

F U D A Y ' 2 2

N O

NOVEMBER 10TH, 2022

NEW YORK CITY



JORGE SUÁREZ-VÉLEZ

Managing Director
Allen & Co. Investment Advisors



OUR STRENGTH

BY ANDRÉ ELMANN

OUR STRENGTH

1 PATIENCE

2 RESILIENCE

3 INFLATION

OUR STRENGTH

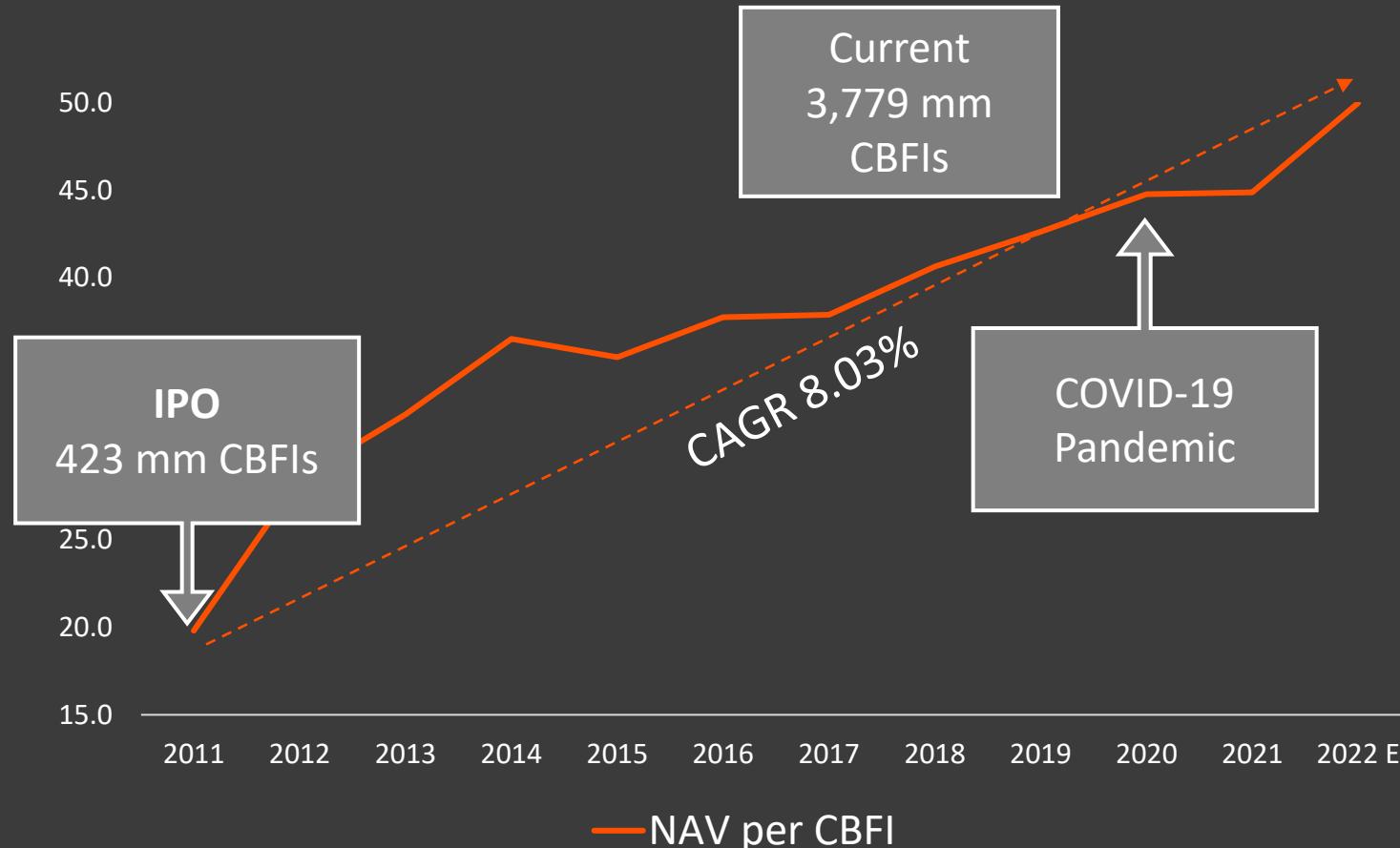
1

PATIENCE

- The nature of the real estate business is LONG TERM
- Very STABLE and PREDICTABLE business:
Collect rents + Capture Real Estate Appreciation
- FUNO has generated a total compound return of 16.51%

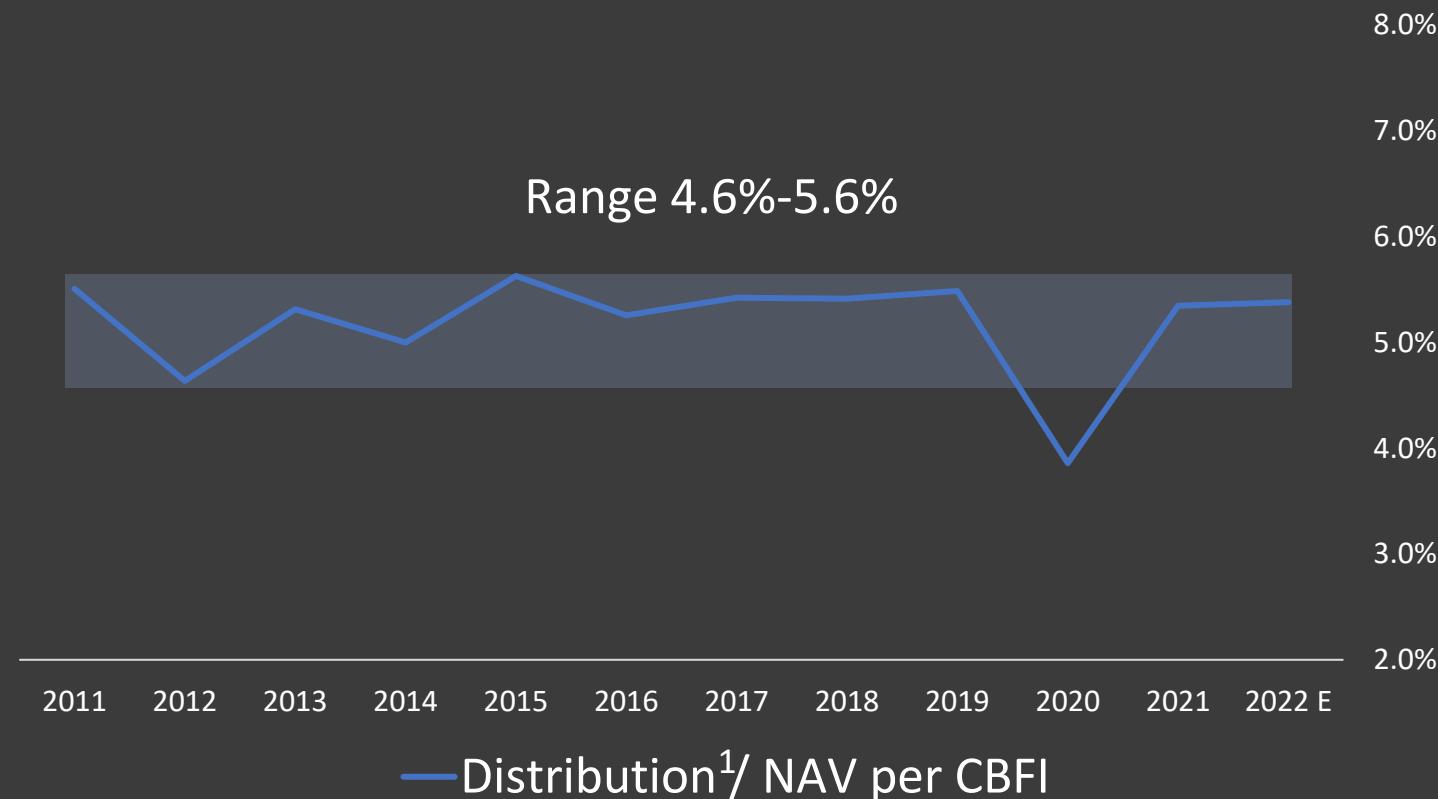
OUR DNA

Value Creation = Continuous NAV per CBFI growth



OUR DNA

Distributions per CBFI vs
the value of our properties = Stable and predictable

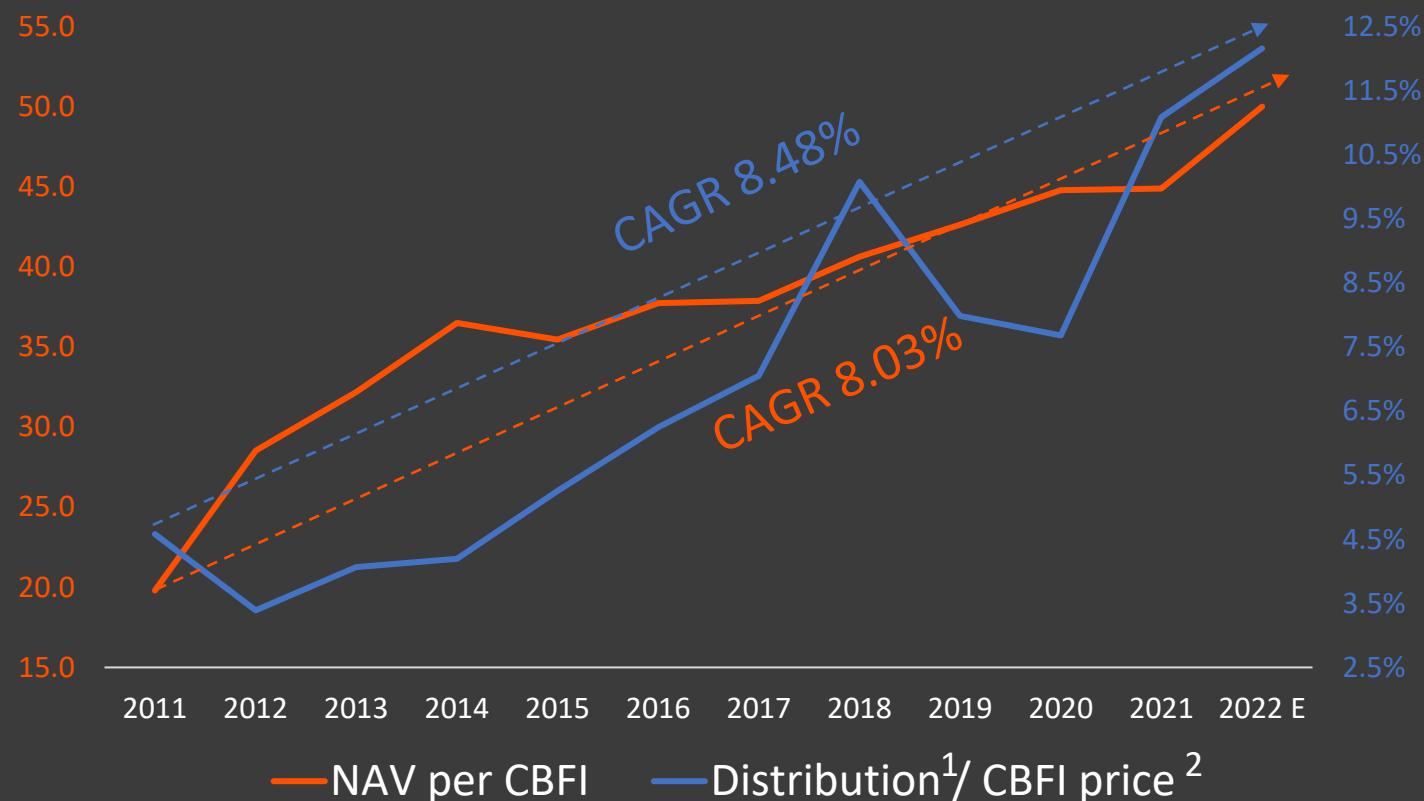


(1) For 2020, 2021 and 2022 Distribution per CBFI = AFFO

OUR DNA

Total Return Focus **COMPOUND**

Total Annual Return = 8.03% + 8.48% = **16.51%**



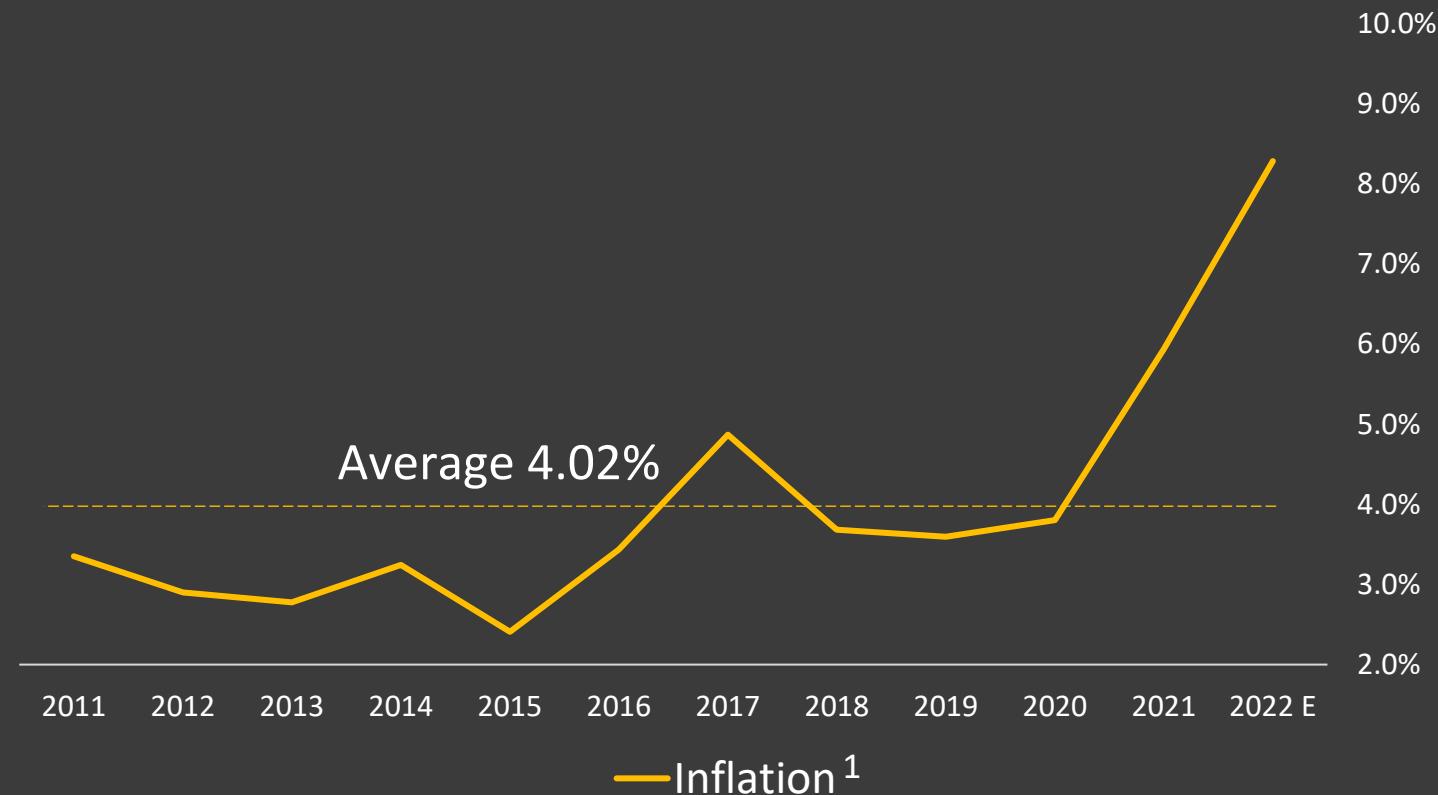
(1) For 2020, 2021 and 2022 Distribution per CBFI = AFFO

(2) CBFI closing price of each year

OUR DNA

16.51% return in an avg. inflation environment of 4.02%¹

Avg. Annual Real Return = $16.51\% - 4.02\% = 12.49\%$



(1) Source: INEGI, Annual average core inflation from 2011 to 3Q22

OUR STRENGTH

2

RESILIENCE

- Sustainable growth of NOI and FFO of 50-150 bps above inflation per year on the long run
- ✓ DESPITE THE COVID-19 PANDEMIC
- ✓ DESPITE THE RATE HIKES
- ✓ DESPITE THE MARKET VOLATILITY

OUR STRENGTH

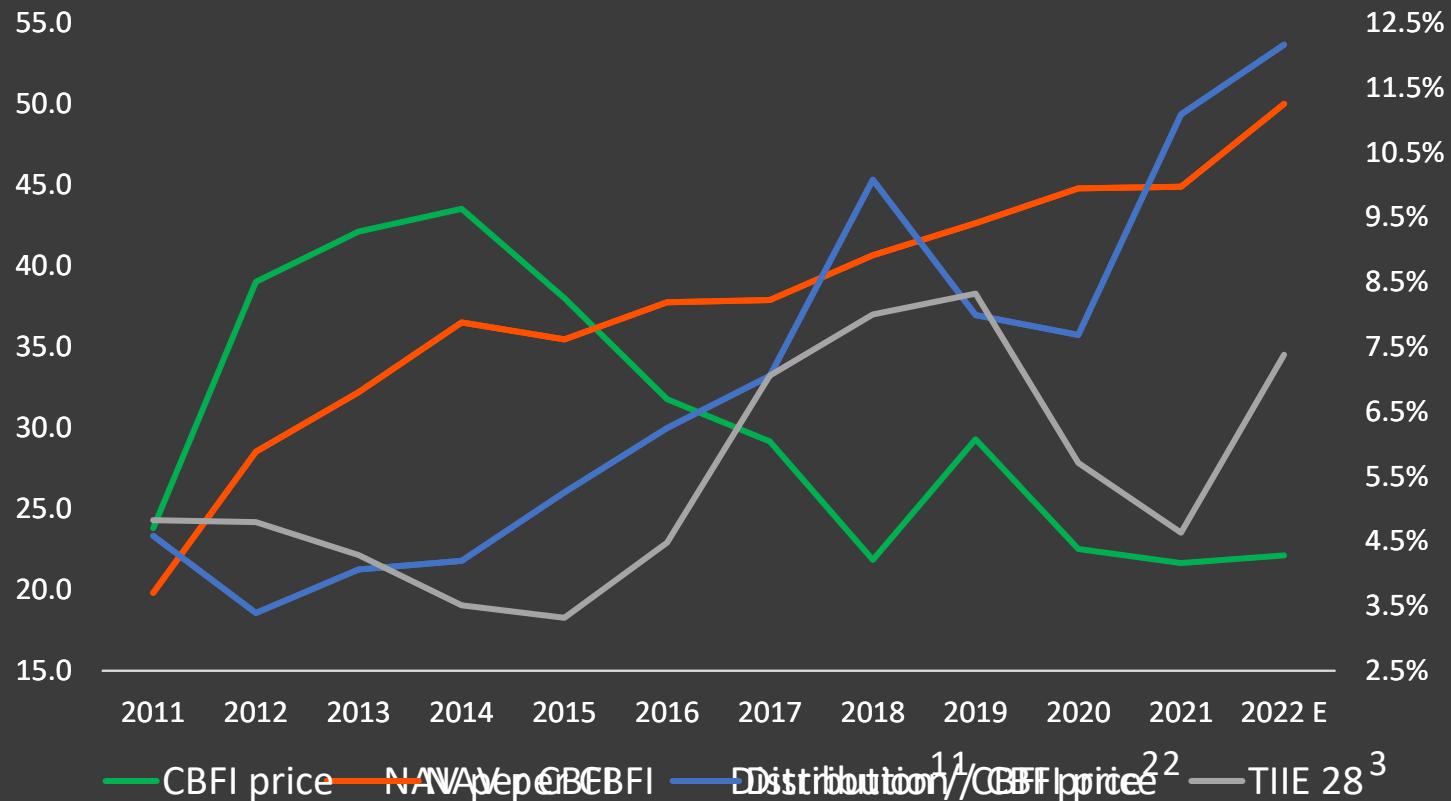
2

RESILIENCE

- ✓ ESG-focused business model
- ✓ Key locations
- ✓ Best assets
- ✓ Competitive rents
- ✓ Highly diversified tenants
- ✓ Prudent leverage
- ✓ Access to diverse & efficient sources of capital

ABSOLUTE VS RELATIVE

NAV & Dividend yield VS CBFI price & TIIE 28



(1) For 2020, 2021 and 2022 Distribution per CBFI = AFFO

(2) CBFI closing price of each year

OUR STRENGTH

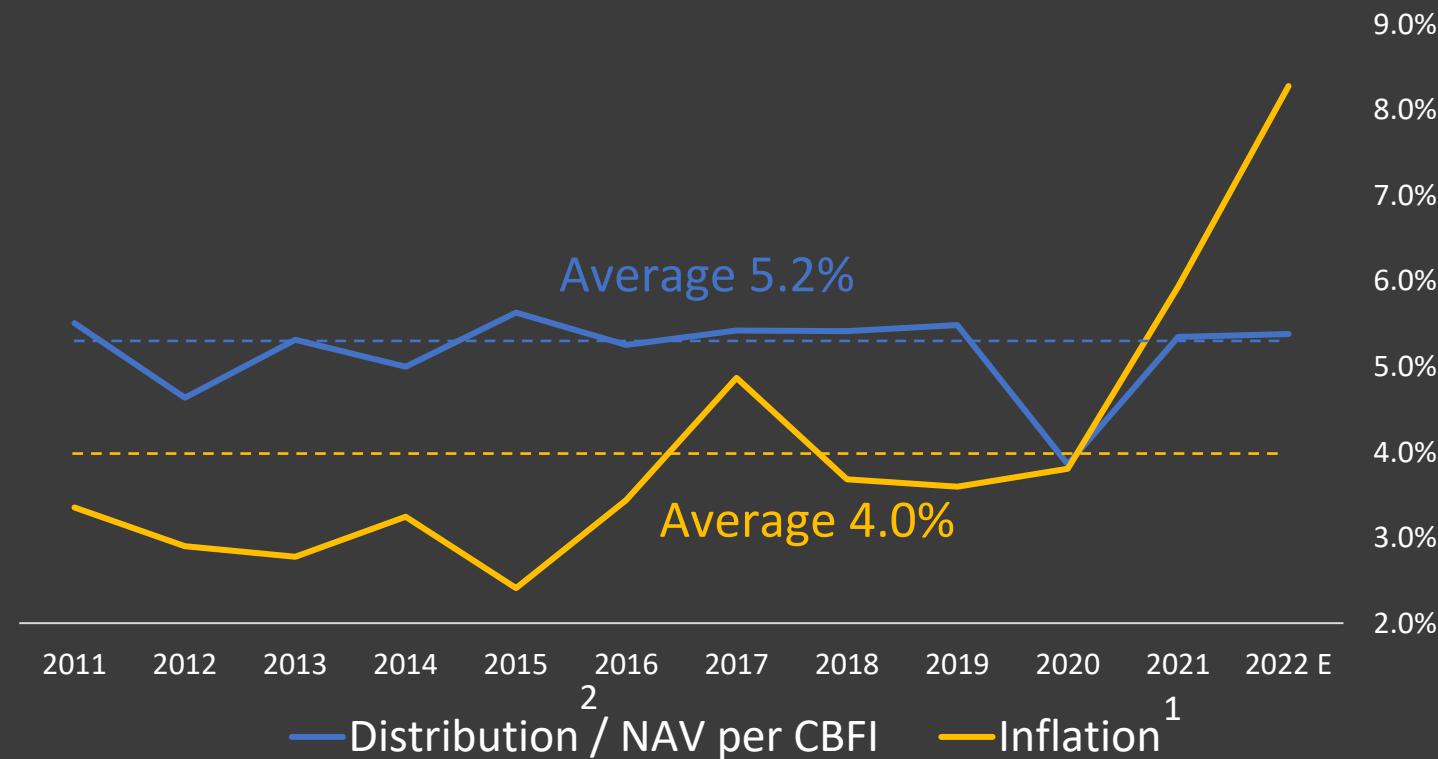
3

INFLATION | OUR ALLY

- FUNO is a natural inflation hedge
- 99% of our lease agreements are indexed to inflation
- Increase in our rent income on the long run
- Capability to sustain income in REAL terms

WE DELIVER

As promised at IPO, we have delivered cash flow returns of 50-150 bps above inflation vs the value of our properties



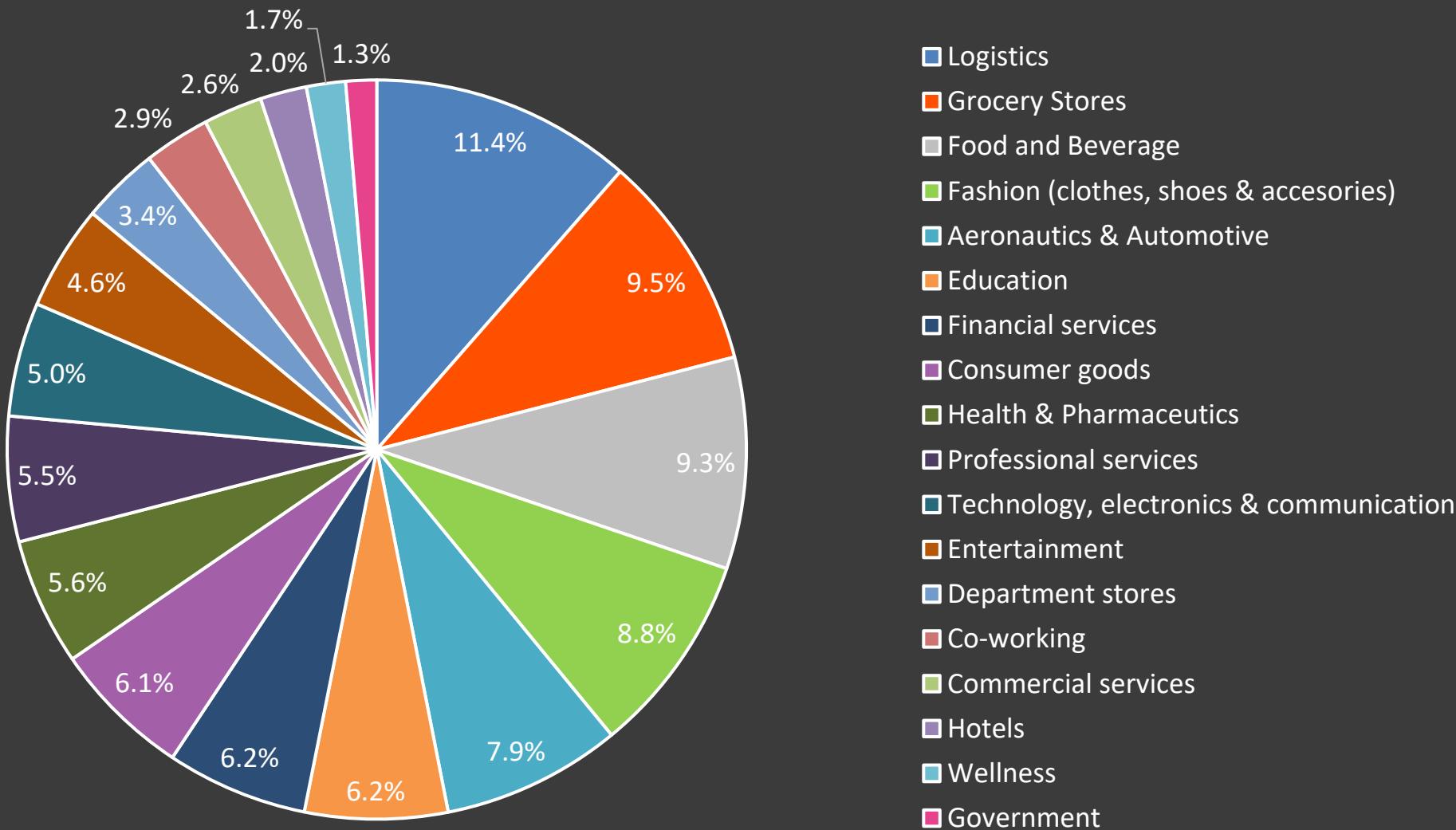
(1) Source: INEGI, Annual average core inflation from 2011 to 3Q22



TRENDS BY SEGMENT

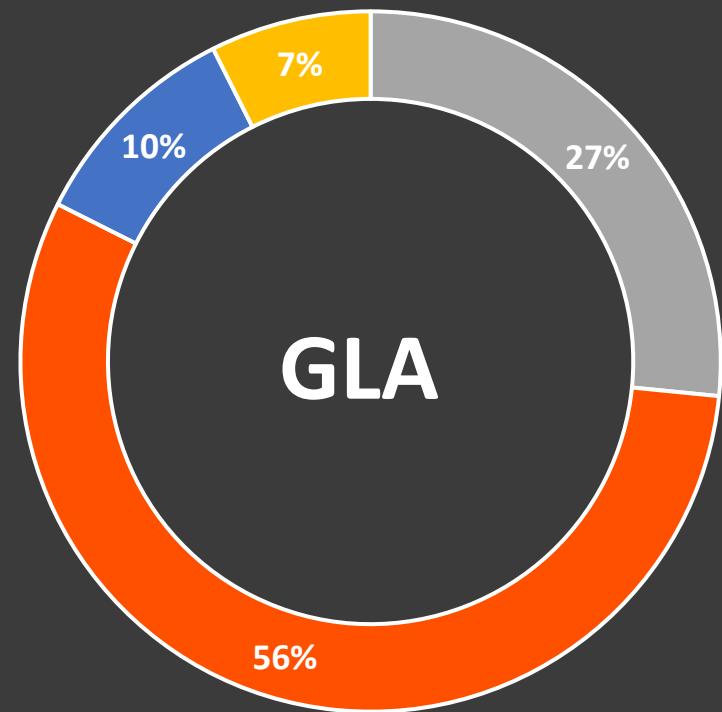
By JORGE PIGEON

OUR BUSINESS SECTORS BY ANNUAL BASE RENT

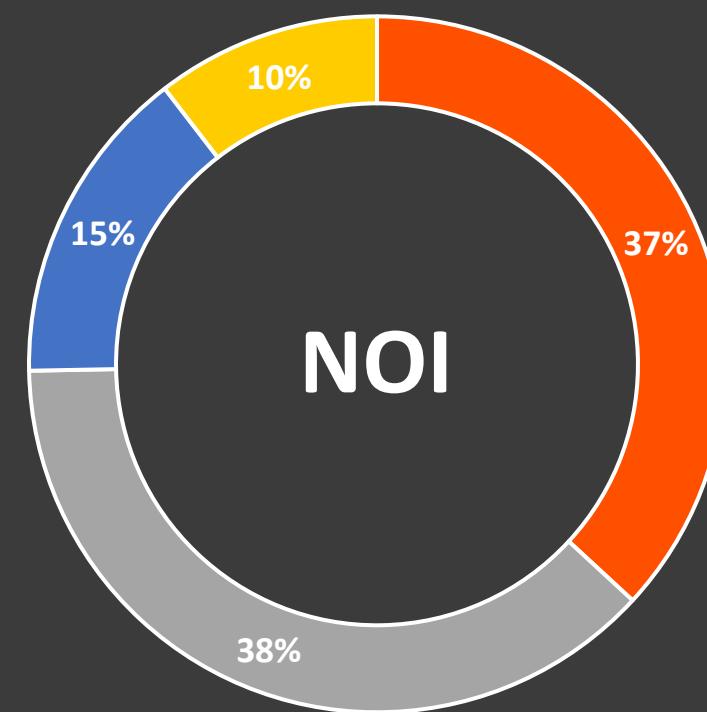


FUNO COMPOSITION

■ Retail ■ Industrial ■ Office ■ Others



■ Industrial ■ Retail ■ Office ■ Others



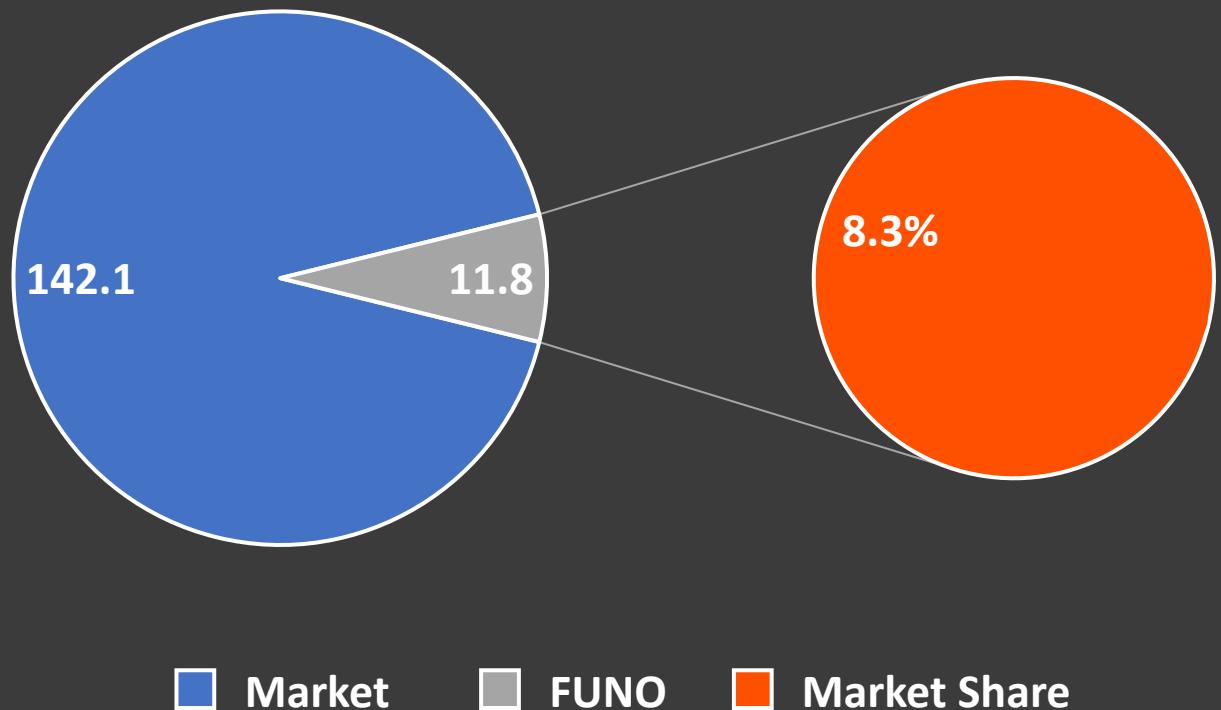


OFFICE MARKET

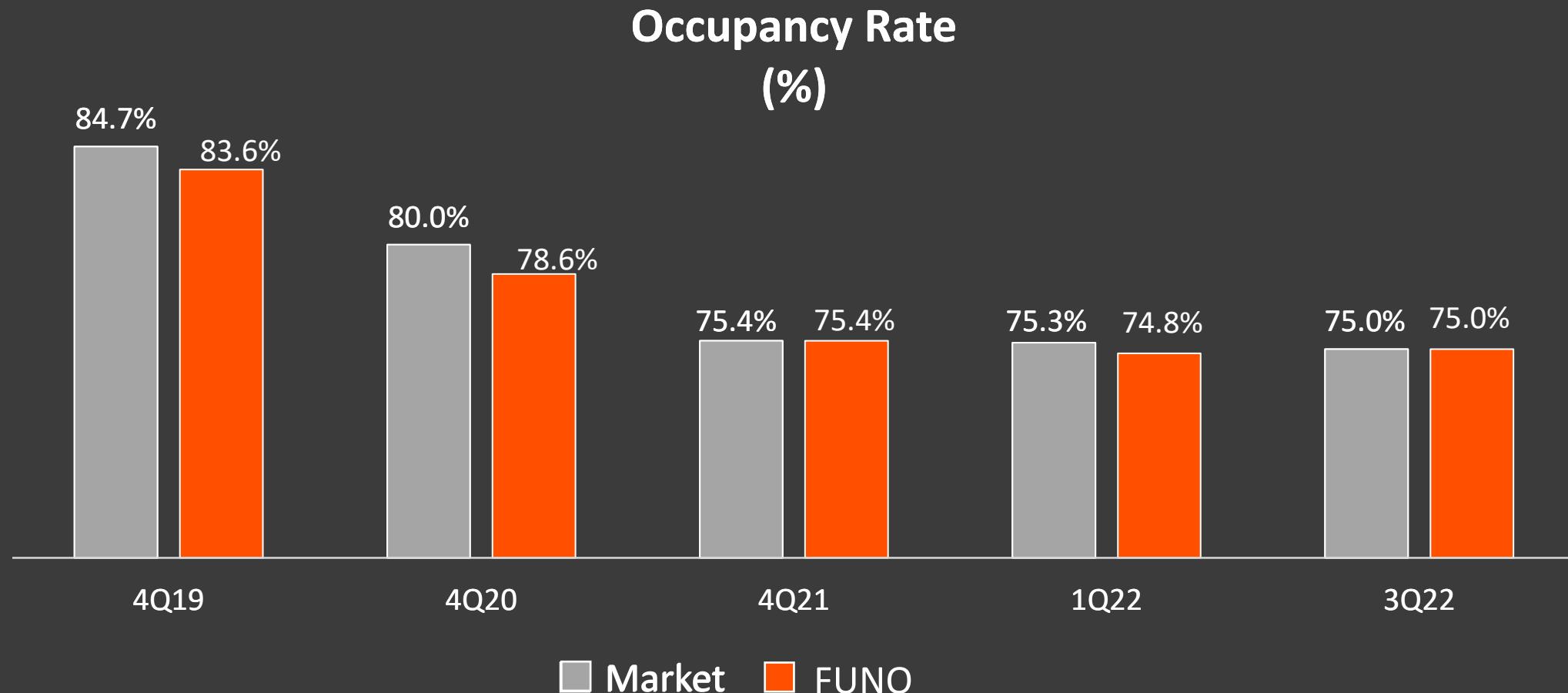
OFFICE MARKET

FUNO'S MARKET SHARE

GLA (Million sqft)



OFFICE MARKET



OFFICE MARKET



Annual average market absorption of **3.7 million sqft**

With the Mexican economy growing at an average of 2.2%

Virtually NO SUPPLY COMING

We expect to recover occupancy levels in the next 2 years

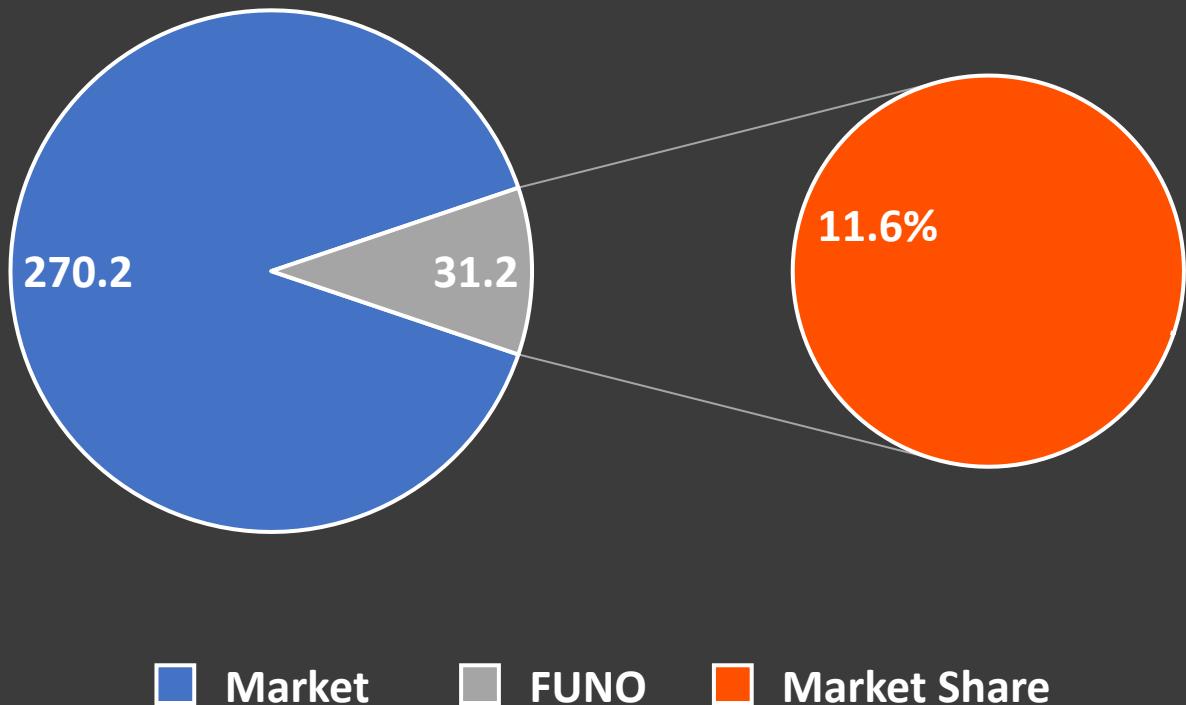


RETAIL MARKET

RETAIL MARKET

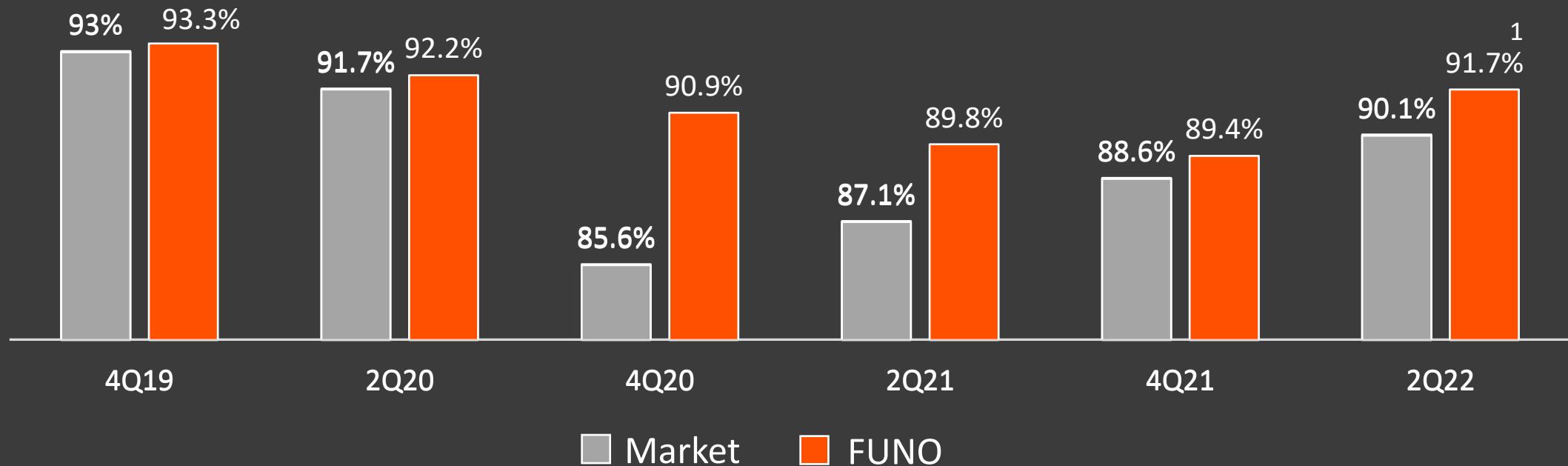
FUNO'S MARKET SHARE

GLA (Million sqft)

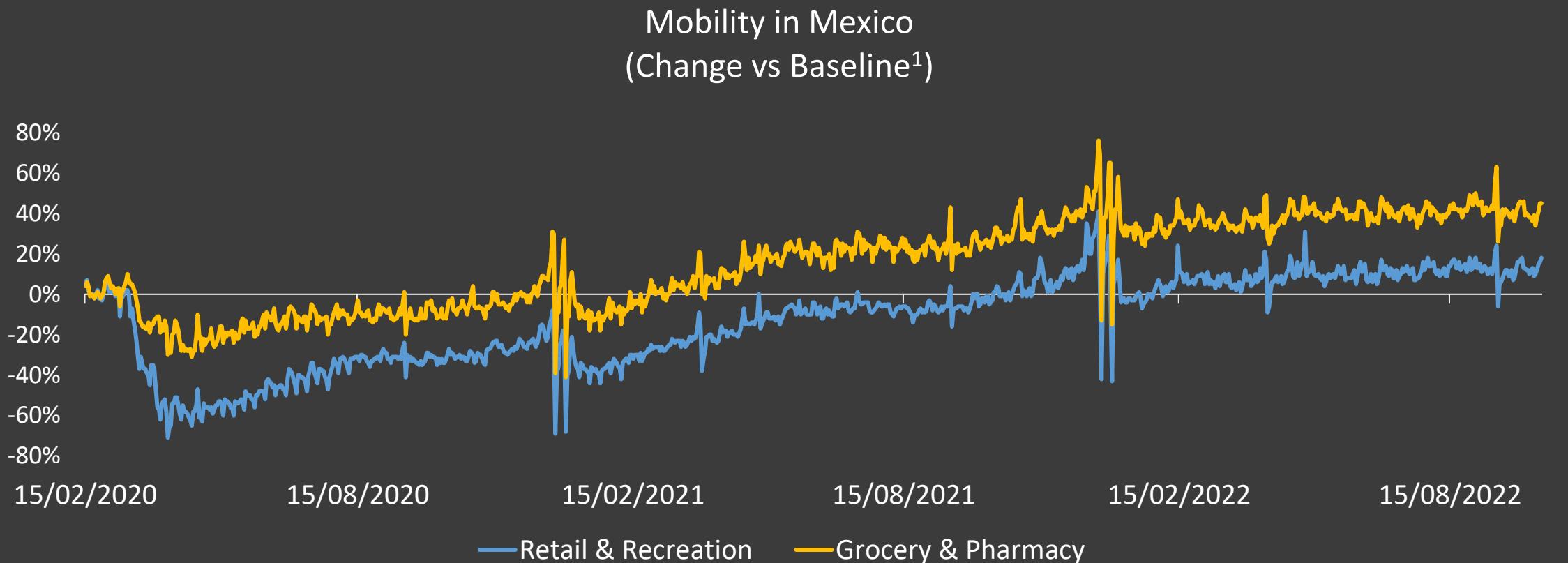


RETAIL MARKET

Occupancy Rate (%)



RECOVERY IN ACCESSIBILITY IN MEXICO CONTINUES TO STABILIZE



(1) The baseline is the median value for the corresponding day of the week, during the 5-week period Jan 3-Feb 6, 2020

RETAIL MARKET

Retailer Sales Nominal Growth Affiliated to ANTAD⁽¹⁾
(%)

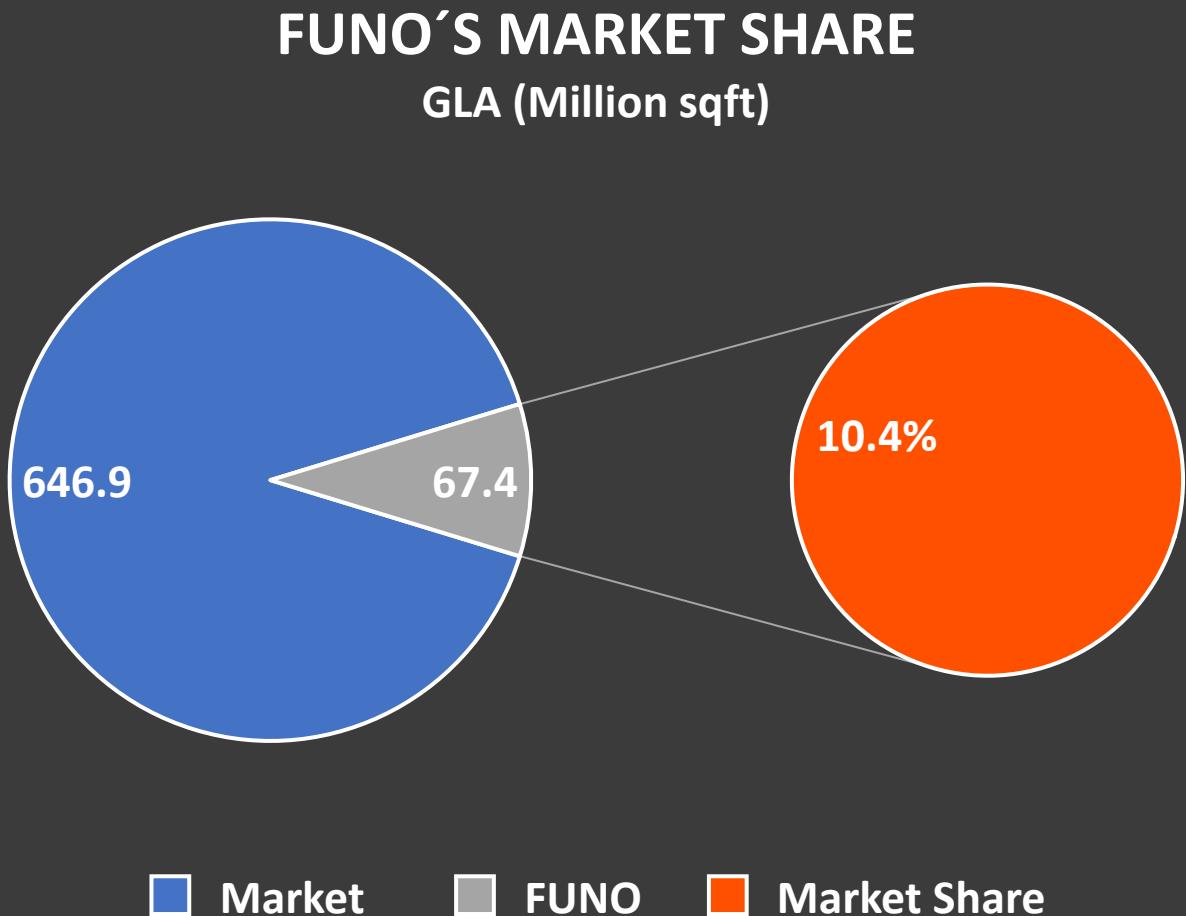


As of 3Q22, accumulated SSS increased 19.7% vs 2019

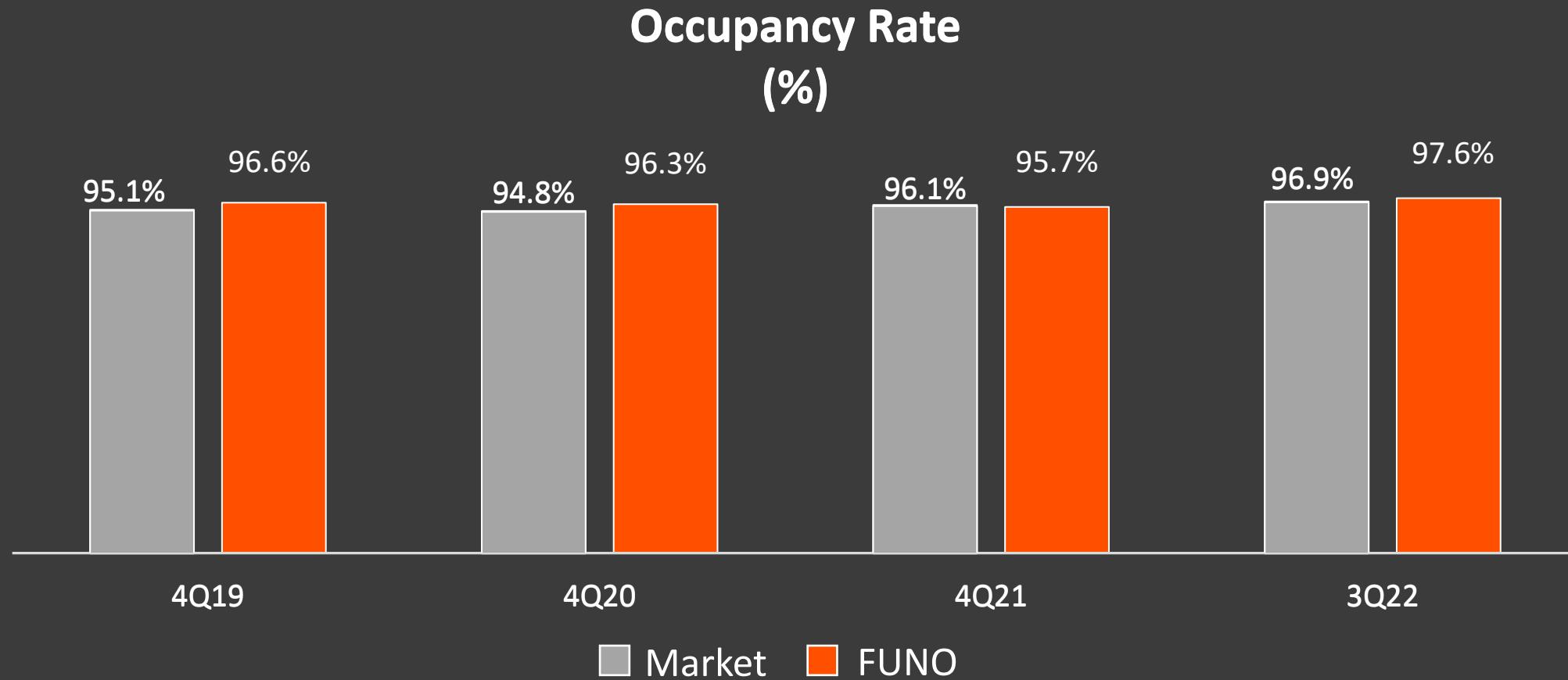
INDUSTRIAL MARKET



INDUSTRIAL MARKET



INDUSTRIAL MARKET



THE WORLD SUPPLY CHAINS ARE CHANGING



SIZING THE NEARSHORING OPPOTUNITY

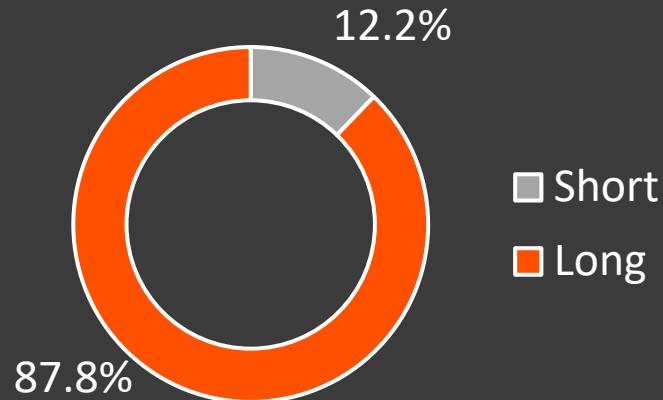


DEBT PROFILE

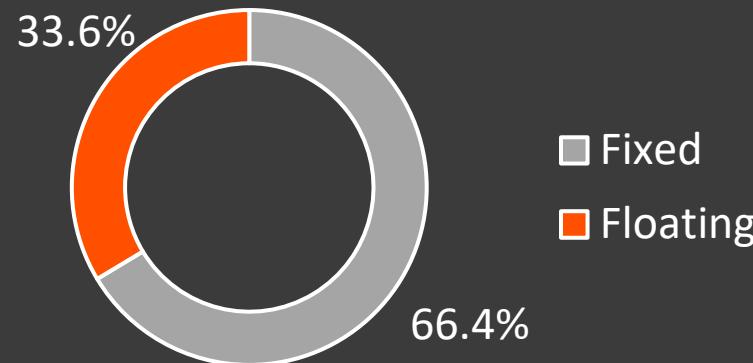


DEBT PROFILE AS OF TODAY

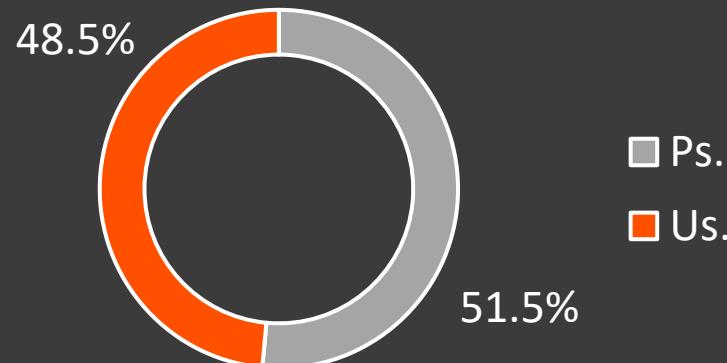
Short vs. Long Term



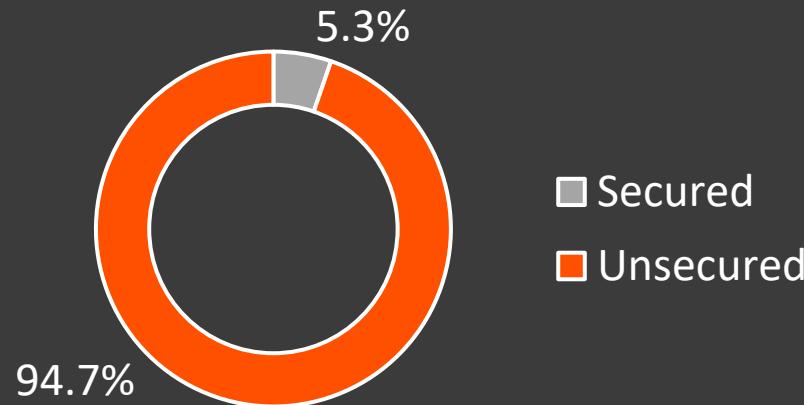
Fixed vs. Floating



Currency Distribution



Secured vs. Unsecured

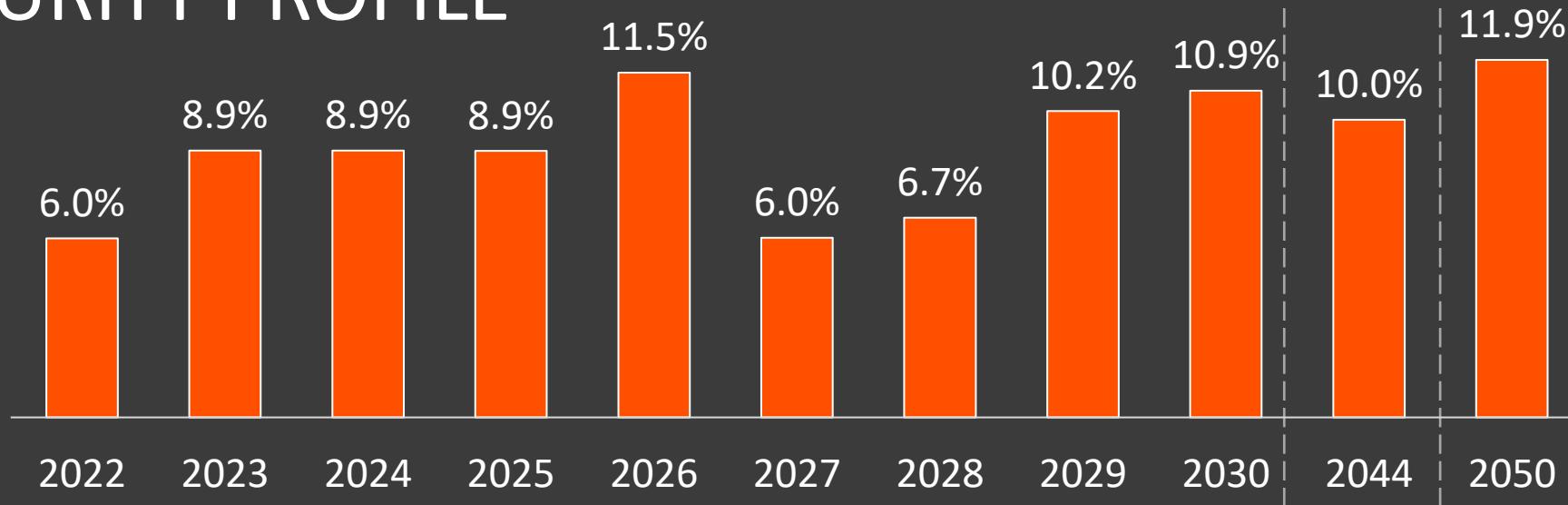


Includes the effect of financial derivatives

DEBT PROFILE AS OF TODAY

- Net Debt 2022E: Ps. \$132,266 M
- Average Life of Debt: 8.5 years
- Average Cost of Debt⁽¹⁾: 7.84%
- LTV 2022E: 41.3%
- Net Debt / EBITDA⁽²⁾ 2022E: 7.28x

MATURITY PROFILE



(1) Includes the effect of financial derivatives



MITIKAH
HIGH VALUE
CREATION



MÍTIKAH.
Ciudad Viva.



F | U | N | O

VALUE CREATION

Mitikah value creation analysis per CBFI

FUNO's Net Investment 0.2510

FUNO's Share Value

TODAY

3.5022

**ESTIMATED
VALUE CREATION**

14.0x

Phase II

4.8949

19.5x



UP & RUNNING CREATING VALUE

BY GONZALO ROBINA

PARQUE INDUSTRIAL LOS SAUCITOS

Sale Price

Us. \$19.6 M

Book Value

Us. \$12.9 M

Price to BV

1.5x

Cap Rate

N.A.



Portfolio:

Titan Portfolio

Segment:

Industrial

of Properties: 3

GLA: 390,189 sqft

Occupancy: Not leased since acquisition

NOI: Us. \$0

Sale Date: 2Q22



Chihuahua
237,004 sqft



Chihuahua
153,185 sqft



Chihuahua
153,185 sqft



Chihuahua
237,004 sqft



Chihuahua
237,004 sqft

AZUL & ROJO PORTFOLIO

Sale Price

Ps. \$608.4 M

Book Value

Ps. \$464.9 M

Price to BV

1.3x

Cap Rate

6.8%



Portfolio:

Azul & Rojo Portfolio

Segment:

Retail Stand Alone

of Properties:

23

GLA:

187,484 sqft

Occupancy:

91%

NOI:

Ps. \$41.6 M

Sale Date:

3Q22





Mexico City
3,767 sqft



Veracruz
12,755 sqft





Mexico City
3,785 sqft



Mexico City
4,973 sqft



Guanajuato
3,207 sqft



Mexico City
9,192 sqft



Morelia
7,793 sqft



Mexico City
3,923 sqft



Queretaro
8,202 sqft



Baja California Sur
3,724 sqft



Cancun
4,339 sqft



Guadalajara
8,514 sqft



Reynosa
3,156 sqft



Cuernavaca
5,694 sqft

REYNOSA INDUSTRIAL PORTFOLIO

Sale Price

Us. \$205.5 M

Book Value

Us. \$177.8 M

Price to BV

1.2x

Cap Rate

7.0%



Portfolios:

Titan, Vermont,
California, and Maine

Segment:

Industrial & Office

of Properties:

18

GLA:

2,905,854 sqft

Occupancy:

95.4%

NOI:

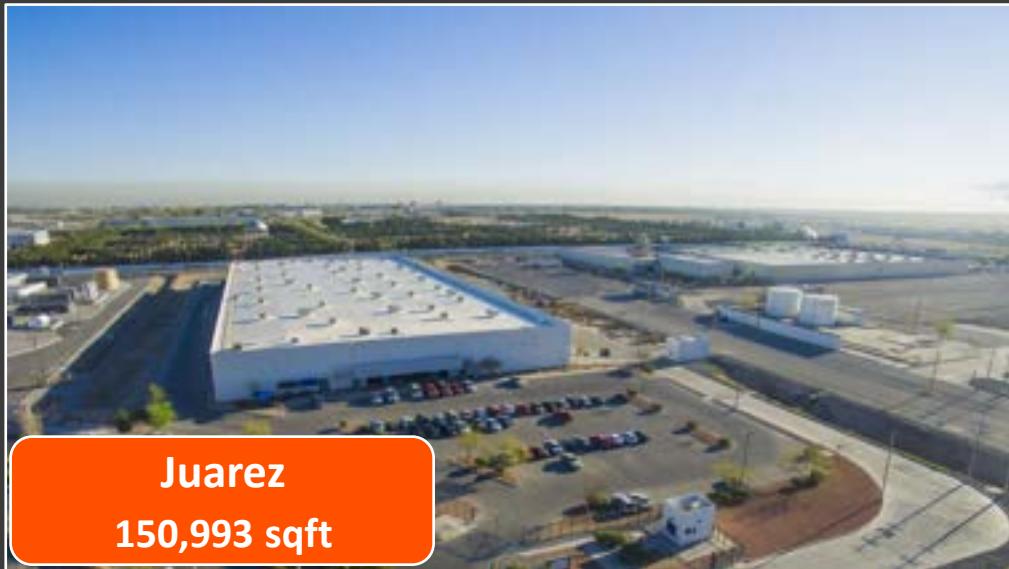
Us. \$14.4 M

Expected Sale
Date:

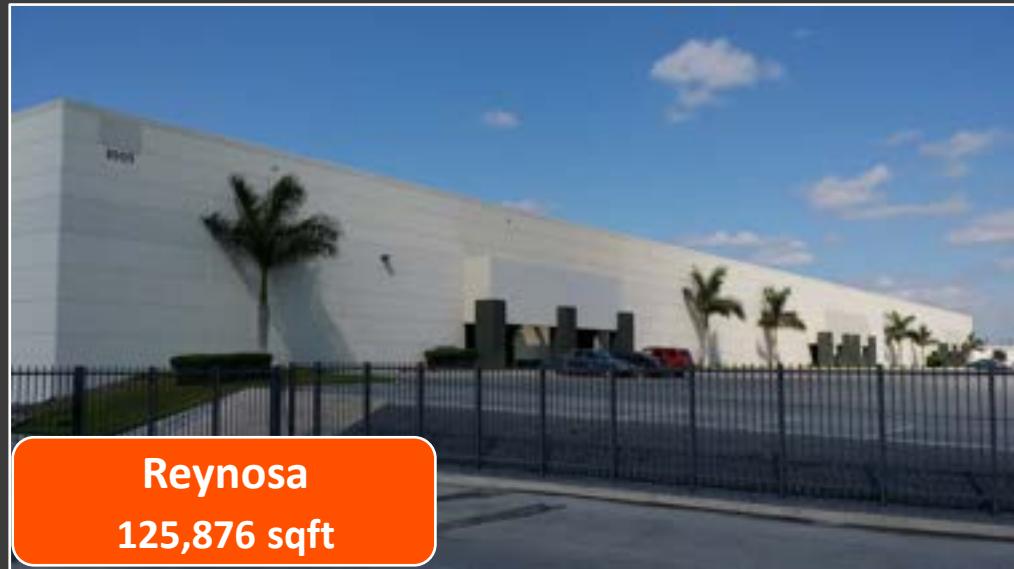
4Q22







Juarez
150,993 sqft



Reynosa
125,876 sqft



Reynosa
110,000 sqft



Juarez
100,338 sqft

HISTORIC ASSET RECYCLING

- In 2017, we started recycling non-essential properties of our portfolio.
- Since we started, by segment, we have sold:

Office

Ps. \$566 M

1.34x BV

Retail

Ps. \$552 M

1.42x BV

Industrial

Ps. \$6,757 M

1.25x BV

Others

Ps. \$1,729 M

1.19x BV

HISTORIC ASSET RECYCLING

Total

Ps. \$9,604 M 1.25x BV



ESG

By KAREN MORA

RECENT ESG ACCOMPLISHMENTS

1 Sustainable Finance
Mechanisms Us. \$2,540 M

2 EDGE Champion

3 S&P recognized FUNO®
as top best 15%
worldwide on ESG
practices

4 Accomplished 3/6
environmental KPI

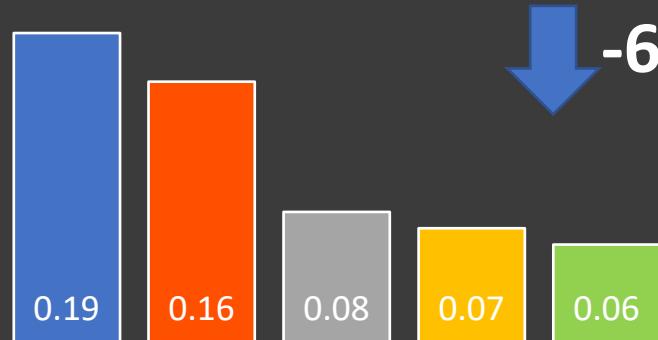
5 SBT established
by FUNO
SBTi review in
process



ENVIRONMENTAL ACHIEVEMENTS

Water intensity

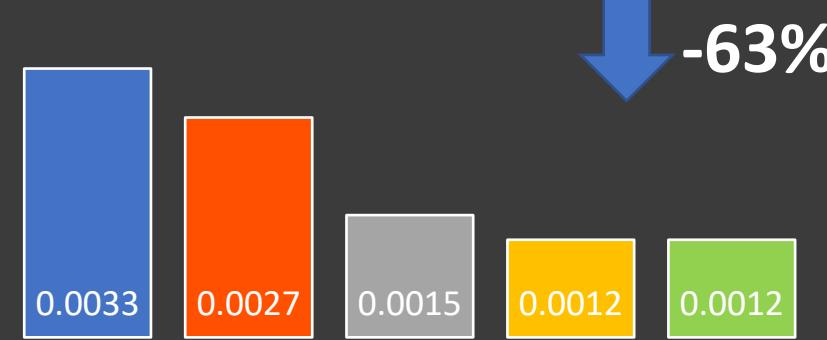
(m³ per occupied sqft)



-68%

Emissions intensity*

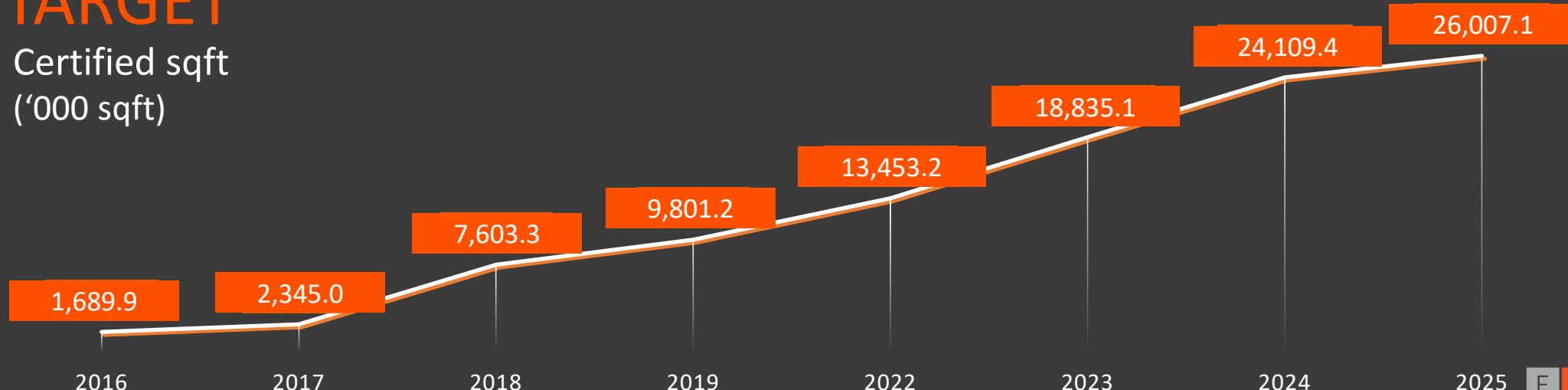
(CO₂e per occupied sqft)



-63%

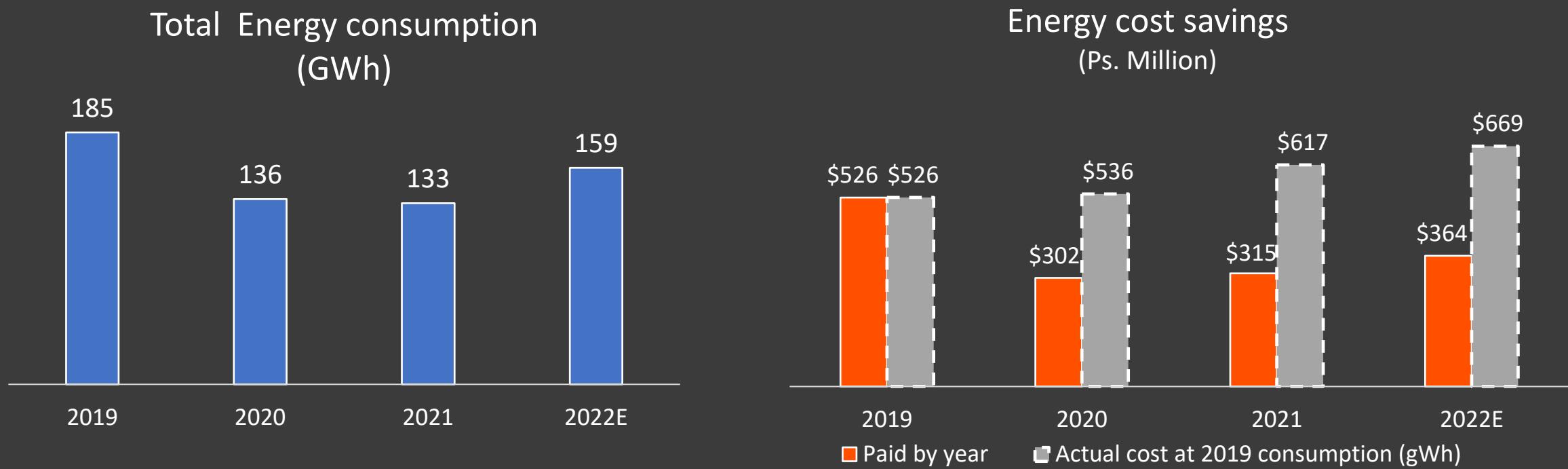
TARGET

Certified sqft
('000 sqft)



*Includes only Scopes 1 and 2

ENERGY SAVINGS



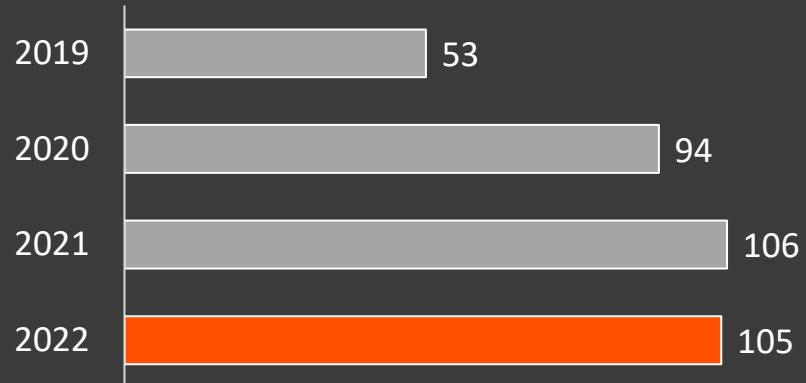
Accum. total savings of Ps. \$841.5 million

NET ZERO PATH

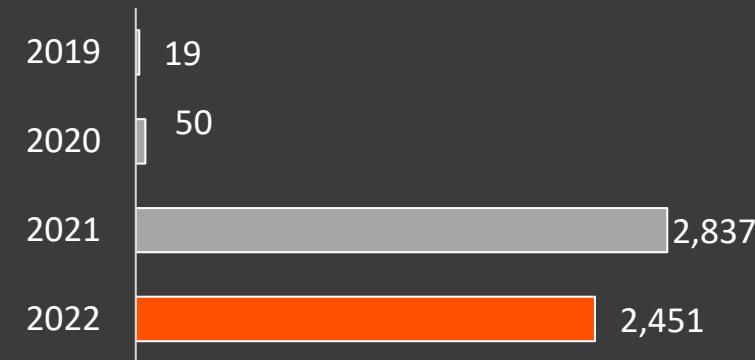


SOCIAL RESPONSABILITY

Supported Organizations
(# of Organizations)



In-Kind Donations
(# of Events)



Accumulated Financial Donations
(Ps. Million)

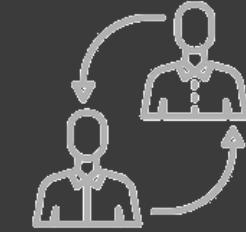


F U N O®

GOVERNANCE 2023



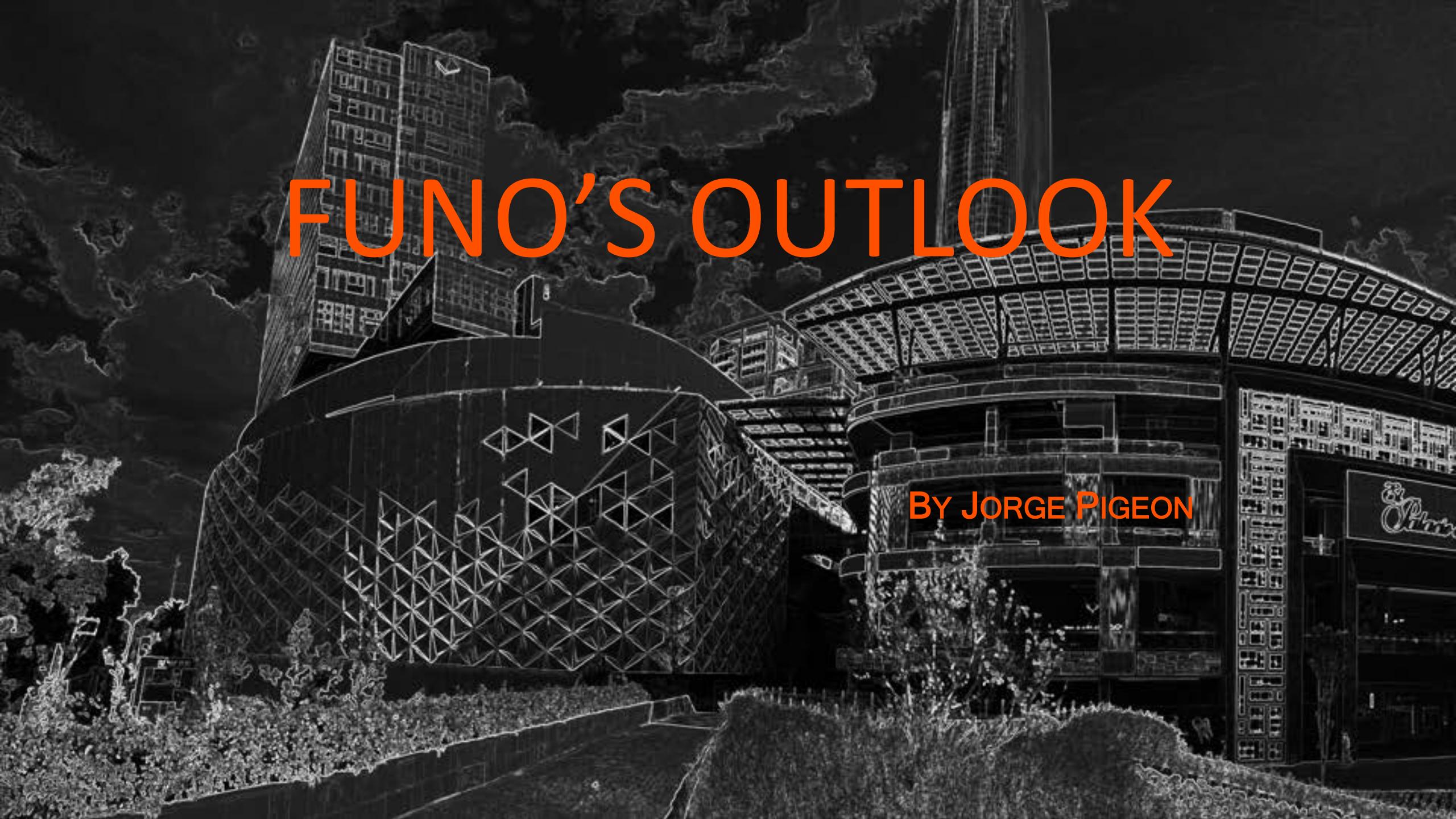
- Update our Board Members and C-Suite succession plan
- Increase by 10% Gender Diversity at the Board Level



- Training Board Members on ESG matters
- Compensation plan TBD in 2024 will include ESG criteria



FUNO'S OUTLOOK



By JORGE PIGEON

KEY ASSUMPTIONS

1. General:

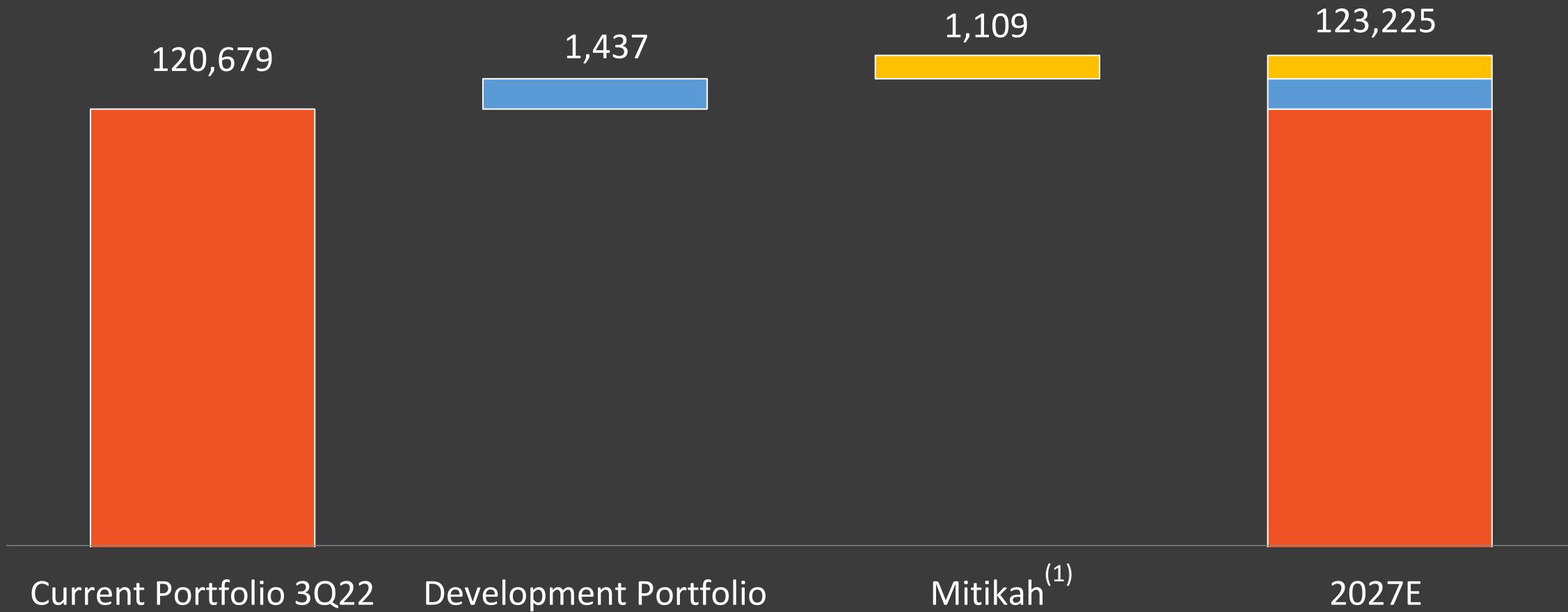
- Rents adjusted annually with inflation
- Contract renewals with leasing spreads over inflation
 - ~ 5% Industrial, ~ 3% Retail, and ~ 0-2% Office
- Occupancy stabilizes at ~94%
- Stable NOI margin at 80% and FFO payout at 90%

2. Developments:

- Assumes delivery of GVO on 4Q'22, Tapachula on 1Q'23, and Portal Norte (Satelite) on 4Q'24
- FUNO consolidates 100% of Mitikah JV Project's revenues and debt

BASE CASE GLA BUILD UP

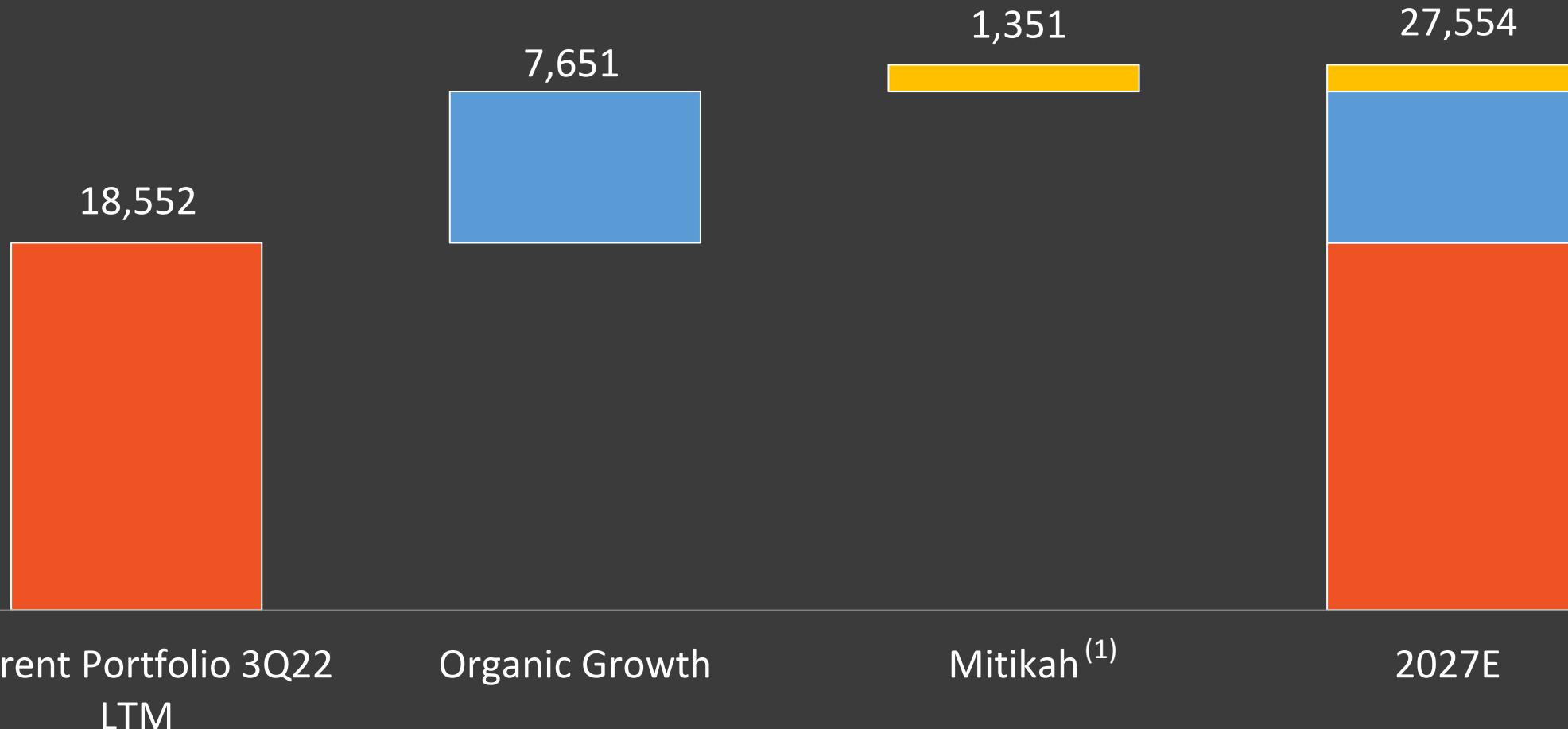
(Figures in '000 sqft)



(1) Mitikah's Phase II

BASE CASE NOI BUILD UP

(Figures in Ps. M)



(1) Shopping mall and Mitikah's Phase II

BASE CASE 5YR OUTLOOK

	3Q'22 Annualized	2027E	%Δ
NOI (Ps. M)	19,140	27,554	44.0%
GLA ('000 sqft)	120,679	123,225	2.1%
Net Debt (Ps. M)	136,437	143,503	5.2%
Net Debt to EBITDA ⁽¹⁾	7.47x	5.45x	-27.0%
LTV	44.2%	34.0%	-10.2%
FFO (Ps. M)	9,102	15,010	64.9%
No. CBFIs (M)	3,779	3,779	0.0%
FFO / Share			
High end	2.41	4.03	67.6%
Low end	2.41	3.91	62.6%



Q & A



JORGE CASTAÑEDA

Former Foreign Minister
of Mexico