BRC Ratings

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Colombia

Rating report

PARTICIPATORY SECURITIES PROGRAM PATRIMONIO AUTÓNOMO ESTRATEGIAS INMOBILIARIAS (PEI) managed by PEI Asset Management S.A.S

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*This English version is provided upon request and reflects the translation from the original one provided only in Spanish by BRC Ratings – S&P Global S.A. Sociedad Calificadora de Valores on March 19, 2026, under the title "*PROGRAMA DE TÍTULOS PARTICIPATIVOS PATRIMONIO AUTÓNOMO ESTRATEGIAS INMOBILIARIAS (PEI) administrado por PEI Asset Management S.A.S.*". In case of any discrepancy between this English version and the original in Spanish, the Spanish version shall apply.*

PARTICIPATORY SECURITIES PROGRAM PATRIMONIO AUTÓNOMO ESTRATEGIAS INMOBILIARIAS (PEI) managed by PEI Asset Management S.A.S

PERIODIC REVIEW			
Real Estate Participation Securities		**i AAA Rating**	
Figures as of December 31, 2025:		Rating history:	
Assets under management:	COP 10.19 trillion		
Total value of the Program:	COP 5.0 trillion	Periodic review Apr./25:	i AAA
Total placed value:	COP 4.2 trillion.	Periodic review Mar./25:	i AAA
Group of assets that make up the PEI:	151	Periodic review Mar./24:	i AAA
		Initial rating Dec./06:	i AA+
Annual return (Equity value) 2025:	-0.20% AER		

Introduction

Unlike a debt instrument, the securitization of participatory securities backed by real estate does not commit to the payment of capital or interest, hence there is a particular scale for this type of instrument (i-rating). This type of issuance is made through investment vehicles that develop, buy and manage real estate assets and lease the space to tenants who subsequently pay rent. Once the vehicle's expenses and obligations are covered, 100% of its distributable cash flow is distributed among its investors as returns. Additionally, the return of these vehicles includes the value of the commercial appreciation of the properties.

The rating of real estate securities is an evaluation of the probability that the vehicle can generate the projected returns and recover the investors' capital in the long term. In this way, the analysis focuses on the factors that determine the financial and operational stability of the vehicle, mainly, the lease flows, the valuation of the properties and the ability of the administrator and other related parties to comply with the guidelines of the placement prospectus.

I. OVERVIEW

- We affirmed the rating of i AAA real estate participation securities of the Participatory Securities Program Patrimonio Autónomo Estrategias Inmobiliarias (PEI) managed by PEI Asset Management S.A.S.
- The decision stems from the portfolio's ability to meet the estimated profitability and recover the invested capital in the long term, even in stress scenarios that may impact distributable cash flow.

- The rating also incorporates the adequate diversification and quality of assets that back the real estate securities. This is reflected in stable cash flow growth and constant asset appreciation.

II. RATING ACTION:

Bogota, March 19, 2026. The Technical Committee of BRC Ratings – S&P Global S.A., in its periodic review, affirmed the AAA rating of the real estate participation securities of the Participative Securities Program of the Autonomous Real Estate Strategies (PEI) managed by PEI Asset Management SAS

III. RATING RATIONALE:

Our assessment of the rating of equity securities is based on the analysis of two main factors: the probability of generating the projected returns and the ability to recover the capital invested by investors. We believe that the favorable performance of these variables, together with the vehicle's operating results, the quality of the assets, and the geographical and category diversification of the portfolio, continue to support the strength of the investment and its continued presence in the highest scale category.

Regarding the performance of the securities, we expect that in the short term the recovery in the vehicle's cash flow profitability will continue, mainly due to the reduction in the leverage level to an LTV of 28.3% in December 2025 from 33.3% at the end of 2024, after the issuance of the twelfth tranche in September 2025 for COP500,000 million. While we expect an increase in net financial expenses due to macroeconomic conditions and the current upward cycle of the central bank, we believe this impact will be mitigated by higher operating income from the portfolio and less pressure on debt service payments.

The second factor considered in the rating of securities is the ability to recover the capital invested by the investor. The recovery time varies for the latest issued tranches, since the increase in the number of securities of the vehicle reduces the nominal cash flow that each one receives, especially in scenarios that put pressure on distributable cash flow. Despite this, thanks to the indexation of lease agreements, portfolio diversification, and asset appreciation, we believe these are factors that would allow investors to recover their invested capital in the long term.

Participating securities are not a credit obligation, so the PEI is not required to comply with a distribution amount or percentage at the end of each year. Furthermore, the prospectus states that projected returns are not guaranteed, as they will depend on the performance of the real estate market and the assets of the portfolio. Therefore, the estimated profitability may vary without this implying a breach of the prospectus.

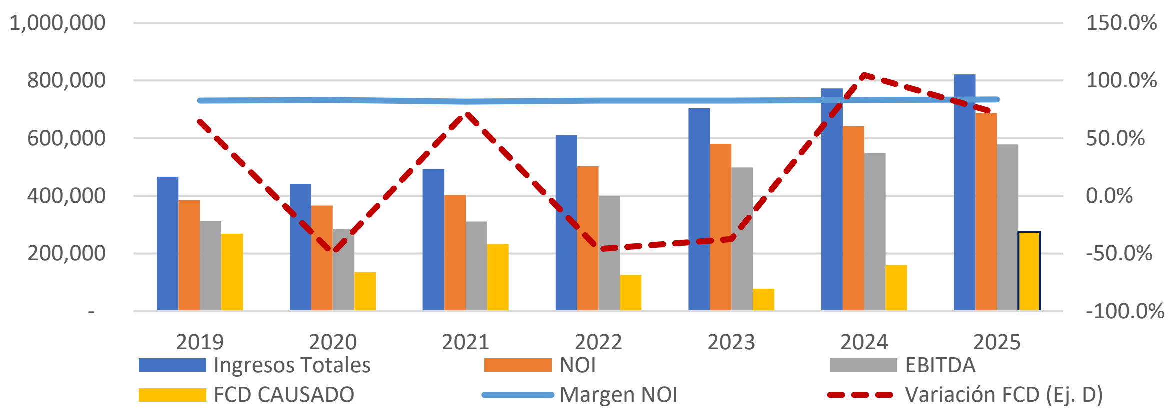
The vehicle's operating generation continued to show favorable evolution in 2025, supported by recurring revenue growth and an increase in net operating income (NOI). At the close of 2025, operating income totaled $821,856 million Colombian pesos (COP), and NOI reached COP686,598 million, which is equivalent to growths of 6.4% and 7% respectively. Meanwhile, the EBITDA margin remained relatively stable compared to 2024 at 70.4% from 71.0%, due to the increase in the PEI commission, which is linked to the vehicle's improved operating results. These figures continue to reflect an adequate capacity for generating operating cash flow, supported by the quality of the portfolio and the adjustment of lease payments based on inflation, which we expect to continue in the medium term.

The portfolio vacancy rate showed mixed performance in 2025. Physical vacancy increased to 6.78% from 5.52% in 2024, while economic vacancy decreased slightly to 6.35% from 6.48%, indicating that the lower occupancy during the period had a reduced impact on vehicle revenues. By segment, the biggest challenge continues to be the corporate sector, due to a more gradual absorption than initially anticipated in the spaces of the Atrio asset, although we highlight the progress of its occupancy to 58%, with strategic closures in the commercial area and the "square meters to the 4" strategy. Likewise, the logistics segment registered an early termination of contracts that put upward pressure on its vacancy rate.

The behavior of the capitalization rate (cap rate) reflects the capacity of the assets that make up the portfolio to generate operating cash; this remained above 6.9% in 2025, a level that has been gradually recovering since 2021. This situation demonstrates the manager's institutional strength and the adequate diversification of its portfolio in the face of a long-term investment horizon.

The debt optimization strategy continued to be a relevant factor in improving distributable cash flow. In this regard, in 2025 the issuance of Tranche XII and its allocation to debt prepayment strengthened the financial flexibility of the vehicle and contributed to an additional reduction in debt service. The vehicle recorded a higher distributable cash flow, increasing by 65% compared to 2024, reaching COP225,066 million, but slightly below what was caused before the pandemic, in 2019 (see Chart 1).

Chart 1
PEI financial figures (in millions of COP)



Source: PEI. Chart by BRC Ratings S&P Global

In our view, the return on equity through cash flow in 2026 will reach levels around 3%, close to its pre-pandemic distribution capacity. In this way, we estimate that the total profitability of the vehicle will be around 11% driven by the valuation of assets and CPI adjustments in lease agreements, as well as by the management of the PEI. We believe that this reduction in short-term profitability will not compromise the vehicle's ability to meet its estimated long-term return, as we anticipate a gradual recovery of cash flow in the coming years. However, adverse macroeconomic factors, a sustained high level of indebtedness, an aggressive expansion of non-stabilized assets, or negative results in asset valuation could modify our outlook and, therefore, the rating.

Asset Portfolio

The real estate portfolio has maintained a high quality since the beginning of its operations, a result of the robust process that PEI follows when making its investments and its knowledge of the real estate market in Colombia.

As part of the management of the real estate portfolio, in 2025 PEI carried out two divestments for a total value of approximately COP94,650 million, representing less than 1% of the portfolio. The most significant divestment to date has been the sale of Éxito Cedi Av68, which was completed at 32.1% above its book value. Thus, most transactions have been carried out above or very close to book value, reflecting PEI's ability to identify opportunities in the market.

The manager is assessing further divestments. In this sense, the sale of 51% of the CC Plaza Central is one of the most relevant given the significant participation of this asset in the expected lease payments for 2026. The rated company estimates that the resources obtained from the divestments will be primarily allocated to debt prepayment, prioritizing the reduction of leverage and the cost of debt in the current macroeconomic context.

Geographic diversification has remained relatively stable over the past three years, with Bogotá accounting for 46.4% of rental fees, followed by Cali, which has increased its share. We believe that this distribution will remain adequate and within the limits established both in the prospectus and in our methodology.

The fragmentation of tenants also remains within the limit of 20% of annual income. We positively assess the stability in the participation of the top ten tenants and their credit quality.

The assets under management are classified as commercial, corporate, logistics and specialized, with a composition that has remained stable over the last three years and within the established limits. We highlight that commercial and corporate assets account for 76.6% of the total value of investment property at the end of 2025, as they are the sectors with the greatest historical volatility. Therefore, persistent high inflation conditions or low economic growth could impact the rental income stream in the sectors through vacancy rates.

We will monitor the real estate portfolio management strategy and its impact on the vehicle's operational and financial results in the medium and long term.

Portfolio Management

PEI bases its acquisitions on a detailed analysis of the condition of the properties, their possibilities of use and their potential for appreciation. The high quality of the assets, along with the constant maintenance work carried out by the property manager, has maintained the value of the assets. During 2025, PEI executed COP75,165 million in capex, repair and maintenance, slightly lower than the COP78,129 million of 2024. For the 2026-2029 period, the entity forecasts that this spending will adjust to approximately COP100,000 million based on investments in redevelopment projects.

The economic and physical vacancy rate of the portfolio stood at 6.35% and 6.78%, respectively, with variations of -13 and +126 basis points compared to the previous year. This level is mainly attributed to the corporate and logistics segment. The latter especially after the early termination of a contract in Mosquera. However, the reduction in the gap between economic and physical vacancy, which went to 0.7% in 2025 from 1.8% in 2024, suggests an improvement in asset management, with spaces being placed at above-average rental rates. This trend is expected to continue, driven by strategies such as “Metros a la Cuatro” and MExA, which seek to better adapt to the needs of tenants and reduce vacancy.

The contract renewal rate fell to 87.8%, from an average of 96% over the past two years. It should be noted that, according to the administrator, this is due to a strategic decision and not to a deterioration in the ability to retain tenants; removing this effect, the level remains close to 98.7%. During the year, 184,692 m² were retained and 67,043 m² were placed, indicating an active portfolio management.

The evolution of the net portfolio has remained stable, representing 0.47% of total revenue in 2025, with an increase of only 2 basis points. We expect this stability to continue in the coming years, supported by the quality of the tenants and the manager's stabilization strategy, which includes grace periods and staggered rents.

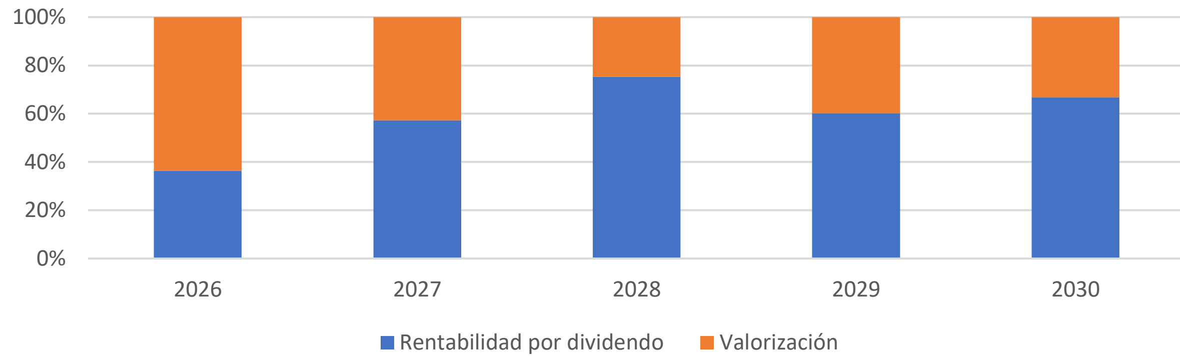
Operating income reached COP821,856 million in 2025, a growth of 6.4% compared to 2024, driven by the increase in income linked to the CPI. The operating profit (NOI) was COP 686,598 million, with operating margins of 83.5%, indicating a slight improvement in operating efficiency. EBITDA reached COP 578,551 million, with margins of 70.4%, maintaining stability compared to the previous year. We expect this performance to remain relatively stable in future reviews.

Profitability:

PEI continues to adjust its 10-year base profitability projections. For this review, it estimates a lower return compared to the one projected in the previous review of CPI + 6.47% and CPI + 6.67% from CPI + 6.82% and CPI + 7.05%. These estimates remain in line with peers and the market. Our projections indicate that the vehicle would be able to maintain its profitability above the benchmark in the long term. This, incorporating the recovery of dividend yield (see Chart 2), increases its representativeness in the vehicle's annual profitability.

The administrator's active leverage management has allowed PEI to improve its financing conditions and maturity structure. During 2025, the vehicle's strong performance allowed it to increase distribution to its investors, which rose to COP5,040 per share from COP3,179 in 2024, reflecting a 125 bps increase in dividend yield (DY) which stood at 3.5% from 2.2% at the end of 2024. We estimate that, by the end of 2026, the DY will be around 3%, with a gradual recovery that could take it to more than 4.6% in 2030 (see Chart 2).

Chart 2
Projected profitability through appreciation and dividend yield



Made by: BRC Ratings – S&P Global

IV. FACTORS TO MODIFY THE RATING:

What can lead us to affirm the rating

- The generation of stable distributable returns and the conservation of investors' capital.
- Compliance with both the acquisition plan and its financial projections.
- The constant valuation of assets above the observed CPI.

What could lead us to downgrade the rating

- The deterioration of PEI's cash flow, associated with lower rental income or increased expenses, that consistently affects the distribution of returns to holders of participating securities.
- Debt levels exceeding established limits.
- A steady increase in the volatility of the cash flow generated by the portfolio, resulting from pressures on lease payments or shorter contract durations, which reduces the predictability of income and affects the dividend yield paid to investors.

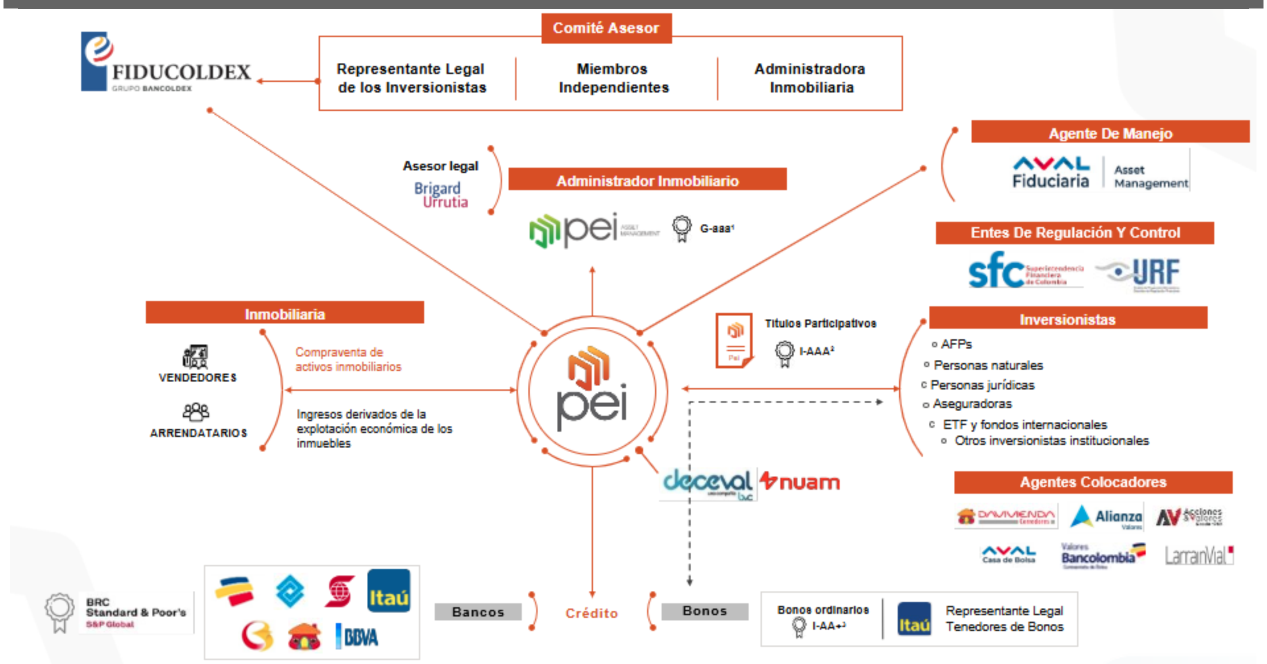
V. DEFINITION AND STRUCTURE OF THE SECURITIZATION

The attainment of resources for the constitution of Patrimonio Estrategias Inmobiliarias begins with the issuance of securities backed by the rights and obligations of the promise of purchase and sale contracts of the real estate assets previously signed with the owners of the assets. All acquisitions of autonomous assets require the authorization of the Advisory Committee. This includes both leased and non-leased properties, a condition that seeks to guarantee the stability of income once the investment in the asset has been made.

The purchase and sale contracts are executed with the resources from the issue, and the assets become the property of the autonomous patrimony. These properties constitute the investment portfolio that makes up the PEI, and are managed by a professional operator, who is in charge of all the maintenance processes and the operation of the facilities (security, cleaning, administration, among others).

With the ownership of the assets, the autonomous patrimony receives as its main income the rents from the aforementioned properties, which will become --after paying all the costs and expenses of issuance, administration and operation-- the main part of the distributable returns that, in turn, together with the appreciation or devaluation of assets, will determine the profitability of investors.

Chart 3
Securitization scheme



1. Calificación de Eficacia en la Gestión de Portafolios
Último reporte: mar/2025

2. Calificación de Títulos Participativos
Último reporte: mar/2025

3. Calificación de Títulos de Contenido Crediticio
Último reporte: abr/2025

Source: PEI

VI. CONTINGENCIES:

According to information from the qualified individual, as of December 2025 PEI had no legal proceedings that could affect his financial position.

VII. ADDITIONAL INFORMATION

Type of rating	Real Estate Participation Securities
Minute number	2923
Date of the Committee	March 19, 2026
Type of review	Periodic review
Asset Manager	PEI Asset Management S.A.S.
Members of the Committee	María Carolina Barón
	José Ricardo Herrera
	Fangchun Rong

Rating history

Extraordinary review April/25: i AAA
Periodic review March/25: i AAA
Initial rating December/06: i AA+

The technical visit for the rating process was carried out with sufficient time due to the availability of the issuer and the delivery of the information was fulfilled in the foreseen times and in accordance with the requirements of BRC Ratings – S&P Global S.A. SCV.

BRC Ratings – S&P Global S.A. SCV does not perform auditing, therefore, the entity's management takes full responsibility for the integrity and veracity of all the information provided and that has served as the basis for the preparation of this report. On the other hand, BBRC Ratings – S&P Global S.A. SCV reviewed the available public information and compared it with the information provided by the entity.

The financial information included in this report is based on the audited financial statements for the last three years and the unaudited financial statements as of December 2025.

To see the definitions of our ratings visit www.brc.com.co or click here.

VIII. MEMBERS OF THE TECHNICAL COMMITTEE:

The resumes of the members of the Technical Rating Committee are available on our website www.brc.com.co