



Fibra Inn Announces Fourth Quarter 2023 Results

Monterrey, Mexico, February 27, 2024 — CIBanco, S.A., Institución de Banca Múltiple, as the final and universal beneficiary of Deutsche Bank México, Institución de Banca Múltiple, Fiduciary Division DB/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 unaudited Fourth Quarter results for the period ended December 31, 2023 (4Q23). These results were prepared in accordance with International Financial Reporting Standards (IFRS) and are stated in nominal Mexican pesos (Ps.).

4Q23 Highlights:

- Fibra Inn owns **35 hotels with a total of 6,048 rooms** and participates in the investment of a Hotel Factory property, which will add 218 rooms.
- The Company presents the following hotel indicators: total **4Q23 Occupancy** was 63.5%, compared to 62.6% in 4Q22. **ADR** was Ps. 1,708.8, an increase of 6.0% vs 4Q22. **RevPar** was Ps. 1,084.3, a 7.4% increase versus 4Q22, in terms of same-store sales.
- Total Income** was Ps. 579.1 million, 5.4% higher than in 4Q22.
- NOI¹** was Ps. 189.5 million, 0.5% higher than in 4Q22; **NOI margin** was 32.7% vs. 34.3% in 4Q22.
- Adjusted EBITDA²**: was Ps. 99.5 million, 23.8% lower than in 4Q22, with a 17.2% margin compared with a 23.8% margin in 4Q22.
- FFO³** was Ps. 47.6 million, representing an 8.2% margin, compared to Ps. 9.4% in 4Q22.
- Distribution to Holders** will be Ps. 20.4 million, representing Ps. 0.0268 per CBFi among 761,080,871 certificates.
- The **weighted average net cost of debt** was 9.64% in the peso-denominated tranche (93% of total debt) and 5.0% in the US dollar-denominated one (7.0% of total debt).

Fibra Inn 4Q23	
Equity	
BMV: FINN13	
4Q23 Distribution per CBFi	0.0385
Distribution per CBFi (LTM)	0.1347
CBFi Price (Dec 31, 2023):	5.10
CBFis in Repurchase Fund:	8,434,565
CBFis with distribution rights:	761,080,871
Float:	98.9%
Mkt Cap (Ps. million)	3,881.5
Total Assets	13,580.8
Debt	
BMV: FINN18	Ps. 3.2 Bn @ fixed 2 Feb 2028
Weighted Avg Net Cost of Total Debt:	9.64% in pesos & 5.0% in US dlls
LTV:	29.0%
Fitch:	A-
HR Ratings:	A+
4Q23 Highlights	
Number of hotels in operation	33
Number of rooms	6,048
Occupancy (Total Sales)	63.5%
ADR (Total Sales) Ps.	1,708.8
RevPar (Total Sales) Ps.	1,084.3
Hotel Factory	
Number of properties	1
Number of rooms	218



- ¹ NOI is the calculation of Fibra's revenue (hotel revenues and other revenues) minus operating expenses for administration, maintenance, lodging, utilities, fees, royalties, incentives, marketing, and promotion, as well as property tax and insurance.
- ² Adjusted EBITDA excludes acquisition and organization expenses and extraordinary maintenance CAPEX that were already registered in results.
- ³ FFO is calculated as the Adjusted EBITDA plus interest gain minus interest expense minus executed foreign exchange fluctuations.

Miguel Aliaga, Fibra Inn's Chief Executive Officer, stated, "During this fourth quarter, the Company reached the highest occupancy rate in its history during the month of November 2023, a record occupancy of 70.0%. This reflected a full recovery in revenues. Occupancy for the quarter grew by 90 basis points to reach 63.5%, and the average daily rate increased by 6.0% compared to the fourth quarter of last year. This resulted in a lodging revenue growth of 5.9%, greater than the rate of inflation. This performance was the result of the work carried out within the hotel operation to maintain leadership in the competitive set of our properties. The overall result was significantly impacted by the negative exchange rate effect that represented a Ps. 43.8 million revenue decrease.

Additionally, total costs and expenses from hotel services increased due to a higher real wage inflation, whereby we concluded the fourth quarter with a very similar NOI margin as that obtained in 2022.

Efficiencies in corporate administrative expenses reflected a 3.3% decrease, reaching Ps. 31.8 million, excluding extraordinary expenses, which compared favorably to the Ps. 47.5 million reported for the fourth quarter of last year. However, this quarter included the non-recurring expense of the contract terminations with C-Suite executives. Therefore, the Adjusted EBITDA margin was 17.2% in 4Q23.

In terms of distribution, we continue to follow a conservative policy; we will distribute Ps. 20.4 million, very much in line with that of previous quarters," added Mr. Aliaga.

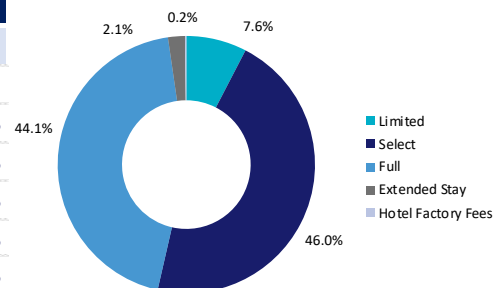

Fourth Quarter 2023 Results

Financial Highlights					
	4Q23		4Q22		Var
Lodging Revenues	555.8	96.0%	524.9	95.5%	5.9%
Rental Revenues	22.4	3.9%	19.1	3.5%	16.9%
Hotel Factory	0.9	0.2%	5.4	1.0%	-82.5%
Total Fibra Revenues	579.1	100.0%	544.0	99.0%	5.4%
NOI	189.5	32.7%	188.6	34.3%	0.5%
Adjusted EBITDA	99.5	17.2%	130.6	23.8%	-23.8%
FFO	47.6	8.2%	51.9	9.4%	-8.3%
Distribution and Dividend Yield					
CBFI Price	5.10		5.88		-13.3%
Total Distribution	20.4		21.58		-5.5%
Total Distribution per CBFI	0.0268		0.0428		-37.4%
CBFIs with distribution rights	761.1		503.6		51.1%
Hotels and Rooms					
Hotels in operation	33		35		-2
Land Lots	1		1		0
Closed hotels	2		2		0
Properties at the end of the quarter	36		38		-2
Footprint (States)	13		13		0
Total Rooms	6,048		6,047		1

The hotel portfolio at the close of 4Q23 was comprised of 35 hotels: 4 limited service, 17 select service, 13 full service, and one extended-stay. At the date of this report, 33 hotels were in operation and 2 remain closed.

The two closed hotels include the property in Coatzacoalcos, and the Holiday Inn Coyoacan, which remains closed following the Mexico City earthquakes and is pending major repairs.

Total Revenue per Segment				
	4Q23	%	4Q22	%
(Ps. million)				
Limited Service	44.1	7.6%	40.1	7.3%
Select Service	266.2	46.0%	248.0	45.1%
Full Service	255.5	44.1%	244.4	44.5%
Extended Stay	12.3	2.1%	11.5	2.1%
Hotel Factory Fees	0.9	0.2%	5.4	1.0%
Total	579.1	100.0%	549.4	100.0%





Total revenues during 4Q23 were Ps. 579.1 million, an increase of 5.4%, or Ps. 29.7 million compared to 4Q22. Revenues were as follows:

- Ps. 555.8 million were lodging revenues generated from the 33 operating properties during 4Q23, which rose by 5.9% compared to 4Q22. This increase reflected the recovery of hotel activity. Occupancy continued to improve during 4Q23, reaching 63.5% in terms of total hotel income. ADR increased by 6.0% vs. 4Q22 reaching Ps. 1,708.8, reflecting the higher and more efficient average daily rate, due to the inclusion of luxury and higher-scale hotels in the Fibra Inn portfolio, and the closure of limited-service properties. RevPAR was Ps. 1,084.3, an increase of 7.4% vs. 4Q22.
- Ps. 22.4 million were from rental spaces and services other than lodging, such as rental of meeting rooms, coffee breaks, conference rooms, and restaurants and rental of certain commercial outlets, which did not represent a significant increase.
- Lastly, Ps. 0.9 million in asset management revenues from the administration of Hotel Factory hotels; these are the JW Marriott Monterrey Valle and the Westin Monterrey Valle.

The Company continues its trend of positive occupancy, reaching the highest monthly occupancy level in its history, at 70.0% on November 2023, reflecting the recovery. Occupancy was 65.7% in October, 70.0% in November, and 54.9% in December 2023.

During 4Q23, total operating expenses were Ps. 389.6 million or 67.3% as a percentage of income, compared to 65.7% during 4Q22. Overall, the increase in the hotel operating expenses is the result of a higher occupancy, therefore:

- The 160-basis points increase in lodging expenses, reaching 28.3% as a percentage of income, reflecting a higher expense to serve guests, such as room cleaning, breakfast, laundry, and others.
- The 10-basis points increase in advertising and promotional expenses, representing 3.8% of total income in 4Q23, compared to 3.7% in the 4Q22.
- The 10-basis point increase in preventive hotel maintenance, which represented 4.3% of revenue in line with the expenses of previous quarters.
- A 10-basis points increase in royalties represented 7.3% as a percentage of income in 4Q23, compared with 7.2% in 4Q22, similar quarter over quarter.
- A 10-basis points increase in property taxes, reflecting 0.8% of income in 4Q23, compared to 0.7% in 4Q22.

The above was offset by:

- A slight 10-basis points decrease in administrative expenses, resulting in 16.8% as a percentage of income as the Company seeks to maintain efficient expense levels.
- A 20-basis points decrease in utilities registering 5.6% of income, in line with that of the previous year.



During 2023, the Company worked to generate efficiencies together with the hotel operators, Aimbridge Latam and Grupo Presidente, by creating economies of scale with procedures and globally utilized technologies applied to Fibra Inn's management of assets.

The expenses related to operational hotel services reflected a total increase of 8.0% in 4Q23, slightly higher than the 5.9% increase in the total revenue.

Net Operating Income (NOI) for 4Q23 was Ps. 189.5 million, compared with Ps. 188.6 million in 4Q22, representing 0.5% growth. NOI margin was 32.7% vs. 34.3% in 4Q22.

Non-operating expenses were Ps. 97.0 million in 4Q23, which represented a Ps. 21.6 million increase versus 4Q22, when this figure was Ps. 75.4 million. Non-operating expenses represented 16.7% of total income during 4Q23, 30 basis points higher than in 4Q22 when they were 13.7%.

This nominal expense increase was primarily the net effect of:

- A Ps. 45.1 million increase in corporate administrative expenses, reaching Ps. 92.6 million, a 94.9% increase vs. Ps. 47.5 million in 4Q22. This was mainly due to the termination of the employment contract with the Chief Executive Officer and the Director of Acquisitions and Development that was a non-recurrent expense of Ps. 60.8. million.
Excluding the extraordinary expense of labor terminations, the corporate administrative expense would have been Ps. 31.8 million and would have represented a decrease of Ps. 15.7 million or 33.1%

The abovementioned offset by:

- A Ps. 6.7 million increase in other income representing Ps. 7.1 million in 4Q23, compared to Ps. 0.4 million last year. This income was related to client deposits of previous quarters that were not claimed by said clients.
- A Ps. 6.5 million decrease in acquisition costs related to business and organization expenses of Ps. 3.0 million or 68.5% lower vs. Ps. 9.5 million in 4Q22. This expense corresponds to the renewal of permits and licenses at the hotels.
- A Ps. 6.3 million decrease in corporate administrative costs related to the Hotel Factory trusts registering Ps. 4.6 million, compared to Ps. 10.9 million in 4Q22, corresponding to the asset management fees of the Westin Monterrey Valle and the JW Marriott Monterrey Valle.
- A Ps. 3.9 million decrease in non-capitalizable major maintenance to the properties, registering Ps. 3.9 million in expenses compared to Ps. 7.9 million in 4Q22, reflecting hotel repairs that have been authorized to maintain optimal conditions.

EBITDA was Ps. 92.5 million in 4Q23, representing an 18.2% decrease or Ps. 20.7 million compared to Ps. 113.2 million in 4Q22. EBITDA margin was 16.0% in 4Q23 and was 4.6 percentage points lower than in 4Q22, when it was 20.6%.



Excluding the extraordinary expenses of labor termination, EBITDA would have been Ps. 153.4 million in 4Q23, representing a 35.5% increase or Ps. 40.2 million compared to Ps. 113.2 million in 4Q22. EBITDA margin would have been 26.5% in 4Q23, 5.9 percentage points higher than in 4Q22 when it was 20.6%.

Adjusted EBITDA was Ps. 99.5 million, excluding the previously-mentioned acquisition and corporate-related expenses, as well as any extraordinary maintenance expenses, and represented a decline of 23.8% or Ps. 31.1 million, compared to the Ps. 130.6 million in 4Q22. Adjusted EBITDA margin was 17.2% in 4Q23, 6.6 percentage points lower compared to 23.8% in 4Q22.

Excluding the extraordinary expenses of labor termination, Adjusted EBITDA would have been Ps. 160.3 million representing an increase of 22.8% or Ps. 29.7 million, compared to the Ps. 130.6 million in 4Q22. Adjusted EBITDA margin would have been 27.7% in 4Q23, 3.9 percentage points higher than the 23.8% of 4Q22.

Total other costs and expenses of the Fibra represented Ps. 158.2 million for 4Q23, which was a higher expense of Ps. 262.0 million when it was Ps. 103.8 million. This expense increase was mainly due to:

- Ps. 186.4 million higher in the deterioration of assets, registering Ps. 19.2 million in 4Q23, compared to the benefit of Ps. 167.2 million during the same quarter of the previous year. This corresponds to the property valuations conducted every year-end.
- An increase of Ps. 46.8 million in depreciation and amortization, registering Ps. 145.9 million in 4Q23, or 47.2% higher than the Ps. 99.1 million in 4Q22. This increase reflected the updated depreciation terms for all properties in the portfolio. Fixed assets, including properties, plant, and equipment, were calculated on the straight-line method, and are based on the estimated useful life of the net assets' residual value.
- Ps. 32.2 million lower profit of asset write-offs, given that in 4Q22 Ps. 32.3 million profit was registered with regards to the sale of the hotels in the Bajío region, while Ps. 0.1 million was registered in 4Q23.
- A Ps. 10.1 million decrease in executive compensation based upon patrimony instruments, registering Ps. 6.8 million for the cancellation of income for the provision of the proportional part of the long-term executive compensation related to the executives mentioned above.

Operating Loss (EBIT) was Ps. 65.7 million, compared to a profit of Ps. 217.0 million in 4Q22. EBIT margin was a negative 11.3% in 4Q23, compared to the positive 39.5% in 4Q22.



The net financial result was an expense of Ps. 40.0 million in 4Q23, Ps. 55.6 million or 58.2% lower than the expenses of Ps. 95.5 million reported in 4Q22, resulting in:

- Ps. 42.6 million higher interest income registered in 4Q23, registering Ps. 53.3 million related to the higher average cash balance invested in treasury, including the remain portion of the resources obtained from the capital subscription remaining to be applied in hotel investments, as well as the improved weighted average rate.
- Ps. 18.8 million less in interest expense, which was Ps. 99.4 million, equal to 15.9% lower than the Ps. 118.2 million reported for the fourth quarter of last year, derived from the positive effect of the prepaid credit with Banorte in the Trust DB/1616; as well as partial anticipated payments of the CIB/3096 Trust of The Westin Monterrey Valle and the CIB/3097 Trust of the JW Marriott Monterrey Valle to substantially reduce the credit balance at a variable rate without swap coverage to optimize the financial cost of Fibra Inn. Interest paid corresponded to the public debt, which had a balance of Ps. 3,181.6 million (Ps. 3,200.0 million prior to amortized expenses), and bank debt related to interest generated by:
 - The preferred credit of the Trust CIB/3096 of the Westin Monterrey Valle hotel, as well as the preferred credit of the Trust CIB/3097 for the development of the JW Marriott Monterrey Valle hotel, with a balance of Ps. 750.9 million (Ps. 758.7 million prior to amortized expenses).

This positive effect was related to substantially higher interest rates, both in pesos and dollars, due to Fibra Inn's debt structure, where 97.4% of the total debt is at a fixed rate or covered by interest rate swaps.

- Ps. 5.7 million lower exchange rate gain of Ps. 6.1 million during 4Q23, compared to the Ps. 11.8 million loss in 4Q22, due to the exchange rate fluctuation for the dollar-denominated loans related to the Hotel Factory trusts.

Net Consolidated Loss for 4Q23 was Ps. 105.6 million, which represented Ps. 224.2 million lower than the profit obtained in 4Q22, at Ps. 118.5 million. Net Margin was a negative 18.2% in 4Q23 vs a positive 21.6% in 4Q22.

Non-controlling interest participation experienced a Ps. 3.0 million loss, corresponding to the partners' participation in the Hotel Factory trusts. In 4Q22, this represented a Ps. 2.5 million profit.

Regarding the other comprehensive loss items attributable to controlling interest:

- Ps. 149.6 million as a surplus in property revaluation compared to Ps. 526.3 million of 4Q22.
- The reserve for the valuation effect of derivative financial instruments was Ps. 27.7 million in 4Q23, compared with the positive Ps. 12.3 million reserves for 4Q22.

The Integral Net Profit was Ps. 16.3 million or 2.8% net margin, compared to 4Q22 when it was Ps. 632.5 million profit or 115.1% net margin.



A positive FFO of Ps. 47.6 million in 4Q23, representing a decrease of Ps. 4.3 million compared to Ps. 51.9 million of 4Q22. FFO margin was 8.2% during 4Q23 vs. 9.4% of 4Q22.

Excluding the extraordinary expenses of labor termination, FFO would have been Ps. 108.4 million in 4Q23, representing an increase of Ps. 56.5 million compared to Ps. 51.9 million of 4Q22. FFO margin would have been 18.7% during 4Q23 vs. 9.4% of 4Q22.

Adjusted FFO was Ps. 29.3 million in 4Q23, equivalent to a 5.1% margin when compared to the Ps. 32.8 million in 4Q22 representing 6.0% of total income.

Margins excluding the extraordinary expenses of labor contract termination					
	4Q23		4Q22		Var
(Ps. million)					
NOI	189.5	32.7%	188.6	34.3%	0.5%
Recurrent Administrative Expenses	31.8	5.5%	47.5	8.7%	-33.1%
Labor Termination Contracts	60.8	10.5%	0.0	0.0%	N/A
Total of other costs and expenses	97.0	16.7%	75.4	13.7%	28.6%
EBITDA	92.5	16.0%	113.2	20.6%	-18.2%
EBITDA without extraordinaries expenses	153.4	26.5%	113.2	20.6%	35.5%
Adjusted EBITDA	99.5	17.2%	130.6	23.8%	-23.8%
Adjusted EBITDA without extraordinary expenses	160.3	27.7%	130.6	23.8%	22.8%
FFO	47.6	8.2%	51.9	9.4%	-8.3%
FFO without extraordinary expenses	108.4	18.7%	51.9	9.4%	108.9%

The FFO calculation used by Fibra Inn since its Initial Public Offering corresponded to that presented by the Mexican Association of Fibras (AMEFIBRA); this is a voluntary adoption for the calculation of this financial metric. This calculation excludes unrealized exchange rate fluctuation, whether it be a gain or a loss.

Reconciliation to FFO			
	4Q23	4Q22	Var %
(Ps. million, except calculations per CBFi)			
FFO	47.6	51.9	-8.3%
(-) Maintenance CAPEX	18.3	19.1	-3.8%
Adjusted FFO	29.3	32.8	-10.9%
Distribution	20.4	21.6	-5.4%
FFO per CBFi	0.0625	0.1030	-39.3%
Adjusted FFO per CBFi	0.0385	0.0652	-41.0%

* Calculations per CBFi based on 761,080,871 and 503,623,046 CBFis for 4Q23 and 4Q22, respectively, which are securities with distribution rights.



** The distribution amount includes the adjustment for the Capex reserve, PIPs and the Minority Participation.

Distribution to CBFI Holders

Today, February 27, 2024, the Technical Committee authorized the cash distribution of Ps. 20.4 million for the CBFI holders. This distribution equals Ps. 0.0268 per CBFI based on 761,080,871 CBFIs outstanding at the close of 4Q23, for capital reimbursement based on the operations and results of Fibra Inn between October 1 and December 31, 2023.

The distribution per certificate will occur by March 31, 2024. The capital reimbursement will not generate tax retention for Fibra Inn investors.

Distribution to Holders				
	4Q23		4Q22	
	per CBFI*	Total	per CBFI*	Total
	Ps. \$	Ps. million	Ps. \$	Ps. million
Taxable income	-	-	-	-
Return of capital	0.0268	20.4	0.0428	21.6
Total	0.0268	20.4	0.0428	21.6

*Calculations per CBFI based on 761,080,871 and 503,623,046 CBFIs respectively, which are securities with distribution rights.

Repurchase and CBFIs Cancellation de CBFIs						
	Repurchase Fund	Outstanding CBFIs	CBFIs with distribution rights	CBFI Price at the end of quarter	Market Cap	FINN Revaluation vs. last year
Closing of 4Q22	-	503,623,046	503,623,046	5.88	2,961,303,510	87.3%
Repurchase Jan-Mar 2022						
Cancellation of CBFIs	-					
Closing of 1Q23	-	503,623,046	503,623,046	5.97	3,006,629,585	61.4%
Repurchase Apr-June 2022						
Cancellation of CBFIs	-					
Closing of 2Q23	-	503,623,046	503,623,046	5.97	3,006,629,585	62.7%
Suscription & Executive Compensation	-	265,892,390				
Closing of 1Q23	-	769,515,436	769,515,436	5.73	4,409,323,448	-4.0%
Repurchase Jul-Sep 2023	3,622,638					
Cancellation of CBFIs						
Closing of 3Q23	3,622,638	769,515,436	765,892,798	5.40	4,155,383,354	135.7%
Repurchase Oct-Dic 2023						
Cancellation of CBFIs						
Closing of 4Q23	8,434,565	769,515,436		5.10	3,924,528,724	-13.3%



Repurchase Fund

As of December 31, 2023, the Company has 8,434,565 CBFIs in the Repurchase Fund and has a total of 769,515,436 CBFIs subscribed and outstanding; with a total of 1,634,386,172 FINN13 titles issued.

CBFIs Position				
	Issued and subscribed December 31, 2023	%	Issued and non subscribed	Total CBFIs
Repurchase Fund	8,434,565	1.1%		
Founders Trust	5	0.00%		
Investors	761,080,866	98.9%		
Total Outstanding	769,515,436	100.0%		
Total with Distribution Rights	761,080,871			
CBFIs issued for the Equity Program	-		805,763,126	
CBFIs issued for the Internalization	-		-	
CBFIs in Treasury	-		59,107,610	
CBFIs total in Treasury	-		864,870,736	
Total CBFIs	769,515,436		864,870,736	1,634,386,172

Use of the CAPEX Reserve

Under normal conditions, the capital expenditure reserve for hotel maintenance is provisioned based on the investment requirements per line item for each period, plus a reasonable reserve for future requirements. As of December 31, 2023, this reserve reached Ps. 103.7 million, compared to Ps. 91.1 million as of September 30, 2023. The total capital expense reached Ps. 5.6 million during 4Q23, of which Ps. 3.9 million was reported in the Company's income statement.

Balance Sheet

As of December 31, 2023, Fibra Inn held Ps. 1,922.6 million in cash and cash equivalents; this increase corresponds to the remaining balance of the proceeds from the 260 million CBF capital subscription, excluding the credit pre-payments at a variable rate and PIPs of some of the hotels in the portfolio.

The portfolio of clients reached Ps. 65.2 million, an 11.7% increase, corresponding to the revolving credit for the operating working capital.

Assets available for sale stood at Ps. 24.9 million, which correspond to to the hotel in Coatzacoalcos.

The remaining recoverable VAT balance reached Ps. 133.5 million at the close of December 31, 2023, compared to Ps. 141.7 million at the close of December 2022. The Company continues the recovery process for the remaining VAT balance.



In current liabilities, the normal cycle payments to suppliers continued, registering Ps. 219.3 million and reflecting a 16.7% increase vs December 2022, in accordance with normal business operations.

Ps. 105.4 million were accounts payable to related parties. This figure decreased by 1.7% vs the figure at the end of 2022 and corresponded to the debt balance with the strategic partner, FFLatam, for the temporary financing, jointly with Fibra Inn, of the Westin Monterrey Valle and the JW Marriott Monterrey Valle, that will be amortized according to its cash flow generation and the balance recovery of the VAT tax.

Ps. 149.9 million were registered in liabilities from debt obligations, as a provision for the interest payments related to the FINN18 public debt, which must be paid every six months, in February and August; as well as the interest provision of the credits for the trusts related to the Westin Monterrey Valle and JW Marriott Monterrey Valle hotels.

In the long-term, as of December 31, 2023, Fibra Inn registered debt securities for Ps. 3,181.6 million (Ps. 3,200.0 million prior to amortized expenses) corresponding to the net balance of the public debt from FINN18.

The long and short-term bank debt balance reported in 4Q23 was Ps. 750.9 million, of which 89.8% was covered with interest rate swaps (Ps. 758.7 million prior to amortized expenses). As such: (i) the Company has Ps. 710.3 million in long-term bank debt; reflecting a decrease of Ps. 213.0 million as there was an advanced debt payment of the credit line paid off used to finance the VAT; (ii) the short-term bank debt was a Ps. 40.6 million, 16.8% lower than that of the previous year.

As of December 31, 2023, the gross debt cost was:

- (i) 80.8% (FINN18) MXN at a fixed rate of 9.93% (effective weighted 9.53% rate with an 8.87% rate in the Reopening of October 2019).
- (ii) 5.9% (BBVA) USD at a fixed rate of 4.70%.
- (iii) 6.5% (BBVA) MXN at a fixed rate of 9.69%
- (iv) 2.7% (Banorte) MXN at a fixed rate of 9.74%.
- (v) 1.1% (Sabadell) MXN at a fixed rate of 9.74%.
- (vi) 1.1% (Sabadell) USD at a fixed rate of 4.97%.
- (vii) 0.5 % (Sabadell) USD at a variable fixed rate SOFR 3M + 4.56% *spread*.
- (viii) 0.5% (Sabadell) MXN at a variable rate of TIIE 91 + 3.25% *spread*.
- (ix) 1.0% (Banorte) MXN at a variable rate of TIIE 91 + 3.25% *spread*.

As such, the gross weighted average debt cost was 9.64% for the peso-denominated credits (93.0% of total debt) and 5.0% of the US dollar-denominated financing (7.0% of total debt). As of the date of this report, the yield for the Mexico 5-Year Government Bond (M Bono) was 9.88%. 98.0% of Fibra Inn's debt is set at a fixed rate or covered with swaps, while 2.0% is at a variable rate.



The long-term debt rating FINN18 remains at ‘A-(mex)’ by Fitch Ratings and HR A+(mex) by HR Ratings, both currently with a stable outlook. These were due to the improved view related to the occupancy recovery, the strengthening income and EBITDA, the continued short-term liquidity driven by the internal cash generation coming from the operation, as well as the recent capital subscription.

The FINN18 debt issuance financial covenants are as follows:

Financial Covenants - FINN18 Debt Issuance		
	Covenants	As of December 31, 2023
Loan to Value	Equal or lower than 50%	29.0%
Debt Service Coverage	Equal or higher than 1.0	4.1 veces
Debt Service	Equal or higher than 1.5	1.6 veces
Total Assets no taxable	Equal or higher than 150%	343.0%
Debt to Total Assets	Equal or lower than 15%	5.5%

Fibra Inn has a total loan-to-value of 29.0% as of December 31, 2023. This leverage level is in full compliance with the requirements of the Mexican Banking and Securities Commission (“CNBV”) to regulate the maximum leverage levels for the Fibras of up to 50% and approved for the Company at a 50% by Fibra Inn’s Shareholders’ Meeting.

As of December 31, 2023, the debt service coverage was 4.1; the ratio established must be 1.0x or greater. Both these figures are calculated in accordance with the methodology in Appendix AA of the *Circular Única de Emisoras* applicable to CBFIs.

Leverage Ratio	
Total Assets	13,580.8
Total Patrimony	9,137.1
Leverage	1.5 times

The leverage ratio will be added as of this quarterly report (total assets to shareholders’ equity or total patrimony), which was 1.5 times in 4Q23.

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



Debt Ratios (CNBV)	
<i>Loan-to-value</i>	At December 31, 2023
(equal or lower than 50%)	
Financing	750.9
Market Debt	3,181.6
Total Assets	13,580.8
Loan-to-value	29.0%
Debt Service Coverage Ratio	
(equal or higher than 1.0)	
Liquid Assets	1,922.6
VAT refunds	133.5
Operating Profit	697.0
Credit lines	-
<i>Sub-Total Numerator</i>	<i>2,753.1</i>
Amortization of Interests	384.1
Principal Repayments	40.6
Capital Expenditure	87.1
Development Expenditure	166.4
<i>Sub-Total Denominator</i>	<i>678.2</i>
Debt Service Coverage Ratio	4.1 times



Fourth Quarter 2023 Relevant Events

- 1. Fibra Inn improved the corporate and debt rating to 'A+(mex)' with a stable outlook.**
On October 24, 2023 HR Ratings issued an opinion with respect to the credit quality of Fibra Inn's long-term debt and its debt certificates (CBF's), ticker symbol FINN18 to 'A+(mex)' with a stable outlook. This increase was supported by the sustained improvement of operating results in the past twelve months, reflecting an increase in free cash flow and the decrease of years in debt payment, as well as the loan-to-value ratio also supported by the capital subscription.
- 2. Fibra Inn announced the appointment of a new Chief Executive Officer**
On October 24, 2023, the Company announced the designation of Mr. Miguel Aliaga Gargollo as Chief Executive Officer and Mr. Alejandro Javier Leal Isla Garza as Chief Financial Officer. Additionally, Fibra Inn's Technical Committee was notified of the resignation of the Chief Executive Officer, Mr. Oscar Eduardo Calvillo Amaya; his official last day was November 6, 2023.

Relevant Events Following the End of the Fourth Quarter 2023

- 1. Fibra Inn informs the validation to deliver certificates to executives as part of the long-term compensation plan.**
The delivery of CBFs to executives corresponding to their long-term compensation incentive was approved; the foregoing derived from the resolution approved at the Ordinary Annual Shareholders' Meeting of April 30, 2021; which was delegated to the Nomination and Compensation Committee, which reviewed and validated the results concluding to deliver 4,468,716 CBFs (net of taxes) to the corresponding executives.

Relevant ESG Information for 4Q23

Fibra Inn is committed to sustainability and responsibility in ESG matters and is in the process of adhering to international standards. The Company carried out the following activities during the 4Q23 related to its strategy:

- The Company obtained a result of 91% in the Trust Index of the Great Place to Work on November 2023, increasing 3% with respect to the 88% of the year 2022.
- The results of S&P Corporate Sustainability Assessment were released in December. Fibra Inn scored 29 points in the REI Equity Real Estate Investment Trust category. This assessment resulted in 32 points in S&P's ESG Score, which represents an increase of 17 points compared to the score obtained in 2022, which was 15 points. <https://www.spglobal.com/esg/scores/results?cid=4424552>

In addition, a change in the classification in "availability of information" was obtained from "very low" to "high", which reflects Fibra Inn's effort to integrate best practices and increase transparency for stakeholders.

Fibra Inn continues to work on its ESG strategy and continues to fine-tune the dual materiality process, which will be published in the next ESG Report 2023 identifying areas of opportunity derived from the result of the S&P ESG Score.


Hotel Portfolio at 4Q23

	Brand	City		Rooms
Limited Service Hotels				
1	Microtel Inn & Suites by Wyndham	Chihuahua	Operating	108
2	Microtel Inn & Suites by Wyndham	Toluca	Operating	129
3	Microtel Inn & Suites by Wyndham	Cd. Juárez	Operating	113
4	Wyndham Garden	Guadalajara Andares	Operating	186
				536
Select Service Hotels				
1	Hampton Inn	Monterrey	Operating	223
2	Hampton Inn	Saltillo	Operating	227
3	Hampton Inn	Reynosa	Operating	145
4	Hampton Inn	Querétaro	Operating	178
5	Hampton Inn by Hilton	Hermosillo	Operating	151
6	Hampton Inn by Hilton	Chihuahua	Operating	190
7	Holiday Inn Express	Saltillo	Operating	180
8	Holiday Inn Express	Toluca	Operating	268
9	Holiday Inn Express	Monterrey	Operating	198
10	Holiday Inn Express	Toluca	Operating	127
11	Holiday Inn Express & Suites	Juárez	Operating	182
12	Courtyard by Marriott	Saltillo	Operating	180
13	Courtyard by Marriott	Chihuahua	Operating	152
14	No Hotel Brand	Coatzacoalcos	Closed	180
15	Wyndham Garden	Playa del Carmen	Operating	196
16	Wyndham Garden	Monterrey	Operating	85
17	AC Hotels by Marriott	Guadalajara	Operating	180
				3,042
Full Service Hotels				
1	Holiday Inn	Monterrey	Operating	198
2	Holiday Inn	Puebla	Operating	150
3	Ex-hacienda San Xavier	Guanajuato	Operating	155
4	Marriott	Puebla	Operating	296
5	Holiday Inn	México City	Closed	214
6	Holiday Inn	Altamira	Operating	203
7	Casa Grande	Chihuahua	Operating	115
8	Casa Grande	Delicias	Operating	88
9	Crowne Plaza	Monterrey	Operating	219
10	Holiday Inn	Reynosa	Operating	95
11	Holiday Inn	Cd. Juárez	Operating	196
12	The Westin	Monterrey	Operating	174
13	JW Marriott	Monterrey	Operating	250
				2,353
Extended Stay Hotels				
1	Staybridge Suites	Guadalajara	Operating	117
Total Fibra Inn's Portfolio as of December 31, 2023				6,048



Information Regarding the Tenant

Rental revenue of the Tenant (Operadora México) for food, beverage, and other services reached Ps. 111.9 million in 4Q23, 9.0% higher than the Ps. 102.7 million reached in 4Q22. Adjusted EBITDA reached a positive Ps. 11.7 million for 4Q23, compared to Ps. 6.5 million in 4Q22.

Operadora México Servicios y Restaurantes, SAPI de CV				
(Ps. million)	4Q23		4Q22	
Revenue	111.9	100.0%	102.7	100.0%
Sales Cost	70.8	63.2%	66.8	65.1%
Operating Profit	41.1	36.8%	35.9	34.9%
Operating Expenses	5.8	5.2%	6.5	6.3%
NOI	35.4	31.6%	29.4	28.6%
Lease paid to Trust F/1616	22.0	19.7%	19.9	19.4%
Other Indirect Expenses	1.7	1.6%	3.0	2.9%
EBITDA	11.7	10.4%	6.5	6.3%
Plus: Other Non-Operating Expenses	-	0.0%	-	0.0%
Adjusted EBITDA	11.7	10.4%	6.5	6.3%

Hotel Operating Indicators

a) Quarterly Total Sales

Quarterly Total Sales			
	4Q23	4Q22	%
Number of hotels	33	33	
Lodging Income	555.8	524.9	5.9%
Occupancy	63.5%	62.6%	0.9 pp
ADR	1,708.8	1,611.7	6.0%
RevPar	1,084.3	1,009.4	7.4%

b) Quarterly Same-Store Sales

Quarterly Same Stores Sales			
	4Q23	4Q22	Variation
	(33 hotels)		
Room Revenue	555.8	524.9	5.9%
Occupancy	63.5%	62.6%	0.9 pp
ADR	1,708.8	1,611.7	6.0%
RevPAR	1,084.3	1,009.4	7.4%



The 4Q23 vs 4Q22 same-store calculation included the 33 hotels in operation, excluding the hotel located in Coatzacoalcos, and the Holiday Inn Coyoacan.

As of December 31, 2023, Fibra Inn had a total portfolio of 35 properties with 6,048 rooms, of which 5,654 are in operation and two hotels with 394 rooms remain closed. Fibra Inn participates with a minority investment in a property with external development under the Hotel Factory model that represents 218 rooms.

Information by Segment, Hotel Chain, and Region

Same Store Sales by Segment							
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	% RevPAR
	4Q23			4Q22			
Limited Service	67.5%	1,314.9	887.3	68.0%	1,194.1	811.5	9.3%
Select Service	67.9%	1,508.9	1,024.7	66.8%	1,393.0	931.2	10.1%
Full Service	55.8%	2,163.9	1,207.8	54.3%	2,136.0	1,160.5	4.1%
Extended Stay	78.6%	1,454.2	1,143.5	87.1%	1,226.8	1,069.0	7.0%
TOTAL	63.5%	1,708.8	1,084.3	62.6%	1,611.7	1,009.4	7.4%

Same Store Sales by Region							
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	% RevPAR
	4Q23			4Q22			
North	70.5%	1,521.7	1,072.5	72.8%	1,454.6	1,059.4	1.2%
Northeast	63.9%	2,113.5	1,351.4	62.1%	1,980.3	1,230.3	9.8%
South and center	55.5%	1,268.4	704.1	50.3%	1,239.3	623.2	13.0%
West	66.9%	1,533.7	1,026.6	76.1%	1,298.7	988.2	3.9%
TOTAL	63.5%	1,708.8	1,084.3	62.6%	1,611.7	1,009.4	7.4%

North: Chihuahua, Sonora

North-East: Nuevo León, Coahuila y Tamaulipas.

West: Jalisco

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

Same Store Sales by Hotel Chain							
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	% RevPAR
	4Q23			4Q22			
IHG Intercontinental Hotels Group	69.3%	1,557.7	1,079.7	65.8%	1,499.3	986.4	9.5%
Wyndham Hotel Group	66.2%	1,265.4	837.2	65.1%	1,169.4	761.5	9.9%
Hilton Worldwide	66.3%	1,382.3	915.9	65.1%	1,220.0	794.4	15.3%
Marriott International	52.7%	2,869.2	1,512.1	56.1%	2,699.3	1,514.2	-0.1%
Local Brands	51.3%	1,342.7	688.7	52.9%	1,216.9	644.1	6.9%
Total	63.5%	1,708.8	1,084.3	62.6%	1,611.7	1,009.4	7.4%



Hotel Operation				
Region	Hotels	Rooms	% Total of Rooms	% Total of NOI
North	9	1,295	21%	23%
Northeast	13	2,377	39%	58%
South and Center	10	1,893	31%	12%
West	3	483	8%	8%
TOTAL	35	6,048	100%	100%
-				
Segment	Hotels	Rooms	% Total of Rooms	% Total of NOI
Limited Service	4	536	9%	8%
Select Service	17	3,042	50%	46%
Full Service	13	2,353	39%	45%
Extended Service	1	117	2%	2%
TOTAL	35	6,048	100%	100%
-				
Operator	Hotels	Rooms	% Total of Rooms	% Total of NOI
Aimbridge Latam	34	5,898	98%	98%
Grupo Presidente	1	150	2%	2%
TOTAL	35	6,048	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. Fibra Inn is internally managed through its subsidiary which does not charge any fee for the asset management services. 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".

www.fibrainn.mx

Note on Forward-Looking Statements

This press release may contain forward-looking statements. These 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 "anticipate", "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 DB/1616
 Unaudited Condensed Consolidated Statements of Financial Position
 As of December 31, 2023 and December 31, 2022
 (Thousands of Mexican pesos)

	As of December 31, 2023	%	As of December 31, 2022	%
ASSETS				
<i>Current assets:</i>				
Cash, cash equivalents and restricted cash	1,922,593	14.2%	613,927	4.9%
Trade and other accounts receivable, net	65,233	0.5%	58,412	0.5%
Advanced payments	17,870	0.1%	21,223	0.2%
Assets held for sale	24,886	0.2%	28,946	0.2%
Recoverable value-added tax	133,508	1.0%	141,717	1.1%
Recoverable taxes and others	29,813	0.2%	20,333	0.2%
<i>Total current assets</i>	<u>2,193,903</u>	<u>16.2%</u>	<u>884,558</u>	<u>7.1%</u>
<i>Non-current assets:</i>				
Property, furniture and equipment - net	11,176,489	82.3%	11,294,438	90.4%
Right-of-use asset, net	9,614	0.1%	9,730	0.1%
Long-term accounts receivable	13,091	0.1%	25,498	0.2%
Derivative financial instruments	65,769	0.5%	83,841	0.7%
Restricted cash	83,406	0.6%	145,334	1.2%
Intangible assets, net and warranty deposits	38,482	0.3%	49,706	0.4%
<i>Total non-current assets</i>	<u>11,386,851</u>	<u>83.8%</u>	<u>11,608,547</u>	<u>92.9%</u>
Total assets	13,580,754	100%	12,493,105	100%
LIABILITIES				
<i>Current liabilities:</i>				
Suppliers	219,349	4.9%	187,997	4.0%
Accounts payable to related parties	105,404	2.3%	105,016	2.2%
Short-term bank debt	40,618	0.9%	48,805	1.0%
Other payables	5,728	0.1%	5,675	0.1%
Tax payable	23,433	0.5%	26,508	0.6%
Interest payable	149,905	3.3%	151,235	3.2%
Short-term lease liability	4,413	0.1%	3,520	0.1%
Cash settled executive share-based compensation	9,496	0.2%	9,759	0.2%
Advances from clients	5,016	0.1%	3,463	0.1%
<i>Total current liabilities</i>	<u>563,362</u>	<u>12.5%</u>	<u>541,978</u>	<u>11.5%</u>
<i>Non-current liabilities:</i>				
Debt securities	3,181,625	70.6%	3,177,132	67.7%
Bank debt	710,330	15.8%	923,361	19.7%
Premium for issuance of debt securities	30,525	0.7%	37,376	0.8%
Employee benefits	794	0.0%	645	0.0%
Deferred income taxes	7,886	0.2%	3,439	0.1%
Long-term lease liability	6,578	0.1%	7,653	0.2%
Other long-term liabilities	2,500	0.1%	2,900	0.1%
Derivative financial instruments	31	0.0%	378	0.0%
<i>Total non-current liabilities</i>	<u>3,940,269</u>	<u>87.5%</u>	<u>4,152,884</u>	<u>88.5%</u>
Total liabilities	4,503,631	100%	4,694,862	100%
EQUITY				
<i>Trustors' equity:</i>				
Contributed capital	7,340,875	80.9%	5,909,890	75.8%
Share-based compensation reserve	27,412	0.3%	25,652	0.3%
Reserve for repurchase of CBFIs	204,142	2.2%	250,000	3.2%
Property revaluation surplus	3,679,442	40.5%	3,477,329	44.6%
Reserve for valuation effect of derivative financial instruments	29,855	0.3%	39,406	0.5%
Retained earnings	(3,388,589)	(37.3%)	(3,153,769)	(40.4%)
Total trustors' equity from controlling interest	<u>7,893,137</u>	<u>87.0%</u>	<u>6,548,508</u>	<u>84.0%</u>
Non-controlling interest	1,183,986	13.0%	1,249,735	16.0%
Total trustors' equity	9,077,123	100%	7,798,243	100%
Total liabilities and equity	13,580,754	100%	12,493,105	100%



Fideicomiso Irrevocable DB/1616												
Unaudited Condensed Consolidated Income Statements and of Other Comprehensive Income												
For the three and twelve-month period ended on December 31, 2023 and 2022												
(Thousands of Mexican pesos)												
Revenue from:	4T23	%	4T22	%	Var. Ps.	Var. %	Accumulated 2023	%	Accumulated 2022	%	Var. Ps.	Var. %
Lodging	555,832	96.1%	524,895	96.5%	30,937	5.9%	2,146,443	96.4%	1,838,776	96.1%	307,667	16.7%
Property leases	22,356	3.9%	19,126	3.5%	3,230	16.9%	79,090	3.6%	73,923	3.9%	5,167	7.0%
Total revenue	578,188	100%	544,021	100%	34,167	6.3%	2,225,533	100%	1,912,699	100%	312,834	16.4%
<i>Costs and expenses from hotel services:</i>												
Lodging	163,640	28.3%	146,871	27.0%	16,769	11.4%	612,235	27.5%	513,252	26.8%	98,983	19.3%
Administrative	91,079	15.8%	92,590	17.0%	(1,511)	(1.6%)	373,281	16.8%	335,798	17.6%	37,483	11.2%
Advertising and promotion	22,250	3.8%	20,434	3.8%	1,816	8.9%	82,377	3.7%	76,061	4.0%	6,316	8.3%
Energy resources	32,254	5.6%	31,890	5.9%	364	1.1%	140,024	6.3%	127,883	6.7%	12,141	9.5%
Preventive maintenance	24,625	4.3%	22,960	4.2%	1,665	7.3%	96,409	4.3%	77,602	4.1%	18,807	24.2%
Impairment of financial assets	6,447	1.1%	(6,719)	(1.2%)	13,166	(196.0%)	6,447	0.3%	(6,719)	(0.4%)	13,166	(196.0%)
Royalties	41,990	7.3%	39,672	7.3%	2,318	5.8%	161,295	7.2%	137,342	7.2%	23,953	17.4%
Total costs and expenses of hotel services	382,285	66.1%	347,698	63.9%	34,587	9.9%	1,472,068	66.1%	1,261,219	65.9%	210,849	16.7%
Gross profit	195,903	33.9%	196,323	36.1%	(420)	(0.2%)	753,465	33.9%	651,480	34.1%	101,985	15.7%
<i>Other costs and expenses:</i>												
Property tax	4,363	0.8%	3,844	0.7%	519	13.5%	17,005	0.8%	14,520	0.8%	2,485	17.1%
Insurance	2,949	0.5%	2,515	0.5%	434	17.3%	10,633	0.5%	8,730	0.5%	1,903	21.8%
Corporate administrative expenses	92,620	16.0%	47,527	8.7%	45,093	94.9%	197,307	8.9%	122,050	6.4%	75,257	61.7%
Joint Venture's corporate administration expenses	3,637	0.6%	5,537	1.0%	(1,900)	(34.3%)	10,772	0.5%	13,844	0.7%	(3,072)	(22.2%)
Depreciation and amortization	145,920	25.2%	99,136	18.2%	46,784	47.2%	431,750	19.4%	404,738	21.2%	27,012	6.7%
Accounting (gain) loss on disposal of assets	(116)	(0.0%)	(32,305)	(5.9%)	32,189	(99.6%)	(1,094)	(0.0%)	44,466	2.3%	(45,560)	(102.5%)
Impairment of property, net	19,224	3.3%	(167,223)	(30.7%)	186,447	0.0%	19,224	0.9%	(172,641)	(9.0%)	191,865	(111.1%)
Non-capitalizable major maintenance	3,944	0.7%	7,887	1.4%	(3,943)	(50.0%)	14,584	0.7%	14,774	0.8%	(190)	(1.3%)
Equity share-based compensation to executives	(6,825)	(1.2%)	3,321	0.6%	(10,146)	N.A.	40,997	1.8%	13,204	0.7%	27,793	210.5%
Acquisition and organization expenses	2,985	0.5%	9,474	1.7%	(6,489)	(68.5%)	10,560	0.5%	16,946	0.9%	(6,386)	(37.7%)
Other (income) expenses, net	(7,137)	(1.2%)	(375)	(0.1%)	(6,762)	N.A.	(8,873)	(0.4%)	(5,528)	(0.3%)	(3,345)	60.5%
Total other costs and expenses	261,564	45.2%	(20,662)	(3.8%)	282,226	N.A.	742,865	33.4%	475,103	24.8%	267,762	56.4%
Operating (loss) income	(65,661)	(11.4%)	216,985	39.9%	(282,646)	(130.3%)	10,600	0.5%	176,377	9.2%	(165,777)	(94.0%)
Interest expense	99,387	17.2%	118,172	21.7%	(18,785)	(15.9%)	411,342	18.5%	401,947	21.0%	9,395	2.3%
Interest income	(53,336)	(9.2%)	(10,798)	(2.0%)	(42,538)	N.A.	(136,418)	(6.1%)	(24,322)	(1.3%)	(112,096)	N.A.
Ineffective portion of derivative financial instruments	1	0.0%	-	0.0%	1	100.0%	(2)	(0.0%)	(456)	(0.0%)	454	100.0%
Foreign exchange rate gain	(6,070)	(1.0%)	(11,826)	(2.2%)	5,756	N.A.	(29,050)	(1.3%)	(18,239)	(1.0%)	(10,811)	59.3%
Total financial expense, net	39,982	6.9%	95,548	17.6%	(55,566)	(58.2%)	245,872	11.0%	358,930	18.8%	(113,058)	(31.5%)
(Loss) income before income taxes	(105,643)	(18.3%)	121,437	22.3%	(227,080)	(187.0%)	(235,272)	(10.6%)	(182,553)	(9.5%)	(52,719)	28.9%
Income taxes	-	0.0%	2,914	0.5%	(2,914)	0.0%	4,446	0.0%	2,914	0.2%	1,532	100.0%
Net consolidated (loss) income	(105,643)	(18.3%)	118,523	21.8%	(224,166)	(189.1%)	(239,718)	(10.8%)	(185,467)	(9.7%)	(54,251)	29.3%
Non-controlling interest	3,026	0.5%	(2,488)	(0.5%)	5,514	(221.6%)	(4,898)	(0.2%)	(38,278)	(2.0%)	33,380	(87.2%)
Controlling interest	(108,669)	(18.8%)	121,011	22.2%	(229,680)	(189.8%)	(234,820)	(10.6%)	(147,189)	(7.7%)	(87,631)	59.5%
<i>Other comprehensive income (loss):</i>												
Property revaluation surplus	149,569	25.9%	526,266	96.7%	(376,697)	(71.6%)	149,569	6.7%	526,266	27.5%	(376,697)	(71.6%)
Reserve for valuation effect of derivative financial instruments	(27,650)	(4.8%)	(12,277)	(2.3%)	(15,373)	125.2%	(19,102)	(0.9%)	58,188	3.0%	(77,290)	(132.8%)
Comprehensive income (loss)	16,276	2.8%	632,512	116.3%	(616,236)	(97.4%)	(109,251)	(4.9%)	398,987	20.9%	(508,238)	(127.4%)
Non-controlling interest in comprehensive (loss) income	(66,369)	(11.5%)	49,962	9.2%	(116,331)	(232.8%)	(62,095)	(2.8%)	85,195	4.5%	(147,290)	(172.9%)
Controlling interest in comprehensive income (loss)	79,619	13.8%	585,038	107.5%	(505,419)	(86.4%)	(42,258)	(1.9%)	352,070	18.4%	(394,328)	(112.0%)



Fideicomiso Irrevocable DB/1616												
Unaudited Condensed Consolidated Income Statements and of Other Comprehensive Income												
For the three and twelve-month period ended on December 31, 2023 and 2022												
(Thousands of Mexican pesos)												
Revenue from:	4T23	%	4T22	%	Var. Ps.	Var. %	Accumulated 2023	%	Accumulated 2022	%	Var. Ps.	Var. %
Lodging	555,832	96.0%	524,895	95.5%	30,937	5.9%	2,146,443	96.1%	1,838,776	95.7%	307,667	16.7%
Property leases	22,356	3.9%	19,126	3.5%	3,230	16.9%	79,090	3.5%	73,923	3.8%	5,167	7.0%
Hotel factory	942	0.2%	5,383	1.0%	(4,441)	(82.5%)	7,838	0.4%	9,033	0.5%	(1,195)	(13.2%)
Total revenue	579,130	100%	549,404	100%	29,726	5.4%	2,233,371	100%	1,921,732	100%	311,639	16.2%
<i>Costs and expenses from hotel services:</i>												
Lodging	163,640	28.3%	146,871	26.7%	16,769	11.4%	612,235	27.4%	513,252	26.7%	98,983	19.3%
Administrative	97,526	16.8%	92,590	16.9%	4,936	5.3%	379,728	17.0%	335,798	17.5%	43,930	13.1%
Advertising and promotion	22,250	3.8%	20,434	3.7%	1,816	8.9%	82,377	3.7%	76,061	4.0%	6,316	8.3%
Energy resources	32,254	5.6%	31,890	5.8%	364	1.1%	140,024	6.3%	127,883	6.7%	12,141	9.5%
Preventive maintenance	24,625	4.3%	22,960	4.2%	1,665	7.3%	96,409	4.3%	77,602	4.0%	18,807	24.2%
Royalties	41,990	7.3%	39,672	7.2%	2,318	5.8%	161,295	7.2%	137,342	7.1%	23,953	17.4%
Property tax	4,363	0.8%	3,844	0.7%	519	13.5%	17,005	0.8%	14,520	0.8%	2,485	17.1%
Insurance	2,949	0.5%	2,515	0.5%	434	17.3%	10,633	0.5%	8,730	0.5%	1,903	21.8%
Total costs and expenses of hotel services	389,597	67.3%	360,776	65.7%	28,821	8.0%	1,499,706	67.1%	1,291,188	67.2%	208,518	16.1%
NOI	189,533	32.7%	188,628	34.3%	905	0.5%	733,665	32.9%	630,544	32.8%	103,121	16.4%
<i>Other costs and expenses:</i>												
Corporate administrative expenses	92,620	16.0%	47,527	8.7%	45,093	94.9%	197,307	8.8%	122,050	6.4%	75,257	61.7%
Joint Venture's corporate administration expenses	4,579	0.8%	10,920	2.0%	(6,341)	(58.1%)	18,610	0.8%	22,877	1.2%	(4,267)	(18.7%)
Acquisition and organization expenses	2,985	0.5%	9,474	1.7%	(6,489)	(68.5%)	10,560	0.5%	16,946	0.9%	(6,386)	(37.7%)
Non-capitalizable major maintenance	3,944	0.7%	7,887	1.4%	(3,943)	(50.0%)	14,584	0.7%	14,774	0.8%	(190)	(1.3%)
Other (income) expenses, net	(7,137)	(1.2%)	(375)	(0.1%)	(6,762)	N.A.	(8,873)	(0.4%)	(5,528)	(0.3%)	(3,345)	60.5%
	96,991	16.7%	75,433	13.7%	21,558	28.6%	232,188	10.4%	171,119	8.9%	61,069	35.7%
EBITDA	92,542	16.0%	113,195	20.6%	(20,653)	(18.2%)	501,477	22.5%	459,425	23.9%	42,052	9.2%
Plus: Acquisition and organization expenses and maintenance expenses	6,929	1.2%	17,361	3.2%	(10,432)	(60.1%)	25,144	1.1%	31,720	1.7%	(6,576)	(20.7%)
Adjusted EBITDA	99,471	17.2%	130,556	23.8%	(31,085)	(23.8%)	526,621	23.6%	491,145	25.6%	35,476	7.2%
Impairment of financial assets	-	0.0%	(6,719)	(1.2%)	6,719	0.0%	-	0.0%	(6,719)	(0.3%)	6,719	0.0%
Depreciation and amortization	145,920	25.2%	99,136	18.0%	46,784	47.2%	431,750	19.3%	404,738	21.1%	27,012	6.7%
Accounting (gain) loss on disposal of assets	(116)	(0.0%)	(32,305)	(5.9%)	32,189	(99.6%)	(1,094)	(0.0%)	44,466	2.3%	(45,560)	(102.5%)
Impairment of property, net	19,224	3.3%	(167,223)	(30.4%)	186,447	0.0%	19,224	0.9%	(172,641)	(9.0%)	191,865	(111.1%)
Equity share-based compensation to executives	(6,825)	(1.2%)	3,321	0.6%	(10,146)	N.A.	40,997	1.8%	13,204	0.7%	27,793	210.5%
Total other costs and expenses	158,203	27.3%	(103,790)	(18.9%)	261,993	(252.4%)	490,877	22.0%	283,048	14.7%	207,829	73.4%
EBIT (Operating (loss) income)	(65,661)	(11.3%)	216,985	39.5%	(282,646)	(130.3%)	10,600	0.5%	176,377	9.2%	(165,777)	(94.0%)
Interest expense	99,387	17.2%	118,172	21.5%	(18,785)	(15.9%)	411,342	18.4%	401,947	20.9%	9,395	2.3%
Interest income	(53,336)	(9.2%)	(10,798)	(2.0%)	(42,538)	N.A.	(136,418)	(6.1%)	(24,322)	(1.3%)	(112,096)	N.A.
Ineffective portion of derivative financial instruments	1	0.0%	-	0.0%	1	100.0%	(2)	(0.0%)	(456)	(0.0%)	454	100.0%
Foreign exchange rate gain	(6,070)	(1.0%)	(11,826)	(2.2%)	5,756	N.A.	(29,050)	(1.3%)	(18,239)	(0.9%)	(10,811)	59.3%
Total financial expense, net	39,982	6.9%	95,548	17.4%	(55,566)	(58.2%)	245,872	11.0%	358,930	18.7%	(113,058)	(31.5%)
(Loss) income before income taxes	(105,643)	(18.2%)	121,437	22.1%	(227,080)	(187.0%)	(235,272)	(10.5%)	(182,553)	(9.5%)	(52,719)	28.9%
Income taxes	-	0.0%	2,914	0.5%	(2,914)	0.0%	4,446	0.2%	2,914	0.2%	1,532	100.0%
Net consolidated (loss) income	(105,643)	(18.2%)	118,523	21.6%	(224,166)	(189.1%)	(239,718)	(10.7%)	(185,467)	(9.7%)	(54,251)	29.3%
Non-controlling interest	3,026	0.5%	(2,488)	(0.5%)	5,514	(221.6%)	(4,898)	(0.2%)	(38,278)	(2.0%)	33,380	(87.2%)
Controlling interest	(108,669)	(18.8%)	121,011	22.0%	(229,680)	(189.8%)	(234,820)	(10.5%)	(147,189)	(7.7%)	(87,631)	59.5%
<i>Other comprehensive income (loss):</i>												
Property revaluation surplus	149,569	25.8%	526,266	95.8%	(376,697)	0.0%	149,569	6.7%	526,266	27.4%	(376,697)	0.0%
Reserve for valuation effect of derivative financial instruments	(27,650)	(4.8%)	(12,277)	(2.2%)	(15,373)	125.2%	(19,102)	(0.9%)	58,188	3.0%	(77,290)	(132.8%)
Comprehensive income (loss)	16,276	2.8%	632,512	115.1%	(616,236)	(97.4%)	(109,251)	(4.9%)	398,987	20.8%	(508,238)	(127.4%)
Non-controlling interest in comprehensive (loss) income	(66,369)	(11.5%)	49,962	9.1%	(116,331)	(232.8%)	(62,095)	(2.8%)	85,195	4.4%	(147,290)	(172.9%)
Controlling interest in comprehensive income (loss)	79,619	13.7%	585,038	106.5%	(505,419)	(86.4%)	(42,258)	(1.9%)	352,070	18.3%	(394,328)	(112.0%)
FFO	47,604	8.2%	51,889	9.4%	(4,285)	(8.3%)	240,457	10.8%	123,670	6.4%	116,787	94.4%



Fideicomiso Irrevocable DB/1616
 Unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity
 For the three and twelve-month period ended on December 31, 2023 and 2022
 (Thousands of Mexican pesos)

	<i>Contributed capital</i>	<i>Share-based compensation reserve</i>	<i>Reserve for repurchase CBFIs</i>	<i>Property Revaluation Surplus</i>	<i>Reserve for valuation effect of derivative financial instruments</i>	<i>Retained earnings</i>	<i>Controlling Interest</i>	<i>Non-controlling interest</i>	<i>Total trustors' equity</i>
As of December 31, 2021	5,932,847	11,069	250,000	3,007,164	10,312	(3,006,580)	6,204,812	1,202,818	7,407,630
Distribution to holders of CBFIs	(21,578)						(21,578)		(21,578)
Cancellation of repurchase fund			(250,000)			250,000	-		-
Reserve for repurchase CBFIs			250,000			(250,000)	-		-
Equity-settled share-based payments	(1,379)	14,583					13,204		13,204
Comprehensive income (loss)				470,165	29,094	(147,189)	352,070	46,917	398,987
As of December 31, 2022	5,909,890	25,652	250,000	3,477,329	39,406	(3,153,769)	6,548,508	1,249,735	7,798,243
As of December 31, 2022	5,909,890	25,652	250,000	3,477,329	39,406	(3,153,769)	6,548,508	1,249,735	7,798,243
Distribution to holders of CBFIs	(84,953)						(84,953)		(84,953)
New shareholders contributions	1,501,283						1,501,283	1,244	1,502,527
Cancellation of repurchase fund			(250,000)			250,000	-		-
Reserve for repurchase CBFIs			250,000			(250,000)	-		-
Equity-settled share-based payments	14,655	1,760					16,415		16,415
Repurchase of CBFIs through the repurchase fund reserve	-		(45,858)			-	(45,858)		(45,858)
Comprehensive income (loss)				202,113	(9,551)	(234,820)	(42,258)	(66,993)	(109,251)
As of December 31, 2023	7,340,875	27,412	204,142	3,679,442	29,855	(3,388,589)	7,893,137	1,183,986	9,077,123

Fideicomiso Irrevocable DB/1616
 Unaudited Condensed Consolidated Statements of Cash Flows
 For the three and twelve-month period ended on December 31, 2023 and 2022
 (Thousands of Mexican pesos)

	2023	2022
OPERATING ACTIVITIES		
Net loss before income taxes	(235,272)	(182,553)
Adjustments:		
Depreciation and amortization	431,750	404,738
Accounting (gain) on disposal of assets	(1,094)	44,466
Impairment of property, net	19,224	(172,641)
Allowance for impairment of financial assets	6,447	(6,719)
Amortization and cancellation of capitalized debt costs	7,384	7,080
Debt interests	403,960	395,323
Interest Income	(136,418)	(24,322)
Ineffective portion of derivative financial instruments	(2)	(456)
Unrealized foreign exchange gain	(42,389)	(19,894)
Equity share-based compensation to executives	40,997	13,204
	494,587	458,226
Receivables and other accounts receivable	(10,341)	33,382
Related parties, net	(7,910)	(4,476)
Advanced payments	3,353	(2,556)
Recoverable taxes	8,209	23,121
Suppliers and other payables	12,790	29,695
Payable taxes	(3,075)	(1,291)
Employee benefits	149	135
Net cash flows generated by operating activities	497,762	536,236
INVESTING ACTIVITIES		
Acquisition of property, furniture and equipment	(140,864)	(40,360)
Costs paid on sale of property	-	(3,000)
Revenue for sale of property, furniture and equipment	3,691	127,820
Acquisition of intangible assets and warranty deposits	(880)	(1,731)
Interest income	136,418	24,322
Net cash flows (used in) generated by investing activities	(1,635)	107,051
FINANCING ACTIVITIES		
Bank debt received, net of disposition costs	-	203,509
Settlement of bank debt	(180,768)	(14,185)
Restricted cash	61,918	(101,415)
Settlement of derivative financial instruments	29,377	(634)
Funds raised by issuing CBFIs	1,501,283	-
Interest paid	(433,888)	(393,979)
Lease liability payments	(4,858)	(4,300)
Refunds paid to certificate holders	(84,953)	(21,578)
New shareholders contributions	1,244	-
Equity-settled share-based payments	(30,958)	-
Repurchase of CBFIs with repurchase fund reserve	(45,858)	(1,379)
Net cash flows generated by (used in) financing activities	812,539	(333,961)
Net cash flows of the period	1,308,666	309,326
Cash and cash equivalents at the beginning of the year	613,927	304,601
Cash and cash equivalents at the end of the period	1,922,593	613,927