



## **TERRAFINA ANNOUNCES TWO NEW DEVELOPMENTS AND REPORTS PROGRESS ON THREE-YEAR GROWTH PLAN**

Mexico City, [December 9<sup>th</sup>, 2021 - Terrafina ("TERRA") (BMV: TERRA13), a leading industrial real estate investment trust ("FIBRA"), externally advised by PGIM Real Estate and dedicated to acquiring, developing, leasing, and managing industrial real estate properties in Mexico, announced the following today:

Terrafina continues to take advantage of its high-conviction growth story in Mexico supported by the strategic advisory of PGIM Real Estate. As previously discussed, the digital transformation of our society, and structural demand changes, have given rise to new opportunities in the e-commerce sector. As a result, Terrafina has signed new lease agreements, demonstrating the relevance of e-commerce growth for the Company's strategy. In particular, Terrafina was able to confirm:

- The signing of a seven-year term lease for the 210,000 square foot industrial property. This lease will generate an estimated US\$1.6 million in NOI per year, beginning in June 2022. The tenant specializes in the manufacturing of packaging solutions, which serves a diverse range of customers in the e-commerce sector.
- The signing of a five-year contract with a leading e-commerce group for last-mile operations in Tijuana. The repositioning of this currently vacant property of 50,849 square feet will generate annualized NOI of US\$320,000 as of December 2021.

Additionally, based on the same investment thesis, Terrafina initiated new developments that will support its growth strategy:

- The beginning of two new industrial properties' developments in Ciudad Juárez and Monterrey that are expected to have a total Gross Leasable Area (GLA) of 473,000 square feet. These projects, located in Terrafina's land reserves, are expected to require a total investment of US\$18.6 million and generate an estimated annualized net operating income (NOI) of US\$2.1 million for 3Q22. This implies a return on investment of over 11%. Terrafina already has letters of intent for 68% of the leasable space, signed by multinational companies in the logistics sector.
- The groundbreaking for the construction of a 38,000 square foot expansion of an existing property in the growing electric automotive cluster of Ramos Arizpe, in Coahuila. It is estimated to require an investment of approximately US\$2.8 million, and the rate of return measured by NOI is 11%. Terrafina expects construction to take approximately six months and the expansion to begin generating revenues in July 2022. Finally, the term of the new lease will be ten years.

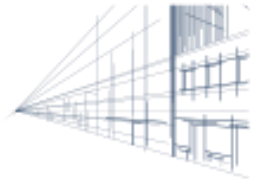
In sum, in its first year since launching its strategic growth plan Terrafina has initiated one million square feet of new developments:

- Terrafina concludes the first year of its strategic plan with more than one million square feet of new developments in process or starting operations, located in land reserves in primary markets, and developed under LEED standards. Total investment reaches US\$68.4 million and will generate approximately US\$7.0 million in NOI per year, projected to be fully stabilized by 3Q22.

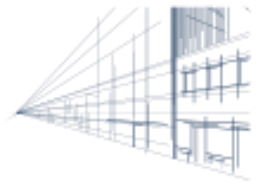
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Alberto Chretin, CEO of Terrafina, commented, "We are very pleased with the progress of our growth and repositioning plan. With the outstanding support of our advisor PGIM Real Estate, Terrafina has invested in new developments throughout the year, taking advantage of its land reserves and the new opportunities arising from growth in e-commerce activities in Mexico. We will continue to advance with our growth strategy, maintaining a disciplined management of our leverage, which we have reduced to 36.4% in 3Q21. We will continue to focus on the quality of our assets, our markets, and the generation of value for our stakeholders."



### 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 284 real estate properties, including 275 developed industrial facilities with a collective GLA of approximately 39.5 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](http://www.terrafinamx)

### About PGIM Real Estate

As one of the largest real estate managers in the world with \$195.4 billion in gross assets under management and administration<sup>1</sup>, 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 financing<sup>2</sup>, 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.pgim.com/real-estate/](http://www.pgim.com/real-estate/)

<sup>1</sup> As of June 30, 2021. Includes \$43.3 billion U.S. dollars in assets under management (AUA).

<sup>2</sup> Includes legacy lending through PGIM's parent company, PFI.

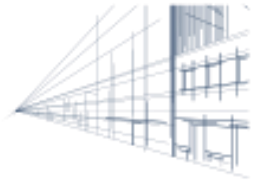
### About PGIM and Prudential Financial, Inc.

PGIM, the global asset management business of Prudential Financial, Inc. (NYSE: PRU), ranks among the top 10 largest asset managers in the world<sup>1</sup> with more than \$1.7 trillion in assets under management as of June 30, 2021. 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 [pgimrealestate.com](http://pgimrealestate.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](http://news.prudential.com).

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<sup>1</sup> Prudential 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