



Fibra Inn Announces Results for the Fourth Quarter of 2019

Monterrey, Mexico, February 26, 2020 — Deutsche Bank Mexico, S.A., Institución de Banca Múltiple, Trust Division F/1616 or Fibra Inn (BMV: FINN13) (“Fibra Inn” or “the Company”), the Mexican real estate investment trust internally managed and specialized in the hotel industry serving the traveler with global brands, today announced its non-audited Fourth Quarter results for the period ended December 31, 2019 (4Q19). These results were prepared in accordance with International Financial Reporting Standards (IFRS) and are stated in nominal Mexican pesos (Ps.).

4Q19 Relevant Information:

- Fibra Inn concluded the quarter with 39 hotels in operation, representing a total of 6,485 rooms. Fibra Inn has an investment participation in 4 properties, under the external development Hotel Factory Model, that will add 850 rooms.
- Total Revenue:** Ps. 468.5 million, of which 94.8% were from room revenues and 5.2% from other rental revenues, for a total decrease of 8.8% compared to 4Q18.
- Total NOI¹:** Ps. 146.2 million, an 11.3% decrease compared with the Ps. 164.8 million reported in 4Q18; Total NOI margin was 31.0%.
- Adjusted EBITDA²:** reached Ps. 121.0 million, a 14.4% decrease compared to the Ps. 141.4 million in 4Q18; the margin was 25.8%.
- AFFO³:** Ps. 63.6 million, a decrease of Ps. 30.2 million compared with Ps. 93.7 million reported in 4Q18 and Ps. 1.2 million higher compared to Ps. 62.4 million in 3Q19.
- Distributions to Holders:** Equivalent to Ps. 63.6 million or Ps. 0.1288 per CBFi, equivalent to the total amount of AFFO, which will be paid 100% in cash. The balance of CBFIs for the 4Q19 was 4,288,760. 20,515,444 CBFIs were cancelled on January 17, 2020 per the 3Q19 repurchase. The CBFi balance repurchased at the date of this report was 5,200,162 CBFIs and were authorized for cancellation at the Technical Committee meeting that took place yesterday.

| Fibra Inn 4Q19 | |
|----------------------------------|--------------------------|
| Equity | |
| BMV: FINN13 | |
| OTC: DFBRY | |
| 4Q19 Distribution per CBFi | 0.1288 |
| YTD Distribution per CBFi | 0.4221 |
| Dividend Yield in cash | 7.0% |
| CBFi Price (Dec 30, 2019): | 7.26 |
| CBFIs repurchased: | 24,804,215 |
| CBFIs with distribution rights: | 493,531,428 |
| Float: | 82.2% |
| Mkt Cap (Ps. million) | 3,583.0 |
| Total Assets | 11,928.5 |
| Debt | |
| BMV: FINN15 | Pre-paid on Oct 14, 2019 |
| BMV: FINN18 | Ps. 2.0 Bn @ fixed 9.93% |
| | 2 Feb 2028 |
| Weighted Avg Cost of Total Debt: | 9.64% |
| LTV: | 30.2% |
| Fitch: | AA-(mex) |
| HR Ratings: | AA+ |
| 4Q19 Highlights | |
| Number of hotels | 39 |
| Number of rooms | 6,485 |
| Occupancy (Total Sales) | 58.3% |
| ADR (Total Sales) Ps. | 1,280.1 |
| RevPar (Total Sales) Ps. | 746.8 |
| Hotel Factory | |
| Number of properties | 4 |
| Number of rooms | 850 |



- ¹ Total NOI includes Hotel NOI and NOI from other businesses. The first is the calculation of the Fibra's revenue (hotel revenues and other revenues) minus operating expenses for administration, maintenance, lodging, utilities, fees, royalties, marketing and promotion, as well as property tax and insurance. The second corresponds to revenues and expenses from the Hotel Factory.
- ² Adjusted EBITDA excludes acquisition and organization expenses and extraordinary maintenance CAPEX.
- ³ Adjusted FFO is calculated as the Adjusted EBITDA plus interest gain minus interest expense and foreign exchange fluctuations minus maintenance CAPEX.

Oscar Calvillo, Fibra Inn's Chief Executive Officer, stated, "Our long-term vision, as asset managers, is to balance our portfolio with strategic properties that add value. The first hotel, in the luxury segment, developed by the Hotel Factory began operations: The Westin Monterrey Valle. During this fourth quarter we continue divesting of properties and we have significantly reduced the number of outstanding CBFIs through the cancellation of certificates via the repurchase fund. The Company presents reasonable results an adverse economic environment for the income generation and shows expense reductions, both at the operating as well as the corporate level."

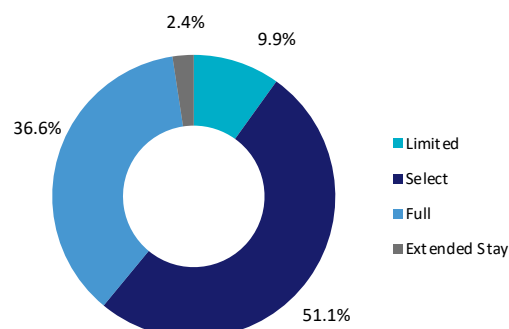
Fourth Quarter 2019 Results

| Financial Highlights | | | | | |
|---|----------|--------|----------|--------|--------|
| | 4Q19 | | 4Q18 | | Var |
| (Ps. million, except EBITDA per room) | | | | | |
| Lodging Revenues | 444.1 | 94.8% | 485.8 | 94.6% | -8.6% |
| Rental Revenues | 24.4 | 5.2% | 28.0 | 5.4% | -12.9% |
| Fibra Revenues | 468.5 | 100.0% | 513.8 | 100.0% | -8.8% |
| NOI | 146.2 | 31.0% | 164.8 | 30.9% | -11.3% |
| Adjusted EBITDA | 121.0 | 25.8% | 141.4 | 27.5% | -14.4% |
| EBITDA per Room | 18,660.6 | - | 20,843.2 | - | -10.5% |
| FFO | 80.0 | 17.1% | 109.1 | 21.2% | -26.7% |
| Distribution and Dividend Yield | | | | | |
| CBFI Price | 7.26 | | 9.81 | | -26.0% |
| Total Distribution (100% AFFO) | 63.6 | | 93.73 | | -32.2% |
| Total Distribution per CBFI (100% AFFO) | 0.1288 | | 0.1805 | | -28.6% |
| CBFIs with distribution rights | 493.5 | | 519.4 | | -5.0% |
| Total Dividend yield at the end of the quarter | 7.0% | | 7.3% | | 0.0% |
| Hotels and Rooms | | | | | |
| Hotels in operation | 39 | | 42 | | -3 |
| Hotels in remodeling * | - | | - | | 0 |
| Land Lots | 1 | | 1 | | 0 |
| Total number of properties and the end of the quarter | 40 | | 43 | | -3 |
| Weighted number of days with acquisitions / sales | 100% | | 100% | | 0 |
| Footprint (States) | 13 | | 13 | | 0 |
| Rooms in operation | 6,485 | | 6,785 | | -300 |
| Rooms under rebranding | - | | - | | 0 |
| Rooms in addition | - | | - | | 0 |
| Total # Rooms | 6,485 | | 6,785 | | -300 |



The sales mix at the close of 4Q19 was comprised of 39 hotels under operation: 8 limited service, 19 select service, 11 full service and one extended-stay hotels.

| Total Revenue per Segment | | | | |
|---------------------------|--------------|---------------|--------------|---------------|
| | 4Q19 | % | 4Q18 | % |
| (Ps. million) | | | | |
| Limited Service | 46.5 | 9.9% | 60.7 | 11.8% |
| Select Service | 239.2 | 51.1% | 260.7 | 50.7% |
| Full Service | 171.5 | 36.6% | 181.1 | 35.3% |
| Extended Stay | 11.3 | 2.4% | 11.3 | 2.2% |
| Total | 468.5 | 100.0% | 513.8 | 100.0% |



Fibra Inn's total revenues during 4Q19 were Ps. 468.5 million, a decrease of 8.8% or Ps. 45.4 million compared to 4Q18. Revenues were comprised as follows:

- Ps. 444.1 million, or 94.8%, were from room revenues from the properties in operation, equivalent to an 8.6% decrease compared to 4Q18. This decrease came mainly from an 8.6% lower same-store sales of room revenues that stemmed completely from the 3.0 percentage point (pp) fall in the occupancy rate, originated from an adverse economic environment plus a higher hotel supply.
- Ps. 24.4 million, or 5.2%, in rental revenues from spaces for services other than lodging, such as conference and meeting rooms, coffee breaks and restaurants, as well as the rental of certain commercial spaces, 12.9% lower compared to Ps. 28.0 million in 4Q18.

During 4Q19, total operating expenses were Ps. 314.9 million, or Ps. 32.5 million less than Ps. 347.4 million in 4Q18. Operating expenses represented 67.2% of total revenues, a decrease of 40 basis points (bp) when compared to 67.6% of 4Q18, which was the net effect of the following:

- A decline of Ps. 15.3 million, reaching Ps. 124.9 million and that represents a 10.9% decrease, due to lower lodging revenues.
- A decline of Ps. 6.8 million, or 25.0% in sales expenses, also derived from lower lodging revenues, and a more efficient mix of commercialization channels, as well as, the sales force restructuring. This line item reached Ps. 20.2 million.
- A decline of Ps 5.8 million or 16.1% decline in energy costs compared to 4Q18 derived from lower lodging occupancy despite the increase in unit cost.
- A decrease of Ps. 2.0 million or 5.9% less in royalties due to disinvestment of hotels.
- A decline of Ps. 1.5 million or 1.8% in administrative expenses as lower fees are paid to the hotel operator due to the selling of non-strategic properties.
- Minimal decreases in maintenance, insurance and property tax with declines of Ps. 0.6 million, Ps. 0.3 million and Ps. 0.2 million, respectively.



During 4Q19, Hotel NOI, corresponding to the operation of the properties, registered Ps. 153.5 million, which represented a 7.7% decrease compared to Ps. 166.4 million reported in 4Q18. The NOI Hotel Margin was 32.8%, which represented a 40-bps increase compared to the 32.4% reached during 4Q18.

In terms of the NOI from Other Businesses, where revenues and expenses from the Hotel Factory are accounted for, during 4Q19 we registered Ps. 3.1 million in revenue corresponding to the structuring and management of the Westin Monterrey Valle hotel. A Ps. 10.4 million expense corresponding mainly to the salaries for the Hotel Factory team and other expenses related to Hotel Factory operations in current projects as well as potential ones, compared to 4Q18 when there was an expense of Ps. 21.1 million, a difference of Ps. 10.8 million versus the prior year and that was partially offset by the organizational restructure cost within this Hotel Factory team.

As a result of the above, Net Operating Income (Total NOI) for 4Q19 was Ps. 146.2 million, which represented an 11.3% decrease compared to the Ps. 164.8 million in 4Q18. The NOI margin was 31.0% vs. 30.9% in 4Q18.

Expenses related to the management of the Fibra for 4Q19 were Ps. 38.4 million, which represented a Ps. 4.8 million or 11.1% lower than last year. These expenses were equivalent to 8.2% vs. the 8.4% registered in the same quarter of the previous year. This increase was primarily due to:

- A Ps. 7.9 million decrease in acquisition and corporate expenses or 58.3% less than the prior year, equivalent to Ps. 5.6 million, as last year a higher number of property licenses were updated.
- A decrease of Ps. 1.3 million in corporate administrative expenses, representing a decrease of 5.4% to reach Ps. 23.5 million, which correspond to a lower payroll in the corporate offices.

The abovementioned was offset by:

- An increase of Ps. 3.1 million in other expense, reaching Ps. 1.8 million, due to the elimination of the recoverable value added tax account of expenses that did not meet the tax requirements of the regulators.
- An increase of Ps. 1.3 million in maintenance CAPEX, that reached Ps. 7.5 million, due to higher overall expenses at all the properties.

EBITDA reached Ps. 107.8 million in 4Q19, representing a 11.3% decline compared with Ps. 121.6 million in 4Q18. EBITDA margin was 23.0%, 70 percentage points (pp) below the 23.7% in 4Q18.

Adjusted EBITDA of Ps. 121.0 million excludes the previously mentioned acquisition and corporate-related expenses, as well as extraordinary maintenance expenses, and represented a 14.4% decrease compared to Ps. 141.4 million in 4Q18. Adjusted EBITDA margin was 25.8%, which represents a 1.7 pp decrease compared to the 27.5% margin reported in 4Q18.

During the period the Company reported:



- A decrease of Ps. 313 million or 59.9% lower in deterioration of fixed assets to reach Ps. 209.6 million, due to the asset valuation performed at the end of the year.
- A decrease of Ps. 11.4 million in terms of provisions corresponding to compensation fees paid for the early termination of advisory services, which was due to an adjustment to the aforementioned provision.

The abovementioned was offset by:

- An increase of Ps. 14.8 million in the fixed asset depreciation, which represented 23.3% increase compared to 4Q18, due to a lower base of assets for depreciation as a result of the sale of some of properties. The calculation for the depreciation of fixed assets - properties, furniture and equipment- was calculated based on the straight-line method per the estimated useful life of the net assets' residual value.
- An increase of Ps. 9.4 million in the estimate of financial assets deterioration of Ps. 1.4 million, compared to a gain of Ps. 8.0 million. This amount reflects the adoption of the norms of IFRS9, referring to the measuring and classification of financial assets; which for Fibra Inn, this line item refers to clients on the balance sheet.
- An accounting profit due to a decline in fixed assets of Ps. 1.0 million, which corresponds to the classification of assets available for sale in accordance with IFRS5.

Operating Income (EBIT) loss was Ps. 181.6 million which represents a decrease of 61.1% or Ps. 285.6 million less compared to 4Q18, when we registered Ps. 467.3 million.

- Fibra Inn experienced lower interest income, totaling Ps. 12.7 million or 40.6% lower when compared to Ps. 21.3 million in 4Q18, equivalent to 4.1% of total revenues. This decrease was due to a decline in proceeds invested in treasury, as these were used for hotel investments.
- Interest expenses were Ps. 52.5 million for 4Q19, compared to expenses of Ps. 58.2 million in 4Q18. This interest paid corresponded to the public debt, which had a balance of Ps. 3,200.0 million (Ps. 3,163.7 million, net of issuance costs), as well as the credit lines available for the temporarily financing investment expenses and the VAT with a balance of Ps. 200.0 million with Actinver in the short term and Ps. 200.0 million (Ps. 197.9 million net of amortized expenses) with BBVA in the long term. A portion of income and financial expenses are capitalized in the investments that are currently underway, in accordance with IFRS 23.
- The Company had an exchange rate loss of Ps. 1.2 million, compared to a gain of Ps. 4.6 million in 4Q18.

The net financial result was an expense of Ps. 41.1 million in 4Q19, Ps. 8.8 million higher than the Ps. 32.3 million expense in 4Q18.

The net loss in 4Q19 was Ps. 222.7 million, which represented a 55.4% decrease compared to a loss of Ps. 499.5 million in 4Q18.



The non-controlling participation corresponding to the Hotel Factory Trusts reached Ps. 0.4 million. As such, the controlling participation represented a loss of Ps. 222.3 million, for a 47.4% negative margin at 4Q19.

FFO in 4Q19 was Ps. 79.9 million, which represented a 26.7% decline compared to the Ps. 109.1 million in 4Q18. FFO margin was 17.1% in 4Q19 vs. 21.2% for the same quarter of the previous year.

Adjusted FFO for 4Q19 was Ps. 63.6 million, representing a decline of 32.2%.

| Reconciliation to FFO and AFFO | | | |
|--------------------------------|--------|--------|--------|
| | 4Q19 | 4Q18 | Var % |
| FFO | 80.0 | 109.1 | -26.7% |
| (-) Maintenance CAPEX | 16.4 | 15.4 | 6.4% |
| Adjusted FFO | 63.6 | 93.7 | -32.2% |
| FFO per CBFi | 0.1620 | 0.2101 | -22.9% |
| Adjusted FFO per CBFi | 0.1288 | 0.1805 | -28.6% |

*Calculations per CBFi based on 493,531,248 certificates in 4Q19 and 519,421,425 certificates in 4Q18, which are the CBFis that have distribution rights.

Distribution to Holders

| Recompra y Cancelación de CBFis | | | | |
|------------------------------------|-----------------|------------------------|-------------------|-----------------------------------|
| | Repurchase Fund | % of outstanding CBFis | Outstanding CBFis | Decrease of the Outstanding CBFis |
| Closing of 2Q19 | 13,517,728 | 2.6% | 515,293,730 | |
| Repurchase with the 50% of AFFO | 5,630,437 | | | |
| Ordinary Repurchase | 11,843,105 | | | |
| Closing of 3Q19 | 30,991,270 | 5.9% | 497,820,188 | -3.4% |
| Cancellation of CBFis, Oct 7 2019 | 10,475,815 | | | |
| Repurchase after closing of 3Q19 | 3,629,940 | | | |
| Closing of 4Q19 | 24,804,215 | 4.8% | 493,531,428 | -4.2% |
| Cancellation of CBFis, Jan 17 2020 | 20,515,455 | | | |
| Balance after the 4Q19 closing | 4,288,760 | 0.9% | 473,015,973 | -8.2% |
| Repurchase after closing of 4Q19 | 911,402 | | | |
| Following cancellation | 5,200,162 | 1.0% | | |
| Net Balance | - | | 467,815,811 | -9.2% |



Fibra Inn dropped 8.2% the number of outstanding CBFIs with the cancellation of certificates during the year 2019.

The total number of repurchased certificates was 24,804,215 at December 31, 2019, out of which 10,475,815 were cancelled on October 7, 2019; the remaining 20,515,455 CBFIs were cancelled on January 17, 2020. To date, the Company has 5,200,162 CBFIs in its repurchase fund.

| | CBFIs Position | | | Total CBFIs |
|--|--|--------|------------------------------|---------------|
| | Issued and subscribed December 31, 2019 | % | Issued and non subscribed | |
| Cancelled | 10,475,815 | 2.0% | | |
| Repurchase Fund | 24,804,215 | 4.8% | | |
| Founders Trust | 67,694,155 | 13.1% | | |
| Investors | 425,837,273 | 82.2% | | |
| Total Outstanding | 518,335,643 | 100.0% | | |
| Total with Distribution Rights | 493,531,428 | | | |
| CBFIs issued for the Equity Program | - | | 805,763,126 | |
| CBFIs issued for the Internalization Payment | - | | 14,000,000 | |
| CBFIs in Treasury | - | | 50,000,000 | |
| CBFIs total in Treasury | - | | 869,763,126 | |
| Total CBFIs | 518,335,643 | | 869,763,126 | 1,388,098,769 |

Fibra Inn will make a cash distribution of Ps. 63.6 million payable in cash and corresponds to the 100% of the AFFO. This cash distribution is equivalent to Ps. 0.1288 per CBFI, based on 493,531,428 CBFIs with distribution rights at the close of 4Q19, as a return of capital based in the operations and results of Fibra Inn, for the period between October 1 and December 31, 2019.

| | Distribution to Holders | | | |
|-------------------|-------------------------|----------------------|---------------------|----------------------|
| | 4Q19 | | 4Q18 | |
| | per CBFI* Ps. \$ | Total Ps. million | per CBFI* Ps. \$ | Total Ps. million |
| Taxable income | - | - | - | - |
| Return of capital | 0.1288 | 63.6 | 0.1805 | 93.7 |
| Total | 0.1288 | 63.6 | 0.1805 | 93.7 |

* The amount distributed per CBFI was calculated based on 493,531,428 CBFIs outstanding in 4Q19 and 519,421,425 for the 4Q18, which are the CBFIs entitled to a distribution.

The distribution amount per certificate will change at the time of payment, which will be March 20, 2020, at the latest, due to CBFI repurchase operations following the presentation of this quarterly report until the ex-date of the distribution payment. The capital reimbursement will not generate retained taxes for Fibra Inn's shareholders.



Use of the CAPEX Reserve

The capital expenditure reserve for hotel maintenance is provisioned as per the investment requirements in each line item for each period, plus a reasonable reserve for future requirements. As of December 31, 2019, this reserve reached Ps. 16.6 million compared to Ps. 21.8 million at September 30, 2019. The total amount for capital expense reached Ps. 21.6 million during 4Q19, of which Ps. 7.5 million were reported in the Company's income statement.

Balance Sheet

As of December 31, 2019, Fibra Inn held Ps. 563.6 million in cash and cash equivalents. The decrease Ps. 80.7 in cash and cash equivalents when compared to December 31, 2018 was mainly due to the fact that these funds were used for investments in hotels, mainly the JW Marriott Monterrey Valle hotel and The Westin Monterrey Valle.

The remaining balance of the recoverable VAT amount reached Ps. 194.7 million at December 31, 2019, compared to Ps. 42.9 million at the close of December 2018. This increase was due to the VAT paid according to the work progress at the JW Marriott Monterrey Valle hotel and the acquisition of The Westin Monterrey Valle. The recovery process with the Tax Authority is ongoing for Ps. 184.3 million, which was initiated during the 4Q19.

Accounts receivable reached Ps. 74.5 million, as a result of the normal operations of the business. Early payments of Ps. 17.9 million were mainly related to operating expenses of the hotels that are payable over the period, such as property taxes, insurance, fiduciary fees, independent advisors and administrative fees.

Accounts payable totaled Ps. 90.3 million. The Company has a short-term bank debt of Ps. 200.0 million, which corresponds to the Actinver available credit line and a liability for Ps. 136.1 million related to the provision of deferred interest from the issuance of FINN18 debt, as by contract they are paid every six months.

In the long-term, as of December 31, 2019, Fibra Inn registered long-term financial obligations of Ps. 3,163.7 million (Ps. 3,200.0 million nominal), corresponding to the net balance of the public debt from FINN18, net of amortized expenses. The Company presents a long-term bank debt of Ps. 197.9 (Ps. 200.0 million nominal) million, which is the available credit line with BBVA

Both credit lines were allocated for the temporary financing of the investment in The Westin Monterrey Valle and the VAT paid for the acquisition of this hotel.

On October 9, 2019 Fibra Inn carried out the re-opening of the debt tender offer FINN18 for Ps. 1.2 billion at a fixed rate of 8.87% (nominal rate of 9.93%) that will pay semi-annual interest, for a term of 8 years and 4 months. The payment of the principal will mature in February 2028. The transaction was oversubscribed by 1.32x the offered amount. The remaining balance of Ps. 274.6 million, which includes the additional funds received from the final price of the issuance above the nominal value of Ps. 93.3 million and excludes the issuance costs of Ps. 18.7 million, will be used for improving existing hotels of the current portfolio. As with prior



issuances, Fitch Ratings maintained the AA-(mex) local rating and HR Ratings maintained the HR AA+ local rating, both with a stable outlook.

On October 14, Fibra Inn carried out the voluntary early payment of Ps. 1.0 billion corresponding to the principal, which was liquidated at nominal value, plus Ps. 4.4 million in accrued ordinary interests to date. The funds applied towards the early payment of FINN15 issuance were obtained from the re-opening of the FINN18 debt tender offer.

At the close of 4Q19, the gross cost of debt was:

- (i) 88.2% (FINN 18) at a fixed rate of 9.93%,
- (ii) 5.9% (BBVA) at a variable rate of TIIE plus a spread of 1.50%, and
- (iii) 5.9% (Actinver) at a variable rate of TIIE plus a spread of 2.0%.

As such, the gross weighted average cost of the debt was 9.51%, and the net weighted average cost (with the amortization of issuance and contracting) costs was 9.64%.

The FINN18 debt issuance financial covenants at December 31, 2019 are as follows:

| Financial Covenants - FINN18 Debt Issuance | | |
|--|---------------------------|----------------------|
| | Covenants | At December 31, 2019 |
| Loan to Value | Equal or lower than 50% | 30.2% |
| Debt Service Coverage | Equal or higher than 1.0 | 1.8 |
| Debt Service | Equal or higher than 1.5 | 1.8 |
| Total Assets no taxable | Equal or higher than 150% | 342.0% |
| Debt to Total Assets | Equal or lower than 40% | 1.7% |

Fibra Inn has a total loan-to-value of 30.2% as of December 31, 2019. This leverage level is in full compliance with the dispositions of the Mexican Banking and Securities Commission ("CNBV") to regulate the maximum leverage levels for the Fibras of up to 50%. As of December 31, 2019, the debt service coverage was 1.8 times; the ratio established must be 1.0x or greater. Both of these figures are calculated in accordance with the methodology in Appendix AA of the Circular Única de Emisoras applicable to CBFIs.

Following is a breakdown of the items used in the calculation of the financial ratios:



| Debt Ratios (CNBV) | |
|------------------------------------|----------------------|
| <i>Loan-to-value</i> | At December 31, 2019 |
| (equal or lower than 50%) | |
| Financing | 400.0 |
| Market Debt | 3,200.0 |
| Total Assets | 11,928.5 |
| Loan-to-value | 30.2% |
| Debt Service Coverage Ratio | |
| (equal or higher than 1.0) | |
| Liquid Assets | 563.6 |
| VAT refunds | 194.7 |
| Operating Profit | 708.0 |
| Credit lines | 100.0 |
| <i>Sub-Total Numerator</i> | <i>1,566.3</i> |
| Amortization of Interests | 504.9 |
| Principal Repayments | 200.0 |
| Capital Expenditure | 114.2 |
| Development Expenditure | 48.0 |
| <i>Sub-Total Denominator</i> | <i>867.1</i> |
| Debt Service Coverage Ratio | 1.8 times |

Recent Events for 4Q19

1. Cancellation of CBFIs

Fibra Inn concluded the cancellation process of 10,475,815 CBFIs on October 4, 2019, equivalent to Ps. 86.6 million, acquired by the repurchase program from May 2, 2018 to March 29, 2019.

2. Fibra Inn received the payment for the sale of Tecnológico Norte Hotel in Chihuahua

On October 10, 2019 the sale of this property was completed via the signing of the final titling and deliver of the hotel. The payment received was Ps. 40 million plus construction VAT.

3. Fibra Inn Completed the re-opening of a Second Debt Issuance

On October 9, 2019 Fibra Inn carried out the re-opening of the debt tender offer FINN18 for Ps. 1.2 billion at a fixed rate of 8.87% (9.93% nominal value), that will pay interest semi-annually, for a term of 8 years and 4 months. The payment of the principal will mature in February 2028. The remaining balance of Ps. 274.6 million, which includes the additional funds received from the final price of the issuance above the nominal value of Ps. 93.3 million and excludes the



issuance costs of Ps. 18.7 million, will be used for improving existing hotels of the current portfolio. As with prior issuances, Fitch Ratings maintained the AA-(mex) local rating and HR Ratings maintained the HR AA+ local rating.

4. **Fibra Inn carried out the early payment of Ps. 1.0 billion debt issuance FINN15**

On October 15, 2019 Fibra Inn exercised its right for the early payment of Ps. 1.0 billion corresponding to the principal, which was liquidated at nominal value, plus Ps. 4.4 million in accrued ordinary interests to date. The funds applied towards the early payment of FINN15 issuance were obtained from the re-opening of the FINN18 debt tender offer.

5. **Fibra Inn announced the signing of a binding agreement for the sale the Wyndham Garden León Centro Max hotel**

The agreed-upon sales price was Ps. 140 million, plus VAT, that represented a value above the asset valuation conducted by Deloitte in December 2018 of Ps. 98.6 million. The agreement was signed with a 10% down payment.

6. **Fibra Inn announced the signing of a binding agreement to sale the Aloft Guadalajara hotel**

The agreed-upon sales price was Ps. 258.0 million, plus VAT, which was Ps. 28.2 million above the valuation conducted by Deloitte in December 2018. The agreement was signed upon the down payment of 20% of the total sales price.

Recent Events after 4Q19

1. **Fibra Inn Announced W Hotels Brand for Development of Playa del Carmen**

Fibra Inn announced on January 8, 2020 that it had signed a contract for hotel operation and trademark licensing with Marriott International, Inc. to develop a hotel under the W Hotels brand. It will be opened approximately on 2023 with 218 rooms.

2. **Fibra Inn announced the ratification of the internal audit firm**

Fibra Inn informed on February 11, 2020 the designation of KPMG Cárdenas Dosal, S.C. to issue the opinion of the consolidated financial statements of the Company and its subsidiary as of December 31, 2019 and 2018.

3. **Fibra Inn announced the sale of the Aloft Guadalajara and the Wyndham Garden León Centro Max hotels**

Fibra Inn informed on February 18, 2020 received payments for Ps. 258.0 million, plus VAT and Ps. 140.0 million, plus VAT, respectively, whereas it completed the sale of both properties on February 14 and February 11, respectively. The proceeds will be used in projects with higher profitability, including the repurchase and cancellation of certificates, as well as investments in hotels in the current portfolio.

4. **Fibra Inn announced the opening of The Westin Monterrey Valle**

On February 20, 2020, the Company announced the opening of this property, representing an investment of Ps. 740 million, that took place with an institutional co-investor, via its hotel Factory model. The hotel is in the exclusive area of San Pedro Garza Garcia. The initiation of operations will generate approximately 160 direct jobs with 174 rooms.



Hotel Portfolio at 4Q19

| | Brand | City | State | Rooms |
|--|------------------------------------|---------------------|------------------|--------------|
| Limited Service Hotels | | | | |
| 1 | Wyndham Garden | Irapuato | Guanajuato | 102 |
| 2 | Wyndham Garden | Celaya | Guanajuato | 150 |
| 3 | Wyndham Garden | León | Guanajuato | 126 |
| 4 | Wyndham Garden | Silao | Guanajuato | 143 |
| 5 | Microtel Inn & Suites by Wyndham | Chihuahua | Chihuahua | 108 |
| 6 | Microtel Inn & Suites by Wyndham | Toluca | Estado de México | 129 |
| 7 | Microtel Inn & Suites by Wyndham | Cd. Juárez | Chihuahua | 113 |
| 8 | Wyndham Garden | Guadalajara Andares | Jalisco | 186 |
| | | | | 1,057 |
| Select Service Hotels | | | | |
| 1 | Hampton Inn | Monterrey | Nuevo León | 223 |
| 2 | Hampton Inn | Saltillo | Coahuila | 226 |
| 3 | Hampton Inn | Reynosa | Tamaulipas | 145 |
| 4 | Hampton Inn | Querétaro | Querétaro | 178 |
| 5 | Hampton Inn by Hilton | Hermosillo | Sonora | 151 |
| 6 | Hampton Inn by Hilton | Chihuahua | Chihuahua | 190 |
| 7 | Holiday Inn Express | Saltillo | Coahuila | 180 |
| 8 | Holiday Inn Express | Toluca | Estado de México | 268 |
| 9 | Holiday Inn Express | Monterrey | Nuevo León | 198 |
| 10 | Holiday Inn Express | Guadalajara | Jalisco | 199 |
| 11 | Holiday Inn Express | Toluca | Estado de México | 127 |
| 12 | Holiday Inn Express & Suites | Juárez | Chihuahua | 182 |
| 13 | Aloft | Guadalajara | Jalisco | 142 |
| 14 | Courtyard by Marriott | Saltillo | Coahuila | 180 |
| 15 | Courtyard by Marriott | Chihuahua | Chihuahua | 152 |
| 16 | Fairfield Inn & Suites by Marriott | Coatzacoalcos | Veracruz | 180 |
| 17 | Wyndham Garden | Playa del Carmen | Quintana Roo | 196 |
| 18 | Wyndham Garden | Monterrey | Nuevo León | 85 |
| 19 | AC Hotels by Marriott | Guadalajara | Jalisco | 180 |
| | | | | 3,382 |
| Full Service Hotels | | | | |
| 1 | Holiday Inn | Monterrey | Nuevo León | 198 |
| 2 | Holiday Inn | Puebla | Puebla | 150 |
| 3 | La Mina | Guanajuato | Guanajuato | 155 |
| 4 | Marriott | Puebla | Puebla | 296 |
| 5 | Holiday Inn | México | Distrito Federal | 214 |
| 6 | Holiday Inn | Altamira | Tamaulipas | 203 |
| 7 | Casa Grande | Chihuahua | Chihuahua | 115 |
| 8 | Casa Grande | Delicias | Chihuahua | 88 |
| 9 | Crowne Plaza | Monterrey | Nuevo León | 219 |
| 10 | Holiday Inn | Reynosa | Tamaulipas | 95 |
| 11 | Holiday Inn | Cd. Juárez | Chihuahua | 196 |
| | | | | 1,929 |
| Extended Stay Hotels | | | | |
| 1 | Staybridge Suites | Guadalajara | Jalisco | 117 |
| Total Fibra Inn's Portfolio as of December 31, 2019 | | | | 6,485 |



Information Regarding the Tenant

Rental revenue for food, beverage and other services were Ps. 85.5 million, 5.9% lower than the figure registered for 4Q18.

| Operadora México Servicios y Restaurantes, SAPI de CV Combined with Trust F/1765 | | | | |
|---|------------|-------------|------------|-------------|
| | 4Q19 | | 4Q18 | |
| (Millions of pesos) | | | | |
| Revenue | 85.5 | 100.0% | 90.8 | 100.0% |
| Sales Cost | 49.8 | 58.3% | 52.1 | 57.3% |
| Operating Profit | 35.7 | 41.7% | 38.8 | 42.7% |
| Operating Expenses | 5.1 | 6.0% | 5.1 | 5.6% |
| NOI | 30.5 | 35.7% | 33.7 | 37.1% |
| Lease paid to Trust F/1616 | 22.4 | 26.2% | 25.4 | 28.0% |
| Other Indirect Expenses | 3.1 | 3.5% | 3.7 | 4.1% |
| EBITDA | 5.0 | 5.9% | 4.6 | 5.1% |
| Plus: Other Non-Operating Expenses | - | 0.0% | - | 0.0% |
| Adjusted EBITDA | 5.0 | 5.9% | 4.6 | 5.1% |

Hotel Operating Indicators

a) Quarterly Total Sales

| Quarterly Total Sales | | | |
|-----------------------|---------|---------|-------|
| | 4Q19 | 4Q18 | % |
| Number of hotels | 39 | 42 | |
| Lodging Income | 444.1 | 485.8 | -8.6% |
| Occupancy | 58.3% | 61.3% | -3 pp |
| ADR | 1,280.1 | 1,280.3 | 0.0% |
| RevPar | 746.8 | 784.4 | -4.8% |

b) Quarterly Same-Store Sales

| Quarterly Same Stores Sales | | | |
|-----------------------------|---------|---------|-----------|
| (39 Hotels) | 4Q19 | 4Q18 | Variation |
| Room Revenue | 444 | 468 | -5.1% |
| Occupancy | 58.4% | 61.2% | -2.8 pp |
| ADR | 1,280.4 | 1,292.8 | -1.0% |
| RevPAR | 747.7 | 790.8 | -5.4% |



The same store calculation includes the 39 hotels that were part of Fibra Inn's portfolio for at least half of the quarter under discussion. In this case:

- It excludes the City Express Chihuahua Hotel, as it was sold on July 22, 2019.
- It excludes the Holiday Inn Guadalajara Centro Historico Hotel, as it was sold on September 12, 2019.
- It excludes the Tecnológico Norte Hotel, as it was sold on October 10, 2019.

As of December 31, 2019, Fibra Inn had a total portfolio of 39 properties with 6,485 rooms and participates with a minority investment in 4 properties as external developments under the Hotel Factory model, that represent 850 rooms.

c) Information by Segment, by Hotel Chain and by Region

| Same Store Sales by Segment | | | | | | | |
|-----------------------------|-----------|---------|---------|-----------|---------|---------|----------|
| | Occupancy | ADR | RevPAR | Occupancy | ADR | RevPAR | % RevPAR |
| | 4Q19 | | | 4Q18 | | | |
| Limited Service | 46.9% | 1,005.1 | 471.2 | 52.6% | 988.8 | 519.6 | -9.3% |
| Select Service | 59.5% | 1,277.6 | 759.7 | 63.5% | 1,292.7 | 821.2 | -7.5% |
| Full Service | 61.8% | 1,391.8 | 860.5 | 60.7% | 1,431.4 | 868.9 | -1.0% |
| Extended Stay | 75.2% | 1,382.7 | 1,039.5 | 80.0% | 1,410.7 | 1,129.2 | -8.0% |
| TOTAL | 58.4% | 1,280.4 | 747.7 | 61.2% | 1,292.8 | 790.8 | -5.4% |

| Same Store Sales by Region | | | | | | | |
|----------------------------|-----------|---------|--------|-----------|---------|--------|----------|
| | Occupancy | ADR | RevPAR | Occupancy | ADR | RevPAR | % RevPAR |
| | 4Q19 | | | 4Q18 | | | |
| North | 62.3% | 1,269.8 | 790.6 | 53.1% | 1,255.8 | 666.4 | 18.6% |
| Northeast | 66.6% | 1,386.3 | 923.1 | 70.9% | 1,384.4 | 981.1 | -5.9% |
| South and center | 47.5% | 1,135.6 | 539.2 | 54.3% | 1,192.6 | 647.0 | -16.7% |
| West | 65.1% | 1,348.6 | 877.3 | 70.9% | 1,340.3 | 950.7 | -7.7% |
| TOTAL | 58.4% | 1,280.4 | 747.7 | 61.2% | 1,292.8 | 790.8 | -5.4% |

North: Chihuahua, Sonora

North-East: Nuevo León, Coahuila y Tamaulipas.

West: Jalisco

Mid - Southern: Querétaro, Estado de México, Puebla, Guanajuato, Quintana Roo, Cd México, Veracruz, Campeche.

| Same Store Sales by Hotel Chain | | | | | | | |
|-----------------------------------|-----------|---------|--------|-----------|---------|--------|----------|
| | Occupancy | ADR | RevPAR | Occupancy | ADR | RevPAR | % RevPAR |
| | 4Q19 | | | 4Q18 | | | |
| IHG Intercontinental Hotels Group | 68.3% | 1,325.7 | 905.2 | 66.5% | 1,349.6 | 897.0 | 0.9% |
| Wyndham Hotel Group | 46.6% | 1,014.9 | 473.5 | 53.4% | 1,024.8 | 547.6 | -13.5% |
| Hilton Worldwide | 59.9% | 1,215.1 | 727.9 | 64.2% | 1,177.2 | 756.1 | -3.7% |
| Marriott International | 49.8% | 1,550.0 | 771.3 | 56.5% | 1,570.9 | 887.4 | -13.1% |
| Local Brands | 55.4% | 1,177.9 | 652.3 | 57.2% | 1,330.3 | 761.3 | -14.3% |
| Total | 58.4% | 1,280.4 | 747.7 | 61.2% | 1,292.8 | 790.8 | -5.4% |



| Hotel Operation | | | | |
|-----------------------|--------|-------|------------------|----------------|
| Region | Hotels | Rooms | % Total of Rooms | % Total of NOI |
| North | 9 | 1295 | 20% | 22% |
| Northeast | 11 | 1952 | 30% | 41% |
| Northwest | 0 | 0 | 0% | 0% |
| South and Center | 14 | 2414 | 37% | 22% |
| West | 5 | 824 | 13% | 15% |
| TOTAL | 39 | 6485 | 100% | 100% |
| 0 | | | | |
| Segment | Hotels | Rooms | % Total of Rooms | % Total of NOI |
| Limited Service | 8 | 1057 | 16% | 7% |
| Select Service | 19 | 3382 | 52% | 52% |
| Full Service | 11 | 1929 | 30% | 38% |
| Extended Service | 1 | 117 | 2% | 2% |
| TOTAL | 39 | 6485 | 100% | 100% |
| Operator | Hotels | Rooms | % Total of Rooms | % Total of NOI |
| Grupo Hotelero Prisma | 38 | 6335 | 98% | 97% |
| Grupo Presidente | 1 | 150 | 2% | 3% |
| TOTAL | 39 | 6485 | 100% | 100% |

About the Company

Fibra Inn is a Mexican trust formed primarily to acquire, develop and rent a broad range of hotel properties for lodging in Mexico aimed at the business traveler. The Company has signed franchise, license and brand usage agreements with international hotel brands for the operation of global brands as well as the operation of national brands. Additionally, the Company has development agreements. These hotels enjoy some of the industry's top loyalty programs. Fibra Inn trades its Real Estate Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios or "CBFIs") on the Mexican Stock Exchange under the ticker symbol "FINN13"; its ADRs trade on the OTC market in the U.S. under the ticker symbol "DFBRY".

www.fibrainn.mx

Note on Forward-Looking Statements

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. Also, certain reclassifications have been made to make figures comparable for the periods. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.
Multiple Banking Institution, Trust Division) and Subsidiary
Unaudited Condensed Consolidated Statements of Financial Position
As of December 31, 2019 and 2018
(Thousands of pesos)

| | As of December 31, 2019 | % | As of December 31, 2018 | % |
|--|----------------------------|-------------|----------------------------|-------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | 563,639 | 4.7% | 644,370 | 5.4% |
| Trade and other accounts receivable, net | 74,543 | 0.6% | 75,557 | 0.6% |
| Advanced payments | 17,977 | 0.2% | 17,542 | 0.1% |
| Accounts receivables from related parties | 21,594 | 0.2% | 10,599 | 0.1% |
| Assets held for sale | 357,189 | 3.0% | - | 0.0% |
| Recoverable value-added tax | 194,668 | 1.6% | 42,940 | 0.4% |
| Recoverable taxes and others | 7,272 | 0.1% | 5,621 | 0.0% |
| Total current assets | 1,236,882 | 10% | 796,629 | 6.7% |
| Non-current assets: | | | | |
| Property, furniture and equipment - net | 10,441,197 | 87.5% | 10,603,432 | 89.4% |
| Right-of-use asset | 2,400 | 0.0% | - | 0.0% |
| Intangible asset and other assets | 80,404 | 0.7% | 66,627 | 0.6% |
| Accounts receivable from related parties | 93,318 | 0.8% | 112,248 | 0.9% |
| Prepaid property acquisitions | 74,339 | 0.6% | 265,916 | 2.2% |
| Derivative financial instruments | - | 0.0% | 21,035 | 0.2% |
| Total non-current assets | 10,691,658 | 89.6% | 11,069,258 | 93.3% |
| Total assets | 11,928,539 | 100 | 11,865,887 | 100 |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Suppliers | 90,252 | 2.2% | 82,029 | 2.5% |
| Other payables | 76,809 | 1.9% | 8,725 | 0.3% |
| Properties acquisition liability | - | 0.0% | 2,066 | 0.1% |
| Short-term lease liability | 1,446 | 0.0% | 0 | 0.0% |
| Accounts payable to related parties | 131,918 | 3.2% | 24,844 | 0.8% |
| Bank debt | 200,000 | 4.9% | 0 | 0.0% |
| Liability from debt obligations | 136,062 | 3.3% | 79,575 | 2.4% |
| Advances from clients | 6,312 | 0.2% | 4,986 | 0.2% |
| Tax payable | 29,033 | 0.7% | 40,148 | 1.2% |
| Total current liabilities | 671,832 | 16.4% | 242,373 | 7.4% |
| Non-current liabilities: | | | | |
| Debt securities | 3,163,650 | 77.0% | 2,967,075 | 91.1% |
| Bank debt | 197,985 | 4.8% | - | 0.0% |
| Liability from debt obligations | 63,659 | 1.5% | - | 0.0% |
| Accounts payable to related parties | - | 0.0% | 35,538 | 1.1% |
| Long-term lease liability | 1,054 | 0.0% | - | 0.0% |
| Cash settled executive share-based compensation | 5,978 | 0.1% | 6,922 | 0.2% |
| Deferred income taxes | 3,909 | 0.1% | 3,909 | 0.1% |
| Employee benefits | 260 | 0.0% | 206 | 0.0% |
| Total non-current liabilities | 3,436,495 | 83.6% | 3,013,650 | 92.6% |
| Total liabilities | 4,108,327 | 100% | 3,256,023 | 100% |
| EQUITY | | | | |
| Trustors' equity: | | | | |
| Contributed capital | 6,171,563 | 87.5% | 6,415,569 | 76.5% |
| Property revaluation surplus | 2,044,090 | 29.0% | 2,659,260 | 31.7% |
| Reserve for valuation effect of derivative financial instruments | - | 0.0% | 8,601 | 0.1% |
| Reserve for repurchase of CBFIs | 78,213 | 1.1% | 142,958 | 1.7% |
| Share-based compensation reserve | 115,372 | 1.6% | 80,844 | 1.0% |
| Retained earnings | -1,358,663 | -19.3% | 922,607 | -11.0% |
| Total trustors' equity | 7,050,575 | 100% | 8,384,625 | 100% |
| Non-controlling interest | 769,637 | 9.8% | 225,239 | 2.6% |
| Total trustors' equity | 7,820,212 | 100% | 8,609,864 | 100% |
| Total liabilities and equity | 11,928,539 | | 11,865,887 | 100% |



| Revenue from: | 4T19 | % | 4T18 | % | Var. Ps. | Var. % | Ac 2019 | % | Ac 2018 | % | Var. Ps. | Var. % |
|--|-----------------|----------------|-----------------|----------------|----------------|--------------|------------------|---------------|------------------|---------------|-----------------|--------------|
| Lodging | 444,106 | 94.8% | 485,847 | 94.6 | -41,741 | -8.6 | 1,822,337 | 94.9% | 1,953,519 | 95.0% | -131,182 | -6.7 |
| Property leases | 24,370 | 5.2% | 27,980 | 5.4 | -3,610 | -12.9 | 97,793 | 5.1% | 103,238 | 5.0% | -5,445 | -5.3 |
| Total revenue | 468,476 | 100.0 | 513,828 | 100.0 | -45,352 | -8.8 | 1,920,130 | 100.0% | 2,056,757 | 100.0% | -136,627 | -6.6 |
| Costs and expenses from hotel services: | | | | | | | | | | | | |
| Lodging | 124,884 | 26.7% | 140,216 | 27.3% | -15,332 | -10.9 | 511,264 | 26.6% | 532,586 | 25.9% | -21,322 | -4.0 |
| Administrative | 82,778 | 17.7% | 84,313 | 16.4% | -1,535 | -1.8 | 331,979 | 17.3% | 342,821 | 16.7% | -10,842 | -3.2 |
| Maintenance | 20,464 | 4.4% | 21,035 | 4.1% | -571 | -2.7 | 84,092 | 4.4% | 83,434 | 4.1% | 658 | 0.8 |
| Electricity | 30,256 | 6.5% | 36,062 | 7.0% | -5,806 | -16.1 | 134,443 | 7.0% | 132,557 | 6.4% | 1,886 | 1.4 |
| Royalties | 31,487 | 6.7% | 33,463 | 6.5% | -1,976 | -5.9 | 128,491 | 6.7% | 135,104 | 6.6% | -6,613 | -4.9 |
| Advertising and promotion | 20,227 | 4.3% | 26,977 | 5.3% | -6,750 | -25.0 | 86,208 | 4.5% | 102,772 | 5.0% | -16,564 | -16.1 |
| Hotel factory | 11,365 | 2.4% | 1,583 | 0.3% | 9,782 | 617.9 | 19,111 | 1.0% | 7,996 | 0.4% | 11,115 | 139.0 |
| Total costs and expenses of hotel services | 321,461 | 69% | 343,648 | 66.9% | -22,187 | -6.5 | 1,295,588 | 67.5% | 1,337,270 | 65.0% | -41,682 | -3.1 |
| Gross margin | 147,015 | 31.4 | 170,179 | 33.1 | -23,166 | -13.6 | 624,542 | 32.5 | 719,487 | 35.0 | -94,945 | -13.2 |
| Other costs and expenses: | | | | | | | | | | | | |
| Property tax | 3,518 | 0.8% | 3,673 | 0.7% | -156 | -4.2 | 13,861 | 0.7% | 13,794 | 0.7% | 66 | 0.5 |
| Insurance | 1,330 | 0.3% | 1,675 | 0.3% | -346 | -20.6 | 6,103 | 0.3% | 6,244 | 0.3% | -142 | -2.3 |
| Corporate administrative expenses | 23,455 | 5.0% | 24,788 | 4.8% | -1,333 | -5.4 | 100,209 | 5.2% | 95,190 | 4.6% | 5,019 | 5.3 |
| Acquisition and organization expenses | 5,670 | 1.2% | 13,595 | 2.6% | -7,927 | -58.3 | 34,074 | 1.8% | 43,979 | 2.1% | -9,905 | -22.5 |
| Others | 1,770 | 0.4% | -1,378 | -0.3% | 3,147 | -228.4 | -2,202 | -0.1% | -4,060 | -0.2% | 1,859 | -45.8 |
| Maintenance expenses | 7,513 | 1.6% | 6,211 | 1.2% | 1,302 | 21.0 | 22,293 | 1.2% | 23,469 | 1.1% | -1,175 | -5.0 |
| Estimate of impairment of financial assets | 1,370 | 0.3% | -8,041 | -1.6% | 9,411 | -117.0 | 2,912 | 0.2% | -24,969 | -1.2% | 27,881 | -111.7 |
| AAP Termination of Advisory Contract | -952 | -0.2% | 10,489 | 2.0% | -11,441 | -109.1 | 43,470 | 2.3% | 41,954 | 2.0% | 1,516 | 3.6 |
| Impairment of properties | 209,555 | 44.7% | 522,764 | 101.7% | -313,209 | -59.9 | 220,463 | 11.5% | 522,764 | 25.4% | -302,301 | -57.8 |
| Loss on disposal of fixed asset | 999 | 0.2% | 0 | 0.0% | 999 | | 15,225 | 0.8% | 0 | 0.0% | 15,225 | |
| Depreciation of fixed asset | 74,425 | 15.9% | 63,672 | 12.4% | 10,753 | 16.9 | 313,064 | 16.3% | 317,879 | 15.5% | -4,815 | -1.5 |
| Total other costs and expenses | 328,653 | 70.2% | 637,449 | 124.1% | -308,796 | -48.4 | 769,472 | 40.1% | 1,036,244 | 50.4 | -266,772 | -25.7 |
| Operating income | -181,638 | -38.8% | -467,269 | -90.9% | 285,631 | -61.1 | -144,930 | -7.5% | -316,757 | -15% | 171,827 | -54.2 |
| Interest income | -12,661 | -2.7% | -21,318 | -4.1% | 8,657 | -40.6 | -49,561 | -2.6% | -73,130 | -4% | 23,569 | -32.2 |
| Interest expense | 52,479 | 11.2% | 58,202 | 11.3% | -5,723 | -9.8 | 252,900 | 13.2% | 253,628 | 12% | -728 | -0.3 |
| Exchange rate loss (gain) | 1,236 | 0.3% | -4,611 | -0.9% | 5,847 | -126.8 | -2,548 | -0.1% | -4,542 | 0% | 1,994 | -43.9 |
| Net loss | -222,692 | -47.5% | -499,542 | -97.2% | 276,850 | -55.4 | -345,721 | -18% | -492,713 | -24.0 | 146,992 | -29.8 |
| Non-controlling interest | -423 | -0.1% | 0 | 0.0% | -423 | | -1,338 | -0.1% | 0 | 0% | -1,338 | |
| Controlling interest | -222,269 | -47.4% | -499,542 | | 276,427 | -55.5 | -344,383 | 0 | -492,713 | -24.0 | 148,330 | -30.1 |
| Other comprehensive loss items attributable to controlling interest: | | | | | | | | | | | | |
| Property revaluation surplus | -573,966 | -122.5% | -143,281 | -27.9% | 0 | 300.6 | -573,966 | -29.9% | -143,281 | -7% | -430,685 | 300.6 |
| Reserve for valuation effect of derivative financial instruments | 0 | 0.0% | 1,761 | 0.3% | -1,761 | -100.0 | -8,601 | -0.4% | -28,804 | -1% | 20,203 | -70.1 |
| Comprehensive income | -796,658 | -170.1% | -641,063 | -124.8% | 275,091 | 24.3 | -928,288 | -0.7 | -664,798 | -32% | -263,490 | 39.6 |



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.

Multiple Banking Institution, Trust Division) and Subsidiary

Unaudited Condensed Consolidated Statements of Income and of Other Comprehensive Income

For the period from October 1, 2019 to December 31, 2019 and 2018 and for the accumulated of the year ended December 31, 2019 and 2018

(Thousands of pesos)

| Revenue from: | 4T19 | % | 4T18 | % | Var. Ps. | Var. % | 2019 | % | 2018 | % | Var. Ps. | Var. % |
|--|-----------------|---------------|-----------------|----------------|----------------|--------------|------------------|---------------|------------------|---------------|-----------------|--------------|
| Lodging | 444,106 | 94.8% | 485,847 | 94.6% | -41,741 | -8.6 | 1,822,337 | 94.9% | 1,953,519 | 95.0% | -131,182 | -6.7 |
| Property leases | 24,370 | 5.2% | 27,980 | 5.4% | -3,610 | -12.9 | 97,793 | 5.1% | 103,238 | 5.0% | -5,445 | -5.3 |
| Total revenue | 468,476 | 100% | 513,828 | 100% | -45,352 | -8.8 | 1,920,130 | 100.0% | 2,056,757 | 100.0% | -136,627 | -6.6 |
| Costs and expenses from hotel services: | | | | | | | | | | | | |
| Lodging | 124,884 | 26.7% | 140,216 | 27.3% | -15,332 | -10.9 | 511,264 | 26.6% | 532,586 | 25.9% | -21,322 | -4.0 |
| Administrative | 82,778 | 17.7% | 84,313 | 16.4% | -1,535 | -1.8 | 331,979 | 17.3% | 342,821 | 16.7% | -10,842 | -3.2 |
| Maintenance | 20,464 | 4.4% | 21,035 | 4.1% | -571 | -2.7 | 84,092 | 4.4% | 83,434 | 4.1% | 658 | 0.8 |
| Electricity | 30,256 | 6.5% | 36,062 | 7.0% | -5,806 | -16.1 | 134,443 | 7.0% | 132,557 | 6.4% | 1,886 | 1.4 |
| Royalties | 31,487 | 6.7% | 33,463 | 6.5% | -1,976 | -5.9 | 128,491 | 6.7% | 135,104 | 6.6% | -6,613 | -4.9 |
| Advertising and promotion | 20,227 | 4.3% | 26,977 | 5.3% | -6,750 | -25.0 | 86,208 | 4.5% | 102,772 | 5.0% | -16,564 | -16.1 |
| Property tax | 3,518 | 0.8% | 3,673 | 0.7% | -155 | -4.2 | 13,861 | 0.7% | 13,794 | 0.7% | 66 | 0.5 |
| Insurance | 1,330 | 0.3% | 1,675 | 0.3% | -346 | -20.6 | 6,103 | 0.3% | 6,244 | 0.3% | -141 | -2.3 |
| Total costs and expenses of hotel services | 314,944 | 67.2% | 347,414 | 67.6% | -32,470 | -9.3 | 1,296,441 | 67.5% | 1,349,312 | 65.6% | -52,871 | -3.9 |
| NOI Hotel | 153,532 | 32.8% | 166,414 | 32% | -12,882 | -7.7 | 623,689 | 32.5% | 707,445 | 34.4% | -83,756 | -11.8 |
| OTHER BUSINESSES | | | | | | | | | | | | |
| INCOME: | | | | | | | | | | | | |
| Hotel factory | 3,071 | 100.0% | 19,562 | 100% | -16,490 | -84.3 | 31,531 | 1.6% | 19,562 | 0.0% | 11,969 | 61.2 |
| COSTS: | | | | | | | | | | | | |
| Hotel factory | 10,364 | 337.4% | 21,145 | 108.1 | -10,781 | -51.0 | 37,978 | 1.2 | 27,558 | 1.4 | 10,420 | 37.8 |
| NOI other businesses | -7,293 | -237.4% | -1,583 | -809.4% | -5,709 | -360.6 | -6,447 | -0.2 | -7,996 | -0.4 | 1,549 | 19.4 |
| Total NOI | 146,239 | 31.0% | 164,830 | 30.9% | -18,591 | -11.3 | 617,242 | 0.3 | 699,449 | 0.3 | -82,207 | -11.8 |
| Other costs and expenses: | | | | | | | | | | | | |
| Corporate administrative expenses | 23,455 | 5.0% | 24,788 | 4.8% | -1,333 | -5.4 | 100,209 | 5.2% | 95,190 | 4.6% | 5,019 | 5.3 |
| Acquisition and organization expenses | 5,670 | 1.2% | 13,595 | 2.6% | -7,925 | -58.3 | 34,074 | 1.8% | 43,979 | 2.1% | -9,905 | -22.5 |
| Maintenance expenses | 7,513 | 1.6% | 6,211 | 1.2% | 1,302 | 21.0 | 22,293 | 1.2% | 23,469 | 1.1% | -1,176 | -5.0 |
| Others | 1,770 | 0.4% | 1,378 | -0.3% | 3,149 | -228.4 | 2,200 | -0.1% | 4,060 | -0.2% | -1,861 | -45.8 |
| Total indirect expenses | 38,408 | 8.2% | 43,216 | 8.4% | -4,809 | -11.1 | 154,376 | 8.0% | 158,578 | 7.7% | -4,203 | -2.6 |
| EBITDA | 107,831 | 23.0% | 121,614 | 23.7% | -13,783 | -11.3 | 462,866 | 24.1% | 540,871 | 26.2% | -78,005 | -14.4 |
| Plus: Acquisition and organization expenses | 13,183 | 2.8% | 19,806 | 3.9% | -6,623 | -33.4 | 56,367 | 2.9% | 67,448 | 3.3% | -11,081 | -16.4 |
| Adjusted EBITDA | 121,014 | 25.8% | 141,421 | 27.5% | -20,406 | -14.4 | 519,233 | 27.0% | 608,319 | 29.6% | -89,086 | -14.6 |
| Estimate of impairment of financial assets | 1,370 | 0.3% | 8,041 | -1.6% | 9,411 | -117.0 | 2,912 | 0.2% | 24,969 | -1.2% | 27,881 | -111.7 |
| AAP Termination of Advisory Contract | -952 | -0.2% | 10,489 | 2.0% | -11,441 | -109.1 | 43,470 | 2.3% | 41,954 | 2.0% | 1,516 | 3.6 |
| Impairment of properties | 209,555 | 44.7% | 522,764 | 101.7% | -313,209 | -59.9 | 220,463 | 11.5% | 522,764 | 25.4% | -302,301 | -57.8 |
| Loss on disposal of fixed asset | 999 | 0.2% | - | 0.0% | 999 | - | 15,225 | 0.8% | - | 0.0% | 15,225 | - |
| Depreciation of fixed asset | 78,497 | 16.8% | 63,672 | 12.4% | 14,825 | 23.3 | 325,726 | 17.0% | 317,879 | 15.5% | 7,847 | 2.5 |
| EBIT (Operating income) | -181,638 | -38.8% | -467,270 | -90.9% | 285,632 | -61.1 | -144,930 | -7.5% | -316,757 | -15.4% | 171,827 | -54.2 |
| Interest income | -12,661 | -2.7% | 21,318 | -4.1% | 8,657 | -40.6 | 49,561 | -2.6% | 73,130 | -3.6% | 23,569 | -32.2 |
| Interest expense | 52,479 | 11.2% | 58,202 | 11.3% | -5,723 | -9.8 | 252,900 | 13.1% | 253,628 | 12.3% | -728 | -0.3 |
| Exchange rate loss (gain) | 1,236 | 0.3% | 4,611 | -0.9% | 5,847 | -126.8 | 2,548 | -0.1% | 4,542 | -0.2% | 1,994 | -43.9 |
| Net loss | -222,692 | -47.5% | -499,543 | -97.2% | 294,164 | -55.4 | -345,721 | -18.0% | -492,713 | -24.0% | 194,131 | -29.8 |
| Non-controlling interest | -423 | -0.1% | - | - | 423 | - | 1,338 | -7.0% | - | - | 1,338 | - |
| Controlling interest | -222,269 | -47.4% | -499,543 | -97.2% | 276,427 | -56 | -344,383 | -17.9% | -492,713 | -24.0% | 148,330 | -30.1 |
| Other comprehensive loss items attributable to controlling interest: | | | | | | | | | | | | |
| Property revaluation surplus | -573,965.597 | -122.5% | -143,281 | -27.9% | -430,685 | -300.6 | -573,966 | -29.9% | -143,281 | -696.6% | -430,685 | 300.6 |
| Reserve for valuation effect of derivative financial instruments | - | 0.0% | 1,761 | 0.3% | -1,761 | -100.0 | 8,601 | -0.4% | -28,804 | -1.4% | 20,203 | -70.1 |
| Comprehensive income | -796,657 | ### | -641,063 | -124.8% | 155,594 | 24 | -928,288 | -48.3% | -664,798 | -32.3% | -262,152 | 39.6 |
| FFO | 79,960 | 17.1% | 109,147 | 21.2% | -29,187 | -26.7 | 318,442 | 16.6% | 432,363 | 21.0% | -113,921 | -26.3 |

¹ Funds from operations: Adjusted EBITDA plus interest income minus interest expense and exchange rate fluctuation.



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.
Multiple Banking Institution, Trust Division) and Subsidiary
Unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity
From January 1 to December 31, 2019 and 2018
(Thousands of pesos)

| | Contributed capital | Share-based compensation reserve | Reserve for repurchase CBFIs | Property Revaluation Surplus | Reserve for valuation effect of derivative financial instruments | Retained earnings | Controlling Interest | Non-controlling interest | Total trustors' equity |
|---|---------------------|----------------------------------|------------------------------|------------------------------|--|-------------------|----------------------|--------------------------|------------------------|
| As of December 31, 2017 | 5,886,250 | 77,663 | 214,596 | 2,802,541 | 37,405 | -390,741 | 8,627,714 | | 8,627,714 |
| Distribution to holders of CBFIs | - 423,121 | | | | | - | 423,121 | - | 423,121 |
| Debt Issuance | 1,016,723 | | | | | | 1,016,723 | | 1,016,723 |
| Non-controlling interest contribution | | | | | | | - | 225,617 | 225,617 |
| Cancellation of CBFIs | - 64,283 | | 3,828 | | | 60,455 | - | | - |
| Initial impact in the adoption of IFRS9 | | | | | | 29,968 | - | | 29,968 |
| Cancellation of repurchase fund | | | -184,544 | | | 184,544 | - | | - |
| Reserve for repurchase CBFIs | | | 250,000 | | | 250,000 | - | | - |
| Equity-settled share-based payments | | 2,418 | | | | | 2,418 | | 2,418 |
| Repurchase of CBFIs | - | 6,147 | -140,922 | | | | 147,069 | - | 147,069 |
| Reserve for payment with CBFIs | | 6,910 | | | | | 6,910 | | 6,910 |
| Comprehensive income | | | - | 143,281 | 28,804 | 496,897 | 668,982 | 378 | 669,360 |
| As of December 31, 2018 | 6,415,569 | 80,844 | 142,958 | 2,659,260 | 8,601 | -922,607 | 8,384,625 | 225,239 | 8,609,864 |
| As of December 31, 2018 | 6,415,569 | 80,844 | 142,958 | 2,659,260 | 8,601 | 922,607 | 8,384,625 | 225,239 | 8,609,864 |
| Distribution to holders of CBFIs | - 244,006 | | | | | | 244,006 | - | 244,006 |
| Non-controlling interest contribution | | | | | | | - | 545,736 | 545,736 |
| Cancellation of repurchase fund | | | 129,193 | | | 129,193 | - | | - |
| Reserve for repurchase CBFIs | | | 250,000 | | | 250,000 | - | | - |
| Equity-settled share-based payments | | 2,875 | | | | | 2,875 | | 2,875 |
| Repurchase of CBFIs for payment of equity instruments | | 1,224 | | | | | 1,224 | | 1,224 |
| Repurchase of CBFIs | | - | 185,552 | | | | 185,552 | - | 185,552 |
| Reserve for repurchase CBFIs | | 30,429 | | | | | 30,429 | | 30,429 |
| Surplus write-off due to sale of fixed asset | | | | 41,204 | | 41,204 | - | | - |
| Other | | | | | | 12,070 | 12,070 | - | 12,070 |
| Net loss | | | | -573,966 | -8,601 | -344,383 | 926,950 | 1,338 | 928,287.60 |
| As of December 31, 2019 | 6,171,563 | 115,372 | 78,213 | 2,044,090 | 0 | -1,358,663 | 7,538,587 | 769,637 | 7,820,212 |



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.
Multiple Banking Institution, Trust Division) and Subsidiary
Unaudited Condensed Consolidated Statements of Cash Flows
For the period from January 1 to December 31, 2019 and 2018
(Thousands of pesos)

| | 2019 | 2018 |
|---|-----------------|-------------------|
| OPERATING ACTIVITIES | | |
| Net income before taxes | - 345,721 | - 489,515 |
| Adjustments: | | |
| Depreciation and amortization | 313,064 | 285,664 |
| Accounting loss due to derecognition of fixed assets | 15,225 | 29,261 |
| Impairment of properties | 220,463 | 522,764 |
| Allowance for impairment of financial assets | 2,912 | 13,185 |
| Amortization and cancellation of capitalized costs | 13,845 | 23,133 |
| Debt interests | 226,621 | 247,808 |
| Gain on interest | - 49,561 | - 73,693 |
| Effect of valuation of derivative financial instruments | 12,434 | 16,081 |
| Recycling of derivative financial instruments | - | 27,535 |
| Reserve for compensation payment due to termination of AAP | 43,470 | 24,679 |
| Equity share-based compensation to executives | - | 7,292 |
| | 452,752 | 552,754 |
| Receivables and other accounts receivable | - 1,898 | 40,795 |
| Related parties | 35,431 | 5,382 |
| Advanced payments | - 435 | 150 |
| Recoverable taxes | - 153,379 | 10,948 |
| Suppliers and other payables | 77,633 | 3,793 |
| Payable taxes | - 11,115 | 27,563 |
| Employee benefits | 54 | 77 |
| Net cash flows generated by operating activities | 399,043 | 619,412 |
| INVESTING ACTIVITIES | | |
| Acquisition of property, furniture and equipment | - 1,448,095 | - 1,098,050 |
| Advance to properties purchase | - 8,423 | - 139,028 |
| Acquisition of intangible assets | - | 10,404 |
| Lease payments for right-of-use asset vehicles | - 2,084 | - |
| Other assets and liabilities | - 28,892 | - 78 |
| Revenue for sale of fixed asset | 490,414 | 86,826 |
| Gain on interests | 49,561 | 73,693 |
| Loan granted to related parties | 18,930 | 8,333 |
| Net cash flows utilized in investing activities | -928,589 | -1,078,708 |
| FINANCING ACTIVITIES | | |
| Loans received | 400,000 | 200,000 |
| Settlement of bank debt | - | 200,000 |
| Fundraising through issuance of CBFIs, net of issuance expenses | 1,274,044 | 1,974,596 |
| Partial and early settlement of CBFIs | - 1,000,000 | - 1,875,350 |
| Bank commissions and interest paid | - 344,561 | - 174,292 |
| Fundraising through issuance of CBFIs, net of issuance expenses | - | 1,016,723 |
| Distribution to holders of certificates | - 244,006 | - 423,121 |
| Non-controlling interest contribution | 545,736 | 225,617 |
| Repurchase of CBFIs for payments to executives with equity instrument | 3,155 | 7,571 |
| Repurchase of CBFIs with repurchase fund reserve | - 185,552 | - 140,922 |
| Net cash flows generated by financing activities | 448,816 | 595,680 |
| Net cash flows of the period | -80,730 | 136,384 |
| Cash and cash equivalents at the beginning of the year | 644,370 | 507,986 |
| Cash and cash equivalents at the end of the year | 563,639 | 644,370 |