

UPSITE: 2Q25 Results

Maintained a strong revenue, NOI and FFO growth; will launch the equity raising program during the rest of the year; we raised our target price to MXN\$63.0/CBFI

FIBRAUP 18	BUY
Target Price (MXN\$)	\$ 63.00
Current Price (MXN\$)	\$ 39.19
Min / Max (L12M - MXN\$)	31.00 - 39.19
Total Return	60.8%
Mkt Cap (Mn of MXN)	2,205
CBFI's Outstanding (Mn)	56.3
Float	62.0%
NAV / CBFI (P\$)	\$ 85.60
Discount vs. NAV	-54%

Opinion and recommendation

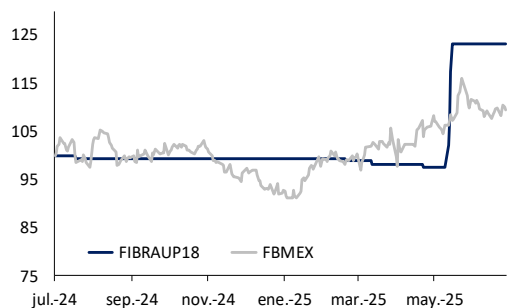
UPSITE once again posted positive results, practically in line with our estimates. We reiterate our BUY recommendation and are raising our target price to MXN\$63.00/CBFI, from MXN\$55.00/CBFI, after including in our model this quarterly report, the upcoming equity raising program, and the MXN\$105 million payment the Fibra recently received related to lease guarantee on its Tlaxcala property.

UPSITE's CBFIs continue to trade at a significant 54% discount to their NAV, which we believe does not adequately reflect the Fibra's strong outlook.

2Q25 Results

UPSITE closed the quarter with a portfolio comprised of 10 industrial properties with a GLA of 205,337 sq m, 100% occupancy, and an average lease term of 6.2 years. It expects to complete the equity raising during the remainder of the year.

Total operating revenues grew 23.8% YoY to MXN\$77.4 million due to the new contracts signed over the last twelve months. Operating costs decreased 9.1% to MXN\$5.2 million, thanks to lower property tax expenses and a reduction in property-related costs. Lease NOI grew 27.2% YoY to MXN\$72.4 million, with a margin of 93.6%, improving from 91.1% in 2Q24. Administrative expenses increased only 4.8%. The combination of higher revenues and an improved cost and expense structure allowed FFO to rise 42.3% YoY to MXN\$16.4 million. The FFO margin expanded to 21.2% in 2Q25, from 18.4% in 2Q24.



The value of investment properties was up 14.7% YoY, although it remained stable sequentially at MXN\$5.0 billion, while NAV per CBFi increased 33.0% annually and 4.4% sequentially to MXN\$85.60. LTV fell to 33.0%, from 35.6% in 1Q25, explained by the FX appreciation. Additionally, UPSITE's cash reserves amounted to MXN\$1.35 billion. Furthermore, the Fibra plans to cancel 2.8 million CBFIs that were part of the 2024 buyback.

UPSITE announced it received a MXN\$105 million payment related to the execution of a lease guarantee on its Tlaxcala property, which we believe is positive news.

2Q25 Results

(Figures in Millions of MXN\$)	2Q25	2Q25E	Diff.	2Q24	Change
Revenues	77	80	-2.8%	62	23.8%
Operating Cost	-5	-5	1.8%	-6	-9.1%
NOI	72	75	-2.8%	57	27.2%
<i>Margin NOI</i>	93.6%	93.6%		91.1%	
EBITDA	45	48	-4.9%	31	45.2%
<i>EBITDA Margin</i>	58.8%	60.1%		47.2%	
Net Profit	137	25	446.1%	534	-74.3%
NAV / CBFi	P\$ 85.60	P\$ 82.03	4.4%	P\$ 64.36	33.0%

(Figures in Millions of MXN\$)

INCOME STATEMENT	2024	2025E	2026E	2027E	2028E	2029E	2030E
Revenues	274	312	377	725	1,151	1,403	1,459
Operating Cost	-23	-21	-25	-48	-77	-94	-97
NOI	251	291	352	677	1,074	1,309	1,362
General Expenses	-104	-109	-131	-248	-388	-472	-488
EBITDA	147	183	221	429	686	837	874
Financial Gains	1,303	298	305	288	210	191	188
Financial Cost	-345	-36	-132	-133	-141	-170	-146
Net Profit	1,114	475	393	585	755	858	916
BALANCE SHEET	2024	2025E	2026E	2027E	2028E	2029E	2030E
TOTAL ASSETS	6,565	10,329	14,488	14,836	16,101	16,329	16,615
Current Assets	1,451	5,094	5,773	2,640	404	421	493
LT Assets	5,114	5,235	8,716	12,196	15,697	15,907	16,122
TOTAL LIABILITIES	2,416	2,208	2,225	2,256	3,034	2,671	2,309
TOTAL DEBT	2,319	2,113	2,115	2,112	2,854	2,482	2,116
NET DEBT	945	-2,931	-3,600	-450	2,549	2,165	1,730
Stockholder's Equity	4,149	8,121	12,264	12,580	13,067	13,658	14,305
CASH FLOW STATEMENT	2024	2025E	2026E	2027E	2028E	2029E	2030E
Net Profit	1,114	475	393	585	755	858	916
Total Adjustments	-963	89	65	70	75	75	74
Cash Flow from Operations	151	564	458	655	830	933	990
Net Cash Flow from Operating Activities	343	525	342	540	714	818	874
Net Cash Flow from Investment Activities	1	83	-3,193	-3,193	-3,193	107	103
Net Cash Flow from Financing Activities	432	3,194	3,751	-271	474	-640	-635
Net Incr. (Decr.) in Cash & Eq. Before FX Impact	775	3,668	669	-3,155	-2,259	10	67
Net Incr. (Decr.) in Cash & Eq. After FX Impact	773	3,670	671	-3,153	-2,257	12	69
Beg. of Period Cash and Eq.	601	1,374	5,044	5,715	2,562	305	317
End of Period Cash and Eq.	1,374	5,044	5,715	2,562	305	317	386

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