

2022 ANNUAL REPORT

A Year of Accomplishment



CEO LETTER

A Year of Accomplishment

For FIBRA Prologis, 2022 was a record year. A powerful combination of circumstances worked in our favor, as macroeconomic forces created rising demand for industrial space in Mexico. The trends of nearshoring and steadily rising ecommerce, along with the substantial barriers to creating new supply, served as helpful tailwinds. To be sure, the global macroeconomic climate of the second half of 2022 was less forgiving. But FIBRA Prologis showed an ability to power through the rising headwinds of inflation, market disruption, and geopolitical turmoil.

As the year unfolded, the key performance indicators we track came in above guidance and better than expectations. Year-end occupancy rates in the six consumer and industrial markets we focus on stood at 98.9%—the highest recorded since our initial public offering. Net effective rents on rollover rose 20.5% for the year, and

same store cash NOI was 6.5%. We continued to expand our footprint in our key markets, investing \$135 million in new acquisitions. We made the ambitious commitment to achieve net zero across our supply chain by 2040.

For the full year 2022, net earnings per CBF1 were Ps. 8.4672 (US\$0.4158), compared with Ps. 11.7470 (US\$0. 5761) for 2021. For the full year, FFO per CBF1 was Ps.3.6549 (US\$0.1809) up from Ps. 3.4606 (US\$0. 1708) for 2021. Since our 2014 initial public offering, the annual certificate holder return has been 17%—outperforming our industry peers. We remain focused on the long-term. In addition to providing excellent service to our existing customers, we took purposeful steps to prepare ourselves for profitable growth. The rights offering we held in 2022 not only provided nearly \$400 million in new capital to support acquisitions, it enabled us to reduce

our leverage ratio substantially and strengthen our balance sheet.

The results speak to the strength of the flexible platform we have built. Above all, they show our company's ability to be resilient and proactive in the face of significant changes. In 2022, like every year, we relied on the diligent and skillful work of our team members. Over the past three years, in extraordinary circumstances, they have proved their commitment to our customers, to one another, and to our company.

We are grateful for the confidence certificate holders have expressed in our team, and in our vision.



Luis Gutierrez

President, Prologis Latin America



Prologis Park Tres Rios,
Mexico City, Mexico

Steady Demand in a Turbulent Environment

In the global economy, rising inflation, geopolitical tensions and market volatility impacted companies in a range of industries. But as the world was buffeted by turbulence, the industrial real estate business in Mexico remained remarkably steady—building on the strength of 2021.

Higher activity, higher rent, and higher profits were the order of the day. Our teams commenced leases on 7.3 million square feet. At the end of the year, the occupancy in our portfolio was 98.9%—the highest year-end total in our history. In each of the key markets we serve, market occupancy was above 97%. Given the tight supply, it is not surprising that customers were eager to seal agreements for space at the prevailing rates. Net effective rents on rollover were up 20.5%, and our customer retention reached 91%.

FIBRA Prologis has a large and growing footprint in Mexico. At the end of the year, we owned 232 logistics and manufacturing facilities in six strategic markets, totaling 44.4 million square feet of gross leasable area (GLA). These properties were leased to more than 240 clients, including third-party logistics providers, transportation companies, retailers and manufacturers. Our customer base is highly diversified. Our top ten customers account for 24% of rents.

For the full year 2022, net earnings per CBF1 were Ps. 8.4672 (US\$0.4158), compared with Ps. 11.7470 (US\$0.5761) for 2021. For the full year, FFO per CBF1 was Ps. 3.6549 (US\$0.1809) up from Ps. 3.4606 (US\$0.1708) for 2021. Distribution was US\$0.12 per CBF1.

Prologis Park Encino, Mexico City, Mexico

The Nearshoring Phenomenon

Our investments are strategically focused in the six most significant markets in Mexico. The global markets – Mexico City, Guadalajara and Monterrey – are highly industrialized and driven by consumption. (Monterrey is also a manufacturing market.) The regional markets – Ciudad Juarez, Tijuana and Reynosa—are manufacturing and logistics centers for the automotive, electronics, medical and aerospace industries, in close proximity to the United States, Mexico's largest trading partner. Approximately 67.3% of our net effective rents are in the global markets, while 32.7% are in regional markets.

In previous years, as ecommerce boomed amid the pandemic, it was the consumer markets that drove growth. In 2022, ecommerce sales in Mexico grew an estimated 12.4%, accounting for about 11.0% of total sales. The pace of ecommerce adoption is stable and underpinning demand for regional markets.

In 2022, manufacturing took the lead thanks to the rise in

nearshoring. Mexico's importance as a manufacturing and logistics hub is rising. Due to the pandemic, supply chain bottlenecks, high transit costs, rising labor costs in China, tight labor conditions in the U.S. and geopolitical tensions, global companies are re-thinking their footprint strategy. This resulted in a broad impulse to bring more production from Asia closer to customers in the U.S., and to keep more inventory, turning from a "just-in-time" model of logistics to "just-in-case".

Mexico maintained its position as the U.S.'s second largest trading partner. And while there are challenges in the relationship, the volume continues to grow. Many new companies are looking to establish operations in Mexico, particularly near the border, so they can serve the U.S. market more effectively and efficiently. As of 2022, firms from the U.S. represented 48% of the nearshoring effect in terms of industrial real estate absorption while Chinese firms accounted for 21%.

Just as we were well-positioned for

the rise of e-commerce in the core three consumer markets, we have a clear strategy and strong presence to benefit from the surge of investment in the manufacturing sectors. While interest in new construction is high, the ability to construct new space is constricted – largely by the scarcity of land. The lack of access to electricity supply – it can take up to 2-3 years to arrange power supplies for new buildings – and the growing length of time it takes to entitle land, act as further dampening forces on development. That's why absorption surpassed new development, despite tightening in global interest rates and high inflation. In 2022, there were 35.6 million feet of net absorption but only 28.0 million square feet of completions.

We have responded to the rising demand by continuing to grow our portfolio through acquisitions.

FIBRA Prologis was active on the acquisition front in 2022. Over the course of the year, we spent \$135 million to acquire seven properties.



Prologis Park Los Altos,
Guadalajara, Mexico

Financial Confidence

In 2022, we took several important steps to bolster the strength of our balance sheet and prepare for future growth.

In the fall, FIBRA Prologis raised almost \$400 million (8 billion Mx pesos) in a rights offering. This reflects the confidence that existing certificateholders have in the company.

We have used portions of these proceeds to make acquisitions and to shore up our balance sheet. As a result of the offering, leverage fell to 23.7%, down sharply from 30.4% at the beginning of the year. Post-offering liquidity rose to \$640 million (Ps 12.4 billion), including \$500 million (Ps. 9.7 billion) of available capacity on

an unsecured credit facility and \$140 million of unrestricted cash (Ps. 2.7 billion).

While interest rates have broadly risen, we planned carefully, and have kept our borrowing costs low and relatively insulated from the shifts in the market. Having refinanced significant sums of debt in 2019 and 2020, the average term of our debt is above seven years, and the weighted average cost is 4%. We have no significant debt maturities until 2026.

The dividend, which was US\$0.12 per CBF1 in 2022, is being raised 8.3% to US\$0.13 per CBF1.

In 2022, we continued to expand our portfolio by purchasing properties that are almost fully leased from our sponsor, Prologis, and from third

parties. At the beginning of the year, we acquired three buildings with a total of 873,225 square feet of industrial space and Last Touch facilities in Mexico City, Reynosa and Tijuana. In March, we purchased an industrial building in Ciudad Juarez from Prologis and a Last Touch facility in Mexico City from a third party. And in November, we acquired two buildings with a combined 535,681 square feet from a third party in Tijuana for \$56.5 million. The total spent on acquisitions was less than we had forecast for the year, but we are confident that we have allocated capital in a disciplined manner and in ways that will add value in the years to come.

In late 2022, both Fitch and HR Ratings de Mexico ratified our credit ratings and maintained a stable outlook.



Prologis Park Grande, Mexico City, Mexico

ESG

Introduction

ESG is embedded in our DNA and we hold ourselves to the highest standards in our daily work. At our core, ESG it is about being responsible citizens, acting as effective partners to our global clients, and making positive contributions to our communities.

Prologis, our parent company, has enacted an ambitious program to

move the company's global operations to net zero by 2040, ten years ahead of the Paris Agreement. As part of Prologis, FIBRA Prologis is accountable to this commitment and has put into place strategic initiatives to reach those targets. In our annual sustainability report, we measure our progress – and areas where we need to make progress – and transparently

share the results with the public. This is not just a matter of compliance or meeting standards. It is increasingly clear that sustainability and good governance are table stakes, key to our customers' own strategies, and provide a lever for creating differentiation and value in a highly competitive marketplace.



Prologis Park Encino, Mexico City, Mexico

ESG

Certifications

In pursuit of our net zero commitment, we systematically assess our activities to see where we can make improvements, harness technologies and change practices. In 2022, we made substantial progress.

We passed the landmark of having 50% of our buildings green certified, the largest percentage for any FIBRA in Mexico. The company has now accelerated the goal to being 100% LEED certified by 2025. The portfolio has two certifications:

LEED certification

LEED certification is a globally recognized symbol of sustainability achievement and leadership focus on new constructions. As of 2022 the portfolio had 12 million square feet with this certification.

BOMA BEST

BOMA BEST is the acronym for Building Owners & Managers Association, Building Environmental Standards. Under this voluntary benchmarking and green building certification program, which has been designed by the industry

for the industry, we work closely with our clients in order to certify operations and maintenance inside buildings. As of December 31, 2022, FIBRA Prologis had 71 BOMA BEST-certified facilities representing 18 million square feet.



Cleaning the cool roof skylights of Prologis Park Cedros, Tepotzotlan, Mexico

ESG

Certifications, continued

- Grande 7, a facility in Mexico City, in 2022 became the first industrial property in Latin America to win a GOLD Certification from BOMA BEST—and was one of only four in the world to do so.
- In all, 23 million square feet, or 54% of our portfolio, carried a green certification, and we obtained new certifications on 7.8 million square feet.
- **LED Lighting:** We continue to accelerate progress to upgrade the lighting in our buildings to energy-saving LEDs. In 2022, 77.7% of our portfolio had LED lights. That total will rise to 100% by 2025.
- In 2022, we started a pilot program to supply solar panels on ten buildings in Mexico. As the first FIBRA to provide such an offering, we are simultaneously helping our customers save money, accelerating our own progress to net zero goals, and creating financial and social value beyond real estate.

54%

of our portfolio carried a green certification in 2022

77%

of our portfolio had LED lights as of 2022.



LED lighting in Prologis Park Apodaca, Monterrey, Mexico

ESG

Recognition

We are proud that our efforts are recognized by industry groups.

- FIBRA Prologis is listed on the S&P Dow Jones Sustainability MILA Pacific Index
- For the third consecutive year, we were named industrial sector leaders by GRESB, which assesses the sustainability performance of real assets, including infrastructure, worldwide.
- FIBRA Prologis is a member of the S&P/BMV Total Mexico ESG Index, which tracks the performance of stocks in Mexico that meet sustainability criteria.
- FIBRA Prologis was included in the S&P Global Sustainability Yearbook, which includes companies that scored in the top decile on the 2022 Corporate Sustainability Assessment
- Our Sustainability rating, in which a lower score represents lower ESG risks, fell from 13.2 points in 2021 to 11.0 in 2022
- MSCI upgraded FIBRA Prologis' ratings from BBB to A
- Prologis Park Grande, Building 7, was the first building in Latin America to earn BOMA Best GOLD Level certification
- IEMI BOMA recognized FIBRA Prologis for having 71 BOMA Best certified buildings

FIBRA Prologis upgraded from BBB to

A rating

in 2023 from MSCI



Solar panels at Prologis Park Salvacar, Juarez, Mexico

ESG

Social Responsibility

A Constructive Corporate Citizen

At FIBRA Prologis, our responsibilities to the communities in which we live, work, and operate are of paramount importance. By engaging constructively, we strengthen the connection between the company and the community. The fact that so many of our team members actively participate in such efforts is a source of pride. The company has now accelerated the goal to being 100% LEED certified by 2025. The portfolio has two certifications:

- Over the course of 2022, our manager's team members donated 618 hours of their time to support local communities.
- In 2022, we kicked off the Prologis Community Workforce Initiative, an ambitious effort to train people from our communities in logistics skills. We provide training and make connections with clients in the Mexico City (Tepotzotlan) market to identify open positions that could offer potential opportunities for worker.

In each of the communities in which we operate, our manager's teams supported local organizations with time, funds, and supplies. On IMPACT Day, May 13, 2022, FIBRA Prologis joined Prologis colleagues around the globe in a range of activities:

- In Tijuana, to support the children at Casa Hogar Nueva Esperanza for our annual, team members cleaned and painted the playground, built a new wooden wall that produces sounds to create music, and installed new picnic tables.
- In Monterrey, at the Jardin de Niños Maria Hernandez Zarco Kinder, FIBRA Prologis team members helped supply a new roof, repaired rainspouts, and replaced lighting in common areas.
- In Reynosa, at the Nursing Home Fray Celestinold, volunteers cleaned the garden, provided lunch, and held a bingo game with residents.

Throughout the year, FIBRA Prologis provides funds to support a range of community and social organizations throughout Mexico.

- In Mexico City, our extensive work with las Niñas de Calle" IAP, included building a laundry area, providing pantry needs for young women, and throwing a Halloween party.
- In Ciudad Juarez, we worked with Fondo Unido Chihuahua to renovate a park that is used by the families of employees of manufacturing facilities.
- In Guadalajara, at the Hogar Vicentino de Guadalajara, we provided basic needs and home maintenance for 45 disabled people.

Prologis has accelerated the goal of being

100%

LEED certified

by 2025



Prologis employee volunteering for IMPACT DAY at Mexico City's El Trebol Community

ESG

Governance

Reinforcing ethics and transparency, strong governance lies at the foundation of our approach to the capital markets and with investors.

We are always looking for ways to strengthen our corporate governance.

We are committed to our best practices, which include transparency and reliability. Each year, 100% of employees complete ethics training. Our employees are regularly trained in our Code of Ethics and Business Conduct, information security, global fraud prevention, Global Anti-Corruption, and the Foreign Corrupt Practices Act.

We also ratified and updated the appointments to our audit, practices and finance committees.

100%

of employees complete
ethics training



Pharr Bridge Industrial Center, Reynosa, Mexico

CONCLUSION

Forward Progress

We know it will be a challenge to surpass the results of 2022. Occupancy rates literally can't go any higher in some of our markets. But from our perspective, the trends that have supported the essential growth in our markets are intact. Nearshoring is expected to continue accelerating and driving demand in the years to come as the bottlenecks, shortage, and tensions continue to affect the global economy. With the worst of the inflation behind us, we expect continued growth in Mexico's consumer market and e-commerce.

While building activity rises, net absorption continues to outpace completion; the markets will remain in tight balance with high occupancies. A growing range of domestic and international customers are seeking more space in each of our six markets.

We expect these occupancy levels to continue fueling rents, rising Fibra's income on rollover. We have 13% coming up for 2023, in which we could increase rents more than 30%. This

would be the most relevant internal source of growth as the rents in our portfolio match the market conditions.

On the other hand, we expect that the sources of external growth through acquisitions take relevance. Here we have two competitive advantages: our preferential access to Prologis' pipeline; and Fibra's robust balance sheet, with a current firepower of around \$800 million, to take advantage of the opportunities that may arise in the market.

That's why it is important that we keep on making the right investments. We continually invest in our people, offering a powerful array of benefits, training, and development opportunities. We will seek to expand our footprint through acquisitions. Our parent company, Prologis, affords us access to an important proprietary acquisition pipeline. At the end of 2022, Prologis and FIBRA Prologis had 5.3 million square feet under development or pre-stabilization, of which 55.8% was leased or pre-leased.

Our exclusive access to the Prologis pipeline is a competitive advantage for FIBRA Prologis as it gives us the option to acquire high-quality buildings in our existing markets. We expect acquisitions to range between \$100 million and \$300 million in 2023.¹

We will continue to invest in the initiatives surrounding mobility, clean energy and ESG that will enable us to provide a more compelling value proposition to our customers.

The results we were able to report in 2022 were the byproduct of years of careful planning. Just so, the strategy we have built and pursued has put us in an excellent position to take advantage of opportunities while delivering solid returns to certificateholders.

We are grateful for the confidence that you, our investors, show in us and will work in 2023 and beyond to ensure that faith pays dividends.



Prologis Park Toluca, Mexico City, Mexico

Market Locations

225
Properties

43.6
MSF

245
Customers

98.9%
Occupancy

\$5.99
Average net
effective rent
per leased SF

67.5%
USD-denominated
leases



Key Metrics Tell A Strong Growth Story

	OPERATING PORTFOLIO PERIOD-END OCCUPANCY	NET EFFECTIVE RENT CHANGE	PORTFOLIO SIZE	
	Percent	Percent	MSF	Properties
2022	98.9	20.5	43.6	225
2021	97.9	8.8	42.6	224
2020	96.7	4.0	39.8	205

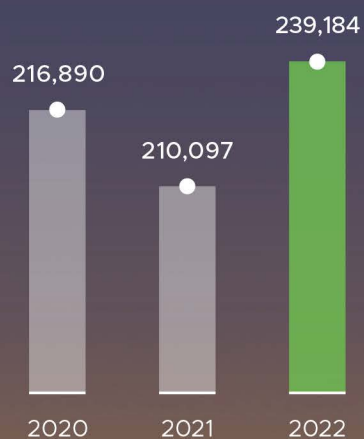


Prologis Park Encino, Mexico City, Mexico

Financial Highlights

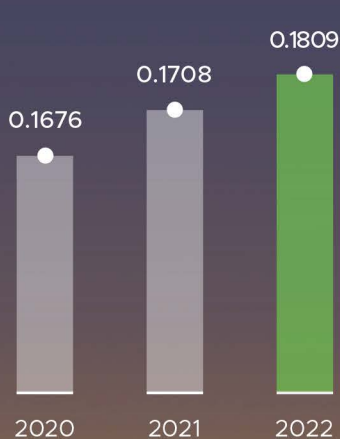
REVENUE SUMMARY

(in thousands of US dollars)



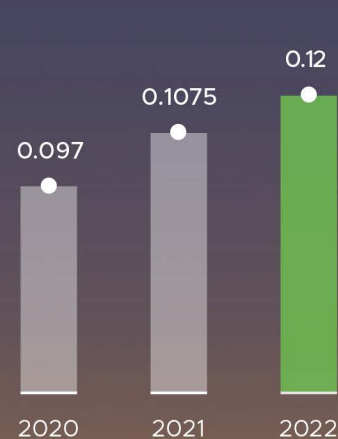
FFO PER CBFI

(in US dollars, including incentive fees)



DISTRIBUTION PER CBF

(in US dollars)



Construction on a Prologis building in Mexico City, Mexico

LEADERSHIP

Luis Gutiérrez

President, Prologis Latin America

Luis Gutiérrez is Prologis' president for Latin America and the CEO of FIBRA Prologis, a public vehicle in Mexico. His responsibilities include development, acquisition and operations in both Mexico and Brazil.

He was a founding member of G. Accion, one of the largest developers in Mexico, where he served as CEO and became a partner with AMB Property Corporation. In 2008, when AMB bought Gaccion, he became managing director, responsible for AMB's Mexico and Brazil operations. He brings more than 32 years of experience in real estate development, construction, acquisitions and dispositions, as well as the representation of foreign direct investments in Mexico and Brazil.

Mr. Gutiérrez holds an MBA from the Instituto Panamericano de Alta Dirección de Empresas (IPADE) and a Bachelor of Science in civil engineering from the Universidad Iberoamericana. He has served as president of AMPIP (Mexican Association of Industrial Parks), AMEFIBRA (Mexican Association of FIBRAS), and is a member of the board of directors of Finaccess.



LEADERSHIP

Héctor Ibarzabal

Managing Director, Prologis Mexico

A 30-year veteran of the real estate sector, Héctor Ibarzabal has extensive experience in operations, capital deployment, structuring, financing and fundraising in commercial Real Estate.

Mr. Ibarzabal has served as Prologis Mexico's Managing Director since 2011 and as Chief Operating Officer for FIBRA Prologis since its IPO in 2016. In that capacity, he directs all Prologis real estate activity in Mexico. Prior to joining Prologis, Mr. Ibarzabal co-founded G. Accion, the first Mexican publicly traded real estate company, where he served as CFO, COO, and President.

In 2001, G Accion became the first international partner of AMB Property Corporation's first international partner, which subsequently merged with Prologis in 2011. Mr. Ibarzabal has been president of AMPIP (Mexican Association of Industrial Parks), where he currently participates on the board of directors, and he has served as an independent director on several boards of public companies, joint ventures, CKDs and FIBRAs. He holds a civil engineering degree with honors from Universidad Iberoamericana and an MBA from IPADE.



LEADERSHIP

Jorge Girault

Chief Financial Officer, Prologis Mexico

Jorge Girault has worked in the real estate industry since 1994 and has been vice president of Finance at Prologis Mexico since 2015. As an officer of Prologis Mexico and a manager of Prologis México Fondo Logístico, a Mexican industrial real estate investment vehicle managed by an affiliate of Prologis, he was responsible for the structuring and successful launch of the FIBRA Prologis IPO in 2014, as well as a rights offering in March 2019. He has significant experience managing Prologis' equity and debt-raising activities and negotiating and structuring debt structures. He began his professional career at G. Acción, a publicly traded Mexican real estate multi-product development company, where he rose from project manager to vice president of Investor Relations.

Mr. Girault has worked as a part-time professor at the Business School of Universidad Iberoamericana and is an active member of the Mexican FIBRA association. He holds an industrial engineering degree from Universidad Panamericana and an MBA from Universidad Iberoamericana and AD1 at IPADE.



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.

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.

Non-Solicitation. Any securities discussed herein or in the accompanying presentations, if any, have not been registered under the Securities Act of 1933 or the securities laws of any state and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the Securities Act and any applicable state securities laws. Any such announcement does not constitute an offer to sell or the solicitation of an offer to buy the securities discussed herein or in the presentations, if and as applicable.

December 31, 2022

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We value your feedback and welcome any questions, comments or suggestions on this report and our performance. Please send your feedback to:

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