

FIDEICOMISO IRREVOCABLE DB/1616 (CIBANCO, S.A., INSTITUCIÓN DE BANCA MÚLTIPLE AS FINAL AND UNIVERSAL BENEFICIARY OF DEUTSCHE BANK MÉXICO, S.A. INSTITUCIÓN DE BANCA MÚLTIPLE, DIVISIÓN FIDUCIARIA) AND SUBSIDIARIES

Notes to the Unaudited Condensed Consolidated Financial Statements

As of March 31, 2025, and for the three-month period ended March 31, 2025, and 2024

(In Thousands of Mexican pesos, except where indicated otherwise)

(1) COMPANY'S ACTIVITY-

Trust DB/1616 (CIBANCO, S.A., Institución de Banca Múltiple as final and universal beneficiary of Deutsche Bank México, S.A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiaries ("Fibra Inn" or the "Trust DB/1616") was established on October 23, 2012, as a Real Estate Investment Trust by Asesor de Activos Prisma, S.A.P.I de C.V. (the "Trustor"), and Deutsche Bank México, S.A. Institución de Banca Múltiple, División Fiduciaria ("Predecessor Trustee") and as of October 16, 2020, CIBANCO, S.A., Institución de Banca Múltiple (the "Trustee"). The Trust DB/1616 started operations on March 12, 2013. It was created mainly to acquire and own real estate, for the purpose of leasing commercial properties earmarked for the hospitality industry and providing related services.

Fibra Inn, as a real estate investment trust ("FIBRA" for its Spanish acronym), meets the requirements to be treated as a transparent entity in Mexico in accordance with the Mexican Income Tax Law (Ley del Impuesto Sobre la Renta). Therefore, all proceeds from the Trust's operations are attributed to holders of its Real Estate Fiduciary Stock Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios – "CBFIs") and the Trust DB/1616 is not subject to income taxes.

Administradora de Activos Fibra Inn, S.C. ("AAFI" or "Administrator of the Trust") is a subsidiary and controlled by Fibra Inn, which provides management services and support functions necessary to carry out the business of the Trust DB/1616. Fibra Inn is operated through a Technical Committee, which is responsible for overseeing the implementation and development of the Trust's strategy, approved by the CBFI Holders Assembly.

Beginning on September 2018, the following Trusts were formed CIBANCO, Sociedad Anónima, Institución de Banca Múltiple Trust CIB/3058 ("Trust CIB/3058"), CIBANCO, Sociedad Anónima, Institución de Banca Múltiple Trust CIB/3096 ("Trust CIB/3096") and CIBANCO, Sociedad Anónima Institución de Banca Múltiple, Trust CIB/3097 ("Trust CIB/3097") are co-investment vehicles, each one with regard to a specific real estate Project, in which Fibra Inn holds a percentage of ownership of the equity and the remaining percentage is held by one or more partners. These trusts were established under a co-investment model (denominated "*Hotel Factory*" scheme) as a vehicle to carry out development activities and acquisition of new hotels and, based on the analysis of management, it was concluded that Fibra Inn exerts control over them.

On November 22, 2023, the entity Servicios Hoteleros Finn, S.C. ("SHFINN" or "Servicios Hoteleros FINN") was created, which is a subsidiary controlled by Fibra Inn. Starting on October 26, 2024, through the signing of a specialized hotel services contract, provides administrative services to Trust DB/1616.

Starting on January 1, 2025, Fibra Inn will manage non-accommodation spaces in 33 hotels through Tregnor, S.A.P.I. de C.V. ("Tregnor"), which is a subsidiary of Trust DB/1616, to carry out operations in the candy, restaurant, bar, cafeteria, and sale of all kinds of food and beverages.

Trust DB/1616's legal address is located in Av. Belisario Dominguez No. #2725 Pte., Colonia Obispado, in Monterrey, Nuevo León.

(2) BASIS OF PREPARATION AND PRESENTATION-

1. Statement of compliance.

The condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and Accounting Standard ("IAS") 34 *Interim Financial Reporting*. The accompanying notes were selected to explain events and transactions that are relevant to understanding the changes in Fibra Inn's financial position and results of operations as of its annual audited consolidated financial statements as of December 31, 2024.

The aforementioned unaudited condensed consolidated financial statements as of March 31, 2025, and for the three-month period ended March 31, 2025 have not been audited. Based on the opinion of management of Fibra Inn, all necessary adjustments have been included in order to achieve a fair view presentation of the accompanying unaudited condensed consolidated financial statements. The results of the interim periods are not necessarily indicative of the projected year results.

2. Basis of measurement.

Trust DB/1616's unaudited condensed consolidated financial statements have been prepared on the basis of historical cost, except for the following items of the condensed consolidated statement of financial position, which were measured at fair value:

- a) expected credit losses;
- b) derivative financial instruments;
- c) property, furniture and equipment;
- d) assets held for sale when their fair value less disposal costs is lower than their carrying amount;
- e) the net defined benefits liability is recognized as the present value of the defined benefit obligation.

The historical cost is generally based on the fair value of the consideration granted in exchange of goods and services.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date, regardless of whether that price is observable or estimated using another valuation technique directly. When estimating the fair value of an asset or liability, Fibra Inn considers the

characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Adoption of new and revised International Financial Reporting Standards.

Application of new and revised International Financing Reporting Standards (“IFRS” or “IAS”) that are mandatorily effective for the current year.

In the current year, the Trust DB/1616 has applied the following modified interpretations issued by the International Accounting Standards Board (“IASB”) that are mandatorily effective for an accounting period that begins on January 1, 2025:

- Amendments to IAS 21 – Lack of exchangeability.

These amendments are effective for annual reporting periods beginning on January 1, 2025, with retrospective application, without the need to restate the comparative periods.

Fibra Inn evaluated the aforementioned amendments and determined that the implementation of these amendments had no effect on its interim financial information.

New standards and interpretation issued, not yet effective in the reporting period.

Additionally, Fibra Inn has reviewed the following modified interpretations not effective in the reporting period, and in its evaluation process, it does not visualize potential impacts due to their adoption, considering that they are not of significant applicability:

- Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments. ⁽¹⁾
- Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 - Annual Improvements to IFRS. ⁽¹⁾
- Amendments to IFRS 9 and IFRS 7 – Power Purchase Agreements. ⁽¹⁾
- IFRS 18 – Presentation and disclosure in financial statements. ⁽²⁾
- IFRS 19 - Subsidiaries without public accountability: disclosures. ⁽²⁾
- Amendment to IFRS 10 and IAS 28 – Sale or contribution of assets between an investor and its associate or joint venture. ⁽³⁾

⁽¹⁾ Effective for annual periods beginning January 1, 2026.

⁽²⁾ Effective for annual periods beginning January 1, 2027.

⁽³⁾ Effective date of the amendments has yet to be set by the IASB.

3. Going concern.

Fibra Inn prepares and presents its condensed consolidated financial statements on a going concern basis, since management has a reasonable expectation that Fibra Inn has adequate resources to continue operating in the future. Management did not identify any material uncertainties or significant judgments that could impact the business continuity in the twelve months following the issuance of these condensed consolidated financial statements.

4. Basis of consolidation.

a) Subsidiaries.

The condensed consolidated financial statements include those of Trust DB/1616 and the entities in which exercises control, as of March 31, 2025 and December 31, 2024, are as follows:

- Administradora de Activos Fibra Inn, S.C., of which it holds a 99.99% of the equity;
- Trust CIB/3096, in which it holds 50% of the equity, and where there is a non-controlling interest as described in section b) below;
- Trust CIB/3097, in which it holds 50% of the equity, and where there is a non-controlling interest as described in section b) below;
- Trust CIB/3058, in which it holds 29% of the equity, and where there is a non-controlling interest as described in section b) below;
- Servicios Hoteleros Finn, S.C., of which it holds a 100% of the equity;
- Tregnor S.A.P.I. de C.V., of which it does not hold participation: however, it *exercises de facto control*. starting from January 1, 2025

Control is achieved when Fibra Inn:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with an investee; and
- has the ability to affect those returns through its power over the investee.

Balances and transactions with the subsidiary entities, as well as unrealized income and expenses, have been eliminated in the condensed consolidated financial statements.

Fibra Inn assessed, under IFRS 10 *Consolidated Financial Statements*, that it has control over all its subsidiaries as of March 31, 2025.

b) Non-Controlling Interest.

The non-controlling interest is initially measured at the proportionate share of the net identifiable assets of the aforementioned Trusts.

Changes in the interest of Fibra Inn that do not result in a loss of control are accounted for in equity.

c) Loss of control.

When Fibra Inn loses control, it writes off the assets and liabilities of the subsidiaries, any non-controlling interest, and other equity items. The resulting gain or loss will be recognized in profit or loss. If Fibra Inn maintains its interest, this is prospectively measured at fair value at the date control is lost.

5. *Local, functional and reporting currency.*

The functional currency of Fibra Inn is the Mexican peso, which is the same to its local and reporting currencies. All the information has been rounded in thousands of pesos and has been rounded to the nearest unit, unless otherwise indicated.

In the financial statements and the notes thereto, when reference is made to Mexican pesos or “\$”, it refers to thousands of Mexican pesos. Likewise, when referring to “US\$” or U.S. dollars, it refers to thousands of United States dollars, and the figures have been rounded to the nearest unit.

6. *Authorization of the financial statements.*

The accompanying condensed consolidated financial statements were authorized for issuance by Jaime Cohen Bistre, Chief Executive Officer, and Miguel Aliaga Gargollo, Chief Financial Officer, and approved by the Technical Committee on April 29, 2025, represented by Diego Andrés Cisneros as its President and are subject to the approval of its Holders’ Meeting, who may modify such condensed consolidated financial statements.

7. *Income statement and comprehensive income statement.*

Costs and expenses presented in the unaudited condensed consolidated income statement were classified according to their nature.

Fibra Inn shows line items of gross profit and operating income since they are considered important performance indicators for the users of financial information. Income and expenses are presented based on their operating nature in this line item.

The Trust DB/1616 presents in the statement of comprehensive income those accounting items that were already accrued but are still pending to be realized.

8. *Statement of cash flows.*

Fibra Inn presents its statement of cash flows using the indirect method. In addition, Fibra Inn has chosen to present the cash received from interests as part of the investing activities and the cash from interest payments as part of the financing activities.

9. *Seasonality.*

The hotel sector in which Fibra Inn operates is not exposed to seasonal fluctuations in the demand of travelers.

10. Significant accounting policies.

The accounting policies applied by Fibra Inn in these condensed consolidated financial statements as of March 31, 2025, are the same as those applied by Fibra Inn in its consolidated financial statements as of and for the year ended December 31, 2024.

(3) BUSINESS SEGMENT INFORMATION-

The operating segments represent the components of Fibra Inn, directed to the business activities for which it can obtain income and incur expenses, whose operating results are regularly evaluated by the Technical Committee and the managers in charge to evaluate the performance of each business to decision making on these bases. Following this approach in day-to-day operations, economic resources are allocated on an operating basis for each operating segment.

Fibra Inn discloses segment information in accordance with IFRS 8 *Operating Segments*, in four operating business segments according to the type of services provided by the portfolio:

i. Limited Service-

Hotels which mainly provide accommodation, Internet, complimentary breakfast, business center, meeting room, fitness center and parking lot, at a reduced rate.

ii. Select Service-

Hotels that mainly provide accommodation, Internet, complimentary breakfast, business center, meeting room, fitness center and parking lot.

iii. Full Service-

Hotels providing Select Services plus food and beverages, and events and banquet room services.

iv. Long Stay-

Hotels providing the same services as Select Service hotels, but with an average stay of 5 days or more, offering the comforts typical of an apartment.

The selected information of the condensed consolidated statement of income for the three-months ended March 31, 2025 and 2024, and of the condensed consolidated statement of financial position as of March 31, 2025, and December 31, 2024, by reportable segments are as follows:

For the three-months ended March 31, 2025	Limited Service	Select Service	Full Service	Long Stay	Consolidated
Lodging revenue	\$40,963	\$269,733	\$266,746	\$12,160	\$589,602
Food and beverage revenue	-	4,100	55,398	-	\$59,498
Other hotel revenue	608	4,688	8,110	81	\$13,487
Property leases revenue	-	1,528	1,558	-	3,086
Gross profit	12,843	95,703	103,593	3,375	215,514
Depreciation expense	4,370	31,852	68,680	2,180	107,082
For the three-months ended March 31, 2024	Limited Service	Select Service	Full Service	Long Stay	Consolidated
Lodging revenue	\$40,332	\$266,685	\$234,825	\$12,365	\$554,207
Property leases revenue	141	5,419	12,074	21	17,655
Gross profit	12,333	96,220	81,812	3,266	193,631

Depreciation expense	3,226	31,147	50,129	2,217	86,719
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As of March 31, 2025	Limited Service	Select Service	Full Service	Long Stay	Consolidated
Property, furniture and equipment, net	\$628,650	\$4,852,944	\$5,919,734	\$174,190	\$11,575,518
As of December 31, 2024	Limited Service	Select Service	Full Service	Long Stay	Consolidated
Property, furniture and equipment, net	\$631,008	\$4,849,290	\$5,975,063	\$176,280	\$11,631,641

(4) CASH, CASH EQUIVALENTS AND RESTRICTED CASH-

	As of March 31, 2025	As of December 31, 2024
Cash in banks	\$ 939,159	\$ 884,221
Cash equivalents	606,829	695,779
	<u>1,545,988</u>	<u>1,580,000</u>
Reserve fund for capital expenditures and future PIPs ⁽¹⁾	103,891	131,768
Restricted cash ⁽²⁾	<u>1,361</u>	<u>1,380</u>
Total cash, cash equivalents and restricted cash	\$ <u>1,651,240</u>	\$ <u>1,713,148</u>

- ⁽¹⁾ Reserve fund for capital expenditures and future PIPs (Property Improvement Programs), which will be used to pay for repairs, major replacements and remodeling of hotels required by the global chains at the renewal date of the corresponding franchise. Up to 5% of operating hotel revenues are deposited in the funds which are invested in government securities.
- ⁽²⁾ Cost Overrun Trust and Management Trust and Means of Payment constituted by Trust CIB/3096 in order to settle the Fixed Price of The Westin Monterrey Valle hotel, these resources will be liquidated as certain conditions are met, by the seller.

In terms of article 187 of the LISR, in its section III, it establishes that at least 70% of the assets of the Trust DB/1616 have to be invested in real estate located in Mexico and the rest must be invested in securities under the responsibility of the Federal Government registered in the National Securities Registry or in shares of investment funds in debt instruments. During the three-months ended March 31, 2025 and December 31, 2024, the Trust DB/1616 complied with this article and invested the equity remnants in government bonds.

The non-current restricted cash is integrated as follows:

	As of March 31, 2025	As of December 31, 2024
Guarantee, Management and Means of Payment Trust Num. 007 Westin ⁽¹⁾	\$ 21,472	\$ 27,394
Guarantee, Management and Means of Payment Trust Num. 410971-6 BBVA México ⁽¹⁾	58,211	70,847
Total non-current restricted cash	\$ <u>79,683</u>	\$ <u>98,241</u>

- (1) Trusts constituted to guarantee the obligations derived from the Simple Credit Opening Agreements signed by Trust CIB/3096 with Banorte and Banco Sabadell and Trust CIB/3097 with BBVA México. These Reserve Funds are invested in government debt instruments and will be returned to Fibra Inn as soon as the bank debt is settled and/or the conditions pre-established are met.

(5) PROPERTY, FURNITURE AND EQUIPMENT, NET-

	As of March 31, 2025	As of December 31, 2024
Land	\$ 2,671,111	\$ 2,671,111
Buildings	8,983,792	9,014,601
Components of buildings	192,605	214,512
Machinery and equipment	327,688	331,660
Furniture and equipment	305,210	328,639
Leasehold improvements	5,487	5,487
	<u>12,485,893</u>	<u>12,566,010</u>
Constructions in progress	648,200	622,804
Subtotal	<u>13,134,093</u>	<u>13,188,814</u>
Less accumulated depreciation ⁽¹⁾	(10,561)	(9,159)
Less accumulated impairment of properties	<u>(1,548,014)</u>	<u>(1,548,014)</u>
Total	<u><u>\$ 11,575,518</u></u>	<u><u>\$ 11,631,641</u></u>

- (1) Corresponds to the accumulated depreciation of furniture and equipment; the other items are presented net of accumulated depreciation.

As a result of measuring property, furniture and equipment at their fair value on the three-month period ended March 31, 2025 and 2024, the Trust DB/1616 did not recognize a revaluation surplus or an impairment of properties, net.

(6) TRUSTORS' EQUITY-

Benefits, contributions, cancellations and repurchases-

- a) Trust DB/1616's equity consists of a contribution of \$20 and of the proceeds of the issue of CBFIs.
- b) On March 12, 2024, 6,874,943 CBFIS were issued corresponding to the equity-settled share-based payment, which were transferred to eligible key management personnel according with the long-term incentive scheme approved on April 30, 2021 and April 28, 2022 by the Fibra Inn Ordinary Holders Meeting. The amount recognized in equity corresponds to the fair value of the share-based payment plan for an amount of \$27,844 offset by \$12,580 corresponding to the income tax withheld to the executives who received the payment.

Distributions-

- c) On February 25, 2025, Fibra Inn's Technical Committee unanimously approved, with a favorable vote of all its participating independent members, a capital reimbursement for an amount of \$66,232 with a factor of Ps\$0.0900 per outstanding CBFI. The amount distributed by certificate was made on March 27, 2025.
- d) On February 27, 2024, Fibra Inn's Technical Committee unanimously approved, with a favorable vote of all its participating independent members, a capital reimbursement for an amount of \$20,437 with a factor of Ps\$0.0273 per outstanding CBFI. The amount distributed by certificate was made on March 27, 2024.

Repurchases-

- e) During the period from January 01 to March 31, 2025, Fibra Inn carried out several repurchase transactions of CBFIs for a total of 150,000, with trade symbol FINN13 for a total amount of \$750. These CBFIs will be put into circulation at the end of the one-year period following their repurchase or must be cancelled. Excluding the amount of CBFIs repurchased, the number of FINN13 certificates outstanding with distribution rights is 735,760,773 and the remaining repurchase fund is equivalent to \$183,058.

(7) ACQUISITION AND DISPOSAL OF HOTELS-

Fibra Inn determines the classification of the acquired hotels based on the fact that such hotels will be used in the normal course of business. The transactions related to the acquisition of hotels are accounted as business acquisitions. Such transactions are performed to continue with the expansion of operating activities related to the hotel industry in Mexico, in accordance with the established growth and expansion plans.

As of March 31, 2025, the Trust DB/1616 has an active sale plan for the hotel in Coatzacoalcos; however, as of the date of issuance of these condensed consolidated financial statements, their sale has not been completed, management continues to implement an active sale plan as required by IFRS for the classification of this hotel as held for sale.

(8) OTHER RELEVANT EVENTS-

- a. On January 31, 2025, Fibra Inn appointed Jaime Cohen Bistre as the new Chief Executive Officer, effective on February 1, 2025. As a result, Miguel Aliaga Gargollo returned to the position of Chief Financial Officer as of that date.
- b. On January 1, 2025, the lease agreement between Fibra Inn and Tregnor, S.A.P.I. de C.V. ("Tregnor" - a related party of Trust DB/1616) took effect in 33 operating hotels within the portfolio, as part of the anticipated termination of 31 lease agreements and 2 sublease agreements with Operadora México. The decision aims to improve the management of non-accommodation spaces in these hotels, such as operations in the confectionery, restaurant, bar, cafeteria, and sale

of all kinds of food and beverages. The transaction was approved by the Technical Committee of Trust DB/1616.

Fibra Inn agreed with Aimbridge Latam the provision of professional advisory services in high hotel management (management of non-accommodation spaces) for \$15,000, to be provided over 2 consecutive years. During the month of January, a payment of \$12,000 was made, which was recognized as an expense in the consolidated statement of income. Inventory was acquired from Operadora México for an amount of \$9,159, and additionally, an employee benefit liability was assumed for employee obligations for \$1,970.

- c. On January 1, 2025, Fibra Inn, through its subsidiary, Administradora de Activos Fibra Inn, S.C., entered into a shareholders' agreement with Tregnor. This agreement grants Fibra Inn the power to direct the relevant activities of Tregnor, as well as other activities related to its purpose, without having equity participation in that entity. In this regard, Tregnor represents a *de facto agent*; therefore, as of the signing of this agreement, the financial statements will be subject to consolidation with Fibra Inn, as the decisions that impact the variable returns of Tregnor are made in favor of the interests of Trust DB/1616.

Additionally, as of December 31, 2024, Fibra Inn held an account receivable with related partes for an amount of \$40,000 related to a working capital loan granted to Tregnor for the operation of non-lodging spaces for each of Fibra Inn's hotels. As a result of Fibra Inn assuming control over Tregnor as of January 1, 2025, this receivable from Trust DB/1616 is eliminated in the consolidation process along with the account payable recognized at the Tregnor level. Therefore, the cash amount previously shown as an outflow of resources in the consolidated financial statements was reincorporated into the cash and cash equivalents balance for the period.

- d. On January 10, 2025, Fibra Inn notified the hotel manager of Holiday Inn Puebla – La Noria its intention not to renew the hotel management services contract, with termination date on July 24, 2025.
- e. On March 27, 2024, the Trust CIB/3096 made the prepayment of the bank debt with pledge guarantee to Tranche C in pesos with Banorte for an amount of \$34,775 and with Sabadell for \$25,196, respectively. This balance corresponds to the bank debt not covered by derivative financial instruments, as part of the improvement of the level of indebtedness, debt service coverage and credit ratings.

(9) CONTINGENCIES AND COMMITMENTS-

a. Franchises.

Fibra Inn has entered into a franchise, license and use of brand agreements to operate hotels with different brands, these agreements are entered into with Intercontinental Hotel Group, Hilton Worldwide, Wyndham Hotel Group International, Marriott International Inc. or subsidiaries (“Marriott”), and Asesor de Activos Prisma, S.A.P.I de C.V. which have validity of between 10 and 20 years, respectively. Derived from these contracts, Fibra Inn has the obligation to pay royalties of between 1% and 10% on the income generated by lodging, marketing expenses, loyalty program commissions, among others. The total expenses for these concepts were of \$75,383 and \$68,192 for the three-month period ended March 31, 2025, and 2024, respectively. For their part, franchise agreements include certain commitments regarding the opening date or

start of operations, as well as dates for making physical investments in the properties to guarantee the franchisor the preservation or improvement of the guest service, these may and are usually modified by mutual agreement between the DB/1616 Trust and the franchisor in case of specific needs to mitigate any risk, for this concept, as of March 31, 2025, it has recognized provisions of \$4,841 for the cancellation of certain franchises.

b. Litigation.

Fibra Inn is involved in various lawsuits and claims arising from the normal course of business and other contractual obligations, which are not expected to have a significant effect on its financial position and future results of operations.

c. Tax contingencies.

Under current tax law, the authorities are entitled to examine the five fiscal years prior to the last income tax return filed.

In accordance with the Income Tax Law, companies that conduct transactions with related parties are subject to certain limitations and tax requirements, regarding the determination of the agreed-upon prices, because they must be equivalent to those that would be used in arm's-length transactions.

In case the tax authorities review the prices and reject the agreed amounts, they may require, in addition to charging the corresponding tax and complementary charges (restatement and surcharges), penalties on unpaid taxes, which could be up to a 100% of the inflation adjusted amounts.

d. Earn out hotel The Westin Monterrey Valle.

In accordance with the agreement signed on January 10, 2019 for the purchase and sale of The Westin Monterrey Valle hotel, it was established that, once the hotel starts operations, Fibra Inn must pay an earn-out price to the seller, the agreed-upon consideration includes a Contingent Price in addition to the Fixed Price. This Contingent Price is contingent upon the performance of the hotel, based on the net operating income ("NOI") over any consecutive 12 months period that is part of the total period of 48 months beginning on May 1, 2019.

The Trust CIB/3096 expects that payment of the variable consideration is not probable based on management's assessment as of March 31, 2025.