

FIBRA MACQUARIE MÉXICO REPORTS FIRST QUARTER 2023 RESULTS

- ▶ Record high occupancy for industrial portfolio and consolidated portfolio of 98.2% and 97.3%, respectively
- ▶ Industrial portfolio customer retention at record 92.5% for the last twelve months
- ▶ NOI per certificate up 12.2% YoY, in underlying USD terms
- ▶ 1Q23 AFFO per certificate up 13.8% YoY, in underlying USD terms
- ▶ FY23 Distribution per certificate guidance reaffirmed at Ps. 2.10, representing a 15.1% YoY increase in underlying USD terms

MEXICO CITY, April 27, 2023 – FIBRA Macquarie México (FIBRAMQ) (BMV: FIBRAMQ) announced its financial and operating results for the first quarter ended March 31, 2023.

FIRST QUARTER 2023 HIGHLIGHTS

- AFFO per certificate was Ps. 0.6799 (US\$0.0363) for the quarter, compared with Ps. 0.6558 (US\$0.0320) for the prior corresponding quarter in 2022
- 1Q23 cash distribution of Ps. 0.5250 per certificate authorized
- FY23 distribution guidance of Ps. 2.10 per certificate represents ~US\$0.12 per certificate based on current FX levels
- Consolidated occupancy at 97.3%, up 50 bps QoQ and up 117 bps YoY
- Industrial occupancy at a record 98.2%, up 57 bps QoQ and up 115 bps YoY
- Positive releasing renewal spreads of 15.0% and 5.7% for industrial and retail portfolios, respectively
- Six industrial buildings under development with a focus on capturing nearshoring opportunities and the demand for logistics space in central markets

“We commenced 2023 with strong momentum, delivering underlying US dollar-denominated earnings growth representing a 13.8% increase in AFFO per CBFI in the first quarter, and we have continued to deploy capital into sustainable Class A industrial development to position our platform for future growth and capture nearshoring opportunities,” said Simon Hanna, FIBRA Macquarie’s chief executive officer. “With a portfolio of high-quality industrial assets primarily located in the high demand northern markets of Mexico, we are benefiting from strong demand and low vacancy rates. We realized a quarter of record industrial lease revenues and record occupancy as well as solid rent spreads, including a 15.0% lease renewal spread in our industrial portfolio, helping to drive an 10.1% YoY increase in Industrial NOI per certificate. We are also seeing the ongoing recovery of our retail

portfolio, with a continued rebound in foot traffic and robust leasing activity, which allowed us to deliver a 17.0% YoY increase in NOI per certificate.”

“Additionally, we are executing on our development pipeline supported by the tailwind of accelerating nearshoring activity into Mexico. We currently have a total of approximately 1.8 million square feet of new GLA under construction across seven markets, which should contribute to FIBRAMQ’s accelerated growth in the quarters to come. Our balance sheet remains well positioned to capitalize on opportunities and deliver value to our investors supported by an attractive market backdrop and a culture of excellence.”

FINANCIAL AND OPERATING RESULTS

Consolidated Portfolio

FIBRAMQ’s consolidated results were as follows:

TOTAL PORTFOLIO	(millions of Pesos unless otherwise stated)			(millions of Dollars, unless otherwise stated)		
	1Q23	1Q22	Variance	1Q23	1Q22	Variance
Net Operating Income (NOI)	Ps. 950.4m	Ps. 929.6m	2.2%	US\$ 50.8m	US\$ 45.3m	12.2%
EBITDA	Ps. 877.6m	Ps. 861.9m	1.8%	US\$ 46.9m	US\$ 42.0m	11.7%
Funds From Operations (FFO)	Ps. 640.8m	Ps. 624.5m	2.6%	US\$ 34.3m	US\$ 30.4m	12.6%
FFO per certificate	0.8418	0.8204	2.6%	US\$ 0.0450	US\$ 0.0400	12.6%
Adjusted Funds From Operations (AFFO)	Ps. 517.6m	Ps. 499.2m	3.7%	US\$ 27.7m	US\$ 24.3m	13.8%
AFFO per certificate	Ps. 0.6799	Ps. 0.6558	3.7%	US\$ 0.0363	US\$ 0.0320	13.8%
NOI Margin	87.1%	88.2%	(114 bps)	87.1%	88.2%	(114 bps)
AFFO Margin	47.4%	47.4%	4 bps	47.4%	47.4%	4 bps
GLA ('000s square feet) EOP	35,055	34,461	1.7%	35,055	34,461	1.7%
GLA ('000s sqm) EOP	3,257	3,202	1.7%	3,257	3,202	1.7%
Occupancy EOP	97.3%	96.1%	117 bps	97.3%	96.1%	117 bps
Average Occupancy	96.9%	95.4%	151 bps	96.9%	95.4%	151 bps

Industrial Portfolio

The following table summarizes the results for FIBRAMQ's industrial portfolio:

INDUSTRIAL PORTFOLIO	(millions of Pesos, unless otherwise stated)			(millions of Dollars, unless otherwise stated)		
	1Q23	1Q22	Variance	1Q23	1Q22	Variance
Net Operating Income (NOI)	Ps. 824.4m	Ps. 821.9m	0.3%	US\$ 44.1m	US\$ 40.0m	10.1%
NOI Margin	90.4%	91.7%	(134 bps)	90.4%	91.7%	(134 bps)
GLA ('000s square feet) EOP	30,452	29,884	1.9%	30,452	29,884	1.9%
GLA ('000s sqm) EOP	2,829	2,776	1.9%	2,829	2,776	1.9%
Occupancy EOP	98.2%	97.1%	115 bps	98.2%	97.1%	115 bps
Average Occupancy	97.8%	96.3%	154 bps	97.8%	96.3%	154 bps
Average monthly rent per leased (US\$/sqm) EOP	\$5.63	\$5.26	7.0%	US\$ 5.63	US\$ 5.26	7.0%
Customer retention LTM	92.5%	83.5%	897 bps	92.5%	83.5%	897 bps
Weighted Avg Lease Term Remaining (years) EOP	3.2	3.3	-3.0%	3.2	3.3	(3.0%)

FIBRAMQ's industrial portfolio performance remains robust, with solid increases in occupancy and rental rates YoY. For the quarter ended March 31, 2023, FIBRAMQ's industrial portfolio delivered quarterly NOI of US\$44.1 million, a 10.1% increase when compared to the prior year. This result was driven by record quarterly industrial revenues of US\$48.8 million, up 11.7%. At quarter-end, occupancy increased to 98.2%, up 115 basis points year over year. New leasing activity comprised 271 thousand square feet of GLA, exceeding quarterly moveouts of 99 thousand square feet. New leases featured a US-based metal machining manufacturer in Tijuana, a Japanese-based auto parts manufacturer in Querétaro and a US-based truck bed manufacturer in Saltillo. Renewal leases comprised 12 contracts and 0.8 million square feet, driving a record retention rate of 92.5% over the last 12 months.

Retail Portfolio

The following table summarizes the proportionally combined results for FIBRAMQ's retail portfolio:

RETAIL PORTFOLIO	1Q23	1Q22	Variance
Net Operating Income (incl. SLR)	Ps. 126.0m	Ps. 107.7m	17.0%
Net Operating Income (excl. SLR)	Ps. 134.0m	Ps. 114.8m	16.7%
NOI Margin (% inc. SLR)	70.3%	68.4%	195 bps
NOI Margin (% exc. SLR)	74.8%	72.9%	190 bps
GLA ('000s square feet) EOP	4,603	4,577	0.6%
GLA ('000s sqm) EOP	428	425	0.6%
Occupancy EOP	91.0%	89.8%	124 bps
Average Occupancy	91.0%	89.8%	121 bps
Average monthly rent per leased (Ps./sqm) EOP	\$169.69	\$160.13	6.0%
Customer retention LTM	82.1%	76.9%	514 bps
Weighted Avg Lease Term Remaining (years) EOP	3.1	3.2	(3.4%)

- Total revenues were Ps. 179.2 million, up 13.8% year over year
- Retail portfolio cash collections during the quarter trended up to Ps. 178.3 million, an increase of 10.6% versus the prior corresponding period
- During the first quarter, recorded foot traffic at FIBRAMQ's shopping centers was approximately 14.5% above the prior comparable period, and approximately 14.2% below pre-pandemic levels

FIBRAMQ signed 72 new and renewal leases during the quarter totaling 17.8 thousand square meters of GLA. Leasing highlights included a new lease for a Smart Fit gym (1.3 thousand square meters) and two renewals for Cinépolis (3.9 and 2.7 thousand square meters, respectively). The Retail portfolio also benefited from strong retention of 82.1% over the last 12 months.

As of March 31, 2023, trade receivables net of provisions were Ps. 4.3 million (excl. VAT), lower 36.6% over the prior corresponding period.

Lease Rental Rate Summary

In the industrial portfolio, a weighted average positive releasing spread of 15.0% was achieved across 12 leases representing 839 thousand square feet of GLA.

In the retail portfolio, a weighted average positive release spread of 5.7% was achieved across 48 leases across 13.5 thousand square meters of GLA.

Based on FIBRAMQ's consolidated lease portfolio, 59.8% of leases (as measured by annualized base rent) are directly linked to either Mexican or US CPI.

For further details please about FIBRA Macquarie's First Quarter 2023 results, please refer to the Supplementary Information materials located at [BMV Filings \(fibramacquarie.com\)](https://www.fibramacquarie.com/BMV-Filings).

CAPITAL ALLOCATION

FIBRAMQ continues to pursue a strategy of investing in and developing class "A" industrial assets in core markets that demonstrate strong performance and a positive economic outlook.

Industrial Portfolio Growth Capex Program

FIBRAMQ has approximately 1.8 million square feet of new GLA under development, including six ground-up developments and two build-to-suit expansion projects. FIBRAMQ's total investment attributable to GLA under construction is approximately US\$134 million, with an expected next twelve months cash deployment of US\$100 million (this includes remaining building construction costs as well as deferred consideration for land and certain project-wide infrastructure costs).

FIBRA Macquarie is targeting a stabilized NOI yield of 9% to 11% on its industrial development program.

Apodaca, Nuevo Leon

- FIBRAMQ currently anticipates completion of a 211 thousand square feet building in Apodaca, Nuevo Leon in 1H23.
- FIBRAMQ's long-term development plan considers a phased, multi-year construction of a multi-property Class A industrial park, with a total potential additional GLA of approximately 410 thousand square feet, excluding the building already under construction.

Cuautitlán, Mexico City Metropolitan Area

- In the strategic industrial submarket of Cuautitlán, FIBRAMQ is currently constructing two buildings totaling 735 thousand square feet, with expected delivery in 1H23.

Ciudad Juárez, Chihuahua

- FIBRAMQ has an ongoing development of a 267 thousand square feet GLA building in the southeast market of Ciudad Juárez with an expected delivery date in 2H23.
- FIBRAMQ's long term development plan in Ciudad Juárez considers a phased, multi-year construction of a 10-property Class A industrial park with a total potential GLA of approximately 2.5 million square feet.

Reynosa, Tamaulipas

- FIBRAMQ continues advancing construction of a 144 thousand square feet building in Reynosa, utilizing an existing land parcel, with an expected delivery date in 2H23.

Tijuana, Baja California

- Works are ongoing for the development of the first building comprising 406 thousand square feet of GLA. The first phase of the project is scheduled for delivery in 1H24.
- FIBRAMQ's long-term development plan considers a phased, multi-year construction of a multi-property Class A industrial park, with a total potential GLA of approximately [873] thousand square feet, excluding the building already under construction.

Build-to-suit expansions

- FIBRAMQ is progressing on two build-to-suit expansions totaling 69 thousand square feet of GLA in respect of existing leased buildings located at San Luis Potosí and Querétaro, with expected deliveries in 1H23.

CERTIFICATE REPURCHASE PROGRAM

FIBRAMQ has a Ps. 1,000 million CBFi repurchase-for-cancellation program was recently approved by investors to be available through to June 25, 2024. No certificates were repurchased during the quarter.

BALANCE SHEET

As of March 31, 2023, FIBRAMQ had approximately Ps. 16.0 billion of debt outstanding, Ps. 5.9 billion available on its undrawn committed revolving credit facility and Ps. 0.4 billion of unrestricted cash on hand. FIBRAMQ is well-positioned to refinance scheduled FY2023 maturities prior to loan expirations, with an anticipated neutral impact to its weighted average cost of debt.

As of the date of this release, FIBRAMQ's indebtedness was 95.9% fixed rate, with 3.5 years of weighted average term remaining. This follows certain interest rate SWAP transactions closed after March 31, 2023. In addition, FIBRAMQ is now benefiting from a 5 bps discount on the applicable margin of ESG-linked loans. For more detail on debt please see FIBRAMQ's 1Q23 Supplementary Information package.

FIBRAMQ's CNBV regulatory debt to total asset ratio was 32.3% and the debt service coverage ratio was 1.3x.

On a consolidated basis, NAV per certificate was Ps. 39.9 as at March 31, 2023.

SUSTAINABILITY

During the first quarter, FIBRA Macquarie achieved the EDGE certification on two industrial buildings. Cumulative green building certification coverage on FIBRAMQ's consolidated portfolio now represents 33.5% of GLA.

DISTRIBUTION

Scheduled Distribution

On April 27, 2023, FIBRAMQ declared a cash distribution of Ps. 0.5250 per certificate for the quarter ended March 31, 2023. The distribution is expected to be paid on or about June 16, 2023, to holders of record on June 14, 2023. FIBRAMQ's certificates are expected to commence trading ex-distribution on June 15, 2023.

FY23 GUIDANCE

AFFO per certificate

On February 2, 2023, FIBRAMQ launched its initial FY23 AFFO per certificate guidance with a range of Ps. 2.70 to 2.75, using an assumed average exchange rate of Ps. 19.40 per US dollar for FY23. FIBRAMQ's operational performance and underlying natural currency cashflows remain robust and consistent with the prior forecast. Reflecting FIBRAMQ's highly dollarized cashflows and the appreciation of the Mexican Peso against the US dollar, FIBRAMQ has revised its average exchange rate assumption for the remainder of FY23 to Ps. 18.25 per US dollar, which results in a revised FY23 AFFO per certificate guidance range of between Ps. 2.60 and Ps. 2.65 per certificate. This revised FY23 guidance assumes:

- an average exchange rate of Ps. 18.25 per US dollar for the remainder of FY23, compared to the prior assumption of Ps. 19.4 per US dollar;
- no new acquisitions or divestments of stabilized properties;
- no issuances or repurchases of certificates; and
- no deterioration in broader economic and market conditions.

Distribution per certificate

FIBRAMQ is reaffirming its guidance for cash distributions in FY23 of Ps. 2.10 per certificate, paid in equal quarterly instalments of Ps. 0.5250 per certificate. The guidance is supported by an expected FY23 AFFO payout ratio of approximately 80%, based on the midpoint of FIBRAMQ's revised AFFO guidance per certificate.

The payment of cash distributions is subject to the approval of the Manager, stable market conditions and prudent management of FIBRAMQ's capital position.

WEBCAST AND CONFERENCE CALL

FIBRAMQ will host an earnings conference call and webcast presentation on Friday, April 28, 2023, at 11:00 a.m. CT / 1:00 p.m. ET. The conference call, which will also be webcast, can be accessed online at www.fibramacquarie.com or by dialing toll free +1-877-407-2988. Callers from Mexico may dial 01-800-522-0034 and other callers from outside the United States may dial +1-201-389-0923. Please ask for the FIBRA Macquarie First Quarter 2023 Earnings Call. An audio replay will be available by dialing +1-877-660-6853 or +1-201-612-7415 for callers from outside the United States. A webcast archive of the conference call and a copy of FIBRA Macquarie's financial information for the first quarter 2023 will also be available on FIBRAMQ's website, www.fibramacquarie.com.

About FIBRA Macquarie

FIBRA Macquarie México (FIBRA Macquarie) (BMV:FIBRAMQ) is a real estate investment trust (fideicomiso de inversión en bienes raíces), or FIBRA, listed on the Mexican Stock Exchange (Bolsa Mexicana de Valores) targeting industrial, retail and office real estate opportunities in Mexico, with a primary focus on stabilized income-producing properties. FIBRA Macquarie's portfolio consists of 238 industrial properties and 17 retail properties, located in 20 cities across 16 Mexican states as of March 31, 2023. Nine of the retail properties are held through a 50/50 joint venture. For additional information about FIBRA Macquarie, please visit www.fibramacquarie.com.

Cautionary Note Regarding Forward-looking Statements

This release may contain forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ significantly from these forward-looking statements and we undertake no obligation to update any forward-looking statements.

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CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT MARCH 31, 2023 (UNAUDITED) AND DECEMBER 31, 2022

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Mar 31, 2023 \$'000	Dec 31, 2022 \$'000
Current assets		
Cash and cash equivalents	413,804	1,226,602
Trade and other receivables, net	27,299	9,240
Other assets	153,901	138,419
Total current assets	595,004	1,374,261
Non-current assets		
Restricted cash	14,986	16,026
Investment properties	46,772,749	48,861,010
Equity-accounted investees	1,133,826	1,147,682
Goodwill	841,614	841,614
Other assets	206,778	222,955
Derivative financial instruments	135,773	178,404
Total non-current assets	49,105,726	51,267,691
Total assets	49,700,730	52,641,952
Current liabilities		
Trade and other payables	661,709	978,144
Interest-bearing liabilities	4,526,020	4,839,780
Tenant deposits	20,076	25,762
Other liabilities	3,313	3,501
Total current liabilities	5,211,118	5,847,187
Non-current liabilities		
Trade and other payables	44,415	47,498
Interest-bearing liabilities	11,428,738	11,832,605
Tenant deposits	313,791	322,724
Other liabilities	6,757	7,575
Deferred income tax	25,748	25,748
Total non-current liabilities	11,819,449	12,236,150
Total liabilities	17,030,567	18,083,337
Net assets	32,670,163	34,558,615
Equity		
Contributed equity	17,303,908	17,303,908
Retained earnings	15,134,048	17,014,564
Total controlling interest	32,437,956	34,318,472
Non-controlling interest	232,207	240,143
Total equity	32,670,163	34,558,615

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2023 (UNAUDITED) AND 2022

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	3 months ended	
	Mar 31, 2023	Mar 31, 2022
	\$'000	\$'000
Property related income	1,029,877	999,562
Property related expenses	(175,616)	(149,108)
Property income after related expenses	854,261	850,454
Management fees	(47,939)	(46,917)
Transaction related expenses	(787)	(804)
Professional, legal and other expenses	(24,557)	(19,980)
Total operating expenses	(73,283)	(67,701)
Other income	487	-
Net unrealized foreign exchange loss on investment properties	(2,799,267)	(1,188,848)
Unrealized revaluation gain on investment properties measured at fair value	345,222	154,160
Finance costs	(233,488)	(227,375)
Interest income	15,273	4,533
Share of profit from equity-accounted investees	22,350	33,387
Net foreign exchange gain on monetary items	1,072,306	465,506
Net unrealized (loss)/gain on interest rate swaps	(42,631)	123,386
(Loss)/profit before tax for the period	(838,770)	147,502
Current and deferred income tax	-	(604)
(Loss)/profit for the period / Total comprehensive (loss)/income for the period	(838,770)	146,898
Total consolidated comprehensive (loss)/income for the period attributable to:		
Controlling interests	(830,834)	151,046
Non-controlling interests	(7,936)	(4,148)
Total comprehensive (loss)/income for the period	(838,770)	146,898
(Loss)/profit per CBFI*		
Basic and diluted (loss)/profit per CBFI (pesos)	(1.09)	0.20

*Real Estate Trust Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED MARCH 31, 2023 (UNAUDITED) AND 2022

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Contributed equity \$'000	Retained earnings \$'000	Total controlling interest \$'000	Total non-controlling interest \$'000	Total \$'000
Total equity at January 1, 2022	17,303,908	15,670,081	32,973,989	248,355	33,222,344
Total comprehensive income/(loss) for the period	-	151,046	151,046	(4,148)	146,898
Total comprehensive income/(loss) for the period	-	151,046	151,046	(4,148)	146,898
Transactions with equity holders in their capacity as equity holders:					
- Distributions to CBFI holders	-	(361,612)	(361,612)	-	(361,612)
Total transactions with equity holders in their capacity as equity holders	-	(361,612)	(361,612)	-	(361,612)
Total equity at March 31, 2022	17,303,908	15,459,515	32,763,423	244,207	33,007,630
Total equity at January 1, 2023	17,303,908	17,014,564	34,318,472	240,143	34,558,615
Total comprehensive loss for the period	-	(830,834)	(830,834)	(7,936)	(838,770)
Total comprehensive loss for the period	-	(830,834)	(830,834)	(7,936)	(838,770)
Transactions with equity holders in their capacity as equity holders:					
- Distributions to CBFI holders	-	(1,049,682)	(1,049,682)	-	(1,049,682)
Total transactions with equity holders in their capacity as equity holders	-	(1,049,682)	(1,049,682)	-	(1,049,682)
Total equity at March 31, 2023	17,303,908	15,134,048	32,437,956	232,207	32,670,163

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE THREE MONTHS ENDED MARCH 31, 2023 (UNAUDITED) AND 2022

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	3 months ended	
	Mar 31, 2023 \$'000 Inflows / (Outflows)	Mar 31, 2022 \$'000 Inflows / (Outflows)
Operating activities:		
(Loss)/profit for the period	(838,770)	146,898
Adjustments for:		
Net unrealized foreign exchange loss on investment properties	2,799,267	1,188,848
Unrealized revaluation gain on investment properties measured at fair value	(345,222)	(154,160)
Straight line rental income adjustment	5,367	(4,105)
Tenant improvement amortization	23,482	18,968
Leasing expense amortization	24,170	21,666
Right-of-use assets depreciation*	885	978
Interest income	(15,273)	(4,533)
Impairment loss on trade receivables	7,545	14,905
Net foreign exchange gain on monetary items	(1,108,473)	(474,019)
Finance costs	233,488	227,375
Share of profit from equity-accounted investees	(22,350)	(33,387)
Net unrealized loss/(gain) on interest rates swaps	42,631	(123,386)
Current and deferred income tax	-	604
Movements in working capital:		
Increase in receivables	(30,824)	(80,686)
Decrease in payables	(50,123)	(55,741)
Net cash flows from operating activities	725,800	690,225
Investing activities:		
Maintenance capital expenditure and other capitalized cost	(380,992)	(162,060)
Distributions received from equity-accounted investees	36,206	18,488
Interest received	15,273	4,533
Net cash flows used in investing activities	(329,513)	(139,039)
Financing activities:		
Interest paid	(178,185)	(166,026)
Proceeds from interest-bearing liabilities, net of facility charges	363,400	-
Lease payments	(1,179)	(1,285)
Distribution to CBFH holders	(1,430,328)	(723,224)
Net cash flows used in financing activities	(1,246,292)	(890,535)
Net decrease in cash and cash equivalents	(850,005)	(339,349)
Cash and cash equivalents at the beginning of the period	1,242,628	732,655
Foreign exchange on cash and cash equivalents	36,167	8,513
Cash and cash equivalents at the end of the period**	428,790	401,819

*The depreciation is in respect of the right-of-use assets held at the Group's vertically integrated internal platform level, calculated in accordance with IFRS16.

**Includes restricted cash balance of \$14.9 million (2022: \$16.5 million) as at March 31, 2023.

FIBRA MACQUARIE MÉXICO

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDING MARCH 31, 2023

Important: This English translation, available online at
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The Spanish original prevails.

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TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	2
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT MARCH 31, 2023 (UNAUDITED) AND DECEMBER 31, 2022	4
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2023 (UNAUDITED) AND 2022	5
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED MARCH 31, 2023 (UNAUDITED) AND 2022	6
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE THREE MONTHS ENDED MARCH 31, 2023 (UNAUDITED) AND 2022	7
NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	
1. REPORTING ENTITY	8
2. BASIS OF PREPARATION AND PRESENTATION	8
3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	10
4. INCOME/(EXPENSE) FOR THE PERIOD	11
5. SEGMENT REPORTING	12
6. SEASONALITY OF OPERATIONS	14
7. DISTRIBUTIONS PAID OR PROVIDED FOR	14
8. (LOSS)/PROFIT AFTER TAX PER CBF	15
9. EQUITY-ACCOUNTED INVESTEEES	15
10. INVESTMENT PROPERTIES	17
11. INTEREST BEARING LIABILITIES	19
12. DERIVATIVE FINANCIAL INSTRUMENTS	21
13. INCOME TAXES	21
14. CONTRIBUTED EQUITY	22
15. NON-CONTROLLING INTEREST	22
16. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES	23
17. LEASES	24
18. RELATED PARTIES	25
19. RELEVANT EVENTS AFTER BALANCE SHEET DATE	26

Disclaimer

Other than Macquarie Bank Limited ABN 46 008 583 542 ("Macquarie Bank"), any Macquarie Group entity noted in this document is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these other Macquarie Group entities do not represent deposits or other liabilities of Macquarie Bank. Macquarie Bank does not guarantee or otherwise provide assurance in respect of the obligations of these other Macquarie Group entities. In addition, if this document relates to an investment, (a) the investor is subject to investment risk including possible delays in repayment and loss of income and principal invested and (b) none of Macquarie Bank or any other Macquarie Group entity guarantees any particular rate of return on or the performance of the investment, nor do they guarantee repayment of capital in respect of the investment.

Independent Auditors' Report on Review of Condensed Interim Consolidated Financial Statements

To the CBFIs holders of
Fideicomiso Irrevocable No. F/1622
(CIBANCO, S. A. Institución de Banca Múltiple) and its controlled entities:

Introduction

We have reviewed the accompanying March 31, 2023 condensed interim consolidated financial statements of Fideicomiso Irrevocable No. F/1622 (CIBANCO, S. A. Institución de Banca Múltiple) and its controlled entities ("FIBRA Macquarie México" or "the Trust"), which comprise:

- the condensed consolidated interim statement of financial position as March 31, 2023;
- the condensed consolidated interim statements of comprehensive income for the three-month period ended March 31, 2023;
- the condensed consolidated interim statements of changes in equity for the three-month period ended March 31, 2023;
- the condensed consolidated statements of cash flows for the three-month period ended March 31, 2023; and
- notes to the condensed interim consolidated financial statements.

Management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



FIBRA Macquarie Mexico
2.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying March 31, 2023 condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, *'Interim Financial Reporting'*.

KPMG CARDENAS DOSAL, S. C.

A handwritten signature in blue ink, appearing to be 'Rogelio Berlanga Coronado', written over a faint, circular stamp.

C.P.C Rogelio Berlanga Coronado

Monterrey, Nuevo Leon, Mexico
April 27, 2023

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT MARCH 31, 2023 (UNAUDITED) AND DECEMBER 31, 2022

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Note	Mar 31, 2023 \$'000	Dec 31, 2022 \$'000
Current assets			
Cash and cash equivalents		413,804	1,226,602
Trade and other receivables, net	16	27,299	9,240
Other assets		153,901	138,419
Total current assets		595,004	1,374,261
Non-current assets			
Restricted cash		14,986	16,026
Investment properties	10,16	46,772,749	48,861,010
Equity-accounted investees	9	1,133,826	1,147,682
Goodwill		841,614	841,614
Other assets		206,778	222,955
Derivative financial instruments	12,16	135,773	178,404
Total non-current assets		49,105,726	51,267,691
Total assets		49,700,730	52,641,952
Current liabilities			
Trade and other payables		661,709	978,144
Interest-bearing liabilities	11,16	4,526,020	4,839,780
Tenant deposits		20,076	25,762
Other liabilities	17	3,313	3,501
Total current liabilities		5,211,118	5,847,187
Non-current liabilities			
Trade and other payables		44,415	47,498
Interest-bearing liabilities	11,16	11,428,738	11,832,605
Tenant deposits		313,791	322,724
Other liabilities	17	6,757	7,575
Deferred income tax	13	25,748	25,748
Total non-current liabilities		11,819,449	12,236,150
Total liabilities		17,030,567	18,083,337
Net assets		32,670,163	34,558,615
Equity			
Contributed equity	14	17,303,908	17,303,908
Retained earnings		15,134,048	17,014,564
Total controlling interest		32,437,956	34,318,472
Non-controlling interest	15	232,207	240,143
Total equity		32,670,163	34,558,615

The above unaudited condensed interim consolidated statements of financial position should be read in conjunction with the accompanying notes.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2023 (UNAUDITED) AND 2022

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

		3 months ended	
	Note	Mar 31, 2023 \$'000	Mar 31, 2022 \$'000
Property related income	4(a)	1,029,877	999,562
Property related expenses	4(b)	(175,616)	(149,108)
Property income after related expenses		854,261	850,454
Management fees	18(c)	(47,939)	(46,917)
Transaction related expenses		(787)	(804)
Professional, legal and other expenses	4(c)	(24,557)	(19,980)
Total operating expenses		(73,283)	(67,701)
Other income		487	-
Net unrealized foreign exchange loss on investment properties	10,16	(2,799,267)	(1,188,848)
Unrealized revaluation gain on investment properties measured at fair value	10,16	345,222	154,160
Finance costs	4(d)	(233,488)	(227,375)
Interest income		15,273	4,533
Share of profit from equity-accounted investees	9(b)	22,350	33,387
Net foreign exchange gain on monetary items	4(e)	1,072,306	465,506
Net unrealized (loss)/gain on interest rate swaps		(42,631)	123,386
(Loss)/profit before tax for the period		(838,770)	147,502
Current and deferred income tax	13	-	(604)
(Loss)/profit for the period / Total comprehensive (loss)/income for the period		(838,770)	146,898
Total consolidated comprehensive (loss)/income for the period attributable to:			
Controlling interests		(830,834)	151,046
Non-controlling interests		(7,936)	(4,148)
Total comprehensive (loss)/income for the period		(838,770)	146,898
(Loss)/profit per CBFI*			
Basic and diluted (loss)/profit per CBFI (pesos)	8	(1.09)	0.20

* Real Estate Trust Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios)

The above unaudited condensed interim consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED MARCH 31, 2023 (UNAUDITED) AND 2022

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Note	Contributed equity \$'000	Retained earnings \$'000	Total controlling interest \$'000	Total non-controlling interest \$'000	Total \$'000
Total equity at January 1, 2022	14	17,303,908	15,670,081	32,973,989	248,355	33,222,344
Total comprehensive income/(loss) for the period		-	151,046	151,046	(4,148)	146,898
Total comprehensive income/(loss) for the period		-	151,046	151,046	(4,148)	146,898
Transactions with equity holders in their capacity as equity holders:						
- Distributions to CBFI holders	7	-	(361,612)	(361,612)	-	(361,612)
Total transactions with equity holders in their capacity as equity holders		-	(361,612)	(361,612)	-	(361,612)
Total equity at March 31, 2022		17,303,908	15,459,515	32,763,423	244,207	33,007,630
Total equity at January 1, 2023	14	17,303,908	17,014,564	34,318,472	240,143	34,558,615
Total comprehensive loss for the period		-	(830,834)	(830,834)	(7,936)	(838,770)
Total comprehensive loss for the period		-	(830,834)	(830,834)	(7,936)	(838,770)
Transactions with equity holders in their capacity as equity holders:						
- Distributions to CBFI holders	7	-	(1,049,682)	(1,049,682)	-	(1,049,682)
Total transactions with equity holders in their capacity as equity holders		-	(1,049,682)	(1,049,682)	-	(1,049,682)
Total equity at March 31, 2023		17,303,908	15,134,048	32,437,956	232,207	32,670,163

The above unaudited condensed interim consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE THREE MONTHS ENDED MARCH 31, 2023 (UNAUDITED) AND 2022

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Note	3 months ended	
		Mar 31, 2023	Mar 31, 2022
		\$'000	\$'000
		Inflows / (Outflows)	Inflows / (Outflows)
Operating activities:			
(Loss)/profit for the period		(838,770)	146,898
Adjustments for:			
Net unrealized foreign exchange loss on investment properties	10,16	2,799,267	1,188,848
Unrealized revaluation gain on investment properties measured at fair value	10,16	(345,222)	(154,160)
Straight line rental income adjustment		5,367	(4,105)
Tenant improvement amortization	4(b)	23,482	18,968
Leasing expense amortization	4(b)	24,170	21,666
Right-of-use assets depreciation*	17(b)	885	978
Interest income		(15,273)	(4,533)
Impairment loss on trade receivables	4(b)	7,545	14,905
Net foreign exchange gain on monetary items	4(e)	(1,108,473)	(474,019)
Finance costs	4(d)	233,488	227,375
Share of profit from equity-accounted investees	9(b)	(22,350)	(33,387)
Net unrealized loss/(gain) on interest rates swaps		42,631	(123,386)
Current and deferred income tax	13	-	604
Movements in working capital:			
Increase in receivables		(30,824)	(80,686)
Decrease in payables		(50,123)	(55,741)
Net cash flows from operating activities		725,800	690,225
Investing activities:			
Maintenance capital expenditure and other capitalized cost		(380,992)	(162,060)
Distributions received from equity-accounted investees	9(b)	36,206	18,488
Interest received		15,273	4,533
Net cash flows used in investing activities		(329,513)	(139,039)
Financing activities:			
Interest paid		(178,185)	(166,026)
Proceeds from interest-bearing liabilities, net of facility charges	11	363,400	-
Lease payments	17	(1,179)	(1,285)
Distribution to CBFI holders	7	(1,430,328)	(723,224)
Net cash flows used in financing activities		(1,246,292)	(890,535)
Net decrease in cash and cash equivalents		(850,005)	(339,349)
Cash and cash equivalents at the beginning of the period		1,242,628	732,655
Foreign exchange on cash and cash equivalents	4(e)	36,167	8,513
Cash and cash equivalents at the end of the period**		428,790	401,819

* The depreciation is in respect of the right-of-use assets held at the Group's vertically integrated internal platform level, calculated in accordance with IFRS16. This amount is included in property administration expense in note 4.

** Includes restricted cash balance of \$14.9 million (2022: \$16.5 million) as at March 31, 2023.

The above unaudited condensed interim consolidated statements of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

1. REPORTING ENTITY

FIBRA Macquarie México ("FIBRA Macquarie") was created under the Irrevocable Trust Agreement No. F/1622, dated November 14, 2012, as amended and restated from time to time, which is now maintained by Macquarie Asset Management México, S.A. de C.V., as settlor, and CIBanco, S.A., Institución de Banca Múltiple, as trustee (in such capacity, the "FIBRA Macquarie Trustee") and Macquarie Asset Management México, S.A. de C.V. as manager. FIBRA Macquarie is a real estate investment trust (Fideicomiso de Inversión en Bienes Raíces or "FIBRA") for Mexican federal tax purposes.

FIBRA Macquarie is domiciled in the United States of México ("México") and the address of its registered office is at Calz. Mariano Escobedo 595, Polanco Quinta Sección, Alcaldía Miguel Hidalgo, México City, 11560 with effect from January 19, 2023.

These unaudited condensed interim consolidated financial statements comprise the trust and its controlled entities (together referred as the "Group" or "FIBRA Macquarie"). FIBRA Macquarie was established with the purpose of investing in real estate assets in México.

Impact analysis of COVID-19 pandemic

In December 2019, a novel strain of coronavirus (COVID-19) was reported to have surfaced in Wuhan, China. COVID-19 has since spread to over the world. On March 11, 2020 the World Health Organization declared COVID-19 a pandemic, and on March 13, 2020 the United States declared a national emergency with respect to COVID-19. The spread of COVID-19 underscores certain risks we face in our business.

The outbreak of COVID-19 has severely impacted global economic activity, including the businesses of some of our commercial customers, and caused significant volatility and negative pressure in the financial markets which could impact the price of our CBFIs. The continuous development of the situation precludes any prediction as to the ultimate adverse impact to us of COVID-19. We are continuing to monitor the spread of COVID-19 and related risks. The ultimate magnitude and duration of the pandemic and its adverse impact on our business, results of operations, financial position, and cash flows remains uncertain.

Relevant activity during the period ended March 31, 2023

On March 10, 2023, the Group paid an extraordinary cash distribution amounted to \$669.0 million (0.8788 per CBFI). This extraordinary cash distribution is in addition to the scheduled cash distributions in respect of the full year 2022 totalling 2.0000 per CBFI in accordance with Mexican tax rules.

2. BASIS OF PREPARATION AND PRESENTATION

a) Statement of compliance

These unaudited condensed interim consolidated financial statements for the three months ended are for the Group and have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. Certain information and note disclosures normally included in the annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been condensed or omitted in accordance with the provisions for reporting intermediate periods. Therefore, the condensed interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2022, prepared in accordance with IFRS. The results of the interim periods are not necessarily indicative of the comprehensive income for the full year.

The Manager considers that all regular and recurring adjustments necessary for a fair presentation of the unaudited condensed interim consolidated financial statements have been included.

These unaudited condensed interim consolidated financial statements were approved by the Technical Committee of FIBRA Macquarie on April 27, 2023.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

2. BASIS OF PREPARATION AND PRESENTATION (CONTINUED)

b) Historical cost convention

These unaudited condensed interim consolidated financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investment properties at fair value.

c) Critical accounting judgements and estimates

During the preparation of the unaudited condensed interim consolidated financial statements, the Manager is required to make judgements, estimations and estimates of uncertainties at March 31, 2023 that affect the application of accounting policies. Estimates and assumptions used in these unaudited condensed interim consolidated financial statements are based on information available to the Group as at the end of the reporting period. The notes to the unaudited condensed interim consolidated financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the unaudited condensed interim consolidated financial statements such as:

(i) Judgements

- Classification of joint arrangements into joint ventures "JV": Critical judgements are made with respect to the fair values of investment properties included in the JV with Grupo Frisa. See note 9 for further details.

(ii) Assumptions and estimation of uncertainties

- Critical assumptions relating to the valuation of investment properties at fair value include the receipt of contractual rents, expected future market rents, renewal rates, capital expenditures, discount rates that reflect current market uncertainties, capitalization rates and recent investment properties transactions. If there is any change in these assumptions, or regional, national or international economic conditions, the fair value of investment properties may change materially. See note 10 for further details.

- Trade and other receivables: The portfolio is measured based on a forward-looking 'Expected Credit Loss' ("ECL") model. This requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. Any change in management's estimates can result in modification of the impairment loss of trade receivables.

- Estimation of fair value of investment properties: Critical judgements are made with respect to the fair values of investment properties. The fair values of investment properties are reviewed regularly by management with reference to independent property valuations and market conditions existing at the reporting date, using generally accepted market practices. The independent valuers are experienced, nationally recognized and qualified in the professional valuation of industrial and retail buildings in their respective geographic areas. Since inception, FIBRA Macquarie has performed yearly and half-yearly independent appraisals. See note 10 and 16 for further details.

- Estimation of fair value of derivative financial instruments: The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as credit risk and volatility. Changes in assumptions about these factors could materially affect the reported fair value of financial instruments. See note 16 for further details.

- Income tax and deferred income tax: The recognition and measurement of deferred tax assets or liabilities is dependent on management's estimate of future taxable profits and income tax rates that are expected to be in effect in the period the asset is realised, or the liability is settled. Any changes in management's estimates can result in changes in deferred tax assets or liabilities as reported in the unaudited condensed interim consolidated statement of financial position. See note 13 for further details.

- Goodwill is tested for impairment on an annual basis, and when circumstances indicate that the carrying value may be impaired based on key assumptions underlying the portfolio premium.

Management believes that the estimates used in preparing the unaudited condensed interim consolidated financial statements are reasonable. Actual results in the future may differ from those reported and therefore it is possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from our assumptions and estimates could result in an adjustment to the carrying amounts of the assets and liabilities previously reported.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

2. BASIS OF PREPARATION AND PRESENTATION (CONTINUED)

d) Measurement of fair value

The Group measures financial instruments, such as derivative and non-derivative financial assets and investment properties, at fair value at every reporting date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: in the principal market for the asset or liability, or, in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the unaudited condensed interim consolidated financial statements are categorised in the level three hierarchy based on inputs used in the valuation process. The level in the fair value hierarchy under which fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement. The levels of the fair value hierarchy are as follows:

Level 1 – Fair value is based on unadjusted quoted prices in active markets that are accessible to the entity for identical assets or liabilities. These quoted prices generally provide the most reliable evidence and should be used to measure fair value whenever available.

Level 2 – Fair value is based on inputs, other than Level 1 inputs, which are observable for the asset or liability, either directly or indirectly, substantially for the full term of the asset or liability through corroboration of observable market data.

Level 3 – Fair value is based on significant unobservable inputs for the asset or liability. Such inputs reflect the Group's own assumptions about how market participants would price the asset or liability.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Group has consistently applied its accounting policies for all periods presented in the unaudited condensed interim consolidated financial statements and in relation with those of the previous financial year.

Accounting standards issued but not yet effective

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after January 1, 2023 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended accounting standards in preparing these unaudited condensed consolidated interim financial statements.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

4. INCOME/(EXPENSE) FOR THE PERIOD

The income/(expense) for the period includes the following items of revenue and expenses:

	3 months ended	
	Mar 31, 2023	Mar 31, 2022
	\$'000	\$'000
a) Property related income		
Lease related income	956,220	936,829
Car parking income	12,271	9,025
Expenses recoverable from tenants	61,386	53,708
Total property related income	1,029,877	999,562
b) Property related expenses		
Property administration expense	(25,490)	(19,231)
Property insurance	(6,829)	(6,678)
Property tax	(22,969)	(20,283)
Repairs and maintenance	(31,567)	(18,331)
Industrial park fees	(10,609)	(10,655)
Security services	(6,807)	(6,288)
Property related legal and consultancy expenses	(3,387)	(1,576)
Tenant improvements amortization	(23,482)	(18,968)
Leasing expenses amortization	(24,170)	(21,666)
Utilities	(5,124)	(4,205)
Marketing costs	(3,548)	(3,137)
Car park operating fees	(2,697)	(2,139)
Impairment on trade receivables	(7,545)	(14,905)
Other property related expenses	(1,392)	(1,046)
Total property related expenses	(175,616)	(149,108)
c) Professional, legal and other expenses		
Tax advisory expenses	(291)	(693)
Accountancy expenses	(4,197)	(2,400)
Valuation expenses	(989)	(1,234)
Audit expenses	(1,412)	(1,332)
Other professional expenses	(8,994)	(3,609)
Other expenses	(8,674)	(10,712)
Total professional, legal and other expenses	(24,557)	(19,980)
d) Finance costs		
Interest expense on interest-bearing liabilities	(230,027)	(223,425)
Finance costs under effective interest method	(3,211)	(3,950)
Interest expense on lease liabilities	(250)	-
Total finance costs	(233,488)	(227,375)
e) Net foreign exchange gain		
Unrealized foreign exchange gain on monetary items	1,094,898	464,298
Realized foreign exchange (loss)/gain	(22,592)	1,208
Total net foreign exchange gain	1,072,306	465,506

At March 31, 2023, the Group had 76 employees (March 31, 2022: 71 employees) in its vertically integrated internal property management platform.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

5. SEGMENT REPORTING

The chief operating decision-maker is the person that allocates resources to, and assesses, the performance of the operating segments of an entity. The Group has determined that its chief operating decision-maker is the Chief Executive Officer ("CEO") of the Group. The Manager has identified the operating segments based on the reports reviewed by the CEO in making strategic decisions.

The operating segments obtained their income primarily from lease rental income derived from tenants in México divided into two segments (Industrial and Retail). During the period, there were no transactions between the Group's operating segments.

The locations of the properties are grouped by regions as follows: **North East:** Matamoros, Monterrey, Nuevo Laredo, Reynosa, Saltillo; **Central:** Guadalajara, Irapuato, México City Metropolitan Area (MCMA), Puebla, Querétaro, San Luis Potosí; **North West:** Hermosillo, Los Mochis, Mexicali, Nogales, Tijuana; **North:** Cd. Juárez, Chihuahua; **South:** Cancún, Tuxtpec.

The segment information includes proportionately consolidated results of the joint ventures, which are eliminated in the segment reconciliations. The CEO monitors the performance of the Group based on the location of the investment properties, as follows:

3 months ended March 31, 2023	Industrial				Retail ^{1,2,3}		Total
	North East \$'000	Central \$'000	North West \$'000	North \$'000	South \$'000	Central \$'000	
Revenue from external customers ¹	341,672	200,602	200,441	169,550	17,540	161,699	1,091,504
Lease related income	323,901	185,157	193,367	160,540	14,531	130,610	1,008,106
Car park income	-	-	-	-	1,034	14,870	15,904
Expenses recoverable from tenants	17,771	15,445	7,074	9,010	1,975	16,219	67,494
Segment net (loss)/profit ²	(534,397)	(308,575)	(272,876)	(270,593)	6,188	95,746	(1,284,507)
Included in (loss)/profit for the period:							
Foreign exchange gain	122,480	70,592	91,342	81,444	-	31	365,889
Net unrealized foreign exchange loss on investment properties	(1,049,228)	(605,787)	(595,769)	(548,483)	-	-	(2,799,267)
Unrealized revaluation gain/(loss) on investment properties measured at fair value	132,693	71,759	73,846	70,711	(1,813)	(8,345)	338,851
Finance costs ³	(23,480)	(13,864)	(17,822)	(15,866)	(3,477)	(8,739)	(83,248)
3 months ended March 31, 2022							
Revenue from external customers ¹	347,925	182,118	202,567	163,590	13,957	143,607	1,053,764
Lease related income	319,893	176,874	199,141	160,469	11,930	118,415	986,722
Car park income	-	-	-	-	444	10,306	10,750
Expenses recoverable from tenants	28,032	5,244	3,426	3,121	1,583	14,886	56,292
Segment net (loss)/profit ²	(49,651)	(44,634)	(29,834)	(52,658)	8,501	94,480	(73,796)
Included in (loss)/profit of the period:							
Foreign exchange gain	50,738	30,582	39,478	35,925	-	5	156,728
Net unrealized foreign exchange loss on investment properties	(441,400)	(249,886)	(257,746)	(239,816)	-	-	(1,188,848)
Unrealized revaluation gain on investment properties measured at fair value	65,138	30,855	27,216	30,738	2,392	7,114	163,453
Finance costs ³	(25,577)	(15,391)	(19,568)	(17,868)	(3,173)	(9,149)	(90,726)

¹ The retail south segment and the retail central segment includes revenues relating to joint ventures amounting to \$17.5 million (March 31, 2022 \$13.9 million) and \$44.0 million (March 31, 2022 \$40.2 million), respectively.

² The retail south segment and the retail central segment includes operating profits/(losses) relating to joint ventures amounting to \$6.2 million (March 31, 2022 \$8.5 million) and \$15.6 million (March 31, 2022 \$24.5 million), respectively.

³ The retail south segment and the retail central segment include finance costs relating to the joint ventures amounting to \$3.4 million (March 31, 2022 \$3.1 million) and \$8.7 million (March 31, 2022 \$9.1 million), respectively.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

5. SEGMENT REPORTING (CONTINUED)

As at March 31, 2023	Industrial				Retail		Total
	North East	Central	North West	North	South	Central	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment assets	16,224,000	9,866,136	9,228,034	8,484,142	493,503	5,555,909	49,851,724
Total segment liabilities	(2,043,333)	(1,185,782)	(1,464,443)	(1,318,637)	(170,807)	(503,147)	(6,686,149)
As at December 31, 2022							
Total segment assets	17,014,121	10,318,484	9,686,633	8,902,244	500,336	5,583,490	52,005,308
Total segment liabilities	(2,160,275)	(1,255,001)	(1,552,374)	(1,397,369)	(173,696)	(505,806)	(7,044,521)

The Group's non-current assets are primarily comprised of investment properties located in México.

Operating segments are reconciled to total revenue and operating (loss)/profit as follows:

	3 months ended	
	Mar 31, 2023	Mar 31, 2022
	\$'000	\$'000
Total segment revenue	1,091,504	1,053,764
Revenue attributable to equity-accounted investees	(61,627)	(54,202)
Total revenue for the period	1,029,877	999,562
Segment loss	(1,284,507)	(73,796)
Unallocated amounts:		
Property related expenses not included in reporting segments	1,321	901
Finance costs not included in reporting segments ¹	(162,456)	(148,971)
Interest income	15,273	4,533
Items attributable to equity-accounted investees	609	372
Other income	487	-
Net foreign exchange profit on monetary items ²	706,417	308,778
Net unrealized (loss)/profit on interest rate swaps	(42,631)	123,385
Management fees ³	(47,939)	(46,917)
Transaction related expenses	(787)	(803)
Professional, legal and other expenses	(24,557)	(19,980)
Income tax expense	-	(604)
(Loss)/profit for the period	(838,770)	146,898

¹ A portion of existing debt is in the form of unsecured facilities at FIBRA Macquarie level and consequently, in 2023 and 2022 finance cost is considered as a reconciling item.

² Unrealized foreign exchange profit arising in respect of the unsecured debt revaluation at the end of the relevant period.

³ Fees related with the Manager in respect of the existing management agreement entered into on December 11, 2012 (the "Management Agreement").

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

5. SEGMENT REPORTING (CONTINUED)

Segment assets and liabilities are reconciled to total assets and liabilities as follows:

	Period/Year ended	
	Mar 31, 2023	Dec 31, 2022
	\$'000	\$'000
Segment assets	49,851,724	52,005,308
<i>Items non included in segment assets:</i>		
Cash, cash equivalents and restricted cash ¹	267,383	977,327
Trade and other receivables, net	283	288
Other assets ¹	45,715	90,923
Assets attributable to equity-accounted investees ¹	(1,733,974)	(1,757,980)
Investment in equity-accounted investees ¹	1,133,826	1,147,682
Derivative financial instruments not included in reporting segment ¹	135,773	178,404
Total assets	49,700,730	52,641,952
Segment liabilities	(6,686,149)	(7,044,521)
<i>Items non included in segment liabilities:</i>		
Interest-bearing liabilities ¹	(10,823,808)	(11,186,203)
Trade and other payables ¹	(88,256)	(429,589)
Liabilities attributable to equity-accounted investees ¹	600,151	610,299
Other liabilities ¹	(6,757)	(7,575)
Deferred income tax liability ¹	(25,748)	(25,748)
Total liabilities	(17,030,567)	(18,083,337)

¹ Assets and liabilities held at Fund level.

6. SEASONALITY OF OPERATIONS

There are no material seasonal fluctuations for the Group operations given the characteristics of the properties and lease contracts.

7. DISTRIBUTIONS PAID OR PROVIDED FOR

During the quarter ended March 31, 2023, FIBRA Macquarie paid three distribution amounting to \$1,430.2 million (March 31, 2022: \$723.2 million). The first distribution amounting to \$380.6 million (0.500 per CBFI) which was accrued as at December 31, 2022, was paid on January 30, 2023; the second distribution amounted to \$380.6 million (0.500 per CBFI) was paid on March 03, 2023; and the third distribution (extraordinary) amounted to \$669.0 million (0.8788 per CBFI) was paid on March 10, 2023.

The total distributions approved and recorded in equity for the period ended March 31, 2023, amounted \$1,049.6 million (\$361.6 million for the period ended March 31, 2022.)

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

8. (LOSS)/PROFIT AFTER TAX PER CBFÍ

	3 months ended	
	Mar 31, 2023	Mar 31, 2022
	\$'000	\$'000
(Loss)/profit after tax per CBFÍ		
Basic and diluted (loss)/profit per CBFÍ (\$)	(1.09)	0.20
Basic and diluted (loss)/profit used in the calculation of earnings per CBFÍ		
Net (loss)/profit after tax attributable to controlling interests for basic earnings per CBFÍ (\$'000)	(830,834)	151,046
Weighted average number of CBFÍs used as the denominator in calculating basic earnings per CBFÍ ('000)	761,289	761,289

9. EQUITY-ACCOUNTED INVESTEEES

MMREIT Retail Trust III entered into two joint arrangements with Grupo Frisa through which it acquired a 50% interest in two joint venture trusts ("JV Trusts"). These have been classified as joint venture trusts under *IFRS11 – Joint Arrangements* as MMREIT Retail Trust III has a right to 50% of the net assets of the JV Trusts. The debt used to finance the purchase of the assets held by the JV Trusts is at the JV Trust level. FIBRA Macquarie and/or MMREIT Retail Trust III have an exposure in relation to this debt solely in their capacity as joint obligors and only in exceptional circumstances which do not currently exist.

a) Carrying amounts

Name of the entity	Country of establishment / Principal activity	Ownership interest as at Mar 31, 2023	Ownership interest as at Dec 31, 2022	Mar 31, 2023	Dec 31, 2022
				\$'000	\$'000
JV Trust CIB/589	México / Own and lease retail properties	50%	50%	440,364	444,638
JV Trust CIB/586	México / Own and lease retail properties	50%	50%	693,462	703,044
Total equity accounted investees				1,133,826	1,147,682

b) Movement in carrying amounts

	Mar 31, 2023	Dec 31, 2022
	\$'000	\$'000
Carrying amount at the beginning of the period/year	1,147,682	1,323,700
Capital contribution during the period/year ¹	-	3,543
Distributions received during the period/year	(36,206)	(103,010)
Share of profits from equity-accounted investees	28,719	84,771
Share of revaluation loss on investment properties measured at fair value	(6,369)	(161,322)
Carrying amount at the end of the period/year	1,133,826	1,147,682

¹ Relates to a capital contribution in respect of the debt repaid and certain capital expenditures at the JV level.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

9. EQUITY-ACCOUNTED INVESTEEES (CONTINUED)

c) Summarized financial information for joint ventures

The below table provides summarized financial information for the JV Trusts since these are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the JV Trusts and not FIBRA Macquarie's share of those amounts. These have been amended to reflect adjustments made by the Group using the equity method including adjustments and modifications for differences in accounting policy between FIBRA Macquarie and the JV Trusts.

Summarized Statement of Financial Position	JV Trust CIB/589 Mar 31, 2023 \$'000	JV Trust CIB/589 Dec 31, 2022 \$'000	JV Trust CIB/586 Mar 31, 2023 \$'000	JV Trust CIB/586 Dec 31, 2022 \$'000
Total current assets ^{1,2}	22,622	27,488	36,174	62,491
Total non-current assets	863,937	867,612	2,566,053	2,574,627
Total current liabilities ³	-	-	(1,186,715)	(93,246)
Total non-current liabilities ³	(5,832)	(5,825)	(28,587)	(1,137,785)
Net assets	880,727	889,275	1,386,925	1,406,087

¹ Includes cash and cash equivalents of \$17.7 million (December 31, 2022: \$60.7 million).

² Includes restricted cash of \$19.3 million (December 31, 2022: \$18.8 million).

³ Current and non-current financial liabilities (excluding trade and other payables and provisions) amounts to \$1,118.5 million (December 31, 2022: \$1,209.0 million).

Summarized Statement of Financial Position	JV Trust CIB/589 Mar 31, 2023 \$'000	JV Trust CIB/589 Dec 31, 2022 \$'000	JV Trust CIB/586 Mar 31, 2023 \$'000	JV Trust CIB/586 Dec 31, 2022 \$'000
Reconciliation to carrying amounts:				
Opening net assets for the year ¹	889,275	1,059,951	1,406,087	1,587,449
Net movements for the period/year	(8,548)	(170,676)	(19,162)	(181,362)
Net assets	880,727	889,275	1,386,925	1,406,087
FIBRA Macquarie's share (%)	50%	50%	50%	50%
FIBRA Macquarie's share (\$)	440,363	444,638	693,463	703,044
FIBRA Macquarie's carrying amount	440,363	444,638	693,463	703,044

¹ During the three months ended March 31, 2023, FIBRA Macquarie paid VAT on behalf of the JV Trusts amounting to \$6.6 million (December 31, 2022: \$23.6 million). These recoverable amounts have been settled against the distributions received by FIBRA Macquarie from the JV Trusts.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

9. EQUITY-ACCOUNTED INVESTEEES (CONTINUED)

c) Summarized financial information for joint ventures (continued)

Summarized Statement of Comprehensive Income	JV Trust CIB/589 3 months ended Mar 31, 2023 \$'000	JV Trust CIB/589 3 months ended Mar 31, 2022 \$'000	JV Trust CIB/586 3 months ended Mar 31, 2023 \$'000	JV Trust CIB/586 3 months ended Mar 31, 2022 \$'000
Revenue:				
Property related and other income	27,047	22,220	96,208	86,183
Revaluation of investment properties measured at fair value	-	-	-	18,809
Financial income	159	87	1,135	662
Total revenue	27,206	22,307	97,343	105,654
Expenses:				
Finance costs	-	-	(24,432)	(24,645)
Other expenses	(8,785)	(7,439)	(33,893)	(28,882)
Revaluation of investment properties measured at fair value	(3,879)	(222)	(8,859)	-
Total expenses	(12,664)	(7,661)	(67,184)	(53,527)
Profit for the period	14,542	14,646	30,159	52,127
FIBRA Macquarie's share (%)	50%	50%	50%	50%
FIBRA Macquarie's share	7,271	7,323	15,079	26,064

d) Share of contingent liabilities of joint venture

As of March 31, 2023, and December 31, 2022, there was no share of contingent liabilities incurred jointly with the joint venture partner and no contingent liabilities of the joint ventures for which FIBRA Macquarie is liable.

10. INVESTMENT PROPERTIES

	Note	Mar 31, 2023 \$'000	Dec 31, 2022 \$'000
Carrying amount at the beginning of the period/year		48,861,010	47,659,885
<i>Additions during the period/year:</i>			
Land acquisition ¹		-	616,512
Investment property acquisition ²		-	307,500
Capital expenditure (including tenant reference improvements)		65,109	294,142
Transfers from investment properties under construction		9,718	259,312
Investment properties under construction	10(a)	289,035	274,929
Net unrealized foreign exchange loss on investment properties		(2,799,267)	(2,588,567)
Unrealized revaluation gain on investment properties measured at fair value		345,222	1,987,439
Leasing commissions, net of amortization		1,922	49,858
Carrying amount at the end of the period/year		46,772,749	48,861,010

¹ Amount includes the acquisition of land parcels in Ciudad Juárez and Tijuana.

² Amount includes the acquisition of an industrial property in Cuautitlán Izcalli.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

10. INVESTMENT PROPERTIES (CONTINUED)

a) Investment properties under construction*

	Mar 31, 2023 \$'000	Dec 31, 2022 \$'000
Carrying amount at the beginning of the period/year	730,160	455,231
Capital expenditure	298,753	534,241
Transfer to completed investment properties	(9,718)	(259,312)
Carrying amount at the end of the period/year	1,019,195	730,160

* Investment properties under construction are initially recognized at cost since the fair value of these properties under construction cannot reasonably be measured as at that date. At the year-end or date of completion, whichever is earlier, any difference between the initial recognition and the fair value at that date will be taken to the income statement.

b) Asset-by-asset valuation

Valuations of investment properties are carried on half-yearly basis by a qualified valuation specialist independent of FIBRA Macquarie (the "Independent Valuer"). CBRE México, an internationally recognized valuation and advisory firm with relevant expertise and experience, was engaged as the Independent Valuer to conduct an independent appraisal of FIBRA Macquarie's investment properties as at December 31, 2022.

The valuation methods – comparable transactions, market value and capitalization analysis – are applied by the Independent Valuer in order to estimate that market value of the acquired properties applying primarily an income analysis, using direct capitalization as well as discounted cash flow analysis.

During the current quarter, the Manager performed an internal mark-to-market valuation process. The Manager confirms that there have been no material changes to the assumptions applied by the Independent Valuer.

The fair value measurement for all investment properties was determined based on the inputs to the valuations techniques mentioned below and its categorised as level 3.

The significant inputs and assumptions in respect of the valuation process are described in consultation with management.

The inputs used in the valuations on March 31, 2023 were as follows:

- The range of reversionary capitalisation rates applied to the portfolio were between 7.00% to 10.25% (December 31, 2022: 7.00% and 10.25%) for industrial and between 9.25% to 11.00% (December 31, 2022: 9.25% to 11.00%) for retail properties.

- The discount rates applied range between 8.50% and 11.75% (December 31, 2022: 8.50% and 11.75%) for industrial properties and 11.75% and 13.50% (December 31, 2022: 11.75% and 13.50%) for retail properties.

- The vacancy rate applied was between 2.00% to 5.00% (December 31, 2022: 2.00% to 5.00%), with a weighted average of 3.45% (December 31, 2022: 3.45%) for industrial properties and between 3.00% and 20.00% (December 31, 2022: 3.00% and 20.00%), with a weighted average of 8.64% (December 31, 2022: 8.64%) for retail properties.

The estimated fair value increases if the estimated rent increases, vacancy levels decline or if discount rates (market yields) and reversionary capitalisation rates decline. The valuations are sensitive to all three assumptions. Changes in discount rates attributable to changes in market conditions can have a significant impact on property valuations.

The difference between the above fair value for financial reporting purposes and the carrying value at the end of the period is primarily on account of capitalized leasing costs and tenant improvements which are carried at historical cost and amortized.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

11. INTEREST BEARING LIABILITIES

	Mar 31, 2023 \$'000	Dec 31, 2022 \$'000
The Group has access to:		
<i>Loan facilities - undrawn</i>		
Undrawn US\$-denominated notes*	5,884,190	6,679,718
Undrawn MXN-denominated notes	1,299,630	1,299,630
Total undrawn loan facilities	7,183,820	7,979,348
<i>Loan facilities - drawn</i>		
US\$-denominated term funding	5,884,190	6,292,488
US\$-denominated notes	10,138,913	10,455,211
Unamortized transaction costs	(68,345)	(75,314)
Total drawn loan facilities, net of unamortized transaction costs	15,954,758	16,672,385

* Includes US\$70.0 million (equivalent to \$1,267.3 million) uncommitted unsecured credit facility with BBVA México.

The relevant credit facilities are summarized as follows:

Lenders / Facility Type	Currency	Facility Limit \$'million	Drawn Amount \$'million	Interest Rate p.a.	Maturity Date	Carrying Amount Mar 31, 2023 \$'000
Various Insurance Companies through Notes	US\$	250.0	250.0	5.55%	Jun-23	4,526,020
MetLife - Term Loan ¹	US\$	210.0	210.0	5.38%	Oct-27	3,791,523
Various Banks through a Credit Facility - Term Loan	US\$	180.0	129.0	4.18% ²	Apr-27	2,315,601
			51.0	90-day SOFR + 2.10% ³	Apr-27	915,470
Various Insurance Companies through Notes	US\$	75.0	75.0	5.44%	Sep-26	1,356,732
Various Banks through a Credit Facility - Term Loan	US\$	75.0	75.0	90-day SOFR + 2.05% ⁴	Dec-26	1,348,259
MetLife - Term Loan ⁵	US\$	75.0	75.0	5.23%	Jun-34	1,339,428
BBVA - Revolving Credit Facility	US\$	90.0	20.0	30-day SOFR + 1.40%	Jun-27	361,725
Balance at the end of the period						15,954,758

¹ Thirty-nine industrial properties are secured pursuant to this Term Loan. ² Fixed by interest rate swap. Refer to note 12. ³ US\$51.0 million has a variable interest type calculated at 90-day SOFR + 0.15% SOFR adjustment + 1.95% p.a. spread (includes ESG* adjustment). ⁴ US\$75.0 million has a variable interest type calculated at 90-day SOFR + 0.15% SOFR adjustment + 1.90% p.a. spread (includes ESG* adjustment). ⁵ Sixteen industrial properties are secured pursuant to this Term Loan.

* Environmental, Social and Governance.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

11. INTEREST BEARING LIABILITIES (CONTINUED)

Lenders / Facility Type	Currency	Facility Limit \$'million	Drawn Amount \$'million	Interest Rate p.a.	Maturity Date	Carrying Amount Dec 31, 2022 \$'000
Various Insurance Companies through Notes	US\$	250.0	250.0	5.55%	Jun-23	4,839,780
MetLife - Term Loan ¹	US\$	210.0	210.0	5.38%	Oct-27	4,054,131
Various Banks through a Credit Facility - Term Loan	US\$	180.0	129.0	4.23% ²	Apr-27	2,475,658
			51.0	90-day SOFR + 2.15% ³	Apr-27	978,748
Various Insurance Companies through Notes	US\$	75.0	75.0	5.44%	Sep-26	1,450,795
Various Banks through a Credit Facility - Term Loan	US\$	75.0	75.0	90-day SOFR + 2.10% ⁴	Dec-26	1,441,223
MetLife - Term Loan ⁵	US\$	75.0	75.0	5.23%	Jun-34	1,432,050
Balance at the end of the year						16,672,385

¹ Thirty-nine industrial properties are secured pursuant to this Term Loan. ² Fixed by interest rate swap. Refer to note 12. ³ US\$51.0 million has a variable interest type calculated at 90-day SOFR + 0.15% SOFR adjustment + 2.00% p.a. spread. ⁴ US\$75.0 million has a variable interest type calculated at 90-day SOFR + 0.15% SOFR adjustment + 1.95% p.a. spread. ⁵ Sixteen industrial properties are secured pursuant to this Term Loan.

Interest-bearing liabilities-current

As at March 31, 2023, the notes through various insurance companies of \$4,526.0 million (December 31, 2022: \$4,839.8 million) comprised of USD\$250.0 million are classified as current interest-bearing liabilities as the maturity of these notes is within the next twelve-month period.

Interest-bearing liabilities-non current

On April 5, 2022, FIBRA Macquarie closed a US\$425.0 million unsecured credit facility. The new sustainability-linked facility was used to repay an existing US\$180.0 million unsecured term loan and US\$10.0 million draw under the unsecured credit facility that was due to expire on April 1, 2024. The unsecured credit facility comprises: (i) a US\$180.0 million non-amortizing, five-year term loan and (ii) a US\$245.0 million equivalent, five-year committed revolving credit facility that is available for general corporate purposes, including asset investments. The committed revolving credit facility is comprised of a US\$180.0 million US Dollar-denominated tranche and a Ps. 1,300.0 million Mexican Peso-denominated tranche (equivalent to US\$65.0 million).

On June 28, 2022, FIBRA Macquarie closed a US\$90.0 million unsecured uncommitted five-year revolving credit facility with BBVA México and drew US\$50.0 million with respect to this credit facility; FIBRA Macquarie repaid in advance under the unsecured credit facility on December 19, 2022.

On December 9, 2022, FIBRA Macquarie closed a US\$150.0 million unsecured sustainability-linked credit facility with BBVA México and The Bank of Nova Scotia. The unsecured credit facility is comprised (i) a US\$75.0 million non-amortizing, four-year term loan and (ii) a US\$75.0 million, three-year committed revolving credit facility, which can be extended for one additional year. On December 19, 2022, FIBRA Macquarie drew US\$75.0 million from the term loan facility and used US\$50.0 million of the proceeds to repay the amounts drawn under the other unsecured revolving facility with BBVA México.

On March 3, 2023, FIBRA Macquarie drew US\$20.0 million on its uncommitted unsecured credit facility with BBVA México.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

11. INTEREST BEARING LIABILITIES (CONTINUED)

Interest-bearing liabilities-non current (continued)

Reconciliation of movements of interest-bearing liabilities to cash flows arising from financing activities:

	Mar 31, 2023 \$'000	Dec 31, 2022 \$'000
Carrying amount at the beginning of the period/year	16,672,385	16,404,374
Changes from financing cash flows:		
Repayments of interest-bearing liabilities	-	(5,509,449)
Proceeds from interest-bearing liabilities, net of facility charges	363,400	6,789,090
Total changes for financing cash flow	363,400	1,279,641
Total effect of changes in foreign exchange rate	(1,083,190)	(995,691)
Liability-related other changes:		
Transaction cost on loans	(1,048)	(81,357)
Amortization of capitalized borrowing costs	3,211	65,418
Carrying amount at the end of the period/year	15,954,758	16,672,385

12. DERIVATIVE FINANCIAL INSTRUMENTS

On April 5, 2022, through an amendment to the previous contracts signed in 2019, FIBRA Macquarie entered into interest rate swap with various counterparties, whereby FIBRA Macquarie pays an annual weighted average fixed rate of interest of 2.08% on its respective interest rate swap contracts and receives a variable interest rate based on three-month US\$ SOFR, settled on a quarterly basis. These interest rate swaps hedge US\$129.0 million out of the US\$180.0 million unsecured credit facility (term loan).

Below there is a summary of the terms and fair value of the interest rate swap agreements. The loans and the interest rate swaps have the same key terms.

Counterparties	Trade date	Maturity date	Notional amount	Mar 31, 2023 \$'000	Dec 31, 2022 \$'000
Various Banks	Apr 5, 2022	Apr 1, 2027	US\$129.0 million	135,773	178,404
Total estimated fair value				135,773	178,404

13. INCOME TAXES

FIBRA Macquarie is deemed to be a real estate investment trust for Mexican federal income tax purposes. Under Articles 187 and 188 of the Mexican Income Tax Law (LISR for its Spanish acronym), it is required to distribute an amount equal to at least 95.0% of its net tax result to its CBFI holders on a yearly basis. If the net tax result during any fiscal year is greater than the distributions made to CBFI holders during the twelve months ended March of such fiscal year, FIBRA Macquarie is required to pay the corresponding tax at a rate of 30.0% of such excess.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

14. CONTRIBUTED EQUITY

	No. of CBFIs '000	\$'000
Balance at January 1, 2022	761,289	17,303,908
CBFIs outstanding at December 31, 2022	761,289	17,303,908
Balance at January 1, 2023	761,289	17,303,908
CBFIs outstanding at March 31, 2023	761,289	17,303,908

On June 25, 2017, FIBRA Macquarie's Technical Committee approved a CBFI buy-back program under the terms of the Trust Agreement and provided instructions to the Fund Trustee to carry out the repurchase of certificates for subsequent cancellation. Similar to approvals obtained in prior years on April 22, 2022, FIBRA Macquarie's Technical Committee approved the extension of this program through June 25, 2023.

From the inception of the CBFI buy-back program to March 31, 2023, a total of 50,074,481 CBFIs, amounting to \$1,066.0 million (including transaction costs), have been repurchased.

15. NON-CONTROLLING INTEREST

On September 14, 2020, FIBRA Macquarie through a wholly owned investment trust, completed the acquisition of 50% equity in a newly formed joint venture trust (the "F/3493 JV Trust") with Inmobiliaria Alamedida (the "F/3493 JV Partner") for a total consideration of US\$12.2 million. FIBRA Macquarie conducted a control assessment under IFRS 10 and concluded that it has control over F/3493 JV Trust, and therefore, should apply consolidation accounting and reflect the ownership of F/3493 JV Partner as non-controlling interests in its unaudited condensed interim consolidated financial statements.

The following table summarizes the non-controlling interest and the consolidated entities' total assets and liabilities.

	Non-controlling ownership percentage Mar 31, 2023	Non-controlling Interest \$'000 Mar 31, 2023	Total Assets \$'000 Mar 31, 2023	Total Liabilities \$'000 Mar 31, 2023
JV Trust CIB 3493	25%	232,207	958,643	(213)
		232,207	958,643	(213)

	Non-controlling ownership percentage Dec 31, 2022	Non-controlling Interest \$'000 Dec 31, 2022	Total Assets \$'000 Dec 31, 2022	Total Liabilities \$'000 Dec 31, 2022
JV Trust CIB 3493	25%	240,143	974,907	(664)
		240,143	974,907	(664)

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

16. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The Group measures the following assets and liabilities at fair value and further information about the assumptions made in measuring fair values is included in the following notes:

- Investment properties, (note 10).
- Derivative financial instruments, (note 12).

Fair value reflects the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Quoted prices or rates are used to determine fair value where an active market exists. If the market for a financial instrument is not active, fair values are estimated using present value or other valuation techniques, using inputs based on market conditions prevailing on the measurement date.

The values derived from applying these techniques are affected by the choice of valuation model used and the underlying assumptions made regarding inputs such as timing and amounts of future cash flows, discount rates, credit risk, volatility and correlation.

The investment properties valuations were determined using discounted cash flow projections, based on significant unobservable inputs. These inputs include:

- Future rental cash flows: based on the location, type and quality of the properties and supported by the terms of any existing lease or other contracts or external evidence such as current market rents for similar properties;
- Discount rates: reflecting current market assessments of the uncertainty in the amount and timing of cash flows;
- Vacancy rates: based on current and expected future market conditions after expiry of any current leases;
- Maintenance costs: including necessary investments to maintain functionality of the property for its expected useful life;
- Capitalisation rates: based on location, size and quality of the properties and taking into account market data at the valuation date; and
- Terminal value: taking into account assumptions regarding maintenance costs, vacancy rates and market rents.

The Management regularly reviews significant unobservable inputs and valuations adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair value, then the Management assesses the evidence obtained from the third parties to support the conclusion about these valuations meet the requirements of IFRS, including the level in the FV hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Board of Directors.

The fair value of derivative financial instruments is calculated as the present value of the estimated future cash flows.

Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates.

Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.

Financial instruments measured at fair value are categorised in their entirety, in accordance with the levels of the fair value hierarchy as outlined below:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The appropriate level for an instrument is determined on the basis of the lowest level input that is significant to the fair value measurement.

The following table sets out the fair value of financial instruments (net of unamortized acquisition costs) not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

16. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

	Level 2	Total fair value	Total carrying amount
As at March 31, 2023	\$'000	\$'000	\$'000
Trade and other receivables, net	27,299	27,299	27,299
Interest-bearing liabilities*	(15,803,093)	(15,803,093)	(15,954,758)
As at December 31, 2022			
Trade and other receivables, net	9,240	9,240	9,240
Interest-bearing liabilities*	(16,337,920)	(16,337,920)	(16,672,385)

* Net of unamortized transaction costs.

The following table summarizes the levels of the fair value hierarchy for financial instruments measured at fair value of the Group:

	Level 1	Level 2	Level 3	Total
As at March 31, 2023	\$'000	\$'000	\$'000	\$'000
Derivative financial instruments	-	135,773	-	135,773
Investment properties	-	-	46,772,749	46,772,749
As at December 31, 2022				
Derivative financial instruments	-	178,404	-	178,404
Investment properties	-	-	48,861,010	48,861,010

The fair value of the interest rate swaps is based on independent third-party broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the term and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The fair value of the interest rate swaps reflects the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty, where appropriate.

The following table presents the changes in Level 3 of the fair value hierarchy for the Group:

	Mar 31, 2023	Dec 31, 2022
	\$'000	\$'000
Balance at the beginning of the period/year	48,861,010	47,659,885
Capital expenditure/leasing commission, net of amortization	365,784	878,241
Land acquisitions	-	616,512
Investment property acquisition	-	307,500
Net unrealized foreign exchange loss on investment properties	(2,799,267)	(2,588,567)
Unrealized revaluation gain on investment properties measured at fair value	345,222	1,987,439
Balance at the end of the period/year	46,772,749	48,861,010

17. LEASES

a) As a lessor

Agreements entered into by the Group and its tenants have been classified as operating leases under IFRS16. The Group is the lessor of the leases entered into with third parties in respect of its investment properties. Of the leases entered into by the Group, there are a certain amount that are fixed-term leases which include renewal options exercisable by the respective tenant. Notwithstanding these particular leases, the lease agreements entered into by the Group have expiration dates ranging from March 31, 2023, to April 30, 2048.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

17. LEASES (CONTINUED)

a) As a lessor (continued)

Where the minimum lease payments are considered to be the net accumulated rent over the lease term, which is defined as the earliest possible termination date available to the tenant, irrespective of the probability of the tenant terminating or not exercising available renewal options; the minimum lease payments to be received by the Group going forward are as laid out below:

March 31, 2023	<1 year (US\$'000)	1-5 years (US\$'000)	>5 years (US\$'000)	Total (US\$'000)
USD denominated minimum future lease collections	150,651	327,363	84,581	562,595
*Peso denominated minimum future lease collections	32,128	60,278	17,020	109,426

* Amount translated to USD for presentation purposes only.

b) As a lessee

The details of the recognition of IFRS16 *Leases* are set out in the table below:

	March 31, 2023 \$'000	Dec 31, 2022 \$'000
Right-of-use assets (included in other assets):		
Balance at the beginning of the period/year	9,192	13,183
Effect of changes in foreign exchange rate	(69)	(107)
Depreciation charge for the period/year	(885)	(3,884)
Balance at the end of the period/year	8,238	9,192
Lease liabilities (included in other liabilities):		
Balance at the beginning of the period/year	11,076	15,092
Effect of changes in foreign exchange rate	(77)	(117)
Interest on lease liabilities ¹	250	1,211
Lease payments	(1,179)	(5,110)
Balance at the end of the period/year	10,070	11,076
Balance classified as current	3,313	3,501
Balance classified as non-current	6,757	7,575
Lease liabilities (Maturity analysis - contractual undiscounted cash flows):		
<1 year	4,035	4,302
1-5 years	7,561	8,556
Total undiscounted lease liabilities at the end of the period/year	11,596	12,858

¹ When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate. The weighted average rate applied is 4.9% (2022:4.9%) for the contracts in USD and 10.2% (2022:10.2%) for the contracts in Pesos.

18. RELATED PARTIES

FIBRA Macquarie is listed on the Mexican Stock Exchange and its CBFIs are understood by the Manager to be widely held. The following summary provides an overview of the Group's key related parties:

a) Transactions with key management personnel

The key management personnel in respect of the Group are employed and remunerated by the Manager.

b) Trustee

Since the execution of the Trustee Substitution Agreement on October 31, 2017, CIBanco, S.A., Institución de Banca Múltiple is the FIBRA Macquarie Trustee. CIBanco registered office is at Calz. Mariano Escobedo 595, Polanco Quinta Sección, Alcaldía Miguel Hidalgo, México City, 11560.

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

18. RELATED PARTIES (CONTINUED)

b) Trustee (continued)

The trustee of the Investment Trusts is CIBanco, Sociedad Anónima, Institución de Banca Múltiple ("Investment Trust Trustee") with registered office at Calz. Mariano Escobedo 595, Polanco quinta Sección, Alcaldía Miguel Hidalgo, 11560. The two other trustees within the Group are Banco Nacional de México, S.A., which forms part of Grupo Financiero Banamex and Banco Monex, S.A. Institución de Banca Múltiple, Monex Grupo Financiero. For the three months ended March 31, 2023, the trustees' fees for the Group amounted to \$1.2 million (March 31, 2022: \$1.1 million).

c) Manager

MAM México acts as manager of FIBRA Macquarie and has its registered office at Pedregal 24, piso 21, Col. Molino del Rey, Miguel Hidalgo, México City, 11040.

Under the terms of the Management Agreement, MAM México is entitled to a base management fee of \$47.9 million (March 31, 2022: \$46.9 million) for the three months ended March 31, 2023. The base management fee is calculated as 1% per annum of the value of the market capitalization of FIBRA Macquarie for the relevant calculation period. The fee is calculated on April 1 and October 1 respectively for the subsequent six month. The market capitalization is calculated as the product of: (i) the average closing price per CBFI during the last 60 trading days prior to the calculation date and, (ii) the total number of outstanding CBFI at the close of trading on the calculation date.

MAM México is also entitled to receive a performance fee, which is calculated as 10% of an amount comprising the market capitalization, per above, plus the aggregate amount of all distributions made to CBFI holders, increased at a rate equal to the aggregate of 5% per annum and an annual cumulative Mexican inflation rate from their respective payment dates, minus the aggregate issuance price of all issuances of CBFI, plus the aggregate amount of all repurchases of CBFI, in each case, increased at a rate equal to the aggregate of 5% per annum and the annual cumulative Mexican inflation rate from their respective issuance or repurchase dates, less any performance fees previously paid. This potential fee is payable on the last business day of each two-year period commencing on March 19, 2012 and must be reinvested into FIBRA Macquarie CBFI for a minimum duration of one year. As at March 31, 2023, no performance fee was payable by FIBRA Macquarie.

d) Other associated entities

During the three months March 31, 2023, the Group accrued expenses to affiliate entities (MAM México, mainly) totalling \$1.2 million (March 31, 2022: \$0.1 million) in respect of out of pocket expenses incurred by affiliate entities of MAM México, in performance of its duties as Manager.

As at March 31, 2023, Macquarie Infrastructure and Real Asset Holding Pty Limited, an affiliate entity of MAM México respectively, held 36,853,632 CBFI and received a gross distribution of \$69.2 million during the period ended March 31, 2023 (March 31, 2022: \$35.0 million).

From time to time, other related subsidiaries or associates of Macquarie Group Limited may hold CBFI on their own account or on account of third parties.

19. RELEVANT EVENTS AFTER BALANCE SHEET DATE

As part of the strategy to maintain a high level of fixed rate indebtedness, on April 21, 2023, FIBRA Macquarie closed an interest rate swap of US\$51.0 million to fully hedge the US\$180.0 million non-amortizing, five-year term loan facility closed in April 5, 2022.

FIBRA Macquarie's Technical Committee has evaluated all other subsequent events through to the date these unaudited condensed interim consolidated financial statements were issued and has determined that there are no other subsequent events requiring recognition or disclosure.

