified risks. The result is presented to the Technical Committee who approves the update and steps to be followed for each of the risks", as it better describes the way in which ESG risk analysis has been incorporated into the company's overall risk management.</p>
Risk management	b) Describe the organization's processes for managing climate-related risks.	GDR-B	36-44	<p>Regarding the identified risks, we have established various management measures, including prevention and/or mitigation.</p> <p>Stakeholder compliance requests: We have designed a Sustainability Strategy, currently being implemented, which includes a pillar of sustainable infrastructure. This covers aspects such as due diligence in acquisitions, innovation in infrastructure and equipment (including machinery), and energy management during operations.</p> <p>More intense weather phenomena: We maintain a geographically and segment-diversified portfolio, ensuring that our income is not overly dependent on areas with higher risks of extreme weather events (e.g., the southeastern part of the country) or on resort tourism (which is more sensitive to climate conditions).</p>
	c) Describe how the processes for identifying, evaluating, and managing climate-related risks are integrated into the organization's overall risk management.	GDR-C	36-44	<p>The main risks are evaluated annually, and prevention and mitigation plans are updated. The process is carried out internally by a Risk Committee, which evaluates economic, social, environmental and health/sanitary factors. Subsequently, prevention and mitigation plans are created for the identified risks. The result is presented to the Technical Committee who approves the update and steps to be followed for each of the risks", as it better describes the way in which ESG risk analysis has been incorporated into the company's overall risk management.</p> <p>Based on the aforementioned analyses, the risk team has mapped risks and priorities. These are also integrated into FibraHotel's Sustainability Strategy.</p>



Fiesta Americana
Monterrey Valle

RECOMMENDATIONS	RECOMMENDED REPORT	CODE	PAGES	SUPPLEMENTARY INFORMATION
Metrics and objectives	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in accordance with its strategy and risk management process.	MYO-A	56-61	<p>Our metrics include the intensity of energy consumption and the generation of Greenhouse Gas (GHG) emissions, both in terms of surface area (m²) and activity (room nights).</p> <p>To quantify the financial impacts of the climate scenarios analyzed, we used the amount of insurance premiums corresponding to 2024-2025 and used two estimates of 33% and 43% increase.</p>
	b) Disclose Scope 1, Scope 2, and, if applicable, Scope 3 greenhouse gas (GHG) emissions and their related risks.	MYO-B	56-61	<p>We report Scope 1 and Scope 2 emissions annually:</p> <p>Scope 1 refers to direct emissions produced by fuel combustion by FibraHotel.</p> <p>Scope 2 refers to indirect emissions generated by electricity consumed and purchased by FibraHotel.</p> <p>In particular, we have made special progress in determining our Scope 3 emissions, with a scrutiny of the categories that correspond to us by type of activity (of those proposed by the GHG Protocol in Scope 3; it is the main international reference methodology). It is part of the process for determining science-based emissions targets under the SBTi initiative to which we committed. As a complement to the integrated report, we publicly presented our emissions inventory.</p>
	c) Describe the objectives used by the organization to manage risks and opportunities related to climate and performance in comparison to the objectives.	MYO-C	56-61	<p>Since march 2022 we ´re publicly recognised by SBTi to create our own objectives base don science.</p> <p>Currently, we have objectives for reducing environmental impact and greenhouse gas (GHG) emissions on a scope basis.</p>

Fiesta Inn Los Mochis



CONSOLIDATED FINANCIAL STATEMENTS

(GRI 2-2)
(AMEFIBRA GASG-1)

Consolidated Financial Statements for the Years Ended December 31st, 2023, 2022 and 2021, and Independent Auditors' Report Dated March 31st, 2024

Fideicomiso Irrevocable No. F/1596 (CI Banco, S.A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiary

Independent Auditors' Report and Consolidated Financial Statements 2023, 2022 and 2021



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Consolidated Statements of Cash Flows	P. 103
Notes to the Consolidated Financial Statements	P. 105

Independent Auditors' Report to the Technical Committee and Trustees of Fideicomiso Irrevocable No. F/1596 (CI Banco, S.A. Institución de Banca Múltiple, División Fiduciaria)

Opinion

We have audited the accompanying consolidated financial statements of Fideicomiso Irrevocable No. F/1596 (CI Banco, S.A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiary ("FibraHotel" or the "Trust"), which comprise the consolidated statements of financial position as of December 31st, 2023, 2022 and 2021, and the consolidated statements of income (loss) and other comprehensive income (loss), the consolidated statements of changes in trustees' equity and the consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of FibraHotel as of December 31st, 2023, 2022 and 2021, and their consolidated financial performance and their consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs), 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 *Independent Auditor's Responsibility for the Audit of the Consolidated Financial Statements* section of our report. We are independent of FibraHotel with the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants* (IESBA Code) together with the Code of Ethics 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 with the 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 consolidated financial statements have been translated into English for the convenience of readers.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period and were selected from the communications to the FibraHotel Administration and Audit Committee, but do not pretend to represent all the matters discussed. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that the matters described below are the key audit issues which should be communicated in our report.

Investment property valuation

For the fair value estimation of the investment property (under lease agreement), FibraHotel's Management used the most appropriate technique for the particular circumstances of each investment property. Other assumptions used in the valuation of investment property included, among others, contractual lease payments, expected market lease payments, direct operating costs, discount rates which reflect the market uncertainty, capitalization rates and prices in recent transactions.

Our audit procedures included, among others:

1. We confirm that the valuation method of each investment property follows the requirements of IFRS 13, *Fair Value Measurement*, for the discounted future cash flows method.
2. We tested the internal control associated with the preparation and review of the financial projections related to the information contained in the valuation of the investment property, including the income and expenses related to the operation. This information was tested and corroborated with the supporting documentation as appropriate. In the same way, the evidence used by the independent appraiser to support the different inputs used in the determination of fair value was observed, highlighting factors of growth, inflation exchange rates, discount and capitalization rates.

3. We involved our internal valuation specialists who, using independent and market inputs, carried out fair value analysis, which was compared against the valuation determined by an independent appraiser.
4. We reviewed that the effects recorded in the consolidated financial statement of comprehensive income corresponded to the differences between the different values at the end of each year.

The results of our audit procedures were reasonable.

Impairment of hotel properties

FibraHotel has identified and concluded that its cash generating units are represented by each individual hotel. Accordingly, it evaluates at the end of each reporting period, if there is any indication of impairment as established by IAS 36, *Impairment of assets*.

If such indication of impairment exists, FibraHotel determines the recoverable value of the asset and such calculation involves estimates, the use of assumptions and judgments by the Management. Based on FibraHotel's analysis and on the Trust's operations, our audit procedures were applied to all hotels (including those that were closed as of December 31st, 2022), and included the following:

1. We reviewed the controls related to the identification of impairment indicators on the hotels that resulted from FibraHotel's analysis. Our procedures included the review of the evidence provided by the management, taking into account internal, external and observable factors. We also consider the knowledge of FibraHotel and industry information.
2. We confirmed that the methodologies used to determine the recoverable value were performed in accordance with IAS 36.
3. We tested the internal control associated with the preparation and review of the financial projections related to the information contained in the valuation of the hotels with impairment indicators, including their income and operating expenses of such hotels. In addition, this information was tested and corroborated against the historical amounts shown in the balance sheet of each hotel. Similarly, we examined assumptions used by FibraHotel to support the different inputs used in the determination of fair value, highlighting growth factors, inflations discount and capitalization rates and market values.
4. We involved our internal valuation specialists who, for all hotels, using independent market inputs, carried out fair value replications which were compared against the fair value determined by FibraHotel.
5. We reviewed that the differences between the recoverable values and the book values were correct at the end of each year and, if any, reviewed the effects recorded in the consolidated statements of comprehensive income.

The results of our audit procedures were reasonable.

Information other than the consolidated financial statements and the independent auditors' report

FibraHotel's Management is responsible for other information. Other information includes the information that will be incorporated in the Annual Report which FibraHotel is required to prepare in compliance with Article 33, Section I, subsection b) of Title Four, Chapter one 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 our reading after the issuance of this audit report.

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

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 with 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. Based on the work we have done, we conclude that there is a material error in the Other Information, we would have to report that fact.

Responsibilities of Management and Trust's Administration for the Consolidated Financial Statements

FibraHotel's Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for the internal control that FibraHotel's Management 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 FibraHotel's ability to continue as a going concern, disclosing, as applicable, matters related to any Trust going concern and using the going concern basis of accounting unless management either intends to liquidate FibraHotel or to cease operations, or has no realistic alternative to do so.

Those charged with governance of the Trust are responsible for overseeing the Trust's consolidated financial reporting process.

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

Our objectives are 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 the 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 FibraHotel'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the FibraHotel 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.
- Obtain sufficient and appropriate audit evidence about FibraHotel's consolidated financial information and its business activities to express an opinion on the consolidated financial statements. We are also responsible for the direction, supervision and performance of the audit group. We remain solely responsible for our audit opinion.

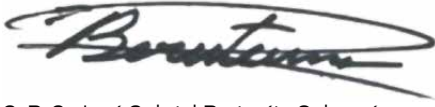
We communicate to FibraHotel's Management regarding, among other matters, the planned scope and timing of the audit and the significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provided to FibraHotel's Management a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them about all relationships and other matters that might reasonably be expected to bear on our independence and, where applicable, related safeguards.

From the matters communicated with FibraHotel's Management, we determine those matters that were of most significance in the audit of consolidated financial statements of the current period and are therefore the key audit matters. We describe those 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 Deloitte Touche Tohmatsu Limited



C. P. C. José Gabriel Beristáin Salmerón
March 31st, 2024

Consolidated Statements of Financial Position

As of December 31st, 2023, 2022 and 2021

(In thousands of Mexican Pesos)

Assets	Notes	2023	2022	2021
Current assets:				
Cash, cash equivalents and restricted cash	5	\$ 608,476	\$ 501,236	\$ 485,617
Trade accounts receivable and other accounts receivable	6	285,263	320,884	221,574
Recoverable taxes, mainly value-added tax		23,004	19,613	4,313
Prepaid expenses		27,975	21,614	18,270
Total current assets		944,718	863,347	729,774
Non-current assets:				
Hotel properties, furniture and operating equipment - Net	7	12,218,484	12,380,506	12,631,082
Properties under development	8	168,454	142,667	97,741
Investment properties	9	4,096,000	4,081,000	3,507,324
Investments in joint business	10	219,022	-	-
Security deposits		5,020	5,005	4,978
Deferred income taxes	13	13,815	6,492	4,337
Total non-current assets		16,720,795	16,615,670	16,245,462
Total assets		\$ 17,665,513	\$ 17,479,017	\$ 16,975,236
Liabilities and Trustees' Equity				
Current liabilities:				
Current portion of long-term debt	12	\$ 388,049	\$ 351,312	\$ 96,160
Suppliers and accrued expenses	11	431,330	434,995	342,488
Account payable to Administradora Fibra Hotelera Mexicana, S.A. de C.V. - related party	15	43,316	40,393	157,140
Interest payable		94,814	86,842	60,784
Taxes payable		72,988	62,407	20,114
Total current liabilities		1,030,497	975,949	676,686
Long-term liabilities:				
Employee Benefits	16	14,407	11,885	1,662
Accumulated liabilities		5,609	6,224	-
Bank Debt	12	1,515,758	1,663,217	2,407,823
Public debt securities	12	2,486,580	2,484,245	2,481,911
Total liabilities		5,052,851	5,141,520	5,568,082
Trustees' equity				
Contributions from trustees	17	10,722,706	11,017,525	11,017,525
Reserve for share-based payments	17	18,273	7,833	-
Retained earnings		1,871,683	1,312,139	389,629
Total trustees' equity		12,612,662	12,337,497	11,407,154
Total liabilities and trustees' equity		\$ 17,665,513	\$ 17,479,017	\$ 16,975,236

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Consolidated Statements of Income (loss) and Other Comprehensive Income (loss)

For the years ended December 31st, 2023, 2022 and 2021

(In thousands of Mexican Pesos)

	Notes	2023	2022	2021
Revenues from:				
Rooms		\$ 3,849,068	\$ 3,404,162	\$ 2,291,726
Food and beverages		913,027	788,766	515,292
Real estate rentals		419,340	461,020	260,245
Other income		43,002	42,397	41,868
Total revenues		5,224,437	4,696,345	3,109,131
Costs of:				
Rooms		874,131	770,111	558,260
Food and beverages		600,497	493,169	330,446
Indirect costs		1,919,267	1,722,116	1,279,737
Total costs		3,393,895	2,985,396	2,168,443
Gross profit (lodging contribution)		1,830,542	1,710,949	940,688
Property expenses		87,828	84,392	73,607
Corporate expenses		335,794	289,143	244,227
Depreciation	7	505,886	508,780	551,732
Impairment of hotel properties	7	-	13,395	24,952
Other income, net		(2,888)	(3,969)	(821)
Adjustment to the fair value of investment properties	9	22,146	(505,950)	(269,355)
Operating income (Loss)		881,776	1,325,158	316,346
Financial (income) costs:				
Interest income		(37,754)	(20,628)	(7,008)
Interest expense		437,530	437,663	376,110
Other financial expenses		8,280	10,348	10,313
Foreign Exchange result, net		(95,658)	(22,580)	(7,591)
Total financial costs, net		312,398	404,803	371,824
Participation in joint venture	10	2,511	-	-
Income (loss) before income taxes		566,867	920,355	(55,478)
Income taxes (benefit)	13	7,323	(2,155)	(1,308)
Consolidated net income (loss)		559,544	922,510	(54,170)

(Continued)

	Notes	2023	2022	2021
Other comprehensive income:				
Income in fair value on interest hedging instruments		-	-	1,724
Consolidated net comprehensive (loss) income		\$ 559,544	\$ 922,510	\$ (52,446)
Net income (loss) per weighted average CBFIs with economic rights (pesos), basic and diluted		\$ 0.7118	\$ 1.1739	\$ (0.0690)
Net income (loss) per weighted average CBFIs (pesos), basic and diluted		\$ 0.6710	\$ 1.1062	\$ (0.0650)
Weighted average CBFIs with economic rights		786,364,220	785,823,444	784,618,585
Weighted average outstanding CBFIs		833,947,220	833,947,220	833,947,220

(Concluded)

See accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Trustees' Equity

For the years ended December 31st, 2023, 2022 and 2021

(In thousands of Mexican Pesos)

	Number of CBFIs	Contributions (distributions) from trustees	Reserve for shared based payments	Retained earnings	Valuation effect for derivative financial instrument	Total trustees' equity
Balances as of December 31 st , 2020	833,947,220	\$ 10,983,435	\$ 33,224	\$ 443,799	\$ (1,724)	\$ 11,458,734
Contribution from the trustees	-	34,090	-	-	-	34,090
Certificate-based payment	-	-	(33,224)	-	-	(33,224)
Consolidated comprehensive net loss	-	-	-	(54,170)	1,724	(52,446)
Balances as of December 31 st , 2021	833,947,220	11,017,525	-	389,629	-	11,407,154
Certificate-based payment	-	-	7,833	-	-	7,833
Consolidated comprehensive net income	-	-	-	922,510	-	922,510
Balances as of December 31 st , 2022	833,947,220	11,017,525	7,833	1,312,139	-	12,337,497
Distribution to the trustees	-	(294,819)	-	-	-	(294,819)
Certificate-based payment	-	-	10,440	-	-	10,440
Consolidated comprehensive net income	-	-	-	559,544	-	559,544
Balances as of December 31 st , 2023	<u>833,947,220</u>	<u>\$ 10,722,706</u>	<u>\$ 18,273</u>	<u>\$ 1,871,683</u>	<u>\$ -</u>	<u>\$ 12,612,662</u>

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

For the years ended December 31st, 2023, 2022 and 2021

(In thousands of Mexican Pesos)

	Nota	2023	2022	2021
Cash flows from operating activities:				
Consolidated net income (loss)		\$ 559,544	\$ 922,510	\$ (54,170)
Adjustments for:				
Income taxes recognized in consolidated net income	13	7,323	(2,155)	(1,308)
Loss (gain) on sale of furniture and hotel equipment		6,277	(89)	1,122
Adjustment to the fair value of investment properties	9	22,146	(505,950)	(269,355)
Depreciation	7	505,886	508,780	551,732
Impairment of hotel properties	7	-	13,395	24,952
Interest income		(37,754)	(20,628)	(7,008)
Interest expenses	12	437,530	437,663	376,110
Shared-based payment cost		10,443	7,833	866
Unrealized foreign exchange		(105,803)	(12,021)	6,837
Amortization of bond issuance costs	12	2,334	2,334	2,333
Employee benefits	16	1,908	6,821	1,662
Participation in results of joint ventures		2,511	-	-
Other financial expenses		5,748	8,014	7,980
		1,418,093	1,366,507	641,753
Changes in working capital:				
Trade accounts receivable and other receivables		35,621	(99,310)	(80,897)
Recoverable taxes, mainly value-added tax		(3,391)	(15,300)	10,553
Prepaid expenses		(6,361)	(3,344)	(110)
Security deposits		(15)	(27)	(35)
Suppliers and accrued expenses		5,710	92,507	133,770
Administradora Fibra Hotelera Mexicana, S.A. de C.V. - Related party	15	2,923	(116,747)	12,647
Taxes payable		(21,896)	42,293	7,956
Income tax paid		17,830	-	-
Accumulated liabilities		(9,379)	9,626	-
Net cash generated by operating activities		1,439,135	1,276,205	725,637
Cash flows from investing activities:				
Acquisition of investment properties	9	(37,146)	(67,726)	(67,337)
Acquisition of hotel properties, furniture and operating equipment		(297,519)	(272,219)	(293,204)
Investment in joint business		(221,533)	-	-
Proceeds from sale of furniture and hotel operating equipment		616	709	511
Investment in development projects		(79,024)	(44,926)	(4,818)
Interest received		37,754	20,628	7,008
Net cash used in investing activities		(596,852)	(363,534)	(357,840)

(Continued)

	Nota	2023	2022	2021
Cash flows from financing activities:				
Proceeds from borrowings	12	596,515	476,500	250,000
Payments of borrowings	12	(601,433)	(953,933)	(189,685)
Interest paid	12	(429,557)	(411,605)	(395,012)
Distribution to trustees		(294,819)	-	-
Other financial expenses		(5,749)	(8,014)	(7,980)
Net cash used in financing activities		(735,043)	(897,052)	(342,677)
Cash, cash equivalents and restricted cash:				
Net increase in cash, cash equivalents and restricted cash		107,240	15,619	25,120
Cash, cash equivalents and restricted cash at the beginning of the year		501,236	485,617	460,497
Cash, cash equivalents and restricted cash at the end of the year (including restricted cash of \$120,870, \$124,034 and \$96,614 as of December 31 st , 2023, 2022 and 2021, respectively)		\$ 608,476	\$ 501,236	\$ 485,617

(Concluded)

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

For the years ended December 31st, 2023, 2022 and 2021

(In thousands of Mexican Pesos)

1. Activities and relevant events

Activities -

Fideicomiso F/1596 (CI Banco, S.A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiary (jointly referred as to "FibraHotel") was established as a real estate investment trust on July 31st, 2012 by Concentradora Fibra Hotelera Mexicana, S. A. de C. V., (the "Trustor") and Deutsche Bank México, S. A., Institución de Banca Múltiple, División Fiduciaria (the "Trustee"). As of October 16th, 2021, through various corporate acts, the trust business in Mexico of Deutsche Bank México, S.A., Institución de Banca Múltiple was transferred to CI Banco, S.A. Multiple Banking Institution, which is why this institution received from the former all its rights and obligations as trustee, considering CI Banco, S.A., Multiple Banking Institution, universal final successor in title of all those rights, obligations, assets and liabilities derived from the business trustee of Deutsche Bank México, S.A., Institución de Banca Múltiple, as of October 19th, 2021, the date on which the transfer described above took effect.

FibraHotel was established mainly to develop, acquire and hold real estate properties for use in hotel operations. The hotels in the FibraHotel portfolio operate under the following brands:

Live Aqua	Gamma	Sheraton Ambassador
Grand Fiesta Americana	One	Fairfield Inn & Suites by Marriott
Fiesta Americana	Camino Real	AC Hotels by Marriott
Fiesta Inn	Real Inn	Courtyard by Marriott
Tapestry Collection by Hilton	Inhouse	

For the development of its operations, FibraHotel has entered into an advisory agreement with Administradora Fibra Hotelera Mexicana, S. A. de C. V. (Administradora Fibra Hotelera) (related party), which are based on an annual fee payable quarterly, equivalent to 1% of the book value of undepreciated assets, net of debt; Likewise, as of December 31st, 2023, 2022 and 2021, it has agreements for the hotel operations with Grupo Posadas, S. A. B. de C. V. (Posadas), Grupo Real Turismo, S. A. de C. V. (Real Turismo), Operadora Marriott, S. A. de C. V. (Marriott International) Playa Resorts Management Mexico, S. de R.L. de C.V. (Playa Resorts) (together the "Operators"). These contracts establish a fee that FibraHotel pays to operators, based on the hotels' gross profit among others. Additionally, FibraHotel has entered into a lease contract (FibraHotel as lessor) with Posadas and other tenants that corresponds to fixed rents and, where applicable, variable rents. On May 31st and December 11th, 2023, FibraHotel entered into lease contracts with Operadora Hotelera Inhouse, for the select service hotels in León and Ciudad Obregón, respectively

FibraHotel has employees since September 1st, 2021; additionally, administrative services by related parties and third parties were discontinued as of July 2022 to comply with the Labor Reform that was published on April 23rd, 2021.

FibraHotel, as a Real Estate Investment Trust ("FIBRA"), qualifies to be treated as a pass-through entity for Mexican federal income tax purposes in accordance with the Mexican Income Tax Law ("LISR"). Therefore, all income derived from FibraHotel's operations is attributed to the holders of its Real Estate Trust Certificates ("CBFIs" for its name in Spanish) and FibraHotel itself is not subject to income tax in Mexico. In order to maintain FIBRA status, the Income Tax Law ("ISR" for its name in Spanish) has established in Articles 187 and 188, FibraHotel must, among other requirements, distribute at least 95% of its net taxable income each year to the holders of its CBFIs. On October 12th, 2012, FibraHotel obtained a ruling from the Mexican Treasury Department, published in the Federal Official Gazette, formally establishing FibraHotel as a FIBRA.

Fibra Hotelera S. C. is a 99.99% owned subsidiary of the Trust's equity. Its responsibilities include the administration of managing the business, providing maintenance to the real estate properties and hotels, obtaining necessary licenses and permits, supervision of projects involving renovation, development and remodeling projects, providing insurance coverage, oversight of public services, and negotiating hotel management contracts. Fibra Hotelera, S. C. is subject to the payment of regular Income Tax ("ISR").

The address of FibraHotel is Avenida Santa Fe No. 481 Piso 7 Col. Santa Fe Cuajimalpa, Cuajimalpa de Morelos, C.P. 05348, Ciudad de México.

Hotels portfolio composition

The detail of the operating and leasing portfolio of FibraHotel by operator is as follows:

Operator	Number of hotels as of December 31 st					
	2023		2022		2021	
	Operating agreement	Lease agreement	Operating agreement	Lease agreement	Operating agreement	Lease agreement
Posadas	68	1	68	1	68	1
Marriott International	11	-	11	-	11	-
Real Turismo	3	-	3	-	3	-
Playa Resorts	1	-	1	-	1	-
Inhouse	-	1	-	-	-	-
Total	83	2	83	1	83	1
Total operating hotels	85		84		84	
Total rooms	12,395		12,264		12,264	

As of December 31st, 2023, one hotel is closed, which represents 159 rooms. This hotel is expected to open during the first quarter of 2024.

There are lands, development rights and/or works contracts entered into with the option of carrying out the construction of hotels. Investments for FibraHotel as of December 31st, 2023, 2022 and 2021, amount to \$168,454, \$142,667 and \$97,741, respectively, which are presented in the statement of financial position under the heading "Properties under development".

Relevant events -

a. **Signing of the leasing contract for the León Selecto Service hotel**

On December 11th, 2023, FibraHotel signed a lease contract for the León Selecto Service hotel, the only hotel in the portfolio closed to date. The hotel is expected to open in the second quarter of 2024 under the InHouse brand.

b. **Partial advance payment to a BBVA line of credit in USD**

In November 2023, it was decided to make an advance payment of USD \$2.0 million of an amortization of the unpaid balance of USD \$10.1 million, whose maturity is August 2024. As of December 31st, 2023, the unpaid balance of that line of credit is of USD \$8.1 million.

c. **Temporary closure of the One Acapulco hotel due to the impact of Hurricane Otis**

On October 25th, 2023, Hurricane Otis impacted the One Acapulco hotel and since that date it has been closed. The hotel represents less than 1% of FibraHotel's assets and income. The estimated impact was around USD \$3 million, including the investment in remodeling and reopening of \$50 million pesos. The reopening of the hotel is estimated in the second quarter of April 2024.

d. **Settlement of revolving credit lines with BBVA and Sabadell**

In the month of October 2023, the unpaid balances of BBVA's revolving credit lines were fully settled for \$150 million pesos and with Sabadell for \$100 million pesos.

e. **Credit lines**

In October 2023, USD \$19.1 million was drawn down from a new line of credit with Scotiabank for an amount of up to Ps. \$500 million or USD \$28.8 million. The interest rate on that provision is SOFR plus 1.80 percentage points.

Due to this debt substitution:

- Debt denominated in USD represents 19% of FibraHotel's total debt against 15% in 2022.
- FibraHotel's average cost of debt decreased approximately 25 basis points as of December 31st, 2023.

On September 19th, 2023, FibraHotel used \$100 million pesos from a line of credit contracted with Sabadell. The conditions of the contract establish interest payments on a 28-day TIIE rate plus 2.15 percentage points.

On July 31st and August 29th, 2023, FibraHotel used \$100 million and \$50 million pesos, respectively, from a line of credit contracted with BBVA. The conditions of the contract establish interest payments on a 28-day TIIE rate plus 1.65 percentage points.

f. **Expiration of BBVA 2 Credit Line**

On July 31st, 2023, the expiration date of the line of credit with BBVA, which was acquired in 2017, was met, which was fully settled for an amount of \$116 million pesos.

g. **Partnership agreement and land acquisition for the development of a luxury resort**

In June 2023, it signed a 50-50 association agreement (joint venture) with Fibra DANHOS for the development of a well-known brand luxury resort hotel, in one of the most exclusive locations on the Yucatan Peninsula. To date, the land and development rights for this iconic hotel project have been acquired.

h. **CBFIs to the incentive plan in circulation**

On June 30th, 2023, 540,776 CBFIs were put into circulation that correspond to compliance with the employee compensation plan authorized by the Holders' Assembly.

i. **Lease contract for the Ciudad Obregón Select Service hotel**

On May 31st, 2023, FibraHotel signed a lease contract for the Ciudad Obregón Select Service hotel. FibraHotel will receive a fixed income. As of December 31st, 2023, the hotel is in operation under the InHouse brand.

j. **Signing of revolving credit line with BBVA**

On March 29th, 2023, a \$150 million revolving credit line was signed with BBVA. The surcharge on this loan is 170 basis points over the TIIE and does not have mortgage guarantees. A sustainable KPI was integrated with a commitment to reduce the energy intensity per occupied room by 1% vs. budget for a portfolio of selected hotels, which will generate a profit of 5 basis points

k. **FibraHotel distribution policy and distribution for the first quarter of 2023**

The Technical Committee determined FibraHotel's distribution policy, which will be the maximum between 95% of the financial result and a fixed amount per CBFIs that will be paid quarterly (instead of a % of AFFO). For the first quarter of 2023, FibraHotel will make a distribution of Ps. \$0.125 per CBFIs. For the full year 2023, FibraHotel estimates to make three additional quarterly distributions of Ps. \$0.125 per CBFIs, for a total of Ps. \$0.50 per CBFIs in the year.

This policy helps holders of CBFIs have visibility over the expected distributions in the year. At the same time, the policy allows the company to retain cash flow to carry out its business plan, including, among other things, the payment of loan amortizations (reducing debt) and making investments in its portfolio or inorganic growth that comply with the eligibility criteria. FibraHotel intends to increase the fixed amount of CBFIs distributions over time based on operating results.

l. **Changes in portfolio inventory**

During 2022, renovations were made to certain hotels in the portfolio. Since the first quarter of 2023, the following changes have been made to the portfolio:

- Live Aqua San Miguel de Allende: decrease from 153 to 150 rooms.
- Fiesta Americana Pavilion M: decrease from 178 to 176 rooms.
- Fiesta Americana Hacienda Galindo: increase from 168 to 169 rooms.

With these modifications, the total number of rooms in the portfolio as of December 31st, 2023 is 12,554

m. **Partial refinancing of the Banorte credit line into dollars**

In December 2022, the Banorte line, whose unpaid balance was \$946 million, was partially replaced with a line of credit with the same financial institution denominated in USD. \$486 million were converted at an exchange rate of \$19.76, leaving the following unpaid balances:

- \$460 million at a 91-day TIIE rate + 200 basis points.
- USD \$24.6 million at a 91-day SOFR rate + 250 basis points.

Due to this debt substitution:

- The debt denominated in USD represents 15% of FibraHotel's total debt against 5% previously.
- FibraHotel's average cost of debt decreased approximately 47 basis points as of December 31st, 2022.

n. **Advance payment of the line of credit with Banorte**

During the second half of 2022, it was decided to completely and voluntarily liquidate the unpaid \$250 million of Banorte's credit line that was drawn down in March 2021. This line of credit was drawn up in order to protect liquidity during the pandemic.

o. Hiring of BTG Pactual Casa de Bolsa, S.A. of C.V. as a market maker

Since October 10th, 2022, BTG Pactual provides market maker services to the real estate fiduciary stock certificates (“CBFIs”) of FibraHotel listed on the Mexican Stock Exchange, S.A.B. de C.V. (“BMV”). As a market maker, BTG Pactual will participate in the daily negotiation of FibraHotel CBFIs. The purpose of the contract is to increase the liquidity of the CBFIs in the long term, making it easier for investors to carry out operations with FibraHotel CBFIs.

p. Advance payment of the line of credit with Sabadell

In June 2022, it was decided to amortize the unpaid balance of \$130 million fully and voluntarily of Sabadell's revolving credit line.

q. Update of CBFIs to the incentive plan

On April 28th, 2022, the General Assembly of Stock Certificate Holders approved the implementation of a compensation plan for employees based on CBFIs.

The plan may represent up to 4,741,602 CBFIs, in three tranches of 1,580,534 each (Plan 2021/2022, Plan 2023 and Plan 2024) and will be granted based on performance metrics, which include performance components of the AFFO, the price of FibraHotel's CBI, of FibraHotel's total investor return and an ESG metric.

Plan	Period in which begin to have economic rights	Number of CBFIs
Plan 2021/2022	2023, 2023, 2024	1,580,534
Plan 2023	2023, 2024, 2025	1,580,534
Plan 2024	2024, 2025, 2026	1,580,534
		<u>4,741,602</u>

r. Agreement to link the BBVA 2 loan with sustainability criteria and improve the line's amortization schedule.

On June 21st, 2021, FibraHotel signed a modifying agreement on the BBVA 2 credit line:

- Amortizations for the years 2022 and 2023 are reduced by \$177 million pesos in 2022 and \$44 million pesos in 2023, and the maturity of the loan is extended to 2024.
- The surcharge is 190 basis points over TIIE for the peso portion (\$253 million) and 225 basis points over LIBOR for the dollar portion (USD 13 million).
- A sustainable KPI was integrated with a commitment to reduce energy intensity per occupied room by 1% vs. budget for a portfolio of selected hotels, which will generate a benefit of 5 basis points to obtain FibraHotel's first green credit.

s. Reopening of the One Coatzacoalcos, One Saltillo and The Yucatán Resort Playa del Carmen hotels

On May 12th, 2021, the 60-room hotel in Playa del Carmen reopened under the brand The Yucatán Resort Playa del Carmen, Tapestry Collection by Hilton, operated by Playa Resorts under the all-inclusive concept. For accounting purposes, as of the opening of the hotel, the hotel is no longer considered on the balance sheet as Investment Property and is considered as Hotel Property, Furniture and Equipment.

On August 1st, 2021, the reopening of two hotels with 265 rooms operated by Posadas took place: the One Coatzacoalcos hotel with 126 limited service rooms and the One Saltillo hotel with 139 limited service rooms (the hotel was previously operated by Marriott International under the Fairfield Inn & Suites brand).

t. Labor reform

On April 23rd, 2021, a mandatory federal decree was published in Mexico where various labor and tax regulations were modified in order to eliminate the outsourcing of personnel and establish the rules under which specialized services may be outsourced. In the month of July 2022, FibraHotel completed the necessary administrative and operational changes (via the subsidiary Fibra Hotelera S.C.) to fully comply with the provisions of the current legal framework.

u. General Assembly of Holders of Stock Certificates FIHO19

On February 3rd, 2021, FibraHotel held an Assembly of Holders of the FIHO19 Stock Exchange Certificates, which approved granting a waiver for the year 2021 regarding a clause that limited the contracting of additional debt if the debt service coverage ratio is less than 1.5x. With this waiver, during 2021 FibraHotel could contract additional debt for an amount of up to \$500 million pesos.

v. Lease contract change

On March 31st, 2021, the Fiesta Inn Perisur hotel ended the term of the lease contract with Posadas. As of April 1st, 2022, the hotel entered into an operating contract with the same brand and operator, so as of the second quarter of 2021, the hotel was considered a managed hotel. For accounting purposes as of April 1st, 2021, the hotel is no longer considered on the balance sheet as Investment Property and is considered as Hotel Property, Furniture and Equipment.

w. **Acquired assets**

Acquisition of the Fiesta Americana Hacienda Galindo hotel

On March 10th, 2021, the conditions to which the sale of the Fiesta Americana Hacienda Galindo hotel with 168 full-service rooms operated by Posadas agreed upon by the parties in 2017 were met. FibraHotel carried out a remodeling of the hotel with an investment of \$199,085 that was taken at the price of ten times the EBITDA generated by the hotel in 2019. The remaining price paid by FibraHotel was \$156,090. The total price for the hotel was \$355,175 and with this payment the lease contract was terminated, ownership was transferred to FibraHotel and the operating contract began to take effect.

x. **Buyback Fund**

In the month of April 2022, FibraHotel canceled 2,326,405 CBFIs that were in the repurchase fund, so as of December 31st, 2022, the repurchase fund has no balance. During the year 2023, the buyback program became inactive, so as of December 31st, 2023, the buyback fund has no balance.

y. **Drawdown of credit lines**

On March 31st, 2021, FibraHotel drew down \$250 million from a line of credit contracted with Banorte. The conditions of the contract established interest payments on a 91-day TIIE rate plus 2.6 percentage points until June 2022 and plus 1.99 percentage points as of July 2022. As of December 31st, 2022, the credit line is paid off.

On March 31st, 2020, FibraHotel used \$166 million pesos from a line of credit contracted with Banorte. The conditions of the contract establish interest payments on a daily TIIE rate plus 2.0 percentage points,

On March 24th, 2020, FibraHotel drew down \$200 million pesos from the revolving credit line contracted with Sabadell. The contract conditions establish interest payments on a 28-day TIIE rate plus 1.50 percentage points. On April 16th, 2021, an amending agreement was signed to extend the maturity of the revolving credit line by 24 months. As of December 31st, 2022, the credit line is paid off.

2. Application of new and revised International Financial Reporting Standards

New and amended International Financial Reporting Standards (“IFRS” or “IAS”) that are mandatory for the current year

During the year, the Entity has applied amendments to IFRS issued by the International Financial Reporting Standards Board (IASB) that are mandatory for accounting periods beginning on or after January 1st, 2023. Its adoption has not had a material impact on the disclosures or amounts reported in these consolidated financial statements.

Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements— Disclosure of Accounting Policies*

Fibrahotel has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 about disclosure of accounting policies. The amendments replace all instances of the term ‘significant accounting policies’ with ‘material accounting policy information.’

Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make based on those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events, or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the ‘four-step materiality process’ described in IFRS Practice Statement 2.

New and revised IFRS Standards issued but not yet effective for the current year

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

Amendments to IAS 1
Amendments to IAS 1

Classification of liabilities as current or non-current.
Non-current Liabilities with Covenants

Management does not expect the adoption of the aforementioned standards to have a significant impact on the Entity's consolidated financial statements in future periods, except as indicated below:

Amendments to IAS 1 Presentation of financial statements - Classification of Liabilities as Current and Non-current

The amendments to IAS 1 published in January 2020, affect only the presentation of liabilities as current and non-current in the statement of financial position and not by the amount or moment in which any asset, liability, income or expense is recognized or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current and non-current is based on whether the rights are in existence at the end of the reporting period, specify that the classification is not affected by expectations about whether the entity will exercise its right to defer settlement of a liability, explains that rights exist if covenants are met at the end of the reporting period, and introduces the definition of 'settlement' to make it clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or other services.

The amendments are applied retrospectively for annual periods beginning on or after January 1st, 2024, with early application permitted. The IASB has aligned the effective date with the 2022 amendments to IAS 1. If an entity applies the 2020 amendments early, it is also required to apply the 2022 amendments early.

The Entity's Management anticipates that the application of these amendments may have an impact on the Group's financial statements in future periods.

Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or noncurrent). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendments are applied retrospectively for annual reporting periods beginning on or after January 1st 2024. Earlier application of the amendments is permitted. If an entity applies the amendments for an earlier period, it is also required to apply the 2020 amendments early.

The directors of the parent company anticipate that the application of these amendments may have an impact on the group's

3. Significant accounting policies

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards released (IFRS) by IASB.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for the revaluation of derivative financial instruments and investment properties that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

i. Historical cost

Historical cost is generally based on the fair value of the consideration given in exchange for goods and 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, FibraHotel takes into account the characteristics of the asset or liability if market participants would take those characteristics into account 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 a 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.

c. **Going concern**

Management has a reasonable expectation at the time of approving the financial statements that the Group has adequate resources to continue operating for the foreseeable future. Therefore, you will continue to consider a going concern basis of accounting when preparing your financial statements.

d. **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Trust and its subsidiaries over which it exercised control. Control is achieved when the Trust:

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

The Trust 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.

Consolidation of a subsidiary begins when the Trust obtains control over the subsidiary and ceases when FibraHotel loses control of the subsidiary.

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

All intragroup balances, operations and cash flows are eliminated in full on consolidation.

Entity	Ownership percentage 2023, 2022 and 2021	Activity
Fibra Hotelera, S. C.	99.99%	Provision of advisory services and technical, legal, tax, commercial and administrative consulting related to the purchase and sale, management, leasing and subletting of all kinds of land, houses, buildings, warehouses, hotels, kitchens, malls and commercial premises and offices.

As mentioned in Note 1, FibraHotel (via the subsidiary Fibra Hotelera S.C.) has employees as of September 1st, 2021. In July 2022, it stopped receiving administrative services from related parties and third parties to comply with the Labor Reform. Administrative personnel services became part its subsidiary Fibra Hotelera, S.C. to comply with the provisions of the Labor Reform.

e. **Investment in joint business**

A joint venture is an investment over which the trust has significant influence. Significant influence is the power to participate in deciding the financial and operating policies of the investee but does not imply control or joint control over those policies.

The results and assets and liabilities of associates are incorporated into the financial statements using the equity method, except if the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5, Non-current Assets Held for Sale. Sales and Discontinued Operations. Under the equity method, investments in joint ventures are initially accounted for in the consolidated statement of financial position at cost and are adjusted for post-acquisition changes for the Entity's share of profits and comprehensive income.

A joint venture investment is recorded using the equity method from the date the investee becomes an associate. In the acquisition of the investment in an associate, the excess in the acquisition cost over the Entity's participation in the net fair value of the assets and liabilities identifiable in the investment is recognized as goodwill, which is included in the value in investment books.

The requirements of IAS 36 apply to determine whether it is necessary to recognize an impairment loss in respect of the trust's investment in a joint venture. Where necessary, the total carrying value of the investment is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset, comparing its recoverable amount (higher of value in use and fair value less cost to sell) against its fair value in books. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of such impairment loss is recognized in accordance with IAS 36 to the extent that such recoverable amount of the investment subsequently increases.

The Trust discontinues use of the equity method from the date the investment ceases to be an associate or joint venture, or when the investment is classified as held for sale. When the Entity maintains the interest in the former associate or joint venture, the retained investment is measured at fair value at that date and is considered its fair value at the time of initial recognition in accordance with IFRS 9. The difference between the book value of the associate or joint venture on the date the equity method was discontinued and the fair value attributable to the retained interest and the gain on the sale of a portion of the interest in the associate or joint venture is included in the determination of gain or loss due to disposal of the associate or joint venture. Additionally, the trust accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis that would be required if that associate or joint venture had directly disposed of the relative assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by said associate or joint venture has been reclassified to the income statement upon disposal of the relative assets or liabilities, the trust reclassifies the capital gain or loss to the income statement. (as a reclassification adjustment) when the associate or joint venture is discontinued.

f. **Financial instruments**

Financial assets and financial liabilities are recognized when FibraHotel becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets 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 profit

g. **Financial Assets**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

Classification of financial assets

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

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL)

Despite the foregoing, FibraHotel may make the following irrevocable election / designation at initial recognition of a financial asset

- FibraHotel may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- FibraHotel may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

(i) *Amortized cost and effective interest method*

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset

For purchased or originated credit-impaired financial assets, FibraHotel recognizes interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Impairment of financial assets

FibraHotel always recognizes lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the FibraHotel's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, FibraHotel recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, FibraHotel measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(ii) *Significant increase in credit risk*

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, FibraHotel compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the beginning date. In making this assessment FibraHotel considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which FibraHotel's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Entity's core operations.

(iii) *Definition of default*

FibraHotel considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including FibraHotel, in full (without taking into account any collateral held by FibraHotel).

Irrespective of the above analysis, FibraHotel considers that default has occurred when a financial asset is more than 90 days past due unless FibraHotel has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iv) *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) Significant financial difficulty of the issuer or the borrower;
- (b) A breach of contract, such as a default or past due event (see (ii) above);
- (c) The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- (e) The disappearance of an active market for that financial asset because of financial difficulties

(v) *Write off Policy*

FibraHotel writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Entity's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in the statement of income.

Derecognition of financial assets

FibraHotel derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, FibraHotel recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If FibraHotel retains substantially all the risks and rewards of ownership of a transferred financial asset, FibraHotel continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which FibraHotel has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity 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 FibraHotel are recognized at the proceeds received, net of direct issue costs.

Repurchase of FibraHotel's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of FibraHotel's own equity instruments.

h. Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method.

Disposal of financial liabilities

FibraHotel derecognizes financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss

When FibraHotel exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, FibraHotel accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

i. Cash, cash equivalents and restricted cash

Cash and cash equivalents mainly consist of bank deposits in checking accounts and short-term investments. Cash is presented at fair value and cash equivalents are valued at fair value. FibraHotel considers as cash equivalents all highly liquid debt instruments acquired with a dated acquisition maturity of three months or less. Cash equivalents are represented mainly by government securities in which the resources are paid at maturity.

Restricted cash consists of cash corresponding to the fund for the investment in real estate, which will be used for the acquisition of real estate of the contribution portfolio and to the capital expenditures fund which will be used for repairs, major replacements and other capital expenditures and reserve fund for the repurchase of CBFIs.

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j. Hotel properties, furniture and operating equipment

Hotel properties, furniture and operating equipment are presented at cost, less accumulated depreciation and any accumulated loss from impairment.

The properties which are being constructed for purposes of exploitation, supply or administration are recorded at cost, less any recognized loss for impairment. The cost includes professional fees and, in the case of qualifying assets, capitalized interest, based on the accounting policy of FibraHotel. These properties are classified into the appropriate categories of property, plant and equipment when they are completed for their intended use. The depreciation of these assets, as in other real properties, begins when the assets are ready for their intended use.

Depreciation is calculated using the straight-line method based on the remaining useful life of the asset, considering any residual values and considering components of each asset, as FibraHotel considers components more appropriate and consistent in relation to the methods used by the most representative entities of the sector. Based on technical studies, FibraHotel concluded that its buildings and their different components have different useful lives and will be subject to replacements in different periods, 10 years in the case of certain common areas and up to 55 years for structures of the building. The residual value is 24% in the case of buildings; other fixed assets do not have significant residual values, as determined by independent appraisers.

Freehold land is not depreciated.

Furniture and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognized to carry out in profit or loss, the cost or valuation of the assets, less their residual value, over their useful lives. The estimated useful life, the residual value and the depreciation method are reviewed at the end of each year, and the effect of any change in the estimation is recorded on a prospective basis.

Depreciation rates of hotel properties, furniture and operating equipment as of December 31st, 2023, 2022 and 2021:

	%
Finished building	10
Building improvements	10
Building components	7
Civil construction building	1
Furniture and equipment	10

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss

k. **Impairment in the value of long-lived assets**

At the end of each reporting period, FibraHotel reviews the carrying values of its long-lived assets to determine whether there is any indication that such assets have suffered a loss from impairment. If there is any such indication, the recoverable amount of the asset is calculated to determine the amount of the loss from impairment (if any). When it is not possible to estimate the recoverable amount of an individual asset, FibraHotel estimates the recoverable amount of the cash-generating unit to which such asset belongs. When a reasonable and consistent distribution basis can be identified corporate assets are also assigned to the individual cash generating units; otherwise, they are assigned to the smallest group of cash generating units for which a reasonable and consistent distribution basis can be identified

The recoverable amount is the higher of the fair value less the cost to sell the asset and its value in use. When evaluating the value in use, the estimated future cash flows related to the asset are discounted at present value using a discount rate before taxes which reflects the current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If it is estimated that the recoverable amount of an asset (or cash-generating unit) is lower than its carrying value, the carrying value of the asset (or cash-generating unit) is reduced to its recoverable amount. Losses from impairment are recognized immediately in the statement of income.

When a loss from impairment is reversed, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the adjustment carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of income.

l. **Investment property**

Investment properties are properties held to earn rentals and/or for capital appreciation. The properties that are under construction or development and that are intended to be used for leasing can qualify as investment properties.

Acquired investment properties and improvements to leased premises are recorded at acquisition cost, including transaction costs related to the acquisition of assets. Investment properties acquired in exchange for equity instruments are valued at their fair value, as detailed below. Subsequent to the initial recognition, the investment properties are valued at their fair value. The fair values are determined by the FibraHotel Administration considering the discounted future cash flow method and considering the following:

- (i) At least once in each 12-month period from the acquisition of the investment properties and
- (ii) When a factor that may affect the value of the investment property is detected.

The gains and losses on fair value are recorded in the "adjustments to fair value of investment properties" account in the consolidated statements of comprehensive income, in the period they are incurred.

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

When FibraHotel has a property under an operating lease to obtain rental income or to obtain capital gains, or both, it is classified and accounted for as investment property.

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

Any gain or loss arising upon derecognizing the property (calculated as the difference between the net income and the book value of the investment property) is included in the consolidated statement of comprehensive income in the period in which the property is derecognized, if applicable.

m. **Employee benefits**

Employee benefits due to termination

Employee benefits or termination are recorded in the results of the year in which they are incurred.

Short-term and other long-term employee benefits and statutory employee profit sharing ("PTU")

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by FibraHotel in respect of services provided by employees up to the reporting date.

Statutory employee profit sharing ("PTU")

PTU is recorded in the results of the year in which it is incurred and is presented in administrative expenses line item in the consolidated statement of profit (loss) and other comprehensive income.

As result of the recent changes to the Income Tax Law and the Labor Law, PTU is determined based on taxable income, according to Section I of Article 9 of the that Law and the Article 127 of the Labor Law.

n. **Income taxes**

As discussed in Note 1, Trust is classified as and intends to maintain its classification as a FIBRA for income tax purposes; accordingly, it does not recognize a provision for income taxes, except for its subsidiary Fibra Hotelera, S. C., which is subject to the payment of regular Income Tax ("ISR"). See Note 12.

o. **Provisions**

Provisions are recognized when FibraHotel has a present obligation (legal or implied) as a result of a past event, it is probable that FibraHotel will be required to liquidate the obligation and it can be reliably estimate that the amount of the obligation.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation, at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

p. **Leases**

- *FibraHotel as lessor*

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

- *FibraHotel as lessee*

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

The lease liability is initially measured at the present value of the rent payments that are not paid on the start date, discounted by the rate implicit in the contract. If this rate cannot be easily determined, FibraHotel 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 lease incentives received;
- Variable income payments that depend on an index or rate, initially measured using the index or rate on the start date;
- The expected amount 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 by the lease liability (using the effective interest method) and reducing the book value to reflect the rental payments made.

FibraHotel revalues the lease liability (and makes the corresponding adjustment to the asset for related use rights) whenever:

- 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 rental payments using an updated discount rate.
- The rent payments are modified as a consequence of changes in indexes or rate or a change in the expected payment under a guaranteed residual value, in which cases the lease liability is revalued 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 modification of the lease 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 updated rental payments using a discount rate updated to the effective date of the modification.

FibraHotel did not make any of the adjustments mentioned in the periods presented.

Assets for rights of use consist of the initial measurement of the corresponding lease liability, the rent payments made on or before the commencement date, less any lease incentives received and any direct initial cost. Subsequent valuation is cost less accumulated depreciation and impairment losses.

If FibraHotel incurs an obligation arising from costs to dismantle and remove a leased asset, restore the bond in which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision measured in accordance with the IAS 37. To the extent that costs are related to an asset for rights of use, costs are included in the asset for rights of related use, unless such costs are incurred to generate inventories.

Right-of-use assets 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 use rights reflects that FibraHotel plans to exercise a purchase option, the asset for use rights will be depreciated over the useful life. Depreciation begins on the start date of the lease.

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

FibraHotel applies IAS 36 to determine if an asset for use rights is impaired and accounts for any impairment loss identified as described in the 'Hotel properties, furniture and operating equipment' policy.

Variable income leases that do not depend on an index or rate are not included in the measurement of the lease liability and the asset for use rights. 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 non-lease components to be separated and instead to account for any leases and their associated non-lease components as a single agreement. FibraHotel has not used this practical file. For contracts that contain lease components and one or more additional lease or non-lease components, FibraHotel assigns the consideration of the contract to each lease component under the method of relative sale price independent of the lease component and relative sale price independent aggregate for all non-lease component.

q. **Foreign currency transactions**

Transactions performed in foreign currency are recorded at the exchange rate in effect on the date each transaction took place. Monetary assets and liabilities denominated in foreign currency are valued in Mexican pesos at the exchange rate in effect at the date of the financial statements. Exchange rate fluctuations are recorded in the statement of income.

r. **Financial derivative instruments**

FibraHotel enters into derivative financial instruments to manage its exposure to volatility in interest rates. Further details of derivative financial instruments are disclosed in Note 13 f).

Derivatives are initially recognized at fair value at the date the derivative contracts are signed and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset, while a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements unless FibraHotel has both the legal right and the intention to compensate. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

s. **Hedge accounting**

FibraHotel designates certain hedging instruments, which include cash flows hedge derivatives.

At the inception of the hedge relationship, FibraHotel documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, FibraHotel documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges are recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss and is included in the 'other gains and losses' line item.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if FibraHotel expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

FibraHotel discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The suspension is accounted prospectively. Any gain or loss recognized in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in cash flow hedge reserve is reclassified immediately to profit or loss.

Note 13f includes major details about the fair value of the derivative instruments used for hedging purposes.

t. **Employee CBFi compensation plan**

Employee CBFi compensation plan

CBFi-based payment transactions payable through equity instruments to executives that provide services to FibraHotel, are valued at the fair value of the equity instruments at the date they are granted. The details related to the determination of the fair value of CBFi-based payment transactions are presented in Note 16.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on FibraHotel's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, FibraHotel revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity settled employee benefits reserve.

Equity-settled CBFi-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled CBFi-based payments, a liability is recognized for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, any changes in fair value are recognized in profit or loss or the year.

u. **Revenue Recognition**

FibraHotel recognizes income as follows:

- i. Revenue from room rents, multipurpose ballrooms and other income from services are recognized as a performance obligation that is satisfied over time. Payments for the rental of rooms are settled, in most cases, by the guests when the services are complete, therefore, an asset is recognized in the period in which the services are rendered, representing the right of FibraHotel to recognize income when the performance obligation is completed.
- ii. Revenues related to food and beverages, and other income that involves the delivery of a product are made in the different consumption centers of the hotels and are recognized when the control of goods has been transmitted, this being when the guest receives the products.
- iii. FibraHotel's policy for the revenue recognition from operating leases is described in Note 3 p.

v. **Classification of costs and expenses**

The costs and expenses presented in the consolidated statement of comprehensive income were classified on their nature and function.

w. **Statement of cash flows**

FibraHotel presents its statement of cash flows using the indirect method. Interest received is classified as an investing cash flow; interest paid, distributions and dividends are classified as cash flows from financing activities.

x. **Net income per CBFIs**

It is determined by dividing the consolidated profit by the weighted average number of CBFIs in circulation during the period. The net income for CBFIs with economic rights is determined as of December 31st, 2023, 2022 and 2021 by subtracting from the total CBFIs issued, the CBFIs in treasury, the CBFIs canceled and the CBFIs of the repurchase fund (see Note 16).

	2023	2022	2021
CBFIs issued:	833,947,220	833,947,220	833,947,220
Less -			
CBFIs in treasury	(3,902,881)	(4,443,657)	(4,443,657)
CBFIs canceled	(43,680,119)	(43,680,119)	(41,353,714)
CBFIs repurchase fund	-	-	(2,326,405)
CBFIs with economic rights	<u>786,364,220</u>	<u>785,823,444</u>	<u>785,823,444</u>

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the FibraHotel's accounting policies, which are described in Note 3, the FibraHotel's Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recorded in the consolidated financial statements. 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**

Below are the critical judgements, apart from those estimates, made by FibraHotel's management during the application of FibraHotel's accounting policies.

Business combinations

Management uses its professional judgment to determine whether the acquisition of a property or portfolio of properties represents a business combination or an asset acquisition. Management specifically considers the following criteria:

- i. Number of properties (land and building) acquired.
- ii. The extent to which significant processes are acquired and in particular the extent of ancillary services provided by the acquiree (e.g., maintenance, cleaning, security, bookkeeping, other property services, etc.).
- iii. Whether the acquiree has allocated its own staff to manage the property and/or to deploy any processes (including all relevant administration such as invoicing, cash collection, provision of management information to the entity's owners and tenant information).
- iv. Carry out the test to identify the concentration.
- v. Analyze the conditions of a substantive process.

This determination can have a significant effect on the manner in which acquired assets and liabilities are recognized in financial information, both as of the acquisition date and subsequently. Transactions that occurred during the periods presented in the accompanying consolidated financial statements are determined to be asset acquisitions.

Hotel classification (investment property/asset)

Investment properties are held to earn rentals, for capital gains, or both. Therefore, an investment property generates cash flows by entering into lease agreements, independently of other assets owned by FibraHotel. This distinguishes investment property from owner-occupied property.

FibraHotel owns the property and manages, through an operating hotel entity, the services provided to hotel customers through the execution of operating contracts and the services provided to guests are significant, it is not classified as an investment property but owned by Fibra Hotel. A hotel managed by or on behalf of the owner is an operating property, rather than an investment property.

It can be difficult to determine whether the services provided are significant enough that a property does not qualify as investment property. For example, the owner of a hotel sometimes transfers some responsibilities to third parties under an operating agreement. The owner's position could be, in essence, a passive investor or the owner may simply have outsourced day-to-day functions while retaining significant exposure to variations in cash flows from the hotel operations.

Management uses its professional judgment to classify the contributed and acquired hotels as hotel property, plant and equipment, given that each hotel is used in its normal course of business and is, therefore, not considered as an investment property.

Lease classification

As explained in Note 3 p), leases are classified based on the extent to which the risks and benefits inherent in the ownership of the property under the contract lie with FibraHotel or the tenant, depending on the substance of the transaction, more than the form of contracts. FibraHotel has determined, based on an evaluation of the terms and conditions of the agreements, that it maintains substantially all the significant risks and benefits inherent in the ownership of these assets and, therefore, classifies them as operating leases.

Capitalization of borrowing costs

FibraHotel capitalizes the borrowing costs directly to the construction of qualifying assets.

b. **Key sources of estimation uncertainty**

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period.

Estimated useful and residual lives of fixed assets

On a limited basis, FibraHotel has recognized some allowances for doubtful accounts due to the fact that there has been a significant change in the credit quality of a client and the amounts are not considered recoverable. FibraHotel does not maintain any collateral or other credit enhancements on these balances, nor does it have the legal right to offset them against any amount owed by FibraHotel to the counterparty.

Allowance for doubtful accounts

On a limited basis, FibraHotel has recognized some allowances for uncollectible accounts due to the fact that there has been a significant change in the credit quality of a client and the amounts are not considered recoverable. FibraHotel does not maintain any collateral or other credit enhancements on these balances, nor does it have the legal right to offset them against any amount owed by FibraHotel to the counterparty.

Fair value measurements and valuation processes

Some of the assets and liabilities of FibraHotel are measured at fair value in the consolidated financial statements.

In estimating the fair value of an asset or a liability, FibraHotel uses observable market data when they are available. When level 1 data are not available, FibraHotel hires a qualified appraiser to conduct an independent valuation. Management works closely with the independent qualified appraiser to establish the valuation techniques and appropriate input data for the model.

Information about the valuation techniques and inputs used in determining the fair value of individual assets and liabilities are disclosed in Note 13.

Impairment in hotel properties

The carrying amount of investment properties is reviewed for impairment in case of situations or changes in circumstances indicating that the carrying amount may not be recoverable. If there are signs of impairment, a review is carried out to determine whether the carrying value exceeds its recovery value and is impaired. When conducting the impairment tests, FibraHotel used the methodology of future cash flows discounted in the value in use assigned to the cash-generating units. Value-in-use calculations require FibraHotel to determine future cash flows that should arise from cash-generating units and an appropriate discount rate to calculate the current value (see Note 7).

5. Cash, cash equivalents and restricted cash

	2023	2022	2021
Cash and bank deposits	\$ 487,606	\$ 377,202	\$ 389,003
Cash equivalents and restricted cash:			
Capital expenditure reserve fund (i)	120,870	124,034	96,614
	<u>\$ 608,476</u>	<u>\$ 501,236</u>	<u>\$ 485,617</u>

Restricted cash

- (i) Represents amounts held in the capital expenditure reserve fund, which are restricted for the purpose of funding repairs, major replacements and other related capital expenditures. Up to 5% of revenues from the hotels is deposited in this fund. As in the case of cash equivalents, this restricted cash is invested in government securities.

6. Trade accounts receivable and other accounts receivables

	2023	2022	2021
Clients	\$ 128,093	\$ 145,955	\$ 116,679
Travel agencies	55,692	51,803	50,636
Credit cards	42,120	32,303	21,933
Other	57,897	64,129	13,851
	<u>283,802</u>	<u>294,190</u>	<u>203,099</u>
Lease receivables from:			
Posadas	1,461	26,694	18,475
	<u>\$ 285,263</u>	<u>\$ 320,884</u>	<u>\$ 221,574</u>

Accounts receivable aging

FibraHotel currently has monthly collection levels that reflect its monthly billing; similarly, commercial and negotiating practices allow it to keep the majority of accounts receivable aging at less than 90 days. The accounts receivable subject to legal proceedings are immaterial, for which reason they do not merit the creation of an allowance for doubtful accounts.

	2023	2022	2021
60-90 days	\$ 10,085	\$ 13,036	\$ 6,260
More than 90-120 days	56,535	50,061	11,501
Total	\$ 66,620	\$ 63,097	\$ 17,761
Average aging (days)	21	21	38

7. Hotel properties, furniture and operating equipment

	2023	2022	2021
Land	\$ 2,047,386	\$ 2,047,386	\$ 2,047,386
Building	11,022,079	10,879,787	10,823,195
Hotel furniture and operating equipment	3,233,649	3,050,656	2,853,223
	16,303,114	15,977,829	15,723,804
Less - Accumulated depreciation	(4,084,630)	(3,597,323)	(3,092,722)
	\$ 12,218,484	\$ 12,380,506	\$ 12,631,082

Cost	Land	Building	Hotel furniture and operating equipment	Total
Balances as of December 31 st , 2020	\$ 1,909,172	\$ 9,990,470	\$ 2,924,638	\$ 14,824,280
Acquisitions	47,962	97,010	145,578	290,550
Transfer of properties under invest	90,252	760,667	(215,400)	635,519
Impairment	-	(24,952)	-	(24,952)
Decreases	-	-	(1,593)	(1,593)
Balances as December 31 st , 2021	2,047,386	10,823,195	2,853,223	15,723,804
Acquisitions	-	69,987	202,130	272,117
Impairment	-	(13,395)	-	(13,395)
Decreases	-	-	(4,697)	(4,697)
Balances as December 31 st , 2022	2,047,386	10,879,787	3,050,656	15,977,829
Acquisitions	-	147,954	202,801	350,755
Decreases	-	(5,662)	(19,808)	(25,470)
Balances as December 31 st , 2022	\$ 2,047,386	\$ 11,022,079	\$ 3,233,649	\$ 16,303,114

Accumulated depreciation	Building	Hotel furniture and operating equipment	Total
Balances as of December 31 st , 2020	\$ 1,187,031	\$ 1,356,614	\$ 2,543,645
Decreases for depreciation	-	(2,655)	(2,655)
Depreciation expense	309,630	242,102	551,732
Balances as of December 31 st , 2021	1,496,661	1,596,061	3,092,722
Decreases for depreciation	-	(4,179)	(4,179)
Depreciation expense	280,150	228,630	508,780
Balances as of December 31 st , 2022	1,776,811	1,820,512	3,597,323
Decreases for depreciation	(2,669)	(15,910)	(18,579)
Depreciation expense	283,484	222,402	505,886
Balances as of December 31 st , 2023	\$ 2,057,626	\$ 2,027,004	\$ 4,084,630

As of December 31st, 2023, some FibraHotel properties are granted as collateral for the lines of credit described in Note 12, whose approximate book value is \$2,702 million pesos.

FibraHotel has identified that the cash-generating units are each of its hotels and, therefore, reviewed their recoverable amount. This review led to the recognition of an impairment loss by:

The review that was carried out as of December 31st, 2023 did not lead to the recognition of an impairment loss.

For previous years, this review led to the recognition of an impairment loss when:

- December 31st, 2022, for \$13,395, corresponding to the One Puebla and Fairfield Inn Iilahermosa hotels.
- December 31st, 2021, for \$24,952, corresponding to the One Coatzacoalcos, One Puebla, Fiesta Inn Hermosillo and Fiesta Inn Perinorte hotels.

The amounts were presented under the heading “Impairment of hotel properties” within the consolidated statement of income and other comprehensive income.

As of December 31st, 2023, the León Select Service hotel remains closed. As of December 31st, 2021, the decision was made to accelerate the depreciation of the select-service hotels in Ciudad Obregón and León, leaving only the value of the land at \$111 million, which was determined by an independent appraiser. These adjustments represented a change in the net book value of \$48 million pesos.

8. Properties under development

	2023	2022	2021
Projects with developer	\$ 92,923	\$ 92,923	\$ 92,923
Others	75,531	49,744	4,818
	<u>\$ 168,454</u>	<u>\$ 142,667</u>	<u>\$ 97,741</u>

9. Investment properties

	2023	2022	2021
Fair value of the investment properties	<u>\$ 4,096,000</u>	<u>\$ 4,081,000</u>	<u>\$ 3,507,324</u>
Balances as of the beginning of the year	\$ 4,081,000	\$ 3,507,324	\$ 3,806,192
Additions	37,146	67,726	67,337
Decreases	-	-	(40)
Adjustment to the fair value of the investment properties	(22,146)	505,950	269,355
Transfer of properties, furniture and equipment of hotel ⁽¹⁾	-	-	(635,520)
Balances as of the end of the year	<u>\$ 4,096,000</u>	<u>\$ 4,081,000</u>	<u>\$ 3,507,324</u>

The fair value of the Fiesta Americana Condesa Cancún hotel as of December 31st, 2023 and 2022 (the only property registered as an Investment Property) was carried out by the consulting firm HVS, specialized in the hotel sector. HVS used the discounted future fl w methodology; The projected cash fl w calculation that HVS considered was 10 years out. To estimate the exit value of the investments, FibrHotel took a Cap rate of 8.5% for the last projected year of each of the investments, subsequently, and applied a discount factor to said fl w in order to bring the current value to the present value. exit value of investments. The discount rate that FibrHotel applied was under the Weighted Average Cost of Capital (“CCPP” or “WACC”) methodology. The fair value valuation hierarchy is Level 3.

The fair value of the investment properties as of December 31st, 2021 was determined by FibrHotel based on the discounted future fl w methodology; The calculation of the projected cash fl w that FibrHotel considered was 9 years. To estimate the exit value of the investments, FibrHotel took a Cap rate for the last projected year of each of the investments, subsequently, it subtracted the considered transaction cost of 2.5% for all investments and finally, from said fl w applied a discount factor in order to bring the exit value of the investments to present value. The discount rate that FibrHotel applied was under the Weighted Average Cost of Capital (“CCPP” or “WACC”) methodology. The fair value valuation hierarchy is Level 3.

The estimation of the fair value of the properties is considered the greatest and best use of the properties is their current use.

(1) Transfer of the the Fiesta Inn Perisur and the Yucatán Resort Playa del Carmen hotels in 2021. See Note 1 – Relevant events.

10. Investment in Joint Business

In June 2023, through the execution of Trust F/5271, it signed a 50-50 association agreement (joint venture) with Fibr Danhos for the development of a luxury resort hotel of a recognized brand, in a of the most exclusive locations on the Yucatan Peninsula. To date, the land and development rights for this iconic hotel project have been acquired.

- a) The Trust maintains the following investment participation in a joint business:

Entity	% Participation 2023	As of December 31 st , 2023
Fideicomiso Irrevocable de Administración con derecho de reversión Número F/5271	50%	\$ 219,022

- b) The investment includes the participation method as detailed below:

Entity	% Participation 2023	As of December 31 st , 2023
Fideicomiso Irrevocable de Administración con derecho de reversión Número F/5271 (loss)	50%	\$ 2,511

11. Suppliers and accrued expenses

	2023	2022	2021
Suppliers	\$ 279,754	\$ 304,541	\$ 217,631
Accrued expenses	66,060	75,439	81,335
Other accounts payable	85,516	55,015	43,522
	<u>\$ 431,330</u>	<u>\$ 434,995</u>	<u>\$ 342,488</u>

12. Debt

- Long-term debt is as follows:

	2023	2022	2021
Line of credit in Mexican pesos with a long-term mortgage guarantee with BBVA at a 28-day TIIE rate plus 1.50 percentage points, maturing in October 2027	\$ 643,550	\$ 726,550	\$ 734,850
Line of credit in Mexican pesos with a long-term mortgage guarantee with BBVA at a 28-day TIIE rate plus 1.60 percentage points, maturing from July 2022 to July 2023 ⁽³⁾	-	156,339	196,326
Line of credit in Mexican pesos with a long-term mortgage guarantee with Banorte at a 91-day TIIE rate plus 2.00 percentage points, maturing in June 2028.	417,557	459,770	964,855
Line of credit in Mexican pesos with a long-term mortgage guarantee with Banorte. At a 91-day TIIE rate plus 2.60 percentage points (1.99 percentage points as of July 2022) maturing in June 2030.	-	-	250,000
Line of credit in US dollars with a long-term mortgage guarantee with Banorte. At a 91-day SOFR rate plus 2.50 percentage points maturing in June 2028	381,960	476,500	-

	2023	2022	2021
Line of credit in US dollars with a long-term mortgage guarantee with BBVA at a 91-day SOFR rate plus 1.80 percentage points, maturing in August 2024 ⁽³⁾	136,679	195,370	227,952
Revolving credit with Sabcapital S. A. de C.V. SOFOM ER, maturing in May 2024	-	-	130,000
Line of credit in US dollars with long-term mortgage guarantee with Scotiabank at a 91-day SOFR rate plus 1.80 percentage points, with maturities in October 2028	324,061	-	-
	1,903,807	2,014,529	2,503,983
Less - Current portion of long-term debt	(388,049)	(351,312)	(96,160)
Long-Term debt	<u>\$ 1,515,758</u>	<u>\$ 1,663,217</u>	<u>\$ 2,407,823</u>

In June 2021, FibraHotel signed a modification agreement on the BBVA 2 credit line, agreeing to the following:

- Reduce amortizations for the years 2022 and 2023 by \$177 million pesos in 2022; \$44 million pesos in 2023 and extend the maturity of the loan to 2024.
- Consider the surcharge of 185 basis points over TIIE for the portion in pesos (\$253 million) and 220 basis points over SOFR for the portion in dollars (USD 13 million).
- A sustainable KPI was integrated with a commitment to reduce energy intensity per occupied room by 1% vs. budget for a portfolio of selected hotels, which will generate a benefit of 5 basis points to obtain FibraHotel's first green credit.

BBVA

Main obligations to do:

- Maintain, during the term of the contract, a ratio of current assets to short-term liabilities of no less than 1.2x.
- Maintain, during the term of the contract, a ratio of total liabilities to stockholders' equity no greater than 1.0x.
- Maintain, during the term of the contract, a relationship of operating profit (results before financial expenses, taxes, depreciation and amortization), in a semiannual period, between the sum of capital and interest corresponding to the same reference period of the contracted financing not less than 1.3x.
- Maintain a ratio of net debt to operating income (profit before financial expenses, taxes, depreciation and amortization) no greater than 4.0x.

Waivers 2023

- Do not consider failure to achieve an index less than 1.2x as non-compliance.
- Contracting of interest rate coverage until the end of December 2023

Waivers 2022

- Do not consider failure to reach an index less than 1.2x as non-compliance.
- Do not consider a debt service coverage ratio of no less than 1.3x as non-compliance.
- Do not consider having a net debt/EBITDA ratio greater than 4.0x as inflammation

Waivers 2021

- Compliance with the liquidity, interest coverage, and debt/EBITDA ratios, for the quarters ending in the months of June, September and December 2021, contained in the eleventh clause of the contract, relating to special obligations.
- Compliance with the liquidity, interest coverage, and debt/EBITDA ratios, until the end of December 2022, contained in the eleventh clause of the contract, relating to special obligations.

Banorte

Main obligations to do:

- Maintain a debt service coverage ratio greater than 1.20x during the term of the contract.
- Maintain a leverage ratio less than or equal to 40% during the term of the contract.

Waivers agreed in 2023

- Be able to comply with financial ratios until the end of 2023.
- The contracting of derivative instruments that cover 70% of the credit until maturity within a period of 18 months after the date of signing the contract.

Waivers agreed in 2022

- Be able to comply with financial ratios until the end of 2023.

Agreed waivers in 2021

- Do not consider failure to cover 100% of the credit with a derivative instrument after 18 months as non-compliance.
- Be able to comply with financial ratios until the end of the first half of 2022.
- Comply with financial ratios until the end of the second half of 2022.

Scotiabank

Main obligations to do:

- Maintain, during the term of the contract, a debt service coverage ratio greater than 1.20x
- Maintain a leverage ratio less than or equal to 50% during the term of the contract.

a. Long-term financial debt

During 2019, the FibraHotel issued a bond for \$2,500 million pesos at a fixed rate of 8.83%:

	2023	2022	2021
Long-term debt at a fixed rate of 8.83%. Long-term Stock Debt at a fixed rate of 8.83%. The loan has a linear capital amortization scheme in the years 2027, 2028 and 2029, the debt matures in September 2029.	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Less - Bond issuance expenses	(13,420)	(15,755)	(18,089)
	<u>\$ 2,486,580</u>	<u>\$ 2,484,245</u>	<u>\$ 2,481,911</u>

The debt includes certain clauses that limit FibraHotel to its total unpaid debt level, debt service coverage ratio, total unencumbered assets and guaranteed debt. For the year ended December 31st, 2023, 2022 and 2021, these restrictions were met.

On February 3rd, 2021, FibraHotel held a FIH019 bond Holders' Meeting. The Assembly had a quorum of 90% and all the items on the agenda were approved, including:

- Grant a waiver for the year 2021 with respect to a clause that limited the contracting of additional debt if the debt service coverage ratio is less than 1.5x. With this waiver, during 2022 FibraHotel may contract additional debt for an amount of up to \$500 million pesos.

The insertion of a new clause indicating that FibraHotel may contract additional debt to refinance existing debt, in order to improve the terms and conditions of the debt, even when the debt service coverage index is lower than 1.5x.

1. Maturities of long-term debt:

Year	Maturities
2024	\$ 388,049
2025	314,515
2026	337,015
2027	1,211,158
More than 5 years	2,153,070
	<u>\$ 4,403,807</u>

2. Reconciliation of obligations arising from financing activities:

	01/01/2023	Cash flow financing	Financing paid	Interest	Interest paid	Other expense	31/12/2023
Debt	\$ 2,040,051	\$ 596,515	\$ (601,433)	\$ 213,714	\$ (206,354)	\$ (105,801)	\$ 1,936,692
Public market debt	<u>2,545,565</u>	<u>-</u>	<u>-</u>	<u>223,817</u>	<u>(223,203)</u>	<u>2,334</u>	<u>2,548,513</u>
	<u>\$ 4,585,616</u>	<u>\$ 596,515</u>	<u>\$ (601,433)</u>	<u>\$ 437,531</u>	<u>\$ (429,557)</u>	<u>\$ (103,467)</u>	<u>\$ 4,485,205</u>

13. Income taxes

In order to maintain its status as a FIBRA, per requirements of SAT, in conformity with Articles 187 and 188 of the Income Tax Law (LISR), FibraHotel must annually distribute at least 95% of its taxable income to the holders of the CBFIs.

Fibra Hotelera, S. C. is subject to income tax ("ISR" for its acronyms in Spanish), the rate of current income is 30%.

1. Income taxes expense are as follows:

	2023	2022	2021
ISR:			
Current tax	\$ 14,646	\$ -	\$ -
Deferred tax	<u>(7,323)</u>	<u>(2,155)</u>	<u>(1,308)</u>
	<u>\$ 7,323</u>	<u>\$ (2,155)</u>	<u>\$ (1,308)</u>

2. As of December 31st, 2023, 2022 and 2021 the deferred income tax asset is composed solely of temporary differences resulting from accrued expenses of \$12,079, \$15,793, and \$8,139, respectively.

14. Financial Instruments

- a. *Equity management*

FibraHotel manages its equity to ensure its ability to continue as a going concern, while maximizing the net worth of its trustors and distributions to the trustors by optimizing its use of debt and equity. FibraHotel's 2023 overall strategy remains unchanged from 2022 and 2021.

The equity of FibraHotel is primarily composed by the net worth of its trustors. Equity management objectives include ensuring the availability of operating funds to maintain the consistency and sustainability of distributions paid to trustors, while funding the required capital expenditure requirements and providing the resources needed to acquire and develop new properties.

FibraHotel can acquire hotels subject to existing financial mortgages or other encumbrances; similarly, it can acquire new debt or refinance existing debt to acquire hotels, albeit subject to compliance with leverage policies. Under certain circumstances, it could have the obligation to pay distributions in excess of the cash available for this purpose; if necessary, it can utilize the resources generated by organizing future debt and equity offerings, selling assets or obtaining loans to make certain distributions. The debt service related to this financing or indebtedness takes priority over any distributions related to the CBFIs.

- *Leverage level*

The leverage level as of December 31st, is as follows:

	2023	2022	2021
Deuda ⁽¹⁾	\$ 4,390,386	\$ 4,498,774	\$ 4,985,894
Activos totales	17,665,513	17,479,017	16,975,236
Índice de deuda neta a activos totales	24.9%	25.7%	29.4%

(1) Debt is defined as long and short- term loans plus interest (excluding derivatives), as described in Note 12.

- *Debt service coverage ratio*

As of December 31st, 2023, FibraHotel's debt service coverage ratio is 1.71, considering a period of four quarters, the metrics for its calculation are the following:

· Commitments:

- Debt service: \$809 million pesos.
- Estimated capital expenditures (maintenance capex): \$307 million pesos.

· Available resources:

- Cash and cash equivalents (excluding restricted cash): \$488 million Mexican pesos.
- Recoverable VAT: \$23 million Mexican pesos.
- Estimated operating profit after paying the distribution (including depreciation and financial revenues): \$1,243 million Mexican pesos.
- Available credit lines: \$300 million Mexican pesos.

b. **Categories of financial instruments**

	2023	2022	2021
Financial assets:			
Cash, cash equivalents and restricted cash	\$ 608,476	\$ 501,236	\$ 485,617
Trade accounts receivable and other accounts receivable	285,263	320,884	221,574
Derivative financial instrument	-	-	-
Financial liabilities:			
Debt	\$ 4,390,386	\$ 4,498,774	\$ 4,985,894
Suppliers	279,754	304,541	217,631
Account payable to Administradora Fibra Hotelera Mexicana, S.A. de C.V. - related party	43,316	40,393	157,140
Interest payable	94,814	86,842	60,784

c. **Financial risk management objectives**

Financial risk management is intended to manage financial expectations, while generating results of operations and cash flows to improve the financial position of FibraHotel and ensure its ability to make distributions to the holders of the CBFIs and fulfill any future debt obligations.

The Technical Committee of FibraHotel is responsible for advising and instructing the trustee with regard to the sale or cancellation of the CBFIs, analyzing and improving potential investments, sales and acquisitions, providing business services, coordinating access to national financial markets, as well as monitoring and managing the financial risks derived from the operations of FibraHotel through internal risk reports which provide an analysis of the level and magnitude of FibraHotel's risk exposure. These risks include the market risk (including exchange rate and interest rate risks), credit risk and liquidity risk.

d. **Market risk**

The activities of FibraHotel expose it mainly to financial risks of interest rate changes. FibraHotel subscribes a variety of financial derivatives to handle this exposure the risk of interest rate increases.

Exposures to market risk are valued using the Value at Risk (VaR), supplemented by a sensitivity analysis.

There have been no changes in the exposure of FibraHotel to market risks or the way in which these risks are managed and valued.

e. **Foreign currency risk management**

As FibraHotel performs transactions denominated in U.S. dollars ("U.S. dollar"), it is exposed to exchange rate fluctuations involving the Mexican peso and the U.S. dollar.

i. As of December 31st, the foreign currency monetary position is as follows:

	2023	2022	2021
Thousands of U.S. dollars:			
Monetary assets	6,497	2,770	6,848
Monetary liabilities	(46,021)	(32,323)	(11,615)
Long position	(39,524)	(29,553)	(4,767)
Equivalent in Mexican pesos	\$ (667,707)	\$ (572,190)	\$ (97,798)

ii. Mexican peso exchange rates in effect at the date of the consolidated statement of financial position and at the date of issuance of these consolidated financial statements were as follows:

	December 31 st , 2023	December 31 st , 2022	December 31 st , 2021	March 31 st , 2024
US dollar	\$ 16.8935	\$ 19.3615	\$ 20.5157	\$ 16.6780

- Foreign currency sensitivity analysis

Management considers that its exchange rate risk is not significant, given the amount of its long position in U.S. dollars.

If the exchange rate had increased or decreased by \$1 peso per U.S. dollar and all other variables had remained constant, the result of the year and net worth of FibraHotel for the year ended December 31st, 2023, 2022 and 2021 would have decreased by approximately (\$39,524), (\$29,552), and (\$4,767), respectively.

f. **Interest rate risk management - Derivative financial instrument**

FibraHotel is exposed to interest rate risk because it borrows funds at floating interest rates. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

- *Interest rate sensitivity analysis - Derivative financial instruments*

The following sensitivity analyses have been determined based on the exposure to interest rates for both the derivatives and non-derivatives at the end of the reporting period. For variable rate liabilities, an analysis is prepared by assuming that the amount of the liability in effect at the end of the reporting period has been the liability in effect for the entire year. A sensitivity analysis was performed, taking into account the following interest rate scenarios (28- and 91-day TIIE): +100 basis points, +25 basis points, -25 basis points, -100 basis points, the results of these effects as of December 31st, 2023 are as follow:

Scenarios	TIIE		Libor	Impact
	28-day TIIE	91-day TIIE		
100 basis points fewer	10.5035	10.4750	4.2328%	(14,213)
25 basis points fewer	11.2535	11.2250	4.9828%	(3,553)
As of December 31 st , 2023	11.5035	11.4750	5.2328%	-
Plus 25 basis points	11.7535	11.7250	5.4828%	3,553
Plus 100 basis points	12.5035	12.4750	6.2328%	14,213

g. **Credit risk management**

Credit risk refers to the situation in which counterparty defaults on its contractual obligations, thereby generating a financial loss for FibraHotel. Virtually all the revenues generated by FibraHotel are derived from the provision of hotel services. Consequently, its performance depends on its ability to collect revenues from hotel services from guests, as well as the capacity of the latter to make the required payments. FibraHotel's income and funds available for distribution would be adversely affected if a significant number of guests or its main leaseholders defaulted on their rental payments, closed their businesses or filed bankruptcy proceedings.

Credit risk is generated by the balances of cash and cash equivalents, trade accounts receivable, other receivables and financial instruments. The maximum risk exposure is included in the consolidated statement of financial position

h. **Liquidity risk management**

Liquidity risk represents the risk whereby FibraHotel faces certain difficulties when fulfilling obligations associated with financial liabilities which must be settled in cash or through the delivery of another financial asset. As FibraHotel is responsible for liquidity risk management, it has established a suitable liquidity risk management structure to manage its short, medium and long-term financing while satisfying liquidity management requirements. FibraHotel manages its liquidity risk by maintaining adequate reserves, monitoring projected and actual revenue cash flows and reconciling the maturity profiles of financial assets and liabilities. The Treasury department monitors liability maturities to program the respective payments.

The following table details the remaining contractual maturities of FibraHotel for its financial liabilities with reimbursement periods established. The table has been designed based on the undiscounted projected cash flows of the financial liabilities based on the date that FibraHotel must generate/obtain the resources. The table includes the projected interest cash flows, taking into account the debt as of December 31st each year, as well as capital disbursements from the financial debt included in the statement of financial position. The variable interest rate financial debt is subject to change; if the changes in variable interest rates differ from those interest rate estimates determined at the end of the reporting period, the values below will differ:

	Less than 1 year	1 and 3 years	3 + years	Total
As of December 31 st , 2023				
Debt	\$ 388,049	\$ 1,862,688	\$ 2,139,649	\$ 4,390,386
Interest payable	94,814	-	-	94,814
Suppliers and accrued expenses	431,330	-	-	431,330
Account payable to				
Administradora Fibra Hotelera Mexicana, S.A. de C.V.	43,316	-	-	43,316
Projected interest of debt, net of derivative financial instrument.	<u>382,937</u>	<u>898,952</u>	<u>179,204</u>	<u>1,461,093</u>
Total	<u>\$ 1,340,446</u>	<u>\$ 2,761,640</u>	<u>\$ 2,318,853</u>	<u>\$ 6,420,939</u>

	Less than 1 year	1 and 3 years	3 + years	Total
As of December 31 st , 2022				
Debt	\$ 351,312	\$ 1,036,589	\$ 3,110,873	\$ 4,498,774
Interest payable	86,842	-	-	86,842
Suppliers and accrued expenses	434,995	-	-	434,995
Account payable to				
Administradora Fibra Hotelera Mexicana, S.A. de C.V.	40,393	-	-	40,393
Projected interest of debt, net of derivative financial instrument.	<u>419,005</u>	<u>1,038,336</u>	<u>427,041</u>	<u>1,884,382</u>
Total	<u>\$ 1,332,547</u>	<u>\$ 2,074,925</u>	<u>\$ 3,537,914</u>	<u>\$ 6,945,386</u>

	Less than 1 year	1 and 3 years	3 + years	Total
As of December 31 st , 2021				
Debt	\$ 96,160	\$ 1,248,167	\$ 3,641,567	\$ 4,985,894
Interest payable	60,784	-	-	60,784
Suppliers and accrued expenses	342,488	-	-	342,488
Account payable to				
Administradora Fibra Hotelera Mexicana, S.A. de C.V.	157,140	-	-	157,140
Projected interest of debt, net of derivative financial instrument.	<u>427,998</u>	<u>868,639</u>	<u>1,279,317</u>	<u>2,575,954</u>
Total	<u>\$ 1,084,570</u>	<u>\$ 2,116,806</u>	<u>\$ 4,920,884</u>	<u>\$ 8,122,260</u>

i. **Fair value of financial instruments**

Fair value of financial instruments recorded at amortized cost

Except for long-term debt, carrying value of trade accounts receivable and other receivables, due from related parties, suppliers and accrued expenses are short-term in nature and, in certain cases, accrue interest at rates linked to market indicators. FibráHotel therefore considers that the carrying value of these financial assets and liabilities recognized at amortized cost approximates their fair values. The fair value of long-term debt is shown as follows.

Fair value of financial instruments on a recurring basis are as follows:

Financial assets and liabilities	Fair value as of December 31 st			Fair value hierarchy	Techniques and key inputs
	2023	2022	2021		
Investments in government securities	\$ 36,503	\$ 150	\$ 196,237	Level 1	Market value. The fair value of investments is measured by quoted prices (unadjusted) in active markets for identical instruments

Fair value over financial instruments that are valued at amortized cost

Financial liabilities	2023		2022		2021		Fair value hierarchy	Techniques and key inputs
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value		
Debt and public market debt	\$4,390,386	\$4,318,205	\$4,498,774	\$4,569,140	\$4,985,894	\$5,162,003	Level 3	Market value. The fair value of debt is measured with unobservable information. The valuation was made by projecting discounted future flows at present value.

Valuation techniques and assumptions applied for purposes of determining the fair value

- The fair value of financial assets and financial liabilities with standard terms and traded in active liquid markets are determined with reference to quoted market prices (including unlisted redeemable notes, bills of exchange, perpetual and government bonds).
- The fair value of other financial assets and liabilities (excluding those described above) are determined in accordance with pricing models generally accepted, based on the analysis of discounted cash flows using prices from observable current transactions in the market and quotations for similar instruments. In particular, the fair value of long-term debt, which is calculated only for the purpose of this disclosure and not for the accounting of the debt, which is considered measurement Level 3, as described below, it was determined using a model of discounted cash flows, using current rates estimates based on observable market TIE curves and credit spread estimated using observable credit similar entities, which is adjusted as needed.

Financial instruments measured at fair value after initial recognition are grouped in three levels, based on the degree to which the fair value is observable:

- Level 1 valuations at fair value are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 valuations at fair value are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 valuations at fair value are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable indicators).

15. Transactions and balances with related parties

a. Commercial transactions:

During the year, FibraHotel carried out the following transactions with related parties, which are not member of FibraHotel:

	2023	2022	2021
Administradora Fibra Hotelera Mexicana, S. A. de C. V. ⁽¹⁾ ; Management fee and payments	\$ 170,449	\$ 156,049	\$ 146,565
Group A ⁽²⁾ : Expense: Administrative services	\$ -	\$ 42,621	\$ 78,553

(1) The account payable to Administradora Fibra Hotelera is the one presented in the consolidated statements of financial position, as of December 31st, 2023, 2022 and 2021, it is for \$43,316, \$40,393, and \$157,140, respectively.

(2) Until July 31st, 2023, Group A was made up of Prestación de Servicios Hoteleros GG, S. A. de C. V., Soluciones y Administración Estratégica, S. A. de C. V., Solución de Recursos Humanos, A. de C. V., due to the fact that the services administrative costs that these companies provided are now provided by their subsidiary Fibra Hotelera S.C.

16. Employee Benefits

The Entity manages a plan that covers seniority bonuses, which consist of a single payment of 12 days for each year worked based on the last salary, limited to twice the minimum wage established by law. The relative liability and annual cost of benefits are calculated by an independent actuary on a basis defined in the plans using the projected unit credit method.

The plans expose the Entity to actuarial risks such as: investment, interest rate, longevity and salary risk.

There are no other post-retirement benefits provided to these employees.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were performed as of December 31st, 2023 by independent actuaries. The present value of the defined benefit obligation and the labor cost of the current service and the cost of past services were calculated using the projected unit credit method.

The main assumptions used for actuarial valuation purposes are as follows:

	2023 %	2022 %
Discount rate	9.70	9.45
Expected rate of wage increase	5.00	5.00

The amounts recognized in the results of these defined benefit plans are:

	2023	2022
Cost of the service:		
Labor cost of current service	\$ 4,339	\$ 3,941
Cost of services passed by settlements	-	67
Interest cost	1,102	856
	\$ 5,441	\$ 4,864

The amounts recognized in ORI are as shown below:

	2023	2022
Remeasurement of net defined profit liabilities:		
(Actuarial gains)/losses arising from changes in financial assumptions	\$ (375)	\$ (1,791)
(Actuarial gains)/losses arising from past adjustments	(2,544)	(2,409)
Total	\$ (2,919)	\$ (4,200)

Changes in the present value of the defined benefit obligation in the period

	2023	2022
Opening balance of the defined benefit obligation	\$ 11,885	\$ 1,662
Labor cost of current service	4,339	3,941
Interest cost	1,102	856
Remeasurement (gains) losses:		
(Actuarial gains)/losses arising from changes in financial assumptions	(375)	(1,791)
(Actuarial gains)/losses arising from past adjustments	(2,544)	(2,409)
Cost of past services including losses/(gains) from adjustments	-	(1,194)
Liabilities assumed	-	10,820
Final balance of defined benefit obligation	<u>\$ 14,407</u>	<u>\$ 11,885</u>

17. Trustees' equity

Contributions.

- a. Equity contributions of trustors at par value are as follows:

	2023	2022	2021
Initial capital contribution	\$ 15	\$ 15	\$ 15
Issuance of CBFIs	14,348,386	14,348,386	14,348,386
Total	<u>\$ 14,348,401</u>	<u>\$ 14,348,401</u>	<u>\$ 14,348,401</u>

- b. The net worth of FibráHotel is represented by an initial contribution of \$15, the Contribution Portfolio, the Contribution Portfolio under Development and the resources generated by issuing the CBFIs.
- c. As of December 31st, 2023, 2022 and 2021, there are 786,364,220; 785,823,444, and 783,394,169 CBFIs with economic rights, respectively.
- d. During the years 2017 and 2018 FibráHotel repurchased 41,353,714 CBFIs, of which 32,620,342 were canceled in 2019 and 8,733,372 were canceled in 2021. In 2021 FibráHotel repurchased 2,326,405 CBFIs.
- e. As of December 31st, 2023, the FibráHotel Technical Committee has approved and paid distributions from the tax revenue accounts, to the holders of the CBFIs as follows:

Date of distribution approval	Distribution by CBFi (Pesos)	Distributions from equity redemption	Distributions of taxable income	Total distributions
April 25 th , 2023	\$ 0.1250	\$ 98,227	\$ -	\$ 98,227
July 11 th , 2023	0.1250	98,296	-	98,296
October 17 th , 2023	0.1250	98,296	-	98,296
TOTAL	<u>\$ 0.3750</u>	<u>\$ 294,819</u>	<u>\$ -</u>	<u>\$ 294,819</u>

As of December 31st, 2022 and 2021, there was no distribution of CBFIs.

The distribution by CBFIs is the result of dividing the total amount distributable by the number of CBFIs in circulation with economic rights, the cut of the number of CBFIs that have the right to distribution is made at the time of publishing the distribution notice.

As of December 31st, 2023, 2022 and 2021, the CBFIs without economic rights and canceled amounted to 47,583,000 and 48,123,776, 50,553,051, respectively.

- f. *Reservation payments based on FibráHotel certificates*

On April 28th, 2022, the General Assembly of Stock Certificate Holders approved the implementation of a compensation plan for employees based on CBFIs, said plan may represent up to 4,741,602 CBFIs.

Certificate option plan for executives who provide services to FibráHotel.

On June 30th, 2023, 540,776 CBFIs were put into circulation that correspond to compliance with the employee compensation plan authorized by the Holders' Assembly.

On June 30th, 2021, 2,420,045 CBFIs were put into circulation and additionally on July 6th, 2021, an additional 9,230 CBFIs were put into circulation. These 2,429,275 CBFIs correspond to the employee incentive plan established in 2017.

Based on the prices determined by FibraHotel, as well as the number of certificates released, it was determined that the total estimated fair value of all the options was \$41,773, which is being recorded linearly over the 4 years that it lasts. The effect is recorded with an increase in the consolidated statement of changes in the trustees' assets.

18. Minimum lease payments

The value of the minimum operating lease charges is as follows:

Year	
Less than a year	\$ 262,387
From one to five year	1,139,503
	\$ 1,401,890

The lease contracts have remaining terms ranging from one to five years.

The aforementioned minimum lease payments do not include amounts expected to be received with respect to variable rents, which is mainly comprised of rent increases based on inflation and variable income, and hotel performance, if any. Additionally, the payments disclosed only consider the compulsory lease term and do not consider any renewal periods, related to minimum future rentals.

19. Business segment information

a. Segments financial information

Segment information reported externally was analyzed on the basis of the types of room revenues, food and beverage income, operating expenses for the different types of hotel brands that comprise the investment portfolio of FibraHotel. However, the information analyzed by management who makes operating decisions of the Trust for purposes of allocating resources and assessing segment performance is focused more specifically on the category of customer for each type of portfolio up to the level of operating income. The main categories of customers for these goods are services provided and brand. FibraHotel segments to report according to IFRS 8 are therefore the following:

Select service

These hotels provide certain additional services to limited service hotels, including the offer of food and drink, restaurants, bars and room service 24 hours. Rooms for social and business events, as well as additional services within the room.

Limited service

Limited service hotels offer a service, as its name implies, of convenience, which traditionally has no bars, restaurants or conference or meeting rooms, nor does it offer additional services, but in recent years the trend has been that this class hotels offer a mix of services, including business centers, gyms and swimming pools, with a limited selection of food (breakfast included) and limited spaces boardrooms.

Full service

These hotels have a robust supply of food and beverages with several centers of consumption (restaurants and bars), boardrooms and conference rooms for business and social events as well as in certain cases additional services related to complete service hotels such as spas, room service, valet parking, concierge, bell boys and more extensive public areas.

b. Income and segment results

An analysis of income and results of the Trust of continuing operations is presented by reported segment:

2023					
	Select service	Limited service	Full service	Corporate	Total
Revenue for:					
Rooms	\$ 1,904,907	\$ 669,799	\$ 1,274,362	\$ -	\$ 3,849,068
Food and beverages	437,687	4,182	471,158	-	913,027
Real Estate Rentals	-	-	28,261	391,079	419,340
Others	-	7,428	35,574	-	43,002
	<u>\$2,342,594</u>	<u>681,409</u>	<u>1,809,355</u>	<u>391,079</u>	<u>5,224,437</u>
Costs and expenses:					
Rooms	411,253	181,356	281,522	-	874,131
Food and beverages	284,454	6,969	309,074	-	600,497
General and administrative	939,920	290,178	689,169	-	1,919,267
Corporate and property expenses and other income	-	-	-	420,734	420,734
Impairment of hotel properties	-	-	-	505,886	505,886
Depreciation	-	-	-	22,146	22,146
Adjustment to the fair value of the investment properties	<u>1,635,627</u>	<u>478,503</u>	<u>1,279,765</u>	<u>948,766</u>	<u>4,342,661</u>
				Operating income	881,776
				Financial expenses net and others	312,398
				Participation in joint venture	<u>2,511</u>
				Income before income taxes	<u>\$ 566,867</u>

2022					
	Select service	Limited service	Full service	Corporate	Total
Revenue for:					
Rooms	\$ 1,661,527	\$ 572,809	\$ 1,169,826	\$ -	\$ 3,404,162
Food and beverages	368,771	2,689	417,306	-	788,766
Real Estate Rentals	-	-	24,086	436,934	461,020
Others	4,500	8,634	29,263	-	42,397
	<u>2,034,798</u>	<u>584,132</u>	<u>1,640,481</u>	<u>436,934</u>	<u>4,696,345</u>
Costs and expenses:					
Rooms	360,532	154,246	255,332	-	770,110
Food and beverages	224,666	2,601	265,902	-	493,169
General and administrative	843,087	250,877	628,152	-	1,722,116
Corporate and property expenses and other income	-	-	-	369,567	369,567
Impairment of hotel properties	-	-	-	13,395	13,395
Depreciation	-	-	-	508,780	508,780
Ajuste al valor razonable de propiedades de inversión	-	-	-	(505,950)	(505,950)
	<u>1,428,285</u>	<u>407,724</u>	<u>1,149,386</u>	<u>385,792</u>	<u>3,371,187</u>
				Operating income	1,325,158
				Financial expenses net and others	<u>404,803</u>
				Income before income taxes	<u>\$ 920,355</u>

	2021				
	Select service	Limited service	Full service	Corporate	Total
Revenue for:					
Rooms	\$ 1,182,123	\$ 354,714	\$ 754,889	\$ -	\$ 2,291,726
Food and beverages	241,366	196	273,730	-	515,292
Real Estate Rentals	-	-	30,331	229,914	260,245
Others	7,705	7,503	26,660	-	41,868
	<u>1,431,194</u>	<u>362,413</u>	<u>1,085,610</u>	<u>229,914</u>	<u>3,109,131</u>
Costs and expenses:					
Rooms	278,552	104,009	175,699	-	558,260
Food and beverages	154,347	1,714	174,385	-	330,446
General and administrative	654,442	176,123	449,172	-	1,279,737
Corporate and property expenses and other income	-	-	-	317,013	317,013
Impairment of hotel properties	-	-	-	24,952	24,952
Depreciation	-	-	-	551,732	551,732
Ajuste al valor razonable de propiedades de inversión	-	-	-	(269,355)	(269,355)
	<u>1,087,341</u>	<u>281,846</u>	<u>799,256</u>	<u>624,342</u>	<u>2,792,785</u>
				Operating income	316,346
				Financial expenses net and others	<u>371,824</u>
				Loss before income taxes	<u>\$ (55,478)</u>

The main assets and liabilities by segment as of December 31st are as follows:

	2023				
	Select service	Limited service	Full service	Corporate	Total
Hotel properties, furniture and operating equipment - Net	\$ 1,660,288	\$ 5,828,520	\$ 4,726,581	\$ 3,095	\$ 12,218,484
Investment property	\$ -	\$ -	\$ 4,096,000	\$ -	\$ 4,096,000
Properties under development	\$ -	\$ 33,996	\$ 58,927	\$ 75,531	\$ 168,454
Long-term liabilities (1)	\$ -	\$ -	\$ -	\$ 4,390,386	\$ 4,390,386

	2022				
	Select service	Limited service	Full service	Corporate	Total
Hotel properties, furniture and operating equipment - Net	\$ 1,659,241	\$ 5,894,667	\$ 4,822,341	\$ 4,257	\$ 12,380,506
Investment property	\$ -	\$ -	\$ 4,081,000	\$ -	\$ 4,081,000
Properties under development	\$ -	\$ 33,996	\$ 58,927	\$ 49,744	\$ 142,667
Long-term liabilities (1)	\$ -	\$ -	\$ -	\$ 4,498,774	\$ 4,498,774

	2021				
	Select service	Limited service	Full service	Corporate	Total
Hotel properties, furniture and operating equipment - Net	\$ 1,713,078	\$ 6,005,847	\$ 4,909,040	\$ 3,117	\$ 12,631,082
Investment property	\$ -	\$ -	\$ 3,507,324	\$ -	\$ 3,507,324
Properties under development	\$ -	\$ 33,996	\$ 58,927	\$ 4,818	\$ 97,741
Long-term liabilities (1)	\$ -	\$ -	\$ -	\$ 4,985,894	\$ 4,985,894

(1) Debt was issued at the holding level, which cannot be allocated to a specific segment

20. Commitments and contingencies

- Neither FibraHotel nor its assets are subject to any type of material legal action, other than those stemming from its routine operations and activity.
- FibraHotel leases the offices where it carries out its administrative activities, as well as some offices in some hotels. Rental expenses amounted to \$5,761 \$5,237, and \$4,895 2023, 2022 and 2021, respectively. The office rental contract expires in 2023 and 2022.
- As mentioned in Note 1 (d, on April 23rd, 2021, a mandatory federal decree was published in Mexico where various labor and tax regulations were modified in order to eliminate the subcontracting of personnel and establish the rules under which specialized services may be subcontracted. In July 2022, FibraHotel completed the necessary administrative and operational changes (via the subsidiary Fibra Hotelera S.C.) to fully comply with the provisions of the current legal framework, however, differences in criteria could arise if the authorities reviewing the operating structure, labor and tax authorities consider that FibraHotel continues to maintain a personnel subcontracting scheme, in which case the respective operations would have to be considered as a non-deductible expense and the VAT thereof would not be creditable.

21. Authorization to issue the consolidated financial statements

The consolidated financial statements were authorized for issue on March 31st, 2024, by Lic. Edouard Boudrant Finance Director and Lic. Eduardo López, Managing Director of FibraHotel, consequently, they do not reflect the events that occurred after that date and are subject to the approval of the Technical Committee and the General CBFH Holders Assembly which may modify the financial statements.

DIRECTORY

(GRI 2-1)

ISSUER:

FibraHotel

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🌐 www.fibrahotel.com

🐦 [www.twitter.com/FibraHotel](https://twitter.com/FibraHotel)

🌐 www.linkedin.com/company/fibrahotel

ADMINISTRATOR:

Administradora Fibra Hotelera Mexicana,
S.A. de C.V.

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Live Aqua San
Miguel de Allende