Consolidated Results for the Third Quarter 2020

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ACOSTAVERDE

ACOSTA VERDE ANNOUNCES CONSOLIDATED RESULTS FOR THE THIRD QUARTER OF 2020

San Pedro Garza García, Mexico, October 28, 2020 – ACOSTA VERDE S.A.B. de C.V. (“Acosta Verde”, "AV" or "the Company") (BMV: GAV) company focused on the development and operation of shopping centers in Mexico, announces today the results for the third quarter ("3Q20") and the nine months ("9M20") of the period ended September 30, 2020.

All the figures have been prepared in accordance with the International Financial Reporting Standards (“IFRS”, “NIIF” for its acronym in Spanish) and are expressed in thousands of Mexican Pesos (Ps. and/or “$”).

AV financial results described in the present report have not been audited, therefore the figures mentioned throughout this report could present adjustments in the future.

Glossary of Terms and Definitions:

This document contains financial and operational measurements, which are not calculated in accordance with IFRS nor are they recognized by IFRS, which are expressed in thousands of Mexican pesos ("Ps and/or "$") and are defined herein:

GLA or “ABR” (for its acronym in Spanish) means the *gross leasable area* corresponding to the area of a property that is subject to leasing.

EBITDA The “EBITDA” means profit before financial income and expenses, interest, taxes, depreciation and amortization.

Adjusted EBITDA The Company calculates the “Adjusted EBITDA” in the following manner: the consolidated operating income by subtracting the fair value of investment properties, other income and expenses, the net sale of investment properties, depreciation and amortization, non-recurring expenses and adding the results of associated companies and trusts that do not consolidate or are not considered in the results of the company.

Net Operating Income “NOI”. NOI means net operating income, which for the purposes of this report is a financial measure not recognized by IFRS, prepared on cash flow basis, and which should not be considered as an alternative metric to profit or net loss, operating profit or loss, or any other measure of financial performance that comes from financial information presented in accordance with IFRS, and which is included to provide a useful metric that allows users of financial information, including analysts, investors, financial institutions, among others, evaluate the performance of Acosta Verde, particularly by facilitating the comparison of its operating results during different periods with those of other companies in its industry. The Company calculates NOI by adding the following concepts i) income produced by fixed leasing, ii) income from variable leasing, iii) Income generated in the common areas of Shopping Centers (parking, spaces for leasing and advertising) and iv) Income from Key Money; and subtract the following concepts: (i) maintenance expenses for unoccupied establishments or with a payment agreement, ii) the leasing expenses of the land of one of the Shopping Centers (Sendero Apodaca), (iii) management fees payable to Acosta Verde and (iv) property tax (predial).

LTV It means "*loan to value*" and it is a financial term used by financial entities to express the *ratio* of a loan in relation to the value of an acquired asset. The term is commonly used by banks and mortgage companies to represent the value a person owns in a property and the loaned amount. This *ratio* is obtained by dividing the amount of Net Debt by the value of the assets corresponding to the debt.

NOI, NOI margin, adjusted EBITDA, EBITDA margin and LTV are financial measures which are not defined under IFRS. A financial measure not defined under IFRS is generally defined as such that intends to

measure historical or future financial performance, financial position or cash flows, but excludes or includes amounts that would not be adjusted to the most comparable extent in accordance with IFRS.

Because not all companies use identical calculations, the presentation of NOI, EBITDA and LTV may not be comparable to other similar measures used by other companies.

Highlights:

Operational

- Acosta Verde reported a total of 407,595 sqm of Gross Leasable Area, composed by 16 properties at the end of 3Q20. The total GLA has no change from the 3Q19.

- At the end of the 3Q20, the occupancy rate of the total portfolio in operation was 93.0%, compared to 95.6% in the 3Q19. The stabilized portfolio occupancy at the end of the 3Q20 was 97.0%, compared to 98.7% at the end of the 3Q19. The projects in stabilization had an occupancy rate of 90.2% at the end of the 3Q20 and 93.0% at the end of the 3Q19.

- As a result of the health contingency caused by the epidemic outbreak COVID-19, the federal, state and local authorities announced their first health measures as of mid-March and the Shopping Centers began to operate partially, causing an impact on the number of visitors. As of September 30, 2020, the properties had a traffic of approximately 46.7 million accumulated visits during the current year, presenting a decrease of 42% compared to the same period of the previous year when approximately 80 million visitors were registered.

- At the end of the 3Q20, all the shopping centers were operating, with certain restrictions on tenant categories and in the number of people permitted in the properties at one time, in accordance with the official regulations issued by each state and/or local authority.

- Acosta Verde implemented the following operational measures for the reopening of shopping centers, through a protocol of key actions in the properties to contribute to the mitigation of the spread of COVID-19 in the community. These actions were taken and designed based on the guidelines established by local, state and federal authorities. This protocol comprehends actions to protect visitors, tenants and employees in shopping centers.

Financial

- The leasing income during the 3Q20 was Ps. 222,742 representing a decrease of (20%) compared to the 3Q19

- The NOI, cash flow basis, for the 3Q20 reached Ps. 143,489, the result for the same period in the previous year was Ps. 260,869. The information presented is on a Cash flow Basis and not on an Accrued Basis. The information includes the participation of minorities, GAV owns: Chihuahua 56.9%, Los Mochis, 56.9%, Tijuana 75.6%, Sur 75.6%, Obregón 75.6% and Culiacán 75.3%. Additionally, it includes the 100% of the operating income and expenses of the joint venture that AV has entered into with CIB 2715 Trust (FAMSA Establishments), which are not consolidated in GAV and are recorded by the equity method; GAV participation represents 50%. NOI margin for the 3Q20 was 84%

- The adjusted EBITDA for the 3Q20 reached Ps. 175,184, with a decrease of 22% when compared to the same quarter of the previous year. The adjusted EBITDA margin for the quarter was of 68%.

CEO Comments

Dear Investors,

Hoping that you and your families enjoy of good health, I am very pleased to welcome you to Grupo Acosta Verde; we are a Mexican company founded in 1970 by the architect Jesús Acosta Verde – my father-, we are **pioneers in the shopping centers development in Mexico,** with a solid record in the development, marketing, operation, and management of *community shopping centers* in the country, under our **brand SENDERO**.

We are very pleased with our recent integration as an issuing company in the Mexican Stock Exchange, which entails **a great commitment with you and with Mexico** and especially in this year where we are living in a truly unprecedented time, but at the same time very enthusiastic about the evolution we have perceived in our Shopping Centers in recent months. This, in combination with the fact that the company is currently stable and with a solid balance mainly due to its cash position given our recent capitalization.

At Grupo Acosta Verde we work every day to keep our collaborators, our shopping center´s visitors, business partners and collaborators of our business partners safe; **reinventing and adapting ourselves to reality**, being pioneers in the country in taking preventive measures for the safety of the entire company ecosystem. Always respecting the protocols dictated by the ministry of health and the state and municipal governments where we have presence.

As of the month of March, 2020 derived from the health emergency due to the epidemic outbreak COVID-19, and **committed with the safety of our visitors and business partners,** we have followed all the guidelines in health matter issued by federal, state and local authorities, where all our shopping centers were partially closed, while remaining operating essential businesses such as supermarkets, department stores, banks, restaurants (home delivery) and other essential businesses.

In Acosta Verde we are aware of the current situation, supporting commerce and preserving long term commercial relationships with our tenants, **executed plans to face this contingency**. The following being the most important: support for tenants of shopping centers with discounts on fixed rents for a specific period of time, strategic plans to recover past due accounts, reduction of corporate office expenses and due to the suspension of construction activities, the openings of the shopping centers that are under development have been postponed. The above mentioned has caused a decrease in our financial and operating results and indicators.

We consider that because our Shopping centers are anchored by supermarkets, the fact of never having closed completely and having taken care of all hygiene protocols, has given us the strength to always be present with our visitors, which we consider a **competitive advantage** that is causing a faster recovery in the number of visitors in our shopping centers compared to others competitors in the industry.

Since last June, the progressive reopening process began according to the indications of the local, state and federal governments in order for, one step at a time, reactivate the economic growth and get back on track **to do what we do best: develop, manage and lease shopping centers in Mexico.**

Financial and operating indicators

- The NOI, of our shopping centers for the 3Q20 resulted in Ps. 143,489, the result for the same period in the previous year was Ps. 260,869.
- The adjusted EBITDA reached Ps. 175,194, with a decrease of 22% compared to the same quarter of 2019, the adjusted EBITDA margin for the quarter was of 68%
- The total income for the 3Q20 were Ps. 250,020, 19% below the same period of the year 2019.

- The visitors to our shopping centers during the 3Q20 were 13.9 million people, 49% less than our visits during the same period of 2019.
- For the 9M20, shopping centers have visitors' traffic of approximately 46.7 million people. At the end of September 2020, the number of visitors in the portfolio has shown a clear recovery, reaching 63% visitors compared to September of the previous year.
- The occupancy rate as of September 30, 2020 is 93%, which is only 2.7 percentage points below when the pandemic began.

To recover our number of visitors and occupancy in the shopping centers we have developed these points, which have been paramount to improve our expectations:

1. Have constant **communication with our business partners**, always thinking about benefits for the medium and long term. This has generated only a decrease of 2.7% in the occupancy rate of total portfolio.
2. Maintain a **strict hygiene protocol** in all Shopping Centers. This makes people feel safe and comfortable at Sendero.
3. Start since August with an **advertising campaign**, taking advantage of the savings in this area that we had from April to July, we hired the "**queen of Tik Tok", Erika Buenfil as the representative of Sendero.** We think this has had a positive impact on our expected number of visitors for this quarter.
4. During the fourth quarter of 2020 we expect to launch **SenderoEnCasa.com**, which is our exclusive website for our commercial partners where they can display their articles on our page and facilitate the purchase process for our visitors. This website will be managed by the company, we will not depend on third parties and with this it is expected to create more sales to our commercial partners and more traffic, since the system will be on placing an order on the page and collecting the merchandise in the shopping center basis. Additionally, but not less important, it will create an additional income to Grupo Acosta Verde since each transaction we will charge a fee.

Under this order of ideas and to conclude, I would like to mention that there are **6 fundamental points that create a very close alignment with our investment partners in the creation of value** and that has marked the history of this company and even more in these moments that demand the redoubling of efforts:

1. **Our people.** We are convinced that our most important asset is our talent. We have a work culture focused on results and the well-being of our people. We are a young team but a significant part of the team with more than 10 years in the company and the vast majority of them coming from what we call our basic forces, people who thanks to their efforts have been growing in the company and have been the engine to make a difference for our company.
2. **Our commercial partners.** We have been working for more than 25 years alongside them, listening to their needs and always working according to what they consider to be of value, in all the Shopping Centers we have the same layout that allows us to adapt to their needs. In fact, if you have the opportunity to visit the shopping centers, you will observe that in the vast majority the same business partners are present in the same location within the shopping centers!
3. **Our visitors.** We are very clear that the objective is always to provide the best service to our visitors. That's the motive why we try to make our shopping centers look flawless in every way, because that creates attachment and makes visitors feel as if they were in their second home.
4. **Environment and Society.** We have always been convinced of taking care of our environment. Since our very beginning, we have been pioneers in recycling water from air conditioners, energy saving and water with specialized systems, recycling of materials and planting in our outdoor and indoor areas. In the same way, in each city where we have presence, we have different programs with civil associations and charities, involving society in a myriad of activities inside and outside the shopping center.
5. **Corporate governance.** In Equity International and Promecap, we have found partners with vast experience in public companies, which supports all the institutional processes of the company. In the same way, we feel honored to have directors of high moral quality, experience with an extraordinary vision and more than proven ability.

6. **Growth**. The company is actively looking for opportunities to growth under the acquisition of assets already in operation, always with the discipline that the company has shown when making its investments.

At Grupo Acosta Verde **we feel honored for your trust in us**, we are a group of committed people focused on results, always taking care of the well-being of our collaborators, communication with our commercial partners, caring for our visitors, commitment in the world in which we live in and of course, with those who have trusted their investment in us. Finally, these have been months with many challenges, but at the same time, we are sure that they have not been in vain, on the contrary, they have driven us to increase our creativity and effort, which we hope will turn into extraordinary results in the short term.

In Sendero we Develop to create emotions!

Welcome to the Sendero Family!

Sincerely,

Jesús A. Acosta Castellanos
CEO of Acosta Verde

Relevant Events for the 3Q20

On September 23, 2020 by public deed 91,247 granted before Mr. Roberto Núñez y Bandera, Notary Public Number One of Mexico City, the Unanimous Resolutions taken out of the Ordinary and Extraordinary General Meeting of the Company dated September 23, 2020 were formalized, by means of which it was resolved, among other things: (i) the adoption by the Company of the modality of Public Stock Corporation with Variable Capital (Sociedad Anónima Bursatil de Capital Variable), (ii) the absolute reform of its bylaws, (iii) the change of name of the Sociedad de Valores Integrales Inmobiliarios, S.A. de C.V. to Acosta Verde, S.A.B. de C.V., (iv) the merger by incorporation between Acosta Verde, S.A.B. de C.V. as the merging company that subsists and Promecap Acquisition Company, S.A.B. de C.V. as the merged company that is extinguished

On September 29, 2020 (i) the Mexican Stock Exchange issued a favorable opinion for the listing of the Securities of Acosta Verde, S.A.B. de C.V. in the Mexican Stock Exchange, S.A. B. de C.V., without a public offering and (ii) the National Banking and Securities Commission authorized by official letter number 153/12731/2020, the registration in the National Securities Registry of the shares representing the share capital of Acosta Verde, S.A.B. de C.V., by virtue of the foregoing as of September 30, 2020, the representative shares of the share capital of Acosta Verde, S.A.B. de C.V. are listed on the Mexican Stock Exchange under the Board code “GAV”.

Acosta Verde

Acosta Verde was founded on 1970 by the Architect Jesús Acosta Verde. Acosta Verde is a Mexican company, pioneer in the shopping centers development in Mexico, with a solid record in the construction, lease, operation, marketing and management of *community shopping centers* in the country. In 2002, Acosta Verde created the Sendero shopping center concept and brand, through which the Company has developed a successful track record in terms of occupancy levels and high volumes of visitors traffic in its shopping centers. Plaza Sendero is distinguished by its primary focus on meeting the principal consumer, convenience and service needs of the community. Thanks to the experience acquired by Acosta Verde throughout its track record in the development and management of shopping centers, the Sendero brand has been able to be positioned among the main shopping center operators in Mexico, having developed solid relationships with the main commercial brands in the nation. Since its very beginnings, Acosta Verde has developed a total of 43 shopping centers and 2 more are under construction.

Limitation of Liability

This report may contain certain future statements or subjective analysis, as well as statements that may involve some risk and uncertainty. or carried out by the management team of Acosta Verde involve risks and uncertainties that could change depending on several factors that are beyond the control of Acosta Verde. Any expectations reflect Acosta Verde's value judgments as of the date of this document. Future estimations may consist of information related to potential or projected results of operations, as well as a description of our business plans and strategies. Such future estimations are identified by the use of words such as "may", "could", "should", "we expect", "we plan", "we anticipate", "we believe", "we estimate", "is projected", "we predict", "we intend", "future", "potential", "suggested", "objective", "forecast", "continuing", and other similar expressions. Future statements are not historical facts, and are based on current expectations, beliefs, estimations, projections, as well as various assumptions of the management team, which are inherently uncertain by their nature and beyond our control. These expectations, beliefs, estimations and projections are expressed on a good faith basis and with the understanding that the management team considers that there is reasonable support for them. However, we can't assure that the expectations, beliefs, estimations and projections of the management team will be realized, therefore the actual results could differ materially from what is expressed or indicated by way of future estimations. Future estimations are limited to the date on which they are issued. Acosta Verde does not assume any obligation to update future estimations to reflect actual results, subsequent events or circumstances or other changes that affect the information expressed in future estimations, unless and to the extent that such update is required in terms of applicable regulations. Certain information in this document is based on forecasts by the management team and reflects prevailing market conditions, as well as the views of the management team to date, all of which is subject to change. Future estimations in this presentation may include, for example, hypothetical statements about: our ability to complete any business transaction, the benefits of such transaction, our financial performance subsequent to such transaction, changes in reserves and operating results, and plans for expansion and opportunities. No statement regarding past trends or activities should be construed as a statement that such trends or activities will continue to occur in the future. Therefore, such future statements or trends should not be relied upon.

We warn that several important factors could cause current or future results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this report. In no event, neither the Company, nor any of its subsidiaries, affiliates, officers, executives, agents or employees may be liable to third parties (including investors) for any investment, decision, action taken or for any special or similar consequential damages regarding the information contained in this document. Many material factors could cause our actual results, performance or achievements to differ materially from those expressed or implied in our future estimations, including, but not limited to: uncertainties related to government permits or licenses; adverse results in litigation that may be in the future; general political, economic, social, demographic and commercial conditions in Mexico and in other countries; uncertainties related to the results of future elections in Congress in Mexico and other countries with which Mexico has a significant

business relationship; changes in laws, norms, regulations and interpretations and their application applicable to the real estate sectors Mexico, including changes in the regulatory environment in which we operate and changes in the programs established to promote investments in the real estate industry; any unexpected increase in financing costs or the inability to obtain additional financing and/or capital on attractive terms; any change in the capital markets in general that may affect the policies or attitudes in Mexico, and/or Mexican companies with respect to financing granted or investments made in Mexico or in Mexican companies; fines or other penalties and claims by the authorities and/or clients; our ability to implement our capital expenditure plans or our business strategy, including our ability to obtain financing when necessary and on reasonable terms; government intervention, including measures that result in changes in Mexico's labor markets, foreign exchange markets or tax systems; ongoing and/or higher inflation rates and fluctuations in exchange rates, including the depreciation of the Mexican Peso; any event of force majeure, or macroeconomic fluctuations; changes in the demand for commercial premises; uncertainty related to the outbreak and spread of covid-19; environmental, health and safety regulations and industry standards that are becoming stricter; our relationship with our employees and our ability to retain key members of our senior management and key technical employees; the ability of our directors and officers to identify an adequate number of potential business opportunities; our expectations regarding the performance of our businesses; increased competition in our sector; and possible changes in regulation and free trade agreements as a result of political conditions in the United States, Mexico, or other Latin American nations.

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Summary of the principal financial and operational indicators

Financial Indicators

The metrics and adjustments shown next are not defined by IFRS, so, they do not represent a financial analysis of the results in accordance with IFRS and are shown only to measure the operating performance of the company.

The following charts present a summary of the main financial indicators for the 3Q20 and the 3Q19 regarding the financial information that includes the results of the shopping centers:

Financial Metrics (Thousands of pesos)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
NOI	143,489	260,868	(45%)	480,517	752,313	(36%)
NOI Margin	84%	89%	(6%).	86%	89%	(4%)
Adjusted EBITDA	175,184	223,792	(22%)	557,595	627,895	(11%)
EBITDA Margin	68%	71%	(3)p.p	67%	68%	(1)p.p
Financial Debt	6,018,823	6,334,749	(5%)	6,018,823	6,334,749	(5%)
LTV	17%	45%	(28)p.p	17%	45%	(28)p.p

Results Statement (Thousands of pesos)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
Total income	250,019	306,828	(19%)	813,392	918,365	(11%)
Operating costs and expenses	(109,682)	(100,852)	9%	(454,352)	(317,341)	43%
(Loss) operating profit	(53,101)	392,266	(114%)	(187,118)	1,042,691	(118%)
(Loss) operating profit before valuation of investment properties	136,910	213,472	(36%)	357,362	506,309	(29%)
Operating Margin	55%	70%		44%	55%	
(Loss) net income for the period	(114,219)	134,289	(185%)	15,797	354,252	(96%)

Operating Indicators

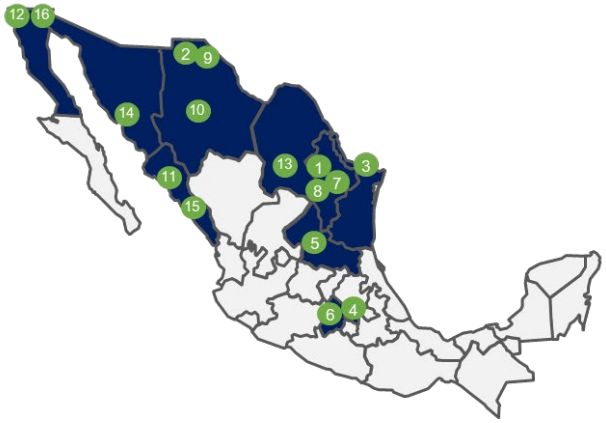
Operating indicators	3Q20	3Q19	Variation %
Number of operating properties [1]	16	16	0.0%
Gross Leasable Area (GLA) sqm	407,595	407,595	0.0%
Occupancy Rate (%)	93.0%	95.6%	(2.6%)
Visitors traffic (millions)	13.9	27.2	(48.9%)
Average Rent per sqm [2]	267	268	(0.4%)

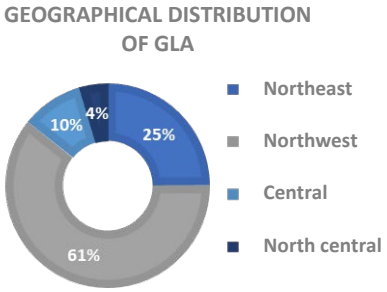
[1] Additionally, Acosta Verde has completed the Santa Catarina shopping center with an expected opening date for March, 2021, acquired the land to commence Sendero Ensenada in Baja California and manages four shopping centers for third parties
[2] Calculation excludes portfolio in stabilization

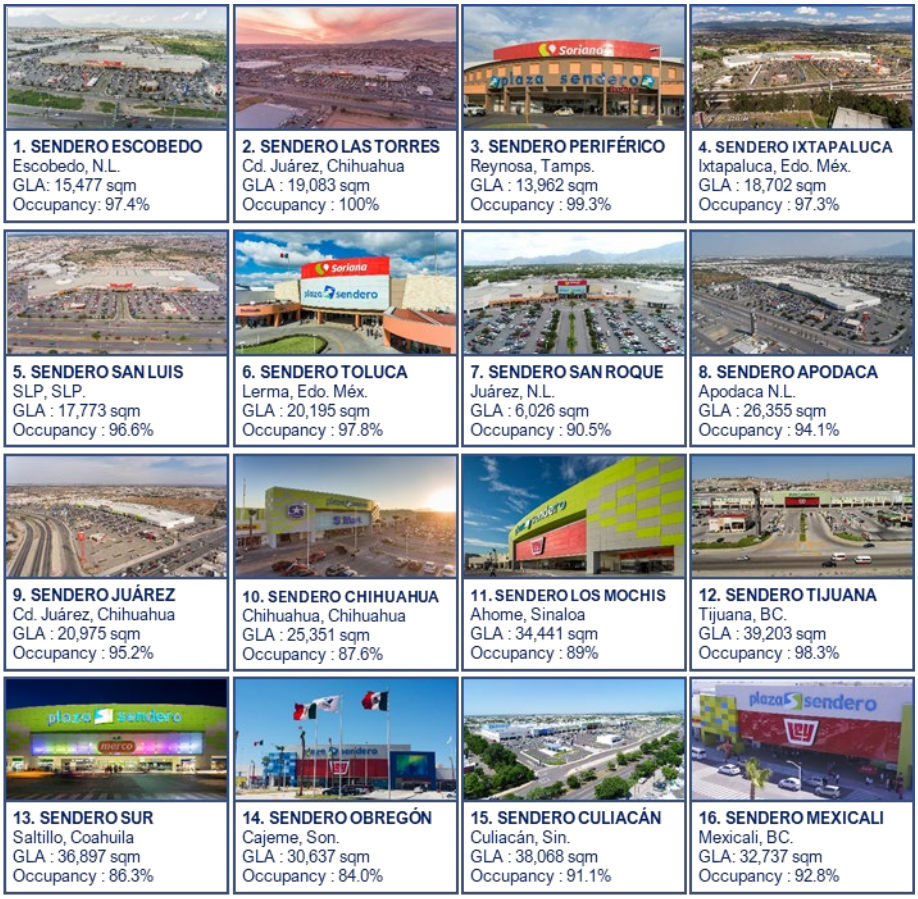
Operating Portfolio

Geographical distribution of the operating portfolio

At the end of the third quarter of 2020, Acosta Verde portfolio is composed by 16 *community shopping centers* located in nine states, mainly in the northern and central region of the Mexican Republic. At the end of 3Q20, the properties registered an average occupancy rate of 93.0%.







1. SENDERO ESCOBEDO
Escobedo, N.L.
GLA: 15,477 sqm
Occupancy: 97.4%

2. SENDERO LAS TORRES
Cd. Juárez, Chihuahua
GLA : 19,083 sqm
Occupancy : 100%

3. SENDERO PERIFÉRICO
Reynosa, Tamps.
GLA : 13,962 sqm
Occupancy : 99.3%

4. SENDERO IXTAPALUCA
Ixtapaluca, Edo. Méx.
GLA : 18,702 sqm
Occupancy : 97.3%

5. SENDERO SAN LUIS
SLP, SLP.
GLA : 17,773 sqm
Occupancy : 96.6%

6. SENDERO TOLUCA
Lerma, Edo. Méx.
GLA : 20,195 sqm
Occupancy : 97.8%

7. SENDERO SAN ROQUE
Juárez, N.L.
GLA : 6,026 sqm
Occupancy : 90.5%

8. SENDERO APODACA
Apodaca N.L.
GLA : 26,355 sqm
Occupancy : 94.1%

9. SENDERO JUÁREZ
Cd. Juárez, Chihuahua
GLA : 20,975 sqm
Occupancy : 95.2%

10. SENDERO CHIHUAHUA
Chihuahua, Chihuahua
GLA : 25,351 sqm
Occupancy : 87.6%

11. SENDERO LOS MOCHIS
Ahome, Sinaloa
GLA : 34,441 sqm
Occupancy : 89%

12. SENDERO TIJUANA
Tijuana, BC.
GLA : 39,203 sqm
Occupancy : 98.3%

13. SENDERO SUR
Saltillo, Coahuila
GLA : 36,897 sqm
Occupancy : 86.3%

14. SENDERO OBREGÓN
Cajeme, Son.
GLA : 30,637 sqm
Occupancy : 84.0%

15. SENDERO CULIACÁN
Culiacán, Sin.
GLA : 38,068 sqm
Occupancy : 91.1%

16. SENDERO MEXICALI
Mexicali, BC.
GLA: 32,737 sqm
Occupancy : 92.8%

Properties of the Portfolio that are Operating

Grupo Acosta Verde portfolio is composed by 16 Shopping Centers located in 9 States of Mexico, a total of 407,595 sqm controlled, with an occupancy rate of 93% of the GLA at the end of the third quarter. At the end of the 3Q20, the portfolio registered a total of 13.9 million visitors and 46.6 million accumulated in the period from January to September.

In order to make the analysis easier, we divided the portfolio into two groups: the Stabilized Portfolio, formed by Shopping Centers with an average age of 14.7 years, with high occupancy levels and their income already stabilized, additionally there are 5 establishments bought in 2017 from FAMSA, these establishments are located in the same Stabilized Shopping Centers. A second group named Portfolio in Stabilization, formed by Shopping Centers with an average age of 3 years. In this portfolio there are shopping centers inaugurated as of 2016 and that still have great growth potential, additionally the new openings will be added.

The chart below includes the description of the operating properties as of September 30, 2020.

Operating Portfolio	Type of Shopping Center	Location	Opening year	GLA (sqm)	Occupancy	Main Anchors
Stabilized Properties						
Sendero Escobedo	Community Center	Escobedo, N.L.	2002	15,477	97%	Soriana, Cinépolis
Sendero Las Torres	Community Center	Cd. Juárez, Chih.	2003	19,083	100%	Soriana, Cinépolis
Sendero Periférico	Community Center	Reynosa, Tamps.	2004	13,962	99%	Soriana, Cinépolis
Sendero Ixtapaluca	Community Center	Ixtapaluca, Edo. Mex.	2005	18,702	97%	Soriana, Cinépolis
Sendero San Luis	Community Center	San Luis Potosí, SLP.	2006	17,773	97%	Soriana, Cinépolis
Sendero Toluca	Community Center	Lerma, Edo. Mex.	2006	20,195	98%	Soriana, Cinépolis
Sendero San Roque	Community Center	Juárez, N.L.	2006	6,026	91%	Soriana, Cinépolis
Sendero Juárez	Community Center	Cd. Juárez, Chih.	2008	20,975	94%	Soriana, Cinépolis
Sendero Apodaca	Community Center	Apodaca, N.L.	2008	26,355	95%	Soriana, Cinépolis
FAMSA Establishments (1)		Chih. Mex, Tamps, SLP	-	11,713	100%	
Total Stabilized Portfolio				170,261	97%	
Properties in Stabilization						
Sendero Chihuahua	Community Center	Chihuahua, Chih.	2016	25,351	88%	
Sendero Los Mochis	Community Center	Ahome, Sin.	2016	34,441	89%	
Sendero Tijuana	Community Center	Tijuana, BC	2016	39,203	98%	
Sendero Sur	Community Center	Saltillo, Coah.	2017	36,897	86%	
Sendero Obregón	Community Center	Cajeme, Son.	2017	30,637	84%	
Sendero Culiacán	Community Center	Culiacán, Sin.	2018	38,068	91%	
Sendero Mexicali	Community Center	Mexicali, BC	2018	32,737	93%	
Total Portfolio in Stabilization				**237,334**	**90%**	
Total Operating Portfolio				**407,595**	**93%**	

(1) Stores bought from FAMSA, are located in 5 Shopping Centers Sendero
The information of the following shopping centers is presented including the participation of minorities, AV owns: Chihuahua 56.9%, Los Mochis 56.9%, Tijuana 75.6%, Saltillo 75.6%, Obregón 75.6%, Culiacán 75.3% y Mexicali 100%.
Additionally, it includes the 100% of the operating income and expenses of the joint venture between AV and Trust CIB2715 (FAMSA Establishments), which do not consolidate in GAV and are registered by equity method. GAV participation is 50%

The income of the portfolio corresponds to Fixed Rent, Variable Rent (% of Tenant Sales), Common Areas (Parking, Advertising, Rent of common spaces) and Key Money. In the following chart, the financial results of the portfolio based on cash flow as of September 30, 2020 are shown.

Total Income (In thousands of Ps.)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
Sendero Escobedo	9,598	16,386	(41.4%)	29,891	49,097	(39.1%)
Sendero Las Torres	13,097	18,677	(29.9%)	41,241	58,562	(29.6%)
Sendero Periférico	9,806	11,520	(14.9%)	29,381	33,809	(13.1%)
Sendero Ixtapaluca	11,087	20,932	(47.0%)	34,824	59,357	(41.3%)
Sendero San Luis	15,367	24,310	(36.8%)	46,421	67,411	(31.1%)
Sendero Toluca	15,063	27,430	(45.1%)	48,636	79,990	(39.2%)
Sendero San Roque	739	2,975	(75.2%)	3,131	8,181	(61.7%)
Sendero Apodaca	12,360	24,425	(49.4%)	45,614	67,441	(32.4%)
Sendero Juárez	7,309	13,984	(47.7%)	25,150	39,351	(36.1%)
FAMSA Establishments	1,524	10,148	(85.0%)	16,356	30,002	(45.5%)
Stabilized Portfolio	**95,949**	**170,785**	**(43.8%)**	**320,645**	**493,201**	**(35.0%)**
Sendero Chihuahua	7,600	15,255	(50.2%)	27,511	44,773	(38.6%)
Sendero Los Mochis	9,384	16,401	(42.8%)	31,060	47,619	(34.8%)
Sendero Tijuana	16,813	24,023	(30.0%)	50,549	70,125	(27.9%)
Sendero Saltillo	10,669	16,213	(34.2%)	34,208	47,063	(27.3%)
Sendero Obregón	7,429	11,664	(36.3%)	24,428	33,185	(26.4%)
Sendero Culiacán	11,832	19,391	(39.0%)	36,447	56,476	(35.5%)
Sendero Mexicali	10,355	17,881	(42.1%)	33,786	48,849	(30.8%)
Portfolio in Stabilization	**74,082**	**120,829**	**(38.7%)**	**237,989**	**348,090**	**(31.6%)**
Total Operating Portfolio	**170,031**	**291,614**	**(41.7%)**	**558,634**	**841,291**	**(33.6%)**

The information presented is on a Cash flow Basis and not on an Accrued Basis.
The information of the following shopping centers is presented including the participation of minorities, AV owns: Chihuahua 56.9%, Los Mochis, 56.9%, Tijuana 75.6%, Saltillo 75.6%, Obregón 75.6% and Culiacán 75.3% and Mexicali at 100%.
Additionally, it includes the 100% of the income of the joint venture that AV has entered into with CIB 2715 Trust (FAMSA Establishments), which are not consolidated in GAV and are recorded by the equity method. GAV participation is 50%"

Below, the detail of the income in the 4 main concepts, information is presented on a cash flow basis:

Income Detail (In thousands Ps.)	3Q20	3Q19	Var. %	9M20	9M19	Var. %
Fixed Rent	148,892	236,558	(37.1%)	483,189	695,981	(30.6%)
Variable Rent	5,369	27,871	(80.7%)	25,833	69,759	(63.0%)
Common Areas	10,080	20,794	(51.5%)	34,866	57,353	(39.2%)
Key Money	5,690	6,392	(11.0%)	14,746	18,198	(19.0%)
Total Income	**170,031**	**291,614**	**(41.7%)**	**558,634**	**841,291**	**(33.6%)**

The information presented is on a Cash flow Basis and not on an Accrued Basis.
The information of the following shopping centers is presented including the participation of minorities, AV owns: Chihuahua 56.9%, Los Mochis, 56.9%, Tijuana 75.6%, Sur 75.6%, Obregón 75.6% and Culiacán 75.3% and Mexicali at 100%.
Additionally, it includes the 100% of the income of the joint venture that AV has entered into with CIB 2715 Trust (FAMSA Establishments), which are not consolidated in GAV and are recorded by the equity method. GAV participation is 50%

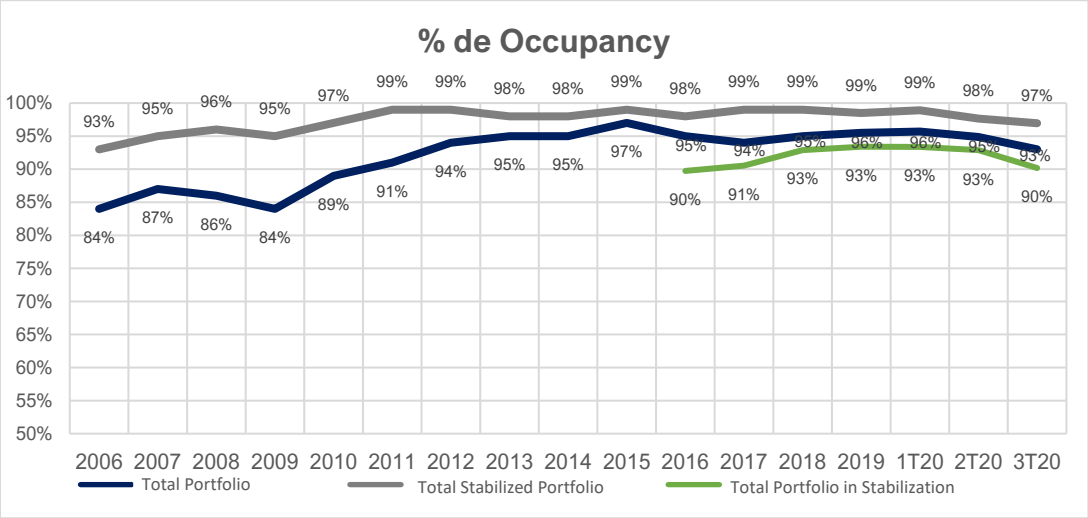
Regarding the Net Operating Income, it is the result of subtracting from the total Income the Maintenance Expenses of unoccupied spaces or with a payment agreement, Property Taxes, Management Fee and the Rent of the Sendero Land in Apodaca.

Net Operating Income (In thousands of Ps.)	3Q 20	3Q 19	Var. %	9M20	9M19	Var. %
Sendero Escobedo	8,523	15,094	(43.5%)	26,726	45,311	(41.0%)
Sendero Las Torres	12,055	17,443	(30.9%)	37,960	55,451	(31.5%)
Sendero Periférico	9,290	10,906	(14.8%)	27,863	31,843	(12.5%)
Sendero Ixtapaluca	9,985	19,586	(49.0%)	31,591	55,425	(43.0%)
Sendero San Luis	13,981	22,904	(39.0%)	42,691	63,363	(32.6%)
Sendero Toluca	13,635	25,742	(47.0%)	44,593	75,024	(40.6%)
Sendero San Roque	68	2,097	(96.8%)	1,111	5,578	(80.1%)
Sendero Apodaca	6,983	19,002	(63.3%)	29,915	51,962	(42.4%)
Sendero Juárez	6,074	12,378	(50.9%)	21,334	34,537	(38.2%)
FAMSA Establishments	1,391	10,008	(86.1%)	15,956	29,583	(46.1%)
Stabilized Portfolio	**81,984**	**155,159**	**(47.2%)**	**279,739**	**448,078**	**(37.6%)**
Operating Margin	85%	91%		87%	91%	
Sendero Chihuahua	5,941	13,498	(56.0%)	22,601	39,502	(42.8%)
Sendero Los Mochis	7,393	14,093	(47.5%)	25,106	41,112	(38.9%)
Sendero Tijuana	15,243	21,888	(30.4%)	45,652	64,164	(28.9%)
Sendero Saltillo	8,698	14,322	(39.3%)	29,344	41,534	(29.4%)
Sendero Obregón	5,711	9,365	(39.0%)	18,649	26,602	(29.9%)
Sendero Culiacán	9,614	16,630	(42.2%)	29,980	48,142	(37.7%)
Sendero Mexicali	8,907	15,912	(44.0%)	29,447	43,177	(31.8%)
Portfolio in Stabilization	**61,506**	**105,708**	**(41.8%)**	**200,778**	**304,235**	**(34.0%)**
Operating Margin	83%	87%		84%	87%	
Total Operating Portfolio	**143,489**	**260,868**	**(45.0%)**	**480,517**	**752,313**	**(36.1%)**
Operating Margin	84%	89%		86%	89%	

The information presented is on a cash Flow Basis and not on an Accrual Basis.
The information of the following shopping centers is presented including minority participation, AV owns: Chihuahua 56.9%, Los Mochis 56.9%, Tijuana 75.6%, Saltillo 75.6%, Obregón 75.6%, Culiacán 75.3% and Mexicali 100%.
Additionally, it includes 100% of the operating income and expenses of the joint ventures that AV has with the Trust CIB 2715 (FAMSA Establishments), which are not consolidated in GAV and are recorded by the equity method. GAV participation is 50%

Occupancy

At the end of the 3Q20, the occupancy rate of the total portfolio was 93.0%, compared to 95.6% in the 3Q19. While, the stabilized portfolio at the end of the 3Q20 had an occupancy rate of 97.0%, compared to 98.7% at the end of the same period in the previous year. The projects in stabilization had an occupancy rate of 90.2% at the end of the 3Q20 and 93.4% at the end of the 3Q19.



Characteristics of leasing agreements.

Plaza Sendero has a proven shopping center model (*layout* and operation), where the anchor stores and tenant mix play an important role in the performance of the shopping center. Approximately 50% of the GLA of each shopping center is leased to national chains that has been participating in each project of Acosta Verde. Additionally, this fact helps new developments to achieve the high GLA occupancy rate goal since its opening.

At the end of 3Q20, the portfolio properties concentrated a total of approximately 1,676 lease agreements, with an important tenant mix and geographic location, which ensures the primary focus of satisfying the main consumption, convenience and services needs of the visitors. Likewise, there are approximately 275 lease agreements for spaces in common areas, which generate part of the Company operating income.

The next chart shows the distribution of lease agreements by tenant category as a percentage of GLA and fixed rent.

Fixed Rent Distribution by Tenant Category	**% Fixed Rent**	**% GLA**
Food and Beverage	17%	10%
Clothing and Footwear	16%	13%
Entertainment	14%	22%
Departmental Stores	12%	20%
Specialized	9%	6%
Accessories	6%	2%
Telephony	4%	2%
Supermarkets	4%	12%
Sporting Goods	3%	2%
Banks	3%	2%
Furniture	2%	3%
Other categories	12%	8%

The following chart shows the top ten tenants in the portfolio in terms of GLA.

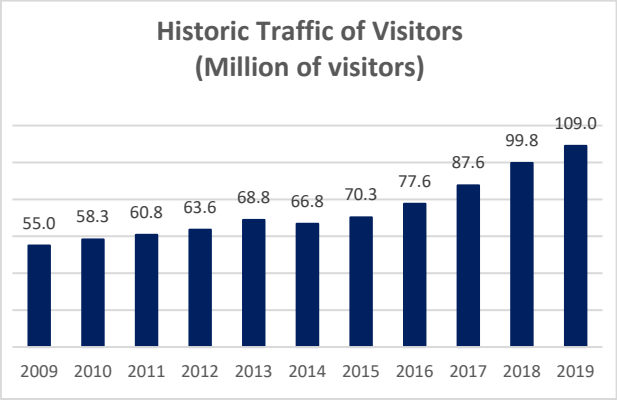
GLA Distribution

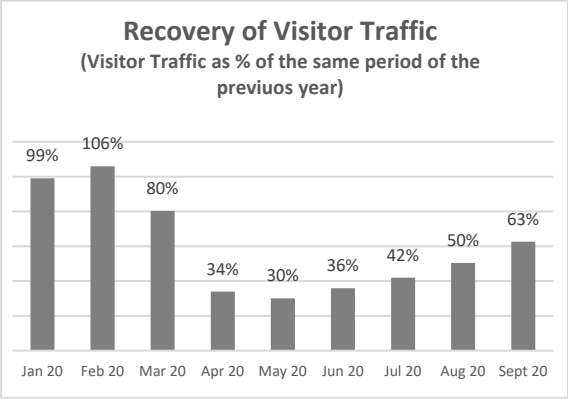
Tenant	# of stores	GLA (sqm)	% of total GLA
cinépolis	15	64,282	17.0%
Casa Ley	5	33,686	8.9%
Suburbia	3	19,029	5.0%
Coppel	12	18,247	4.8%
FAMSA	6	13,666	3.6%
Woolworth	9	11,658	3.1%
Promoda	4	7,179	1.9%
merco	1	5,463	1.4%
Parisina	8	5,411	1.4%
S-Mart	1	4,906	1.3%
Total	64	183,528	48.4%

Visitors traffic

As a result of the health contingency caused by the epidemic outbreak COVID-19, the federal, state and local authorities announced their first health measures as of mid-March and the Shopping Centers began to operate partially, causing an impact on the number of visitors. As of September 30, 2020, the properties had a traffic of approximately 46.7 million accumulated visits during the current year, presenting a decrease of 42% compared to the same period of the previous year when approximately 80 million visitors were registered.

At the end of the 3Q20, all the shopping centers were operating, with certain restrictions on tenant categories and in the number of people permitted in the properties at one time, in accordance with the official regulations issued by each state and/or local authority.





Fixed Rent Income

The average monthly fixed rent leased per square meter in stabilized properties reached 267 pesos in the 3Q20, which represents a decrease of only (0.4%) compared to the 268 pesos per square meter in the 3Q19.

Fixed rent income from the portfolio operating properties resulted in Ps. 148,892 as of the 3Q20, representing a variation of (37%) regarding to what was reported in the 3Q19.

Agreements Renewal and Lease Spread

At the end of the third quarter, 3,677.6 sqm of GLA in the portfolio were renewed, equivalent to 61 lease agreements.

The Lease Spread (indicator that reflects the variation between the average rent of a group of new leases compared to the average rent that expired regarding this same group) in the 3Q20 was 0.4%, based on 5,116 sqm renewed and replaced during the quarter.

Maturity of Lease Agreements

The following chart includes information regarding the expiration of the Portfolio leasing agreements as of September 30, 2020. As can be seen in the following chart, the highest percentage of GLA will expire in the long term (2025 and beyond).

Year	Number of Agreements to Expire	GLA of Agreements to expire (sqm)	% of GLA that expires	Fixed Rent that expires	% of Fixed Rent that expires
2020	244	24,735	7%	8,585,966	11%
2021	585	67,902	18%	21,397,863	27%
2022	487	52,081	14%	16,768,301	21%
2023	192	50,912	13%	9,691,366	12%
2024	35	15,854	4%	2,986,857	4%
2025 and after	133	167,536	44%	18,866,834	24%

Portfolio under Development

As of the date of this report, Acosta Verde is developing 2 shopping centers in the states of Nuevo León and Baja California. Additionally, there are good investment opportunities detected in the commercial market and the company has the competitive advantage of having available capital. Regarding the above, continuous analysis are carried out in research of new investment opportunities in order to increase the current portfolio and increase the profits of the company. At the same time, with the acquisition of new shopping centers and through an adequate market positioning strategy, we expect to increase Sendero brand recognition.

Next, information on each of the projects under development is presented and is based on estimations and expectations. The information presented in this section may suffer changes or modifications in the future derived from external factors of the Company; so, these figures should be considered today as estimations and not as definitive data.

Sendero Santa Catarina

Currently in its final stage of development in Nuevo León. It is located on Monterrey - Saltillo # 2601 Highway, Col. La Puerta, in the municipality of Santa Catarina, this municipality is also part of the Monterrey metropolitan area, which has an approximate population of 4.6 million inhabitants. The project has an estimated trade area of 373,000 inhabitants and 97,000 households. The land has an area of 150,889 sqm. Currently there are signed leases with important commercial brands, among which, we can mention Merco supermarket, Cinépolis, Coppel, Muebles Foly, Hemsa, Parisina and Del Sol.

Grupo Acosta Verde will have a 40% stake in the Shopping Center and the financing necessary to complete the construction is already secured by Capital and Debt. Sendero Santa Catarina is scheduled to open in March 2021.

Location	Monterrey, N.L.
GLA	34,812 sqm
% of Construction Progress	99%
% of Leased GLA (GLA signed)	74%
Estimated Opening Date	First Quarter 2021
Current Investment	710 million
Pending Investment	136 million

Sendero Ensenada

Its construction began during the first quarter of 2020 in Baja California. It is developed on Libramiento Sur, corner with Mariano Marquez street, in the municipality of Ensenada. The project has a trade area of approximately 337,000 inhabitants and 92,000 households. The location has a significant vehicular traffic and is a densely populated area. Sendero Ensenada will be the unique shopping center in its type in the city. The anchor stores for this project will be Casa Ley and Cinépolis. Due to the actual contingency situation, the development of the shopping center is currently paused.

In Sendero Ensenada, Grupo Acosta Verde has a participation of 100%. With the opening of Sendero Ensenada, Grupo Acosta Verde would have presence in the 3 most important cities of the State, considering the previous openings of Sendero Tijuana and Sendero Mexicali.

Location	Ensenada, B.C.
GLA	25,490 sqm
% of Construction Progress	7%
% of Leased GLA (GLA signed)	41%
Estimated Opening Date	To be defined
Current Investment	213 million
Pending Investment	336 million

Financial Statements

The consolidated Financial Statements contain the following concepts, mainly:

Income. The main source of Acosta Verde income is the leasing income that comes from the rents that the lessees pay for the use of Commercial Establishments. Real estate leasing income is recognized on a straight-line basis over the term of the leasing.

Additionally, the Company has income from project management services, which consists of income obtained from the shopping center management activity, and includes a: (i) fee for development, (ii) fee for leasing (consists of a fee paid for generating and closing the first generation of leasing contracts in a shopping center), (iii) fee for renewal of leasing contracts (in stabilized projects, it consists of a fee paid by lessees for improvement programs and renewals), (iv) management fee, and (v) fee for asset management (consists of a fee paid by a condominium for security services, maintenance of common areas, cleaning, among others).

Management income is recognized in the financial statements at the rates agreed for the provision of the respective service. In this way, (i) the development fee is recognized at the rate of 8% of the value of the land and construction, (ii) the leasing fee and the leasing renewal fee are recognized at the rate of 5% of the total value of the respective leasing, (iii) the management fee is recognized at 3% of the operating flow derived from the respective shopping center, and (iv) the asset management fee is recognized at the agreed fixed amount with each real estate.

Operating expenses. The operating expense is made up of fees, consultancy and management services, leasing, depreciation and amortization, construction projects, maintenance expenses, reimbursement of leasing, taxes and duties, fines and surcharges, office expenses, among other general expenses.

Valuation of investment properties. The valuation of investment properties is conformed of the change in the fair value of investment properties (i.e. the Commercial Establishments and trustee rights of trusts owning real estate).

Other income/expenses. The concept of other income/expenses includes income from reimbursement of expenses, clearance of balances, sale of assets, cancellation of debts, penalties and income from the sale of assets. The other expenses include cancellation of accounts receivable, tax clearance, recovery of air conditioners, penalties and other expenses.

Financial income/expenses. Financial income and costs are conformed of interest expenses and interest income, interest paid, cost for debt prepayment, income from yields, financial instruments, bank fees, loss and exchange profit.

Equity on financial results of joint ventures and associates. The participation in results of joint ventures and associates consists of the amounts that the Company invested in shares or stock participations of associated companies or trusts. Associates are all those entities over which the Company has significant influence but not control, therefore, to classify as an associate, the Company must hold between 20% and 50% of the voting rights in the respective associate.

Income taxes. The income tax is made up of both the tax caused on the taxable base for the respective year, as well as the deferred tax.

The next charts present unaudited consolidated financial information of the Company prepared under IFRS for the periods indicated:

Financial Situation Statement

Acosta Verde, S. A. B. de C. V., and Subsidiaries
(before Valores Integrales Inmobiliarios S.A. de C.V.)
Unaudited Consolidated Statements of Financial Situation
As of September 30, 2020, and December 31, 2019
(Figures expressed in thousands of Mexican pesos)

		September 30 2020	December 31 2019	Var. %
Asset				
Current assets				
Cash	$	3,805,957	555,103	586%
Accounts receivable		86,653	35,668	143%
Related parties		17,302	23,876	(28%)
Other accounts receivable		4,462	2,919	53%
Prepayments		16,701	8,206	104%
Incentives to lessees to accrue		48,844		100%
Taxes to be recovered		381,170	334,570	14%
Land Inventory		8,800	43,355	(80%)
Derivative financial instrument			2,641	(100%)
Total current assets		4,369,889	1,006,338	334%
Non-Current Assets:				
Constructions in process		456,084	114,656	298%
Investment properties		12,872,041	13,406,521	(4%)
Real Estate and equipment, net		114,795	106,156	8%
Restricted cash		127,801	140,319	(9%)
Incentives to lessees to accrue		56,542		100%
Guarantee deposits		21,835	21,408	2%
Intangible Assets, net		5,082	3,611	41%
Leasing assets		143,434	147,447	(3%)
Active derivative financial instrument		0,556	0,201	177%
Investments in subsidiary companies		199,409	202,511	(2%)
Deferred tax (asset)		38,781		100%
Total non-current assets		14,036,359	14,142,830	(1%)
Total assets	$	18,406,248	15,149,168	22%
Liabilities and Shareholders Equity				
Current liabilities:				
Current debt	$	361,097	430,687	(16%)
Accounts payable and deferred income		328,746	317,384	4%
Leasing liability		17,287	15,441	12%
Related party		(0,000)	474,357	(100%)
Derivative financial instrument		8,552	3,415	150%
Income taxes		35,925	3,136	1046%
Total current liabilities		751,607	1,244,420	(40%)
Non-Current Liabilities:				
Non-current debt		5,552,056	5,394,294	3%
Leasing liability		142,227	141,207	1%
Deferred income		30,533	28,214	8%
Derivative financial instruments		93,077	39,125	138%
Deferred taxes (liability)		1,800,750	1,835,104	(2%)
Employee benefits		3,787	3,787	0%
Total non-current liabilities		7,622,430	7,441,731	2%
Total liabilities		8,374,037	8,686,151	(4%)
Shareholders' Equity				
Share capital		5,925,603	2,216,268	167%
Share subscription premium		37,904	37,904	0%
Acumulated utilities		3,100,993	3,019,893	3%
Other capital accounts		(114,943)	(6,579)	1647%
Other comprehensive income		(1,364)	(1,364)	0%
Total controller participation		8,948,193	5,266,121	70%
Total non-controller participation		1,084,018	1,196,896	(9%)
Total shareholders' equity		10,032,211	6,463,017	55%
Total liabilities and sharehlders equity	$	18,406,248	15,149,168	22%

Analysis and variations of the principal concepts of the financial position statement

Cash
Cash as of September 30, 2020 amounted to Ps. 3,805,957, an increase of Ps. 3,250,854 or 586% regarding to the balance as of December 31, 2019. The increase in the cash balance is because of the increase in the share capital of Ps. 3,724,900 (equivalent to $200 million United States dollars, at the exchange rate of $18.6245 for each dollar) for the acquisition of 37.98% of the Company share capital, acquired by Promecap Acquisition Company, S.A.B. de C.V. on February 7, 2020.

Accounts receivable
Accounts receivable at the end of September 2020 are Ps. 86,653, an increase of 143% compared to the balance as of December 31, 2019. The increase in portfolio is mainly explained by the decrease in collections as a consequence of the "COVID-19" outbreak.
At the end of September 2020, the estimate for expected credit losses is $52,331.

Incentives to tenants to accrue (non-current)
At the end of September 2020, there is an account for Ps. 48,844 of accrual tenant incentives explained by accounting for concessions for operating lessors given in support of customers due to the COVID-19 outbreak.

Taxes receivable
The balance of the tax account receivable from VAT and ISR as of September 30, 2020 results in Ps. 381,170, resulting in an increase of 14% compared to the balance at the end of December 2019.

Land inventory
The land inventories as of the end of September 30, 2020 report a balance of Ps. 8,800 with a decrease of Ps. 34,555 compared to the balance as of December 31, 2019 explained by a payment in species in trust F3401 - Project Santa Catarina.

Constructions in progress
Constructions in progress at the end of September 2020 has a balance of Ps. 456,084, increasing by 298% or Ps. 341,428 compared to the closing as of December 31, 2019 explained by the investments in the projects under construction that are Plaza Sendero Santa Catarina and Plaza Sendero Ensenada.

Investment Properties
Investment properties that at the end of September 2020 have a value of Ps. 12,872,041 had a decrease of Ps. 534,480 compared to the balance as of December 31, 2019. The above is explained by the updates in the appraisal values of shopping centers given the effects on financial and real estate markets impacted by the COVID-19 outbreak declared as a pandemic by the World Health Organization on March 11, 2020.

Current liabilities
Current liabilities as of September 30, 2020 amounted to Ps. 751,607, which had a decrease of 40% compared to the balance as of December 31, 2019. The above mentioned, mainly by the settlement of the following liabilities: related parties by US. 24 million and the settlement of the bank debt with banco Invex, banco Sabadell and Banco Bancrea.

Non-Current liabilities
The non-current liabilities as of September 30, 2020 amounted to Ps. 7,622,430, which had an increase of Ps. 180,699 or 2% compared to the balance as of December 31, 2019 explained mainly by bank debt.

Shareholders' equity
Total capital as of September 30, 2020 was Ps. 10,032,211 compared to the total capital of Ps. 6,463,017 as of December 31, 2019, which represents an increase of 55%. This change is mainly attributed to the increase in share Capital due to the investment made by Promecap Acquisition Company last February 2020.

Consolidated statements of comprehensive Income

Acosta Verde, S. A. B. de C. V., and Subsidiaries
(before Valores Integrales Inmobiliarios S.A. de C.V.)
Unaudited Consolidated Statements of Comprehensive Income
For the three months ended September 30, 2020 and 2019
and for the periods ended September 30, 2020 and 2019
(Figures expressed in thousands of Mexican pesos)

		Three-month periods ended September 30 of			Nine-month periods ended September 30 of		
		2020	2019	Var. %	2020	2019	Var. %
Income for:							
Real estate leasing	$	222,741	279,017	(20%)	729,410	812,700	(10%)
Property sale		–	–	–	–	21,815	(100%)
Management services		27,278	27,811	(2%)	83,982	83,850	0%
Total Income		**250,019**	**306,828**	**(19%)**	**813,392**	**918,365**	**(11%)**
Operating expenses:							
Investment property cost		–	–	–	–	(11,500)	(100%)
Operating expenses		(109,682)	(100,852)	9%	(454,352)	(305,841)	49%
Total Operating Costs and Expenses		**(109,682)**	**(100,852)**	**9%**	**(454,352)**	**(317,341)**	**43%**
Investment property valuation		(180,010)	178,794	(201%)	(534,480)	536,382	(200%)
Other income		3,147	63,331	(95%)	20,650	104,123	(80%)
Other expenses		(6,575)	(55,835)	(88%)	(22,329)	(198,838)	(89%)
Other expenses, net		**(13,427)**	**7,496**	**(146%)**	**(1,678)**	**(94,715)**	**(98%)**
(Loss) operating income		**(43,100)**	**392,266**	**(111%)**	**(177,118)**	**1,042,691**	**(117%)**
Financial income		102,211	51,206	100%	1,018,633	130,234	682%
Subsidiary financial income		34	34	0%	101	101	1%
Financial expenses		(229,515)	(216,574)	6%	(827,227)	(615,435)	34%
Subsidiary financial expenses		0,000	(11,890)	(100%)	8,966	(35,135)	(126%)
Financial expenses, net		**(127,270)**	**(177,224)**	**(28%)**	**200,473**	**(520,235)**	**(139%)**
Impairment in associate investment		–	(38,692)	(100%)	–	(38,692)	(100%)
Participation in results of associated companies		(7,296)	10,038	(173%)	1,593	16,856	(91%)
(Loss) income before income tax	**$**	**(177,667)**	**186,388**	**(195%)**	**24,948**	**500,620**	**(95%)**
Income taxes		63,457	(52,099)	(222%)	(9,151)	(146,368)	(94%)
(Loss) net income of the period	**$**	**(114,210)**	**134,289**	**(185%)**	**15,797**	**354,252**	**(96%)**
Other comprehensive income concepts		–	–	–	–	–	–
Comprehensive income for the period	**$**	**(112,210)**	**134,289**	**(185%)**	**15,797**	**354,252**	**(96%)**
Comprehensive income attributable to:							
Controller participation		**(91,783)**	**112,094**		**84,657**	**282,008**	
Non-controller participation		**(22,427)**	**22,195**		**(68,860)**	**72,244**	
		(114,210)	**134,289**		**5,797**	**354,252**	

Analysis and variations of the principal concepts of the comprehensive income statement

Comparison of the principal concepts of the comprehensive income statement for the three-month period ended September 30, 2020 versus the three-month period ended September 30, 2019

Income
Total rental income for the three-month period ended September 30, 2020 was Ps. 222,741 compared to Ps. 279,017 for the 3-month period ended September 30, 2019, which represents a decrease of (20%). Such decrease is attributed to the decrease in Ps. 56,275 of rental income attributable to the effect of the COVID 19 pandemic.

The chart below shows the distribution of rental income for each shopping center for the three months ended September 30, 2020 and September 30, 2019:

Detail of rental income (Thousands of pesos)	3Q20	3Q19
Sendero Escobedo	13,219	16,738
Sendero Las Torres	16,341	18,844
Sendero Periférico	11,493	11,355
Sendero Ixtapaluca	14,179	20,030
Sendero San Luis	15,835	23,102
Sendero Toluca	22,989	26,550
Sendero San Roque	1,023	2,978
Sendero Juárez	11,927	15,242
Sendero Apodaca	19,257	23,667
Sendero Chihuahua	11,927	15,184
Sendero Los Mochis	14,107	16,460
Sendero Tijuana	19,758	23,852
Sendero Sur	12,141	16,069
Sendero Obregón	9,397	11,262
Sendero Culiacán	15,036	19,621
Sendero Mexicali	14,114	18,063
Other leasing income	-	-
	222,741	**279,017**

Income from management services received by the Company for the period ended September 30, 2020, decreased by 2% compared to the income from management services received for the period ended September 30, 2019, the above derived from the collection of a commercialization fee in 2019.

Operating costs and expenses
Total costs and expenses of the operation for the three-month period ended September 30, 2020 was Ps. 109,682 compared to Ps. 100,852 for the 3-month period ended September 30, 2019, which represents an increase of 9%. This increase is mainly attributed to an increase in the estimate of uncollectible accounts.

Valuation of investment properties
The valuation of the investment properties for the three-month period ended September 30, 2020 was Ps. (180,010) compared to Ps. 178,794 for the 3-month period ended September 30, 2019, which represents a decrease of 201%. This decrease is attributed mainly to the updates in the appraisal values of shopping

centers and lands given the effects on financial and real estate markets impacted by the COVID-19 outbreak declared as a pandemic by the World Health Organization on March 11, 2020.

Other income (expenses), net

The total of other net costs and expenses for the three-month period ended September 30, 2020 was Ps. 3,427 compared to Ps. 7,496 for the 3-month period ended September 30, 2019. The variation in the account is mainly explained by other non-recurring income of the company, Villahermosa commercial spaces registered in 2019 and net of cancellations of accounts receivable from related parties, also registered in 2019.

Financial expenses, net

Net financial expenses amounted to Ps. 127,270 for the three-month period ended September 30, 2019, compared to Ps. 177,224 for the same period of the previous year, which represented a decrease of 28%. This effect is mainly due to the net effect of foreign exchange loss recorded in the quarter and the decrease in interest expense.

Equity on financial results of joint ventures and associates.

Income (loss) from participation in results of joint ventures and associates for the three-month period concluded on September 30, 2020 was Ps. (7,296), compared to the net effect of impairment in associate investment and share of results in associated companies for (28,654) recorded at the end of the 3Q19. Acosta Verde has a 50% participation in the CIB/2715 Trust relating to 5 commercial establishments (Tiendas Famsa) that has in the same shopping centers, in addition to the previous one, in 2019 that registered an impairment in investment of an unrealized project.

Income taxes

Income taxes for the period ended on September 30, 2020 were Ps. (63,457) compared to Ps. 52,099 paid for the period ended September 30, 2019, which represents a decrease of Ps. 115,556. The decrease is mainly attributed to the recording of deferred taxes that are triggered by the recognition of the fair value of investment properties.

Consolidated net income (loss) for the period

The consolidated net loss for the three-month period ended September 30, 2020 was Ps. (114,210), compared to the Ps. 134,289 of profit relative to the same period of the previous year, which represents a decrease of 185%. This is attributed to the combination of increases and decreases in the concepts of the interim consolidated income statements described previously

Comparison of the principal concepts of the comprehensive income statement for the nine-month period ended September 30, 2020 versus the nine-month period ended September 30, 2019

Income

Total rental income for the nine-month period ended September 30, 2020 was Ps. 729,410 compared to Ps. 812,700 for the nine-month period ended September 30, 2019, which represents a decrease of (10%) attributable to the effect of the COVID 19 pandemic.

The chart below shows the distribution of rental income for each shopping center for the nine months ended September 30, 2020 and September 30, 2019:

Detail of rental income (Thousands of pesos)	9M20	9M19
Sendero Escobedo	41,293	48,836
Sendero Las Torres	51,329	55,648
Sendero Periférico	35,052	33,760
Sendero Ixtapaluca	48,455	59,423
Sendero San Luis	56,331	68,300
Sendero Toluca	70,935	79,239
Sendero San Roque	3,874	8,174
Sendero Juárez	39,561	42,778
Sendero Apodaca	61,218	68,650
Sendero Chihuahua	40,749	44,236
Sendero Los Mochis	45,432	47,245
Sendero Tijuana	61,969	68,681
Sendero Sur	43,250	46,557
Sendero Obregón	31,866	32,983
Sendero Culiacán	50,775	56,082
Sendero Mexicali	47,321	49,207
Other leasing income	-	2,902
	729,410	**812,700**

The income from the sale of properties registered at the end of September 30, 2019 is attributed to the sale of an excess of land in the Tijuana project that generated an income of Ps. 21,815.

Income from management services received by the Company for the period concluded on September 30, 2020, did not have significant annual variation.

Operating costs and expenses

The total costs and expenses of the operation for the period ended on September 30, 2020 was Ps. 454,352 compared to Ps. 317,341 for the period ended September 30, 2019, which represents an increase of 43% or Ps. 137,011. This increase is mainly attributed to a net effect in Ps. (11,500) in investment property costs for the sale of land in the Tijuana project in 2019 and an increase of Ps. 148,511 of operating expenses, mainly due to transactional expenses of the capitalization with PAC and transaction in listing on the Mexican stock exchange and estimate of doubtful accounts.

Valuation of investment properties

The valuation of the investment properties for the period ended on September 30, 2020 was Ps. (534,480) compared to Ps. 536,382 for the period ended September 30, 2019, which represents a decrease of 200%. This decrease is attributed mainly to the updates in the appraisal values of shopping centers and lands

given the effects on financial and real estate markets impacted by the COVID-19 outbreak declared as a pandemic by the World Health Organization on March 11, 2020.

Other income (expenses), net

The total of other net costs and expenses for the period ended September 30, 2020 was Ps. 1,678 compared to Ps. 94,715 for the period ended September 30, 2019. The decrease in the account is explained by other expenses recorded in 2019, where the main ones were the cancellation of participation in associates (MAZCOA), extraordinary expenses for reimbursements and cancellations of accounts receivables from related parties.

Financial (expenses) income, net

Financial (expenses) income, net for the period ended September 30, 2020 was Ps. (200,473), compared to Ps. 520,235 for the same period of the previous year, which represents a variation of Ps. 720,708. This effect is mainly due to the foreign exchange income registered in the period.

Consolidated net income (loss) for the period

The consolidated net income for the period ended September 30, 2020 was Ps. 15,797, compared to the Ps. 354,252 of profit relative to the same period of the previous year, which represents a decrease of 96%. This is attributed to the combination of increases and decreases in the concepts of the interim consolidated income statements described previously

Consolidated statements of cash flow

Acosta Verde, S. A. B. de C. V., and Subsidiaries
(before Valores Integrales Inmobiliarios S.A. de C.V.)

Unaudited Consolidated Statements of Cash Flows - Indirect Method

As of September 30, 2020, and 2019 (Figures expressed in thousands of Mexican pesos)

		September 30, 2020	September 30, 2019	Var. %
Cash flows from operating activities				
(Loss) net income of the period	$	15,797	354,252	(96%)
Adjustments:				
Amortization and depreciation		21,404	20,741	3%
Allowance of receivables		42,599	5,530	670%
Equity operation adjustment		(10,000)	-	100%
Gain on land sale		-	(5,796)	(100%)
ISR of income from interest		(985)	(2,011)	(51%)
Loss in investment sale		-	61,088	(100%)
Deferred tax		(27,187)	96,728	(128%)
Increase (decrease) in property investment valuation		534,480	(536,382)	(200%)
Account receivable due to merge		5,500	-	100%
Participation in results of associated companies		(1,593)	(16,856)	(91%)
Investment in associates		-	38,692	(100%)
other accounts		(366)	-	100%
Financial instuments valuation		64,366	89,876	(28%)
Income from interest		(47,757)	(30,170)	58%
interest and comissions		379,231	478,123	(21%)
Subtotal		**975,489**	**553,815**	**76%**
changes in:				
Net accouts receivables		(93,583)	(7,256)	1190%
other accounts		(1,543)	878	(276%)
Incentives to lessees to accrue		(105,386)	-	100%
Related parties		6,574	48,393	(86%)
Advance payments		(17,025)	(10,042)	70%
Recovery taxes		(46,600)	18,775	(348%)
Guarantee deposits		(427)	(498)	(14%)
intangible assets		-	-	100%
Accounts payable and deferred income		13,913	(16,218)	(186%)
Paid leases		-	-	100%
Income tax		32,789	45,233	(28%)
Cash flows from operation activities		**764,201**	**633,080**	**21%**
Investment activities:				100%
Property investment acquisition		-	(277,400)	(100%)
Interest collected		79	23,093	(100%)
Earnings collected		73,828	9,298	694%
Profits received from joint venture		4,696	-	100%
sale of investment properties		-	17,296	(100%)
Advance for sale of real estate		1,100	-	100%
Constructions in process		(341,428)	(11,640)	2833%
Acquisition of real estate and equipment		(16,157)	(4,751)	240%
Sale of investment in associates		-	36,000	(100%)
Corporate offices building payment		-	(9,008)	(100%)
Net Cash flows from investment activities		**(277,882)**	**(217,112)**	**28%**
Financing activities				100%
Non-controlling contributions		6,342	292,734	(98%)
Rendimientos pagados a participación no controladora		(14,768)	(18,783)	(21%)
Obtention of bank loans		410,000	48,541	745%
Bank loans payments		(371,309)	(173,901)	114%
other loans payments		-	(7,247)	(100%)
ACOSTCB 15 payment		(35,275)	(52,230)	(32%)
interest and commissions paid		(284,713)	(431,546)	(34%)
Related parties loans		-	(93)	(100%)
Related parties loans payments		(449,230)	-	100%
Related parties interest payments		(11,426)	(53,018)	(78%)
Capital payments of leases		(10,045)	(12,359)	(19%)
Financial instrument		(2,250)	-	100%
Financial instrument interest		(14,039)	-	100%
Equity increase expenses		(133,168)	-	100%
Shareholders payments		(19,994)	-	100%
Equity increase		3,724,920	-	100%
Equity decrease		(15,585)	-	100%
Restricted cash		(14,958)	(3,546)	322%
Net cash flows from financing activities		**2,764,502**	**(411,448)**	**(772%)**
Cash and equivalents (decrease), increase net		**3,250,821**	**4,520**	**71821%**
Cash and equivalents at the begining of the year		**555,103**	**705,918**	**(21%)**
Cash and equivalents from merge transaction		**33**	**-**	**100%**
Cash and equivalents at the end of the year	**$**	**3,805,957**	**710,438**	**436%**

Acosta Verde has financed its development mainly with the flow generated by its operations and specifically the rental income, as well as through bank credits for the construction and development of shopping centers and issuance of stock certificates in the Mexican market.

The Company short-term liquidity requirements consist primarily of funds necessary to pay operating expenses and other expenses related to the operation, including; (i) capital expenditures for lessees improvements and commissions for leasings, (ii) real estate management and administration fees, (iii) general and administrative expenses, and (iv) payment of taxes. Short-term liquidity requirements have been traditionally financed through the flow generated by the Company derived from its operations.

Acosta Verde long-term liquidity requirements consist primarily of funds necessary to finance acquisitions, improvements, expansions and other long-term capital expenses. Acosta Verde anticipates achieving its long-term liquidity needs also through cash flow from operations, as well as external financing sources.

Conciliation of Operating Income - EBITDA

Conciliation EBITDA

The following table shows the conciliation of EBITDA with the income statement ((Loss) operating income) at the end of September 30, 2020 and September 30, 2019.

	For the three months ended on September 30 of			For the nine months ended on September 30 of		
Figures in thousands of pesos	2020	2019	Var. %	2020	2019	Var. %
(Loss) Operating Profit	(43,100)	392,266	(111%)	(177,118)	1,042,691	(117%)
(-) Property Revaluation	180,010	(178,794)	(201%)	534,480	(536,382)	(200%)
Depreciation and Amortization	7,096	6,408	11%	21,404	20,741	3%
EBITDA	**144,006**	**219,881**	(35%)	**378,766**	**527,050**	(28%)
(-) Other income and expenses [1]	3,427	(7,496)	(146%)	1,678	94,715	(98%)
(-) Real estate sale	-	-	-	-	(21,815)	(100%)
(+) Costo of sales of investment properties	-	-	-	-	11,500	(100%)
(+) FAMSA [2]	8,521	9,055	(6%)	23,911	29,638	(19%)
(-) Mazcoa [3]	-	-	-	-	(2,092)	(100%)
(+) Non recurring expenses and others [4]	19,230	2,353	717%	153,241	(11,117)	(1478%)
Adjusted EBITDA	**175,184**	**223,792**	(22%)	**557,595**	**627,879**	(11%)
EBITDA Margin	**68%**	**71%**	(3) p.p	**67%**	**68%**	(1) p.p

(1) Includes income from sale of participation in Mazatlán and Coatzacoalcos (MAZCOA) and Villahermosa shopping centers

(2)Includes 100% of the operating income and expenses of the joint venture that AV has with Trust CIB 2715 (FAMSA Establishments), which are not consolidated in AV and are recorded by the equity method. AV participation is 50%

(3) Includes the income and expenses of MAZCOA only from the participation of Acosta Verde

(4)Includes recognition of IFRS leasing expense, recognition of corporate licenses, compensation and non-recurring expenses

NOI Conciliation

The Company calculates NOI on cash flow basis, the next chart shows the balancing of the accounting NOI to the NOI cash flow basis at the end of September 30, 2020 and September 30, 2019.

Figures in thousands of pesos	September 30 of 2020	2019	Var. %	September 30 of 2020	2019 [6]	Var. %
Countable income	222,741	279,017	(20%)	729,410	809,798	(10%)
FAMSA Countable [1]	8,846	9,372	(6%)	24,443	30,142	(19%)
Property Tax	(3,944)	(3,999)	(1%)	(11,832)	(12,079)	(2%)
Maintenance Service	(13,771)	(14,856)	(7%)	(38,711)	(41,902)	(8%)
Countable NOI	**213,872**	**269,533**	**(21%)**	**703,311**	**785,960**	**(11%)**
Land Leasing [2]	(3,653)	(3,528)	4%	(10,799)	(10,403)	4%
Management Expense [3]	(5,281)	(8,431)	(37%)	(16,488)	(24,437)	(33%)
Adjustment Cas Flow vs. Accrued [4]	1,369	4,353	(69%)	2,424	8,547	(72%)
Adjustment Amort Incentives to Lessees [5]	(40,532)	0	100%	(105,386)	0	100%
CXC Adjustment and uncollectibles	(22,487)	(1,054)	2033%	(92,544)	(7,355)	1158%
NOI Cash Flow Basis	**143,289**	**260,873**	**(45%)**	**480,517**	**752,313**	**(36%)**

Nota:

[1] Includes 100% of the operating income and expenses of the joint venture that AV has with Trust CB 2725 (FAMSA Establishments), which are not consolidated in AV and are recorded by the equity method. AV participation is 50%

[2] The Leasing of the Land by IFRS regulations is not an accounting expense

[3] The Management Expense is an intercompany expense, in the consolidated results the accounting effect is zero; however, since it is an expense of each shopping center its considered in the NOI Cash flow basis

[4] The adjustment is mainly due to Key Money due that these incomes are amortized by the contract term.

[5] The incentive to tenants is amortized over the remaining term of the contract, this effect is eliminated in the cash flow basis.

[6] The NOI conciliation is a comparison of the same shopping centers, in 2019 the AV participation in Mazatlán and Coatzacoalcos shopping centers (MAZCOA) is not included. The revenues generated in 2019 by MAZCOA are Ps. 2,902 and expenses of Ps. 724

Debt Analysis

Grupo Acosta Verde closed the 3Q20 with a total debt of Ps. 6,018,823 and a LTV leverage level of 17% (Measured as a percentage of the Appraised Value of Assets corresponding to the debt).

Debt analysis (In thousands of Ps.)	3Q20	2Q20	Var. %
Total Debt[1]	6,018,823	5,829,601	3%
Total Net Debt [1]	2,058,859	1,910,348	8%
Proportional Net Debt [1]	1,737,257	1,637,477	6%
Loan to Value [2]	17%	15%	1 p.p.

[1] The Total Debt is the result of adding the corporate debt plus the debt of creditors and suppliers. The Total Net Debt is the Total Debt considering cash and equivalents (which 89% is in dollars).
[2] Value calculated by taking the total net debt divided by the Appraised Value of Assets corresponding to the debt.

Corporate Debt[1] (In Thousands of MXN)	Expiration Date	Current Balance[2]	Base Rate	Margin	GAV Participation	Proportional Debt Balance[2]
AcostCB15 (3)	feb-35	2,764,262	8%	-	100%	2,764,262
Sendero Chihuahua	jul-31	319,883	TIIE 28 days	2.50%	57%	182,014
Sendero Los Mochis	ago-31	373,582	TIIE 28 days	2.50%	57%	212,568
Sendero Tijuana	feb-33	443,155	TIIE 28 days	2.50%	76%	335,025
Sendero Sur	ago-34	400,703	TIIE 28 days	2.50%	76%	302,931
Sendero Obregón	sep-34	294,565	TIIE 28 days	2.50%	76%	222,691
Sendero Culiacán	may-32	458,420	TIIE 28 days	2.50%	75%	345,190
Sendero Mexicali	abr-25	409,985	TIIE 28 days	2.25%	100%	409,985
Sendero Santa Catarina	dic-26	411,195	TIIE 28 days	2.25%	40%	164,478
FAMSA Establishments (4)	oct-27	120,291	TIIE 28 days	2.50%	100%	120,291
Total Corporate Debt		**5,996,042**				**5,059,436**

[1] The total debt acquired by the company in pesos Thousands Ps.
[2] Includes provisional interest as of September 30, 2020.
[3] AcostCB15 contemplates the Stabilized Portfolio (with the exception of Sendero San Roque and FAMSA Establishments)
[4] The FAMSA Establishments debt is not consolidated into the Financial Statements. GAV has a 50% participation; however, the debt corresponds 100% to GAV. In the Financial Statements, the 50% is recognized for the structure generated for financing.

Conference Call

Acosta Verde invites you to participate in the third quarter results conference call 2020.
Date: October 28, 2020
Time: 12:00 pm Mexico City time

Join the Zoom meeting
https://us02web.zoom.us/j/84711403226?pwd=OFlwaUhGYUpMYlZNL3JXT2gzWHJQUT09

Meeting ID: 847 1140 3226
Access code: 551509
Mark based on your location

Mexico	+52 556 826 9800
United States of America	+1 929 205 6099

Presenting:
Jesus Adrián Acosta Castellanos - CEO
Edgar Maldonado de los Reyes - Administration and Financial Director
Hernán Treviño de Vega - Legal and Operations Director

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