



# Consolidated Results for the Fourth Quarter **2021**

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## ACOSTA VERDE ANNOUNCES CONSOLIDATED RESULTS FOR THE FOURTH QUARTER OF 2021

San Pedro Garza García, Mexico, February 24, 2022 – 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 fourth quarter (“4Q21”).

The financial statements 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 this report are unaudited, therefore adjustments may be made to certain figures mentioned within this report in the future.

### Highlights:

#### Operational

- During 4Q21, outlook for the retail sector improved driven by: (i) the decrease of the “third wave”, (ii) the national campaign “Buen Fin” and (iii) the Christmas season. In Mexico, COVID vaccination continues to progress reaching a rate of more than 55% of the population with a complete vaccination scheme, factor that benefit the commercial performance during the fourth quarter.
- Acosta Verde is constantly monitoring official regulatory protocols in each city with a Sendero footprint to ensure compliance.
- We continue promoting our marketing campaign ¡Seguro vienes más! through which we are continually communicating to our visitors the security-sanitary protocols, to encourage visits to the Sendero shopping centers under a safe environment. Also, we are in constant review of tenant activities to ensure that they operate under strict compliance with the measures established in security-sanitary protocols.
- At the end of 4Q21, although with certain restrictions on tenant categories and capacity in visitors permitted, the 17 shopping centers were operating in accordance with official regulations issued by each state and/or local authority.
- During 4Q21, due to the decrease of the “third wave”, most of the quarter, the shopping centers operated with a high capacity in visitors permitted. However, the last week of the year, Nuevo Leon government announced a decrease from 90 to 50% of permitted capacity in enclosed spaces, being the most relevant change in restrictions for the retail sector, suffering the first signs of the “fourth wave” due to a new increase in COVID-19 cases.
- Reinforcing the commitment to the community and our stakeholders, during 4Q21, several Plazas Sendero continued to host vaccination brigades against COVID-19. Sendero Mexicali, Sendero Culiacán, Sendero Santa Catarina, Sendero Los Mochis, Sendero Obregón and recently Sendero Escobedo received thousands of people for the application of the vaccine. We maintain constant communication with local, state, and federal authorities to provide our full support in this campaign.
- Acosta Verde reported a total of 442,008 sqm of GLA, composed by 17 properties at the end of 4Q21.

- At the end of 4Q21, the occupancy rate of total portfolio was 90.7%, compared to 92.3% in 4Q20. Considering same shopping centers under operation, the occupancy of the portfolio was 91.6% at the end of 4Q21.
- As of December 31, 2021, considering same shopping centers, the properties had traffic of approximately 26.1 million visitors accumulated during the quarter. The quarterly traffic of the portfolio was at 90% compared to the traffic in the same quarter in 2019, showing a positive trend in number of visitors in a comparison to previous quarters.
- At the end of 4Q21, considering same shopping centers, our parking lots received approximately 5.5 million of vehicles, 20% above 4Q20 when 4.5 million vehicles were registered, and 5% below the operations registered in 4Q19.
- Acosta Verde continues to review the situation of each tenant on a case-by-case basis, offering specific negotiations for each one, looking for the best performance of each shopping center. Thanks to this effort, a positive performance in collections is observed, achieving during 4Q21 a collection efficiency of 104% compared to quarterly invoicing.

## Financial

- NOI<sup>1</sup> Cash basis for 4Q21 reached Ps. 283,471, the result for the same period of the previous year was Ps. 207,193. NOI Margin was 89% for 4Q21.
- Total leasing income during 4Q21 was Ps. 264,072 representing an increase of 17% compared to 4Q20.
- The Operating EBITDA for 4Q21 reached Ps. 180,198, which represents a decrease of 2% when compared to the same quarter in 2020. The Operating EBITDA margin for 4Q21 was 64%.

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<sup>1</sup> The information of the following shopping centers is presented including participation of minorities, AV's ownership is: Chihuahua 56.9%, Los Mochis, 56.9%, Tijuana 75.6%, Sur 75.6%, Obregón 75.6%, Culiacan 75.3%, Mexicali 100%, and Santa Catarina 40%. Additionally, the information includes 100% of the NOI of CIB 2715 Trust of which AV's ownership is 50%.

## CEO Comments

Welcome!

I am very pleased to greet you, hoping that you are doing well, and to present the results of Acosta Verde at the end of the fourth quarter of 2021. Despite the current environment and in front of an uncertain year due to COVID-19, the company shown the resilience of our Sendero concept. Thanks to our great management team and its constant effort, it was possible to reach and, in some cases, exceed the indicators of the company and the shopping centers. The indicators showed levels of visitors during the month of December almost at 2019 levels and occupancy rates of almost 92% in our shopping centers.

This was possible due to a great marketing effort, the enthusiasm of the businesses in Sendero and, of course, the favorable communication we have with our business partners. Additionally, we were able to reduce the accounts receivable significantly, we accelerated the speed of commercialization of the shopping centers, and we noticed sales of our tenants in November and December exceeding 2019 and even in some cases considerably.

The results for the main indicators for the fourth quarter of 2021 compared to the same period of 2020 are the following:

- Total revenues reached MXN 358.6 million representing an increase of 40%.
- The NOI reached MXN 283.5 million representing an increase of 37%.
- EBITDA closed at MXN 180.2 million, 2% decrease versus the same period in 2020.
- The traffic in our shopping centers during 4Q21 was approximately 26.1 million visitors in same shopping centers. The quarterly traffic was at 90% compared to the traffic in the same quarter in 2019, showing a positive trend in number of visitors in a comparison to previous quarters.
- The occupancy rate of total portfolio was 90.7%, compared to 92.3% in 4Q20. Considering same shopping centers, the occupancy of the portfolio was 91.6% at the end of 4Q21.

In Environmental, Social and Governance (ESG) matters, we continue to focus on advancing in the implementation of best practices and in compliance with our ESG Strategic Plan that was established in 2021, with which we will be looking to increase our value for all our interest groups. We have a solid corporate governance and in environmental matters we constantly look for innovations and operational improvements. One of our main priorities in front of the global situation caused by the pandemic is to preserve the well-being of our employees and the communities where we have presence, which is why we continue to offer our employees training in safety and security options, remote work and flexible hours to our HQ employees, to mention a few, achieving high commitment and high-level performance of their activities. Committed to the community, six of our Plazas Sendero, in alliance with the local and state authorities, have hosted COVID-19 vaccinations points having applied more than 550,000 doses during the whole year.

Definitely 2021 had constant challenges, but always seeing the positive side and concentrating on what is in our hands, makes these challenges become opportunities and that is how we have seen that thanks to the effort of our extraordinary team, the resilience of the Sendero concept and our constant communication with our business partners have meant that we have not only had a magnificent 2021, but have also strengthened us as a team for the challenges ahead.

Watching 2022 with great enthusiasm and optimism, always thinking about the well-being of our employees, caring for the environment, generating a unique experience for our visitors in the plazas Sendero and constantly generating value for our investors. This is what sets Acosta Verde apart!

Thanking you again for your trust.  
Sincerely,

Jesus Acosta Castellanos  
CEO

## Acosta Verde

Acosta Verde was founded in 1970 by the Architect Jesús Acosta Verde. Acosta Verde is a Mexican company, a pioneer in necessity-based shopping center developments in Mexico, with a solid track record in the planning, development, leasing, management, and operation 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 traffic of visitors in its necessity-based Shopping Centers. Plaza Sendero is recognized by its primary focus of satisfying the basic commercial needs of the community.

Since Acosta Verde developed its first Sendero shopping center, the business strategy has focused mainly on serving the middle and lower middle-class population in Mexico, since they are the fastest growing segments and comprise a significant percentage of the total population in the country, offering a considerable potential of consumers. Likewise, Acosta Verde seeks to offer this population high-quality Shopping Centers where they can make their daily purchases and attend all their consumer needs thanks to the tenant mix offered by each Sendero.

In the Sendero business model, the hypermarket anchor store plays a key role in the success of the properties since it provides a consistent visitor traffic and satisfies the basic consumer needs of the population.

Thanks to the experience acquired by Acosta Verde throughout its track record in the development and management of Shopping Centers, the Plaza Sendero brand has been able to position itself among the main shopping center operators in Mexico, having developed solid relationships with the main national chains. Since inception, Acosta Verde has developed a total of 44 properties. Additionally, one shopping center is under development in Ensenada, Baja California. Due to the actual contingency situation, the development is currently on hold.

## Limitation of Liability

This report may contain certain future statements or subjective analysis, as well as statements that may involve some risk and uncertainty. Future estimations are good faith estimates and many material factors could cause our actual results, performance or achievements to differ materially from those expressed or implied in our future estimations. 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. The activities 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. Certain information in this document is based on forecasts by the management team and reflects prevailing market conditions, all of which is subject to change. 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. This report nor its content constitutes the support of a contract or a binding commitment of any nature.

## Summary of the Principal Financial and Operational Indicators

### Financial Indicators

The following charts present a summary of the main financial indicators for 4Q21 and 4Q20, and 2021 and 2020 regarding the financial information that includes the results of the Shopping Centers: :

<b>Financial Metrics<sup>2</sup></b> (Thousands of pesos)	<b>4Q21</b>	<b>4Q20</b>	<b>Var. %</b>	<b>2021</b>	<b>2020</b>	<b>Var. %</b>
NOI	283,471	207,193	37%	943,412	687,478	37%
NOI Margin	89%	88%	1 p.p.	87%	87%	0 p.p.
Operating EBITDA	180,198	184,744	(2%)	702,810	718,035	(2%)
Operating EBITDA Margin	64%	70%	(6 p.p.)	64%	65%	(1 p.p.)
Financial Debt	5,788,751	5,947,265	(3%)	5,788,751	5,947,265	(3%)
LTV	15%	19%	(4 p.p.)	15%	19%	(4 p.p.)

<b>Income Statement</b> (Thousands of pesos)	<b>4Q21</b>	<b>4Q20</b>	<b>Var. %</b>	<b>2021</b>	<b>2020</b>	<b>Var. %</b>
Total revenue	358,624	255,340	40%	1,162,723	1,068,732	9%
Total operating expenses	(116,103)	(126,068)	(8%)	(417,784)	(580,420)	(28%)
Operating income (loss)	448,967	18,691	2302%	1,210,317	(158,427)	(864%)
Operating income (loss) before valuation of investment properties and property	121,880	133,511	(9%)	623,230	490,873	27%
Operating margin	34%	52%		54%	46%	
Comprehensive income (loss) of the period	418,487	(419,709)	(200%)	861,485	(403,912)	(313%)

### Operating Indicators

<b>Operating Indicators</b>	<b>4Q21</b>	<b>4Q20</b>	<b>Var. %</b>
Number of Operating Properties <sup>3</sup>	17	16	6%
Gross Leasable Area (GLA) sqm <sup>4</sup>	442,008	407,595	8%
Occupancy Rate (same shopping centers) (%)	91.6%	92.3%	(0.7 p.p.)
Visitor Traffic (millions)	26.7	18.6	44%
Stabilized Portfolio Average Rent per sqm	291	273	7%

<sup>2</sup> The metrics and adjustments 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.

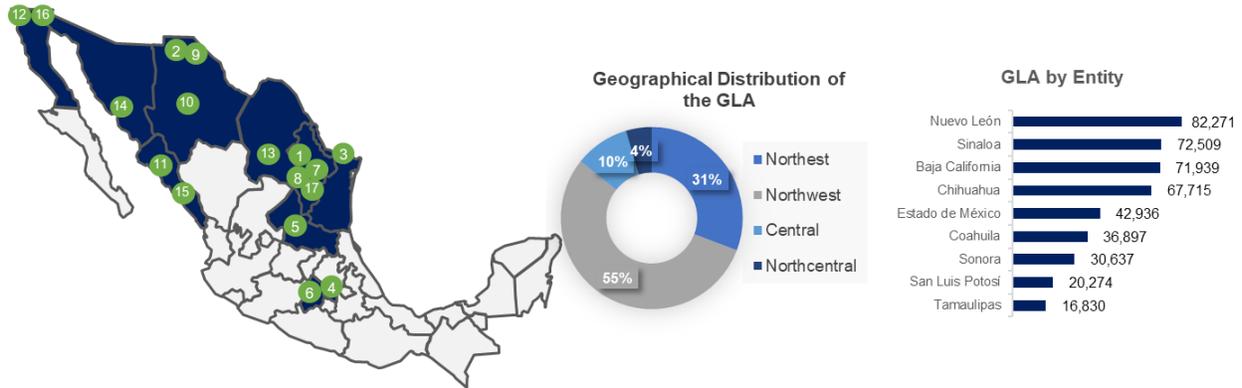
<sup>3</sup> Additionally, AV has a development currently on hold in Ensenada, in Baja California, and manages four shopping centers for third parties.

<sup>4</sup> Includes 100% of the GLA of the shopping centers.

## Operating Portfolio

### Geographical Distribution of the Operating Portfolio

At the end of 4Q21, Acosta Verde’s portfolio was composed by 17 community shopping centers located in nine states, mainly in the northern and central regions of Mexico. At the end of 4Q21, the properties recorded an average occupancy rate of 90.7%. The average occupancy rate considering same shopping centers was 91.6% at the end of the quarter.



<p><b>1. SENDERO ESCOBEDO</b> Escobedo, N.L. GLA: 15,477 m2 Occupancy Rate: 96%</p>	<p><b>2. SENDERO LAS TORRES</b> Cd. Juárez, Chihuahua GLA : 19,083 m2 Occupancy Rate : 100%</p>	<p><b>3. SENDERO PERIFÉRICO</b> Reynosa, Tamps. GLA : 13,962 m2 Occupancy Rate : 86%</p>	<p><b>4. SENDERO IXTAPALUCA</b> Ixtapaluca, Edo. Méx. GLA : 18,702 m2 Occupancy Rate : 98%</p>	<p><b>5. SENDERO SAN LUIS</b> SLP, SLP. GLA : 17,773 m2 Occupancy Rate : 97%</p>
<p><b>6. SENDERO TOLUCA</b> Lerma, Edo. Méx. GLA : 20,195 m2 Occupancy Rate : 97%</p>	<p><b>7. SENDERO SAN ROQUE</b> Juárez, N.L. GLA : 6,026 m2 Occupancy Rate : 93%</p>	<p><b>8. SENDERO APODACA</b> Apodaca N.L. GLA : 26,355 m2 Occupancy Rate : 95%</p>	<p><b>9. SENDERO JUÁREZ</b> Cd. Juárez, Chihuahua GLA : 20,975 m2 Occupancy Rate : 96%</p>	<p><b>10. SENDERO CHIHUAHUA</b> Chihuahua, Chihuahua GLA : 25,351 m2 Occupancy Rate : 86%</p>
<p><b>11. SENDERO LOS MOCHIS</b> Ahome, Sinaloa GLA : 34,441 m2 Occupancy Rate : 89%</p>	<p><b>12. SENDERO TIJUANA</b> Tijuana, BC. GLA : 39,203 m2 Occupancy Rate : 100%</p>	<p><b>13. SENDERO SUR</b> Saltillo, Coahuila GLA : 36,897 m2 Occupancy Rate : 87%</p>	<p><b>14. SENDERO OBREGÓN</b> Cajeme, Son. GLA : 30,637 m2 Occupancy Rate : 84%</p>	<p><b>15. SENDERO CULIACÁN</b> Culiacán, Sin. GLA : 38,068 m2 Occupancy Rate : 90%</p>
<p><b>16. SENDERO MEXICALI</b> Mexicali, BC. GLA : 32,737 m2 Occupancy Rate : 90%</p>	<p><b>17. SENDERO SANTA CATARINA</b> Santa Catarina N.L. GLA : 34,413 m2 Occupancy Rate : 80%</p>			

## Operating Properties

Acosta Verde's portfolio is composed of 17 shopping centers located in nine States of Mexico, a total of 442,008 sqm, with an occupancy rate of 90.7% of the GLA at the end of 4Q21. In this quarter, the total portfolio registered 26.7 million visitors (considering same shopping centers, the traffic was 26.1 million visitors).

To facilitate the analysis, we divided the portfolio into two groups: "stabilized portfolio", that includes shopping centers with an average age of 15.9 years, with high occupancy levels and their income already stabilized; additionally, there are eight commercial spaces bought in 2017, which include stores that are in some of the stabilized shopping centers. A second group named "portfolio in stabilization" consists of shopping centers with an average age of 4.0 years; under this category, there are shopping centers that opened in 2016 or later and that still have great potential growth, including Sendero Santa Catarina inaugurated in March 2021.

The table below includes information regarding the operating properties as of December 31, 2021.

Operating Portfolio <sup>5</sup>	Shopping Center Format	Location	Opening Year	GLA (sqm)	Occupancy	Main Anchors
<b>Stabilized Properties</b>						
Sendero Escobedo	Community Center	Escobedo, N.L.	2002	15,477	96%	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	86%	Soriana, Cinépolis
Sendero Ixtapaluca	Community Center	Ixtapaluca, Edo. Mex.	2005	18,702	98%	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	97%	Soriana, Cinépolis
Sendero San Roque	Community Center	Juárez, N.L.	2006	6,026	93%	Soriana, Cinépolis
Sendero Juárez	Community Center	Cd. Juárez, Chih.	2008	20,975	96%	Soriana, Cinépolis
Sendero Apodaca	Community Center	Apodaca, N.L.	2008	26,355	95%	Soriana, Cinépolis
F2715 Sub-anchor stores <sup>6</sup>		Chih. Mex, Tamps, SLP	-	11,713	66%	
<b>Total Stabilized Portfolio</b>				<b>170,261</b>	<b>94%</b>	
<b>Portfolio in Stabilization</b>						
Sendero Chihuahua	Community Center	Chihuahua, Chih.	2016	25,351	86%	Smart, Cinépolis
Sendero Los Mochis	Community Center	Ahome, Sin.	2016	34,441	89%	Casa Ley, Cinépolis
Sendero Tijuana	Community Center	Tijuana, BC	2016	39,203	100%	Casa Ley, Cinépolis
Sendero Sur	Community Center	Saltillo, Coah.	2017	36,897	87%	Merco, Cinépolis
Sendero Obregón	Community Center	Cajeme, Son.	2017	30,637	84%	Casa Ley, Cinépolis
Sendero Culiacán	Community Center	Culiacán, Sin.	2018	38,068	90%	Casa Ley, Cinépolis
Sendero Mexicali	Community Center	Mexicali, BC	2018	32,737	90%	Casa Ley, Cinépolis
<b>Total Portfolio in Stabilization</b>				<b>237,334</b>	<b>90%</b>	
<b>Subtotal Operating Portfolio</b>				<b>407,595</b>	<b>92%</b>	
Sendero Santa Catarina	Community Center	Santa Catarina, N.L.	2021	34,413	80%	Merco, Cinépolis
<b>Total Operating Portfolio</b>				<b>442,008</b>	<b>91%</b>	

<sup>5</sup> The information of the following shopping centers is presented including participation of minorities, AV's ownership is: Chihuahua 56.9%, Los Mochis 56.9%, Tijuana 75.6%, Sur 75.6%, Obregón 75.6%, Culiacán 75.3%, Mexicali 100%, Santa Catarina 40% and CIB 2715 Trust 50%.

<sup>6</sup> Repurchased sub-anchors located in 5 Sendero Shopping Centers.

## Operating Portfolio

The revenue of the portfolio corresponds to Fixed Rent, Variable Rent (% of tenant sales), Common Areas (parking, advertising, rent of common areas) and Key Money. The following table presents the financial results of the portfolio on a cash flow basis as of December 31, 2021.

<b>Total Revenue <sup>7</sup></b> (In thousands of pesos)	<b>4Q21</b>	<b>4Q20</b>	<b>Var. %</b>	<b>2021</b>	<b>2020</b>	<b>Var. %</b>
Sendero Escobedo	15,912	12,072	32%	52,642	41,963	25%
Sendero Las Torres	21,893	14,513	51%	77,649	55,755	39%
Sendero Periférico	16,985	13,289	28%	56,481	42,670	32%
Sendero Ixtapaluca	22,925	15,551	47%	73,735	50,375	46%
Sendero San Luis	22,316	18,710	19%	77,530	65,131	19%
Sendero Toluca	27,734	19,610	41%	95,513	68,246	40%
Sendero San Roque	1,368	1,056	29%	6,069	4,188	45%
Sendero Apodaca	27,531	20,878	32%	92,131	66,492	39%
Sendero Juárez	14,126	9,728	45%	50,585	34,878	45%
F2715 Sub-anchor stores	9,974	7,687	30%	29,692	24,043	23%
<b>Stabilized Portfolio</b>	<b>180,764</b>	<b>133,095</b>	<b>36%</b>	<b>612,027</b>	<b>453,741</b>	<b>35%</b>
Sendero Chihuahua	14,938	10,035	49%	48,691	37,546	30%
Sendero Los Mochis	16,510	13,509	22%	59,754	44,569	34%
Sendero Tijuana	33,273	24,921	34%	112,995	75,469	50%
Sendero Sur	14,233	12,736	12%	51,959	46,944	11%
Sendero Obregón	11,640	10,491	11%	42,048	34,919	20%
Sendero Culiacán	19,646	16,377	20%	66,238	52,824	25%
Sendero Mexicali	18,794	15,081	25%	67,198	48,627	38%
<b>Portfolio in Stabilization</b>	<b>129,034</b>	<b>103,149</b>	<b>25%</b>	<b>448,883</b>	<b>340,898</b>	<b>32%</b>
<b>Subtotal Operating Portfolio</b>	<b>309,798</b>	<b>236,244</b>	<b>31%</b>	<b>1,060,910</b>	<b>794,638</b>	<b>34%</b>
Sendero Santa Catarina	8,864	-	-	25,780	-	-
<b>Total Operating Portfolio</b>	<b>318,662</b>	<b>236,244</b>	<b>35%</b>	<b>1,086,690</b>	<b>794,638</b>	<b>37%</b>

Revenue breakdown information presented below is on a cash basis:

<b>Revenue Breakdown <sup>7</sup></b> (In thousands of pesos)	<b>4Q21</b>	<b>4Q20</b>	<b>Var. %</b>	<b>2021</b>	<b>2020</b>	<b>Var. %</b>
Fixed Rent	266,428	207,626	28%	904,877	690,815	31%
Variable Rent	12,743	8,977	42%	60,932	34,810	75%
Common Areas	29,003	17,938	62%	92,042	52,564	75%
Key Money	10,488	1,703	516%	28,839	16,448	75%
<b>Total Revenue</b>	<b>318,662</b>	<b>236,244</b>	<b>35%</b>	<b>1,086,690</b>	<b>794,638</b>	<b>37%</b>

<sup>7</sup> 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 participation of minorities, AV's ownership is: Chihuahua 56.9%, Los Mochis, 56.9%, Tijuana 75.6%, Sur 75.6%, Obregón 75.6%, Culiacán 75.3%, Mexicali 100% and Santa Catarina 40%.

Additionally, it includes the 100% of the income of the joint venture between AV with CIB 2715 Trust, which are not consolidated in AV and are recorded according to the Proportional Consolidation Method. AV participation is 50%.

NOI <sup>8</sup> (In thousands of pesos)	4Q21	4Q20	Var. %	2021	2020	Var. %
Sendero Escobedo	14,550	10,694	36%	47,350	37,420	27%
Sendero Las Torres	20,725	13,585	53%	72,523	51,544	41%
Sendero Periférico	16,169	12,662	28%	53,328	40,525	32%
Sendero Ixtapaluca	21,539	14,321	50%	68,361	45,913	49%
Sendero San Luis	20,893	17,481	20%	71,767	60,172	19%
Sendero Toluca	25,734	18,069	42%	88,037	62,662	40%
Sendero San Roque	602	371	62%	3,041	1,482	105%
Sendero Apodaca	21,190	15,219	39%	67,438	45,134	49%
Sendero Juárez	12,428	8,249	51%	42,895	29,583	45%
F2715 Sub-anchor stores	9,362	7,554	24%	28,370	23,510	21%
<b>Stabilized Portfolio</b>	<b>163,192</b>	<b>118,205</b>	<b>38%</b>	<b>543,110</b>	<b>397,945</b>	<b>36%</b>
Operating Margin	90%	89%		89%	88%	
Sendero Chihuahua	12,648	8,145	55%	38,285	30,747	25%
Sendero Los Mochis	14,409	11,441	26%	50,886	36,547	39%
Sendero Tijuana	31,906	23,257	37%	106,413	68,910	54%
Sendero Sur	12,052	10,503	15%	42,739	39,847	7%
Sendero Obregón	9,422	8,366	13%	32,356	27,015	20%
Sendero Culiacán	17,210	13,849	24%	55,404	43,829	26%
Sendero Mexicali	16,841	13,426	25%	58,788	42,640	38%
<b>Portfolio in Stabilization</b>	<b>114,488</b>	<b>88,988</b>	<b>29%</b>	<b>384,871</b>	<b>289,535</b>	<b>33%</b>
Operating Margin	89%	86%		86%	85%	
<b>Subtotal Operating Portfolio</b>	<b>277,680</b>	<b>207,193</b>	<b>34%</b>	<b>927,981</b>	<b>687,478</b>	<b>35%</b>
Operating Margin	90%	88%		87%	87%	
Sendero Santa Catarina	5,791	-	-	15,431	-	-
<b>Total Operating Portfolio</b>	<b>283,471</b>	<b>207,193</b>	<b>37%</b>	<b>943,412</b>	<b>687,478</b>	<b>37%</b>
Operating Margin	89%	88%		87%	87%	

<sup>8</sup> The information presented is on a Cash Flow Basis and not on an Accrual Basis.

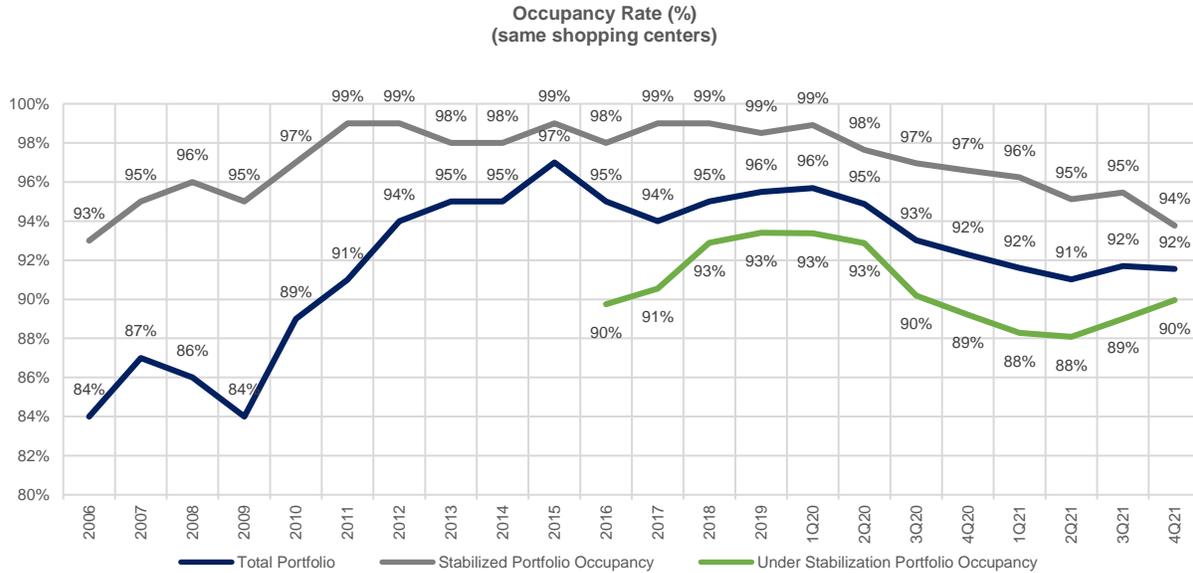
The information of the following Shopping Centers is presented including participation of minorities, AV's ownership is: Chihuahua 56.9%, Los Mochis, 56.9%, Tijuana 75.6%, Sur 75.6%, Obregón 75.6%, Culiacán 75.3%, Mexicali 100% and Santa Catarina 40%.

Additionally, it includes the 100% of the income of the joint venture between AV with CIB 2715 Trust, which are not consolidated in AV and are recorded according to the Proportional Consolidation Method. AV participation is 50%.

**Occupancy**

At the end of 4Q21, the occupancy rate of the total portfolio was 90.7% compared to 92.3% in 4Q20. The decrease in occupancy is explained by (i) certain tenants terminating leases due to poor financial conditions and (ii) the recent opening of Sendero Santa Catarina.

The occupancy rate of the stabilized portfolio at the end of 4Q21 was 93.8%, compared to 96.6% at the end of the same period in 2020. Considering same shopping centers, at the end of 4Q21 the occupancy rate of the portfolio under stabilization was 90.0% and the occupancy of the total portfolio was 91.6%.



**Tenants Overview**

Plaza Sendero has a proven necessity-based 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 have been participating in each project of Acosta Verde. Additionally, this helps new developments achieve the high occupancy rate goal since their openings.

At the end of 4Q21, the portfolio properties concentrated a total of approximately 1,690 lease agreements, with an important diversified tenant mix and geographic locations, which ensures the primary focus of satisfying the main consumption, convenience, services, and needs of our visitors. Likewise, there are approximately 327 lease agreements for spaces in common areas, which generate part of the Company’s operating income.

The next table 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
Entertainment	16%	22%
Food and Beverage	16%	10%
Clothing and Footwear	14%	10%
Departmental Stores	11%	20%
Specialized Items	10%	7%
Accessories	5%	2%
Telephony	4%	2%
Supermarkets	4%	13%
Banks	3%	2%
Sporting Goods	2%	1%
Furniture	2%	3%
Other	13%	8%

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

GLA Breakdown			
Top 10 Tenants	Number of leases	GLA (sqm)	% of total GLA
 cinépolis	1	67,933	17.1%
 Casa Ley	5	33,686	8.5%
 Coppel	15	21,899	5.5%
 Suburbia	3	19,029	4.8%
 Woolworth	9	17,497	4.4%
 merco	2	11,408	2.9%
 Promoda	4	7,179	1.8%
 Parisina	9	6,480	1.6%
 ULTRA GYM Fitness	4	4,976	1.3%
 S-Mart	1	4,906	1.2%
<b>Total</b>	<b>68</b>	<b>194,993</b>	<b>49.2%</b>

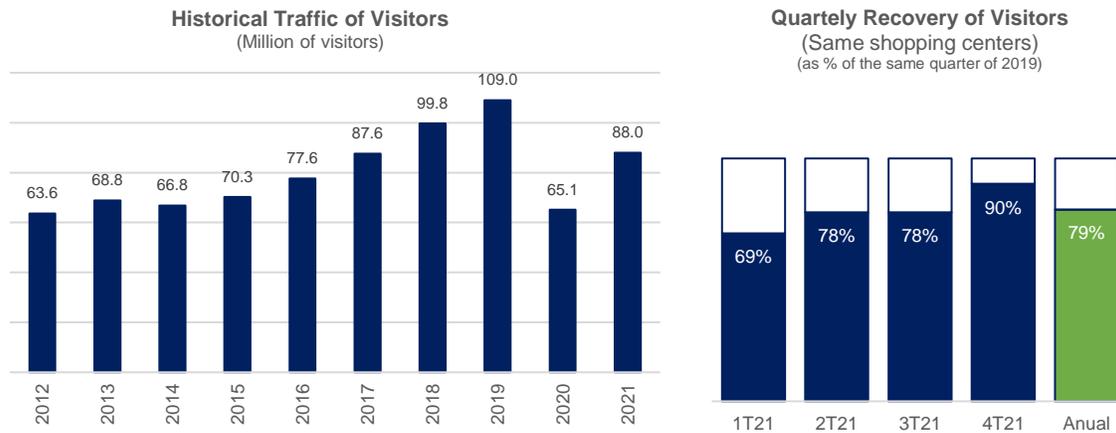
### Visitor Traffic

As a result of COVID-19 outbreak, since March 2020, municipal, state and federal authorities have implemented capacity and access restrictions for vulnerable groups to shopping centers, which has impacted the number of visitors.

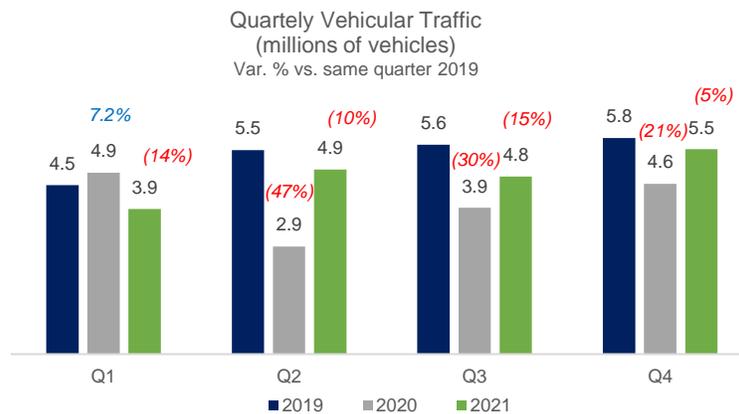
At the end of 4Q21, although with certain restrictions on tenant categories and the number of visitors permitted in the properties at one time, the 17 shopping centers were operating in accordance with official regulations issued by each state and/or local authority. Due to the decrease of the “third wave”, most of the quarter, the shopping centers operated with a high number of people permitted in the properties at one time,

however, at the end of the year, Nuevo Leon government announced a new decrease from 90 to 50% of permitted capacity in enclosed spaces, being the most relevant change in restrictions for the retail sector, suffering the first signs of the “fourth wave” due to a new increase in COVID cases.

During 4Q21, the total portfolio had traffic of 26.7 million visitors (in same shopping centers the traffic was 26.1 million visitors). The quarterly traffic of the portfolio was 44% above the same quarter in 2020 and was 90% above compared to the traffic of the same quarter in 2019, showing a positive trend in number of visitors.



At the end of 4Q21, considering same shopping centers, the parking lots had traffic of approximately 5.5 million of vehicles, 20% increase when compared to 4Q20 and 5% lower when compared to 4Q19.



**Fixed Rent Income**

The monthly average fixed rent leased per square meter in stabilized properties reached \$291 pesos in 4Q21, 7% above the average rent of the same period in 2020.

**Renewal Agreements and Lease Spread**

At the end of 4Q21, 28,731 sqm of GLA in the portfolio were renewed, equivalent to 152 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 GLA) in 4Q21 was -0.7%, based on 35,342 sqm replaced and renewed during the quarter. In the annual accumulated, the Lease Spread was 2.2%.

### Maturity of Lease Agreements

The following table includes information regarding the expiration of lease agreements as of December 31, 2021. Please note that the highest percentage of GLA has a long horizon towards expiration (2027 and beyond).

Year	Number of Leases to Expire	GLA of Leases to Expire (sqm)	% of GLA that Expires	Fixed Rent that Expires	% of Fixed Rent that Expires
2022	512	58,326	15%	19,302,064	23%
2023	323	64,742	16%	15,593,148	18%
2024	565	57,270	14%	20,423,045	24%
2025	46	14,031	4%	3,342,385	4%
2026	53	32,309	8%	4,745,377	6%
2027 and after	191	169,485	43%	21,874,004	26%

### Portfolio Under Development

As of the date of the report, the development of Sendero Ensenada in Baja California is on hold.

In addition, to potentially develop more shopping centers in the future, we continue to seek investment opportunities in the market since the Company has available capital, which we consider a competitive advantage to materialize investments. Regarding the above, continuous analyses are carried out in research of new investment opportunities to grow 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.

The following information about the project under development in Baja California is based on estimates and expectations. The information presented in this section may suffer changes or modifications in the future derived from external factors to the Company; these figures should be considered today as estimates and not as definitive data.

#### Sendero Ensenada

Acosta Verde has a 100% stake in Sendero Ensenada, and it began construction during 1Q20 in Baja California. As mentioned above, it is currently on hold. It has a privileged location in Ensenada, located at Libramiento Sur intersecting with Mariano Marquez Street in the municipality of Ensenada.

Once the Company develops Sendero Ensenada, it will have presence in the 3 most important cities of the state, considering the previous openings of Sendero Tijuana and Sendero Mexicali.

## ESG

Always committed to implement the best practices in Environmental, Social and Governance (ESG) matters, at the end of 4Q21, we have met objectives established in our ESG Strategic Plan.

### Environmental

- We continue to encourage the culture of recycling in our community. At the end of 2021, in alliance with Grupo AIE and in beneficent of other local associations, we have collected 19.5 tons in PET bottles, PEAD bottles and caps.
- Also, thanks to the alliance with Grupo AIE, we incorporated a new recycling machine in Sendero Sur.

### Social

- We implemented "Lernit", a platform for distance learning for all our employees, with the aim to continue to development their skills and competencies.
- At the end of 2021, we have carried out more than 100 social commitment initiatives in our shopping centers, benefiting more than 35,000 people.
- Six Sendero shopping centers continue to host COVID vaccination, at the end of 2021 more than 550,000 doses were applied in our facilities.
- During December, we carried out our national event "Posada con Valor" in which we invited 2,383 people from charity associations in our community to enjoy moments of healthy entertainment in Plaza Sendero, giving them breakfast, gifts and to enjoy a movie film, but above all to share our Sendero with the neediest population.

### Governance

- We provide training to our employees on our Code of Ethics.
- We carried out our annual training for employees on anti-corruption practices or the Foreign Corrupt Practices Act (FCPA).
- We incorporated information security issues on the agenda of our Board of Directors.

Our 2020 Annual Sustainability Report was prepared using the international standards GRI and SASB. The report can be accessed here:

[https://www.grupoav.com/wp\\_asg\\_informe\\_anual\\_de\\_sostenibilidad.php](https://www.grupoav.com/wp_asg_informe_anual_de_sostenibilidad.php)

## Financial Statements

The following tables present unaudited consolidated financial statements of the company in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS):

**Acosta Verde, S. A. B. de C. V. and Subsidiaries**  
 Unaudited Consolidated Statement of Financial Position  
 December 31, 2021, and December 31, 2020  
 (Mexican pesos in thousands)

	December 31, 2021	December 31, 2020	Var. %
<b>Assets</b>			
<b>CURRENT ASSETS:</b>			
Cash	\$ 3,554,467	\$ 3,301,792	8%
Accounts receivable	29,341	70,667	(58%)
Related parties	4,830	5,042	(4%)
Other accounts receivable	3,180	4,555	(30%)
Advance payments	1,348	5,087	(74%)
Lease incentives to tenants	45,557	56,378	(19%)
Recoverable taxes	236,727	299,111	(21%)
Guarantee deposits	-	-	-
Land inventory	-	8,800	(100%)
Derivative financial instruments	-	-	-
<b>Total current assets</b>	<b>3,875,450</b>	<b>3,751,432</b>	<b>3%</b>
<b>NON-CURRENT ASSETS:</b>			
Construction in progress	49,852	520,727	(90%)
Investment properties	13,702,500	12,757,221	7%
Property and equipment, net	116,593	121,350	(4%)
Restricted cash	133,865	119,581	12%
Lease incentives to tenants	68,726	63,891	8%
Guarantee deposits	23,449	22,418	5%
Intangible assets, net	3,862	3,949	(2%)
Lease asset	134,927	141,609	(5%)
Derivative financial instruments	62,689	173	36136%
Investment in associates	193,617	199,054	(3%)
Deferred income tax	19,164	2,842	574%
<b>Total non-current assets</b>	<b>14,509,244</b>	<b>13,952,815</b>	<b>4%</b>
<b>Total assets</b>	<b>\$ 18,384,694</b>	<b>\$ 17,704,247</b>	<b>4%</b>
<b>Liabilities and stockholders' equity</b>			
<b>CURRENT LIABILITIES:</b>			
Current debt	\$ 260,093	\$ 233,881	11%
Accounts payable and deferred revenue	301,517	325,363	(7%)
Lease liability	17,780	16,859	5%
Related parties	6,440	-	-
Derivative financial instruments	-	4,128	(100%)
Income tax	29,703	684	4243%
<b>Total current liabilities</b>	<b>615,533</b>	<b>580,915</b>	<b>6%</b>
<b>NON-CURRENT LIABILITIES:</b>			
Non-current debt	5,417,919	5,596,855	(3%)
Related parties	-	-	-
Lease liability	144,214	143,057	1%
Deferred revenue	28,944	27,389	6%
Derivative financial instruments	42,725	104,219	(59%)
Deferred income tax	1,687,439	1,633,936	3%
Employees' benefits	4,119	5,373	(23%)
<b>Total non-current liabilities</b>	<b>7,325,360</b>	<b>7,510,829</b>	<b>(2%)</b>
<b>Total liabilities</b>	<b>\$ 7,940,893</b>	<b>\$ 8,091,744</b>	<b>(2%)</b>
<b>STOCKHOLDERS' EQUITY</b>			
<b>Controlling interest:</b>			
Capital stock	5,925,603	5,925,603	0%
Premium on issuance of shares	37,904	37,904	0%
Retained earnings	3,409,603	2,740,502	24%
Other equity accounts	(114,943)	(114,943)	0%
Other comprehensive results	(2,094)	(2,090)	0%
<b>Total controlling interest</b>	<b>9,256,073</b>	<b>8,586,976</b>	<b>8%</b>
Non-controlling interest	1,187,728	1,025,527	16%
<b>Total stockholders' equity</b>	<b>\$ 10,443,801</b>	<b>\$ 9,612,503</b>	<b>9%</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 18,384,694</b>	<b>\$ 17,704,247</b>	<b>4%</b>

## Analysis of Consolidated Statement of Financial Position

### Cash

Cash balance at the end of December 2021 was Ps. 3,554,467, an increase of 8% or Ps. 252,675 compared to December 31, 2020.

### Accounts receivable

Accounts receivable as of December 31, 2021, totaled Ps. 29,342 representing a 58% decrease compared to December 31, 2020, explained by collection.

At the end of December 2021, the allowance of the uncollectable accounts was Ps. 19,642.

### Lease incentives to tenants

At the end of December 2021, the lease incentives to tenants account balance was Ps. 45,557 a decrease by 19% compared to December 2020. This account refers to rent concessions or discounts provided as a direct result of the COVID-19 pandemic for an agreed time to be accrued in accordance with IFRS 16 guidance.

### Recoverable taxes

Recoverable taxes balance as of December 31, 2021, for VAT and income tax was Ps. 236,727 representing 21% decrease compared to December 31, 2020.

### Land inventory

The balance of land inventory account as of December 2021 was zero given the sale of the excess land in the shopping center Sendero Sur in Saltillo, Coahuila.

### Construction in progress

The balance of construction in progress account as of December 31, 2021, was Ps. 49,852, decreasing by 90% or Ps. 470,875 compared to December 31, 2020, explained by the end of the construction of Plaza Sendero Santa Catarina, which was inaugurated in March 2021 that became part of investment properties account.

### Investment properties

Investment properties as of December 31, 2021, had a value of Ps. 13,702,500 which increases by 7% or Ps. 945,279 compared to December 31, 2020, mainly explained by the recognition of investment properties of Plaza Sendero Santa Catarina and shopping centers' appraisal values recognition.

### Current liabilities

Current liabilities as of December 31, 2021, were Ps. 615,533 increasing by 6% compared to December 31, 2020. Variation is explained by the net effect of an increase of Ps. 26,212 in current debt, Ps. 24,850 decrease of accounts payable and deferred income, and an increase by Ps. 29,017 in income taxes.

### Non-current liabilities

Non-Current liabilities as of December 31, 2021, were Ps. 7,325,360 compared to December 31, 2020, which results in a decrease of Ps. 185,469 or 2% explained by long term bank loans and derivative financial instruments.

## Stockholders' equity

Stockholders' equity at the end of December 2021 was Ps. 10,443,801 in comparison with stockholders' equity at the end of 2020 of Ps. 9,612,503, representing a 9% increase explained by the results of the period.

## Consolidated Statements of Comprehensive Income

The consolidated Financial Statements of comprehensive income contain the following concepts:

**Revenue.** The main source of Acosta Verde's income is the lease income that comes from the rents that the lessees pay for the use of commercial spaces. Lease income is recognized on a straight-line basis over the term of the lease.

Additionally, the Company receives income from management fees, which consists of income obtained from managing Shopping Centers, and from the following: (i) development fee, (ii) leasing fee (consists on a fee paid for obtaining and signing the first generation of lease contracts in a shopping center), (iii) fee for renewal of lease contracts (in stabilized projects, it consists of a fee paid by lessees for renewals), (iv) management fee, and (v) asset management fee (commission paid by the condominiums for security services, maintenance of common areas, and cleaning, among others).

Management fee income is recognized in the financial statements at the rates agreed for the respective service provisions. In this way, (i) the development fee totals for each project 8% of the project's land and construction value, (ii) the leasing fee and the leasing renewal fee total a 5% of the total value of the lease contracts, (iii) the management fee is equal to 3% of the shopping center collection, and (iv) the asset management fee totals the fixed amount agreed upon with each shopping center.

**Operating expenses.** The operating expenses are integrated mainly by fees, advisory work, leasing expenses, depreciation and amortization, construction projects expenses, Shopping Centers maintenance expenses, corporate office expenses, and taxes, among other general expenses.

**Valuation of investment properties.** The valuation changes in investment properties are calculated as the change in the fair value of investment properties (Shopping Centers, land inventory, etc.).

**Other income/expenses.** The concept of other income/expenses includes the following: income from expenses reimbursement, sales of air conditioner systems to tenants and other non-recurring income. Other expenses include cancellation of accounts, air conditioner expenses, and other various expenses.

**Financial income/expenses.** Financial income and expenses are conformed by interest income, interest paid, financial instruments, bank fees, and foreign exchange profit and loss.

**Income (loss) from unconsolidated entities.** The participation in results of joint ventures and associates consists of the recognition in results 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 the tax caused on the respective year and deferred taxes.

**Acosta Verde, S. A. B. de C. V. and Subsidiaries**  
 Unaudited Consolidated Statement of Comprehensive Income  
 For the three-month and twelve-month period ended December 31, 2021 and 2020  
 (Mexican pesos in thousands)

	Three-months period ended December 31,			Var. %	Twelve-months period ended December 31,			Var. %
	2021	2020			2021	2020		
Revenue:								
Lease income	\$ 264,072	\$ 225,482	17%	\$ 976,208	\$ 954,892	2%		
Property sales	77,400	-	100%	92,400	-	100%		
Management fees	17,152	29,858	(43%)	94,115	113,840	(17%)		
<b>Total revenue</b>	<b>358,624</b>	<b>255,340</b>	<b>40%</b>	<b>1,162,723</b>	<b>1,068,732</b>	<b>9%</b>		
Operating expenses	(116,103)	(126,068)	(8%)	(417,784)	(580,420)	(28%)		
Cost of property sold	(105,500)	-	-	(114,300)	-	-		
Valuation of investment properties and property	327,087	(114,820)	(385%)	587,087	(649,300)	(190%)		
Other income(expense), net	(15,141)	4,239	(457%)	(7,409)	2,561	(389%)		
<b>Operating income (loss)</b>	<b>\$ 448,967</b>	<b>\$ 18,691</b>	<b>2302%</b>	<b>\$ 1,210,317</b>	<b>\$ (158,427)</b>	<b>(864%)</b>		
Financial Income	280,033	40,422	593%	582,581	1,059,156	(45%)		
Financial Expenses	(326,697)	(594,699)	(45%)	(803,059)	(1,412,960)	(43%)		
	<b>(46,664)</b>	<b>(554,277)</b>	<b>(92%)</b>	<b>(220,478)</b>	<b>(353,804)</b>	<b>(38%)</b>		
(Loss) from unconsolidated entities	-	-	-	-	-	-		
Income from unconsolidated entities	3,220	7,261	(56%)	1,639	8,854	(81%)		
<b>Income (loss) before income tax</b>	<b>\$ 405,523</b>	<b>\$ (528,325)</b>	<b>(177%)</b>	<b>\$ 991,478</b>	<b>\$ (503,377)</b>	<b>(297%)</b>		
Income tax	12,968	109,342	(88%)	(129,989)	100,191	(230%)		
<b>Net income of the period</b>	<b>\$ 418,491</b>	<b>\$ (418,983)</b>	<b>(200%)</b>	<b>\$ 861,489</b>	<b>\$ (403,186)</b>	<b>(314%)</b>		
Other comprehensive results items	(4)	(726)	(99%)	(4)	(726)	(99%)		
<b>Comprehensive income (loss) of the period</b>	<b>\$ 418,487</b>	<b>\$ (419,709)</b>	<b>(200%)</b>	<b>\$ 861,485</b>	<b>\$ (403,912)</b>	<b>(313%)</b>		
Comprehensive income attributable to:								
Controlling interest	\$ 318,585	\$ (361,218)		\$ 669,097	\$ (276,561)			
Non-controlling interest	99,902	(58,491)		192,388	(127,351)			
	<b>\$ 418,487</b>	<b>\$ (419,709)</b>		<b>\$ 861,485</b>	<b>\$ (403,912)</b>			

## Analysis of Consolidated Statement of Comprehensive Income

Comparison of the main items of the comprehensive income statement for the three-month period ended December 31, 2021, versus the three-month period ended December 31, 2020.

### Revenue

Total revenue reached Ps. 358,624 representing an increase by 40% compared to 2020.

The total lease income for the three-month period ended December 31, 2021, was Ps. 264,072 compared to Ps. 225,482 for the three-month period ended December 31, 2020, representing an increase of 17%.

The chart below shows the distribution of rental income for each shopping center for the three months ended December 31, 2021, and December 31, 2020:

<b>Detail of lease income</b> (MXN in thousands)		
<b>Shopping Center</b>	<b>4Q21</b>	<b>4Q20</b>
Sendero Escobedo	14,264	12,889
Sendero Las Torres	18,200	15,785
Sendero Periférico	13,347	12,247
Sendero Ixtapaluca	16,775	14,742
Sendero San Luis	21,233	15,915
Sendero Toluca	23,766	22,339
Sendero San Roque	1,099	905
Sendero Juárez	14,655	10,667
Sendero Apodaca	22,641	20,145
Sendero Chihuahua	11,878	10,057
Sendero Los Mochis	14,128	13,598
Sendero Tijuana	28,145	23,671
Sendero Sur	11,229	12,976
Sendero Obregón	10,182	9,834
Sendero Culiacán	17,047	14,783
Sendero Mexicali	16,386	14,929
Sendero Santa Catarina	9,097	-
<b>Total</b>	<b>264,072</b>	<b>225,482</b>

During the fourth quarter, the company sold a land parcel located in Cd. Juárez, Chihuahua, recording an income from sale of properties of Ps. 77,400.

Income from management fees resulted in Ps. 17,152, 43% lower than the same period in 2020 as a result from a corporate reorganization with a net effect on income and expenses.

### Cost of property sold and operating expenses

Total cost of property sold and operating expenses for the three-month period ended December 31, 2021, was Ps. 221,603 compared to Ps. 126,068 for the three-month period ended December 31, 2020, representing a decrease of 76% explained by the cost of sale of the land parcel sold during the fourth quarter.

**Valuation of investment properties and property**

The effect on results of the Valuation of Investment properties for the three-month period ended December 31, 2021, was Ps. 327,087 compared to Ps. (114,820) for the three-month period ended December 31, 2020. 4Q20 negative value recognition was due to effects of COVID-19 in the appraisal values.

**Other income (expenses), net**

The total other income and expenses net for the three-month period ended December 31, 2021, resulted in an expense of Ps. 15,141 compared to Ps. 4,239 income for the three-month period ended December 31, 2020, 2021 effect is mainly explained by non-capitalized Ensenada project construction expenses.

**Financial expenses, net**

The total net financial expenses resulted in Ps. 46,664 for the three-month period ended December 31, 2021, compared with the Ps. 554,277 for the same period last year, which represent a decrease of 92% explained by exchange loss.

**Income (loss) from unconsolidated entities**

Income (loss) from unconsolidated entities for the three-month period concluded on December 31, 2021, was Ps. 3,220 compared to the same period last year of Ps. 7,261. Acosta Verde has a 50% participation in the CIB/2715 trust, which owns 8 commercial spaces located in Company's shopping centers.

**Income taxes**

Income taxes for the three-month period concluded on December 31, 2020, was Ps. 12,968 versus the Ps. 109,342 registered for the same period last year which represents an 88% decrease variation attributable to deferred taxes.

**Comprehensive income (loss) of the period**

The comprehensive income for the three-month period ended December 31, 2021, was Ps. 418,487, compared to Ps. (419,709) loss registered same period last year, which represents a 200% variation. This is attributed to the combination of increases and decreases of the items described above.

*Comparison of the main items of the comprehensive income statement for the twelve-month period ended December 31, 2021, versus the twelve-month period ended December 31, 2020.*

## Revenue

Total revenue reached Ps. 1,162,723 representing an increase by 9% compared to 2020.

The total lease income for the twelve-month period ended December 31, 2021, was Ps. 976,208 compared to Ps. 954,892 for the twelve-month period ended December 31, 2020, representing an increase of 2%.

The chart below shows the distribution of rental income for each shopping center for the twelve months ended December 31, 2021, and December 31, 2020:

<b>Detail of lease income</b>		
<small>(MXN in thousands)</small>		
<b>Shopping Center</b>	<b>2021</b>	<b>2020</b>
Sendero Escobedo	52,388	54,182
Sendero Las Torres	70,122	67,114
Sendero Periférico	51,458	47,299
Sendero Ixtapaluca	67,564	63,197
Sendero San Luis	74,445	72,246
Sendero Toluca	81,174	93,274
Sendero San Roque	5,757	4,779
Sendero Juárez	47,380	50,228
Sendero Apodaca	81,511	81,363
Sendero Chihuahua	44,364	50,806
Sendero Los Mochis	54,603	59,030
Sendero Tijuana	105,284	85,640
Sendero Sur	49,343	56,226
Sendero Obregón	40,050	41,700
Sendero Culiacán	62,087	65,558
Sendero Mexicali	62,347	62,250
Sendero Santa Catarina	26,331	-
<b>Total</b>	<b>976,208</b>	<b>954,892</b>

The following sales were recorded in June and November: a sale of exceeding land in one of our Shopping Centers located in Saltillo, Coahuila for Ps. 15,000 and for Ps. 77,400 of a land parcel located in Cd. Juárez, Chihuahua, respectively.

Income from management fees resulted in Ps. 94,115, 17% lower than the same period in 2020 as a result from a corporate reorganization with a net effect on income and expenses.

## Cost of property sold and operating expenses

Total cost of property sold and operating expenses for the twelve-month period ended December 31, 2021, was Ps. 532,084 compared to Ps. 580,420 for the twelve-month period ended December 31, 2020, representing a decrease of 8% explained by non-recurring and transactional expenses in 2020 related to listing transaction and cost of sale of properties in 2021.

**Valuation of investment properties and property**

The effect on results of the Valuation of Investment properties for the twelve-month period ended December 31, 2021, was Ps. 587,087 compared to Ps. (649,300) for the twelve-month period ended December 31, 2020. 2020 negative value recognition was due to effects of COVID-19 in the shopping centers' appraisal values.

**Other income (expenses), net**

The total other income and expenses net for the twelve-month period ended December 31, 2021, resulted in expense of Ps. 7,409 compared to Ps. 2,561 income for the twelve-month period ended December 31, 2020, mainly explained by the net effect in 2021 of income from expense reserve account cancelation, lease contracts penalties and favorable tax amounts updates and noncapitalized Ensenada project construction expenses.

**Financial expenses, net**

The total net financial expenses resulted in expenses of Ps. 220,478 for the twelve-month period ended December 31, 2021, compared with the expense of Ps. 353,804 for the same period last year, which represents a 38% variance. This effect is mainly due to foreign exchange effect.

**Income (loss) from unconsolidated entities**

Income (loss) from unconsolidated entities for the twelve-month period concluded on December 31, 2021, was Ps. 1,639, compared to the same period last year of Ps. 8,854. Acosta Verde has a 50% participation in the CIB/2715 trust, which owns 5 commercial spaces located in the company's shopping centers.

**Income taxes**

Income taxes for the twelve-month period concluded on December 31, 2020, was Ps. (129,989) versus the Ps. 100,191 registered for the same period last year which represents a 230% variation attributable to deferred taxes as a result of shopping center's appraisal values increase.

**Comprehensive income (loss) of the period**

The comprehensive income for the twelve-month period ended December 31, 2021, was Ps. 861,485, compared to Ps. 403,912 loss registered same period last year, which represents a 313% increase. This is attributed to the combination of increases and decreases of the items described above.

**Acosta Verde, S. A. B. de C. V., and Subsidiaries**  
 Unaudited Consolidated Statement of Cash Flows - Indirect Method  
 For the period ended December 31, 2021 and 2020  
 (Mexican pesos in thousands)

	December 31,		Var.
	2021	2020	%
<b>Cash flows from operating activities:</b>			
Comprehensive income (loss) of the period	\$ 861,485	\$ (403,912)	(313%)
Adjustments to reconcile net income to operating activities net cash flows			
Depreciation and amortization	28,523	28,595	(0%)
Uncollectable accounts	(24,988)	44,028	(157%)
Income tax	129,989	(100,191)	(230%)
Decrease (Increase) in Valuation of investment properties	(587,087)	649,300	(190%)
Income from unconsolidated entities	(1,639)	(8,854)	(81%)
Employee benefits	8,083	1,586	410%
Merge transaction effects	-	5,293	(100%)
Financial Instruments valuation	(126,007)	139,699	(190%)
Income from interest	(27,937)	(76,825)	(64%)
Interest and commissions	471,701	478,153	(1%)
<b>Subtotal</b>	<b>732,123</b>	<b>756,872</b>	<b>(3%)</b>
Changes in:			
Accounts receivable, net	66,316	(79,028)	(184%)
Other accounts receivable	1,545	(1,635)	(194%)
Incentives to tenants to be accrued	5,987	(120,269)	(105%)
Related parties	6,653	8,834	(25%)
Advance Payments	3,740	3,119	20%
Recoverable taxes	62,270	53,989	15%
Guarantee deposits	(1,031)	(1,010)	2%
Accounts payable and deferred income	(17,543)	7,090	(347%)
Income taxes	(63,789)	(78,541)	(19%)
<b>Operating activities net cash flows</b>	<b>796,271</b>	<b>549,421</b>	<b>45%</b>
<b>Cash flows from investment activities</b>			
Acquisition of investment property	7,183	-	-
Collected interests	103,555	60,170	72%
Investments in associates	-	-	-
Profits received from joint ventures	8,184	12,311	(34%)
Sale of investment property	105,500	-	-
Construction in progress	(13,975)	(406,071)	(97%)
Acquisition of property, furniture and transportation equipment	(4,548)	(33,190)	(86%)
Sale in associates and investments in subsidiaries	(1,107)	-	-
<b>Net cash flows from investment activities</b>	<b>204,792</b>	<b>(366,780)</b>	<b>(156%)</b>
<b>Cash flows from financing activities</b>			
Contributions from non-controlling interest	-	6,289	(100%)
Returns of contributions to non-controlling interest	(30,187)	(15,752)	92%
Bank loans obtained	294,089	463,504	(37%)
Payment of bank loans	(319,952)	(372,314)	(14%)
Payment of other loans	(1,721)	(1,723)	(0%)
ACOSTCB15 payment	(126,330)	(85,527)	48%
Interest and commissions paid	(527,998)	(460,899)	15%
Payment of loans to related parties	-	(453,735)	(100%)
Payment of interest to related parties	-	(3,969)	(100%)
Leases	1,546	(17,237)	(109%)
Derivate financial instrument	(2,190)	(47,466)	(95%)
Payment of interest of derivate financial instrument	(21,361)	(23,756)	(10%)
Capital stock contributions net from expenses	-	3,571,447	(100%)
Decrease in capital stock	-	(15,585)	(100%)
Restricted cash	(14,284)	20,738	(169%)
<b>Net cash flows from financing activities</b>	<b>(748,388)</b>	<b>2,564,015</b>	<b>(129%)</b>
Increase in cash, net	252,675	2,746,656	
Cash at beginning of the period	3,301,792	555,103	
Cash from merger	-	33	
<b>Cash at the end of the period</b>	<b>\$ 3,554,467</b>	<b>\$ 3,301,792</b>	<b>8%</b>
Financial activities not cash required:			
Return-in-kind to investors	\$ -	\$ 34,555	

## Reconciliation of Operating Income - EBITDA

### EBITDA Reconciliation

The following table shows the reconciliation of EBITDA with the income statement (Operating profit (loss)) at the end of December 31, 2021, and December 31, 2020.

	4Q21	4Q20	Var. %	2021	2020	Var. %
<i>Figures in thousands of pesos</i>						
Operating income (loss)	448,967	18,691	2302%	1,210,317	(158,427)	(864%)
Valuation of investment properties	(327,087)	114,820	(385%)	(587,087)	649,300	(190%)
Depreciation and amortization	14,285	14,287	(0%)	28,523	28,595	(0%)
<b>EBITDA</b>	<b>136,165</b>	<b>147,798</b>	<b>(8%)</b>	<b>651,753</b>	<b>519,468</b>	<b>25%</b>
Other income and expenses <sup>1</sup>	15,141	(4,239)	(457%)	7,409	(2,561)	(389%)
Real estate sale	28,100	-	100%	21,900	-	100%
F2715 Sub-anchors <sup>2</sup>	248	6,769	(96%)	25,322	30,680	(17%)
Nonrecurring expenses and others <sup>3</sup>	544	34,416	(98%)	(3,574)	170,448	(102%)
<b>Operating EBITDA</b>	<b>180,198</b>	<b>184,744</b>	<b>(2%)</b>	<b>702,810</b>	<b>718,035</b>	<b>(2%)</b>
<b>EBITDA Margin</b>	<b>64%</b>	<b>70%</b>	<b>(6 p.p.)</b>	<b>64%</b>	<b>65%</b>	<b>(1 p.p.)</b>

<sup>1</sup> Includes income from penalties for cancellation of contracts, update of balances in favor of recovered taxes and income and expenses different from the regular operation of the Company.

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

<sup>3</sup> Includes recognition of IFRS leasing expense, recognition of corporate licenses, compensation and non-recurring expenses

### NOI Reconciliation

The Company calculates NOI on a cash flow basis, the next chart shows the reconciliation of the accounting NOI to the cash flow NOI at the end of December 31, 2021, and December 31, 2020.

	4Q21	4Q20	Var. %	2021	2020	Var. %
<i>Figures in thousands of pesos</i>						
Accounting NOI Income	264,072	225,482	17%	976,208	954,892	2%
CIB/2715 Accounting Sub-anchors <sup>1</sup>	309	6,823	(95%)	26,076	31,266	(17%)
Property Tax	(3,915)	(3,974)	(1%)	(15,580)	(15,894)	(2%)
Maintenance Service	(17,393)	(14,493)	20%	(79,706)	(53,204)	50%
<b>Accounting NOI</b>	<b>243,073</b>	<b>213,838</b>	<b>14%</b>	<b>906,998</b>	<b>917,060</b>	<b>(1%)</b>
Land Leasing <sup>2</sup>	(3,909)	(3,692)	6%	(15,131)	(14,491)	4%
Management Expense <sup>3</sup>	(9,210)	(6,829)	35%	(31,807)	(23,310)	36%
Adjustment Cash Flow vs. Accrued <sup>4</sup>	8,141	(3,770)	(316%)	9,429	(9,636)	(198%)
Adjustment Incentives Amort to Lessees <sup>5</sup>	9,869	(14,883)	100%	5,987	(120,269)	100%
CXC Adjustment and uncollectible	35,506	22,529	58%	67,936	(61,876)	(210%)
<b>NOI Cash Flow Basis</b>	<b>283,471</b>	<b>207,193</b>	<b>37%</b>	<b>943,412</b>	<b>687,478</b>	<b>37%</b>

<sup>1</sup> Includes 100% of the operating income and expenses of the joint venture that AV has with Trust CIB 2715, which are not consolidated in AV.

<sup>2</sup> Apodaca's land lease is not included under the accounting Operation Expenses per IFRS rules

<sup>3</sup> 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 it is considered within the definition of the NOI Cash flow basis

<sup>4</sup> Mainly due to Key Money, which are amortized throughout the terms of the contract

<sup>5</sup> In accounting, the incentive to tenants is amortized over the remaining term of the contract, in NOI Cash Flow Basis it is entirely applied in the same month.

## Debt Analysis<sup>9</sup>

Acosta Verde, closed 4Q21 with a total debt of Ps 5,788,751 and a LTV of 15%.

<b>Debt Analysis</b> (In thousands of MXN)	4Q21	4Q20	Var. %
Total Debt <sup>1</sup>	5,788,751	5,947,265	(3%)
Total Net Debt <sup>1</sup>	2,074,995	2,499,506	(17%)
Proportional Net Debt <sup>1</sup>	1,215,068	1,637,698	(26%)
Loan to Value <sup>2</sup>	15%	19%	(4 p.p.)

<sup>1</sup> 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 minus cash and equivalents (which is 85% in dollars).

<sup>2</sup> Value calculated by taking the total net debt divided by the Appraised Value of total AV properties.

<b>Corporate Debt</b> (In thousands of MXN)	Due Date	Current Balance <sup>1</sup>	Base Rate	Spread	AV Participation	Proportional Debt Balance <sup>2</sup>
AcostCB15 <sup>2</sup>	feb-35	2,587,664	8.0%	-	100%	2,587,664
Sendero Chihuahua	jul-31	321,225	TIIE 28	2.50%	57%	182,777
Sendero Los Mochis	ago-31	374,995	TIIE 28	2.50%	57%	213,372
Sendero Tijuana	feb-33	434,902	TIIE 28	2.50%	76%	328,786
Sendero Sur	ago-34	388,784	TIIE 28	2.50%	76%	293,920
Sendero Obregón	sep-34	289,494	TIIE 28	2.50%	76%	218,857
Sendero Culiacán	may-32	438,902	TIIE 28	2.50%	75%	330,493
Sendero Mexicali	abr-25	393,450	TIIE 28	2.25%	100%	393,450
Sendero Santa Catarina	dic-26	411,318	TIIE 28	2.25%	40%	164,527
F2715 Sub-anchors <sup>3</sup>	oct-27	111,911	TIIE 28	2.50%	100%	111,911
<b>Total Corporate Debt</b>		<b>5,752,644</b>				<b>4,825,758</b>

<sup>1</sup> Includes provision of interest as of December 31, 2021.

<sup>2</sup> AcostCB15 has as collateral the Stabilized Portfolio (except for Sendero San Roque and F2715 Sub-anchors).

<sup>3</sup> The F2715 debt does not consolidate in AV. AV has a 50% participation, however, corresponds 100% of the debt. In the Financial Statements, 50% of the debt is recognized due the structure generated for financing

<sup>9</sup> Total Debt and Total Corporate Debt includes the participation of minorities, AV's ownership is: Chihuahua 56.9%, Los Mochis, 56.9%, Tijuana 75.6%, Sur 75.6%, Obregón 75.6%, Culiacán 75.3%, Mexicali 100% and Santa Catarina 40%. Additionally, includes debt of 2715 Trust. Debt which is not consolidated in AV but corresponds 100% to AV, even when AV participation is 50%. Proportional Debt figures exclude the minorities participation.

## Conference Call

Acosta Verde is pleased to invite you to the fourth quarter 2021 results conference call.

Date: Friday February 25, 2022

Time: 12:00 pm Mexico City time

México: +1 877-407-0792

U.S.A. & Canada (Toll Free): +1 201-689-8263

International: +1 877-407-0792

Webcast: [https://viaid.webcasts.com/starthere.jsp?ei=1530236&tp\\_key=53c5ea3594](https://viaid.webcasts.com/starthere.jsp?ei=1530236&tp_key=53c5ea3594)

### Presenting:

Jesus Adrián Acosta Castellanos - Chief Executive Officer

Edgar Maldonado de los Reyes – Chief Financial and Administrative Officer

Hernán Treviño de Vega – Chief Legal and Operations Officer

## Investor Relations

**Edgar Maldonado de los Reyes**

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## Glossary of Terms and Definitions:

This document contains certain non-IFRS financial and operational measures, 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** means earnings before financial income and expenses, interest, taxes, depreciation, and amortization.

**Operating EBITDA** is calculated: EBITDA minus other income and expenses, minus the net sale of investment properties, minus 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 or "NOI"** means net operating income, a measure prepared on a cash flow basis. The Company calculates NOI by adding the following concepts i) income produced by fixed rent, ii) income from variable rent, iii) income generated in the common areas of Shopping Centers (parking, spaces for lease and advertising), and iv) income from Key Money; and subtracting the following concepts: i) maintenance expenses for vacant space or with a payment agreement, ii) the lease expenses of the land of one of the Shopping Centers (Sendero Apodaca), iii) management fees payable to Acosta Verde, and iv) property tax.

**LTV** means loan to value; it is a financial term used by financial entities to express the ratio of a loan in relation to the value of an asset. Value is calculated by taking the total net debt divided by the appraised value of total AV properties.

**Same shopping centers:** Sendero Escobedo, Sendero Las Torres, Sendero Periférico, Sendero Ixtapaluca, Sendero San Luis, Sendero Toluca, Sendero San Roque, Sendero Apodaca, Sendero Juárez, F2715 Sub-anchor stores, Sendero Chihuahua, Sendero Los Mochis, Sendero Tijuana, Sendero Sur, Sendero Obregón, Sendero Culiacán and Sendero Mexicali.

NOI, NOI margin, Operating EBITDA, Operating EBITDA margin, and LTV are financial measures not defined under IFRS. A financial measure not defined under IFRS is generally defined as one 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.

Given that not all companies use identical calculations, NOI, EBITDA, and LTV presented may not be comparable to other similar measures used by other companies.