LatAm Logistic Properties, S.A.

Consolidated Interim Financial Statements

June 30, 2023 and December 31, 2022
(Comparative Purpose)

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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 consolidated financial statements of Latam Logistic Properties, S.A. and Subsidiaries ("the Group"), which comprise the interim consolidated statement of financial position as of June, 30, 2023 and the corresponding interim consolidated statements of profit or loss and other comprehensive income, interim consolidated statements of changes in equity, and interim consolidated statements of cash flows for the three and six months period then ended at June 30, 2023 and 2022, respectively, as well as the notes to the interim consolidated financial statements, including a summary of the significant accounting policies. Management is responsible for the preparation and fair presentation of this interim consolidated financial information in accordance with International Financial Reporting Standards ("IFRS"). Our responsibility is to express a conclusion on this interim consolidated 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 interim consolidated 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 interim consolidated financial information does not give a true and fair view of the consolidated financial position of the Group as June 30, 2023, and of its consolidated financial performance and its consolidated cash flows for the three and six months periods then ended at June 30, 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 interim consolidated 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.

This interim consolidated 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 Andrés 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

August 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 STATEMENTS OF CHANGES IN EQUITY 6-7

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS 8-9

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS 10-77

LATAM LOGISTIC PROPERTIES, S.A. AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2023 AND DECEMBER 31, 2022
(Expressed in US Dollars of United States of America)

	Notes	June 30, 2023	December 31, 2022
ASSETS			
CURRENT ASSETS:			
Cash in bank accounts and cash equivalents	7	US$ 14,884,417	US$ 14,988,112
Receivables net	2g, 8	3,200,959	2,690,255
Land inventory	2k, 13		2,977,147
Due from affiliates - short term	25	9,113,432	8,798,945
Other current assets	9	1,779,257	1,465,815
Total current assets		28,978,065	30,920,274
NON-CURRENT ASSETS:			
Receivables - long term	2g, 8	10,796,673	10,752,473
Right - of - use asset	2i, 16	204,212	130,402
Other assets - long term		587,064	587,064
Prepaid construction	11	1,478,815	2,382,335
Investment properties	2j, 12	456,753,790	448,808,634
Vehicles, furniture and equipment, net	2h, 10	381,921	427,719
Deferred tax	24	279,220	193,436
Restricted cash	7, 17	1,294,944	3,252,897
Total non-current assets		471,776,639	466,534,960
NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE	2*l*, 12, 14	19,051,459	
TOTAL ASSETS		US$519,806,163	US$497,455,234
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable and accrued expenses	2d, 2n, 2o, 15	US$ 11,009,314	US$ 12,037,720
Due to affiliates	25	58,877	
Deposits for the sale of assets	13		2,400,000
Lease liability - current	2i, 16	63,491	54,327
Long term debt - current portion	2g, 17	7,242,606	23,576,982
Total current liabilities		18,374,388	38,069,029
NON-CURRENT LIABILITIES:			
Long term debt	2g, 17	221,097,647	191,316,684
Lease liability - long term	2i, 16	158,752	88,553
Deferred tax	24	31,275,948	38,354,800
Security deposits	18	1,898,765	1,706,959
Total non - current liabilities		254,431,112	231,466,996
LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE	2*l*, 14, 17	7,775,240	
Total liabilities		280,580,640	269,536,025
EQUITY:			
Common share capital	2p, 19	168,142,740	168,142,740
Accumulated earnings	19	60,593,032	58,544,743
Cumulative translation adjustment	2b	(22,230,683)	(32,052,414)
Equity attributable to owners		206,505,089	194,635,069
NON - CONTROLLING INTEREST	2f, 21	32,720,434	33,284,140
Total equity		239,225,523	227,919,209
TOTAL LIABILITIES AND EQUITY		US$519,806,163	US$497,455,234

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

LATAM LOGISTIC PROPERTIES, S.A. AND SUBSIDIARIES

CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Expressed in US Dollars of United States of America)

	Notes	For the Three Months Ended June 30, 2023	For the Three Months Ended June 30, 2022	For the Six Months Ended June 30, 2023	For the Six Months Ended June 30, 2022
REVENUES:	2q				
Rental revenue	4	US$ 9,974,230	US$ 7,868,681	US$17,617,734	US$15,415,993
Development fee income		8,377	170	36,020	455
Total revenues		9,982,607	7,868,851	17,653,754	15,416,448
COSTS AND OPERATING EXPENSES:					
Investment property operating expense	5	1,344,260	1,435,191	2,523,094	2,560,329
General and administrative	22	1,163,799	1,366,096	2,228,977	2,547,826
Total costs and operating expenses		2,508,059	2,801,287	4,752,071	5,108,155
OTHER NON-OPERATING INCOME (EXPENSES):					
Interest income from affiliates	2s, 25	158,113	131,863	314,488	241,672
Loss on debt extinguishment	17	(1,582,915)		(1,582,915)	(2,139,177)
Office lease financing cost	16	(1,901)	(4,180)	(4,205)	(7,068)
Right-of-use amortization	16	(16,214)	(26,982)	(26,999)	(52,123)
Depreciation and amortization	10	(23,406)	(30,168)	(54,205)	(65,486)
Net foreign currency profit (loss)		65,598	(141,779)	229,772	190,799
Other income		53,136	15,902	99,510	39,823
Gain on sale of land inventory	13	1,022,853		1,022,853	
Gain on sale of investment properties					87,976
Other expense	23	(295,492)	93,579	(417,216)	(135,730)
Interest expense	2s, 17	(5,657,546)	(3,163,831)	(10,911,465)	(5,903,729)
Deferred financing cost amortization	17	(56,267)	(97,646)	(89,588)	(207,469)
NET PROFIT BEFORE TAXES		1,140,507	1,844,322	1,481,713	2,357,781
INCOME TAX (EXPENSE) BENEFIT	2t, 24	(4,772,407)	(1,818,599)	3,525,806	(2,473,544)
(LOSS) PROFIT FOR THE PERIOD		(3,631,900)	25,723	5,007,519	(115,763)
OTHER COMPREHENSIVE LOSS:					
Items that are not reclassified subsequently to profit or loss:					
Translation gain (loss) from functional currency to reporting currency		7,207,360	(7,548,493)	9,821,731	(2,786,493)
Total comprehensive profit (loss) for the period		US$ 3,575,460	US$ (7,522,770)	US$14,829,250	US$(2,902,256)
(LOSS) PROFIT FOR THE PERIOD ATTRIBUTABLE TO:					
Owners of the Group		US$ (4,033,380)	US$ (72,011)	US$ 2,048,289	US$ (148,749)
Non-controlling interests	2f, 21	401,480	97,734	2,959,230	32,986
TOTAL		US$ (3,631,900)	US$ 25,723	US$ 5,007,519	US$ (115,763)
TOTAL COMPREHENSIVE PROFIT (LOSS) ATTRIBUTABLE TO:					
Owners of the Group		US$ 3,173,980	US$ (7,620,504)	US$11,870,020	US$(2,935,242)
Non-controlling interests		401,480	97,734	2,959,230	32,986
TOTAL		US$ 3,575,460	US$ (7,522,770)	US$14,829,250	US$(2,902,256)
(LOSS) EARNINGS FOR THE PERIOD PER SHARE ATTRIBUTED TO COMMON STOCKHOLDERS OF THE GROUP	20	US$(0.0239878)	US$(0.0004283)	US$ 0.0121818	US$(0.0008847)

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 AND SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Expressed in US Dollars of United States of America)

		Three Months Ended June 30, 2023 and 2022						
		Capital Attributable to Owners of the Group						
		Common Stocks						
	Note	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 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
Net (loss) benefit for the period				(72,011)		(72,011)	97,734	25,723
Adjustment for translation of financial statements					(7,548,493)	(7,548,493)		(7,548,493)
Total comprehensive income for the period				(72,011)	(7,548,493)	(7,620,504)	97,734	(7,522,770)
Distributions	19						(654,261)	(654,261)
BALANCE AS OF JUNE 30, 2022		168,142,740	US$168,142,740	US$54,245,464	US$(21,320,808)	US$201,067,396	US$30,051,906	US$231,119,302
BALANCE AS OF MARCH 31, 2023		168,142,740	US$168,142,740	US$64,626,412	US$(29,438,043)	US$203,331,108	US$36,341,890	US$239,672,998
Net Loss (benefit) for the period				(4,033,380)		(4,033,380)	401,480	(3,631,900)
Adjustment for translation of financial statements					7,207,360	7,207,360		7,207,360
Total comprehensive income for the period				(4,033,380)	7,207,360	3,173,980	401,480	3,575,460
Contributions	19						500,000	500,000
Distributions	19						(4,522,936)	(4,522,936)
BALANCE AS OF JUNE 30, 2023		168,142,740	US$168,142,740	US$60,593,032	US$(22,230,683)	US$206,505,089	US$32,720,434	US$239,225,523

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LATAM LOGISTIC PROPERTIES, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Expressed in US Dollars of United States of America)

		Six Months ended June 30, 2023 and 2022						
		Common Stocks						
	Note	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	19	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 income (loss) benefit for the period				(148,749)		(148,749)	32,986	(115,763)
Adjustment for translation of financial statements					(2,786,493)	(2,786,493)		(2,786,493)
Total comprehensive (loss) profit for the period				(148,749)	(2,786,493)	(2,935,242)	32,986	2,902,256
Distributions							(1,104,231)	(1,104,231)
BALANCE AS OF JUNE 30, 2022		168,142,740	US$168,142,740	US$54,245,464	US$(21,320,808)	US$201,067,396	US$30,051,906	US$231,119,302
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				2,048,289		2,048,289	2,959,230	5,007,519
Adjustment for translation of financial statements					9,821,731	9,821,731		9,821,731
Total comprehensive profit for the period				2,048,289	9,821,731	11,870,020	2,959,230	14,829,250
Contributions							1,000,000	1,000,000
Distributions	19						(4,522,936)	(4,522,936)
BALANCE AS OF JUNE 30, 2023		168,142,740	US$168,142,740	US$60,593,032	US$(22,230,683)	US$206,505,089	US$32,720,434	US$239,225,523

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 AND SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Expressed in US Dollars of United States of America)

	Notes	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
		2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss) Profit for the period		US$(3,631,900)	US$ 25,723	US$ 5,007,519	US$ (115,763)
Adjustments for:					
Benefit on early termination of office lease				(6,137)	(5,997)
Gain on sale of land inventory		(1,022,853)		(1,022,853)	
Gain on sale of investment properties	12				(87,976)
Unrealized foreign currency exchange (gain) loss		(74,186)	228,694	(337,471)	(149,398)
Loss on debt negotiation	17	1,582,915		1,582,915	2,139,177
Deferred income tax	24	1,038,758	1,996,455	(7,340,517)	1,771,897
Current income tax	24	3,733,649	(177,857)	3,814,711	701,647
Rent leveling		(770,123)	(601,656)	148,308	(1,146,373)
Rent incentive amortization		13,620	10,779	24,528	20,344
Bad debt reserve	8	1,030	501,802	(167,209)	803,205
Right - of - use amortization	16	16,214	26,982	26,999	52,123
Depreciation, amortization and retirements	10	23,406	30,168	136,670	94,401
Office lease financing cost	15	1,901	4,180	4,205	7,068
Interest income from affiliates	25	(158,113)	(131,863)	(314,488)	(241,672)
Deferred financing cost amortization	17	56,267	97,646	89,588	207,469
Interest expense	17	5,657,546	3,163,832	10,911,465	5,903,729
Changes in working capital:					
Receivables	8	333,823	613,320	(64,699)	292,356
Other assets	9	342,777	(65,416)	55,355	(53,380)
Due to related parties	25	(26,251)		58,877	
Payables and accrued expenses	15	(350,979)	(740,728)	(278,318)	(906,486)
Security deposits	18	82,527	199,156	191,806	252,769
Cash provided by operating activities		6,850,028	5,181,217	12,521,254	9,539,140
Income tax paid	24	(3,338,014)	(116,733)	(3,842,718)	(148,383)
Net cash provided by operating activities		3,512,014	5,064,484	8,678,536	9,390,757
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions to investment property, including acquisitions closing costs		(6,057,542)	(9,748,829)	(10,672,226)	(22,751,819)
Deposits paid for acquisitions of investment properties	9				(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	1,600,000		1,600,000	1,200,000
Due from related parties			(2,100,000)		(2,100,000)
Restricted cash	17	1,963,207		1,957,953	611,395
Additions to property, furniture and equipment	10	(51,705)	(11,176)	(107,305)	(27,932)
Net cash used in Investing Activities		(2,546,040)	(11,860,005)	(7,221,578)	(18,327,340)
CASH FLOWS FROM FINANCING ACTIVITIES					
Initial public offering issuance costs paid		149,109	(33,882)		(49,109)
Capital contributions from non-controlling partners		500,000		1,000,000	
Distributions to non-controlling partners		(4,522,936)	(654,261)	(4,522,936)	(1,104,231)
Long and-short term debt borrowing	17	110,445,255	8,273,594	113,971,395	20,703,669

(Continues)

LATAM LOGISTIC PROPERTIES, S.A. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2023 AND 2022
(Expressed in US Dollars of United States of America)

	Notes	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
		2023	2022	2023	2022
Long term debt repayment	17	US$(95,482,606)	US$ (1,483,911)	US$(98,400,674)	US$ (7,081,518)
Debt extinguishment cost paid	17	(1,552,683)		(1,552,683)	
Interest and commitment fee paid	17	(5,444,455)	(2,750,435)	(11,779,772)	(5,939,595)
Cash paid for commissions of new debt	17	(393,286)		(394,686)	(32,132)
Office lease liability repayment	16	(5,067)	(28,751)	(16,284)	(54,006)
Lease financing cost paid	16	(1,901)	(4,180)	(4,205)	(7,068)
Net cash provided (used) by financing activities		3,691,430	3,318,164	(1,699,845)	6,436,010
NET INCREASE(DECREASE) IN CASH		4,657,404	(3,477,356)	(242,887)	(2,500,573)
CASH AT THE BEGINNING OF THE PERIOD		10,127,980	18,485,349	14,988,112	17,360,353
EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH HELD		99,033	(200,539)	139,192	(52,327)
CASH AT THE END OF THE PERIOD		US$ 14,884,417	US$ 14,807,453	US$ 14,884,417	US$ 14,807,453

TRANSACTION THAT DID NOT REQUIRE CASH:

1. In additions to investment property and additions to Vehicles, furniture and equipment, there are US$1,907,024 and US$13,136 respectively, which correspond to accumulated liabilities payable.

2. In additions to investment property there are US$19,051,459 which correspond to the Building B-500 in Colombia move to assets held for sale.

(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 the Andina and Central America region.
The consolidated financial statements of the Group as of June 30, 2023, and December 31, 2022 and the three and six months ended June 30, 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 June 30, 2023, and December 31, 2022, Latam Logistic Properties, S.A. ownership structure was as follow:

		June 30, 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 interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The interim consolidated 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 interim consolidated 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, for which the functional currency is the Colombian peso. At June 30, 2023 and December 31, 2022, the sell-exchange rates for a US$1.00 were the following:

	June 30, 2023	December 31, 2022
Costa Rican Colon	¢ 549,48	¢ 601,99
Peruvian Sol	S/ 3.636	S/ 3.820
Colombian Peso	COP 4,191	COP 4,810

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 interim 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 interim consolidated financial statements.

- **Judgments** - Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the interim 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 June 30, 2023 and December 31, 2022 and for the three and six months ended June 30, 2023 and were included in notes to the interim consolidated 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. The

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

	Entities	Country	Ownership Interest	
			June 30, 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 Verbena I S de R.L.	Panamá	47.6%	47.6%
(2)	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 Pan HoldCo Coyol 3 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	
			June 30, 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%
(3)	Latam Logistic COL OpCo, S.A.S.	Colombia	100%	100%
	Latam Logistic COL PropCo Cota I, S.A.S.	Colombia	100%	100%
(4)	Latam Logistic Propco Celta I, S.A.S.	Colombia	N/A	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%
	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%
	Parque de Zona Franca Innova Fase I S.R.L.	Costa Rica	N/A	N/A

(1) Formerly known as Latam Logistic Propco Pedregal Panamá S de R.L.
(2) Formerly known as Latam Logistic Pan Holdco Pedregal Panamá S de R.L.
(3) Formerly known as Latam Logistic COL OpCo, S.A.S. On June 16, 2023 the company changed its name back to "S.A.S".
(4) The company was closed on May 24, 2023.

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 June 30, 2023, and December 31, 2022, the Group recorded an allowance for expected credit losses related to receivables from clients of US$821,881 and US$2,727,720 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 June 30, 2023, and December 31, 2022 and for three and six months ended June 30, 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 Group evaluates if a contract contains a lease at the commencement date. The Group 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 Group 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.

l. ***Assets Classified as Held for Sale*** - The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met when the sale is highly probable, and the non-current asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. The Group should be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Non-current assets and disposal groups classified as held for sale, except for investment properties measured at fair value, are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset or disposal group, excluding finance costs and income tax expense.

For investment properties measured at fair value, the Group will continue to measure the investment properties under the fair value model.

Assets and liabilities classified as held for sale are presented separately in the consolidated statement of financial position.

m. ***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.

n. ***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.

o. ***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.

p. ***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.

q. ***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.

r. ***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.

s. ***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.

t. ***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 period, 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 consolidated 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 Group 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 June 30, 2023, and December 31, 2022 was 60 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 June 30,		For the Six Months ended June 30,	
		2023	2022	2023	2022
	Rental revenue	US$8,539,953	US$6,654,944	US$15,424,668	US$13,118,437
(i)	Patio rental income	138,286	226,440	(291,919)	456,484
	Rental recoveries	823,668	622,529	1,572,119	1,132,201
	Direct billables	253,943	230,094	473,654	447,609
	Other	218,380	134,674	439,212	261,262
	Total	US$9,974,230	US$7,868,681	US$17,617,734	US$15,415,993

(i) During the first quarter of 2023, a lease agreement was terminated, generating a reversal of accounts receivable and revenue related to rent leveling previously recognized by the Group.

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, on June 30, 2023:

	Amount
Rental revenues:	
2023 (six months)	US$ 16,964,005
2024	31,185,553
2025	27,116,318
2026	23,886,239
2027	20,833,051
Thereafter	63,445,477
Total	US$183,430,643

5. INVESTMENT PROPERTY OPERATING EXPENSES

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

Rental property operating expenses were as follows:

		For the Three Months Ended June 30,		For the Six Months Ended June 30,	
		2023	2022	2023	2022
	Repair and maintenance	US$ 604,479	US$ 386,061	US$1,215,237	US$ 761,327
	Utilities	102,489	98,712	216,240	112,608
	Insurance	88,512	75,657	173,138	145,978
	Property management	59,178	43,932	113,800	91,690
	Real estate taxes	218,257	87,578	429,350	179,061
(i)	Expected credit loss	1,030	501,802	(167,209)	803,205
	Direct billable	253,827	230,625	473,121	445,263
	Other	16,488	10,824	69,417	21,197
	Total	US$1,344,260	US$1,435,191	US$2,523,094	US$2,560,329

(i) Corresponding to the effect of the termination for one lease contract with a tenant. (Note 4).

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 and six months ended June 30, 2023 and 2022, assets and liabilities are included as of June 30, 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 June, 2023				
	Colombia	Peru	Costa Rica	Other	Total
Revenues:					
Rental revenue	US$2,066,895	US$2,432,604	US$ 5,474,731		US$ 9,974,230
Development fee income	3,406	988	3,983		8,377
Sub-total	2,070,301	2,433,592	5,478,714		9,982,607
Costs and expenses:					
Investment property expenses	257,627	430,157	656,476		1,344,260
General and administrative	248,523	183,120	554,355	US$ 177,801	1,163,799
Sub-total	506,150	613,277	1,210,831	177,801	2,508,059
Net operating profit	US$1,564,151	US$1,820,315	US$ 4,267,883	US$(177,801)	US$ 7,474,548
Other income/(expenses):					
Gain on sale of land inventory			US$ 1,022,853		US$ 1,022,853
Interest income from affiliates				US$ 158,113	158,113
Debt extinguishment cost	US$ (46,017)		(1,536,898)		(1,582,915)
Right-of-use amortization	(6,622)		(9,592)		(16,214)
Depreciation and amortization	(3,292)	US$ (3,554)	(12,154)	(4,406)	(23,406)
Foreign currency loss	(566)	84,948	(18,784)		65,598
Other income	303	22	25,094	27,717	53,136
Office lease financing cost	(1,901)				(1,901)
Interest expense	(2,082,033)	(829,128)	(2,746,385)		(5,657,546)
Deferred financing cost	(19,189)	(13,964)	(23,114)		(56,267)
Other expense	12,697	(14,114)	(244,077)	(49,998)	(295,492)
Net (loss) income before taxes	(582,469)	1,044,525	724,826	(46,375)	1,140,507
Income tax benefit (expense)	(125,110)	421,489	(5,068,786)		(4,772,407)
Net (loss) income after taxes	(707,579)	1,466,014	(4,343,960)	(46,375)	(3,631,900)
Earnings attributable to non-controlling interest		14,430	(415,910)		(401,480)
Net (loss) income of the period	US$ (707,579)	US$1,480,444	US$(4,759,870)	US$ (46,375)	US$(4,033,380)

	For the Three Months Ended June 30, 2022				
	Colombia	Peru	Costa Rica	Other	Total
Revenues:					
Rental revenue	US$1,361,012	US$2,094,637	US$ 4,413,032		US$ 7,868,681
Development fee income	(77)	247			170
Sub-total	1,360,935	2,094,884	4,413,032		7,868,851
Costs and expenses:					
Investment property expenses	123,256	343,746	968,189		1,435,191
General and administrative	200,749	208,788	897,120	US$ 59,439	1,366,095
Sub-total	324,005	552,533	1,865,309	59,439	2,801,286
Net operating profit	US$1,036,929	US$1,542,350	US$ 2,547,723	US$ (59,439)	US$ 5,067,565
Other income/(expenses):					
Interest income from affiliates				US$131,863	US$ 131,863
Right-of-use amortization	US$ (7,216)	US$ (6,943)	US$ (12,823)		(26,982)
Depreciation and amortization	(3,770)	(10,254)	(12,992)	(3,152)	(30,168)
Foreign currency loss	(71)	(78,932)	(62,777)		(141,779)
Other income	763		14,750	388	15,901
Office lease financing cost	(2,480)	(1,056)	(644)		(4,180)
Interest expense	(1,196,878)	(445,242)	(1,521,711)		(3,163,831)
Deferred financing cost	(64,254)	(29,791)	(3,601)		(97,646)
Other expense	(1,259)	(10,735)	(1,350)	106,924	93,580
Net income before taxes	(238,234)	959,396	946,575	176,584	1,844,321
Income tax benefit (expense)	86,687	(545,739)	(1,357,035)	(2,512)	(1,818,599)
Net (loss) income after taxes	(151,547)	413,657	(410,460)	174,072	25,722
Earnings attributable to non-controlling interest		6,844	(104,577)		(97,733)
Net (Loss) income of the period	US$ (151,547)	US$ 420,501	US$ (515,037)	US$174,072	US$ (72,011)

	For the Six Months ended June 30, 2023				
	Colombia	Peru	Costa Rica	Other	Total
Revenues:					
Rental revenue	US$ 3,781,404	US$ 4,688,955	US$ 9,147,375		US$17,617,734
Development fee income (loss)	3,178	6,288	26,554		36,020
Sub-total	3,784,582	4,695,243	9,173,929		17,653,754
Costs and expenses:					
Investment property expenses	469,376	822,800	1,230,918		2,523,094
General and administrative	440,114	368,804	1,045,953	US$ 374,106	2,228,977
Sub-total	909,490	1,191,604	2,276,871	374,106	4,752,071
Net operating profit	US$ 2,875,092	US$ 3,503,639	US$ 6,897,058	US$(374,106)	US$12,901,683
Other income/(expenses):					
Gain on sale of land inventory			US$ 1,022,853		US$ 1,022,853
Interest income from affiliates				US$ 314,488	314,488
Debt extinguishment cost	US$ (46,017)		(1,536,898)		(1,582,915)
Right-of-use amortization	(12,779)	US$ (4,628)	(9,592)		(26,999)
Depreciation and amortization	(6,383)	(13,844)	(25,165)	(8,813)	(54,205)
Foreign currency loss	(945)	128,294	102,423		229,772
Other income	791	6,159	49,913	42,647	99,510
Office lease financing cost	(3,762)	(443)			(4,205)
Interest expense	(3,992,248)	(1,596,602)	(5,322,615)		(10,911,465)
Deferred financing cost	(35,971)	(26,888)	(26,729)		(89,588)
Other expense	(270)	(118,197)	(247,491)	(51,258)	(417,216)
Net (loss) income before taxes	(1,222,492)	1,877,490	903,757	(77,042)	1,481,713
Income tax benefit (expense)	(74,690)	1,669,434	1,931,062		3,525,806
Net (loss) income after taxes	(1,297,182)	3,546,924	2,834,819	(77,042)	5,007,519
Earnings attributable to non-controlling interest		14,745	(2,973,975)		(2,959,230)
Net (loss) income of the period	US$(1,297,182)	US$3,561,669	US$ (139,156)	US$ (77,042)	US$ 2,048,289

	For the Six Months Ended June 30, 2022				
	Colombia	Peru	Costa Rica	Other	Total
Revenues:					
Rental revenue	US$ 2,770,483	US$3,971,379	US$ 8,674,131		US$15,415,993
Development fee income	150	305			455
Sub-total	2,770,633	3,971,684	8,674,131		15,416,448
Costs and expenses:					
Investment property expenses	298,751	591,631	1,669,947		2,560,329
General and administrative	455,551	407,404	1,570,032	US$ 114,839	2,547,826
Sub-total	754,302	999,035	3,239,979	114,839	5,108,155
Net operating profit	US$ 2,016,331	US$2,972,649	US$ 5,434,152	US$(114,839)	US$10,308,293
Other income/(expenses):					
Investment property valuation gain			US$ 87,976		US$ 87,976
Interest income from afiliates				US$ 241,672	241,672
Debt extinguishment cost	US$ (756,507)		(1,382,670)		(2,139,177)
Right-of-use amortization	(12,591)	US$ (13,885)	(25,647)		(52,123)
Depreciation and amortization	(12,557)	(20,492)	(26,134)	(6,303)	(65,486)
Foreign currency gain/(loss)	351	283,594	(93,146)		190,799
Other income	7,480		31,955	388	39,823
Office lease financing cost	(3,297)	(2,248)	(1,523)		(7,068)
Interest expense	(2,186,130)	(869,624)	(2,847,975)		(5,903,729)
Deferred financing cost	(131,873)	(55,090)	(20,506)		(207,469)
Other expense	(86,064)	(34,577)	(1,350)	(13,739)	(135,730)
Net income before taxes	(1,164,857)	2,260,327	1,155,133	107,179	2,357,781
Income tax benefit (expense)	239,693	226,202	(2,939,438)		(2,473,544)
Net (loss) income after taxes	(925,165)	2,480,529	(1,784,306)	107,179	(115,763)
Earnings attributable to non-controlling interest		11,632	(44,617)		(32,985)
Net (Loss) income of the period	US$ (925,165)	US$2,488,161	US$(1,828,923)	US$ 107,179	US$ (148,748)

	June 30, 2023				
	Colombia	Perú	Costa Rica	Other	Total
Assets:					
Cash and cash equivalents	US$ 637,740	US$ 6,131,157	US$ 6,077,162	US$ 2,038,358	US$ 14,884,417
Receivables and other assets	794,236	5,083,539	10,481,634	4,544	16,363,953
Receivables from affiliates				9,113,432	9,113,432
Deferred tax asset	18,986	160,704	99,530		279,220
Lease Right-of-Use	98,704		105,508		204,212
Prepaid construction	581,045	185,410	712,360		1,478,815
Investment property	107,011,438	107,704,446	242,037,906		456,753,790
Non-current assets classified as held for sale	19,051,459				19,051,459
Restricted cash		613,834	681,110		1,294,944
Vehicles, furniture and equipment, net	36,433	73,613	216,294	55,581	381,921
Total assets	128,230,041	119,952,703	260,411,504	11,211,915	519,806,163
Liabilities:					
Payables and accruals	5,176,291	2,494,939	2,704,372	633,742	11,009,344
Due to affiliates				58,877	58,877
Liabilities directly associated with non-current assets classified as held for sale	7,775,210				7,775,210
Deferred tax liability	1,401,959	12,719,388	17,154,601		31,275,948
Leasing liability	107,143		105,100		212,243
Long-term debt	37,928,087	34,708,798	155,698,368		228,335,253
Security deposits		588,360	1,310,405		1,898,765
Total liabilities	52,388,690	50,516,485	176,982,846	692,619	280,580,640
Net assets	US$ 75,841,351	US$ 69,436,218	US$ 83,428,658	US$10,519,296	US$239,225,523

	December 31, 2022				
	Colombia	Perú	Costa Rica	Other	Total
Assets:					
Cash	US$ 1,117,352	US$ 7,760,906	US$ 3,286,851	US$ 2,823,003	US$ 14,988,112
Receivables and other assets	597,781	4,630,456	10,244,055	23,315	15,495,607
Receivables from affiliates				8,798,945	8,798,945
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
Restricted cash		1,205,162	2,047,735		3,252,897
Vehicles, furniture and equipment, net	37,992	165,331	160,002	64,394	427,719
Total assets	110,678,405	119,062,169	256,005,003	11,709,657	497,455,233
Liabilities:					
Payables and accruals	4,389,946	3,130,356	3,868,391	695,062	12,037,720
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	55,339,169	36,322,430	123,232,067		214,893,666
Security deposits		588,360	1,118,599		1,706,959
Total liabilities	60,996,331	54,395,209	151,049,423	695,062	267,136,025
Net assets	US$ 49,682,074	US$ 64,666,960	US$104,955,579	US$11,014,595	US$230,319,208

7. CASH IN BANK ACCOUNTS AND CASH EQUIVALENTS

Available cash are in bank accounts, overnight deposits and bank certificate deposits with less than 180 days of expiration and that can deem at any time with a minimum penalty. Demand deposits bear interest at a negligible interest rate and bank certificates of deposits bear a weighted average annual interest rate of 3.9% for 2023. 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:

	June 30, 2023	December 31, 2022
Bank accounts:		
In Colombian pesos	US$ 637,740	US$ 1,117,352
In Costa Rican colones	10,976	15,287
In Peruvian soles	343,858	237,240
In US dollars	12,104,735	13,618,233
Total	13,097,309	14,988,112
Short-term certificate deposits in US dollars	1,787,108	
Total	US$14,884,417	US$14,988,112

As of June 30, 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$2,906,028 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 the 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 certificates of deposits bearing a weighted average annual interest rate of 3.9 percent. Restricted cash detailed between long-term debt and credit cards was as follows:

	Note	June 30, 2023	December 31, 2022
Restricted cash non-current:			
Long-term debt additional guarantee:			
Invested in certificate of deposits		US$ 620,485	US$1,987,110
In restricted cash account		613,834	1,205,162
Sub-total	17	1,234,319	3,192,272
Credit cards additional guarantee:			
Invested in certificate deposits		60,625	60,625
Total		US$1,294,944	US$3,252,897

8. RECEIVABLES NET

As of June 30, 2023, and December 31, 2022, receivables were as follows:

		June 30, 2023	December 31, 2022
(a)	Tenants trade receivables, net	US$ 1,609,197	US$ 1,583,034
(b)	Tenants notes receivables, net	7,282,427	7,655,269
(c)	Value added tax	4,978,841	4,021,430

(Continues)

	June 30, 2023	December 31, 2022
Income tax and tax credits	US$ 66,116	US$ 62,932
Others	61,051	120,063
Sub-total	13,997,632	13,442,728
Value added tax - long term	(4,301,216)	(3,841,864)
Tenant notes receivable - long term	(6,495,457)	(6,910,609)
Subtotal	(10,796,673)	(10,752,473)
Total trade receivables	US$ 3,200,959	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 June 30, 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:

June 30, 2023	0 to 30 Days	30 to 60 Days	60 to 90 Days	Over 90 Days	Total
Weighted average expected loss rate	0.4%	2.5%	5.0%	100.0%	
Gross carrying amount	US$1,403,101	US$ 167,228	US$2,350	US$ 837,398	US$2,410,077
Loss allowance provision	(5,017)	(407)	(99)	(795,357)	(800,880)
Net carrying amount	1,398,084	166,821	2,251	42,041	1,609,197
Cash Security Deposit	US$ (280,029)	US$(150,964)	US$ (367)	US$ (42,041)	US$ (473,401)

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$ 2,324,346	US$ 4,290,892
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	48,641	1,583,034
Cash Security Deposit	US$ (497,657)	US$ (728)	US$ (9,874)	US$ (48,641)	US$ (556,900)

(b) ***Tenant Notes Receivables*** - The Group finances some of its clients´ specific tenant improvements that customers request. As of June 30, 2023, loans outstanding to tenants bear a weighted average annual interest rate of 10.7 percent and had a weighted average remaining loan term of 7.6 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 June 30, 2023 and December 31, 2022 was determined as follows; the expected credit losses below also incorporate forward looking information.

June 30, 2023	Current Notes Receivables	Long Term Notes Receivables	Total
Weighted average expected loss rate	2.6%	0%	
Gross carrying amount	US$807,971	US$6,495,457	US$7,303,428
Loss allowance provision	US$ (21,001)	US$	US$ (21,001)
Net carrying amount	US$ 786,970	US$6,495,457	US$7,282,427

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 June 30, 2023 and December 31, 2022 reconciled to the opening loss allowance for that provision as follows:

	June 30, 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$1,201,903
Increase in loss Allowance recognized in profit or loss during the period	55,809	1,139	56,948	1,588,888		1,588,888
Receivables written-off during the period as uncollectible[2]	(1,738,631)		(1,738,631)	(54,751)		(54,751)
Unused amount reversed [1]	(224,156)		(224,156)	(4,120)	(4,200)	(8,320)
Ending balance	US$ 800,880	US$21,001	US$ 821,881	US$2,707,858	US$19,862	US$2,727,720

(1) For the six months ended June 30, 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$8,320.

(2) Corresponding to the effect of the termination for one lease contract with a tenant(Note 4).

(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 June 30, 2023, and December 31, 2022, value added tax receivable derived from the operations in Colombia, Peru and Costa Rica were as follows:

	June 30, 2023	December 31, 2022
Colombia	US$ 5,003	US$ 15,805
Peru	2,364,784	2,246,537
Costa Rica	2,609,054	1,759,088
Total	US$4,978,841	US$4,021,430

During the three ended June 30, 2023, and 2022, the Group collected US$0 and US$2,205,273, respectively, and for the six months ended June 30, 2023, and 2022, the Group collected US$0 and US$2,844,480, respectively, of the outstanding value added tax in Peru.

9. OTHER CURRENT ASSETS

The detail of other current assets as of the June 30, 2023, and December 31, 2022, were as follows:

	June 30, 2023	December 31, 2022
Prepaid taxes	US$1,040,644	US$ 816,138
Prepaid real estate taxes	175,241	
Prepaid insurance	219,036	156,907
Deal pursuit cost	2,712	311,211
Rent incentives, net	150,712	90,372
Prepaid interest	86,663	
Other	104,249	91,187
	US$1,779,257	US$1,465,815

10. VEHICLES, FURNITURE AND EQUIPMENT

As of June 30, 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	18,235	21,472	4,925	62,673	107,305
Retirements		(36,951)	(1,996)	(232,346)	(271,293)
Translation adjustment		7,089	2,330	1,065	10,484
Balance as of June 30, 2023	38,360	352,577	231,147	87,317	709,401
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	1,548	24,253	17,309	11,095	54,205
Retirements		(20,856)	(1,996)	(144,450)	(167,302)
Translation Adjustment		3,265	1,524	202	5,391
Balance as of June 30, 2023	10,376	179,761	133,112	4,231	327,480
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 June 30, 2023	US$27,984	US$172,816	US$ 98,035	US$ 83,086	US$ 381,921

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 June 30, 2023, and December 31, 2022, the balance of prepaid Construction of US$1,478,815 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 June 30, 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 and six months ended June 30, 2023, and 2022, no gain or loss on valuation of investment properties was recorded.

As of June 30, 2023, and December 31, 2022, all investment property are guarantying the Group´s Debt.

a. As of June 30, 2023 and December 31, 2022, investment properties were as follows:

	FMV as of June 30, 2023	# of Buildings (1)	NRA (1) (SM)	Leased %	Occupied %
Owned Land bank:					
Colombia	US$ 19,249,440	4	101,284	n/a	n/a
Peru	7,313,514	1	20,900	n/a	n/a
Sub-total	26,562,954	5	122,184	n/a	n/a
Properties under right-of-use:					
Peru	124,173	3	81,571	n/a	n/a
Sub-total	124,173	3	81,571	n/a	n/a
Total land bank	26,687,127	8	203,755	n/a	n/a
Properties under development:					
Properties under right-of-use:					
Peru	2,093,599	1	15,414	23.8%	0.0%
Sub-total	2,093,599	1	15,414	23.8%	0.0%
Owned properties:					
Peru	10,701,394	1	11,491	43.6%	43.6%
Costa Rica	6,392,213	1	14,650	0.0%	0.0%
Sub-total	17,093,607	2	26,141	19.1%	19.1%
Total properties under development	19,187,206	3	41,555	20.9%	12.0%
Operating properties:					
Properties under right-of-use:					
Colombia	61,868,050	3	79,440	100.0%	100.0%
Sub-total	61,868,050	3	79,440	100.0%	100.0%
Owned properties:					
Colombia	25,893,948	3	37,191	100.0%	100.0%
Peru	87,471,765	5	93,339	100.0%	100.0%
(2) Costa Rica	235,645,694	18	218,847	98.8%	98.8%
Sub-total	349,011,407	25	349,377	99.3%	99.3%
Total operating properties	410,879,457	28	428,817	99.4%	99.4%
Total operating and properties under development	US$430,066,663	31	470,372	92.5%	91.7%
Total	US$456,753,790	39	674,127	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
Properties under right-of-use:					
Peru	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%

(Continues)

		FMV as of December 31, 2022	# of Buildings (1)	NRA (1) (SM)	Leased %	Occupied %
	Owned properties:					
	Colombia	US$ 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 June 30, 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 June 30, 2023 and December 31, 2022, the leased land and patios had a fair value of US$5,382,126 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 June 30, 2023, and December 31, 2022, the balance of investment properties included rent leveling assets of US$12,031,960 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 six months ended June 30, 2023 and the year ended December 31, 2022, were as follows:

	June 30, 2023	December 31, 2022
Beginning balance	US$448,808,634	US$428,275,741
(i) Disposition of investment properties		(9,273,000)
Transfer to asset held for sale	(19,051,459)	
Construction	10,164,682	42,641,103
Financing cost	440,710	1,454,262
Lease commissions	495,837	986,354
Rent leveling	(148,308)	2,464,385
Gain on valuation of investment properties		3,525,692
Translation effect from functional currency	16,043,694	(21,265,903)
Ending balance	US$456,753,790	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 and Transfers to Held for Sale - The following table summarizes the Group's investment properties disposition activity for the six months ended June 30, 2023, and the twelve months ended December 31, 2022:

	June 30, 2023	**December 31, 2022**
Transfer to Held for Sale:		
Number of operating buildings	1	
Net rentable area (square meters)	26,850	
Negotiated selling price	US$19,051,459	US$
Estimated net proceeds to be received	US$18,802,080	US$
Estimated gain on dispositions	US$	US$
Dispositions to third parties:		
Number of operating buildings		1
Net rentable area (square meters)		4,508
Net proceeds	US$	US$4,887,976
Gain on dispositions	US$	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 and recorded a gain, net of closing costs, of US$1,022,853.

As of June 30, 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$0 and US$2,977,147, respectively.

	June 30, 2023	December 31, 2022
Beginning balance	US$ 2,977,147	US$2,977,147
Disposition - sale	(2,977,147)	
Ending balance	US$	US$2,977,147

14. NON-CURRENT ASSETS HELD FOR SALE

In late June 2023, the Group approved the plan to sell its investment property, Latam Parque Logistico Calle 80, to a third party. Since the asset is available for immediate sale in its present condition, and the sale is determined to be highly probable, the Group reclassified the associated assets and liabilities as held for sale. The sale is expected to close in the third quarter of FY2023.

Assets and liabilities held for sale associated with Latam Parque Logistico Calle 80 as of June 30, 2023 were as follows:

	June 30, 2023
Investment property	US$19,051,459
Total assets held for sale	US$19,051,459
Long term debt	US$ 7,775,240
Total liabilities held for sale	US$ 7,775,240

15. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses were as follows:

	June 30, 2023	December 31, 2022
Trade payables	US$ 2,607,756	US$ 1,875,979
Value added tax	318,659	288,339
Professional services	73,775	268,939

(Continues)

	June 30, 2023	December 31, 2022
Tax payable	US$ 922,803	US$ 684,487
Construction contract retainage	2,920,479	3,001,433
Interest and other financing costs	2,393,658	2,746,142
Employee benefits and other obligations	446,433	307,673
Investment properties closing costs	249,380	
Leasing commissions	472,635	149,838
Development cost	181,367	2,411,190
Prepaid rent	144,869	220,000
Other	277,530	83,700
Total	US$11,009,344	US$12,037,720

16. 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 3.2 years at June 30, 2023.

The following table summarizes the fixed, future minimum rental payments, excluding variable costs, for which the leases have commenced as of June 30, 2023 and December 31, 2022:

In U.S. Dollars	June 30, 2023
2023 (six months)	US$ 38,032
2024	78,744
2025	81,997
2026	40,524
2027	1,618
Total undiscounted rent payments	240,915
Less imputed interest	(18,672)
Total lease liability	US$222,243

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 3.2 and 2.6 years at June 30, 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 June 30, 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 June 30, 2023
Costa Rica	3.0 years	2.8 years
Peru (lease terminated)	7.0 years	0.0 years
Colombia	5.0 years	3.6 years
Weighted average	4.0 years	3.2 years

As of June 30, 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
Additions	115,100			115,100
Retirements	(145,335)	(194,385)		(339,720)
Translation effect from functional currency			17,425	17,425
Balance as of June 30, 2023	115,100		135,430	250,530
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	9,592	4,628	12,779	26,999
Retirements	(145,335)	(166,616)		(311,951)
Translation effect from functional currency			3,947	3,947
Balance as of June 30, 2023	9,592		36,726	46,318
Net book value as of December 31, 2022	US$	US$ 32,397	US$ 98,005	US$ 130,402
Net book value as of June 30, 2023	US$ 105,508	US$	US$ 98,704	US$ 204,212

17. DEBT

As of June 30, 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 June 30, 2023	Remaining Borrowing Capacity at June 30, 2023	Amount Outstanding at June 30, 2023	Amount Outstanding at December 31, 2022
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		3Mo SOFR + 435.091 bps, no min. rate				US$ 30,411,676
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		3Mo SOFR + 435.091 bps, no min. rate				11,355,244
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		3Mo SOFR + 435.091 bps, no min. rate				4,856,716
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		3Mo SOFR + 441.991 bps, no min. rate				10,731,686
(1)	Banco Davivienda Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		3Mo SOFR + 435.091 bps, no min. rate				3,865,901
(1)	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		3Mo SOFR + 432 bps, no min. rate				2,218,382
(1)	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		3Mo SOFR + 440 bps, no min. rate				3,034,137
(1) (2)	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		US Prime Rate + 110 bps, no min. rate				972,476
(1)	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		3Mo SOFR + 439 bps, no min. rate				6,562,983
(1)	Banco Promerica de Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Refinanced		US Prime Rate + 275 bps, no min. rate				6,697,365
	BAC Credomatic, S.A.	Costa Rica	US$	Mortgage Loan	Jul 1, 2036	US$27,498,794	3Mo SOFR + 378 bps, no min. rate		US$ 6,044,001	US$42,005,999	34,997,899
(1)	Banco Nacional de Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Apr 30, 2048		1st year: 5.90% fixed 2nd year: 6.20% fixed Thereafter: 3Mo-SOFR + 140 bps			66,306,742	
(1)	Banco Nacional de Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Apr 30, 2048		1st year: 5.90% fixed 2nd year: 6.20% fixed Thereafter: 3Mo-SOFR + 140 bps	US$480,000		18,446,318	
(1)	Banco Nacional de Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Apr 30, 2048		1st year: 6.40% fixed 2nd year: 7.33% fixed Thereafter: 3Mo-SOFR + 280 bps		411,854	14,905,018	
(1)	Banco Nacional de Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Apr 30, 2048		US Prime Rate + 289.93 bps, no min. rate	140,485		6,974,694	
	Banco Nacional de Costa Rica, S.A.	Costa Rica	US$	Mortgage Loan	Jan 26, 2035		6Mo LIBOR + 425 bps, no min. rate			7,450,440	7,583,783
(4)	International Finance Corporation Tranche 1	Perú	US$	Mortgage Loan	Jul 15, 2028	6,865,611	6Mo LIBOR + 525 bps no min. rate			20,568,963	21,671,047
(4)	International Finance Corporation Tranche 2	Perú	US$	Mortgage Loan	Jul 15, 2030	4,013,110		613,834	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 June 30, 2023	Remaining Borrowing Capacity at June 30, 2023	Amount Outstanding at June 30, 2023	Amount Outstanding at December 31, 2022
(1)	Bancolombia, S.A.	Colombia	COP	Financing Capital Lease	May 1, 2036	US$10,234,801	IBR + 327 bps no min. rate			US$ 21,183,604	US$ 18,688,521
	Bancolombia, S.A.	Colombia	COP	Financing Capital Lease	May 31, 2036	4,246,913	IBR + 365 bps no min. rate			17,192,417	15,145,128
(3)	ITAU Corpbanca Colombia, S.A.	Colombia	COP	Mortgage Loan	Held for Sale		IBR + 447 bps no min. rate				7,047,004
(5)	Banco BTG Pactual S.A. - Cayman Branch	Panamá	US$	Secured Bridge Loan	Paid		SOFR + 600 bps, no min rate				15,000,000
	Total					US$52,859,229		US$1,234,319	US$16,748,532	US$229,491,663	US$215,849,667
	Long-term debt accrued financing cost									US$ 2,470,686	US$ 2,823,170
	Debt issuance cost, net									(1,228,438)	(1,033,028)
	Total debt									230,733,911	217,639,809
	Less: Current accrued financing cost									(2,393,658)	(2,746,143)
	Less: Current portion of long-term debt									(7,242,606)	(23,576,982)
	Total long-term debt									US$221,097,647	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.

On April 28, 2023, the Group refinanced the debt outstanding with Davivienda de Costa Rica (US$60,269,136) and Promerica de Costa Rica S.A. (US$6,613,114) and four of its debt with BAC Credomatic (US$12,612,703) with mortgages loans denominated in US Dollars with Banco Nacional de Costa Rica for an aggregate amount of US$107,353,410. The new mortgage loans have a tenor and amortization period of 25 years and a weighted average fixed rate of 5.9% in the first year, 6.3% in the second year and a variable rate after the third year of a weighted average of 146.5 basis points over 3 months SOFR. Deferred financing costs writen-off due to extinguishment of the facilities was US$30,232 and paid a prepayment penalty of US$1,552,683.

(2) ***New Mortgage Debt and Financing Capital Lease*** - 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 has a fifteen-year term with full 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 is fully amortized at expiration. The loans bear an annual interest rate of US Prime Rate plus 110 basis points with a no minimum interest. As of June 30, 2023, the loan was fully disbursed and later refinanced with the new mortgage loan with Banco Nacional de Costa Rica.

(3) ***Transfer to Debt Held for Sale –*** On June 28, 2023, the Group signed a Purchase and Sale Agreement for the sale of building 500 in LatAm Parque Logisico Calle 80 in Colombia. As of June 30, 2023, building 500 had an outstanding debt balance COP$33,163 million (US$7,912,260, does not included US$137,020 related to financial cost amortization) with Itau Corpbanca Colombia, S.A that was reclassified to debt held for sale.

(4) ***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 June 30, 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 June 30, 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, and is in negotiations to extend the borrowing period 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 June 30, 2023 and December 31, 2022, the Group had a restricted cash of US$613,834 and US$1,205,162, respectively, in the cash collateral account.

(5) ***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. The facility was fully paid in May 2023.

(6) ***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.

(7) ***Restricted Cash*** - As of June 30, 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 June 30, 2023:

	Mortgage Loan	Financing Capital Lease	Total	Interest	Total Debt Service
Maturity:					
2023 (6 months)	US$ 2,763,628	US$ 473,545	US$ 3,236,813	US$ 10,800,896	US$ 14,037,709
2024	7,170,435	1,011,117	8,181,552	20,041,972	28,223,524
2025	8,133,437	1,098,866	9,232,303	16,815,427	26,047,730
2026	8,976,934	1,190,976	10,167,910	14,818,787	24,986,697
2027	9,681,159	1,287,875	10,969,034	13,661,570	24,630,604
Thereafter	154,390,409	33,313,642	187,704,051	90,134,461	277,838,512
Total	US$191,115,642	US$38,376,021	US$229,491,663	US$166,273,113	US$395,764,776

Financing Cost - The following table summarizes the weighted average net effective interest rate by type of financing facility at June 30, 2023 and December 31, 2022:

	June 30, 2023		December 31, 2022	
	Weighted Average Interest Rate[(1)]	Amount Outstanding	Weighted Average Interest Rate[(1)]	Amount Outstanding
Mortgage Loan	7.4%	US$191,115,642	8.4%	US$167,019,018
Bridge Loan			10.7%	15,000,000
Financing Capital Lease	16.9%	38,376,021	14.0%	33,833,649
Total	8.9%	US$229,491,663	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 and six months ended June 30, 2023, and 2022:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Gross interest expense	US$5,711,908	US$3,362,455	US$11,255,556	US$6,256,888
Gross commitment fees	39,027	57,886	77,805	120,511
Amortization of debt issuance cost	65,173	111,856	108,402	237,001
Total financing cost before capitalization	5,816,108	3,532,197	11,441,763	6,614,400
Capitalized amounts into investment properties	(102,295)	(270,720)	(400,710)	(503,202)
Net financing cost	US$5,713,813	US$3,261,477	US$11,001,053	US$6,111,198
Total cash paid for interest and commitment fees	US$5,444,455	US$2,750,435	US$11,779,772	US$5,939,595

Debt Reconciliation - The reconciliation of debt as of June 30, 2023, and December 31, 2022, were as follows:

	June 30, 2023	December 31, 2022
Beginning balance	US$191,316,684	US$165,373,887
Secured bank debt borrowings	113,971,395	44,217,867
Secured bank debt repayments	(98,400,674)	(13,335,183)
Transfer to debt held for sale	(7,775,210)	

(Continues)

	June 30, 2023	December 31, 2022
Long-term accrued interest		US$ (9,732)
Borrowing cost incurred	US$ (394,686)	(41,550)
Deferred financing cost amortization	89,588	278,556
Borrowing cost write off due to refinancing	30,321	2,457,840
Change in current portion long term debt	16,334,376	(122,271)
Translation adjustment	5,925,853	(7,502,730)
Ending balance	US$221,097,647	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 June 30, 2023 and December 31, 2022, the Group was in compliance with all of its covenants in its debts.

18. 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 June 30, 2023, and December 31, 2022, the balance of security deposits of US$1,898,765 and US$1,706,959 respectively.

19. 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 Group on January 2, 2021, the capital structure of Latam Logistic Properties, S.A. was through Capital Quotes.

In the conversion of the Group 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 June 30, 2023 and December 31, 2022, total common shares outstanding and paid were 168,142,740, respectively.

20. 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 and six months ended June 30, 2023, and 2022, were the same, as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Basic and diluted earnings per share	US$ (0.0239878)	US$ (0.0004283)	US$ 0.0121818	US$ (0.0008847)
Net earnings (loss) attributed to common stockholders of the Group	US$ (4,033,380)	US$ (72,011)	US$ 2,048,289	US$ (148,749)
Weighted average number of shares	168,142,740	168,142,740	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 June 30, 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.

21. 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 June 30, 2023, and December 31, 2022.

Partnership	Country	Ownership Percentage		Non-Controlling Interest	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
LatAm Parque Logistico Coyol II	Costa Rica	50.0%	50.0%	US$ 4,831,225	US$ 8,351,546
LatAm Parque Logistico San José - Verbena	Costa Rica	23.8%	23.8%	26,104,207	24,132,846
Parque Logístico Callao	Peru	50.0%	50.0%	1,785,002	799,748
Total				US$32,720,434	US$32,284,140

During the three and six months ended June 30, 2023, and 2022, the special vehicle entities paid distribution to the non-controlling interest partner as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Latam Parque Logístico Coyol II	US$3,675,055	US$350,000	US$3,675,055	US$ 350,000
LatAm Parque Logístico San José - Verbena	847,881	304,261	847,881	754,231
Total distributions paid to non-controlling partners	US$4,522,936	US$654,261	US$4,522,936	US$1,104,231

During the three and six months ended June 30, 2023, and 2022 the special vehicle entities received additional capital contribution from the non-controlling interest partner as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Parque Logístico Callao	US$500,000		US$1,000,000	
Total distributions paid to non-controlling partners	US$500,000	US$	US$1,000,000	US$

Summarized financial information of non-controlling partnership' total assets and total liabilities as of June 30, 2023, and December 31, 2022:

	June 30, 2023		
	LatAm Parque Logístico Coyol II	LatAm Parque Logístico San José - Verbena	Parque Logístico Callao
Cash	US$ 960,536	US$ 1,298,165	US$ 987,226
Receivables	31,021	6,839,856	427,928
Other assets	48,547	637,756	1,918
Prepaid construction		662,257	101,626
Investment properties	30,551,335	70,382,503	2,260,346
Fixed assets		21,556	4,330
Deferred tax asset			33,157
Restricted cash	480,000		
Total assets	32,071,439	79,842,093	3,816,531
Payables and accruals	462,268	1,085,837	170,120
Due to related parties		28,252	25,013
Long-term debt	18,385,570	41,953,199	
Security deposits	195,000	336,145	51,394
Deferred tax liability	3,366,151	2,246,256	
Total Liabilities	22,408,989	45,649,689	246,527
Equity attributable to owners of the parent	US$ 4,831,225	US$ 8,088,197	US$1,785,002
Non-controlling interest	US$ 4,831,225	US$26,104,207	US$1,785,002

	December 31, 2022		
	LatAm Parque Logístico Coyol II	LatAm Parque Logístico San José - Verbena	Parque Logístico Callao
Cash	US$ 896,623	US$ 484,230	US$1,084,155
Receivables	15,587	6,406,948	87,168
Other assets	17,695	603,190	
Prepaid construction		1,020,664	86,693
Investment properties	30,613,000	63,278,220	386,525
Assets held for sale		2,996,471	
Fixed assets		3,795	
Deferred tax asset			34,639
Restricted cash	339,900		
Total assets	31,882,805	74,793,518	1,679,180
Payables and accruals	315,635	1,832,100	28,290
Due to related parties		42,596	
Deposits for assets held for sale		2,400,000	
Long-term debt	10,731,686	34,947,249	
Security deposits	195,000	196,755	51,394
Deferred tax liability	3,937,392	3,769,567	
Total Liabilities	15,179,713	43,188,267	79,684
Equity attributable to owners of the parent	US$ 8,351,546	US$ 7,472,404	US$ 799,748
Non-controlling interest	US$ 8,351,546	US$24,132,847	US$ 799,748

For the three and six months ended June 30, 2023 and 2022, net earnings attributable to non-controlling were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Net (loss) earnings attributable to non-controlling:				
LatAm Parque Logistico Coyol II	US$(272,120)	US$98,168	US$ 154,735	US$ 88,830
LatAm Parque Logistico San Jose - Verbena	688,030	2,438	2,819,240	(55,945)
LatAm Lagunilla Industrial Park		3,972		11,733
Parque Logístico Callao	(14,430)	(6,844)	(14,745)	(11,632)
	US$ 401,480	US$97,734	US$2,959,230	US$ 32,986

22. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Personnel cost	US$ 692,258	US$ 902,011	US$1,360,248	US$1,670,373
Services and professional fees	205,077	267,282	381,475	441,958
Office expenses	109,087	88,815	197,747	179,149
Bank service charges	13,467	13,879	23,554	24,794
Other	143,910	94,109	265,953	231,552
Total	US$1,163,799	US$1,366,096	US$2,228,977	US$2,547,826

23. OTHER EXPENSES

Other expenses were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Debt supervision fee		US$ 1,870	US$ 21,260	US$ 23,764
Debt raising cost	US$ 14,113	11,035	17,412	11,035
Capital raising cost	50,000	(17,524)	50,000	5,643
Dead deal pursuit costs	3,341	1,050	5,074	56,383
Stabilized building acquisition closing costs	240,122		240,122	
Loss on disposition of fixed assets	883	15	83,348	28,930
Other	(12,967)	(90,025)		9,975
Total	US$295,492	US$(93,579)	US$417,216	US$135,730

24. INCOME TAX

Current Tax - Current tax is determined based on the tax laws in effect in each country where the Group operates. As of June 30, 2023, and December 31, 2022, the tax rates applied by the subsidiaries were as follows:

		June 30, 2023	December 31, 2022
	Costa Rica	30%	30%
(1)	Colombia	35%	35%
	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 and six months ended June 30, 2023 and 2022, income tax from continued operations was as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Income tax expense (benefit)	US$3,733,649	US$(1,563,929)	US$ 3,814,711	US$(1,628,952)
Deferred income tax expense (benefit)	1,038,758	3,382,528	(7,340,517)	4,102,496
Total income tax expense (benefit)	US$4,772,407	US$ 1,818,599	US$(3,525,806)	US$ 2,473,544

Income tax expense includes withholding taxes that resulted from the recognition of intra group fees between countries. During the three and six months ended June 30, 2023 and 2022, the Group recognized withholding tax expenses in the current income tax expense as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Current income tax expense (benefit)	US$1,178,607	US$(1,584,840)	US$1,248,695	US$(1,670,662)
Intra-group withholding tax	2,555,042	20,881	2,566,016	41,710
Total	US$3,733,649	US$(1,563,929)	US$3,814,711	US$(1,628,952)

Income tax for expense for the three and six months ended June 30, 2023 and 2022 can be reconciled to the accounting profit as follows:

	For the Three Months Ended June 30, 2023									
	Colombia	%	Peru	%	Costa Rica	%	Panama Holding Companies	%	Total	%
Net profit before taxes	US$(247,023)		US$1,044,525		US$ 724,826		US$(381,821)		US$1,140,507	
Tax calculated at domestic tax rates applicable to profits in the respective countries	US$ (86,458)	35.0%	US$ 308,135	29.5%	US$ 217,448	30.0%	US$ (95,456)	25.0%	US$ 343,669	30.1%
Current Income Tax Expense / (Benefit):										
Tax Effect on:										
Intercompany transactions within the Group	(20,205)	8.2%	(2,108)	-0.2%	66,721	9.2%	324	-0.1%	44,732	3.9%
Translation and currency exchange adjustment from USD to domestic currency	45,747	-18.5%	292,034	28.0%	1,775,564	245.0%			2,113,345	185.3%
Income not subject to taxes					14,230	2.0%	(32,483)	8.5%	(18,253)	-1.6%
Expenses not subject to taxes	6,119	-2.5%	1,466	0.1%	(12,993)	-1.8%	127,615	-33.4%	122,207	10.7%
Tax Depreciation	(229,917)	93.1%	(170,175)	-16.3%	(470,297)	-64.9%			(870,389)	-76.3%
Changes in investment properties basis for tax purposes			(85,201)	-8.2%	(148,935)	-20.5%			(234,136)	-20.5%
Changes in rent leveling			18,859	1.8%	(214,465)	-29.6%			(195,606)	-17.2%
Change in current assets and liabilities	(27,031)	10.9%	1,064	0.1%	(100,995)	-13.9%			(126,962)	-11.1%
Current Income Tax Expense (Benefit)	US$(311,745)	126.2%	US$ 364,074	34.9%	US$1,126,278	155.4%	US$	0.0%	US$1,178,607	103.3%
Tax Effect on temporary differences	US$ 8,773	-3.6%	US$ (19,925)	-1.9%	US$ 315,460	43.5%			US$ 304,308	26.7%
Changes in Net Operating Losses and Reserves	33,011	-13.4%	(379,641)	-36.3%	(37,057)	-5.1%			(383,687)	-33.6%
Tax Effect on translation of fair market value of investment properties from USD to domestic currency			(639,297)	-61.2%	498,449	68.8%			(140,848)	-12.3%
Tax effect to changes in investment properties basis for tax purposes	384,375	-155.61%	255,378	24.4%	619,232	85.4%			1,258,985	110.4%
Total Income Tax Expense (Benefit)	US$ 114,414	-46.3%	US$ (419,411)	-40.2%	US$2,522,362	348.0%	US$	0.0%	US$2,217,365	194.4%
Intra-group withholding tax	US$ 10,694		US$ (2,074)		US$2,546,422		US$		US$2,555,042	
Total	US$ 125,108	-50.6%	US$ (421,485)	-40.4%	US$5,068,784	699.3%	US$	0.0%	US$4,772,407	418.4%

	For the Three Months Ended June 30, 2022									
	Colombia	%	Peru	%	Costa Rica	%	Panama Holding Companies	%	Total	%
Net profit before taxes	US$ 34,985		US$ 959,400		US$ 946,575		US$(96,639)		US$ 1,844,321	
Tax calculated at domestic tax rates applicable to profits in the respective countries	US$ 10,845	31.0%	US$ 283,023	29.5%	US$ 283,973	30.0%	US$(24,160)	25.0%	US$ 553,681	30.0%
Current Income Tax Expense / (Benefit):										
Tax Effect on:										
Intercompany transactions within the Group	93,173	266.3%	97,132	10.1%	111,531	11.8%	25,391	-26.3%	327,227	17.7%
Translation and currency exchange adjustment from USD to domestic currency	(112,838)	-322.5%	(240,096)	-25.0%	(1,044,486)	-110.3%			(1,397,420)	-75.8%
Income not subject to taxes					(20,716)	-2.2%	(43,940)	45.5%	(64,656)	-3.5%
Expenses not subject to taxes	445	1.3%	12,760	1.3%	8,879	0.9%	42,709	-44.2%	64,793	3.5%
Tax attributable on sale of assets					22,754	2.4%			22,754	1.2%
Tax Depreciation	(44,855)	-128.2%	(151,281)	-15.8%	(449,193)	-47.5%			(645,329)	-35.0%
Changes in investment properties basis for tax purposes			(59,850)	-6.2%	(35,353)	-3.7%			(95,203)	-5.2%
Changes in rent leveling			(34,244)	-3.6%	(172,094)	-18.2%			(206,338)	-11.2%
Change in current assets and liabilities	(66,369)	-189.7%	(22,707)	-2.4%	(55,243)	-5.8%			(144,319)	-7.8%
Current Income Tax Expense (Benefit)	US$(119,599)	-341.9%	US$(115,263)	-12.0%	US$(1,349,948)	-142.6%	US$	0.0%	US$(1,584,810)	-85.9%
Tax Effect on temporary differences	US$ (55,775)	-159.4%	US$ 59,814	6.2%	US$ 277,910	24.1%			US$ 231,949	12.6%
Changes in Net Operating Losses and Reserves	39,120	111.8%	110,946	11.6%	366,907	38.8%			516,973	28.0%
Tax Effect on translation of fair market value of investment properties from USD to domestic currency			287,934	30.0%	1,646,794	174.0%			1,934,728	104.9%
Tax effect to changes in investment properties basis for tax purposes	37,316	106.7%	203,979	21.3%	457,583	48.3%			698,878	37.9%
Total Income Tax Expense (Benefit)	US$ (98,938)	-282.8%	US$ 547,410	57.1%	US$ 1,349,246	142.5%	US$	0.0%	US$ 1,797,718	97.5%
Intra-group withholding tax	US$ 12,250		US$ 5,146		US$ 3,485		US$		US$ 20,881	
Total	US$ (86,688)	-247.8%	US$ 552,556	57.6%	US$ 1,352,731	699.3%	US$	0.0%	US$ 1,818,599	98.6%

	For the Six Months Ended June 30, 2023									
	Colombia	%	Peru	%	Costa Rica	%	Panama Holding Companies	%	Total	%
Net profit before taxes	US$(512,704)		US$ 1,877,490		US$ 903,757		US$(786,830)		US$ 1,481,713	
Tax calculated at domestic tax rates applicable to profits in the respective countries	US$(179,446)	35.0%	US$ 553,860	29.5%	US$ 271,127	30.0%	US$ (84,107)	25.0%	US$ 448,833	30.3%
Current Income Tax Expense / (Benefit):										
Tax Effect on:										
Intercompany transactions within the Group	(16,627)	3.2%	322	0.0%	168,064	18.6%	7,124	-0.9%	158,883	10.7%
Translation and currency exchange adjustment from USD to domestic currency	55,226	-10.8%	444,952	23.7%	1,659,721	183.6%			2,159,899	145.8%
Income not subject to taxes					6,844	0.8%	(78,622)	10.0%	(71,778)	-4.8%
Expenses not subject to taxes	12,330	-2.4%	446	0.0%	10,172	1.1%	268,206	-34.1%	291,154	19.6%
Accounts receivable write-off					519,862	57.5%			519,862	35.1%
Tax Depreciation	(305,445)	59.6%	(337,873)	-18.0%	(782,364)	-86.6%			(1,425,682)	-96.2%
Changes in investment properties basis for tax purposes			(148,361)	-7.9%	(154,264)	-17.1%			(302,625)	-20.4%
Changes in rent leveling			55,112	2.9%	62,406	6.9%			117,518	7.9%
Change in current assets and liabilities	(29,657)	5.8%	76,465	4.1%	(694,177)	-76.8%			(647,369)	-43.7%
Current Income Tax Expense (Benefit)	US$(463,619)	90.4%	US$ 644,923	34.4%	US$ 1,067,391	118.1%	US$	0.0%	US$ 1,248,695	84.3%
Tax Effect on temporary differences	US$(260,952)	-50.9%	US$ (131,715)	-7.0%	US$ 631,469	69.9%			US$ 238,802	16.1%
Changes in Net Operating Losses and Reserves	84,070	-16.4%	(631,183)	-33.6%	(325,005)	-36.0%			(872,118)	-58.9%
Tax Effect on translation of fair market value of investment properties from USD to domestic currency			(935,866)	-49.8%	(4,570,804)	-505.8%			(5,506,670)	371.6%
Tax effect to changes in investment properties basis for tax purposes	695,597	-135.7%	486,235	25.9%	936,628	103.6%			2,118,460	143.0%
Changes in tax treatment of rent leveling			(1,101,827)	-58.7%	(2,217,164)	-245.3%			(3,318,991)	-224.0%
Total Income Tax Expense (Benefit)	US$ 55,096	-10.7%	US$ (1,669,443)	-88.9%	US$(4,477,485)	-495.4%	US$	0.0%	US$(6,091,822)	-411.1%
Intra-group withholding tax	US$ 19,594		US$		US$ 2,546,422		US$		US$ 2,566,016	
Total	US$ 74,690	-14.6%	US$ (1,669,433)	-88.9%	US$(1,931,063)	-213.7%	US$	0.0%	US$(3,525,806)	-238.0%

	For the Six Months Ended June 30, 2022									
	Colombia	%	Peru	%	Costa Rica	%	Panama Holding Companies	%	Total	%
Net profit before taxes	US$(646,613)		US$2,630,327		US$ 1,155,133		US$(433,066)		US$ 2,357,781	
Tax calculated at domestic tax rates applicable to profits in the respective countries	US$(196,630)	31.0%	US$ 666,796	29.5%	US$ 346,540	30.0%	US$(108,267)	25.0%	US$ 711,439	30.2%
Current Income Tax Expense / (Benefit):										
Tax Effect on:										
Intercompany transactions within the Group	127,149	-20.4%	105,841	4.7%	220,474	19.1%	36,197	-8.4%	489,661	20.8%
Translation and currency exchange adjustment from USD to domestic currency	(116,550)	18.7%	288,240	12.8%	(1,994,837)	-172.7%			(1,1823,147)	-77.3%
Income not subject to taxes					(25,759)	-2.2%	(78,622)	18.2%	(104,381)	-4.4%
Expenses not subject to taxes	11,041	-1.8%	17,606	0.8%	11,067	1.0%	150,692	-34.8%	190,406	8.1%
Tax attributable on sale of assets					169,246				169,246	7.2%
Tax Depreciation	(116,536)	18.7%	(275,012)	-12.2%	(680,491)	-58.9%			(1,072,039)	-45.5%
Changes in investment properties basis for tax purposes			(154,148)	-6.8%	(54,258)	-4.7%			(208,676)	-8.9%
Changes in rent leveling			(134,049)	-5.9%	(233,248)	-20.2%			(367,297)	-15.6%
Change in current assets and liabilities	(77,233)	12.4%	(33,922)	-1.5%	455,181	39.4%			344,126	14.6%
Current Income Tax Expense (Benefit)	US$(365,759)	58.6%	US$ 481,452	21.3%	US$(1,786,355)	-154.6%	US$	0.0%	US$(1,670,662)	-70.9%
Tax Effect on temporary differences	US$ 54,290	-8.7%	US$ 172,548	7.6%	US$ (222,260)	-19.2%			US$ 4,578	0.2%
Changes in Net Operating Losses and Reserves	58,986	-9.4%	(486,691)	-21.5%	355,567	30.8%			(72,138)	-3.1%
Tax Effect on translation of fair market value of investment properties from USD to domestic currency			(820,262)	-36.3%	4,026,866	348.6%			3,206,604	136.0%
Tax Effect in FMV value due to sale of asset					(145,500)	-12.6%			(145,500)	-6.2%
Tax effect to changes in investment properties basis for tax purposes	(10,236)	1.6%	422,008	18.7%	697,180	60.4%			1,108,952	47.0%
Total Income Tax Expense (Benefit)	US$(262,719)	42.1%	US$ (230,945)	-10.2%	US$ 2,925,498	253.3%	US$	0.0%	US$ 2,431,834	103.1%
Intra-group withholding tax	US$ 23,029		US$ 9,047		US$ 9,635		US$		US$ 41,710	
Total	US$(239,691)	38.4%	US$ (221,898)	-9.8%	US$ 2,935,133	254.1%	US$	0.0%	US$ 2,473,544	104.9%

Deferred Tax - As of June 30, 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:

	June 30, 2023	**December 31, 2022**
Balance at beginning of the year	US$193,436	US$ 606,183
Employee benefits	(6,820)	(425,300)
Net operating loss and pre-operating expenses	349,252	243,677
Net operating losses valuation reserve	(247,053)	(209,742)
Other assets and liabilities	(11,337)	(6,976)
Translation effect from functional currency	1,742	(14,406)
Balance at the end of the period	US$279,220	US$ 193,436

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

	June 30, 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	(3,371,177)	(6,914)
Tax liability reversed due to sale of investment property	(39,705)	(306,831)
Employee benefits	(1,374)	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	334,537	(82,021)
Changes in net operating loss and reserve	(853,978)	
Effect of translation to presentation currency	171,836	(304,340)
Balance at the end of the period	US$31,275,948	US$38,354,800

Net Operating Tax Losses and Deferred Interest (Peru) Carried Forward - As of June 30, 2023, the Group had US$279,220 and US$31,275,948 in net deferred tax assets (DTAs) and deferred tax liabilities (DTLs), respectively. These DTAs and DTLs included approximately US$2,071,962, 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 June 30, 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$3,773,934 on the deferred tax assets related to these NOL and deferred interest carryforwards.

As of June 30, 2023, the Group had income tax net operating loss (NOL) and deferred interest carryforwards of US$5,845,899 which will expire on various dates from 2023 through 2035 as follows:

Expirations	Colombia	Peru	Costa Rica	Total
FY 2023		US$ 234,253		US$ 234,253
FY 2024		1,301,313	US$ 179,922	1,481,235
FY 2025		846,895	608,173	1,455,068
FY 2026		192	555,397	555,589
FY 2027		38,427	355,972	394,399
FY 2028	US$ 35,118			35,118
FY 2029	93,543			93,543
FY 2030	126,319			126,319
FY 2031	74,688			74,688
FY 2032	92,713			92,713
FY 2033	105,637			105,637
FY 2034	735,498			735,498
FY 2035	461,839			461,839
	1,725,355	2,421,080	1,699,464	5,845,899
Valuation allowance	(494,830)	(2,321,196)	(957,908)	(3,773,934)
	US$1,230,525	US$ 99,884	US$ 741,556	US$ 2,071,965

25. BALANCE AND TRANSACTIONS WITH RELATED PARTIES

The main transactions with related parties for the three and six months ended June 30, 2023, and 2022, were as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Interest income - Latam Logistics Investments LLC	US$158,113	US$131,863	US$314,488	US$241,672
Total	US$158,113	US$131,863	US$314,488	US$241,672

As of June 30, 2023, December 31, 2022, outstanding balances from related parties were as follows:

	June 30, 2023	December 31, 2022
Interest receivable:		
Latam Logistics Investments LLC	US$2,163,432	US$1,848,945
Notes receivable:		
Latam Logistics Investments LLC	6,950,000	6,950,000
Total receivables from affiliates	US$9,113,432	US$8,798,945

As of June 30, 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 June 30, 2023, and December 31, 2022, the balance outstanding was US$9,113,432 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 June 30, 2023, December 31, 2022, outstanding balances to related parties were as follows:

	June 30, 2023	December 31, 2022
Jaguar Growth Partners LLC	US$58,877	
Total payables to affiliates	US$58,877	US$

As of June 30, 2023, the Group owed to Jaguar Growth Partners LLC US$58,877 of reimbursement expenses mainly related to management service costs. The management service 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 June 30		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Salaries	US$198,438	US$212,275	US$407,291	US$ 424,021
Cash performance bonus paid	102,260	750,528	182,356	750,528
Non-cash benefits	7,459	10,902	14,809	21,447
Total	US$308,157	US$973,705	US$604,456	US$1,195,996

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

26. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

26.1 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 June 30, 2023, and December 31, 2022, the fair value measurement of financial assets and financial liabilities are considered Level 3 of the fair value hierarchy.

		June 30, 2023			
	Notes	Cash and Accounts Receivable	Other Financial Liabilities	Total Carrying Amount	(Amortized Cost)
Cash and cash equivalents	7	US$14,884,417		US$14,884,417	US$14,884,417
(i) Financial assets measured at amortized cost:					
Receivable	8	13,997,631		13,997,631	13,997,631
Due from related parties	25	9,113,432		9,113,432	9,113,432
Restricted cash	7, 16	1,294,944		1,294,944	1,294,944
Total financial assets		US$39,290,424	US$	US$39,290,424	US$39,290,424
(i) Financial liabilities measured at amortized cost:					
Payables and accruals	14		US$ 11,009,344	US$ 11,009,344	US$ 11,009,344
Due to affiliates			58,877	58,877	58,877
Debt for assets held for sale			7,775,210	7,775,210	7,775,210
Lease liability	15		222,423	222,423	222,423
Security deposits	18		1,898,765	1,898,765	1,898,765
Long-term debt	17		228,340,253	228,340,253	228,340,253
Total financial liabilities		US$	US$249,304,691	US$249,304,691	US$249,304,691

(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	25	8,798,945		8,798,945	8,798,945
Restricted cash	17	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	15		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	16		142,880	142,880	142,880
Security deposits	18		1,706,959	1,706,959	1,706,959
Long-term debt	17		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.

26.2 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	June 30, 2023	December 31, 2022
Cash and equivalents	7	US$14,884,417	US$14,988,112
Receivables	8	13,997,632	13,442,728
Due from related parties	25	9,113,432	8,798,945
Restricted cash	17	1,294,944	3,252,897
		US$39,290,425	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.

June 30, 2023	Notes	Carrying Amount	Contractual Cash Flows	
			Total	12 Months or Less
Payables and accruals	15	US$ 11,009,344	US$ 11,009,344	US$11,009,344
Due to affiliates	25	58,877	58,877	58,877
Lease liability	16	222,243	240,915	77,176
Security deposits	18	1,898,765	1,898,765	278,234
Long-and short term debt	17	228,340,253	229,491,663	7,242,606
		US$241,529,482	US$242,699,564	US$18,666,237

December 31, 2022	Notes	Carrying Amount	Contractual Cash Flows	
			Total	12 Months or Less
Payables and accruals	15	US$ 12,037,720	US$ 12,037,720	US$12,037,720
Lease liability	16	142,880	159,676	54,327
Security deposits	18	1,706,959	1,706,959	45,584
Long-and short term debt	17	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 16.

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

June 30, 2023	Notes	Carrying Amount	Contractual Cash Flows	
			Total	12 Months or Less
Cash and equivalents	7	US$14,884,417	US$14,884,417	US$14,884,417
Receivables	8	13,997,632	13,997,632	3,200,959
Due from related parties	25	9,113,432	9,113,432	9,113,432
Restricted cash	17	1,294,944	1,294,944	
		US$39,290,425	US$39,290,425	US$27,198,808

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	25	8,798,945	8,798,945	8,798,945
Restricted cash	17	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:

	June 30, 2023		
	Costa Rican Colones	Peruvian Soles	Total
Cash	US$ 10,976	US$ 343,858	US$ 354,834
Receivables	2,641,257	2,533,882	5,175,139
Sub-total	2,652,233	2,877,740	5,529,973
Payables and accruals	1,057,572	188,836	1,246,408
Sub-total	1,057,572	188,836	1,246,408
Net	US$1,594,661	US$2,688,904	US$4,283,565

	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 June 30, 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$77,654,494 and US$65,833,028, respectively.

The following significant exchange rates were applied during the three months ended June 30, 2023, and 2022 (to US$1.00):

	Average Rate For the Three Months Ended June 30,		Average Rate For the Six Months Ended June 30,	
	2023	2022	2023	2022
Costa Rican Colones	¢ 544,44	¢ 676,98	¢ 555,74	¢ 662,23
Peruvian Soles	S/ 3.706	S/ 3.749	S/ 3.762	S/ 3.782
Colombian Pesos	COP$ 4,415	COP$ 3,913	COP$ 4,587	COP$ 3,914

	Reporting Date			
	Buy Rate		Sell Rate	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Costa Rican Colones	¢ 543,13	¢ 594,17	¢ 549,78	¢ 601,99
Peruvian Soles	S/ 3.624	S/ 3.808	S/ 3.633	S/ 3.820
Colombian Pesos	COP$4,191	COP$4,810	COP$4,191	COP$4,810

Sensitivity Analysis - A 10 percent strengthening (weakening) of the U.S. dollar against the local currencies of the subsidiaries as of June 30, 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.

June 30, 2023	Strengthening	Weakening
Profit or loss	US$ 428,357	US$ (428,357)
Equity	US$8,193,806	US$(8,193,806)

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 June 30, 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 June 30, 2023	1%	2%
Increase in interest rate	17	US$122,858,891	US$(1,228,589)	US$(2,457,178)
Decrease in interest rate	17	US$122,858,891	US$ 1,228,589	US$ 2,457,178

	Note	Long-term Debt with Variable Interest Rate as of December 31, 2022	1%	2%
Increase in interest rate	17	US$215,849,667	US$(2,158,497)	US$(4,316,993)
Decrease in interest rate	17	US$215,849,667	US$ 2,158,497	US$ 4,316,993

27. 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 August 15, 2023, the Group signed a Business Combination Agreement with TWOA. Pursuant to the Business Combination Agreement, each of the Group and TWOA will merge with newly-formed subsidiaries of a to-be-formed holding company ("Pubco") and Pubco will be the parent company of each of the Company and the Group following the consummation of the Business Combination. Upon the closing of the transactions contemplated by the Business Combination Agreement (the "Business Combination"), the ordinary shares of Pubco are expected to be listed on the New York Stock

Exchange ("NYSE") under the new ticker symbol "LLP". The Business Combination is expected to close in the fourth quarter of 2023, subject to regulatory and both companies' shareholder approvals, among other customary closing conditions.

28. APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The interim consolidated financial statements as of June 30, 2023, were authorized for issue by Group's Board of Directors management on August 15, 2023.

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