

# Annual Report 2024



## CEO LETTER

# Picking up the Pace

Last year, in my first full year as chief executive officer, I noted that in order to keep up with the strong underlying demand and continue to be a leader in Mexico's logistics market, FIBRA Prologis would have to pick up the pace. In 2024, with the help of our committed teams and the support of our investors, we certainly did.

2024 was a milestone year. Amid geopolitical turbulence, we produced impressive operating metrics, expanded our footprint, and continued to make long-term progress toward our sustainability goals—all proofpoints that our long-term strategy continues to produce results for our customers, our certificate holders, and all our stakeholders.

The most compelling milestone of 2024 was our successful acquisition of Terrafina. Terrafina was the largest transaction in the

history of FIBRA Prologis and one of the largest in Latin America's industrial real estate industry. At year's end, we owned 90% of the shares, and until we acquire the 95% required to delist, we will operate FIBRA Prologis and Terrafina as a single portfolio under two separate companies. Due to the confidence we have built up among investors over the years, 67% of the value was transacted via our certificates—enabling us to beat out several other bidders.

The Terrafina transaction brought new team members and customers into the FIBRA Prologis family. And it has had the effect of increasing our assets under management significantly, from US\$5 billion to US\$9 billion.

## 2024

Successful acquisition of Terrafina.

## US\$9 billion

Assets under management





## Steady Strategy

The Terrafina acquisition has changed our size and footprint. At the end of the year, we owned 87.1 million square feet of space in 509 buildings, making us the largest player in Mexico's industrial real estate market. But it hasn't affected our approach, or the way we manage. Our basic strategy of having the right buildings in the right markets, with the right service, won't change. The six FIBRA Prologis markets are characterized by high quality customers, high barriers to entry, and inherent dynamism. We maintain our dual focus on export markets that serve the manufacturing sector (Tijuana, Juarez, Reynosa) and consumption markets that help fuel Mexico's rising legion of e-consumers (Monterrey, Guadalajara, Mexico City). And we will add value to our larger portfolio by investing in and operating the acquired assets that sit in our core markets while rationalizing the portfolio through dispositions.

## Results in Focus

This focus helped us produce impressive results in a macroeconomic and geopolitical climate that has become more challenging. The proof is in the results. The levels of increases in rents and occupancy rates in 2022 and 2023 in Mexico were unsustainable, and so it is not surprising that we saw steps towards normalization in 2024. Occupancy at the end of year was 98.3%, down slightly from the unprecedented 99.8% in 2023—still remarkably high by historical standards. Rent change on rollovers in 2024 was 55.4%. Same-store cash growth was 8.4%.



**87.1 million**

SF of space in 509 buildings



**98.3%**

Occupancy



## A Dynamic Marketplace

During 2024, we also saw a normalization in the balance between supply and demand. Solid underlying economic growth in the United States, resilient nearshoring activity, and Mexico's continued growth in consumer income kept demand at a strong pace. The need for well-located, efficient industrial space is strong, particularly in the Prologis markets, which continue to show resilience and demand despite the disruptions from geopolitics and the noise surrounding tariffs and trade issues. E-commerce continues to expand its footprint within the Mexican economy. In 2024, e-commerce sales in

Mexico rose an estimated 16%, reaching close to US\$60bn, accounting for about 17% of sales. (In consumption-driven Mexico City, our largest market, the vacancy rate ended the year at a very healthy 1.5%.) Given the changes in the political situation—not just in Mexico and the United States, but throughout the world – we have noticed that the decision-making process among manufacturers is taking more time as leaders recalibrate growth and regionalization plans. But the supply story was slightly different in 2024. Given the significant barriers to the development of industrial space exist

in Mexico, from land entitlement to the availability of energy, there is always a lag for new supply to come online. In the past year, and particularly since the inauguration of the new administration in Mexico in October 2024, some of the factors that held back supply, including the availability of energy and infrastructure, have been addressed. In addition, the tight market conditions of 2022 and 2023 spurred many players to invest more aggressively in new construction. We saw record completions of 9 million square feet in 2024, up from 6.6 million square feet in 2023.





## Proof of Balance Sheet

Our strong balance sheet is both a result of our careful and conservative approach, and an enabler of our ambitious growth. The \$570 million in equity we raised in March showed the faith certificate holders have in our management--and contributed to the financial strength that enabled us to make the winning offer to Terrafina certificate holders.

Our debt levels have increased modestly as a result of the Terrafina transaction. Our loan-to-value ratio at the end of 2024 was 18.1%, compared with 13.8% at the end of 2023. Most of our debt is unsecured, with 86% being fixed; our weighted interest rate is 4.3%. S&P maintained our credit rating of BBB+, one notch above the Mexican sovereign.



**18.1%**  
loan-to-value ratio





## The Power of Sustainability

At FIBRA Prologis, being a responsible and engaged neighbor is at the heart of our social responsibility efforts. Through our ESG initiatives, we actively support the well-being of the communities where we operate. Whether it's strengthening relationships with local fire departments, backing organizations that care for children, the elderly, or vulnerable women, or partnering with NGOs to build critical infrastructure, our actions reflect our deep commitment to making a positive impact. From Cuautitlán to Guadalajara, Monterrey, and beyond, our support has reached communities in need—most recently through disaster relief efforts in Acapulco following hurricanes Otis and John. These contributions are more than donations—they are a reflection of our values and a testament to our role as a trusted, long-term partner in the places we call home.

In 2024, we picked up the pace of our investments to make our operations more sustainable and efficient. All new buildings

feature high-efficiency fixtures and common areas use native low-water plants with drip irrigation, resulting in water usage that is 50% below the industry standard. By the end of 2024, 91.5% of our buildings were green-certified. And for the fifth straight year, FIBRA Prologis earned Sector Leader recognition from GRESBE. FIBRA Prologis is fully committed to Prologis' goal of achieving net-zero emissions by 2040. Between October 2023, when we activated the first rooftop solar panel project on a building in Mexico City, and the end of 2024, we installed 18 MW of rooftop solar generation on our buildings. By the end of 2025, our aim is to have 54MW of solar capacity installed across more than 100 buildings.

Rooftop solar is one of several components of our growing Essentials platform, through which we offer an expanding array of value-added products and services to our tenants. In the fourth quarter of 2024, we closed 30 Essentials transactions, achieving gross sales

of US\$1.9 million. Such efforts increase the efficiency and operational leverage of our facilities while also enabling our customers to make progress toward their own Net Zero goals. And they support our larger goal to have FIBRA Prologis to evolve from a supplier of space to a trusted business partner that enables customers to boost their own competitiveness in the global market.

**91.5% of buildings are green-certified**

**For the fifth straight year, FIBRA Prologis earned Sector Leader recognition from GRESB**





## Social action

As a responsible corporate citizen, FIBRA Prologis and its team members contribute to the well-being of the communities in which we operate. In 2024, FIBRA Prologs donated 2 million pesos to organizations and initiatives aimed at improving the status of women and children. Some of these efforts include:

- AMPRE, which supports people with intellectual disabilities
- Contigo Sonreimos, which funds treatments for children suffering from cleft lips
- Fire departments
- Red Materno Infantil, which focuses on reducing infant mortality
- Teletón
- Ancianitas de Santa Clara, an assisted living center for elderly women
- Ciudad de los niños, which aids orphans
- Techo, which builds emergency housing
- Acapulco hurricane recovery





## Market Locations

345  
Properties

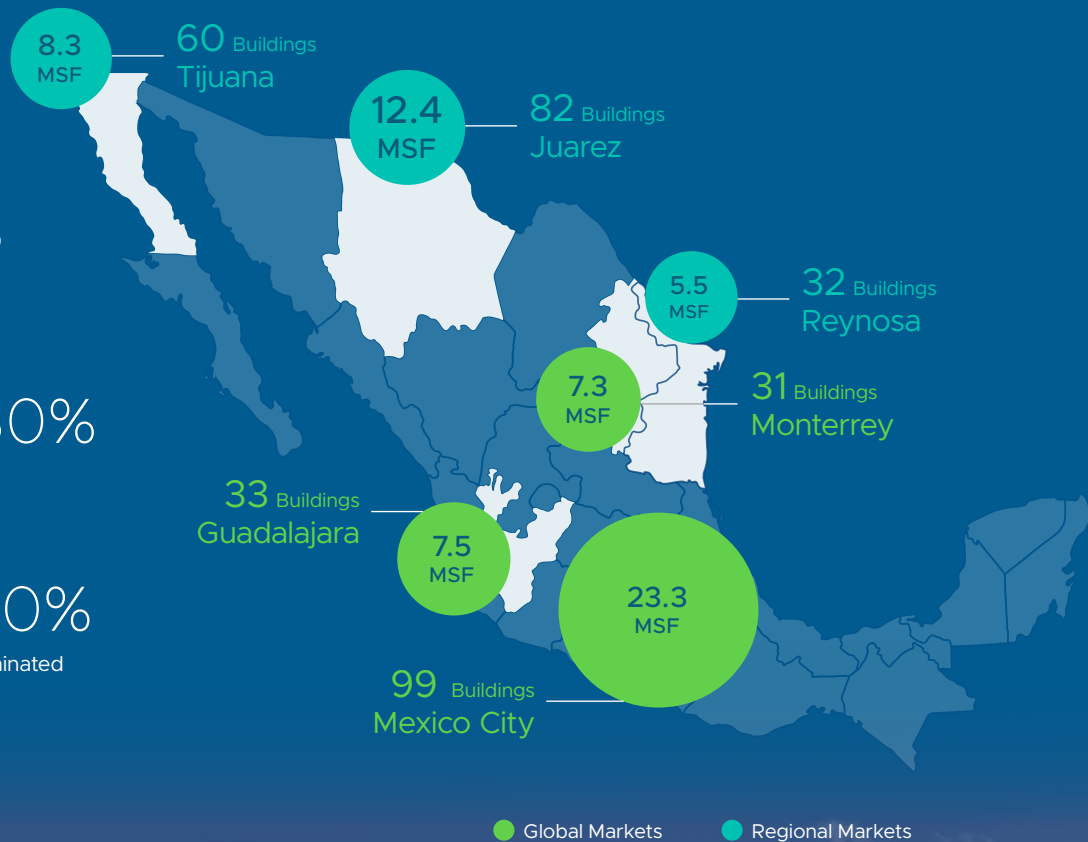
65.5  
MSF

357  
Customers

98.30%  
Occupancy

\$6.56  
Average net  
effective rent  
per leased SF

76.30%  
USD-denominated  
leases



Data as of December 30, 2024.

1. Operating properties only and only FIBRA Prologis information.
2. Includes value-added acquisition properties that are not in the operating pool and the Terrafina properties in markets that are outside of our core markets are not included in the Operating Portfolio and are classified in Other Investment Properties as the intent is to not hold long-term

Mexico City, Mexico



## Key Metrics Tell A Strong Growth Story

	OPERATING PORTFOLIO PERIOD-END OCCUPANCY	NET EFFECTIVE RENT CHANGE	PORTFOLIO SIZE	
	Percent	Percent	MSF	No. Properties
2024	98.3	55.4	65.5	345
2023	99.8	41.8	46.9	235
2022	98.9	20.5	43.6	225

Data as of December 30, 2024.

1. Operating properties only and only FIBRA Prologis information.

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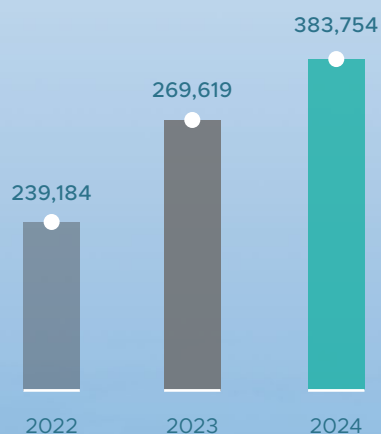
Pharr Bridge Industrial Center, Reynosa Tamaulipas



# Financial Highlights

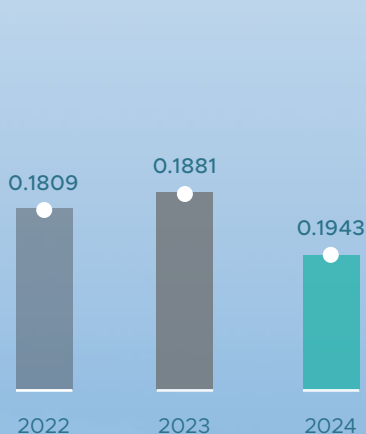
## NET OPERATING INCOME

(in thousands of US dollars)



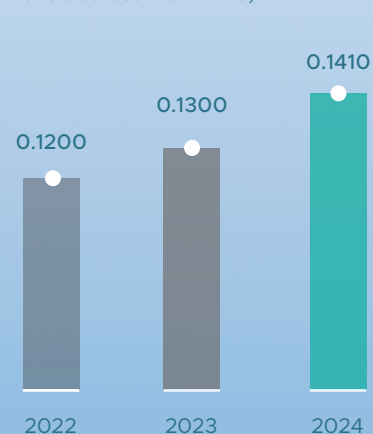
## FFO PER CBFI

(in US dollars, including incentive fees)



## DISTRIBUTION PER CBFI

(in US dollars distributions-in-cash and distributions-in-kind)



2023 considers only the guided distribution done in cash, the total distribution in cash and in kind per CBFI was .2229.







**LEADERSHIP**

Héctor Ibarzabal

Chief Executive Officer,  
Prologis Mexico



**LEADERSHIP**

Jorge Girault

Chief Financial Officer,  
Prologis Mexico



**LEADERSHIP**

Federico Cantú

Senior Vice President,  
Head of Operations  
Mexico





## About this Report

This presentation includes certain terms and non-IFRS financial measures that are not specifically denied herein. These terms and financial measures are denied and, in the case of the non-IFRS financial measures, reconciled to the most directly comparable IFRS measure, in our 4th quarter Earnings Release and Supplemental Information that is available on our website at [www.fibraprologis.com](http://www.fibraprologis.com).

The statements in this release that are not historical facts are forward-looking statements. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which FIBRA Prologis operates, management's beliefs and assumptions made by management. Such statements involve uncertainties that could significantly impact FIBRA Prologis financial results.

Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur

in the future — including statements relating to rent and occupancy growth, acquisition activity, development activity, disposition activity, general conditions in the geographic areas where we operate, our debt and financial position, are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations rejected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements.

Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust ("FIBRA") status and tax structuring,

(vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments (viii) environmental uncertainties, including risks of natural disasters, and (ix) those additional factors discussed in reports led with the "Comisión Nacional Bancaria y de Valores" and the Mexican Stock Exchange by FIBRA Prologis under the heading "Risk Factors." FIBRA Prologis undertakes no duty to update any forward-looking statements appearing in this release.

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December 31, 2024

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