

## MESSAGE FROM THE PRESIDENT

Dear Investors,

After a year of uncertainty due to high levels of inflation, increased interest rates, and exchange rate volatility, our outlook for 2023, while including the correction of indicators such as inflation and interest rates towards the end of the year, presents short-term challenges in key indicators such as cash available for distribution, as we discussed in the February conference call.

This comes in a context where the Colombian economy is expected to moderate its growth and experience a gradual decrease in inflation. Some of these signals have already begun to emerge with the inflation figure of 12.82% reported last week.

In line with the announcement made during the recent Investor Assembly on March 31, the temporary concession by Pei Asset Management, retroactive from January 1, 2023, has been implemented. Therefore, I am pleased to announce that we have revised our forecast for the 2023 equity dividend yield, which we now expect to range between 1.0% and 1.3%, a higher level compared to the 0.3% to 0.8% anticipated in our February earnings conference.

However, in this year of contrasts, we continue to achieve positive results in the real estate business, driven by operational efficiency and lease adjustment management in response to inflation. Additionally, contract retention increased by 3.6% compared to the end of 2022, resulting in a retention rate of 99.6% for the first quarter of this year.

As a result, first-quarter revenues showed a 16.2% increase compared to the same period last year. Furthermore, in terms of the efficiencies achieved in the vehicle's cost structure, there is a noticeable increase in the NOI margin, which closed at 83.5% for the period. Additionally, the reduction in vehicle administrative expenses contributed to an EBITDA margin of 72.4%.

Regarding the performance of the security in the secondary market, as has been publicly known in recent weeks, there has been greater activity, increasing trading volume and liquidity. The average daily trading volume for April reached 832 million, and there was a price variation from 22,000 pesos per share in March to 33,700 pesos at the end of April.

We continue to work on the four prioritized strategic fronts for the year, focusing on optimizing the real estate portfolio through divestment, liability substitution, amendments to the prospectus for the extraordinary assembly, and expanding the investor base. This is complemented by a communications and financial education plan.

**Jairo Alberto Corrales Castro**  
**President**  
**Pei Asset Management**

**INVESTOR RELATIONS:**

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PEI recorded a quarterly operating income of COP 169,097 million in 1Q 2023, corresponding to a 16.2% increase compared to 1Q 2022.

Physical vacancy closed at 5.7%, a decrease of 73 bps, while the lease agreements renewal stood at 99.6%.

The business operation margins –NOI and EBITDA– increased to 83.5% and 72.4%, respectively.

**Bogota, May 9th, 2023** - PEI (BVC: PEI) (Bloomberg: PEI CB EQUITY reported) today its financial results for the first quarter of 2023.

At the end of the first quarter of 2023, operating income stood at COP 169,097 MM showing a **16.2% increase** compared to last year's first quarter.

In 1Q 2023, **99.6% of the agreements were renewed**, with retention exceeding 32,196 m<sup>2</sup> and absorption 4,421 m<sup>2</sup>. Moreover, **vacancy during the first quarter closed at 5.7% and economic vacancy at 8.0%**.

Operating income (NOI) was **COP 141,192 MM** in the first quarter, with operating margins of 83.5%. On the other hand, EBITDA in 1Q 2023 was **COP 122,443 MM representing a 72.4% margin** with a **26.4%** variation compared to 1Q 2022.

The **average financing costs stood at 15.3%**, an increase associated with the inflation's evolution during the last twelve months, which may influence financing spending throughout 2023.

Additionally, the first quarter closed with a **Net Receivables amounting COP 5,241 MM**, equivalent to a 16.1% decrease compared to the first quarter of 2022 and representing **0.8% of the last twelve months (LTM) revenues**.

The distributable cash flow corresponding to the first quarter of 2023 will be paid on May 15, with a total **COP 15.027 MM equivalent to COP 351 per security**.

**FINANCIAL RESULTS**

COP MM Except for the DCF per security	QUARTER		
	1Q 2022	1Q 2023	VARIATION %
<b>INCOME</b>	\$ 145,523	\$ 169,097	16.2%
<b>NOI</b>	\$ 120,205	\$ 141,192	17.5%
<b>NOI MARGIN</b>	82.6%	83.5%	1.1%
<b>EBITDA</b>	\$ 96,843	\$ 122,443	26.4%
<b>EBITDA MARGIN</b>	66.5%	72.4%	8.8%
<b>NET RECEIVABLES</b>	\$ 6,248	\$ 5,241	-16.1%
<b>CAD PAID per security</b>	\$1,400	\$351	-74.9%

\*CAD: Cash Available for Distribution. The quarter's data shows the amount paid in November of the relevant year. The flows actually paid during the exercise are included for the year.