



## SECOND QUARTER 2021 EARNINGS RELEASE



CONSTRUYENDO  
EXPERIENCIAS



### Investor relations contact:

**Claudia Chávez**

+52 (55) 51 48 04 00 ext. 4609

[cchavez@gicsa.com.mx](mailto:cchavez@gicsa.com.mx)

**Yinneth Lugo**

+52 (55) 51 48 0402

[ylugo@gicsa.com.mx](mailto:ylugo@gicsa.com.mx)

+52 (55) 51 48 0400

[inversionistas@gicsa.com.mx](mailto:inversionistas@gicsa.com.mx)



## GICSA ANNOUNCES CONSOLIDATED RESULTS FOR SECOND QUARTER 2021

Mexico City, July 28, 2021 – GRUPO GICSA, S.A.B. de C.V. ("GICSA" or "the Company") (BMV: GICSA), a Mexican leading company specialized in the development, investment, commercialization and operation of shopping malls, corporate offices and mixed-use properties, announced today its results for the second quarter ("2Q21") and for the sixth months ("6M21") period ended June 30, 2021.

All figures have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are stated in millions of Mexican pesos (Ps.).

GICSA's financial results presented in this report are unaudited. Therefore, figures in this report may be subject to adjustments in the future.

### Main Highlights

#### Corporate

- On July 22, GICSA announced the initiation of a process to develop, analyze and evaluate comprehensive strategic alternatives to address the Company's capital structure, including its indebtedness, liquidity, and upcoming interest payments, in order to create long-term value and to position GICSA for improved financial performance. To this end, the Company hired Lazard as a financial advisor and Bufete Robles Miaja, SC and Cleary Gottlieb Steen & Hamilton as legal counsel.
- In May, GICSA successfully refinanced the debt of Paseo Arcos Bosques, with a maturity of 5 years extended to 2026, an outstanding balance of Usd. 150 million, and a Libor rate of 1M + 335 bps.
- During 2Q21, GICSA signed 58 agreements under the tenant Covid-19 support program for approximately Ps.78 million in credit notes.
  - In accordance with IFRS 16, in 2Q21, Ps. 69 million were recognized in the income statement. The remaining balance is maintained in the financial position statement and will be gradually amortized according with the remaining term of each contract.
  - With these agreements the Company was able to recover 81% of collections in 2Q21, 20% higher than in 1Q21. The recovery rate for offices was 91%, while in shopping centers was 77%.
  - Due to an increase in cases as a result of the new variant of Covid-19 and the reinstatement of health restrictions by governmental authorities in some of GICSA's properties locations, there is the possibility of additional discounts and rental support for customers in the near future.

#### Operations

- GICSA reported a total of 965,534 square meters of Gross Leasable Area (GLA) comprised of 17 properties in operation at the close of 2Q21. Proportional GLA was 86%, equivalent to 826,343 square meters. This represented an increase of 6% in total GLA and 7% in proportional GLA, compared to 2Q20.

## SECOND QUARTER 2021 EARNINGS RELEASE



- During 2Q21, GICSA opened 55 new doors (12,088 square meters) in relation to the portfolio in operation, an increase of 67% compared to 1Q21.
- During 2Q21, GICSA signed 70 new doors (13,785 square meters) in relation to the portfolio, an increase of 52% compared to 1Q21.
- At the close of 2Q21, the occupancy rate of the stabilized portfolio was 87%, and 85% of the total portfolio.
- At the close of 2Q21, the renewal rate of the stabilized portfolio was 99%.
- At the close of 2Q21, the average rent per square meter of the stabilized portfolio was Ps. 375 and Ps. 374 in the total portfolio, a decrease of 3%, compared to 2Q20.
- At the close of 2Q21, lease spread of shopping malls within the stabilized portfolio was 4%.
- At the close of 2Q21, the number of visitors to properties within the commercial portfolio reached 13 million, an increase of 31% compared to 1Q21.

### Financial

- Fixed rental revenues in 2Q21, after the proportional recognition of the Covid-19 support program, was Ps. 651 million, a decrease of 9% compared to 2Q20.
- Total revenue in 2Q21, after the proportional recognition of the Covid-19 support program, was Ps. 908 million, a decrease of 4% compared to 2Q20.
- Consolidated and proportional NOI in 2Q21 were Ps. 743 million and Ps. 619 million, decreases of 6% and 7%, respectively, compared to 2Q20.
- Consolidated and proportional EBITDA in 2Q21 were Ps. 681 million and Ps. 557 million, decreases of 7% and 8%, respectively, compared to 2Q20.
- Consolidated and proportional debt at the close of 2Q21 were Ps. 27,735 million and Ps. 25,224 million, respectively, decreases of 7%, compared to consolidated debt in 2Q20. Consolidated LTV was 37%.



## Comments by the Chief Executive Officer

Dear Investors,

Along with the gradual recovery from the Covid-19 pandemic and the advancement of the vaccination program in Mexico, this quarter we saw a slight recovery in the number of visitors and sales at our shopping malls, which also contributed to moderately improved collection recovery levels. Despite these improvements, our financial statements reflect slight decreases in revenues, due to the accounting recognition of discounts granted as part of the Covid-19 support program over the last year.

In addition, the economic outlook remains uncertain, as the country has seen recent increases in cases and corresponding health restrictions as a result of the new variant of Covid-19. Accordingly, these developments open up the possibility of additional rent discounts and support to our tenants in the near future. Further, we still have several pending negotiations with certain tenants to grant as well as recognize discounts agreed upon in previous quarters.

Although we now have greater clarity on the impact of the pandemic on our operations, the health crisis has demonstrated repeatedly that the path to success is not linear, and we must remain vigilant to any new challenges that may arise.

With that in mind, in May, we refinanced the debt of Paseo Arcos Bosques, extending maturity by 5 years to 2026, with an outstanding balance of US\$ 150 million, and a Libor rate of 1M + 335 bps.

Also, as a preventive measure, we recently initiated the process of analyzing and evaluating strategic alternatives with Lazard, our financial advisor, and with Bufete Robles Miaja, SC and Cleary Gottlieb Steen & Hamilton as legal counsel, to improve our capital and debt structure, including our indebtedness, liquidity and upcoming interest payments.

Regarding the support program for our tenants, we have granted, since the beginning of the pandemic, discounts totaling Ps. 556 million, of which Ps. 78 million were granted in 2Q21 and Ps. 290 million were recognized in our income statement during 2020 and 6M21. The remaining balance will be recognized in accordance with accounting standards during the remaining term of each contract.

On the operational side, the number of visitors to our properties during the second quarter increased by 31%, compared to the levels recorded in 1Q21. Our lease spread was 4% and average rent per square meter was Ps. 375 in our stabilized portfolio. Our renewal rate was 99%, while the occupancy rate was 87%, or 81% when considering tenants that haven't opened due to the pandemic.

With regard to commercialization, we signed 70 new doors during the quarter, an increase of 52% compared to 1Q21, of which 55 were opened.

Moreover, in 2Q21 was a 20% increase in collections compared to 1Q21, representing a recovery rate of 81%. Consolidated and proportional NOI were Ps. 743 million and Ps. 619 million, decreasing 6% and 7%, respectively. Consolidated and proportional EBITDA in 2Q21 were Ps. 681 million and Ps. 557 million.

Looking ahead, we will keep in place control measures and health protocols mandated by the government authorities. Our priorities will remain consistent with our long-term vision of creating value for our investors and business partners, namely preserving liquidity, optimizing expenses, retaining our customers, commercializing available spaces and recovering our cash flow levels.

*I reiterate our appreciation for your confidence and continuous support.*

**Abraham Cababie Daniel**  
Chief Executive Officer of Grupo GICSA



## GICSA Model

GICSA's business model is focused on capturing value throughout the project cycle for its businesses as well as third-party projects, and subsequently generating additional revenue from services to third parties. The Company's C-Corp structure and business model eliminate fee leakage, helping maximize shareholder returns.

### The three pillars of our business model are:

1. The portfolio of 17 properties in operation, which generates a consistent and solid cash flow, with a GLA of 965,534 square meters in which GICSA has an 86% stake.
2. The portfolio of properties under development and to be developed are bases for the Company's growth; it is expected that the two properties currently under construction will add a total of 74,405 square meters of saleable area and GLA of 58,013 square meters to the existing portfolio.
3. The four service companies, which cover the full real estate development cycle, provide service quality, operating efficiency, and eliminate fee leakages, and in which GICSA participates with 100% ownership.

## Summary of Key Operational and Financial Indicators

Operating Ratios	2Q21	2Q20	Var. %
Gross Leasable Area (GLA in square meters)	965,534	912,162	6%
GICSA's Gross Leasable Area (GLA in square meters)	826,343	772,978	7%
% of participation in total GLA	86%	85%	1%
Occupancy rate <sup>1</sup>	87.5%	89.5%	(2%)
Average duration of contracts (years)	2.8	3.0	(7%)
Average rent <sup>1</sup> / square meters	Ps. 375	Ps. 387	(3%)
Renewal rate	98.6%	98.1%	0.5%
Lease spread	3.6%	4.1%	(11%)

<sup>1</sup> Excludes portfolio in stabilization

Financial Ratios (Thousands of Pesos)	2Q21	2Q20	Var. %
Revenues from properties <sup>2</sup>	Ps. 907,938	Ps. 943,895	(4%)
Proportional revenues from properties <sup>2</sup>	Ps 752,928	Ps 791,918	(5%)
Net Operating Income (NOI)	Ps. 743,276	Ps. 789,067	(6%)
GICSA's proportional net operating income (NOI)	Ps. 618,888	Ps. 663,189	(7%)
NOI margin over property revenues <sup>3</sup>	82%	84%	(2%)
NOI margin over proportional property revenues <sup>3</sup>	82%	84%	(2%)
EBITDA	Ps. 681,355	Ps. 729,805	(7%)
GICSA's proportional EBITDA	Ps. 556,967	Ps. 603,927	(8%)
Profit before valuation effects	Ps. 647,010	Ps. 673,371	(4%)
Total debt	Ps. 27,735,463	Ps. 29,671,948	(7%)
Total debt in pesos	Ps. 20,691,001	Ps. 22,201,525	(7%)
Total debt in US dollars	Usd. 355,732	Usd. 325,204	9%
GICSA's proportional debt	Ps. 25,224,333	Ps. 26,980,671	(7%)
LTV <sup>4</sup>	37%	40%	(8%)

<sup>2</sup> Total revenues from properties of the portfolio under operation and development.

<sup>3</sup> NOI / Revenues from properties

<sup>4</sup> Total consolidated debt / Total Assets.

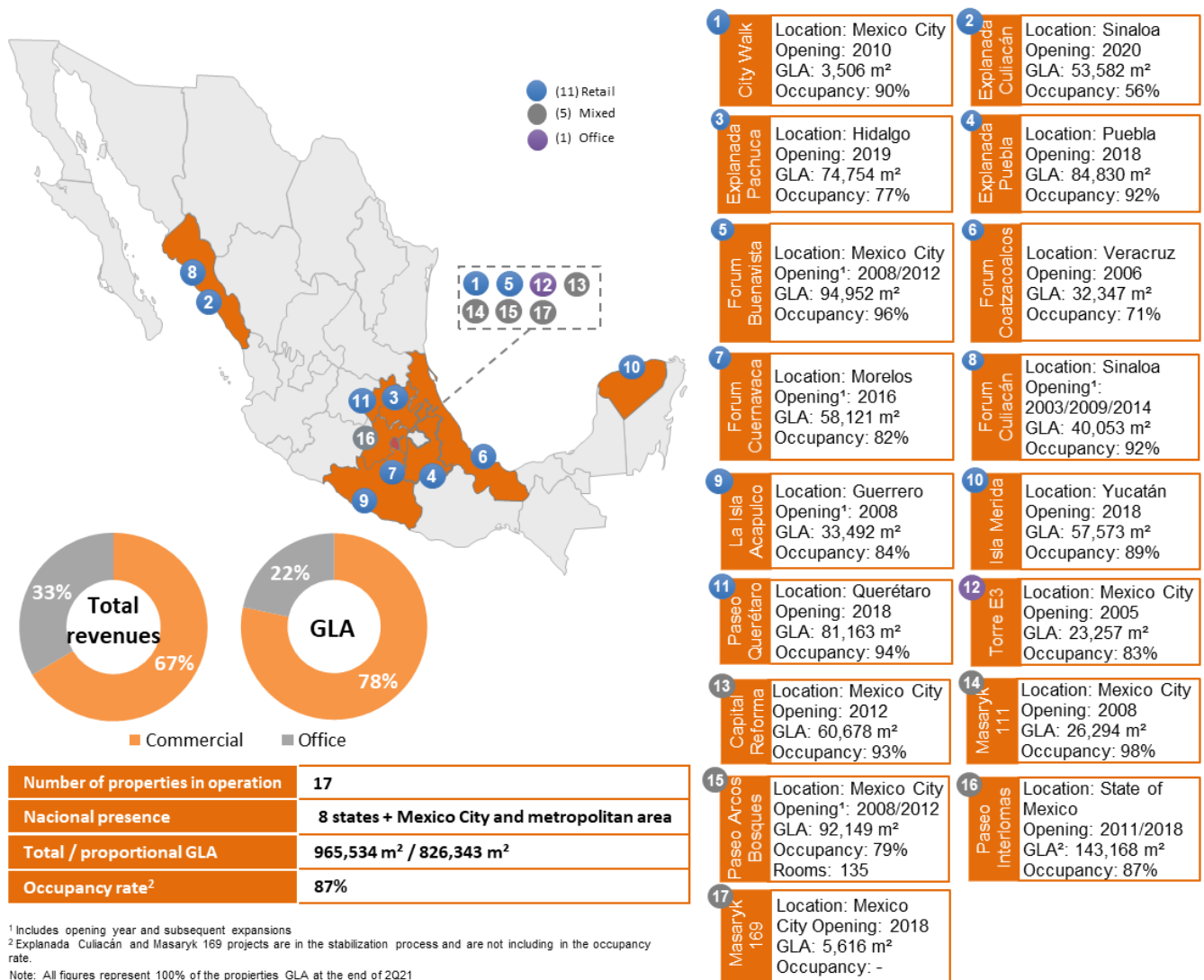


## Portfolio in Operation

At the close of June 30, 2021, GICSA is comprised of 17 properties in operation with 965,534 square meters of GLA, equivalent to eleven shopping malls, five mixed-use developments and one corporate offices. The breakdown of GICSA's total GLA is as follows: 64% a commercial properties, 34% is mixed-use properties (15% commercial use and 19% offices), and 2% is office space.

These properties are located in Mexico City and the surrounding metropolitan area, Acapulco, Culiacán, Cuernavaca, Puebla, Querétaro, Mérida, Pachuca and Coatzacoalcos. At the close of 2Q21, the average occupancy rate of GICSA's stabilized properties was 87%, with the portfolio in operation reaching 13 million visitors and 3 million vehicles during the period.

## Geographical distribution of the portfolio in operation





## Properties of the Portfolio in Operation

The following table presents a description of the properties in operation as of June 30, 2021:

Portfolio in operation	Location	Operations starting year	GLA (square meters)	GICSA's stake %	Proportional GLA (square meters)	GLA % total properties	Occupancy rate	Parking spaces
<b>Stabilized properties</b>								
<b>Commercial use</b>								
City Walk	Mexico City	2010	3,506	100%	3,506	0.4%	90%	141
Explanada Pachuca	Pachuca, Hgo.	2019	74,754	100%	74,754	8%	77%	2,411
Explanada Puebla	Cholula, Pue.	2018	84,830	100%	84,830	9%	92%	2,000
Forum Buenavista	Mexico City	2008	94,952	100%	94,952	10%	96%	2,372
Forum Coatzacoalcos	Coatzacoalcos, Ver.	2006	32,347	50%	16,174	3%	71%	1,674
Forum Cuernavaca	Cuernavaca, Mor.	2016	58,121	100%	58,121	6%	82%	2,974
Forum Culiacán	Culiacán, Sin.	2003	40,053	100%	40,053	4%	92%	2,553
La Isla Acapulco	Acapulco, Gro.	2008	33,492	84%	28,134	3%	84%	1,854
La Isla Mérida	Mérida, Yuc.	2018	57,573	100%	57,573	6%	89%	2,800
Paseo Querétaro	Querétaro, Qro.	2018	81,163	100%	81,163	8%	94%	3,163
<b>Subtotal commercial use</b>			<b>560,790</b>	<b>96%</b>	<b>539,258</b>	<b>58%</b>	<b>88%</b>	<b>21,942</b>
<b>Office use</b>								
Torre E 3	Mexico City	2005	23,257	100%	23,257	2%	83%	1,618
<b>Subtotal office use</b>			<b>23,257</b>	<b>100%</b>	<b>23,257</b>	<b>2%</b>	<b>83%</b>	<b>1,618</b>
<b>Mix use</b>								
Capital Reforma	Mexico City	2012	60,678	100%	60,678	6%	93%	2,065
Masaryk 111	Mexico City	2008	26,294	100%	26,294	3%	98%	710
Paseo Arcos Bosques	Mexico City	2008	92,149	50%	46,075	10%	79%	3,454
Paseo Interlomas	State of Mexico	2011	143,168	50%	71,584	15%	87%	5,478
<b>Subtotal mix use</b>			<b>322,289</b>	<b>63%</b>	<b>204,630</b>	<b>33%</b>	<b>87%</b>	<b>11,707</b>
<b>Total stabilized portfolio</b>			<b>906,337</b>	<b>85%</b>	<b>767,145</b>	<b>94%</b>	<b>87%</b>	<b>35,267</b>
<b>Properties in stabilization</b>								
<b>Commercial use</b>								
Explanada Culiacán	Culiacán, Sin.	2020	53,582	100%	53,582	6%	56%	1,877
Masaryk 169	Mexico City	2018	1,359	100%	1,359	0.1%	-	219
<b>Office use</b>								
Masaryk 169	Mexico City	2018	4,257	100%	4,257	0.4%	-	-
<b>Total portfolio in stabilization</b>			<b>59,198</b>	<b>100%</b>	<b>59,198</b>	<b>6%</b>	<b>51%</b>	<b>2,096</b>
<b>Total portfolio in operation</b>			<b>965,534</b>	<b>86%</b>	<b>826,343</b>	<b>100%</b>	<b>85%</b>	<b>37,363</b>

The following table presents a description of the commercial spaces opened during 2Q21 and 6M21.

Properties	1Q21	2Q21	6M21
Paseo Interlomas	3	13	16
Explanada Puebla	5	5	10
Forum Culiacán	4	6	10
Forum Buenavista	2	7	9
Forum Cuernavaca	4	5	9
La Isla Mérida	5	4	9
Explanada Pachuca	3	3	6
Paseo Querétaro	2	4	6
La Isla Acapulco	1	3	4
Paseo Arcos Bosques	-	1	1
<b>Total stabilized portfolio</b>	<b>29</b>	<b>51</b>	<b>80</b>
Explanada Culiacán	4	4	8
<b>Total portfolio in stabilization</b>	<b>4</b>	<b>4</b>	<b>8</b>
<b>Total stores open</b>	<b>33</b>	<b>55</b>	<b>88</b>

SECOND QUARTER  
2021  
EARNINGS RELEASE



The following table presents the financial results of the stabilized properties as of June 30, 2021:

Portfolio in operation	Occupancy rate	Fixed rent (Ps. Thousands)			Total Revenue (Ps. Thousands)			NOI (Ps. Thousands)			Proportional NOI (Ps. Thousands)			Average rent per square meter		
		2Q21	2Q21	2Q20	Var. %	2Q21	2Q20	Var. %	2Q21	2Q20	Var. %	2Q21	2Q20	Var. %	2Q21	2Q20
<b>Stabilized properties</b>																
<b>Commercial Use</b>																
City Walk	90%	4,196	3,743	12%	4,956	4,396	13%	4,237	3,567	19%	4,237	3,567	19%	427	432	(1%)
Explanada Pachuca	77%	27,198	34,241	(21%)	36,898	43,530	(15%)	30,745	36,043	(15%)	30,745	36,043	(15%)	294	293	0.4%
Explanada Puebla	92%	26,286	38,935	(32%)	36,425	54,790	(34%)	27,381	47,505	(42%)	27,381	47,505	(42%)	248	247	0.4%
Forum Buenavista	96%	67,216	60,110	12%	102,931	78,198	32%	91,457	52,241	75%	91,457	52,241	75%	297	280	6%
Forum Coatzacoalcos	71%	13,961	14,700	(5%)	22,987	20,622	11%	12,252	14,859	(18%)	6,126	7,430	(18%)	236	241	(2%)
Forum Cuernavaca	82%	26,865	28,127	(4%)	36,632	36,751	(0.3%)	30,168	31,211	(3%)	30,168	31,211	(3%)	321	316	1%
Forum Culiacán	92%	38,883	40,056	(3%)	61,346	53,770	14%	54,038	49,463	9%	54,038	49,463	9%	404	377	7%
La Isla Acapulco	84%	10,839	13,657	(21%)	21,092	18,845	12%	13,730	13,005	6%	11,533	10,924	6%	211	198	7%
La Isla Mérida	89%	24,044	36,676	(34%)	39,772	47,093	(16%)	28,639	39,040	(27%)	28,639	39,040	(27%)	385	385	(0.1%)
Paseo Querétaro	94%	35,783	48,940	(27%)	52,911	70,682	(25%)	40,764	60,773	(33%)	40,764	60,773	(33%)	324	322	0.5%
<b>Subtotal Commercial Use</b>	<b>88%</b>	<b>275,270</b>	<b>319,186</b>	<b>(14%)</b>	<b>415,950</b>	<b>428,677</b>	<b>(3%)</b>	<b>333,411</b>	<b>347,705</b>	<b>(4%)</b>	<b>325,088</b>	<b>338,195</b>	<b>(4%)</b>	<b>304</b>	<b>296</b>	<b>3%</b>
<b>Office Use</b>																
Torre E 3	83%	35,874	47,733	(25%)	44,129	57,015	(23%)	38,241	50,625	(24%)	38,241	50,625	(24%)	620	703	(12%)
<b>Subtotal Office Use</b>	<b>83%</b>	<b>35,874</b>	<b>47,733</b>	<b>(25%)</b>	<b>44,129</b>	<b>57,015</b>	<b>(23%)</b>	<b>38,241</b>	<b>50,625</b>	<b>(24%)</b>	<b>38,241</b>	<b>50,625</b>	<b>(24%)</b>	<b>620</b>	<b>703</b>	<b>(12%)</b>
<b>Mix Use</b>																
Capital Reforma	93%	73,166	89,980	(19%)	91,834	113,876	(19%)	79,283	96,744	(18%)	79,283	96,744	(18%)	519	556	(7%)
Masaryk 111	98%	43,656	49,129	(11%)	52,514	59,663	(12%)	45,216	53,895	(16%)	45,216	53,895	(16%)	582	648	(10%)
Paseo Arcos Bosques	79%	113,609	124,596	(9%)	139,174	150,169	(7%)	112,795	126,754	(11%)	56,397	63,377	(11%)	602	672	(10%)
Paseo Interlomas	87%	97,186	81,304	20%	141,964	127,601	11%	120,191	106,449	13%	60,095	53,225	13%	330	327	1%
<b>Subtotal Mix Use</b>	<b>87%</b>	<b>327,616</b>	<b>345,009</b>	<b>(5%)</b>	<b>425,486</b>	<b>451,309</b>	<b>(6%)</b>	<b>357,485</b>	<b>383,842</b>	<b>(7%)</b>	<b>240,992</b>	<b>267,241</b>	<b>(10%)</b>	<b>462</b>	<b>496</b>	<b>(7%)</b>
<b>Total stabilized portfolio</b>	<b>87%</b>	<b>638,760</b>	<b>711,927</b>	<b>(10%)</b>	<b>885,565</b>	<b>937,001</b>	<b>(5%)</b>	<b>729,136</b>	<b>782,172</b>	<b>(7%)</b>	<b>604,321</b>	<b>656,060</b>	<b>(8%)</b>	<b>375</b>	<b>387</b>	<b>(3%)</b>
<b>Properties in stabilization</b>																
<b>Commercial Use</b>																
Explanada Culiacán	56%	12,119	-	100%	16,890	-	100%	8,656	-	100%	8,656	-	100%	347	-	100%
<b>Total portfolio in stabilization</b>	<b>56%</b>	<b>12,119</b>	<b>-</b>	<b>100%</b>	<b>16,890</b>	<b>-</b>	<b>100%</b>	<b>8,656</b>	<b>-</b>	<b>100%</b>	<b>8,656</b>	<b>-</b>	<b>100%</b>	<b>347</b>	<b>-</b>	<b>100%</b>
<b>Total portfolio in operation</b>	<b>86%</b>	<b>650,879</b>	<b>711,927</b>	<b>(9%)</b>	<b>902,455</b>	<b>937,001</b>	<b>(4%)</b>	<b>737,792</b>	<b>782,172</b>	<b>(6%)</b>	<b>612,977</b>	<b>656,060</b>	<b>(7%)</b>	<b>374</b>	<b>387</b>	<b>(3%)</b>
Key money of projects under development	-	-	-	-	5,484	6,894	(20%)	5,484	6,894	(20%)	5,911	7,128	(17%)	-	-	-
<b>Total portfolio</b>	<b>86%</b>	<b>650,879</b>	<b>711,927</b>	<b>(9%)</b>	<b>907,938</b>	<b>943,895</b>	<b>(4%)</b>	<b>743,276</b>	<b>789,067</b>	<b>(6%)</b>	<b>618,888</b>	<b>663,189</b>	<b>(7%)</b>	<b>374</b>	<b>387</b>	<b>(3%)</b>

Proportional NOI\* is the net operating income related to GICSA's direct or indirect stake.

The following table presents the composition of operating income:

Composition of total income	2Q21	2Q20
Fixed rent	71.7%	75.4%
Variable rent	1.4%	0.7%
Key money	3.5%	3.0%
Parking lot	3.7%	1.8%
Maintenance and advertising	15.8%	16.1%
Services and others	3.9%	3.0%
<b>Total income</b>	<b>100%</b>	<b>100%</b>

\*Calculation based on the properties of total portfolio.





## Leasing contract characteristics

GICSA has a solid management track record, which ensures the diversification by industry of high-quality tenants, as management consider that this type of tenant can help shield the Company from low market cycles that can affect particular industries or sectors.

At the close of 2Q21, GICSA's property portfolio had 1,970 leasing contracts with tenants with high credit ratings and diversified in terms of industry and geographic location, providing a healthy mix within the Company's revenue stream.

The following table shows the distribution of lease contracts by tenant category as a percentage of revenues based on GLA and fixed rent.

Distribution of lease contracts by category	% of GLA	% of fixed rents
Women and men apparel	16.5%	19.6%
Entertainment and sports	33.0%	17.6%
Restaurants	8.3%	12.7%
Health & beauty	4.3%	9.1%
Fast food	3.7%	8.2%
Department stores	14.5%	6.4%
Others	3.7%	5.8%
Sport apparel and footwear	3.8%	5.6%
Home and decoration	3.5%	4.5%
Cellphone companies and communications	1.4%	2.9%
Women and men footwear	1.3%	2.8%
Services	1.2%	2.1%
Children's clothing and toys	1.0%	1.6%
Autoservice store	3.7%	1.1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

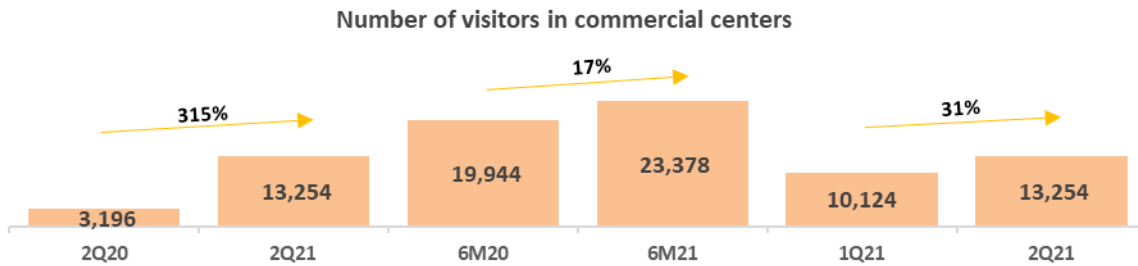
The following table shows GICSA's top 10 tenants as a percentage, in terms of fixed rent.

Main tenants based of monthly fixed rent	% of fixed rents
Inditex group	3.3%
Cinemex	2.1%
Axo group	1.9%
Unifin	1.7%
Chubb	1.7%
El Palacio de Hierro	1.7%
Avon	1.4%
IB group	1.2%
Procter & Gamble	1.2%
Cinépolis	1.2%
<b>Total</b>	<b>17.5%</b>



### Number of visitors

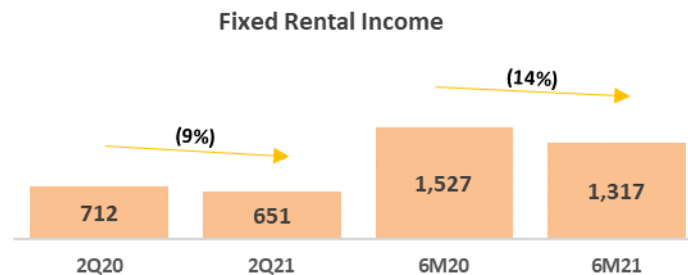
During 2Q21 and 6M21, the number of visitors in the commercial portfolio properties reached 13 and 23 million visitors, respectively.



### Fixed rental revenues

Average monthly fixed rent per square meter of the stabilized portfolio was Ps. 375 in 2Q21, a 3% decrease compared to Ps. 387 per square meter in 2Q20.

Fixed rental revenues for the portfolio of properties in operation after the proportional recognition of the Covid-19 support program was Ps. 651 million in 2Q21, 9% lower compared to 2Q20. Fixed rental revenues as a percentage were 74% in Mexican pesos and 26% in U.S. dollars.





### Contract renewals

At the close of 2Q21, GICSA renewed 65,303 square meters of GLA of the stabilized properties, a renewal rate of 99%.

### Maturity contract

The following table shows select information related to maturity of lease contracts at operating properties at the close of 2Q21.

Year	Number of leases that expire	GLA of maturity contract	% the GLA that expire
2021	280	84,010 m <sup>2</sup>	11.5%
2022	468	147,800 m <sup>2</sup>	20.2%
2023	485	121,604 m <sup>2</sup>	16.6%
2024	388	110,755 m <sup>2</sup>	15.2%
2025	134	64,994 m <sup>2</sup>	8.9%
+ 2026	215	201,837 m <sup>2</sup>	27.6%

Per the table above, contracts set to expire in 2021 represent 11.5% of GLA of the portfolio in operation. As of June 30, 2021, none of GICSA's tenants individually represented more than 4.3% and 3.3% of the operating portfolio GLA and fixed rent, respectively.

### Lease spread

Lease spread, defined as the difference in the level of fixed rent based on expired leases to the new level of rental revenues from new leases or renewed leases. The 2Q21 calculation was based on 89,303 square meters of contracts at shopping malls and consistent with this definition.

At the close of 2Q21, the lease spread for shopping malls in stabilized properties was 3.6%.



## Portfolio under development

### Status of commercialization of projects

As of the date of this report, the commercialization of properties in the stabilization process and under development registered a progress of 55,426 square meters of GLA under contract, representing 49% of the GLA associated with current projects in process of commercialization.

The following table shows the commercialization progress of projects under development and in stabilization process.

Project	Total commercial spaces	Total commercial spaces under contract	%	Total Leasable Area (m <sup>2</sup> )	Total area under contract (m <sup>2</sup> )	%
<b>Commercial Use</b>						
Masaryk 169 <sup>1</sup>	3	-	-	1,359 m <sup>2</sup>	-	-
Explanada Culiacán <sup>1</sup>	202	152	75%	53,582 m <sup>2</sup>	29,996 m <sup>2</sup>	56%
Grand Outlet Riviera Maya	176	85	48%	58,013 m <sup>2</sup>	25,429 m <sup>2</sup>	44%
<b>Total</b>	<b>381</b>	<b>237</b>	<b>62%</b>	<b>112,954 m<sup>2</sup></b>	<b>55,426 m<sup>2</sup></b>	<b>49%</b>

<sup>1</sup> In stabilization

The following table shows a breakdown of commercial spaces and GLA under contract during 2Q21 and 6M21.

Properties	1Q21		2Q21		6M21	
	Commercial spaces	GLA (m <sup>2</sup> )	Commercial spaces	GLA (m <sup>2</sup> )	Commercial spaces	GLA (m <sup>2</sup> )
La Isla Mérida	4	245	6	6,449	10	6,693
Paseo Interlomas	5	1,049	10	1,472	15	2,521
Forum Buenavista	4	1,261	6	566	10	1,827
Paseo Querétaro	3	342	3	988	6	1,330
Paseo Arcos Bosques	1	1,043	2	199	3	1,242
Forum Culiacán	3	440	6	702	9	1,142
La Isla Acapulco	6	673	4	331	10	1,004
Forum Cuernavaca	4	559	6	250	10	808
Explanada Puebla	4	175	7	614	11	790
Explanada Pachuca	4	469	4	299	8	768
Masaryk 111	-	-	4	529	4	529
City Walk	1	56	-	-	1	56
<b>Total stabilized portfolio</b>	<b>39</b>	<b>6,312</b>	<b>58</b>	<b>12,398</b>	<b>97</b>	<b>18,710</b>
Explanada Culiacán	5	441	5	784	10	1,225
<b>Total portfolio in stabilization</b>	<b>5</b>	<b>441</b>	<b>5</b>	<b>784</b>	<b>10</b>	<b>1,225</b>
<b>Total portfolio in operation</b>	<b>44</b>	<b>6,753</b>	<b>63</b>	<b>13,181</b>	<b>107</b>	<b>19,934</b>
Grand Outlet Riviera Maya	2	400	7	603	9	1,003
<b>Total properties under development</b>	<b>2</b>	<b>400</b>	<b>7</b>	<b>603</b>	<b>9</b>	<b>1,003</b>
<b>Total commercialization</b>	<b>46</b>	<b>7,153</b>	<b>70</b>	<b>13,785</b>	<b>116</b>	<b>20,937</b>



## Projects under construction

Currently, GICSA has 2 projects under development, with a solid progress in terms of construction and commercialization. Likewise, GICSA continues analyzing investment opportunities throughout Mexico to strengthen its portfolio and increase its presence in the country, including acquisition opportunities, developments, the consolidation of existing projects, as well as opportunities for third-party services.

The following table shows a breakdown of the work progress for projects that are currently under construction:

Project	GLA	Estimated total investment <sup>1</sup>	Investment Capex as of 2Q21 <sup>1</sup>	Capex pending investments at 2Q21 <sup>1</sup>	Work progress	Estimated opening date
Grand Outlet Riviera Maya	58,013 m <sup>2</sup>	Ps. 2,269,249	Ps. 745,072	Ps. 1,524,177	31%	In review
<b>Total</b>	<b>58,013 m<sup>2</sup></b>	<b>Ps. 2,269,249</b>	<b>Ps. 745,072</b>	<b>Ps. 1,524,177</b>	<b>31%</b>	
Cero5Cien*	74,405 m <sup>2</sup>	Ps. 5,388,861	Ps. 4,260,111	Ps. 1,128,749	45%	Second half of 2021 / First half of 2022
<b>Grand total</b>	<b>132,418 m<sup>2</sup></b>	<b>Ps. 7,658,110</b>	<b>Ps. 5,005,183</b>	<b>Ps. 2,652,926</b>	<b>38%</b>	

<sup>1</sup> Figures are expressed in thousands of Mexican pesos (Ps.)

\*Saleable square meters

The following section provides information for every project under construction and development based on estimates and expectations. This information provides a general overview of GICSA's developments. The information included in this section may change or be modified in the future due to external factors. Therefore, these amounts should be regarded as estimates, and not as final figures.



## Properties under construction



### Grand Outlet Riviera Maya

With over 33 million visitors and a population of nearly 1 million in habitants, Riviera Maya is the ideal place for the world's largest Outlet "Mallertainment", a place where international visitors can enjoy unlimited shopping, international cuisine and the best entertainment options.

Grand Outlet Riviera Maya project will be located in a privileged area of the state of Quintana Roo in the Riviera Maya, just a few steps away from the beach and Cancún International Airport. This innovative project will form part of GICSA's new product category, *Mallertainment*, which is revolutionizing the shopping mall experience and industry in Mexico.

The development will have a total GLA of approximately 58,013 square meters to be developed by GICSA and approximately 90,000 square meters, including the development of our business partner which contributed land to the project. At June 30, 2021, 44% of leasable area was under contract with important global brands, such as: Coach, Brooks Brothers, Rapsodia, Madaluxe, Dolce & Gabbana, Salvatore Ferragamo, Armani Outlet, BCBG, True Religion, Katsuya, Stk, Melting Pot, Aéropostale, Adidas, Abercrombie, Levi's, Calvin Klein, Joes, Shutz, Karen Millen and Tommy Hilfiger.



Location	Riviera Maya, Quintana Roo
GLA (square meters)	58,013 m <sup>2</sup>
Estimated total investment <sup>1</sup>	Ps. 2,269,249
Capex to date <sup>1</sup>	Ps. 745,072
Expected delivery date	In review

<sup>1</sup> Figures are expressed in thousands of mexican pesos (Ps.)

	Contribution to work as a percentage	At March 31, 2021	At June 30, 2021
Excavation and foundation	18%	98%	98%
Civil work	41%	30%	30%
Installations and equipment	24%	5%	5%
Finishes and facade	17%	0%	0%
Work progress	100%	31%	31%

Video link: <http://www.gicsa.com.mx/en/portfolio/project-detail/grand-outlet-mallertainment-riviera-maya>



# CERO5CIEN RESIDENCIAL

The Cero5Cien residential project will be located in Lomas de Vista Hermosa, one of Mexico's most exclusive residential areas and therefore experiencing high demand for properties focused on the ultra-high-end segment.

The philosophy behind the project is to create a development in which residents live each day in their own personal paradise, with extraordinary amenities and in a privileged location. The project will be developed on 55,000 square meters of land, of which only 35% will be built upon, with the remainder used for amenities, green spaces and lakes.

Cero5Cien will have 105 units. As of June 30, 2021, 53 units had been pre-sold, or 50% of planned units. The completion of the project is estimated to take place during 2021.



Location	Mexico City
Saleable area (square meters)	74,405 m <sup>2</sup>
Estimated total investment <sup>1</sup>	Ps. 5,388,861
Capex to date <sup>1</sup>	Ps. 4,260,111
Expected delivery date	Second half of 2021 / First half of 2022

<sup>1</sup> Figures are expressed in thousands of Mexican pesos (Ps.)

	Contribution to work as a percentage	At March 31, 2021	At June 30, 2021
Excavation and foundation	10%	82%	84%
Civil work	34%	59%	59%
Installations and equipment	16%	13%	13%
Finishes and facade	40%	36%	37%
Work progress	100%	44.7%	45.3%



## Statement of Financial Position

For the period ended on December 31, 2020 and June 30, 2021.

(Figures in thousands of Pesos)

Statements of Financial Position	June 2021	December 2020	Variation
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	687,696	778,191	(12%)
Restricted cash	731,588	693,652	5%
Accounts and notes receivable- net	1,538,523	1,222,553	26%
Accounts receivable (contingency)	265,318	250,855	6%
Real Estate Inventory	787,460	649,762	21%
Tax credits	2,308,013	2,261,579	2%
Advances for project developments	179,839	184,772	(3%)
Related parties	989,404	976,162	1%
<b>Total current assets</b>	<b>7,487,841</b>	<b>7,017,526</b>	<b>7%</b>
<b>Non-current assets</b>			
Investment properties	58,543,216	57,694,331	1%
Real Estate Inventory	2,784,762	2,784,762	0%
Property, furniture and equipment – net	618,225	675,257	(8%)
Advances for project developments	476,141	534,031	(11%)
Investment in associates and in joint ventures	862,848	857,807	0.6%
Derivative Financial Instruments	540	3,973	(86%)
Deferred income taxes provision	2,882,737	2,882,737	0%
Assets by right of use	886,077	895,685	(1%)
Guarantee deposits and prepayments	89,377	127,076	(30%)
<b>Total non-current assets</b>	<b>67,143,923</b>	<b>66,455,659</b>	<b>1%</b>
<b>Total assets</b>	<b>74,631,764</b>	<b>73,473,185</b>	<b>2%</b>
<b>Liabilities and stockholders' equity</b>			
<b>Current liabilities</b>			
Suppliers	810,439	747,667	8%
Current portion of long-term local bank loans	735,614	976,630	(25%)
Current portion of long-term local bonds	1,913,101	1,132,383	69%
Rent, security deposit and key money	17,667	20,784	(15%)
Related parties	117,084	117,084	0%
Lease contract creditors	78,992	78,445	0.7%
Income tax payable	1,027,773	986,812	4%
<b>Total current liabilities</b>	<b>4,700,670</b>	<b>4,059,805</b>	<b>16%</b>
<b>Non-current liabilities</b>			
Long-term bank loans	17,763,134	17,058,883	4%
Stock Certificates	7,178,891	7,671,030	(6%)
Provision and Employee benefits	30,505	36,268	(16%)
Lease contract creditors	907,236	885,916	2%
Tenant deposits, rent and key money	1,483,064	1,410,054	5%
Derivative Financial Instruments	145,263	366,988	(60%)
Long-term income tax payable	519,571	519,571	0%
Deferred income tax provision	10,479,476	10,357,105	1%
<b>Total non-current liabilities</b>	<b>38,507,140</b>	<b>38,305,815</b>	<b>0.5%</b>
<b>Total liabilities</b>	<b>43,207,810</b>	<b>42,365,620</b>	<b>2%</b>
Capital stock	636,605	636,605	0%
Stock repurchase	(282,452)	-282,452	0%
Retained earnings	9,595,667	9,595,667	0%
Premium in capital	16,424,640	16,029,893	2%
<b>Controlling interest</b>	<b>26,374,460</b>	<b>25,979,713</b>	<b>2%</b>
Non- controlling interest	5,049,494	5,127,852	(2%)
<b>Total stockholders' equity</b>	<b>31,423,954</b>	<b>31,107,565</b>	<b>1%</b>
<b>Total liabilities and stockholders' equity</b>	<b>74,631,764</b>	<b>73,473,185</b>	<b>2%</b>





## Consolidated Statement of Comprehensive Income

For period ended on June 30, 2021 compared to June 30, 2020.

(Figures in thousands of Pesos)

Consolidated Statement of Comprehensive Income	2Q21	2Q20	Variation 2Q21 vs 2Q20
<b>Revenues</b>			
Rental income and key money	789,471	791,162	(0.2%)
Discount rental income and key money (contingency)	(66,893)	(25,562)	162%
Maintenance and advertising income	139,022	133,386	4%
Discount maintenance and advertising (contingency)	(2,472)	0	100%
Parking income and operating services	59,260	41,650	42%
Revenues from real estate services	6,157	7,013	(12%)
<b>Total operating revenue</b>	<b>924,545</b>	<b>947,649</b>	<b>(2%)</b>
Revenues from construction services executed for third parties	6,778	8,108	(16%)
Revenues from the sale of real estate inventories	43,102	3,367	1180%
<b>Total Other Operating Revenue</b>	<b>49,880</b>	<b>11,475</b>	<b>335%</b>
<b>Total revenue</b>	<b>974,425</b>	<b>959,124</b>	<b>2%</b>
Cost of execution of work for third party	(6,822)	(7,798)	(13%)
Cost for sale of real estate inventories	(49,404)	0	100%
<b>Total Costs</b>	<b>(56,226)</b>	<b>(7,798)</b>	<b>621%</b>
Real Estate services expenses	(2,100)	(2,649)	(21%)
Operating expenses from owned properties	(177,897)	(169,729)	5%
Administrative expenses	(69,143)	(59,436)	16%
Amortization and depreciation	(28,442)	(52,453)	(46%)
Other expenses (income) net	6,393	6,312	1%
<b>Total Expenses</b>	<b>(271,189)</b>	<b>(277,955)</b>	<b>(2%)</b>
<b>Total costs and expenses</b>	<b>(327,415)</b>	<b>(285,753)</b>	<b>15%</b>
<b>Operating profit before valuation effects</b>	<b>647,010</b>	<b>673,371</b>	<b>(4%)</b>
Fair value adjustments to investment properties	119,610	(127,201)	194%
Results of associates and joint venture	10,123	9,329	9%
<b>Operating profit</b>	<b>776,743</b>	<b>555,499</b>	<b>40%</b>
Finance income	51,991	39,514	32%
Finance costs	(544,711)	(576,563)	(6%)
Foreign exchange gains - net	200,523	200,184	0.2%
<b>Finance (costs) income - net</b>	<b>(292,197)</b>	<b>(336,865)</b>	<b>(13%)</b>
<b>Profit before income tax</b>	<b>484,546</b>	<b>218,634</b>	<b>122%</b>
Deferred Income Taxes	(65,428)	24,565	(366%)
<b>Consolidated net profit</b>	<b>419,118</b>	<b>243,199</b>	<b>72%</b>
<b>Consolidated net profit attributable to:</b>			
Controlling interest	588,498	160,400	267%
Non-controlling interest	(169,380)	82,799	(305%)
	<b>419,118</b>	<b>243,199</b>	<b>72%</b>



## NOI – EBITDA Reconciliation

The following table shows the reconciliation of NOI and EBITDA with the income statement, as of June 30, 2021 and June 30, 2020:

(Figures in thousands of pesos)

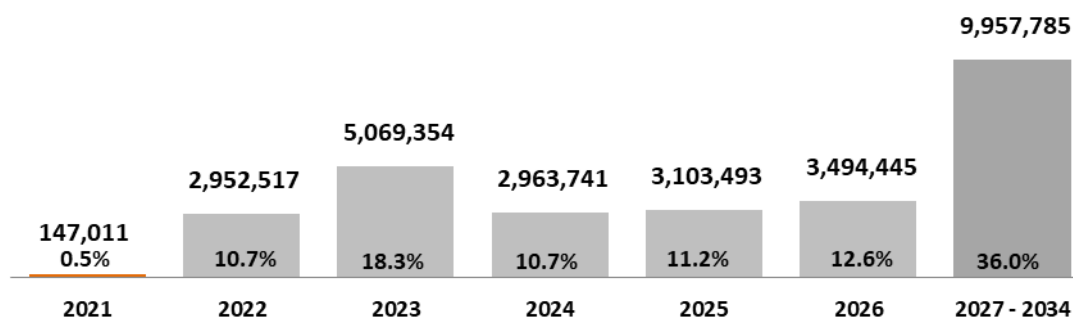
Reconciliation NOI - EBITDA	2Q21	2Q20	Var. %
<b>Operating profit before valuation effects/Total revenues minus costs and expenses</b>	<b>647,010</b>	<b>673,371</b>	<b>(4%)</b>
<b>Minus</b>			
Revenues from property management to third parties	0	3,538	(100%)
Revenues from construction work services to third parties <sup>1</sup>	6,778	8,108	(16%)
Revenues from sale of real estate inventories <sup>2</sup>	0	3,367	(100%)
Other revenues (expenses)	6,393	6,312	1%
Costs from Forum Coatzacoalcos <sup>3</sup>	10,735	5,762	86%
<b>Plus</b>			
Expenses for third party property management	0	2,649	(100%)
Cost of execution of work for third party <sup>1</sup>	6,822	7,798	(13%)
Cost of sale for real estate inventories <sup>2</sup>	0	0	0%
Amortization and depreciation	28,442	52,453	(46%)
Other revenues	0	0	0%
Revenues Coatzacoalcos costs <sup>3</sup>	22,987	20,622	11%
<b>EBITDA</b>	<b>681,355</b>	<b>729,805</b>	<b>(7%)</b>
<b>Minus</b>			
Results from services to third parties	(55,619)	(59,261)	(6%)
Profit from real estate inventories <sup>2</sup>	(6,302)	0	100%
<b>NOI</b>	<b>743,276</b>	<b>789,067</b>	<b>(6%)</b>
<b>Minus</b>			
Adjusted NOI attributable to non-controlling participation	124,388	125,878	(1%)
<b>Adjusted proportional NOI</b>	<b>618,888</b>	<b>663,189</b>	<b>(7%)</b>
<b>Plus</b>			
Results from services to third parties	(55,619)	(59,261)	(6%)
Profit from real estate inventories <sup>2</sup>	(6,302)	0	100%
<b>Adjusted proportional EBITDA</b>	<b>556,967</b>	<b>603,927</b>	<b>(8%)</b>

1. We incur in costs and expenses related to real estate for our development projects and projects to develop provided to third parties, which are registered as income for our statement Comprehensive income for services, maintenance, and advertising items.
2. Proceeds from sale of non-recurring real estate inventories.
3. GICSA registers the results of Forum Coatzacoalcos under the equity method. These adjustments correspond to a consolidation of 100% of the results for purposes of presentation of pro-forma adjusted EBITDA.



## Debt Position Breakdown

### Debt amortization\*1



Debt Analysis	2Q21	1Q21	Var. %
Consolidated debt*	27,735,463	27,683,349	0.2%
Consolidated debt in pesos*	20,691,001	20,950,018	(1%)
Consolidated debt in dollars*	355,732	326,786	9%
GICSA's proportional debt*	25,224,333	25,168,459	0.2%
Loan to Value ratio <sup>2</sup>	37%	37%	(0.7%)
% Local Currency (Ps.)	75%	76%	(1%)
% Foreign currency (DlIs)	25%	24%	4%

\* Thousands of pesos.

<sup>1</sup> Excluding adjustments for accounting valuation.

<sup>2</sup> Total consolidated debt / Total Assets.

Accredited / Property	Expiration due date	Current balance		Base rate	Margin	GICSA's Participation	Proportional debt balance	
		MXN	USD				MXN	USD
Paseo Arcos Bosques	31-May-26	-	150,000,000	Libor 1M	3.35	50%	-	75,000,000
Capital Reforma	01-Jun-24	-	110,339,724	Libor 1M	2.35	100%	-	110,339,724
Paseo Interlomas	15-Dec-27	2,089,798,227	-	TIIE 28D	3.00	50%	1,044,899,113	-
<b>Sub total simple credit</b>		<b>2,089,798,227</b>	<b>260,339,724</b>			<b>65%</b>	<b>1,044,899,113</b>	<b>185,339,724</b>
Lomas Altas	12-Nov-21	15,000,000	-	TIIE 28D	4.00	100%	15,000,000	-
Explanada Culiacán	20-Oct-24	608,300,780	-	TIIE 28D	4.00	100%	608,300,780	-
Lomas Altas	14-Oct-25	414,559,587	-	TIIE 28D	4.00	100%	414,559,587	-
Grand Outlet Riviera Maya	11-Mar-36	286,593,980	-	TIIE 90D	3.00	100%	286,593,980	-
<b>Sub total of credit for properties under construction</b>		<b>1,324,454,347</b>	-			<b>100%</b>	<b>1,324,454,347</b>	-
Class A-1 Senior	18-Dec-34	7,200,000,000	-	9.50%	-	100%	7,200,000,000	-
Class A-1 Senior	18-Dec-34	-	100,000,000	4.80%	-	100%	-	100,000,000
Class A-2 Senior	18-Dec-34	428,980,000	-	9.90%	-	100%	428,980,000	-
<b>Sub total international loans</b>		<b>7,628,980,000</b>	<b>100,000,000</b>			<b>100%</b>	<b>7,628,980,000</b>	<b>100,000,000</b>
GICSA 17	08-Dec-23	915,577,508	-	TIIE 28D	4.10	100%	915,577,508	-
GICSA 19	24-Mar-22	1,699,588,318	-	TIIE 28D	4.05	100%	1,699,588,318	-
GICSA 15	01-Dec-22	548,218,627	-	9.08%	1.00	100%	548,218,627	-
GICSA 16U	16-Oct-23	3,473,044,053	-	6.95%	0.50	100%	3,473,044,053	-
GICSA 18U	13-Nov-25	2,366,562,899	-	8.98%	0.50	100%	2,366,562,899	-
<b>Sub total stock certificates</b>		<b>9,002,991,406</b>	-			<b>100%</b>	<b>9,002,991,406</b>	-
Exitus	17-Jun-22	107,409,091	-	-	-	100%	107,409,091	-
Sofoplus	26-Nov-22	100,000,000	-	18%	-	100%	100,000,000	-
Ficein	17-Feb-23	100,000,000	-	TIIE 28D	8.00	100%	100,000,000	-
Ficein	17-Feb-23	-	5,000,000	4.25%	-	100%	-	5,000,000
Fondo H	23-Feb-23	100,000,000	-	17.00%	-	100%	100,000,000	-
<b>Sub total Corporate loans</b>		<b>407,409,091</b>	<b>5,000,000</b>			<b>100%</b>	<b>407,409,091</b>	<b>5,000,000</b>
<b>Total debt before adjustments to accounting valuation</b>		<b>20,453,633,070</b>	<b>365,339,724</b>			<b>91%</b>	<b>19,408,733,957</b>	<b>290,339,724</b>
<b>Total adjustments for accounting valuation</b>		<b>237,367,816</b>	<b>(9,607,321)</b>			<b>100%</b>	<b>245,425,377</b>	<b>(9,056,179)</b>
<b>Total consolidated debt</b>		<b>20,691,000,886</b>	<b>355,732,403</b>			<b>91%</b>	<b>19,654,159,334</b>	<b>281,283,544</b>

GICSA concluded 2Q21 with an indebtedness level of Ps. 27,735 million and total assets of Ps. 74,632 million, corresponding to LTV (Loan To Assets) of 37%. The funding mix is comprised of 41% floating and 59% fixed.



## Statement of Financial Position

### Main Assets

#### Cash and Cash Equivalents.

Cash and cash equivalents at the close of 2Q21 was Ps. 688 million, a 12% decrease compared to Ps. 778 million at the close of 2020. The decrease was mainly due to the principal payment of Ps. 150 million in CEBURES, local bonds (trading symbol GICSA 17), investments in real estate, and the payment of annual and provisional taxes during 2021.

#### Account and Notes Receivable – net.

At the close of 2Q21, accounts and notes receivable were of Ps. 1,804 million, an increase of 22% compared to Ps. 1,473 million in 2020, due to an increase in portfolio of accounts receivable turnover and agreements signed with tenants as part of GICSA's Covid-19 support program.

#### Real Estate Inventories

At the close of 2Q21, the balance of real estate inventories was Ps. 787 million, a 21% increase compared to Ps. 650 million reported at the close of 2020, mainly due to construction progress at the Cero5Cien residential project.

#### Investment Properties

At the close of 2Q21, Investment Properties increased from Ps. 57,694 million at the close of 2020 to Ps. 58,543 million, mainly due to the revaluation of properties in operation.

### Main Liabilities

#### Current portion of local bonds (CEBURES)

At the close of 2Q21, the current portion of local bonds (CEBURES) increased by 69%, due to the maturity in March 2022 of local bonds issued under the trading symbol GICSA 19.

#### Derivative Financial Instruments

At the close of 2Q21, derivative financial Instruments were Ps. 145 million, a decrease of 60% compared to Ps. 363 million at the close of 2020. The decrease is mainly due to the mark-to-market valuation effects related to interest rate swaps.



## Consolidated Statement of Comprehensive Income

### Total Operating Revenue

At the close of 2Q21, total operating revenue was Ps. 925 million, a decline of 2% compared to Ps. 948 million in 2Q20, as a result of discounts granted to tenants under GICSA's Covid-19 support program. Also for this reason, there was a decline in revenues from entertainment, hotel and real estate services.

At the close of 2Q21, Ps. 69 million was recorded as discounts granted tenants under the Covid-19 support program. These discounts are recognized in accordance with the IFRS 16 amendment, which stipulates that any modification and/or discount to a lease contract related to a Covid-19 contingency will be recognized in accordance with the remaining term of each contract.

### Total Other Operating Revenue

At the close of 2Q21, total other operating revenue was Ps. 50 million, a decrease of 335% compared to Ps. 11 million in 2Q20, due to income recognition from the Cero5Cien residential project.

### Total Costs and Expenses

At the close of 2Q21, total costs were Ps. 56 million, an increase of 621% compared to 2Q20, due to the recognition of costs associated with the Cero5Cien residential project.

At the close of 2Q21, total expenses decreased by 2%, from Ps. 278 million in 2Q20 to Ps. 271 million in 2Q21, mainly due to the strategy implemented by the Company since 2Q20 to reduce corporate and operating expenses.

### Operating Profit before Valuation Effects

At the close of 2Q21, operating profit before valuation effects decreased 4% to Ps. 647 million. The decrease was mainly due to the recognition related to GICSA's Covid-19 support program for tenants.

### Net Operating Income (NOI)

Consolidated and proportional NOI in 2Q21, were Ps. 743 million and Ps. 619 million, respectively, decreases 6% and 7%, compared to 2Q20.

### Consolidated EBITDA

Consolidated and proportional EBITDA in 2Q21, were Ps. 681 million and Ps. 557 million, respectively, decreases of 7% and 8%, compared to 2Q20.



## Conference call

*GICSA cordially invites you to its  
Second Quarter 2021 Conference call*

**Thursday, July 29, 2021**  
12:00 PM Eastern time  
11:00 AM Mexico City Time

**Presenting for GICSA:**  
Diódoro Batalla - Chief Financial Officer

**To access the call, please dial:**  
1 (800) 895 3361 U.S. participants  
1 (785) 424 1062 International participants

**Passcode: 44272**

## Analyst coverage

Actinver	Pablo Duarte León	<a href="mailto:pduarte@actinver.com.mx">pduarte@actinver.com.mx</a>
BBVA Bancomer	Francisco Chávez Martínez	<a href="mailto:f.chavez@bbva.com">f.chavez@bbva.com</a>
J.P. Morgan	Adrián Huerta	<a href="mailto:adrian.huerta@jpmorgan.com">adrian.huerta@jpmorgan.com</a>
Morgan Stanley	Nikolaj Lippmann	<a href="mailto:nikolaj.lippmann@morganstanley.com">nikolaj.lippmann@morganstanley.com</a>



## About the Company

GICSA is a leading company in the development, investment, commercialization and operation of shopping malls, corporate offices and mixed used well known for their high-quality standards, which transform and create new development spaces, lifestyles and employment in Mexico, in accordance to its history and executed projects. As of June 30, 2021, the Company owned 17 income-generating properties, consisting of eleven shopping malls, five mixed use projects (which include five shopping malls, five corporate offices and one hotel), and one corporate office building, representing a total Gross Leasable Area (GLA) 965,534 square meters, and a Proportional GLA of 826,343 square meters. Since June 2015, GICSA is listed on the Mexican Stock Exchange under the ticker (BMV: GICSA B).

## Forward-Looking Statements

This press release may contain forward-looking statements and involve risk and uncertainty. The words “estimates”, “anticipates”, “projects”, “plans”, “believes”, “expects”, “seeks” and similar expressions, are intended to identify forward-looking statements. Grupo GICSA warns readers that declarations and/or estimates mentioned in this document, or stated by Grupo GICSA’s management team, are subject to a number of risks and uncertainties that could be in function of various factors that are out of Grupo GICSA’s control. Future expectations reflect Grupo GICSA’s judgement at the date of this document. Grupo GICSA reserves the right or obligation to update information contained in the report or derived from it. Past or present performance is not an indicator of future performance.

Grupo GICSA warns that a significant number of factors may cause actual results to differ materially from estimates, objectives, expectations, and intentions expressed in this report. Neither the Company or any of its subsidiaries, affiliates, directors, executives, agents or employees may be held responsible before third parties (including shareholders) for any investment, decision, or action taken in relation to the information included in this document, or by any special damage or similar that may result.