

TERRAFINA ANNOUNCES NEW E-COMMERCE PROJECT AND CHANGES PAYOUT RATIO TO SUPPORT ITS THREE-YEAR GROWTH STRATEGY

Mexico City, June 1st, 2021 - Terrafina ("TERRA") (BMV: TERRA13), a leading Mexican industrial real estate investment trust ("FIBRA"), externally advised by PGIM Real Estate and dedicated to the acquisition, development, lease and management of industrial real estate properties in Mexico, announced today that it signed a lease agreement for a 354,000 square foot build-to-suit development with a leading e-commerce player in the Tijuana market. This new development project is complemented by an LOI for an additional 200,000 square feet signed by a packaging company to serve its e-commerce activities. Both development projects are expected to require a total investment of US\$43.5 million and to generate an estimated US\$4.1 million of annualized NOI. They are expected to be delivered by the third quarter of 2021.

Over the past several months, Mexico's industrial real estate sector has benefited from a relevant increase in demand due to the economic readjustment triggered by COVID-19, the implementation of USMCA, and the growth of nearshoring activities as companies take a more regionalized approach to manufacturing to provide long-term resilience as well as low-cost production. As a result of these factors, Terrafina anticipates a surge in its investment projects pipeline that could be served by our development efforts supervised by our advisor, PGIM Real Estate. These projects will have green building certifications and target tenants in the e-commerce/last mile sector, as well as the manufacturing for export sector, mainly located in the North and Central regions.

As a result of the factors driving additional industrial demand, Terrafina will increase its re-investment rate and thereby reduce its payout ratio from 85% to 70% starting in the second quarter of 2021 to fund the abovementioned projects, as well as to secure its funding for new developments that should generate attractive returns and strengthen its growth strategy going forward. This funding strategy will also allow Terrafina to maintain a stable debt financing, considering as well some asset dispositions in line with our strategy to increase our presence in core-markets.

Terrafina intends to deliver better portfolio performance through higher NAV accretion by achieving the following milestones over the next three years:

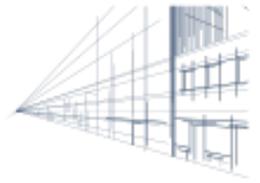
- Invest US\$150 million to US\$200 million to develop 2.5 million to 3.2 million square feet in new projects to cater to the e-commerce/logistics and reshoring sectors in primary markets.
- Generate US\$75 million to US\$100 million from asset disposals of approximately 2 to 2.7 million square feet of GLA, reducing exposure to non-strategic markets to improve the portfolio's composition.
- Execute an ESG plan committed to green certifications on these new developments.

The three-year plan will be funded by the payout reduction from 85% to 70% combined with additional debt financing, while maintaining a stable leverage (total book value of debt divided by total assets) and estimate this will be reduced to 35% once developments are completed and carried at market value.

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Alberto Chretin, CEO of Terrafina, commented: "We are very pleased to secure this strategic development in Tijuana, kick starting a new phase of growth through new developments in strategic markets. We are convinced that the increased cash flow reinvestment will better enable Terrafina to participate in the strong industrial real estate momentum, fueled by growing logistics / e-commerce and manufacturing activities in the country. We are certain that these changes to our growth strategy will allow us to deliver higher NAV per certificate growth as we maintain a disciplined approach with our capital allocation process, all while targeting a lower leverage level."

Terrafina will host a conference call with senior management to discuss its new growth strategy, as well as the recently secured e-commerce project on Wednesday, June 2nd, 2021 at 11:00 am EST (10:00 am CT). To access the call please dial:

U.S.: +1 877-407-8031

International: +1 201-689-8031

Mexico Toll Free: 800 522 0034

Webcast: <https://www.webcaster4.com/Webcast/Page/2133/41595>

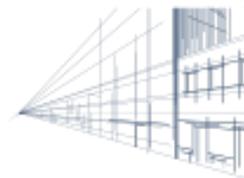
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U.S.: +1 877-481-4010

International: +1 919-882-2331

ID: 41595

Note: Terrafina will distribute some slides that may be referenced to during the conference call before the call begins. This will be done through its investor relations website, as well as directly through the webcast system.



About Terrafina

Terrafina (BMV:TERRA13) is a Mexican real estate investment trust formed primarily to acquire, develop, lease and manage industrial real estate properties in Mexico. Terrafina's portfolio consists of attractive, strategically located warehouses and other light manufacturing properties throughout the Central, Bajío and Northern regions of Mexico. It is internally managed by highly-qualified industry specialists and externally advised by PGIM Real Estate.

Terrafina owns 283 real estate properties, including 274 developed industrial facilities with a collective GLA of approximately 39.2 million square feet and 9 land reserve parcels, designed to preserve the organic growth capability of the portfolio. Terrafina's objective is to provide attractive risk-adjusted returns for the holders of its certificates through stable distributions and capital appreciations. Terrafina aims to achieve this objective through a successful performance of its industrial real estate and complementary properties, strategic acquisitions, access to a high level of institutional support, and an effective management and corporate governance structure. For more information, please visit www.terrafinamx.com.

About PGIM Real Estate

As one of the largest real estate managers in the world with \$188.5 billion in gross assets under management and administration¹, PGIM Real Estate strives to deliver exceptional outcomes for investors and borrowers through a range of real estate equity and debt solutions across the risk-return spectrum. PGIM Real Estate is a business of PGIM, the \$1.7 trillion global asset management business of Prudential Financial, Inc. (NYSE: PRU).

PGIM Real Estate's rigorous risk management, seamless execution, and extensive industry insights are backed by a 50-year legacy of investing in commercial real estate, a 140-year history of real estate financing², and the deep local expertise of professionals in 31 cities globally. Through its investment, financing, asset management, and talent management approach, PGIM Real Estate engages in practices that ignite positive environmental and social impact, while pursuing activities that strengthen communities around the world. For more information visit www.pgimrealestate.com.

¹As of December 31, 2020. Includes \$43.0 billion U.S. dollars in assets under management (AUA).

²Includes legacy lending through PGIM's parent company, PFI.

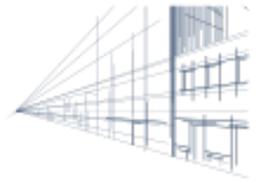
About PGIM and Prudential Financial, Inc.

PGIM, the global asset management business of Prudential Financial, Inc. (NYSE: PRU), ranks among the top 10 largest asset managers in the world¹ with more than \$1.7 trillion in assets under management as of December 31, 2020. With offices in 16 countries, PGIM's businesses offer a range of investment solutions for retail and institutional investors around the world across a broad range of asset classes, including public fixed income, private fixed income, fundamental equity, quantitative equity, real estate and alternatives. For more information about PGIM, visit www.pgim.com

Prudential's additional businesses offer a variety of products and services, including life insurance, annuities and retirement-related services. For more information about Prudential, please visit news.prudential.com.

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¹Prudential Financial, Inc. (PFI) is the 10th largest investment manager (out of 527 firms surveyed) in terms of global assets under management based on Pensions & Investments' Top Money Managers list published on June 1, 2020. This ranking represents global assets under management by PFI as of March 31, 2020.



Forward Looking Statements

This document may include forward-looking statements that may imply risks and uncertainties. Terms such as "estimate", "project", "plan", "believe", "expect", "anticipate", "intend", and other similar expressions could be construed as previsions or estimates. Terrafina warns readers that declarations and estimates mentioned in this document, or realized by Terrafina's management imply risks and uncertainties that could change in function of various factors that are out of Terrafina's control. Future expectations reflect Terrafina's judgment at the date of this document. Terrafina reserves the right or obligation to update the information contained in this document or derived from this document. Past or present performance is not an indicator to anticipate future performance.