LatAm Logistic Properties, S.A.

Consolidated Interim Financial Statements

March 31, 2023 and December 31, 2022

Deloitte.

Deloitte & Touche
Centro Corporativo El Cafetal
Edificio Deloitte
La Ribera, Belén, Heredia
Costa Rica

Tel: (506) 2246 5000
Fax: (506) 2246 5100
www.deloitte.com/cr

REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To the Board of Directors and Stockholders of
Latam Logistic Properties, S.A.

Introduction

We have reviewed the accompanying consolidated interim financial statements of Latam Logistic Properties, S.A. and Subsidiaries ("the Group"), which comprise the consolidated interim statement of financial position as of March, 31st, 2023 and the corresponding consolidated interim statements of profit or loss and other comprehensive income, consolidated interim statements of changes in equity, and consolidated interim statements of cash flows for the three months period then ended at March 31st, 2023 and 2022, respectively, as well as the notes to the consolidated interim financial statements, including a summary of the significant accounting policies. Management is responsible for the preparation and fair presentation of this consolidated interim financial information in accordance with International Financial Reporting Standards ("IFRS"). Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Review Scope

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated interim financial information 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information does not give a true and fair view of the consolidated financial position of the Group as March 31st, 2023, and of its consolidated financial performance and its consolidated cash flows for the three months periods then ended at March, 31st, 2023 and 2022, respectively, in accordance with International Financial Reporting Standards ("IFRS").

Other Matters

The consolidated statement of financial position as of December 31, 2022, corresponds to the audited annual consolidated financial statements which is dated March 31, 2023. Therefore, for a better understanding, the consolidated interim financial information should be read in conjunction with the audited annual consolidated financial statements, as of December 31, 2022 and for the year ended.

Deloitte.

These consolidated interim financial information have been translated to English for the convenience of readers.

I am not subject to the limitations of Article 9 of Law 1038, and of Articles 20 and 21 of the Regulations to said Law, nor of Article 11 of the Code of Ethics of the College of Public Accountants of Costa Rica to issue this report.

Jorge Barboza Hidalgo - C.P.A. No.5079
Insurance Policy No.0116 FIG 7
Expires: September 30, 2023
Revenue stamp of law No.6663, ¢1.000
Affixed and paid

May 15, 2023

LATAM LOGISTIC PROPERTIES, S.A.

TABLE OF CONTENTS

Page

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION 4

CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME 5

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY 6

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS 7-8

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS 9-72

LATAM LOGISTIC PROPERTIES, S.A. AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2023 AND DECEMBER 31, 2022
(Expressed in US Dollars of United States of America)

	Notes	March 31, 2023	December 31, 2022
ASSETS			
CURRENT ASSETS:			
Cash in bank accounts	7	US$ 10,127,980	US$ 14,988,112
Receivables net	2g, 8	3,150,768	2,690,255
Land inventory	2k, 13	2,977,147	2,977,147
Due from affiliates - short term	24	8,955,320	8,798,945
Restricted cash	7, 16	600,000	
Other current assets	9	1,872,895	1,465,815
Total current assets		27,684,110	30,920,274
NON-CURRENT ASSETS:			
Receivables - long term	2g, 8	11,115,651	10,752,473
Right - of - use asset	2i, 15	95,641	130,402
Other assets - long term		587,065	587,064
Prepaid construction	11	1,032,120	2,382,335
Investment properties	2j, 12	459,336,847	448,808,634
Vehicles, furniture and equipment, net	2h, 10	364,009	427,719
Deferred tax	23	222,899	193,436
Restricted cash	7, 16	2,658,152	3,252,897
Total non-current assets		475,412,383	466,534,960
TOTAL ASSETS		US$503,096,493	US$497,455,234
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable and accrued expenses	2d, 2m, 2n, 14	US$ 11,908,726	US$ 12,037,720
Due to affiliates	24	85,128	
Deposits for the sale of assets	13	2,400,000	2,400,000
Lease liability - current	2i, 15	22,381	54,327
Long term debt - current portion	2g, 16	24,078,514	23,576,982
Total current liabilities		38,494,749	38,069,029
NON-CURRENT LIABILITIES:			
Long term debt	2g, 16	193,053,672	191,316,684
Lease liability - long term	2i, 15	80,042	88,553
Deferred tax	23	29,978,793	38,354,800
Security deposits	17	1,816,238	1,706,959
Total non - current liabilities		224,928,745	231,466,996
Total liabilities		263,423,494	269,536,025
EQUITY:			
Common share capital	2o, 18	168,142,740	168,142,740
Accumulated earnings	18	64,626,412	58,544,743
Cumulative translation adjustment	2b	(29,438,043)	(32,052,414)
Equity attributable to owners		203,331,109	194,635,069
Non - controlling interest	2f, 20	36,341,890	33,284,140
Total equity		239,672,999	227,919,209
TOTAL LIABILITIES AND EQUITY		US$503,096,493	US$497,455,234

The accompanying notes are an integral part of these consolidated interim financial statements.

LATAM LOGISTIC PROPERTIES, S.A. AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in US Dollars of United States of America)

	Notes	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
REVENUES:	2p		
Rental revenue	4	US$ 7,643,504	US$ 7,547,312
Development fee income		27,643	285
Total revenues		7,671,147	7,545,597
COSTS AND OPERATING EXPENSES:			
Investment property operating expense	5	1,178,834	1,125,138
General and administrative	21	1,065,178	1,181,730
Total costs and operating expenses		2,244,012	2,306,868
OTHER NON-OPERATING INCOME (EXPENSES):			
Interest income from affiliates	2r, 24	156,375	109,809
Loss on debt extinguishment	16		(2,139,177)
Office lease financing cost		(2,304)	(2,888)
Right-of-use amortization	15	(10,785)	(25,141)
Depreciation and amortization	10	(30,799)	(35,318)
Net foreign currency gain		164,174	332,578
Other income		46,374	23,921
Loss on sale of investment properties			87,976
Other expense	22	(121,724)	(229,309)
Interest expense	2r, 16	(5,253,919)	(2,739,898)
Deferred financing cost amortization	16	(33,321)	(109,823)
NET PROFIT BEFORE TAXES		341,206	513,459
INCOME TAX BENEFIT (EXPENSE)	2s, 23	8,298,213	(654,945)
PROFIT (LOSS) FOR THE PERIOD		8,639,419	(141,486)
OTHER COMPREHENSIVE LOSS:			
Items that are not reclassified subsequently to profit or loss:			
Translation gain from functional currency to reporting currency		2,614,371	4,762,000
Total comprehensive profit for the year		US$11,253,790	US$ 4,620,514
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO:			
Owners of the Group		US$ 6,081,669	US$ (76,738)
Non-controlling interests	2f, 20	2,557,750	(64,748)
Total		US$ 8,639,419	US$ (141,486)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:			
Owners of the Group		US$ 8,696,040	US$ 4,685,262
Non-controlling interests		2,557,750	(64,748)
Total		US$11,253,790	US$ 4,620,514
Earnings (loss) for the period per share attributed to common stockholders of the Group	19	US$ 0.0361697	US$(0.0004564)

The accompanying notes are an integral part of these consolidated financial statements.

LATAM LOGISTIC PROPERTIES, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in US Dollars of United States of America)

		Common Stocks						
	Notes	Number of Shares	Ordinary Share Value	Accumulated Earnings	Adjustment for Translation of Financial Statements	Capital Attributable to Owners	Non-controlling Interests	Total Equity
BALANCE AS OF DECEMBER 31, 2021	16a	168,142,740	US$168,142,740	US$54,394,213	US$(18,532,315)	US$204,002,638	US$31,123,151	US$235,125,789
Net loss for the period				(76,738)		(76,738)	(64,748)	(141,786)
Adjustment for translation of financial statements					4,762,000	4,762,000		4,762,000
Total comprehensive (loss) profit for the period				(76,738)	4,762,000	4,685,262	(64,748)	4,620,514
Distributions							(449,970)	(449,970)
BALANCE AS OF MARCH 31, 2022		168,142,740	US$168,142,740	US$54,317,475	US$(13,772,315)	US$208,687,900	US$30,608,433	US$239,296,333
BALANCE AS OF DECEMBER 31, 2022		168,142,740	US$168,142,740	US$58,544,743	US$(32,052,414)	US$194,635,069	US$33,284,140	US$227,919,209
Net income for the period				6,081,669		6,081,669	2,557,750	8,639,419
Adjustment for translation of financial statements					2,614,371	2,614,371		2,614,371
Total comprehensive profit for the period				6,081,669	2,614,371	8,696,040	2,557,750	11,253,790
Additional paid-in capital	18						500,000	500,000
BALANCE AS OF MARCH 31, 2023		168,142,740	US$168,142,740	US$64,626,412	US$(29,438,043)	US$203,331,109	US$36,341,890	US$239,672,999

The accompanying notes are an integral part of these consolidated financial statements.

LATAM LOGISTIC PROPERTIES, S.A. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in US Dollars of United States of America)

	Notes	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (Loss) for the period		US$ 8,639,419	US$ (141,486)
Adjustments for:			
Gain on early termination of office lease		(6,137)	(5,997)
Loss on sale of investment properties	12		(87,976)
Unrealized foreign currency exchange gain		(263,285)	(378,092)
Borrowing cost write off due to refinancing	16		2,139,177
Deferred income tax	23	(8,379,275)	(224,558)
Current income tax	23	81,062	879,504
Rent leveling	2p	918,431	(544,717)
Rent incentive amortization		10,908	9,565
Bad debt reserve	8	(168,239)	301,403
Right - of - use amortization		10,785	25,141
Depreciation, amortization and retirements	10	113,264	64,233
Office lease financing cost	15	2,304	2,888
Interest income from affiliates	24	(156,375)	(109,809)
Deferred financing cost amortization	16	33,321	109,823
Interest expense	16	5,253,919	2,739,897
Changes in working capital:			
Receivables	8	(398,522)	(320,964)
Other assets	9	(287,422)	12,036
Due to affiliates	24	85,128	
Payables and accrued expenses	14	72,661	(165,759)
Security deposits	17	109,279	53,613
Cash provided by operating activities		5,671,226	4,357,923
Income tax paid	23	(504,704)	(31,650)
Net cash provided by operating activities		5,166,522	4,326,273
CASH FLOWS FROM INVESTING ACTIVITIES			
(1) Additions to investment property		(4,614,684)	(13,002,990)
Deposits paid for acquisitions of investment properties	13		(146,960)
Cash net proceeds from sale of investment properties	12		4,887,976
Proceeds from deposits received for the sale of land inventory	13		1,200,000
Restricted cash	16	(5,254)	611,395
(1) Additions to property, furniture and equipment		(55,600)	(16,756)
Net cash used in investing activities		(4,675,538)	(6,467,335)

(Continues)

LATAM LOGISTIC PROPERTIES, S.A. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in US Dollars of United States of America)

	Notes	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contributions from non-controlling partners		US$ 500,000	
Equity issuance costs paid		(149,109)	US$ (15,227)
Distributions to non-controlling partners			(449,970)
Office lease liability repayment	15	(11,217)	(25,255)
Long term debt borrowing	16	3,526,140	12,430,075
Long term debt repayment	16	(2,918,068)	(5,597,597)
Interest and commitment fee paid	16	(6,335,317)	(3,189,160)
Cash paid for raising debt		(1,400)	(32,132)
Lease financing cost paid	15	(2,304)	(2,888)
Net cash (used in) provided by financing activities		(5,391,275)	3,117,846
NET (DECREASE) INCREASE IN CASH AND EQUIVALENTS		(4,900,291)	976,784
CASH AT THE BEGINNING OF THE PERIOD		14,988,112	17,360,353
EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH HELD		40,159	148,212
CASH AT THE END OF THE PERIOD		US$10,127,980	US$ 18,485,349

TRANSACTION THAT DID NOT REQUIRE CASH:

(1) In additions to investment property and additions to property, furniture and equipment there are US$2,169,118 and US$13,136, respectively, which correspond to accumulated liabilities payable.

(Concluded)

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF BUSINESS

Latam Logistic Properties, S.A. is a company organized in accordance with the laws of the Republic of Panama, constituted as a limited liability company, by public deed dated April 29, 2015, and registered before the Public Registry of Panama on May 4, 2015. On January 2, 2021, the General Assembly of Shareholders unanimously approved the transformation and conversion of Latam Logistic Properties, S.A. from a limited liability company to a corporation, resolution duly registered with the Public Registry of Panama on January 13, 2021.

Latam Logistic Properties, S.A. is structured as a holding company or holder of shares in commercial companies, known as its affiliates and subsidiaries (jointly referred to as "the Group" and individually as "Group entities"), that are dedicated to the development, ownership, acquisition, leasing and administration of modern logistic warehouses facilities in Colombia, Peru and Costa Rica.

The consolidated financial statements of the Group as of March 31, 2023, and December 31, 2022 and the three months ended March 31, 2023 and 2022 include the interim consolidated financial statements of the Group and its Subsidiaries (jointly referred to as "the Group" and individually as "Group entities").

As of March 31, 2023, and December 31, 2022, Latam Logistic Properties, S.A. ownership structure was as follow:

		March 31, 2023		December 31, 2022	
		Number of Common Shares	% of Ownership	Number of Common Shares	% of Ownership
(1)	JREP I Logistics Acquisition, L.P.	149,378,010	88.8%	149,378,010	88.8%
	Latam Logistic Investments, LLC	13,451,419	8.0%	13,451,419	8.0%
	Latam Logistic Equity Partners, LLC	5,313,311	3.2%	5,313,311	3.2%
	Total	168,142,740	100.0%	168,142,740	100.0%

(1) JREP I Logistics Acquisition L.P. ("JREP I") is the Group majority shareholder and controller investor with 88.8 percent ownership. JREP GP LLC has exclusive management control over JREP I, which was engaged by Jaguar Growth Asset Management LLC to have full control over JREP I. The ultimate Group's capital partner is Jaguar Growth Partners LLC, a New York based private equity fund with ample experience in real estate developments throughout emerging markets.

The Group's website is www.latamlogisticproperties.com.

2. SIGNIFICANT ACCOUTING POLICIES

a. ***Basis of Accounting*** - The consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The consolidated interim financial statements have been prepared on the historical cost basis except certain properties and the investment properties that are measured at its fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

- **Level 2** - Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- **Level 3** - Inputs are unobservable inputs for the asset or liability, among others, statisct information, and own Group's information, in some instances based on the information provided by some independent experts.

The Group has a control framework established in relation to the measurement of fair values. This includes the supervision of management of all significant fair value measurements, including the fair values of level 3.

The Group's management regulary reviews the significant unobservable variables and the valuation adjustments. If a third-party information, such as broker quotes or pricing services, is used to measure fair values, supervision includes evidence obtained from third parties to support the conclusion that those valuations meet the requirements of IFRS, including the level within the hierarchy of fair value within these valuations should be classified.

The Group made transfers in the valuation of the investment properties that were operating and under development between the fair value of levels from level 2 to level 3 during the year.

The Group management believes that all adjustments and reclassifications that are required for a proper presentation of the financial information are incorporated in these interim consolidated financial statements.

Going Concern - The directors have, at the time of approving the interim consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore, the Group's management adopts the going concern basis of accounting in preparing the interim consolidated financial statements.

b. ***Functional and Presentation Currency*** - These consolidated interim financial statements are presented in U.S. dollars (US$), which is the functional currency of Latam Logistic Properties, S.A. and its Subsidiaries, except for the Colombian subsidiaries of Latam Logistic COL OpCo, S.A., Latam Logistic COL PropCo Cota I, S.A.S, and Latam Logistic Propco Celta I, S.A.S. for which the functional currency is the Colombian peso. At March 31, 2023 and December 31, 2022, the sell-exchange rates for a US$1.00 were the following:

	March 31, 2023	**December 31, 2022**
Costa Rican Colon	¢ 545,995	¢ 601,99
Peruvian Sol	S/ 3.761	S/ 3.820
Colombian Peso	COP4,627	COP4,810

c. ***Foreign Currency*** -

- **Foreign Currency Transactions** - Transactions in foreign currencies are translated into the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

  Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss.

- **Foreign Operations** - The assets and liabilities of foreign operations, for which the functional currency is other than the U.S. dollar, are translated into U.S. dollars at exchange rates in effect at the date of the consolidated statement of financial position. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions. Components of equity are translated into U.S. dollars at the historical exchange rates.

  Foreign currency differences are recognized in other comprehensive income (OCI) and accumulated in a separate line item in the equity section under "Adjustment for translation of financial statements" (ATFS), except to the extent that the translation difference is allocated to non-controlling interests. When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the ATFS account related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then, the

relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes only part of an associate while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

d. ***Use of Judgements and Estimates*** - In preparing these consolidated financial statements, management has made judgments, estimates, and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Actual results may differ from these estimates.

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

- **Judgments** - Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements.

- **Assumptions and Estimation of Uncertainties** - Information about assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment in the period ended March 31, 2023 and December 31, 2022 and for the three months ended March 31, 2023 and were included in notes to the consolidated interim financial statements.

- **Significant Increase in Credit Risk** - ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

- **Investment Properties** - Investment properties are initially registered at cost, and they are subsequently measured at fair value at least on annual basis. Starting on June 30, 2021, the Group recognized the update and semi-annual valuation, but on June 30, 2022, management changed its policy from semi-annual valuations to at least annual valuations.

- **Deferred Taxation on Investment Properties** - For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the Management has reviewed the Group's investment property portfolios and concluded that the Group's investment properties are managed under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. As a result, the Group has recognized any deferred taxes on changes in fair value of investment properties.

e. ***Basis of Consolidation*** - The consolidated interim financial statements incorporate the financial statements of the Group and entities controlled by the Group (its subsidiaries) at the end of each reporting year. Control is achieved when the Group:

- Has the authority over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its authority to affects its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it considers that it has authority over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it authority, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

The consolidated interim financial statements include the financial information of Latam Logistic Properties, S.A. (parent entity) and its subsidiaries:

	Entities	Country	Ownership Interest	
			March 31, 2023	December 31, 2022
	Latam Logistic Property Holdings LLC	United States	100%	100%
	Latam Logistic COL HoldCo I, S de R.L.	Panamá	100%	100%
	Latam Logistic CR HoldCo I, S de R.L.	Panamá	100%	100%
	Latam Logistic Pan HoldCo S de R.L.	Panamá	100%	100%
	Latam Logistic Pan Holdco El Coyol II S de R.L.	Panamá	50%	50%
	Latam Logistic Pan Holdco Cedis Rurales S de R.L.	Panamá	100%	100%
	Latam Logistic Pan HoldCo San Joaquin I S de R.L.	Panamá	100%	100%
(1)	Latam Logistic Pan Holdco Lagunilla I, S.R.L.	Panamá	100%	100%
(2)	Latam Logistic Pan Holdco Verbena I S de R.L.	Panamá	47.6%	47.6%
(3)	Latam Logistic Pan Holdco Verbena II S, S.R.L.	Panamá	47.6%	47.6%
	Latam Logistic Pan Holdco Santiago I, S de R.L.	Panamá	100%	100%
	Latam Logistic Pan Holdco Santo Domingo, S de R.L.	Panamá	100%	100%
	Latam Logistic Pan Holdco Medellin I, S.R.L.	Panamá	100%	100%
	LatAm Logistic Pan HoldCo Bodegas los Llanos, S.R.L.	Panamá	100%	100%
	Latam Logistic PER OpCo, S.R.L.	Perú	100%	100%
	Latam Logistic PER PropCo Lurin I, S. de R.L.	Perú	100%	100%

(Continues)

	Entities	Country	Ownership Interest	
			March 31, 2023	December 31, 2022
	Latam Logistic PER PropCo Lurin II, S. de R.L.	Perú	100%	100%
	Latam Logistic PER PropCo Lurin III, S. de R.L.	Perú	100%	100%
	Parque Logístico Callao, S.R.L.	Perú	50%	50%
(4)	Latam Logistic COL OpCo, S.A.	Colombia	100%	100%
	Latam Logistic COL PropCo Cota I, S.A.S.	Colombia	100%	100%
	Latam Logistic Propco Celta I, S.A.S.	Colombia	100%	100%
	Latam Logistic CR OpCo, S.R.L.	Costa Rica	100%	100%
	Latam Logistic CR PropCo Alajuela I, S.R.L.	Costa Rica	100%	100%
	Latamcr Propco El Coyol Dos S de R.L.	Costa Rica	50%	50%
	Latam Logistic Propco Bodegas San Joaquín S de R.L.	Costa Rica	100%	100%
	Latam Logistic Propco Cedis Rurales Costa Rica S de R.L.	Costa Rica	100%	100%
	3102784433, S.R.L.	Costa Rica	23.8%	23.8%
(5)	Latam Logistic Propco Lagunilla I S de R.L.	Costa Rica	100%	100%
	Latam Logistic PropCo Bodegas los Llanos S de R.L.	Costa Rica	100%	100%
	Latam Logistic CR Zona Franca, S. de R.L.	Costa Rica	100%	100%

(1) Formerly known as Latam Logistic Pan Holdco Oficinas San Joaquín Heredia, S.R.L.
(2) Formerly known as Latam Logistic Propco Pedregal Panamá S de R.L.
(3) Formerly known as Latam Logistic Pan Holdco Pedregal Panamá S de R.L.
(4) Formerly known as Latam Logistic COL OpCo, S.A.S.
(5) Formerly known as Latam Logistic Propco Ciruelas IV S de R.L.

f. ***Noncontrolling Interests*** - Non-controlling interests represent the share of consolidated entities owned by third parties. The Group recognizes each non-controlling holder's respective share of the estimated fair value of the net assets at the date of formation or acquisition. Non-controlling interests are subsequently adjusted for non-controlling holder's share of additional contributions, distributions and their share of the net earnings or losses of each respective consolidated entity. The Group allocates net income to non-controlling interests based on the weighted average ownership interest during the year. The net income that is not attributable to the Group is reflected in the line-item Net earnings attributable to non-controlling interests.

g. ***Financial Instruments*** - All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of Financial Assets - Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and

- The Group may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

i. *Amortized Cost and Effective Interest Method* - The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant year.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting years, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

ii. *Debt Instruments Classified as at FVTOCI* - The debt instruments held by the Group are classified as at FVTOCI. The debt instruments areinitially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of this debt instruments as a result of foreign exchange gains and losses (see below), impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognized in profit or loss. The amounts that are recognized in profit or loss are the same as the amounts that would have been recognized in profit or loss if these debt instruments had been measured at amortized cost. All other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these debt instruments are derecognized, the cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss.

Impairment of Financial Assets - The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on inancial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognizes lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 - month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

i. *Significant Increase in Credit Risk* - In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is considered when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating.

- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost.

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.

- An actual or expected significant deterioration in the operating results of the debtor.

- Significant increases in credit risk on other financial instruments of the same debtor.

- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default,

- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and

- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there are no past due amounts.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

ii. *Definition of Default* - The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

iii. *Credit - impaired Financial Assets* - A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event (see (ii) above);
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

iv. *Write - off Policy* - The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

v. *Measurement and Recognition of Expected Credit Losses* - The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16 Leases.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting year, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve and does not reduce the carrying amount of

the financial asset in the statement of financial position. The Group records a provision for possible loss if the collection of a receivable balance is considered doubtful. As of March 31, 2023, and December 31, 2022, the Group recorded an allowance for expected credit losses related to receivables from clients of US$820,850 and US$2,727,719 respectively.

Derecognition of Financial Assets - The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

Financial Liabilities - All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial Liabilities at FVTPL - Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL. A financial liability is classified as held for trading if:

- It has been acquired principally for the purpose of repurchasing it in the near term; or

- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the other income and expenses line item in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability. Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as at FVTPL are recognized in profit or loss.

Financial Liabilities Measured Subsequently at Amortized Cost - Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derecognition of Financial Liabilities - The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

Derivative Financial Instruments - As of March 31, 2023, and December 31, 2022 and for three months ended March 31, 2023 and 2022, the Group held no derivative financial instruments.

h. ***Vehicles, Furniture and Equipment*** -

- **Recognition and Measurement** - Items of vehicles, furniture and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

  If significant parts of an item of vehicles, furniture and equipment have different useful lives, then they are accounted for as separate items (major components) of vehicles, furniture, and equipment.

  Any gain or loss on disposal of an item of furniture and equipment is recognized in profit or loss.

- **Subsequent Expenditure** - Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

- **Depreciation** - Items of vehicles, furniture and equipment are depreciated from the date they are available for use, or in the case of self-constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of items of vehicles, furniture and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

The estimated useful lives of furniture and equipment for current and comparative periods are as follows:

Vehicles, Furniture and Equipment	Estimated Useful Lives
Computer equipment	5 years
Office furniture and equipment	10 years
Vehicles	10 years
Leasehold improvements	3-5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

i. ***Leases*** - The Company evaluates if a contract contains a lease at the commencement date. The Company recognizes a right-of-use asset and a corresponding lease liability regarding all lease contracts in which it is a lessee, except for short-term leases (term of 12 months or less) and low value assets (as electronic tablets, personal computers, and small office furniture devices and telephones). For these leases, the Company recognizes the lease payments as an operating lease under the straight-line method through the valid term of the lease, unless other method is more representative of the pattern in which economic benefits from the use of the underlying asset is diminished.

Lease liability is initially measured at present value of the lease payments that are not paid on the commencement date, discounted from the implicit interest rate in the contract. If this rate cannot be readily determined, the Group shall use incremental rates.

The lease payments included in the measurement of lease liability consist of:

- Fixed payments, including in substance fixed payments, less any lease incentives received;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- Amount expected to be paid by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease.

Lease liability is presented as a separate component in the statement of financial position.

Lease liability is subsequently measured by increasing the carrying amount to reflect the interest earned on the liability lease (using the effective interest method) and reducing the carrying amount to reflect the lease payments made.

The Group revaluates the lease liability (and makes the corresponding adjustment to the underlying right-of-use asset) provided that:

- The lease term is modified, or there is an event or significant change in the circumstances of the lease that results in a change in the assessment of an option to purchase the underlying asset, in which case the lease liability is measured by discounting the revised lease payments using a revised discount rate.
- Lease payments are modified as a consequence of changes in rates or a change in the expected amounted to be paid under a residual value guarantee, in which cases the liability lease is revalued by discounting the revised lease payments using the same discount rate (unless the change in the lease payments results from a change in a variable interest rate, in which case a revised discount rate is used).

- A lease contract is revised, and the revision of the lease is not accounted for as a separate lease, in which case the lease liability is revaluated based on the lease term of the revised lease, by discounting the revised lease payments using a revised discount rate as of the date in which the revision became effective.

The Group did not make any of the adjustments mentioned above during the reported periods.

Right-of-use assets consist of the amount of the initial measurement of the corresponding lease liability, the lease payments made on or before the commencement date, less any lease incentive received and any initial direct cost. The subsequent valuation is the cost less the accumulated depreciation and impairment losses.

If the Group incurs an obligation resulting from the cost of dismantling and removing the leased asset, restoring the site on which it is located, or restoring the underlying asset to the condition required by the terms and conditions of the lease, an allowance measured according to IAS 37 must be recognized. To the extent that costs are related to a right-of-use asset, the costs are included in the underlying right-of-use asset, unless such costs are incurred to generate inventories.

Right-of-use assets are depreciated over the shorter period between the lease period and the useful life of the underlying asset. If a lease transfers the ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Group plans to exercise a purchase option, the right-of-use asset will be depreciated over the useful life. Depreciation starts on the date of the commencement of the lease.

The right-of-use assets are shown as a separate component in the statement of financial position.

The Group applies IAS 36 to determine if a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Property, plant, and equipment" policy.

As practical expedient, IFRS 16 allows not to separate the non-lease components and instead account for any lease components and its associated non-lease components as a single lease component. The Group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

j. ***Investment Property*** - Investment properties are buildings and lands held to obtain rent, surpluses, or both. Investment properties are initially registered at cost, and they are subsequently measured at fair value at least on annual basis. Fair value is determined between the lower value resulting from comparing the amount of the appraisal to identify the commercial value of each real property, performed by an independent professional, and the financial assessment, which corresponds to the value of each real property calculated as the present value of

the net cash flows that are expected in the future direct capitalization for operating properties and properties under development and comparable for land. The differences between the fair value and the recorded amount are recognized in the profit and loss of the period.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from used and no future economic benefits are expected form the disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

k. ***Land Inventory*** - Land inventories are stated at the lower of acquisition cost (for the land under development, includes, in addition to the land, the costs incurred for the development of the project) and net realizable value. Net realizable value represents the estimated selling price for the land less the direct expenses to complete its sale.

On the other hand, non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets or disposal groups are generally measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on measurement are recognized in profit or loss.

Once classified as held for sale, property, plant and equipment are no longer amortized or depreciated, and any equity accounted investee is no longer equity accounted.

l. ***Impairment*** -

- **Non-Derivative Financial Assets** - Financial assets not classified as at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

  Objective evidence that financial assets are impaired includes:

  - Default or delinquency by a debtor;
  - Restructuring of an amount due to the group on terms that it would not consider otherwise;
  - Indications that a debtor or issuer will enter bankruptcy;
  - Adverse changes in the payment's status of borrowers or issuers;
  - Disappearance of an active market for a security because of financial difficulties, or
  - Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

Financial Assets Measured at Amortized Cost - The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

- **Non-Financial Assets** - At each consolidated statement of financial position, the Group reviews the carrying amounts of its non-financial assets, and deferred tax assets, to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

  For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU (Cash Generating Units).

  The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

  An impairment loss is recognized if the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

  An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

m. ***Employee Benefits*** -

Short - term Employee Benefits - Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of a past service provided by the employee and the obligation can be estimated reliably.

Statutory Christmas Bonus - Pursuant to regulations in effect in certain countries where the Group operates, the Subsidiaries are required to pay a Statutory Christmas bonus to its employees (employee benefit). Accordingly, the Group follows the policy of establishing a monthly accrual to cover future disbursements associated with that benefit.

Vacations - In accordance with the legislation in each of the jurisdictions where the Group operates, the Group follows the policy of accruing vacation days based on a study performed by the Management, which quantifies the amount of that obligation for employees who, at period-end, have not used that benefit. Such obligation is accounted for as a provision for vacation.

n. ***Provisions*** - A provision is recognized if, as result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

o. ***Equity*** -

Shareholders' Equity - Latam Logistic Properties, S.A. is a company that was organized in accordance with the laws of the Republic of Panama, constituted as a limited liability company, by public deed dated April 29, 2015, and registered before the Public Registry of Panama on May 4, 2015. Under the capital structure of the limited liability corporation the Group had Capital Quotes.

Capital Structure as a corporation was changed as follows:

Common Shares - Latam Logistic Properties, S.A. shareholders authorized a capital of 300,000,000 shares from which 168,142,740 shares were issued and fully paid with a nominal (par) value of US$1.00 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of Latam Logistic Properties, S.A.

Issuance Costs - Any transaction costs associated with the issuing of shares are deducted from the common share capital account, net of any related income tax benefits.

Legal Reserve - According to the legislation in effect in several countries in which the Group operates, subsidiaries must appropriate between 10 percent to 20 percent of each year's net earnings to a legal reserve.

p. ***Revenue Recognition*** -

Investment Property Rental Income - The Group leases their operating properties under agreements that are classified as operating leases.

The Group leases operating properties to customers under agreements that are classified as operating leases. The Group recognizes the total minimum lease payments provided for under the leases on a straight-line basis over the lease term. Generally, under the terms of the Group's leases, the majority of our rental expenses are recovered from the customers, including common area maintenance, real estate taxes and insurance. Rental expenses recovered through reimbursements received from customers are recognized in Rental Revenues in the Consolidated Statements of Profit or Loss and Other Income. The Group record amounts reimbursed by their customers ("rental recoveries") as revenues in the period that the applicable expenses are incurred. The Group accounts for and presents rental revenue and rental recoveries as a single component under Rental Revenues as the timing of recognition is the same, the pattern with which we transfer the right of use of the property and related services to the lessee are both on a straight-line basis and our leases qualify as operating leases. The Group performs credit analyses of our customers prior to the execution of the leases and continue these analyses for each individual lease on an ongoing basis in order to ensure the collectability of rental revenue. The Group recognizes revenue to the extent that amounts are determined to be collectible.

Development Fee Income - Development fees are determined in accordance with the terms specific to each arrangement with its customers. The fees are recognized as revenue when they are earned under the agreement with the customers.

The Group also earns fees from ventures that we consolidate. Upon consolidation, these fees are eliminated from the earnings and the third-party share of these fees are recognized as a reduction of Net Earnings Attributable to Noncontrolling Interest.

Rent Leveling - The Group policy is to record Lease income in its books using the straight-line method. It consists of determining the total income of each lease contract during its term, considering for this calculation the months of free rent, installation-moving of the tenant, annual percentage increases, increases due to increase in leasable area and or any another increase defined in the lease contracts.

The total of this income is divided by the total number of months of the contract, resulting in the average monthly income. Once this amount is determined, it is subtracted or added to the real income invoiced in each calendar month in separate accounting accounts of the income statement and the balance sheet.

When the contract has been fully invoiced, the balance sheet account should show a zero balance.

q. ***Borrowing Costs*** - The Group capitalizes borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

r. ***Finance Income and Finance Costs*** - The Group's finance income and finance costs include interest income, bank commissions and the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognized using the effective interest method.

s. ***Income Tax*** - Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

- **Current Tax** - Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to tax payable or receivable in respect of previous periods.

  The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted as of the date of the consolidated statement of financial position. Current assets and liabilities are offset only if certain criteria are met.

- **Deferred Tax** - Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax is not recognized for:

  - Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

  - Temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that it will not reverse in the foreseeable future; and,

  - Taxable temporary differences arising on the initial recognition of goodwill.

  Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available, against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

  Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

  Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The management of the Group reviewed the Group's investment properties and concluded that the Group's investment properties are held under a business model whose objective is to consume the economic benefits embodied in the investment properties through different strategies that may include sale of assets. As a result, the Group has recognized deferred taxes on changes in fair value of the investment properties.

3. NEW AND AMENDED IFRS ACCOUNTING STANDARDS THAT ARE EFFECTIVE FOR THE CURRENT YEAR

a. In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- ***Amendments to IFRS 3 Reference to the Conceptual Framework*** - The Group has adopted the amendments to IFRS 3 Business Combinations for the first time in the current year. The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

- ***Amendments to IAS 16 Property, Plant and Equipment - Proceeds before Intended Use*** - The Group has adopted the amendments to IAS 16 for the first time in the current year. The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of "testing whether an asset is functioning properly". IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

- ***Amendments to IAS 37 Onerous Contracts - Cost of Fulfilling a Contract*** - The Group has adopted the amendments to IAS 37 for the first time in the current year. The amendments specify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

- ***Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle*** - The Group has adopted the amendments included in the Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle for the first time in the current year. The Annual Improvements include amendments to four standards.

  - **IFRS 1 First-time Adoption of International Financial Reporting Standards** - The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Accounting Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

  - **IFRS 9 Financial Instruments** - The amendment clarifies that in applying the "10 per cent" test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

  - **IFRS 16 Leases** - The amendment removes the illustration of the reimbursement of leasehold improvements.

b. ***New and revised IFRS Accounting Standards in Issue but not yet Effective*** - At the date of authorization of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

I. **IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)** - Insurance Contracts.

II. **Amendments to IFRS 10 and IAS 28** - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

III. **Amendments to IAS 1** - Classification of Liabilities as Current or Non-Current.

IV. **Amendments to IAS 1 and IFRS Practice Statement 2** - Disclosure of Accounting Policies.

V. **Amendments to IAS 8** - Definition of Accounting Estimates.

VI. **Amendments to IAS 12** - Deferred Tax related to Assets and Liabilities Arising from a Single Transaction.

The Administration and directors do not expect that the adoption of the Standards listed above will have a material impact on the interim financial statements of the Group in future periods, except if indicated below

I. **IFRS 17 Insurance Contracts** - IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 *Insurance Contracts*.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the IASB issued *Amendments to IFRS 17* to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the IASB issued *Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that* extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023.

In December 2021, the IASB issued *Initial Application of IFRS 17 and IFRS 9 - Comparative Information* (Amendment to IFRS 17) to address implementation challenges that were identified after IFRS 17 was published. The amendment addresses challenges in the presentation of comparative information.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

II. **Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture** - The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

III. **Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current** - The amendments to IAS 1, published in January 2020, affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of "settlement" to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted. The IASB is currently considering further amendments to the requirements in IAS 1 on classification of liabilities as current or non-current, including deferring the application of the January 2020 amendments.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted. The IASB is currently considering further amendments to the requirements in IAS 1 on classification of liabilities as current or non-current, including deferring the application of the January 2020 amendments.

IV. **Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies** - The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendment replaces all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the "four-step materiality process" described in IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

V. **Amendments to IAS 8 Accounting Policies Changes in Accounting Estimates and Errors - Definition of Accounting Estimates** - The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The definition of a change in accounting estimates was deleted. However, the IASB retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error; and

- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The IASB added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The IASB has deleted one example (Example 3) as it could cause confusion in light of the amendments.

The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

VI. **Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction** - The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognize the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The IASB also added an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognizes:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized) and a deferred tax liability for all deductible and taxable temporary differences associated with:
  - Right-of-use assets and lease liabilities.
  - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset;
- The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

The Group anticipate that the application of these amendments may have an impact on the Group's interim consolidated financial statements in future periods should such transactions arise.

4. RENTAL REVENUE

The Group through its subsidiaries, has entered into various operating leases agreements with customers for the rental of its warehouses. Most of the Group's lease agreements associated with the investment properties contain a lease term from five to ten years. The Group weighted average lease term remaining on leases in the operating properties and properties under development, based on square meters of all leases in effect at March 31, 2023, and December 31, 2022 was 76 months and 68 months, respectively.

These leases are based on a minimum rental payment in U.S. dollars for Costa Rica and Peru and Colombian Pesos for Colombia, plus maintenance fees and recoverable expenses, and guarantee deposits associated with the agreements, which are commonly used for covering any repair, improvement tasks or could be applied over the lease as last payment when it ends.

Rental revenue was as follows:

	For the Three Months Ended March 31,	
	2023	**2022**
Rental revenue	US$6,884,715	US$6,463,493
Patio rental income	(430,205)	230,044
Rental recoveries	748,451	509,672
Direct billables	219,711	217,515
Other	220,832	126,588
Total	US$7,643,504	US$7,547,312

The following table summarizes the Group minimum lease payments, based on net effective rent, on operating properties and pre-stabilized development properties with lease periods greater than one year, at March 31, 2023:

	Amount
Rental revenues:	
2023 (nine months)	US$ 25,903,165
2024	33,069,323
2025	29,189,233
2026	25,082,320
2027	22,126,143
Thereafter	72,857,169
Total	US$208,227,353

5. INVESTMENT PROPERTY OPERATING EXPENSES

Investment property operating expenses include the direct operating expenses of the property such as property taxes, insurance and utilities, among others. Property operating expenses are mostly recovered through the rental recoveries charged to the tenants.

Rental property operating expenses were as follows:

	For the Three Months Ended March 31,	
	2023	**2022**
Repair and maintenance	US$ 610,758	US$ 375,266
Utilities	113,751	13,896
Insurance	84,626	70,321
Property management	54,622	47,758
Real estate taxes	211,093	91,483
Expected credit loss	(168,239)	301,403
Direct billable	219,294	214,638
Other	52,929	10,373
Total	US$1,178,834	US$1,125,138

6. SEGMENT REPORTING

Operating segment information is presented based on how management analyzes the business, which includes information aggregated by market. The results for these operating segments are presented for the three months ended March 31, 2023 and 2022, assets and liabilities are included as of March 31, 2023 and December 31, 2022. The Group operates in three geographic markets that represent its reportable operating segments. The information of the markets where it has commercial operations; Colombia, Peru, and Costa Rica were as follows:

	For the Three Months ended March 31, 2023			
	Colombia	**Peru**	**Costa Rica**	**Total**
Revenues:				
Rental revenue	US$ 1,714,509	US$2,256,351	US$ 3,672,644	US$ 7,643,504
Development fee income (loss)	(228)	5,300	22,571	27,643
Sub-total	1,714,281	2,261,651	3,695,215	7,671,147
Costs and expenses:				
Investment property expenses	211,749	392,643	574,442	1,178,834
General and administrative	191,591	185,684	491,598	868,873
Sub-total	403,340	578,327	1,066,040	2,047,707
Net operating profit	US$ 1,310,941	US$1,683,324	US$ 2,629,175	US$ 5,623,440
Other income/(expenses):				
Right-of-use amortization	US$ (6,157)	US$ (4,628)		US$ (10,785)
Depreciation and amortization	(3,091)	(10,290)	US$ (13,011)	(26,392)
Foreign currency loss	(379)	43,346	121,207	164,174
Other income	488	6,137	24,819	31,444
Office lease financing cost	(1,861)	(433)		(2,304)
Interest expense	(1,537,598)	(767,474)	(2,576,230)	(4,881,302)
Deferred financing cost	(15,057)	(12,924)	(3,615)	(31,596)
Other expense	(12,967)	(104,083)	(3,414)	(120,464)
Net (loss) income before taxes	(265,681)	832,965	178,931	746,215
Income tax benefit (expense)	50,420	1,247,945	6,999,848	8,298,213
Net (loss) income after taxes	(215,261)	2,080,910	7,178,779	9,044,428
Earnings attributable to non-controlling interest		315	(2,558,065)	(2,557,750)
Net (loss) income of the period	US$ (215,261)	US$2,081,225	US$ 4,620,714	US$ 6,486,678

	For the Three Months ended March 31, 2022			
	Colombia	Peru	Costa Rica	Total
Revenues:				
Rental revenue	US$1,409,471	US$1,876,742	US$ 4,264,099	US$ 7,547,312
Development fee income	228	57		285
Sub-total	1,409,699	1,876,799	4,261,099	7,547,597
Costs and expenses:				
Investment property expenses	175,795	247,885	701,758	1,125,138
General and administrative	254,508	198,617	672,912	1,126,331
Sub-total	430,297	446,502	1,374,670	2,251,469
Net operating profit	US$ 979,402	US$1,430,297	US$ 2,886,429	US$ 5,269,128
Other income/(expenses):				
Debt extinguishment cost	US$ (756,207)		US$(1,382,670	US$(2,139,177)
Right-of-use amortization	(5,375)	US$ (6,942)	(12,824)	(25,141)
Depreciation and amortization	(8,787)	(10,328)	(13,145)	(32,167)
Foreign currency loss	422	326,525	(30,369)	332,578
Other income	6,716		17,205	23,921
Gain on sale of investment properties			87,976	87,976
Office lease financing cost	(818)	(1,192)	(878)	(2,888)
Interest expense	(769,877)	(424,382)	(1,326,264)	(2,520,523)
Deferred financing cost	(19,970)	(25,299)	(16,905)	(62,174)
Other expense	(84,805)	(23,842)		(108,647)
Net (loss) income before taxes	(659,599)	1,300,927	208,558	849,887
Income tax benefit (expense)	153,005	774,453	(1,582,403)	(654,945)
Net (loss) income after taxes	(506,594)	2,075,380	(1,373,845)	194,941
Earnings attributable to non-controlling interest		4,788	59,960	64,748
Net (loss) income of the period	US$ (506,594)	US$2,080,168	US$(1,313,885)	US$ 259,689

	March 31, 2023			
	Colombia	Perú	Costa Rica	Total
Assets:				
Cash	US$ 799,921	US$ 5,328,668	US$ 2,969,228	US$ 9,027,817
Receivables and other assets	868,804	4,833,864	11,013,701	16,716,369
Deferred tax asset	25,198	161,401	36,300	222,899
Lease Right-of-Use	95,641			95,641
Prepaid construction	570,370	332,376	129,374	1,032,120
Investment property	113,867,406	106,015,728	239,453,713	459,336,847
Land inventory			2,977,147	2,977,147
Restricted cash		1,210,415	2,047,737	3,258,152
Vehicles, furniture and equipment, net	36,362	73,026	194,633	304,021
Total assets	116,193,702	117,955,478	258,821,833	492,971,013
Liabilities:				
Payables and accruals	5,447,199	1,891,349	3,878,743	11,217,291
Deposits from land inventory			2,400,000	2,400,000
Deferred tax liability	1,163,300	13,139,498	15,675,994	29,978,792
Leasing liability	102,423			102,423
Long-term debt	41,667,871	34,690,928	125,773,387	202,132,186
Security deposits		588,360	1,227,878	1,816,238
Total liabilities	48,380,793	50,310,135	148,956,002	247,646,930
Net assets	US$ 67,812,909	US$ 67,645,343	US$109,865,831	US$245,324,083

	December 31, 2022			
	Colombia	Perú	Costa Rica	Total
Assets:				
Cash	US$ 1,117,352	US$ 7,760,906	US$ 3,286,851	US$ 12,165,109
Receivables and other assets	597,781	4,630,456	10,244,055	15,472,292
Deferred tax asset	11,783	132,651	49,002	193,436
Lease Right-of-Use	98,005	32,397		130,402
Prepaid construction	1,066,150	242,207	1,073,978	2,382,335
Investment property	107,749,342	104,893,059	236,166,233	448,808,634
Land inventory			2,977,147	2,977,147

(Continues)

	December 31, 2022			
	Colombia	Perú	Costa Rica	Total
Restricted cash		US$ 1,205,162	US$ 2,047,735	US$ 3,252,897
Vehicles, furniture and equipment, net	US$ 37,992	165,331	160,002	363,325
Total assets	110,678,405	119,062,169	256,005,003	485,745,577
Liabilities:				
Payables and accruals	4,389,946	3,130,356	3,868,391	11,388,693
Deposits from land inventory			2,400,000	2,400,000
Deferred tax liability	1,163,666	14,360,769	22,830,365	38,354,800
Leasing liability	103,550	39,330		142,880
Long-term debt	40,340,894	36,322,430	123,232,067	199,895,391
Security deposits		588,360	1,118,599	1,706,959
Total liabilities	45,588,965	54,441,245	153,449,422	253,888,723
Net assets	US$ 64,680,349	US$ 64,620,924	US$102,555,581	US$231,856,854

7. CASH IN BANK ACCOUNTS

Available cash are in bank accounts and overnight deposits. Demand deposits bear interest at a negligible interest rate. The book value of these assets approximates their fair value.

The Group's cash are predominantly denominated in US dollars and, in part, in Colombian pesos, Peruvian soles and Costa Rican colones.

Cash in bank accounts was as follows:

	March 31, 2023	December 31, 2022
Bank accounts:		
In Colombian pesos	US$ 729,921	US$ 1,117,352
In Costa Rican colones	3,340	15,287
In Peruvian soles	374,766	237,240
In US dollars	9,019,953	13,618,233
Total	US$10,127,980	US$14,988,112

As of March 31, 2023 and December 31, 2022, cash disclosed in the interim consolidated statements of financial position and in the consolidated statement of cash flows included US$2,992,949 and US$2,465,008, respectively, that were held in Special Purpose Vehicles (SPVs) in which the ownership is shared with other private investors. These cash deposits were designated for the sole purpose of investing in development and operations of the properties held by the SPVs and were therefore not available for general use by other entities within the Group.

In addition, the Group had non-current restricted cash related to additional guarantees for the long-term debt and corporate credit cards. Restricted cash guarantees were invested in certificate of deposits bearing a weighted average annual interest rate of 3.4 percent. Restricted cash detailed between long-term debt and credit cards was as follows:

	Note	March 31, 2023	December 31, 2022
Restricted cash non-current:			
Long-term debt additional guarantee			
Invested in certificate of deposits		US$1,987,112	US$1,987,110
In restricted cash account		1,210,415	1,205,162
Sub-total	16	3,197,527	3,192,272
Credit cards additional guarantee			
Invested in certificate deposits		60,625	60,625
In restricted cash account short term		(600,000)	
Total		US$2,658,152	US$3,252,897

8. RECEIVABLES NET

As of March 31, 2023, and December 31, 2022, receivables were as follows:

		March 31, 2023	December 31, 2022
(a)	Tenants trade receivables, net	US$ 1,698,824	US$ 1,583,034
(b)	Tenants notes receivables, net	7,471,422	7,655,269
(c)	Value added tax	4,912,011	4,021,430
	Income tax and tax credits	63,919	62,932
	Others	120,243	120,063
	Sub-total	14,266,419	13,442,728
	Value added tax - long term	(4,409,747)	(3,841,864)
	Tenant notes receivable - long term	(6,705,904)	(6,910,609)
	Subtotal	(11,115,651)	(10,752,473)
	Total trade receivables	US$ 3,150,768	US$ 2,690,255

(a) ***Tenant Trade Receivables*** - The average credit period on rents is 30 days. No interest is charged on outstanding trade receivables.

The Group always measures the expected credit loss for trade receivables, net of cash secuirty deposits, at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognized a expected credit loss allowance of 100 percent against all trade receivables over 90 days past due, net of cash security deposits, because historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

The following table details the risk profile of trade receivables based on the Group's provision matrix. To measure the expected credit losses, trade receivables, net of cash security deposits, have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at March 31, 2023 and December 2022 was determined as follows; the expected credit losses below also incorporate forward looking information.

As the Group's historical credit loss experience shows different loss patterns between two customer segments based on credit risk, the provision for loss allowance based on past due status distinguished between the Group's different customer base:

March 31, 2023	0 to 30 Days	30 to 60 Days	60 to 90 Days	Over 90 Days	Total
Weighted average expected loss rate	0.8%	10.0%	100.0%%	100.0%	
Gross carrying amount	US$1,649,932	US$ 45,833	US$ 60,409	US$ 734,077	US$2,499,251
Loss allowance provision	(8,800)	(1,231)	(58,314)	(732,082)	(800,427)
Net carrying amount	1,641,132	44,602	2,095	10,995	1,698,824
Cash Security Deposit	US$ (552,634)	US$(33,521)	US$ (2,095)	US$ (10,996)	US$ (599,246)

December 31, 2022	0 to 30 Days	30 to 60 Days	60 to 90 Days	Over 90 Days	Total
Weighted average expected loss rate	12.4%	81.6%	92.4%	100.0%	
Gross carrying amount	US$1,617,016	US$ 178,658	US$ 170,872	US$ 2,324,513	US$ 4,291,059
Loss allowance provision	(138,253)	(145,170)	(148,730)	(2,275,705)	(2,707,858)
Net carrying amount	1,478,763	33,488	22,142	48,808	1,583,201
Cash Security Deposit	US$ (497,657)	US$ (728)	US$ (9,874)	US$ (48,808)	US$ (557,067)

(b) ***Tenant Notes Receivables*** - The Group finances some of its clients' specific tenant improvements that customers request. As of March 31, 2023, loans outstanding to tenants bear weighted average annual interest rate of 10.7 percent and had a weighted average remaining loan term of 7.8 years. As of December 31, 2022, loans outstanding to tenants bears a weighted average annual interest rate of 10.7 percent and have a weighted average remaining loan term of 8.1 years.

The Group always measures the expected credit loss allowance for tenant notes receivables at an amount equal to lifetime ECL over the 12-month expected credit loss. The expected 12-month credit losses on tenant notes receivables are estimated using a provision matrix by reference to past default experience of the debtor and an taking in consideration the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off tenants notes receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the tenat notes receivables that have been written off is subject to enforcement activities.

The following table details the risk profile of tenants notes receivables based on the Group's provision matrix. To measure the expected credit losses, trade receivables, net of cash security deposits, have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at March 31, 2023 and December 31, 2022 was determined as follows; the expected credit losses below also incorporate forward looking information.

March 31, 2023	Current Notes Receivables	Long Term Notes Receivables	Total
Weighted average expected loss rate	2.6%	0%	
Gross carrying amount	US$785,942	US$6,705,903	US$7,491,845
Loss allowance provision	US$ (20,423)	US$	US$ (20,423)
Net Carrying Amount	US$ 65,519	US$6,705,903	US$7,471,422

December 31, 2022	Current Notes Receivables	Long Term Notes Receivables	Total
Weighted average expected loss rate	2.6%	0%	
Gross carrying amount	US$764,522	US$6,910,609	US$7,675,131
Loss allowance provision	US$ (19,862)	US$	US$ (19,862)
Net Carrying Amount	US$744,659	US$6,910,609	US$7,655,269

The expected credit loss allowance provision for trade receivables and tenant notes receivables as of March 31, 2023 and December 31, 2022 reconciled to the opening loss allowance for that provision as follows:

	March 31, 2023			December 31, 2022		
	Trade Receivables	Tenants Notes Receivables	Total	Trade Receivables	Tenants Notes Receivables	Total
Beginning balance	US$ 2,707,858	US$19,862	US$ 2,727,720	US$1,177,841	US$24,062	US$1,201,903
Increase in loss Allowance recognized in profit or loss during the period	55,356	561	55,917	1,588,888		1,588,888
Receivables written-off during the period as uncollectible	(1,738,631)		(1,738,631)	(54,751)		(54,751)
Unused amount reversed [1]	(224,156)		(224,156)	(4,120)	(4,200)	(8,320)
Ending balance	US$ 800,427	US$20,423	US$ 820,850	US$2,707,858	US$19,862	US$2,727,720

(1) For the three months ended March 31, 2023, includes a reversal of the expected credit loss allowance that was due to the termination of one of the lease and settlement of a lease contract with a tenant. For the year ended December 31, 2022, includes a reversal of the expected credit loss allowance that was due to the collection of US$8,500.

(c) ***Value Added Tax*** - The Group´s sales and purchases of goods and services in Costa Rica, Colombia and Perú are subject to value added tax. As of March 31, 2023, and December 31, 2022, value added tax receivable derived from the operations in Colombia, Peru and Costa Rica were as follows:

	March 31, 2023	December 31, 2022
Colombia	US$ 4,313	US$ 15,805
Peru	2,342,295	2,246,537
Costa Rica	2,565,403	1,759,088
Total	US$4,912,011	US$4,021,430

During the three months ended March 31, 2023, and 2022, the Group collected US$0 and US$639,206, respectively, of the outstanding value added tax in Peru.

9. OTHER CURRENT ASSETS

The detail of other current assets as of the March 31, 2023, and December 31, 2022, were as follows:

	March 31, 2023	December 31, 2022
Prepaid taxes	US$ 918,753	US$ 816,138
Prepaid real estate taxes	232,255	
Prepaid insurance	158,996	156,907
Deal pursuit cost	319,667	311,211
Rent incentives, net	122,514	90,372
Other	120,710	91,187
	US$1,872,895	US$1,465,815

10. VEHICLES, FURNITURE AND EQUIPMENT

As of March 31,2023, and December 31, 2022, and 2021, vehicles, furniture and equipment of the Group were as follows:

	Vehicles	Furniture and Office Equipment	Computer Equipment	Leasehold Improvements	Total
Gross assets:					
Balance as of December 31, 2021	US$16,022	US$354,437	US$192,418	US$ 375,878	US$ 938,755
Additions	4,103	20,734	38,122	25,528	88,487
Retirements		(4,174)	(1,366)	(152,390)	(157,930)
Translation adjustment		(10,030)	(3,286)	6,909	(6,407)
Balance as of December 31, 2022	20,125	360,967	225,888	255,925	862,905
Additions	3,510	20,738	1,518	42,970	68,736
Retirements		(36,381)	(1,996)	(175,161)	(213,538)
Translation adjustment		1,909	624	285	2,818
Balance as of March 31, 2023	23,635	347,233	226,034	124,019	720,921
Accumulated depreciation:					
Balance as of December 31, 2021	6,370	128,216	87,206	214,219	436,011
Additions	2,458	50,955	31,454	39,420	124,287
Retirements		(2,217)	(524)	(123,475)	(126,216)
Translation Adjustment		(4,255)	(1,861)	7,220	1,104
Balance as of December 31, 2022	8,828	172,699	116,275	137,384	435,186
Additions	692	12,340	8,600	9,167	30,799
Retirements		(20,555)	(1,996)	(87,879)	(110,430)
Translation Adjustment		926	388	43	1,357
Balance as of March 31, 2023	9,520	165,410	123,267	58,715	356,912
Net book value as of December 31, 2022	US$11,297	US$188,268	US$109,613	US$ 118,541	US$ 427,719
Net book value as of March 31, 2023	US$14,115	US$181,823	US$102,767	US$ 65,304	US$ 364,009

11. PREPAID CONSTRUCTION

Prepaid construction is comprised of advance to suppliers made in connection with construction contracts. These advances will be applied as a deduction from the corresponding invoices based on the percentage of completion of the works performed. As of March 31, 2023, and December 31, 2022, the balance of prepaid Construction of US$1,032,120 and US$2,382,335 respectively.

12. INVESTMENT PROPERTIES

As of December 31, 2022, the Group obtained a valuation from independent appraisers in order to determine the fair value of its investment properties. For interim periods, such as March 31, 2023, fair value of investment properties is determined as last valuation plus investments at incurred cost and purchases of operating investment properties at fair value. For the three months ended March 31, 2023, and 2022, no gain or loss on valuation of investment properties was recorded.

As of March 31, 2023, and December 31, 2022, all investment property are guarantying the Group´s Debt.

a. As of March 31, 2023 and December 31, 2022, investment properties were as follows:

	FMV as of March 31, 2023	# of Buildings (1)	NRA (1) (SM)	Leased %	Occupied %
Owned Land bank:					
Colombia	US$ 17,370,622	4	101,284	n/a	n/a
Peru	7,240,602	1	20,900	n/a	n/a
Costa Rica	6,220,999	1	15,627	n/a	n/a
Sub-total	30,832,223	6	137,811	n/a	n/a
Properties under right-of-use:					
Peru	72,465	3	81,571	n/a	n/a
Sub-total	72,465	3	81,571	n/a	n/a
Total land bank	30,904,688	9	219,382	n/a	n/a
Properties under development:					
Properties under right-of-use					
Peru	799,518	1	15,414	23.8%	0.0%
Sub-total	799,518	1	15,414	23.8%	0.0%
Owned properties					
Peru	10,421,469	1	11,491	43.6%	14.8%
Costa Rica	15,992,259	1	15,758	100.0%	0.0%
Sub-total	26,413,728	2	27,249	76.2%	6.2%
Total properties under development	27,213,246	3	42,663	57.3%	4.0%
Operating properties:					
Properties under right-of-use					
Colombia	56,116,531	3	79,440	100.0%	100.0%
Sub-total	56,116,531	3	79,440	100.0%	100.0%
Owned properties					
Colombia	40,380,244	3	64,041	100.0%	100.0%
Peru	87,481,683	5	93,339	100.0%	100.0%
(2) Costa Rica	217,240,455	17	202,805	99.3%	99.3%
Sub-total	345,102,382	25	360,185	99.6%	99.6%
Total operating properties	401,218,913	28	439,625	99.7%	99.7%
Total operating and properties under development	US$428,432,159	31	482,288	95.9%	91.2%
Total	US$459,336,847	40	701,670	n/a	n/a

	FMV as of December 31, 2022	# of Buildings (1)	NRA (1) (SM)	Leased %	Occupied %
Owned Land bank:					
Colombia	US$ 16,394,722	4	101,284	n/a	n/a
Peru	7,190,000	1	20,900	n/a	n/a
Costa Rica	6,155,000	1	15,627	n/a	n/a
Sub-total	29,739,722	6	137,811	n/a	n/a

(Continues)

	FMV as of December 31, 2022	# of Buildings (1)	NRA (1) (SM)	Leased %	Occupied %
Properties under right-of-use:					
Peru	US$ 325,093	3	81,571	n/a	n/a
Sub-total	325,093	3	81,571	n/a	n/a
Total land bank	30,064,815	9	219,382	n/a	n/a
Properties under development:					
Properties under right-of-use					
Peru	61,431	1	15,414	23.8%	23.8%
Sub-total	61,431	1	15,414	23.8%	23.8%
Owned properties					
Colombia	20,708,910	2	37,082	100.0%	40.4%
Peru	9,793,481	1	11,404	14.8%	14.8%
Costa Rica	35,715,220	3	42,923	73.8%	33.8%
Sub-total	66,217,611	6	91,409	77.1%	34.1%
Total properties under development	66,279,042	7	106,823	69.4%	29.2%
Operating properties:					
Properties under right-of-use					
Colombia	54,045,570	3	79,440	100.0%	100.0%
Sub-total	54,045,570	3	79,440	100.0%	100.0%
Owned properties					
Colombia	16,600,142	1	26,850	100.0%	100.0%
Peru	87,523,052	5	93,339	100.0%	100.0%
(2) Costa Rica	194,296,013	15	175,503	99.2%	99.2%
Sub-total	298,419,207	21	295,692	99.5%	99.5%
Total operating properties	352,464,777	24	375,132	99.6%	99.6%
Total operating and properties under development	418,743,819	31	481,955	92.9%	84.0%
Total	US$448,808,634	40	701,337	n/a	n/a

(1) Square meters included for estimated potential building area in the land bank and buildings under development and operating.

(2) As of March 31, 2023 and December 31, 2022, the operating properties in Costa Rica include patios and land rental totaling 48,428 square meters for the use of trailer parking and open-air warehousing. As of March 31, 2023 and December 31, 2022, the leased land and patios had a fair value of US$5,378,496 and US$5,945,450, respectively with a weighted average capitalization rate of 7.91 percent. The net rentable area (NRA) included in the table above excludes net rentable area of patios or land leases.

As of March 31, 2023, and December 31, 2022, the balance of investment properties included rent leveling assets of US$11,611,198 and US$12,471,324, respectively.

Disclosed below is the valuation technique used to measure the fair value of investment properties, along with the significant unobservable inputs used.

- ***Valuation Techniques*** - This fair value measurement is considered Level 3 of the fair value hierarchy.

  - **Operating Properties** - The valuation model considers a 50 percent the present value of net cash flows to be generated by the property and the other 50 percent the direct capitalization of the net operating income.

    i. The present value of net cash flows generated by the property takes into account the expected rental growth rate, vacancy periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net

cash flows are discounted using risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

ii. The direct capitalization method. This method involves capitalizing a fully leased net operating income estimate by an appropriate yield. This approach is best utilized with stabilized assets, where there is little volatility in the net income and the growth prospects are also stable. It is most commonly used with single tenant investments or stabilized investments. involves capitalizing the property net operating income at a market capitalization rate. The net operating income is determined by using the property Effective Gross Income (EGI) net of operating expenses. The EGI is determined by the property's Potential Gross Income (PGI) through analysis of the property actual historic income and an analysis of competitive current market income rates and deducting the PGI with an estimate for vacancy and collection.

- **Properties Under Development** - The valuation model considers the present value of net cash flows and direct capitalization methods adjusted by the net present value of the cost to complete and vacancy in the properties under construction.

- **Land Bank** - The valuation model used for the land portfolio is the Sales Comparison Approach. In the Sales Comparison Approach, the price per square meter method was used. This approach is given supporting weight in this analysis because of the well-supported range of value within this approach and the likelihood that the subject could be purchased by an owner-user.

- ***Significant Inputs as of December 31, 2022*** -

	Operating	Development	Land Bank
Weighted average occupancy rate	98.1%	97.8%	n/a
Weighted average risk adjusted discount rate	10.5%	10.4%	n/a
Weighted average risk adjusted residual capitalization rate	7.8%	7.8%	n/a
Weighted average going in stabilized capitalization rate	7.5%	7.8%	n/a
Cost to Complete and Vacancy discount rate adjustment	n/a	15.0%	n/a

- ***Interrelationship between Key Inputs and Fair Value Measurement*** - The estimated fair value would increase (decrease) if:

  - Expected market rental income per market were higher (lower);

  - Vacancy periods were shorter (longer);

  - The occupancy rates were higher (lower);

  - Rent-free periods were shorter (longer); or

  - The risk adjusted discount rate were lower (higher).

b. The reconciliation of investment properties for the three months ended March 31, 2023 and the year ended December 31, 2022, were as follows:

		March 31, 2023	December 31, 2022
	Beginning balance	US$448,808,634	US$428,275,741
(i)	Disposition of investment properties		(9,273,000)
	Construction	6,783,802	42,641,103
	Financing cost	338,415	1,454,262
	Lease commissions	24,918	986,354
	Rent leveling	(918,431)	2,464,385
	Gain on valuation of investment properties		3,525,692
	Translation effect from functional currency	4,299,509	(21,265,903)
	Ending balance	US$459,336,847	US$448,808,634

(i) During 2022, The Group sold two of its investments Properties for a total of US$4,900,000 and US$4,373,000 corresponding to the companies Latam Logistic Propco Bodegas San Joaquin S de R.L. and Latam Logistic Propco Lagunilla I S de R.L. respectively.

Ground Lease - On January 7, 2021, the Group, in partnership with Capia Sociedad Administradora de Fondos de Inversion, S.A., through its investment fund Capia Radix Fondo de Inversion (Capia Radix) (together as "CAPIA"), entered into an operating contract with Lima Airport Partners ("LAP") for the development and operation of Parque Logistico Callao, a 97,000 square meter logistic park, within the Jorge Chavez International Lima Airport land concession.

The operating contract includes a 31-year land lease of 21 hectares of concession land that will start upon ratification of the contract by the Group and CAPIA. In accordance with the amended development and operating contract, the Group and CAPIA have twelve months to ratify the contract with no break penalty fee. The development and operating contract were ratified on January 7, 2022.

Investment Properties Dispositions - The following table summarizes the Group's investment properties disposition activity for the three months ended March 31, 2023, and 2022:

	For the Three Months Ended March 31,	
	2023	2022
Dispositions to third parties:		
Number of operating properties		1
Net rentable area buildings (square meters)		4,508
Net proceeds	US$	US$4,887,976
Loss on dispositions	US$	US$ 87,916

13. LAND INVENTORY

The Group engaged in an active sale negotiation for the sale of 19,003 SM land lot with a third-party buyer. The land lot held for sale is part of a 187,500 SM land lot that is owned by LatAm Parque Logistico San José - Verbena co-investment vehicle and that the Condominium is currently constituted.

On May 21, 2021, the Group signed on behalf of LatAm Parque Logistico San José - Verbena co-investment vehicle, the purchase and sale agreement for the sale of the 19,003 SM of fully serviced land parcel for US$4,000,000. In accordance with the purchase and sale agreement, the sale will be paid in three installments based on the following schedule:

	Amount	
1st Installment Payment	US$1,200,000	Upon the signing of the Purchase and Sale Agreement.
2nd Installment Payment	1,200,000	Upon conclusion of land infrastructure work.
3rd Installment Payment	1,600,000	Upon title transfer of the property to the buyer.
Total	US$4,000,000	

On May 24, 2021, the Group, through LatAm Parque Logistico San José - Verbena co-investment vehicle, received the first installment payment of US$1,200,000 from the buyer. The second installment of US$1,200,000 was received on January 27, 2022 from the buyer. The third installment payment of US$1,600,000 was received on April 24, 2023, and the property was transferred to the buyer in the same day.

As of March 31, 2023. and December 31, 2022, the 19,003 SM land lot and its respective infrastructure work is presented as land inventory within assets, with a value of US$2,977,147.

	March 31, 2023	**December 31, 2022**
Beginning balance	US$2,977,147	US$2,977,147
Ending balance	US$2,977,147	US$2,977,147

14. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses were as follows:

	March 31, 2023	**December 31, 2022**
Trade payables	US$ 4,667,855	US$ 1,875,979
Value added tax	185,049	288,339
Professional services	235,501	268,939
Tax payable	454,544	684,487
Construction contract retainage	3,173,879	3,001,433
Interest and other financing costs	1,995,116	2,746,142
Employee benefits and other obligations	370,257	307,673
Leasing commissions	155,760	149,838
Development cost	288,928	2,411,190
Prepaid rent	219,397	220,000
Other	162,440	83,700
Total	US$11,908,726	US$12,037,720

15. LEASES

Offices Lease Liability - The Group has its office space leased in which, the Group is the lessee, which primarily qualify as operating leases, with remaining weighted average lease term of 3.8 years at March 31, 2023.

The following table summarizes the fixed, future minimum rental payments, excluding variable costs, for which the leases have commenced as of March 31, 2023 and December 31, 2022:

In U.S. Dollars	March 31, 2023
2023 (nine months)	US$ 21,499
2024	30,036
2025	31,537
2026	33,114
Total undiscounted rent payments	116,186
Less imputed interest	(13,763)
Total lease liability	US$102,423

In U.S. Dollars	December 31, 2022
2023	US$ 62,722
2024	34,761
2025	30,338
2026	31,855
Total undiscounted rent payments	159,676
Less imputed interest	(16,796)
Total lease liability	US$142,880

The remaining weighted average lease term was 3.8 and 2.6 years at March 31, 2023 and December 31, 2022, respectively. The Group does not include renewal options in the lease term for calculating the lease liability unless the Group is reasonably certain that will exercise the option, or the lessor has the sole ability to exercise the option. The incremental borrowing rate was 7.1 percent at March 31, 2023. The Group assigned a collateralized interest rate to the lease based on the term of the lease and the currency in which the lease was denominated.

Offices Right-of-Use - Offices right-of-use are amortized using the straight-line method over the term of the operating lease.

Original lease terms and remaining lease term of the corporate offices operating leases were as follows:

Office Location	Original Lease Term	Remaining Term as of March 31, 2022
Costa Rica (lease expired)	3.0 years	0.0 years
Peru (lease terminated)	7.0 years	0.0 years
Colombia	5.0 years	3.8 years
Weighted average	5.0 years	3.8 years

As of March 31, 2023, and December 31, 2022, right-of-use of the Group were as follows:

	Costa Rica	Peru	Colombia	Total
Gross assets:				
Balance as of December 31, 2021	US$ 145,335	US$ 194,385	US$ 112,740	US$ 452,460
Additions			148,326	148,326
Retirements			(112,740)	(112,740)
Translation effect from functional currency			(30,321)	(30,321)
Balance as of December 31, 2022	145,335	194,385	118,005	457,725
Retirements	(145,335)	(194,385)		(339,720)
Translation effect from functional currency			4,665	4,665
Balance as of March 31, 2023			122,670	122,670
Accumulated depreciation:				
Balance as of December 31, 2021	94,039	134,219	89,079	317,337
Additions	51,296	27,769	25,133	104,198
Retirements			(111,688)	(111,688)
Translation effect from functional currency			17,476	17,476
Balance as of December 31, 2022	145,335	161,988	20,000	327,323
Additions		443	1,861	2,304
Retirements	(145,335)	(162,431)		(307,766)
Translation effect from functional currency			5,168	5,168
Balance as of March 31, 2023			27,029	27,029
Net book value as of December 31, 2022	US$	US$ 32,397	US$ 98,005	US$ 130,402
Net book value as of March 31, 2023	US$	US$	US$ 95,641	US$ 95,641

16. DEBT

As of March 31, 2023, and December 31, 2022, debt of the Group was as follows:

	Financial Institution	Country	Currency	Type	Expiration	Balloon Payment at Expiration	Annual Interest Rate	Restricted Cash at March 31, 2023	Remaining Borrowing Capacity at March 31, 2023	Amount Outstanding at March 31, 2023	Amount Outstanding at December 31, 2022
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Jul 3, 2034		3Mo SOFR + 435.091 bps, no min. rate	US$ 874,210		US$ 30,025,722	US$ 30,411,676
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Mar 9, 2034	US$ 4,480,992	3Mo SOFR + 435.091 bps, no min. rate	309,814		11,276,851	11,355,244
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Jul 3, 2034		3Mo SOFR + 435.091 bps, no min. rate	142,244		4,797,019	4,856,716
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Mar 9, 2034		3Mo SOFR + 441.991 bps, no min. rate	339,900		10,590,170	10,731,686
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Mar 1, 2034		3Mo SOFR + 435.091 bps, no min. rate	320,940		3,814,954	3,865,901
	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Sep 18, 2034		3Mo SOFR + 432 bps, no min. rate			2,190,977	2,218,382
	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Jun 26, 2034		3Mo SOFR + 440 bps, no min. rate			2,995,176	3,034,137
(2)	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Jun 24, 2032		US Prime Rate + 110 bps, no min. rate			979,615	972,476
	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Mar 4, 2036		3Mo SOFR + 439 bps, no min. rate			6,494,726	6,562,983
(2)	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Jul 1, 2036	20,481,458	3Mo SOFR + 378 bps, no min. rate		US$ 6,997,701	38,502,299	34,997,899
(2)	Banco Promerica de Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Aug 18, 2036	123,895	US Prime Rate + 275 bps, no min. rate	4		6,632,693	6,697,365
	Banco Nacional de Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Jan 26, 2035		US Prime Rate + 289.93 bps, no min. rate			7,527,150	7,583,783
(3)	International Finance Corporation Tranche 1	Perú	US$	Mortgage Loan	Jul 15, 2028	6,865,611	6Mo LIBOR + 425 bps, no min. rate			20,568,963	21,671,047
(3)	International Finance Corporation Tranche 2	Perú	US$	Mortgage Loan	Jul 15, 2030	4,013,110	6Mo LIBOR + 525 bps no min. rate	1,210,415	10,292,677	14,457,468	15,009,719

(Continues)

	Financial Institution	Country	Currency	Type	Expiration	Balloon Payment at Expiration	Annual Interest Rate	Restricted Cash at March 31, 2023	Remaining Borrowing Capacity at March 31, 2023	Amount Outstanding at March 31, 2023	Amount Outstanding at December 31, 2022
(1)	Bancolombia, S.A.	Colombia	COP	Financing Capital Lease	May 1, 2036	US$ 9,270,459	IBR + 327 bps no min. rate			US$ 19,305,787	US$ 18,688,251
(2)	Bancolombia, S.A.	Colombia	COP	Financing Capital Lease	May 31, 2036	3,846,761	IBR + 365 bps no min. rate			15,661,532	15,145,128
(2)	ITAU Corpbanca Colombia, S.A.	Colombia	COP	Mortgage Loan	Jul 6, 2033		IBR + 447 bps no min. rate			7,246,176	7,047,004
(4)	Banco BTG Pactual S.A. - Cayman Branch	Panamá	US$	Secured Bridge Loan	Mar 17, 2023	15,000,000	SOFR + 600 bps, no min rate			15,000,000	15,000,000
	Total					US$64,090,986		US$3,197,527	US$17,290,378	218,067,275	215,849,667
	Long-term debt accrued financing cost									2,072,145	2,823,170
	Debt issuance cost, net									(1,012,118)	(1,033,028)
	Total debt									219,127,302	217,639,809
	Less: Current accrued financing cost									(1,995,116)	(2,746,143)
	Less: Current portion of long-term debt									(24,078,514)	(23,576,982)
	Total long-term debt									US$193,053,672	US$191,316,684

(1) ***Debt Refinancing and Extinguishment*** - On January 6, 2022, the Group negotiated a new interest rate on the Davivienda de Costa Rica loans 3 months Libor plus 470 basis points and eliminated the interest rate floor, all the other terms and conditions of the loans with Davivienda de Costa Rica remained the same. Deferred financing costs write-off due to material change in the existing terms of the facilities was of US$1,382,083.

On January 19, 2022, the Group increased by COP$34,000 million (US$8,429,675) its existing financing capital lease facilities denominated in Colombian pesos (COP) with Bancolombia from COP$57,810 million (US$14,332,969) to COP$91,810 million (US$22,762,644). The capital lease financing has a fourteen-year term with a balloon of COP$42,866 million (US$9,270,459) at expiration. Pricing is IBR plus 327 basis points. Deferred financing costs write-off due to material change in the existing facility was COP$3,051 million (US$756,507).

On February 16, 2022, the Group repaid one of the loans with BAC Credomatic due to the sale of the underlying property. The loan outstanding balance at the time of the sale was US$2,868,155 and the Group write-off US$586 due to the extinguishment of the debt facility.

(2) ***New Mortgage Debt and Financing Capital Lease*** - On January 6, 2021, the Group entered into a Colombian peso (COP) denominated secured construction loan facility with ITAU Corpbanca Colombia, S.A. for a total borrowing capacity of COP$35,000 million (US$8,791,408). Proceed were used for the financing of the construction of building 500 in Latam Logistic Park Calle 80 in Bogota, Colombia. The loan expires on July 6, 2033 and is fully amortized at expiration. The loan bears an annual interest rate of IBR plus 447 basis points and has a commitment fee of 0.50 percent annual over unborrowed amount. The loan is interest only until April 20, 2022. As of March, 31, 2023, the debt facility has been fully disbursed.

On January 22, 2021, the Group entered into a Colombian peso (COP) denominated financing capital lease agreement of COP$44,500 million (US$11,177,647) with Bancolombia, S.A. for the financing of the construction of building 300 in Latam Logistic Park Calle 80 in Bogota, Colombia. As of December 31, 2021, the capital lease was fully disbursed. The financing capital lease bears an interest rate of IBR plus 365 basis points, commitment fees of 0.1 percent per month over unborrowed amount and has a 15-years with a balloon payment of 40 percent at expiration (COP$17,800 million/US$4,641,848). Principal payments and amortization started in November 2021.

In March 2021, the Group entered into two U.S. dollar denominated mortgage loan facilities with BAC Credomatic, S.A. for an aggregate amount of US$9,987,000 for the financing of the acquisition of two operating buildings in San Jose, Costa Rica. The loans have a fifteen-year term with fully amortization at expiration. The loans bear an annual interest rate of 3 months LIBOR plus 423 basis point with a minimum interest rate of 5 percent.

On July 7, 2021, the Group entered into a U.S. dollar denominated mortgage loan facility of up to US$45,500,000 with Banco BAC San José, S.A. on behalf of LatAm Parque Logístico San José - Verbena co-investment vehicle. The loan can be drawn in multiple disbursements up to approximately 60 percent of the total investment of the project. Proceeds will be used to finance the construction of LatAm Parque Logístico San José - Verbena, a five-building class-A master-planned logistic park totaling 77,100 square meters of net rentable area, in the Alajuelita submarket in San José, Costa Rica. The mortgage loan has a term of ten years with a 15-year amortization profile. Pricing is 3 month-LIBOR plus 423 basis points. In October 2022, the pricing or the debt facility changed to 3 month-SOFR plus 378 basis points. The debt facility has an amortization grace period of 30 months and does not accrue any commitment fees.

On August 16, 2021, the Group entered into a U.S. dollar denominated mortgage loan of US$7,000,000 with Banco Promerica de Costa Rica, S.A. for the purchase of an 11,000 square meter logistic facility located in the Coyol submarket in San Jose, Costa Rica. The loans have a fifteen-year with a balloon payment of US$2,415,120 at expiration. Pricing is Prime Rate plus 475 basis points.

On January 31, 2022, the Group entered into a U.S. dollar denominated mortgage loan of US$2,385,000 with Banco Davivienda de Costa Rica for the acquisition of a container parking lot. The loan have a fifteen-year term with fully amortization at expiration. The loans bear an annual interest rate of US Prime Rate plus 175 basis points. This loan was repaid on October 31, 2022 with the sale of the investment property.

As of December 31, 2022, the Group borrowed US$978,260 of a U.S. dollar denominated mortgage loan facility of up to US$1,000,000 with Banco BAC San José, S.A. for the financing of the renovations in LatAm Bodegas San Joaquin. The loan expires on June 24, 2032, and fully amortized at expiration. The loans bear an annual interest rate of US Prime Rate plus 110 basis point with a no minimum interest. As of March 31, 2023, the loan was fully disbursed.

(3) ***International Finance Corporation (IFC)*** - The International Finance Corporation (IFC) secured credit facility includes full development of Latam Logistic Lima Sur through a two tranches facility. Latam Logistic Lima Sur is a total of six buildings development divided in two phases. The loan has an aggregate borrowing capacity of US$53,000,000 and is divided in two tranches corresponding to each development phase.

- **Tranche 1** - The loan is for the financing of the development of phase 1. The loan has a total borrowing capacity of US$27,100,000 and is interest only until January 15, 2020 with a balloon payment of US$6,865,611 at expiration on July 15, 2028. According to the amendment letter signed on March 14, 2022, effective July 15, 2022, the spread over 6-month LIBOR in the Tranche 1 was reduced 100 basis points to 425 basis points. As of March 31, 2023 and December 31, 2022, the Group had disbursed all the tranche.

- **Tranche 2** - The loan is for the financing of the development of phase 2. The loan has a total borrowing capacity of US$25,900,000 and is interest only until January 15, 2022 with a balloon payment of US$6,475,000 at expiration on July 15, 2030. As of March 31, 2023 and December 31, 2022 the Group had disbursed US$15,607,323 of the second tranche.

  The loan bears a commitment fee over unborrowed amounts until December 15, 2022 as follows:

  - June 16, 2019 - December 31, 2019 - 0.50 percent over unborrowed amount.
  - January 1, 2020 - June 30, 2021 - 1.00 percent over unborrowed amount.
  - July 1, 2021 - January 15, 2022 - 1.50 percent over unborrowed amount.

  As per the loan agreement, the Group has to maintain a cash collateral account as a guarantee of the principal during the construction and leasing period. As of March 31, 2023 and December 31, 2022, the Group had a restricted cash of US$1,210,415 and US$1,205,162, respectively, in the cash collateral account.

(4) ***Secured Bridge Loan -*** On May 23, 2021, the Group entered into a U.S. Dollar denominated secured bridge loan agreement of US$15.0 million with BTG Pactual, S.A. - Cayman Branch. The proceeds of the secured bridge loan will be used to fund the continued growth of LatAm Logistic Properties. The credit facility is scheduled to mature on June 17, 2022. Pricing under the facility is a fixed annual interest rate of 5.85 percent. In June 2022, the Group extended the U.S. Dollar denominated secured bridge loan to March 17, 2023. In March 2023, the Group extended for a second time the U.S. Dollar denominated secured bridge loan to March 17, 2024.The pricing of the extended loan is SOFR plus 600 basis points.

(5) ***Libor Rate*** - The Group has modified all of it Costa Rican loans from Libor rate to SOFR. In the case of the International Finance Corporation, they indicate that until the change from 6-month LIBOR to 6-month SOFR will be on July 15, 2023.

(6) ***Restricted Cash*** - As of March 31, 2023 and December 31, 2022, the Group maintains a deposit certificate in Latam Logistic CR Opco, S.R.L. and LatAm CR Zona Franca SRL for the sum of USUS$60,625 that is given as guarantee to Banco Davivienda Costa Rica, S.A. to guarantee the remnants of corporate credit cards.

Long-Term Debt Maturities - Scheduled principal and interest payments due on the Group's debt for each year through the year ended December 31, 2027, and thereafter were as follows at March 31, 2023:

	Mortgage Loan	Financing Capital Lease	Bridge Loan	Total	Interest	Total Debt Service
Maturity:						
2023 (9 months)	US$ 4,983,709	US$ 636,085		US$ 5,619,794	US$ 16,477,362	US$ 22,097,156
2024	10,081,897	915,847	US$15,000,000	25,997,744	19,482,225	45,479,969
2025	11,152,208	995,329		12,147,537	16,632,165	28,779,702
2026	12,186,897	1,078,760		13,265,657	15,404,614	28,670,271
2027	13,320,882	1,166,529		14,487,411	14,189,251	28,676,662
Thereafter	116,374,363	30,174,769		146,549,132	55,885,855	202,434,987
Total	US$168,099,956	US$34,967,319	US$15,000,000	US$218,067,275	US$138,071,472	US$356,138,747

Financing Cost - The following table summarizes the weighted average net effective interest rate by type of financing facility at March 31, 2023 and December 31, 2022:

	March 31, 2023		December 31, 2022	
	Weighted Average Interest Rate(1)	Amount Outstanding	Weighted Average Interest Rate(1)	Amount Outstanding
Mortgage Loan	9.3%	US$168,099,956	8.4%	US$167,019,018
Bridge Loan	11.0%	15,000,000	10.7%	15,000,000
Financing Capital Lease	14.9%	34,967,319	14.0%	33,833,649
Total	10.3%	US$218,067,275	9.4%	US$215,852,667

(1) The interest rate presented represents the effective interest rate (including debt issuance costs) at the end of the period for the debt outstanding.

The following table summarizes the components of financing cost including the deferred financial cost amortization for the three months ended March 31, 2023, and 2022:

	For the Three Months Ended March 31,	
	2023	**2022**
Gross interest expense	US$5,543,648	US$2,894,433
Gross commitment fees	38,777	62,625
Amortization of debt issuance cost	43,230	125,145
Total financing cost before capitalization	5,625,655	3,082,203
Capitalized amounts into investment properties	(338,415)	(232,482)
Net financing cost	US$5,287,240	US$2,849,721
Total cash paid for interest and commitment fees	US$6,335,317	US$3,189,160

Debt Reconciliation - The reconciliation of debt as of March 31, 2023, and December 31, 2022, were as follows:

	March 31, 2023	December 31, 2022
Beginning balance	US$191,316,684	US$165,373,887
Secured bank debt borrowings	3,526,140	44,217,867
Secured bank debt repayments	(2,918,068)	(13,335,183)
Long-term accrued interest		(9,732)
Borrowing cost incurred	(1,400)	(41,550)
Deferred financing cost amortization	33,321	278,556
Borrowing cost write off due to refinancing		2,457,840
Change in current portion long term debt	(501,532)	(122,271)
Translation adjustment	1,598,527	(7,502,730)
Ending balance	US$193,053,672	US$191,316,684

Financial Debt Covenants - The loans described above are subject to certain affirmative covenants, including, among others, (i) reporting of financial information; and (ii) maintenance of corporate existence, the security interest in the properties subject to the loan and appropriate insurance for such properties. In addition, the loans are subject to certain negative covenants that restrict Latam Logistic Properties ability to, among other matters, incurs in additional indebtedness under or create additional liens on the properties subject to the loans, change its corporate structure, make certain restricted payments, enter into certain transactions with affiliates, amend certain material contracts.

The loans contain, among others, the following events of default: (i) non-payment; (ii) false representations; (iii) failure to comply with covenants; (iv) inability to generally pay debts as they become due; (v) any bankruptcy or insolvency event; (vi) disposition of the subject properties; or (vii) change of control of the subject properties.

As of March 31, and December 31, 2022, the Group was in compliance with all of its covenants in its debts.

17. SECURITY DEPOSITS

The Group holds security deposits from some tenants in cash. Tenant security deposits can be used to recover any outstanding receivable at the end of the lease or fix any damage caused by the tenant in the property. As of March 31, 2023, and December 31, 2022, the balance of security deposits of US$1,816,238 and US$1,706,959 respectively.

18. EQUITY

Latam Logistic Properties, S.R.L. was a company organized in accordance with the laws of the Republic of Panama, constituted as a limited liability company, by public deed dated April 29, 2015, and registered before the Public Registry of Panama on May 4, 2015. Under the capital structure of a limited liability company, the Group's capital was in Quotes.

On January 2, 2021, the General Assembly of Shareholders unanimously approved the transformation and conversion of Latam Logistic Properties, S.R.L. to Latam Logistic Properties, S.A., from a limited liability company to a corporation, resolution duly registered with a Public Registry of Panama on January 13, 2021.

In accordance with the by-laws of a limited liability company and up to conversion date of the Company on January 2, 2021, the capital structure of Latam Logistic Properties, S.A. was through Capital Quotes.

In the conversion of the Company from a limited liability company to a corporation, Latam Logistic Properties, S.A. converted the outstanding eighty-seven (87) Class-A Quotas, eight (8) Class-B Quotas and the five (5) Class-C Quotas to 168,142,740 common shares with same rights at a US$1.00 par value per share.

On January 2, 2021, the shareholders of Latam Logistic Properties authorized common shares for a total of 300,000,000 with a par value of US$1.00 per share. As of March 31, 2023 and December 31, 2022, total common shares outstanding and paid were 168,142,740, respectively.

19. EARNINGS PER SHARE

The Group determines basic earnings per share based on the weighted average number of shares of common stock outstanding during the period The Group compute diluted earnings per share on the weighted average number of shares outstanding combined with the incremental weighted average effect from all outstanding potentially dilutive instruments.

The calculated basic and diluted earnings per share for the three months ended March 31, 2023, and 2022, were the same, as follows:

	For the Three Months Ended March 31,	
	2023	**2022**
Basic and diluted earnings (loss) per share	US$0.0361697	US$(0.0004564)
Net earnings (loss) attributed to common stockholders of the Group	US$ 6,081,669	US$ (76,738)
Weighted average number of shares	168,142,740	168,142,740

On January 2, 2021, the shareholders of Latam Logistic Properties authorized 300,000,000 common shares with a par value of US$1.00 per share.

As of March 31, 2023, and December 31, 2022, the Group had 168,142,740 common stocks outstanding and paid.

Derived from the conversion from a limited liability company to a corporation described in the previous note, as required by IFRS, the calculation of basic and diluted earnings per share has been adjusted retrospectively for comparative purposes, when a capitalization or share-split occurs, and the shareholders prevail.

20. NON - CONTROLLING INTEREST

In September 2018, the Group entered in a real estate partnership for the development of Latam Parque Logistico Coyol II in Costa Rica. The partnership includes two entities that the Group consolidates but do not own 100 percent of the equity. The Group reports a non-controlling interest in relation to this partnership. The Group has complete responsibility, authority and discretion in key decision activities management of the partnership.

In December 2020, the Group entered in a real estate partnership for the development of Latam Parque Logistico San Jose in Costa Rica. The partnership includes three entities that the Group consolidates but do not own 100 percent of the equity. The Group reports a non-controlling interest in relation to this partnership. The Group has complete responsibility, authority, and discretion in the day-to-day management of the partnership.

On March 22, 2021, the Group entered into a real estate partnership with Capia Sociedad Administradora de Fondos de Inversion, S.A., through its investment fund Capia Radix Fondo de Inversion (Capia Radix) (together as "CAPIA"), an investment fund managed by CAPIA for the development of 97,000 square meters in Parque Logístico Callao located in the submarket of Callao in Lima, Peru. Parque Logístico Callao will be developed in five phases of a building per phase. The partnership includes one entity that the Group consolidates but does not own 100 percent of its equity. According to the partnership agreement, the Group participation in the vehicle will be of 50 percent during the construction of the first two phases with a dilution in the construction of the remaining three phases for a total participation of 40 percent at the end of the fifth phase. The Group reports a non-controlling interest in relation to this partnership. The Group has complete responsibility, authority and discretion in the day-to-day management of the partnership.

On August 3, 2021, the Group entered into a real estate partnership for the acquisition of LatAm Lagunilla Industrial Park in Costa Rica. The partnership includes two entities that the Group consolidates but do not own 100 percent of the equity. The Group reports a non-controlling interest in relation to this partnership. The Group has complete responsibility, authority and discretion in the day-to-day management of the partnership. On October 31, 2022, the Group sold its interest in the real estate partnership to the joint venture partner.

The following table summarizes the Group ownerships percentage in the non-controlling interests (NCI) as of March 31, 2023, and December 31, 2022.

		Ownership Percentage		Non-Controlling Interest	
Partnership	Country	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
LatAm Parque Logistico Coyol II	Costa Rica	50.0%	50.0%	US$ 8,778,400	US$ 8,351,546
LatAm Parque Logistico San José - Verbena	Costa Rica	23.8%	23.8%	26,264,057	24,132,846
LatAm Lagunilla Industrial Park	Costa Rica	n/a	n/a		
Parque Logístico Callao	Peru	50.0%	50.0%	1,299,433	799,748
Total				US$36,341,890	US$32,284,140

During the three months ended March 31, 2023, and 2022, the special vehicle entities paid distribution to the non-controlling interest partner as follows:

	For the Three Months Ended March 31,	
	2023	2022
LatAm Parque Logístico San José -Verbena		US$ 449,970
Total distributions paid to non-controlling partners	US$	US$ 449,970

During the three months ended March 31, 2023, and March 31, 2022 the special vehicle entities received additional capital contribution from the non-controlling interest partner as follows:

	For the Three Months Ended March 31,	
	2023	2022
Parque Logístico Callao	US$500,000	
Total distributions paid to non-controlling partners	US$500,000	US$

Summarized financial information of non-controlling partnership' total assets and total liabilities as of March 31, 2023, and December 31, 2022:

	March 31, 2023			
	LatAm Parque Logístico Coyol II	LatAm Parque Logístico San José - Verbena	LatAm Lagunilla Industrial Park	Parque Logístico Callao
Cash	US$ 849,164	US$ 432,423		US$1,711,363
Receivables	20,878	7,071,005		204,283
Other assets	14,931	631,526		
Prepaid construction		79,271		236,391
Investment properties	30,582,168	68,085,163		889,848
Assets held for sale		2,996,471		
Fixed assets		7,150		4,441
Deferred tax asset				53,015
Restricted cash	339,900			
Total assets	31,807,041	79,303,009		3,099,341
Payables and accruals	186,129	1,973,558		425,415
Due to related parties		125,205		23,668
Deposits for assets held for sale		2,400,000		
Long-term debt	10,590,170	38,450,249		
Security deposits	195,000	253,618		51,394
Deferred tax liability	3,278,942	1,697,601		
Total Liabilities	14,250,241	44,900,528		500,477
Equity attributable to owners of the parent	US$ 8,778,400	US$ 8,138,424	US$	US$1,299,432
Non-controlling interest	US$ 8,778,400	US$26,264,057	US$	US$1,299,432

	December 31, 2022			
	LatAm Parque Logístico Coyol II	LatAm Parque Logístico San José - Verbena	LatAm Lagunilla Industrial Park	Parque Logístico Callao
Cash	US$ 896,623	US$ 484,230		US$1,084,155
Receivables	15,587	6,406,948		87,168
Other assets	17,695	603,190		
Prepaid construction		1,020,664		86,693
Investment properties	30,613,000	63,278,220		386,525
Assets held for sale		2,996,471		

(Continues)

	December 31, 2022			
	LatAm Parque Logístico Coyol II	LatAm Parque Logístico San José - Verbena	LatAm Lagunilla Industrial Park	Parque Logístico Callao
Fixed assets		US$ 3,795		
Deferred tax asset				US$ 34,639
Restricted cash	US$ 339,900			
Total assets	31,882,805	74,793,518		1,679,180
Payables and accruals	315,635	1,832,100		28,290
Due to related parties		42,596		
Deposits for assets held for sale		2,400,000		
Long-term debt	10,731,686	34,947,249		
Security deposits	195,000	196,755		51,394
Deferred tax liability	3,937,392	3,769,567		
Total Liabilities	15,179,713	43,188,267		79,684
Equity attributable to owners of the parent	US$ 8,351,546	US$ 7,472,404	US$	US$ 799,748
Non-controlling interest	US$ 8,351,546	US$24,132,847	US$	US$ 799,748

For the three months ended March 31, 2023 and 2022, net earnings attributable to non-controlling were as follows:

	For the Three Months Ended March 31,	
	2023	2022
Net earnings (loss) attributable to non-controlling		
LatAm Parque Logistico Coyol II	US$ 426,855	US$ (9,339)
LatAm Parque Logistico San Jose - Verbena	2,131,210	(58,383)
LatAm Lagunilla Industrial Park		7,762
Parque Logístico Callao	(315)	(4,788)
Total	US$2,557,750	US$(64,748)

21. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses were as follows:

	For the Three Months Ended March 31,	
	2023	2022
Personnel cost	US$ 667,990	US$ 768,362
Services and professional fees	176,398	174,676
Office expenses	88,660	90,334
Bank service charges	10,087	10,915
Other	122,043	137,443
Total	US$1,065,178	US$1,181,730

22. OTHER EXPENSES

Other expenses were as follows:

	For the Three Months Ended March 31,	
	2023	**2022**
Debt supervision fee	US$ 21,260	US$ 21,984
Other debt maintenance costs	3,300	
Capital raising cost		23,167
Dead deal pursuit costs	1,732	53,333
Loss on disposition of fixed assets	82,465	28,915
Other	12,967	100,000
Total	US$121,724	US$229,309

23. INCOME TAX

Current Tax - Current tax is determined based on the tax laws in effect in each country where the Group operates. For the three months ended March 31, 2023 and 2022, the tax rates applied by the subsidiaries were as follows:

		For the Three Months Ended March 31,	
		2023	**2022**
	Costa Rica	30.0%	30.0%
(1)	Colombia	35.0%	31.0%
	Perú	29.5%	29.5%

(1) In December 2022, the Colombian government increased the corporate tax rates for the 2022 fiscal year from 31.0 percent to 35.0 percent and the tax rate applied to capital gains on sale of investment properties held for more than 2 years increased from 10 percent to 15 percent.

For the three months ended March 31, 2023 and 2022, income tax from continued operations was as follows:

	For the Three Months Ended March 31,	
	2023	**2022**
Income tax expense	US$ (81,063)	US$ 65,023
Deferred income tax expense	8,379,275	(719,968)
Total	US$8,298,213	US$(654,945)

Income tax expense includes withholding taxes that resulted from the recognition of intra group fees between countries. During the three months ended March 31, 2023 and 2022, the Group recognized withholding tax expenses in the current income tax expense as follows:

	For the Three Months Ended March 31,	
	2023	**2022**
Current income tax expense (benefit)	US$70,088	US$(85,852)
Intra-group withholding tax	10,975	20,829
Total	US$81,063	US$(65,023)

Income tax for expense for the three months ended March 31, 2023 and 2022 can be reconciled to the accounting profit as follows:

	For the Three Months Ended March 31, 2023									
	Colombia		Peru		Costa Rica		Panama Holding Companies		Total	
Net profit before taxes	US$(265,681)		US$ 832,965		US$ 178,931		US$(405,009)		US$ 341,206	
Tax calculated at domestic tax rates applicable to profits in the respective countries	US$ (92,988)	35.0%	US$ 245,725	29.5%	US$ 53,679	30.0%	US$(101,252)	25.0%	US$ 105,164	30.8%
Current Income Tax Expense / (Benefit):										
Tax Effect on:										
Intercompany transactions within the Group	3,578	-1.3%	2,430	0.3%	101,343	56.6%	6,800	-1.7%	114,151	33.5%
Translation and currency exchange adjustment from USD to domestic currency	9,479	-3.6%	152,918	18.4%	(115,843)	64.7%			46,554	13.6%
Income not subject to taxes					(7,386)	-4.1%	(46,139)	11.4%	(53,525)	-15.7%
Expenses not subject to taxes	6,211	-2.3%	(1,020)	-0.1%	23,165	12.9%	140,591	-34.7%	168,947	49.5%
Accounts receivable write-off					519,862	260.5%			519,862	152.4%
Tax Depreciation	(75,528)	28.4%	(167,698)	-20.1%	(312,067)	-174.4%			(555,293)	-162.7%
Changes in investment properties basis for tax purposes			(63,160)	-7.6%	(5,329)	-3.0%			(68,489)	-20.1%
Changes in rent leveling			36,253	4.4%	276,871	154.7%			313,124	91.8%
Change in current assets and liabilities	(2,626)	1.0%	75,401	9.1%	(593,182)	-331.5%			(520,407)	-152.5%
Current Income Tax Expense (Benefit)	US$(151,874)	57.2%	US$ 280,850	33.7%	US$ (58,887)	-32.9%	US$	0.0%	US$ 70,088	20.5%
Tax Effect on temporary differences	US$(269,725)	101.5%	US$ (111,790)	-13.4%	US$ 316,009	176.6%			US$ (65,506)	-19.2%
Changes in Net Operating Losses and Reserves	51,059	-19.2%	(251,542)	-30.2%	(287,948)	-160.9%			(488,431)	-143.1%
Tax Effect on translation of fair market value of investment properties from USD to domestic currency			(296,569)	-35.6%	(5,069,253)	-2833.1%			(5,365,822)	-1572.6%
Tax effect to changes in investment properties basis for tax purposes	311,322	-117.1%	230,857	22.7%	317,396	177.4%			859,475	251.9%
Changes in tax treatment of rent leveling			(1,101,827)	-132.3%	(2,217,164)	-1239.1%			(3,318,991)	-972.7%
Total Income Tax Expense (Benefit)	US$ (59,318)	22.3%	US$(1,250,022)	-150.1%	US$(6,999,847)	-3612.0%	US$	0.0%	US$(8,309,187)	-2435.2%
Intra-group withholding tax	US$ 8,900		US$ 2,074		US$		US$		US$ 10,974	
Total	US$ 674,983	19.0%	US$(1,247,948)	-149.8%	US$(6,999,847)	-3912.0%	US$		US$(8,298,213)	-2432.0%

	For the Three Months Ended March 31, 2022									
	Colombia		Peru		Costa Rica		Panama Holding Companies		Total	
Net profit before taxes	US$(659,598)		US$ 1,300,927		US$ 208,558		US$(336,427)		US$ 513,460	
Tax calculated at domestic tax rates applicable to profits in the respective countries	US$(204,475)	31.0%	US$ 383,773	29.5%	US$ 62,567	30.0%	US$ (84,107)	25.0%	US$ 157,758	30.7%
Current Income Tax Expense / (Benefit):										
Tax Effect on:										
Intercompany transactions within the Group	33,976	-5.2%	8,709	0.7%	108,943	52.2%	10,806	-3.2%	162,434	31.6%
Translation and currency exchange adjustment from USD to domestic currency	(3,712)	0.6%	528,336	40.6%	(950,351)	-455.7%			(425,727)	-82.9%
Income not subject to taxes					(5,043)	-2.4%	(34,682)	10.3%	(39,725)	-7.7%
Expenses not subject to taxes	10,596	-1.6%	4,846	0.4%	2,188	1.0%	107,983	-32.1%	125,613	24.5%
Tax attributable on sale of assets					146,492	70.2%			146,492	28.5%
Tax Depreciation	(71,681)	10.9%	(123,731)	-9.5%	(231,298)	-110.9%			(426,710)	-83.1%
Changes in investment properties basis for tax purposes			(94,298)	-7.2%	(19,175)	-9.2%			(113,471)	-22.1%
Changes in rent leveling			(99,805)	-7.7%	(61,154)	-29.3%			(160,959)	-31.3%
Change in current assets and liabilities	(10,864)	1.6%	(11,115)	-0.9%	510,424	244.7%			448,445	95.1%
Current Income Tax Expense (Benefit)	US$(246,160)	37.3%	US$ 596,715	45.9%	US$ (436,407)	-209.2%	US$	0.0%	US$ (85,852)	-16.7%
Tax Effect on temporary differences	US$ 110,065	-16.7%	US$ 112,734	8.7%	US$ (450,170)	-215.8%			US$ (227,371)	-44.3%
Changes in Net Operating Losses and Reserves	19,866	-3.0%	(597,637)	-45.9%	(11,340)	-5.4%			(589,112)	-114.7%
Tax Effect on translation of fair market value of investment properties from USD to domestic currency			(1,108,196)	-85.2%	2,380,072	1141.2%			1,271,876	247.7%
Tax Effect in FMV value due to sale of asset					(145,500)	-69.8%			(145,500)	-28.3%
Tax effect to changes in investment properties basis for tax purposes	(47,552)	7.2%	218,029	16.8%	239,597	114.9%			410,074	79.9%
Total Income Tax Expense (Benefit)	US$(163,781)	24.8%	US$ (778,355)	-59.8%	US$1,576,252	755.8%	US$	0.0%	US$ 634,116	123.5%
Intra-group withholding tax	US$ 10,778		US$ 3,901		US$ 6,151		US$		US$ 20,829	
Total	US$(153,003)		US$ (774,454)		US$1,582,903		US$		US$ 654,945	

Deferred Tax - As of March 31, 2023, and December 31, 2022, the Group has recognized a deferred tax liability over the temporary difference generated on the investment properties valued at its fair value, the tax losses and other temporary differences.

The reconciliation of the deferred tax assets and its compositions was as follows:

	March 31, 2023	**December 31, 2022**
Balance at beginning of the year	US$193,436	US$ 606,183
Employee benefits	(1,026)	(425,300)
Net operating loss and pre-operating expenses	33,669	243,677
Net operating losses valuation reserve	(39,551)	(209,742)
Other assets and liabilities	36,906	(6,976)
Translation effect from functional currency	465	(14,406)
Balance at the end of the period	US$222,899	US$ 193,436

The reconciliation of the deferred tax liability and its compositions was as follows:

	March 31, 2023	**December 31, 2022**
Balance at beginning of the year	US$38,354,800	US$39,309,967
Tax attributable to change in investment properties tax basis and fair market value	(4,506,347)	(6,914)
Tax liability reversed due to sale of investment property		(306,831)
Employee benefits	(176)	4,579
Other assets and liabilities		(259,640)
Tax effect in change from permanent to temporary adjustments	(3,318,991)	
Changes in temporary differences for the period	35,258	(82,021)
Changes in net operating loss and reserve	(629,024)	
Effect of translation to presentation currency	46,003	(304,340)
Balance at the end of the period	US$29,978,793	US$38,354,800

Net Operating Tax Losses and Deferred Interest (Peru) Carried Forward - As of March 31, 2023, the Group had US$222,899 and US$29,978,793 in net deferred tax assets (DTAs) and deferred tax liabilities (DTLs), respectively. These DTAs and DTLs included approximately US$1,534,161, net of reserve, related to net operating loss and deferred interest carryforwards that can be used to offset taxable income in future periods and reduce the Group income taxes payable in those future periods.

As of March 31, 2023, the Group considered it more likely than not that the benefit from certain entities NOL and deferred interest carryforwards will not be realized and that these legal entities will not have sufficient taxable income in the future that will allow to realize these DTAs and DTLs. In addition, it is possible that some or all of these NOL and deferred interest carryforwards could ultimately expire unused. In recognition of this risk, the Group has provided a valuation allowance of US$4,032,767 on the deferred tax assets related to these NOL and deferred interest carryforwards.

As of March 31, 2023, the Group had income tax net operating loss (NOL) and deferred interest carryforwards of US$5,566,928 which will expire on various dates from 2023 through 2035 as follows:

Expirations	Colombia	Peru	Costa Rica	Total
FY 2023		US$ 645,027		US$ 645,027
FY 2024		1,258,064	US$ 226,241	1,484,605
FY 2025		818,743	631,574	1,450,317
FY 2026		186	683,215	683,401
FY 2027		7,719	6,393	14,112
FY 2028	US$ 31,809			31,809
FY 2029	84,730			84,730
FY 2030	114,417			114,417
FY 2031	72,532			72,532
FY 2032	72,523			72,523
FY 2033	95,683			95,683
FY 2034	666,198			666,198
FY 2035	151,874			151,874
	1,289,766	2,729,739	1,547,423	5,566,928
Valuation allowance	(415,196)	(2,662,605)	(954,966)	(4,032,767)
	US$ 874,570	US$ 67,134	US$ 592,457	US$ 1,534,161

24. BALANCE AND TRANSACTIONS WITH RELATED PARTIES

The main transactions with related parties for the three months ended March 31, 2023, and 2022, were as follows:

	For the Three Months Ended March 31,	
	2023	**2022**
Interest income - Latam Logistics Investments LLC	US$156,375	US$109,809
Total	US$156,375	US$109,809

As of March 31, 2023, December 31, 2022, outstanding balances from related parties were as follows:

	March 31, 2023	**December 31, 2022**
Due to affiliates:		
Latam Logistics Investments LLC	US$2,005,320	US$1,848,945
Notes receivable:		
Latam Logistics Investments LLC	6,950,000	6,950,000
Total receivables from affiliates	US$8,955,320	US$8,798,945

As of March 31, 2023, and December 31, 2022, the notes receivable from Latam Logistic Investments LLC have a fixed interest rate of 9.0 percent and a due date of December 31, 2023. The main conditions of the notes receivable are payment of the balance at maturity including interest receivable, the possibility of early payments without penalty, guarantee over common shares and a promissory note.

Latam Logistics Investment LLC is a shareholder with ownership of 8.0 percent of the Group. As of March 31, 2023, and December 31, 2022, the balance outstanding was US$8,955,320 and US$8,798,945, respectively.

In July 2020, the Group expanded the loan receivable from Latam Logistics Investment LLC to US$4,165,000 from US$3,015,000 and extended the term to December 31, 2023. In June 2021, the Group expanded the loan receivable from Latam Logistics Investment LLC to US$4,850,000 from US$4,165,000 and in May 2022, the Group expanded the loan receivable from Latam Logistics Investment LLC to US$6,950,000 from US$4,850,000. The expiration of the loan remained on December 31, 2023.

As of March 31, 2023, December 31, 2022, outstanding balances to related parties were as follows:

	March 31, 2023	**December 31, 2022**
Jaguar Growth Partners LLC	US$85,128	
Total payables to affiliates	US$85,128	US$

As of March 31, 2023, the Group owed to Jaguar Growth Partners LLC US$85,128 of reimbursement expenses mainly related to the CEO costs. The CEO costs are included in the Transaction with Key Management Personnel-

Transactions with Key Management Personnel -

Key Management Personnel Compensation - Key management personnel compensation paid was as follow:

	For the Three Months Ended March 31,	
	2023	**2022**
Salaries	US$208,853	US$211,746
Cash performance bonus paid	80,096	
Non-cash benefits	7,350	10,455
Total	US$269,299	US$224,915

Compensation of the Group's key management personnel includes salaries, statutory and performance bonuses and non-cash benefits.

25. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

25.1 ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

The following table shows the carrying amounts and fair values (amortized cost) of financial assets and liabilities. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. As of March 31, 2023, and December 31, 2022, the fair value measurement of financial assets and financial liabilities are considered Level 3 of the fair value hierarchy.

		March 31, 2023			
	Notes	Cash and Accounts Receivable	Other Financial Liabilities	Total Carrying Amount	(Amortized Cost)
Cash	7	US$10,127,980		US$ 10,127,980	US$ 10,127,980
(i) Financial assets measured at amortized cost:					
Receivable	8	14,266,419		14,266,419	14,266,419
Due from related parties	24	8,955,320		8,955,320	8,955,320
Restricted cash	16	3,258,152		3,258,152	3,258,152
Total financial assets		US$36,607,871	US$	US$ 36,607,871	US$ 36,607,871
(i) Financial liabilities measured at amortized cost:					
Payables and accruals	14		US$ 11,908,726	US$ 11,908,726	US$ 11,908,726
Deposits for assets held for sale			2,400,000	2,400,000	2,400,000
Lease liability	15		102,423	102,423	102,423
Security deposits	17		1,816,238	1,816,238	1,816,238
Long-term debt	16		217,132,186	217,132,186	217,132,186
Total financial liabilities		US$	US$233,359,573	US$233,359,573	US$233,359,573

(i) The carrying amounts of cash, accounts receivable, trade accounts payable, accrued expenses, due to/from related parties, and security deposits are a reasonable approximation of fair value due to their short-term maturities. Additionally, long-term debt approximates its fair value since it accrues variable interest and the Group's spread is considered to reflect market conditions close to other comparable entities.

		December 31, 2022			
	Notes	Cash and Accounts Receivable	Other Financial Liabilities	Total Carrying Amount	(Amortized Cost)
Cash	7	US$14,988,112		US$ 14,988,112	US$ 14,988,112
(i) Financial assets measured at amortized cost:					
Receivable	8	13,442,728		13,442,728	13,442,728
Due from related parties	24	8,798,945		8,798,945	8,798,945
Restricted cash	16	3,252,897		3,252,897	3,252,897
Total financial assets		US$40,482,682	US$	US$ 40,482,682	US$ 40,482,682
(i) Financial liabilities measured at amortized cost:					
Payables and accruals	14		US$ 12,037,720	US$ 12,037,720	US$ 12,037,720
Deposits for assets held for sale			2,400,000	2,400,000	2,400,000
Lease liability	15		142,880	142,880	142,880
Security deposits	17		1,706,959	1,706,959	1,706,959
Long-term debt	16		214,893,666	214,893,666	214,893,666
Total financial liabilities		US$	US$231,181,225	US$231,181,225	US$231,181,225

(i) The carrying amounts of cash, accounts receivable, trade accounts payable, accrued expenses, due to/from related parties, and security deposits are a reasonable approximation of fair value due to their short-term maturities. Additionally, long-term debt approximates its fair value since it accrues variable interest and the Group's spread is considered to reflect market conditions close to other comparable entities.

25.2 FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks arising from financial instruments:

- Credit risk.
- Liquidity risk.
- Market risk.

a. ***Risk Management Framework*** - The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's CEO is responsible for developing and monitoring the Group's risk management policies. The CEO reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

b. ***Credit Risk*** - Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables (cash and accounts receivable).

Exposure to Credit Risk - The carrying amount of financial assets represents the maximum credit exposure was as follows:

	Notes	**March 31, 2023**	**December 31, 2022**
Cash	7	US$10,127,980	US$14,988,112
Receivables	8	14,266,419	13,442,728
Due from related parties	24	8,955,320	8,798,945
Restricted cash	16	3,258,152	3,252,897
		US$36,607,871	US$40,482,682

Cash and restricted cash are held in solid financial institutions and carries minimal risk.

In general, concentration risk in receivables is limited due to receivables are dispersed in a high number of clients.

c. ***Liquidity Risk*** - Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, to the extent possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring in unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash on demand, including the balances of short-term credit facilities, to meet expected operating expenses for a period of 90 days, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot be reasonably predicted, such as natural disasters.

Exposure to Liquidity Risk - The following were the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments.

March 31, 2023	Notes	Carrying Amount	Contractual Cash Flows	
			Total	12 Months or Less
Payables and accruals	14	US$ 11,908,726	US$ 11,908,726	US$ 11,908,726
Lease liability	15	102,423	116,186	22,381
Security deposits	17	1,816,238	1,816,238	83,234
Long-and short term debt	16	217,132,186	218,067,275	24,078,514
		US$230,959,573	US$231,908,425	US$36,092,855

December 31, 2022	Notes	Carrying Amount	Contractual Cash Flows	
			Total	12 Months or Less
Payables and accruals	14	US$ 12,037,720	US$ 12,037,720	US$12,037,720
Lease liability	15	142,880	159,676	54,327
Security deposits	17	1,706,959	1,706,959	45,584
Long-and short term debt	16	214,893,666	215,849,667	23,576,982
		US$228,781,225	US$229,754,022	US$35,714,613

The Group minimum lease payments are disclosed on Note 15.

The following were the remaining contractual maturities of financial assets on the reporting date.

March 31, 2023	Notes	Carrying Amount	Contractual Cash Flows	
			Total	12 Months or Less
Cash	7	US$10,127,890	US$10,127,890	US$10,127,890
Receivables	8	14,266,419	14,266,419	3,150,768
Due from related parties	24	8,955,320	8,955,320	8,955,320
Restricted cash	16	3,258,152	3,258,152	600,000
		US$36,607,871	US$36,607,871	US$22,833,978

December 31, 2022	Notes	Carrying Amount	Contractual Cash Flows	
			Total	12 Months or Less
Cash	7	US$14,988,112	US$14,988,112	US$14,988,112
Receivables	8	13,442,728	13,442,728	2,690,255
Due from related parties	24	8,798,945	8,798,945	8,798,945
Restricted cash	16	3,252,897	3,252,897	
		US$40,482,682	US$40,482,682	US$26,477,312

d. ***Market Risk*** - Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency Risk - The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenue, costs and expenses, and loans are denominated and the respective functional currency of the Group. The functional currency of the Group is U.S. dollars.

As of the reporting date, the Group has monetary assets and liabilities in currencies other than the functional currency. The main foreign currencies used by the Group are as follows:

- Costa Rican colones (¢).
- Peruvian soles (S/.).
- Colombian pesos (COP$).

In respect of monetary assets and liabilities denominated in Costa Rican colones (¢), Peruvian soles (S/.) and Colombian pesos (COL$) the Group's policy is to ensure that its net exposure is kept at an acceptable level by buying or selling Costa Rican colones (¢), Peruvian soles (S/.) and Colombian pesos (COP$) at spot rates when necessary to address short-term imbalances.

The summary quantitative data of the Group's exposure to currency risk, as reported to management, was as follows:

	March 31, 2023		
	Costa Rican Colones	Peruvian Soles	Total
Cash	US$ 3,340	US$ 374,766	US$ 378,106
Receivables	2,604,057	2,526,022	5,130,079
Sub-total	2,607,397	2,900,788	5,508,185
Payables and accruals	628,991	295,593	924,584
Sub-total	628,991	295,593	924,584
Net	US$1,978,406	US$2,605,195	US$4,583,601

	December 31, 2022		
	Costa Rican Colones	Peruvian Soles	Total
Cash	US$ 15,287	US$ 237,240	US$ 252,527
Receivables	1,792,105	2,414,358	4,206,463
Sub-total	1,807,392	2,651,598	4,458,990
Payables and accruals	825,748	179,676	1,005,424
Sub-total	825,748	179,676	1,005,424
Net	US$ 981,644	US$2,471,922	US$3,453,566

As of March 31, 2023, and December 31, 2022, the net assets in foreign operations of the Group whose functional currency is different from the U.S. dollar and for which the differences in foreign currency were recognized in other comprehensive income (OCI) amounted to US$68,960,945 and US$65,833,028, respectively.

The following significant exchange rates were applied during the three months ended March 31, 2023, and 2022 (to US$1.00):

	Average Rate For the Three Months Ended March 31,	
	2023	2022
Costa Rican Colones	¢ 567,17	¢ 647,16
Peruvian Soles	S/ 3.820	S/ 3.815
Colombian Pesos	COP$ 4,761	COP$ 3,914

	Reporting Date			
	Buy Rate		Sell Rate	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Costa Rican Colones	¢ 540,39	¢ 594,17	¢ 545,95	¢ 601,99
Peruvian Soles	S/ 3.755	S/ 3.808	S/ 3.761	S/ 3.820
Colombian Pesos	COP$4,627	COP$4,810	COP$4,627	COP$4,810

Sensitivity Analysis - A 10 percent strengthening (weakening) of the U.S. dollar against the local currencies of the subsidiaries as of March 31, 2023 and December 31, 2022 would have decreased (increase) net income by the amounts shows below. This analysis assumes that all other variables, particularly interest rates, remained constant. The analysis was performed on the same basis as for 2022.

March 31, 2023	Strengthening	Weakening
Profit or loss	US$ 458,360	US$ (458,360)
Equity	US$7,354,455	US$(7,354,455)

December 31, 2022	Strengthening	Weakening
Profit or loss	US$ 345,357	US$ (345,357)
Equity	US$7,096,305	US$(7,096,305)

Interest Rate Risk - The Group hold financial liabilities subject to interest rate; therefore, variations in interest rates at the reporting date would affect profit or loss.

Sensitivity Analysis - A 1 percent and 2 percent strengthening (weakening) of the rate associated with each current debt, as of March 31, 2023, and December 31, 2022, would have decreased (increase) net income by the amounts shows below. This analysis assumes that all other variables remained constant. The analysis was performed on the same basis as for 2022.

	Note	Long-term Debt with Variable Interest Rate as of March 31, 2023	1%	2%
Increase in interest rate	16	US$218,067,275	US$(2,180,673)	US$(4,361,346)
Decrease in interest rate	16	US$218,067,275	US$ 2,180,673	US$ 4,361,436

	Note	Long-term Debt with Variable Interest Rate as of December 31, 2022	1%	2%
Increase in interest rate	16	US$215,849,667	US$(2,158,497)	US$(4,316,993)
Decrease in interest rate	16	US$215,849,667	US$ 2,158,497	US$ 4,316,993

26. SUBSEQUENT EVENTS

The Group's management has evaluated the occurrence of significant events after the closing date of the financial statements and the following has been considered as significant to disclose:

- On April 11, 2023, the Group disbursed US$1,025,000 from its US dollars denominated mortgage loan facility with BAC San Jose, S.A. to finance the construction of LatAm Parque Logistico San José - Verbena in Costa Rica.
- On April 13, 2023, the Group received US$600,000 from the restricted cash collateral account maintain as a guarantee of the principal of loan with International Finance Corporation (IFC) during the construction with LatAm Parque Logistico Lima Sur in Peru.

- On April 24, 2023, the Group completed the sale of 19,003 SM land lot in LatAm Parque Logistico San José - Verbena with a third-party buyer and received the third installment payment of US$1,600,000. On April 28, 2023, the Group distributed to the non-controlling partnersUS$1,071,310 of the proceeds received.

- On April 28, 2023, the Group refinanced US$80.9 million, including prepayment cost, of its secured loans in Costa Rica with a new secured facility of US$107.3 million with Banco Nacional de Costa Rica. The new secured loan has a term of 25 years, scheduled to mature on April 28, 2048. Pricing is a weighted average fixed interest rate for the first and second year of 5.93% and 6.05%, respectively, and starting on the third year a variable interest of 1.49% over 3-month SOFR.

- On May 10, 2023, the Group disbursed US$431,700 from its US dollars denominated mortgage loan facility with BAC San Jose, S.A. to finance the construction of LatAm Parque Logistico San José - Verbena in Costa Rica.

27. APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The interim consolidated financial statements as of March 31, 2023, were authorized for issue by Group's Board of Directors management on May 15, 2023.

* * * * *