

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report:

Commission File Number: 001-41985

**Murano Global Investments PLC**

(Exact name of Registrant as specified in its charter)

Not applicable  
(Translation of Registrant's name into English)

Bailiwick of Jersey  
(Jurisdiction of incorporation or organization)

25 Berkeley Square, London W1J 6HN, United Kingdom (+44 207 1676440)  
David Galan (CFO) dgalan@murano.com.mx  
(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Ordinary shares, no par value	MRNO	The NASDAQ Stock Market LLC
Warrants, each exercisable for one ordinary share at an exercise price of \$11.50 per ordinary share	MRNOW	The NASDAQ Stock Market LLC

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None  
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None  
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: **79,242,873 ordinary shares and 16,875,000 warrants as of March 20, 2024.**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act of 1933, as amended (the "Securities Act"). Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, amended ("Exchange Act"). Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Sec.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer   
Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act.

†The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting over Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting Standards   
by the International Accounting Standards Board

Other

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow. Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

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## FREQUENTLY USED TERMS

Below are definitions of certain of the terms used throughout this annual report.

Except as otherwise indicated or required by context, references in this annual report on Form 20-F (including information incorporated by reference herein, the “Report”) to “Murano PubCo” refer to Murano Global Investments PLC and references to “we”, “us”, “our”, “our company”, “the Company”, or “Murano” refer to Murano Global Investments PLC and its subsidiaries.

“*ADR*” means Average Daily Rate and is the average revenue earned (excluding food, beverage, and other non-related room services) for an occupied room on a given day. ADR measures average room price attained by a hotel and ADR trends provide useful information concerning the pricing environment and the nature of the customer base of a hotel or a group of hotels.

“*ALG*” means ALG Servicios Financieros México, S.A. de C.V., SOFOM, E.N.R.

“*Andaz Hotel*” means the Andaz Mexico City Condesa hotel located in the Insurgentes 421 Hotel Complex, operated by Hyatt under the “Andaz” brand pursuant to the Andaz Hotel Management Agreement.

“*Andaz Hotel Management Agreement*” means the Hotel Services Agreement dated May 11, 2022, entered into by and between OHI421, as defined below, as owner, and Hyatt, as manager, pursuant to which, among other matters, Hyatt agreed to manage the Andaz Hotel with respect to the Insurgentes 421 Hotel Complex pursuant to the term and conditions set forth therein.

“*Baja Park Development Project*” means the project in Ensenada currently under evaluation and expected to consist of 363,262 sqm of retail space.

“*Bancomex*” means Banco Nacional de Comercio Exterior, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo.

“*Beach Club Loan*” means the loan facility provided by ALG pursuant to the terms and conditions of the secured loan agreement dated March 31, 2023 (as amended and restated from time to time, including by means of that certain amendment agreement dated November 6, 2023), entered into between Murano World, as borrower, and ALG, as lender, for an aggregate amount of U.S.\$20 million.

“*Business Combination*” means the business combination effected through the Business Combination Agreement.

“*Business Combination Agreement*” means the amended & restated business combination agreement, dated as of August 2, 2023, by and among Murano PubCo, HCM Acquisition Corp, a Cayman Islands exempted company, Murano PV, S.A. de C.V., a Mexican corporation, Elías Sacal Cababie, an individual, ES Agrupación, S.A. de C.V., a Mexican corporation, Murano Global B.V., a Dutch private limited liability company (besloten vennootschap met beperkte aansprakelijkheid) under Dutch law, having its official seat in Amsterdam, the Netherlands and registered with the Dutch trade register under number 89192877, MPV Investment B.V., a private limited liability company under Dutch law, having its official seat in Amsterdam, the Netherlands and registered with the Dutch trade register under number 89196651, and Murano Global Cayman, a Cayman Islands exempted company incorporated with limited liability which is a direct wholly-owned subsidiary of Murano PubCo, as amended by the first amendment to the business combination agreement, dated as of December 31, 2023.

“*Cancun Properties*” means, collectively, the GIC Private Unit 1 and the GIC Private Unit 2.

“*CaixaBank*” means CaixaBank, S.A.

“*CIBanco*” means CIBanco, S.A., Institución de Banca Múltiple.

“*CIB/3224 Trust*” means the irrevocable administration trust agreement dated August 10, 2023, entered into by and between CIBanco, acting solely as trustee (*fiduciario*), and Murano World, as settlor and beneficiary, as amended, supplemented and/or restated from time to time.

“*Contractors*” means any contractor authorized by Inmobiliaria Insurgentes 421 and the GIC I Trust, and supervised by Ideurban, or any other reputable construction supervisor that may replace Ideurban, from time to time, to carry out the construction and/or any work in either the Insurgentes 421 Hotel Complex or the GIC I Hotel, as defined below, respectively.

“*Ennismore*” means Ennismore Holdings US Inc., a lifestyle hospitality company and a member of the Accor global hotel group.

“*ESAGRUP*” means ES Agrupación, S.A. de C.V., a Mexican corporation.

“Exitus” means Exitus Capital, S.A.P.I. de C.V., SOFOM, E.N.R.

“Exitus Loans” means, collectively, the credit agreements, (a) dated May 31, 2022, by and between Murano World, as borrower, and Exitus, as lender, in an aggregate amount of U.S.\$15,000,000 at a fixed interest rate of 15%, and maturing on May 31, 2025, (b) dated June 26, 2023, by and between Murano World, as borrower, and Exitus, as lender, in an aggregate amount of U.S.\$972,300 at a fixed interest rate of 15%, and maturing on December 26, 2025, and (c) December 5, 2023, by and between Murano World, as borrower, and Exitus, as lender, in an aggregate amount of U.S.\$2,500,000 at a fixed interest rate of 15%, and maturing on December 5, 2025

“Finamo” means Administradora de Soluciones, S.A. de C.V., SOFOM, E.N.R.

“GIC Complex” means, collectively, the GIC I Hotel and the GIC II Hotel.

“GIC I Construction Agreements” means the construction agreements that the GIC I Trust, as client, and Ideurban, or any other reputable construction supervisor that may replace Ideurban from time to time, as supervisor, will execute from time to time with a Contractor with respect to the construction of the GIC I Hotel.

“GIC I Hedge” means the ISDA interest rate agreements entered into with Banco Sabadell S.A. and CaixaBank, S.A. respectively, dated as of November 27, 2019 and December 11, 2019 respectively.

“GIC I Hotel” means the Grand Island Cancun I hotel located in Cancun, Quintana Roo, consisting of the Vivid Hotel, which is operational, and the Dreams Hotel, which is under completion.

“GIC I Hotel Management Agreement” means the Hotel Operation and Administration Services Agreement (*Contrato de Prestación de Servicios de Operación y Administración de Hotel*), dated September 10, 2019 (as amended on September 11, 2019, March 28, 2021, and July 11, 2023, and as may be further amended from time to time), entered into by and between AMR Operaciones MX, S. de R.L. de C.V. (Hyatt Inclusive Collection), as hotel manager, and Operadora GIC I, as client, pursuant to which, among other matters, the hotel manager agreed to manage the GIC I Hotel pursuant to the term and conditions set forth therein.

“GIC I Loan” means the syndicated secured mortgage loan with Sabadell, as administrative agent and collateral agent, and Sabcapital, CaixaBank, Bancomext, and Nafin, as lenders, with the appearance of Murano PV, Elias Sacal Cababie, and the CIB/3224 Trust, in an aggregate amount of U.S.\$239,811,149.50 at an interest rate of term SOFR +4.0116%, and maturing on February 5, 2033 (as amended, supplemented and/or restated from time to time, the “GIC I Loan”). As of December 31, 2023, the outstanding principal amount of the GIC I Loan was Ps.\$3,882.3 million (U.S.\$229.8 million), bearing interest as of December 31, 2023 at 9.33%.

“GIC I Security Trust” means the Irrevocable Guarantee, Administration and Source of Payment Trust Agreement No. 4207 (*Contrato de Fideicomiso Irrevocable de Garantía, Administración y Fuente de Pago No. 4207*), dated October 4, 2019, and ratified before Mr. Javier Horacio Sauza, Notary Public Notary number 72 of Cancún, Quintana Roo (as amended, restated, supplemented, or otherwise modified from time to time).

“GIC I Supervision Agreement” means the GIC I Supervision Agreement dated as October 1, 2019 between Ideurban and the GIC I Trust; or any other supervision agreement in regard to the GIC I Hotel construction entered into by the GIC I Trust and any other reputable construction supervisor that may replace Ideurban from time to time.

“GIC I Trust” means the Management Trust Agreement No. CIB/3001 (*Contrato de Fideicomiso de Administración No. CIB/3001*), dated May 28, 2018 (as amended, supplemented and/or restated from time to time), entered into by CIBanco, solely in its capacity as trustee (*fiduciario*), CIBanco, solely in its capacity as trustee of the trust agreement identified under number CIB/3000, as settlor and beneficiary, Murano World, as settlor and beneficiary, Murano AT GV, S.A. de C.V., as manager, and ratified before Mr. Roberto Garzón Jiménez, Notary Public number 242 of Mexico City, by means of public deed number 86,714, dated May 31, 2018.

“GIC II Hotel” means the Grand Island Cancun II hotel located in Cancun, Quintana Roo (planned to be developed).

“GIC II Hotel Management Agreement” means the Hotel Operation and Administration Services Agreement, (i) dated as of August 23, 2021 (as amended, supplemented and/or restated from time to time), between AMR Operaciones MX, S. de R.L. de C.V. (Hyatt Inclusive Collection), as hotel manager, and Operadora GIC II, as client; or (ii) any other hotel management agreement in regard to the GIC II Hotel operation entered into by CIBanco, S.A., Institución de Banca Múltiple, as trustee (*fiduciario*) of the GIC II Trust, and any other reputable hotel operator that may replace Hyatt Inclusive Collection, from time to time.

“GIC II Trust” means the Management, Guarantee and Source of Payment Trust Agreement No. CIB/3288 (*Contrato de Fideicomiso de Administración, Garantía y Fuente de Pago No. CIB/3288*), dated June 3, 2019 (an amended and restated on December 27, 2023) entered into by CIBanco, solely in its capacity as trustee (*fiduciario*), CIBanco, trustee of the Trust Agreement CIB/3000, as settlor and second place beneficiary, Murano World, as settlor and second place beneficiary, and Finamo.

“GIC Private Unit 1” means the private unit number one, located in Boulevard Kukulcán, in the lot marked as Supermanzana A-2 “A,” second tourist stage, located in the Tourist Development of Cancun, Municipality of Benito Juarez, State of Quintana Roo, with a total surface area of: 47,727.69 m<sup>2</sup>.

“GIC Private Unit 2” means the private unit number two, located in Boulevard Kukulcán, in the lot marked as Supermanzana A-2 “A,” second tourist stage, located in the Tourist Development of Cancun, Municipality of Benito Juarez, State of Quintana Roo, with a total surface area of: 30,431.53 m<sup>2</sup>.

“GIC Private Unit 3” means the private unit number three, located in the Tourist Development of Cancun, Municipality of Benito Juarez, State of Quintana Roo, with a total surface area of: 79,974.10 m<sup>2</sup>.

“GIC Private Unit 4” means the private unit number four, located in Boulevard Kukulcán, in the lot marked as Supermanzana A-2 “A,” second tourist stage, located in the Tourist Development of Cancun, Municipality of Benito Juarez, State of Quintana Roo, with a total surface area of: 21,473.30 m<sup>2</sup>.

“GIC Private Unit 5” means the private unit number five, located Boulevard Kukulcán, in the lot marked as Supermanzana A-2 “A,” second tourist stage, located in the Tourist Development of Cancun, Municipality of Benito Juarez, State of Quintana Roo, with a total surface area of: 27,632.44 m<sup>2</sup>.

“GIC Retail Village” means the shopping center to be developed in GIC Private Unit 5 of the GIC Complex.

“GIC Spa” means the spa consisting of 30,431.50 m<sup>2</sup> of land with ocean view to be developed in GIC Private Unit 2 of the GIC Complex.

“GIC World Trade Center” means the convention center to be developed in GIC Private Unit 4 of the GIC Complex, using the name and license to use the WTCA.

“HCM Initial Shareholders” means shareholders in HCM Acquisition Corp prior to completion of the Business Combination.

“HCM Warrant Agreement” means a warrant agreement dated January 20, 2022 by and between HCM Acquisition Corp and Continental Stock Transfer & Trust Company, as warrant agent.

“Hotel Operators” means (i) Hyatt, with respect to the Andaz Hotel, (ii) Accor, with respect to the Mondrian Hotel, and (iii) Hyatt Inclusive Collection, with respect to the GIC I Hotel, or any other reputable firm in the hotel operation industry that enters into a hotel management agreement in connection with the Properties, from time to time.

“Hotels” means, collectively, the hotels developed and operated in the Insurgentes 421 Hotel Complex and the GIC Complex.

“Hyatt” means Hyatt Hotels Corporation, Hyatt of Mexico, S.A. de C.V. and any subsidiary and/or affiliate thereof.

“Hyatt Inclusive Collection” means AMR Operaciones MX, S. de R.L. de C.V.

“JCMA” means the International Capital Market Association.

“Ideurban” means Ideurban Tecnologías, S.A. de C.V.

“Inmobiliaria Insurgentes 421” means Inmobiliaria Insurgentes 421, S.A. de C.V.

“Insurgentes Lease Agreements” means, collectively, the OHI421 Lease Agreement and the OHI421 Premium Lease Agreement.

“Insurgentes Loan” means the loan agreement dated September 29, 2022 (as amended, supplemented and/or restated from time to time) entered by Inmobiliaria Insurgentes 421, as borrower, OHI421 and OHI421 Premium, as joint obligors, and Bancomext, as lender, in an aggregate amount of U.S.\$100,000,000 at an interest rate of term SOFR +3.50%, and maturing on October 7, 2037.

“Insurgentes Security Trust” means the Irrevocable Management, Guarantee and Source of Payment Trust Agreement No. CIB/3109 (*Contrato de Fideicomiso Irrevocable de Administración, Garantía y Fuente de Pago No. CIB/3109*), dated October 3, 2018 (as amended and restated on September 29, 2022), entered into by CIBanco, solely in its capacity as trustee (*fiduciario*), Bancomext, as first place beneficiary and Murano Management, Murano PV, OHI421, OHI421 Premium, and Inmobiliaria Insurgentes 421, as settlors and second place beneficiaries, as of June 25, 2021 (and as amended on May 11, 2022 and September 29, 2022).

“*Insurgentes 421 Hotel Complex*” means the 416 room and ancillary facilities consisting of the Andaz Hotel and the Mondrian Hotel in the property identified as “Conjunto Aristos” located at Avenida Insurgentes Sur No. 421, Colonia Hipódromo Condesa, Alcaldía Cuauhtémoc, postal code 06100, Mexico City.

“*Leases*” means the Andaz Lease Agreement, the Mondrian Lease Agreement and the GIC I Lease Agreement.

“*Lessee*” means OHI421, OHI421 Premium and Operadora GIC I under the Leases, respectively.

“*Lessors*” means Inmobiliaria Insurgentes 421 under the Insurgentes Lease Agreements and the GIC I Trust under the GIC I Lease Agreement, respectively.

“*Mondrian Hotel*” means the Mondrian Mexico City Condesa hotel located in the Insurgentes 421 Hotel Complex, operated by Accor under the “Mondrian” brand pursuant to the Mondrian Hotel Management Agreement.

“*Mondrian Hotel Management Agreement*” means the Hotel Management Agreement dated May 11, 2022, entered into by and between OHI421 Premium, as owner, and Ennismore, as manager, pursuant to which, among other matters, Ennismore (now Accor) agreed to manage the Mondrian Hotel with respect to the Insurgentes 421 Hotel Complex pursuant to the term and conditions set forth therein, as amended, supplemented and/or restated from time to time.

“*Murano Group*” and “*Group*” means Murano PV, S. A. de C. V.; Murano Management, S. A. de C. V.; Murano World, S. A. de C.V.; Inmobiliaria Insurgentes 421, S. A. de C. V.; Fideicomiso Murano 1000 CIB/3000; Operadora Hotelera GI, S. A. de C. V.; Fideicomiso Murano 2000 CIB/3001; Operadora Hotelera Grand Island II, S. A. de C. V.; Fideicomiso Murano 4000 CIB/3288; Fideicomiso Murano 6000 CIB/3109; Operadora Hotelera I421, S. A. de C. V.; Operadora Hotelera I421 Premium, S. A. de C. V.; Servicios Corporativos BVG, S. A. de C. V.; Edificaciones BVG, S. A. de C. V.

“*Murano Management*” means Murano Management, S.A. de C.V.

“*Murano Ordinary Shares*” means ordinary shares of Murano Global Investments PLC.

“*Murano PubCo*” means Murano Global Investments PLC.

“*Murano PV*” means Murano PV, S.A. de C.V.

“*Murano World*” means Murano World, S.A. de C.V.

“*Murano 4000 Trust*” means a Mexican Trust which owns the GIC Private Unit 3 asset in Cancun.

“*Naftm*” means Nacional Financiera, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo.

“*Nasdaq*” means the National Association of Securities Dealers Automated Quotations a public market trading platform based in New York.

“*Occupancy*” means the total number of hotel room nights sold divided by the total number of available hotel room nights, and is a measure of the utilization of a hotel’s available room capacity.

“*OHI421*” means Operadora Hotelera I421, S.A. de C.V.

“*OHI421 Lease Agreement*” means the lease agreement dated May 11, 2022, entered into by and between Inmobiliaria Insurgentes 421, as lessor, and OHI421, as lessee.

“*OHI421 Premium*” means Operadora Hotelera I421 Premium, S.A. de C.V.

“*OHI421 Premium Lease Agreement*” means the lease agreement dated May 11, 2022, entered into by and between Inmobiliaria Insurgentes 421, as lessor, and OHI421 Premium, as lessee.

“*Operadora GIC I*” means Operadora Hotelera G.I., S.A. de C.V.

“*Operadora GIC II*” means Operadora Hotelera Grand Island II, S.A. de C.V.

“*Resort Property in Baja Development Project*” means a proposed resort under evaluation in Ensenada expected to comprise 371 rooms on completion.

“*RevPAR*” means the product of ADR and the occupancy rate. RevPAR includes only revenue from room rentals and excludes revenues from food and beverage and other services that we can generate in our hotels such as telephone service, laundry, and valet parking, among others. We use RevPAR to assess the rate with respect to the total available rooms.

“*Sabadell*” means Banco Sabadell, S.A., Institución de Banca Múltiple.

“*Sabcapital*” means Sabcapital, S.A. de C.V., SOFOM, E.R.

“*Sofoplus*” means Sofoplus, S.A.P.I. de C.V., SOFOM, E.N.R.

“*Sofoplus Loan*” means the secured term loan between ES Agrupación and Elías Sacal Cababie as joint and several obligors and Sofoplus, as lender, in an aggregate amount of U.S.\$15,000,000 at a fixed interest rate of 15%, and maturing on June 24, 2025 (as amended, supplemented and/or restated from time to time).

“*WTCA*” means World Trade Centers Association which operates as WTCA as a global organization that stimulates trade and investment opportunities for real estate developers, economic development agencies and international businesses looking to connect and prosper locally and globally.



## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

On March 20, 2024, we completed the Business Combination described in more detail under “Item 4. Information on the Company—A. History and Development of the Company—Business Combination.” The following discussion should be read in conjunction with that description.

### Financial Information

This annual report includes the combined statements of financial position of Murano PV, S. A. de C. V.; Murano Management, S. A. de C. V.; Murano World, S. A. de C. V.; Inmobiliaria Insurgentes 421, S. A. de C. V.; Fideicomiso Murano 1000 CIB/3000; Operadora Hotelera GI, S. A. de C. V.; Fideicomiso Murano 2000 CIB/3001; Operadora Hotelera Grand Island II, S. A. de C. V.; Fideicomiso Murano 4000 CIB/3288; Fideicomiso Murano 6000 CIB/3109; Operadora Hotelera I421, S. A. de C. V.; Operadora Hotelera I421 Premium, S. A. de C. V.; Servicios Corporativos BVG, S. A. de C. V.; Edificaciones BVG, S. A. de C. V., (collectively, the “Murano Group”) as of December 31, 2023 and 2022, the related combined statements of profit or loss and other comprehensive income, change in net assets, and cash flows for the years ended December 31, 2023, and 2022 and 2021, prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the IASB (as defined below) (the “Murano Group Combined Financial Statements”)

The Murano Group Combined Financial Statements and other combined financial information of the Murano Group in this annual report, including in the section titled “Item 5. Operating and Financial Review and Prospects” included elsewhere in this annual report, should be read together and reflect the financial position and results of operations of Murano Group.

The standalone financial statements of Murano PubCo are not included in this annual report because it is a newly formed entity that arose from the Business Combination. As of December 31, 2023, Murano PubCo had no material assets, liabilities or results of operations and did not operate any business. See “Item 4. Information on the Company—A. History and Development of the Company—Business Combination” for additional details regarding the Business Combination.

Prospective investors are advised to consult their professional advisors for an understanding of: (i) the differences between IFRS and other systems of generally accepted accounting principles and how those differences might affect the financial information included in this annual report and (ii) the impact that future additions to, or amendments of, IFRS principles may have on the Murano Group’s results of operations and/or financial condition, as well as on the comparability of the prior periods.

The Business Combination was accounted for as a capital reorganization in accordance with IFRS 2 *Share-based payment*. Under this method of accounting, there is no acquisition accounting and no recognition of goodwill or intangible assets, as HCM does not meet the definition of a “business” pursuant to IFRS 3 *Business Combinations* given it consisted predominantly of cash in a trust account.

HCM is treated as the accounting “acquired” company for financial reporting purposes, and Murano PubCo is the accounting “acquirer”. This determination was primarily based on (i) Murano Group’s shareholders holding a majority of the voting power of Murano PubCo, (ii) Murano Group’s operations substantially comprising the ongoing operations of the combined company, (iii) Murano Group’s designees comprising a portion of the governing body of Murano PubCo, and (iv) Murano Group’s senior management comprising the senior management of Murano PubCo.

In accordance with IFRS 2, the difference in the fair value of the shares issued by Murano over the identifiable net assets of HCM at historical cost will be accounted for as share-based payment expense.

See “Item 4 - Information on the Company - A. History and Development of the Company—Business Combination” for additional details regarding the Business Combination.”

### Non-IFRS Measures

This annual report contains certain financial measures and ratios, including EBITDA and Adjusted EBITDA that are not required by, or presented in accordance with IFRS (the “Non-IFRS Measures”).

The Murano Group presents these Non-IFRS Measures because they are measures our management uses to assess financial and operating performance, and the Group believes that they and similar measures are widely used in our industry as a means of evaluating a company’s operating performance and financing structure, and because the Group believes they provide additional information on operating and financial performance. These measures may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS standards or other generally accepted accounting principles. The Non-IFRS Measures are not measurements of our performance or liquidity under IFRS and should not be considered as alternatives to operating profit or net profit from continuing operations or any other performance measures derived in accordance with IFRS or as alternatives to cash flow from operating, investing or financing activities. We believe the Non-IFRS Measures should always be considered along with the related IFRS financial measures. We have provided the reconciliations between the IFRS and Non-IFRS Measures below in the sections titled “Item 5. Operating and Financial Review and Prospects - Other Financial Data” in this annual report.

The Group defines these Non-IFRS Measures as follows:

“EBITDA” as a measure that reflects net profit for the period, excluding interest expense, income taxes, depreciation and amortization.

“Adjusted EBITDA” as EBITDA further adjusted to exclude transaction-related expenses derived from the Business Combination.

EBITDA and Adjusted EBITDA, including any corollary terms presented on an “as adjusted” basis, may be defined differently than the ones calculated or presented by other companies, limiting their usefulness as comparative measures. The Group presents EBITDA and Adjusted EBITDA because it is widely used by securities analysts, investors and other interested parties to evaluate the profitability of companies. Adjusted EBITDA eliminates potential differences in performance caused by variations in capital structures (affecting net finance costs), tax positions (such as the availability of expense) and the extent to which intangible assets are identifiable (affecting relative amortization expense). EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation. For example, some of the limitations of EBITDA and Adjusted EBITDA are:

- Not reflecting changes in, or cash requirements for, our working capital needs;
- Not reflecting our interest expense, or the cash requirements to service interest or principal payments on our indebtedness;
- Not reflecting our tax expense or the cash requirements to pay our taxes;
- Not reflecting historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- Not reflecting the effect on earnings or changes resulting from matters that we consider not to be indicative of our future operations;
- although depreciation is a non-cash charge, the assets being depreciated will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate EBITDA and Adjusted EBITDA differently, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as measures of cash that will be available to us to meet our obligations. You should compensate for these limitations by relying primarily on our IFRS results and by using these Non-IFRS Measures only to supplement your evaluation of our performance.

#### **Corrections of Immaterial errors of previously reported Murano Group Combined Financial Statements**

In connection with the preparation of Murano Group Combined Financial Statements, we identified an error in the presentation of cash flows related to capitalized interest in the Combined Statement of Cash Flows for the years ended December 31, 2022 and 2021, and an error related to the recognition of the deferred tax liability for taxable temporary differences arising from certain recognized financial derivative instruments for the years ended December 31, 2022 and 2021 and as of January 1, 2021. Management concluded that these are immaterial errors to its financial statements taken as a whole.

Management has evaluated and concluded to correct these immaterial errors in the Combined Statement of Cash Flows, the Combined Statement of Financial Position, the Combined Statement of Profit or Loss and Other Comprehensive Income, the Combined Statement of Change in Net Assets, and the related notes, in each case as applicable as of December 31, 2022, 2021 and January 1, 2021, and for the years ended December 31, 2022 and 2021.

For further information, see Note 19 to the Murano Group Combined Financial Statements.

#### **Rounding**

Certain numerical figures set out in this annual report, including financial information presented in millions or thousands and percentages describing market shares, have been subject to rounding adjustments and, as a result, the totals of the data in this annual report may vary slightly from the actual arithmetic totals of such information. Percentages and amounts reflecting changes over time periods relating to financial and other information set forth in “*Item 5 . Operating and Financial Review and Prospects*” are calculated using the rounded numerical data in the narrative description thereof.

## Key Performance Indicators

We have included other operating information in this annual report, some of which we refer to as “key performance indicators” or “KPIs” including RevPAR, ADR and Occupancy. We believe that it is useful to include this operating information as we use it for internal performance analysis, and the presentation by our business divisions of these measures facilitates comparability with other companies in our industry, although our measures may not be comparable with similar measurements presented by other companies. Such operating information should not be considered in isolation or construed as a substitute for measures prepared in accordance with IFRS. For a description of certain of our key performance indicators, see “Item 5 . Operating and Financial Review and Prospects.”

## Translation of Mexican Peso Amounts into U.S. Dollars

The financial and other information appearing in this annual report is presented in Mexican pesos. In this annual report, references to “pesos” or “Ps.\$” are to Mexican pesos and references to “U.S. dollars” or “U.S.\$” are to United States dollars. This annual report contains translations of certain peso amounts into U.S. dollars at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the peso amounts actually represent such U.S. dollar amounts or could be converted into U.S. dollars at the rate indicated or at all. The exchange rate we use for those convenience translations is not necessarily the same rate we used in preparing the Murano Group Combined Financial Statements. This may mean, for example, that U.S. dollar-denominated items in the Murano Group Combined Financial Statements (including expenses and liabilities) may have been translated into pesos using one exchange rate and reconverted to U.S. dollars using the convenience translation exchange rate. Unless otherwise indicated, U.S. dollar amounts that have been translated from pesos have been so translated at an exchange rate of Ps.\$16.8935 per U.S.\$1.00, the rate calculated by the Mexican Central Bank (*Banco de México*, or the “Central Bank”) as published on December 29, 2023 in the Mexican Official Gazette of the Federation (*Diario Oficial de la Federación*, the “Official Gazette”), based on the average of wholesale foreign exchange market quotes for transactions settling within two banking business days (the “Mexican Central Bank Exchange Rate”).

## Trademarks, Trade Names and Service Marks

We own or have rights to trademarks, trade names, and service marks that we use in connection with the operation of our business, including our names, logos, and website names and addresses. Other trademarks, trade names, and service marks appearing in this annual report, including those of Hyatt Hotels Corporation (“Hyatt”), AccorHotels, and Accor Corporation (“Accor”), are, to our knowledge, the property of their respective owners. We also own or have rights to copyrights that protect certain content related to our business and products. Solely for convenience, the trademarks, trade names, service marks and copyrights referred to in this annual report are listed without the TM, ® and © symbols, but we will assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, trade names and service marks. We do not intend our use or display of other parties’ trademarks, trade names, or service marks to imply, and such use or display should not be construed to imply a relationship with, or endorsement or sponsorship of us by, those other parties.

## Market and Industry Data

The market data and certain other statistical information included in this annual report are based on independent industry publications, government publications or other published independent sources. These sources generally state that the information they provide has been obtained from sources believed to be reliable, but that the accuracy and completeness of the information are not guaranteed. The forecasts and projections are based on industry surveys and the preparers’ experience in the industry, and there is no assurance that any of the projected amounts will be achieved. Some data is also based on our good faith estimates. While we are not aware of any misstatements regarding any such data, forecasts and information presented herein, you should carefully consider the inherent risks and uncertainties associated with the industry and market data included or incorporated by reference in this annual report.

## Measurement Data

The standard measure of area in the real estate market in Mexico is the square meter (“sqm” or “m<sup>2</sup>”), while in the United States the standard measure is the square foot (ft<sup>2</sup>). One square meter is equal to approximately 10.764 square feet (“ft<sup>2</sup>”).

## CAUTIONARY STATEMENT CONCERNING FORWARD LOOKING STATEMENTS

This annual report contains statements that constitute forward-looking statements. Examples of such forward-looking statements include, but are not limited to: (i) statements regarding our future financial position and results of operations strategy, plans, objectives, goals and targets and future developments in the markets in which we participate or are seeking to participate or anticipated regulatory changes in the markets in which we operate or intend to operate in; and (ii) statements of assumptions underlying such statements. Words such as “believes,” “anticipates,” “should,” “estimates,” “seeks,” “forecasts,” “expects,” “may,” “intends,” “plans,” “might,” “could,” “can,” “would,” “will,” “target,” “project,” “continue,” “aim,” “likely” and similar expressions are intended to identify forward-looking statements but are not exclusive means of identifying such statements.

Forward-looking statements are not guarantees of future performance. These statements are based in large part on current expectations and projections about future events and financial trends that affect or may affect our business, industry, financial condition, results of operations or prospects and/or cash flow. Although we believe that these estimates and forward-looking statements are based on reasonable assumptions, these estimates and statements are subject to several risks and uncertainties and are made in light of the information currently available to us. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution prospective investors that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed or implied in such forward-looking statements, including the following factors:

- the outcome of any legal proceedings that may be instituted against the Murano Group or HCM following the recent completion of the Business Combination and transactions contemplated thereby;
- the ability to maintain the listing of Murano PubCo Ordinary Shares on Nasdaq;
- the risk that the Business Combination disrupts current plans and operations of the Murano Group as a result of the consummation of the transactions described herein;
- our ability to recognize the anticipated benefits of the Business Combination, which may be affected by, among other things, competition and our ability to grow and manage growth profitably following the Business Combination;
- costs related to the Business Combination;
- changes in applicable laws or regulations, or the interpretation and enforcement of laws and regulations, including those related to zoning, social and environmental issues;
- the effects of any future pandemic on our business and properties under development;
- the risks that uncertainty and instability resulting from current global conflicts could adversely affect our business, financial condition and operations, in addition to global macroeconomic indications;
- the ability to implement business plans, forecasts, and other expectations and identify and realize additional opportunities;
- the risk of downturns and the possibility of rapid change in the highly competitive industry in which we operate;
- the risk that we and our current and future collaborators are unable to successfully develop and commercialize our properties, or experience significant delays in doing so;
- the risk that we may never achieve or sustain profitability;
- the risk that we will need to raise additional capital to execute our business plan, which may not be available on acceptable terms or at all;
- the risk that we experience difficulties in managing our growth, finding and developing new properties, and expanding operations;
- the risk that third-party suppliers, including management companies, are not able to fully and timely meet their obligations;
- the risk that we are unable to secure or protect our intellectual property;

- the possibility that we may be adversely affected by other economic, business, and/or competitive factors, and/or political conditions, specifically in Mexico;
- the possibility that our business may be, directly or indirectly, adversely affected by climate change effects, severe or extraordinary droughts or by other water scarcity scenarios which may derive in water restrictions, change the allocation of water rights or any such other administrative act to guarantee human rights; and
- other risks and uncertainties described herein, including those under the section entitled “Item 3. Key Information - D Risk Factors.”

You are cautioned that the foregoing list of significant factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this annual report may not in fact occur. Many of these risks are beyond our ability to control or predict. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained throughout this annual report.

Should one or more of these factors or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or intended.

You should read the sections in this annual report entitled “Item 3. Key Information D - Risk Factors,” and “Item 5 . Operating and Financial Review and Prospects” for a more complete discussion of the factors that could affect our future results and the markets in which we operate. In light of these risks, uncertainties and assumptions, the forward-looking events described in this annual report may not occur. Moreover, no assurances can be given that any of the historical information, data, trends or practices mentioned and described in this annual report are indicative of future results or events.

**ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not applicable.

**ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

Not applicable.

**ITEM 3. KEY INFORMATION**

**A. [Reserved]**

**B. Capitalization and Indebtedness**

Not applicable.

**C. Reasons for the Offer and Use of Proceeds**

Not applicable.

**D. Risk Factors**

*You should carefully consider the risk factors below and all other information contained in this annual report. The risks and uncertainties described below are not the only risks we face. Additional risks and uncertainties that we are unaware of, or that we currently deem immaterial, also may become important factors that affect us.*

*If any of the risks below occur, our business, financial condition, or operating results could be materially and adversely affected. In that case, the trading price of the shares could decline, and you could lose all or part of your investment, and our ability to make any dividend payments to you, if declared, could be affected, and you may lose some or all of your investment.*

*This annual report also contains forward-looking statements that regard situations that may involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this annual report. See "Cautionary Statement Concerning Forward Looking Statements" for more information regarding these forward-looking statements.*

**Risks Related to Murano's Business and Operating in the Hotel Industry**

***Our total current liabilities exceed the amount of the total current assets, which has placed significant doubt on our ability to continue as going concern.***

The Murano Group Combined Financial Statements as of December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021 were prepared assuming that it will continue as a going concern. However, management has identified material uncertainties that may cast significant doubt on the ability of certain companies included in the Murano Group Combined Financial Statements to continue as a going concern. As a result, certain of these companies may be unable to realize their assets and discharge their liabilities in the normal course of business.

The combined operations of the Murano Group are that of an early-stage and emerging growth company. Fideicomiso Murano 2000, Inmobiliaria Insurgentes 421 and Murano World (collectively the "Debt Holder Entities") have incurred significant debt primarily to fund operating expenses and finance the construction projects mentioned in note 1 (a). In addition, a covenant related to the debt held by Fideicomiso Murano 2000, which was in compliance as of December 31, 2023, was breached subsequent to year end. On March 19, 2024, a waiver for this covenant breach was obtained until May 1, 2024. The Debt Holder Entities represent 83.8% of Murano Group's total combined assets.

In addition, as of December 31, 2023, the companies comprising the remaining 16.2% of the total combined assets of the Murano Group have incurred recurring losses and negative operating cash flows since their inception. As of December 31, 2023, total current liabilities exceed the amount of the total current assets on the combined statement of financial position. Based upon Murano Group's current plans, management believes that financial resources to fund the operations of those entities as well as the Debt Holder Entities above for the twelve months subsequent to the authorization and issuance of these combined financial statements may be insufficient.

As a result of these conditions, substantial doubt exists about the ability of those entities as well as the Debt Holder Entities above, to continue as a going concern following twelve months after the financial statements are authorized to be issued.

Management continues evaluating strategies to obtain the required additional funding necessary for future operations, to comply with all covenants as required by the loan agreements, and to be able to discharge the outstanding debt and other liabilities as they become due. In assessing these strategies, management has considered the available cash resources, inflows from the hotels that are already in operation, and future financing options available to the Murano Group such as new or restructured loan agreements and the possible financial support of the major shareholder of the Murano Group. However, Murano Group may be unable to access further equity or debt financing when needed. As such, there can be no assurance that the Murano Group will be able to obtain additional liquidity when needed or under acceptable terms, if at all.

The Murano Group Combined Financial Statements do not include any adjustments that might be necessary should the Murano Group be unable to continue as a going concern. If the going concern basis were not appropriate for these financial statements, adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the combined statement of financial position classifications used.

***We have substantial debt that may be called on demand of lender due to breach in covenants that may happen in the future.***

In relation to the GIC I Loan, a covenant breach with respect to the funding of the debt service reserve account was waived by the lenders on December 29, 2023. A further waiver was received from the lenders on March 19, 2024 to fund the debt service reserve account at a later date.

In accordance with the Insurgentes Loan, we must maintain two debt service reserve accounts. As of December 31, 2023 one debt service reserve account was fully funded, while the other was not. On April 4, 2024, the borrower and joint obligors under the Insurgentes Loan obtained an event of default waiver from Bancomext, as lender, in connection with the funding obligations of the debt service reserve accounts. As a result of such waiver, on April 4, 2024 the parties thereto executed an amendment agreement to the Insurgentes Loan to provide for the new terms and conditions with respect to the funding obligations of the debt service reserve accounts. Therefore, as of this date such event of default under the Insurgentes Loan has been waived by the lender thereto. Also see, “ – The instruments governing our indebtedness contain cross-default provisions that may cause all of the debt issued under such instruments to become immediately due and payable as a result of a default under an unrelated debt instrument” for discussions of certain defaults that have been waived, and potential consequences, with respect to our debt.

***Subsequent phases to our existing projects and potential enhancements at our hotel properties will likely require us to raise additional capital.***

We will likely need to access the capital markets or otherwise obtain additional funds to complete subsequent phases of our existing projects, and to fund potential enhancements we may undertake at our facilities there, and elsewhere. We do not know when or if the capital markets will permit us to raise additional funds for such phases and enhancements in a timely manner, on acceptable terms, or at all. Inability to access the capital markets, or the availability of capital only on less-than-favorable terms, may force us to delay, reduce or cancel our subsequent phases and enhancement projects. Delay, reduction or cancellation of the subsequent phases of our projects could subject us to financial penalties, and the possibility of such penalties could require us to obtain additional financing on unfavorable terms.

***We may not be able to generate sufficient cash to service all our indebtedness and may be forced to take other actions to satisfy our obligations under such indebtedness, which may not be successful.***

Our ability to make scheduled payments on or refinance our debt obligations depends on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond our control. We may be unable to maintain a level of cash flows from operating activities sufficient to pay the principal, premium, if any, and interest on our indebtedness.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance our indebtedness. We may not be able to effect any such alternative measures, if necessary, on commercially reasonable terms or at all and, even if successful, those alternatives may not allow us to meet our scheduled debt service obligations.

Our inability to generate sufficient cash flows to satisfy our debt obligations, or to refinance our indebtedness on commercially reasonable terms or at all, would materially and adversely affect our financial position and results of operations.

If we cannot make scheduled payments on our debt, we will be in default and our creditors could declare outstanding principal and interest to be due and payable, causing a cross-acceleration or cross-default under certain of our debt agreements, and we could be forced into bankruptcy, liquidation or restructuring proceedings. All of these events could result in your losing your investment in our shares or your investment being impaired.

***The instruments governing our indebtedness contain cross-default provisions that may cause all of the debt issued under such instruments to become immediately due and payable as a result of a default under an unrelated debt instrument.***

Instruments governing our existing indebtedness contain, and the instruments governing indebtedness we may incur in the future may contain, certain affirmative and negative covenants and require us and our subsidiaries to meet certain financial ratios and tests. Our failure to comply with the obligations contained in these instruments could result in the event of default under the applicable instrument, which could then result in the related debt and the debt issued under other instruments becoming immediately due and payable. In such an event, we would need to raise funds from alternative sources, which may not be available to us on favorable terms, on a timely basis, or at all. Alternatively, such default could require us to sell our assets and otherwise curtail operations in order to pay our creditors. Also see, “ – We have substantial debt that may be called on demand of lender due to breach in covenants that may happen in the future” for discussion of certain defaults that have been waived, and potential consequences, with respect to our debt.”

***We will be dependent on the operation and business of our hotel properties for substantially all of our revenue. The failure of our hotel operators to fulfill their obligations under the management agreements may have an adverse effect on our business, financial condition, and results of operations.***

We will generate indirectly substantially all of our revenues from the hotel management agreements. Our performance depends on the performance of the hotel operators, as well as their ability to pay for certain items related to our properties, such as renovation and maintenance expenses related to furniture fixes and other equipment and operating supplies and equipment, insurance, marketing and promotional expenses and costs, among others. We cannot assure you that our properties will generate sufficient revenues, assets, and liquidity to satisfy these obligations or the payment obligations under the hotel management agreements.

We will rely solely on the income and cash flows from the investments made in the properties. Defaults by our hotel operators under the hotel management agreements could materially and adversely affect our business, financial condition, and results of operations.

***We will not control the operation of the properties. Our cash flows depend on the proper performance of our hotel operators, and if they fail to operate our properties efficiently, we could have a material adverse effect on our business, financial condition, and results of operations.***

We are not in a position to directly implement strategic business decisions regarding the day-to-day operation of our hotel properties, such as setting room rates, food and beverage prices, marketing activities, promotion, and other similar matters, and we will be dependent on our hotel operators to carry out the operation of our hotel properties. Although we have structured and will aim to structure our hotel management agreements so that we have significant visibility with respect to the operation of our hotel properties, and such agreements impose certain performance goals on the hotel operators, we cannot assure that the hotel operators will be able to successfully operate our hotel properties, and if they fail to do so, it could have a material adverse effect on our business, financial condition and results of operations.

***If the hotel operators consolidate through merger and/or acquisition transactions, we may experience undefined and unknown costs related to integrating processes and systems, which may adversely affect our hotel properties. If third-party online travel agencies consolidate through merger and/or acquisition transactions, this may lead to less negotiating power over contracts and/or higher costs of obtaining customers.***

The hotel operators consolidating with third parties through mergers and/or acquisitions could adversely affect our hotel properties due to the undefined and unknown costs associated with the integration of property-level point of sale and back-of-house computer systems and other technology-related processes, the training and other labor costs associated with the merging of labor forces, and the impact of reward point program consolidation. Additionally, the potential consolidation could impact our leveraging power in future management agreement negotiations. Consolidation of third-party online travel agencies (“OTAs”) could lead to less negotiating power that the hotel operators have in setting contract terms for pricing and commissions paid to OTAs. The consolidation of these distribution channels may reduce operating profits and/or higher costs of obtaining customers.

***Delays in receiving refunds of value added tax paid in connection with our acquisition and construction of hotels could have a material adverse effect on our cash flow and results of operations.***

We are required to pay value added tax (“VAT”) in connection with the acquisition and construction of our hotels pursuant to the Mexican Value Added Tax Law (*Ley del Impuesto al Valor Agregado*), which under certain circumstances will result in favorable balances. To the extent the applicable requirements are fulfilled, the competent tax authorities should refund to us such favorable balances within 40 business days following the filing of the request for refund with such authorities, in accordance with the provisions of Article 22 of the Mexican Federal Tax Code (*Código Fiscal de la Federación*). To the extent that we pay a substantial amount of VAT in connection with acquisitions and experience delays in receiving the corresponding refunds, our cash flow and results of operations could be materially and adversely affected.



***We may be subject to adverse legislative or regulatory tax changes that could affect our operations.***

At any time, the U.S. federal, state or local, Mexican federal or local, or other non-U.S. tax laws or regulations or the judicial or administrative interpretations of those laws or regulations or the policies of the taxing agency or authority may be changed. We cannot predict when or if any new U.S. federal, state or local, Mexican federal or local, or other non-U.S. tax law, regulation or judicial interpretation will be adopted, promulgated, or may become effective, and any such law, regulation or interpretation may take effect retroactively. In particular, the Mexican government has anticipated that a tax reform is to be presented to the Mexican Congress for discussion and thus could potentially be enacted in the near future. Any such change in, or any new, tax law, regulation or administrative or judicial interpretation could adversely affect us and holders of our shares. There is no assurance that such reform or any other reform will not be enacted in the future. In addition, there can be no assurance that new tax laws, regulations, and interpretations or changes in existing tax laws, regulations, and interpretations would not have a material adverse effect on our business, prospects, results of operations, and financial condition. The effects of such changes have not been, and cannot be, quantified.

***We and our hotel operators may be subject to audits by the tax authorities.***

Pursuant to Mexican tax provisions, we and our hotel operators (as any taxpayers) may be subject to the exercise of the powers of the tax authorities to verify their level of compliance with the applicable tax provisions. We cannot guarantee that such powers will not be exercised or, if applicable, that they will be favorably resolved. Therefore, in the event that the tax authorities determine that we or our hotel operators are not in compliance with tax obligations, such authorities could impose, collect and enforce tax assessments, fines and/or guarantees, which, if material, could adversely affect our financial condition and results of operations.

***We may not be able to deliver projects on time and within our estimated budget.***

The budget estimated for the construction and development of our projects under completion is based on construction costs incurred to date, architectural and design documents and is subject to change as the construction progresses and as contract packages are let into the marketplace. Major projects of the scope and scale undertaken by us are subject to significant development, construction and timing risks, including the following:

- changes to, or mistakes in, project plans and specifications, some of which may require the approval of state and local regulatory agencies;
- engineering problems, including defective plans and specifications;
- shortages of, and price increases in, energy, materials, and skilled and unskilled labor, and inflation in key supply markets;
- delays in delivery of materials or furniture, fixtures or equipment;
- changes to, or mistakes in budgeting;
- the financial health of our contractor and subcontractors;
- changes in laws and regulations, or the interpretation and enforcement of laws and regulations, applicable to real estate development or construction projects;
- the financial health of our contractor and subcontractors;
- changes in laws and regulations, or the interpretation and enforcement of laws and regulations, applicable to real estate development or construction projects;
- labor disputes or other work delays or stoppages, including needing to redo work;
- disputes with and defaults by contractors, subcontractors, consultants and suppliers;
- site conditions differing from those anticipated;
- environmental issues, including the discovery of unknown environmental contamination;
- health and safety incidents and site accidents;

- weather interferences or delays;
- fires and other natural or human-made disasters; and
- other unanticipated circumstances or cost increases.

***The development costs of our future projects are estimates only, actual development costs may be higher than expected and we may not have access to additional capital to fund our property development projects and/or otherwise fulfill our business strategy.***

Our plans and specifications for the development of our future projects are not complete and may be subject to change. At this time, they are also subject to approval by government authorities. Our current budget is based on our preliminary plans, which are subject to change. We currently expect the total development and construction costs of the projects to be on preliminary estimate in the order of U.S.\$620.0 million. While we believe that our overall budget for the construction costs for these properties is reasonable, a significant portion of these construction costs are only initial estimates, and the actual construction costs may be significantly higher than expected. We currently expect that existing cash resources together with borrowings under our existing financings, will not be sufficient to fund the currently foreseeable construction budget of our development projects and/or otherwise be sufficient to fulfill our business strategy. Therefore, we will likely need additional capital in the future. Our ability to obtain bank financing or to access the capital markets for future debt or equity offerings may be limited by our financial condition, results of operations or other factors, such as our credit rating or outlook at the time of any such financing or offering and the covenants in our existing debt agreements, as well as by general economic conditions and contingencies and uncertainties that are beyond our control. Therefore, we cannot assure you that we will be able to obtain additional capital and/or that we will be able to obtain bank financing or access the capital markets on commercially reasonable terms or at all.

***There are potential conflicts of interest in respect of the Insurgentes 421 Hotel Complex lease agreement and the GIC I Hotel lease agreement.***

Inmobiliaria Insurgentes 421, the lessor under the Insurgentes 421 Hotel Complex lease agreements is our affiliate. As a result, the Insurgentes 421 lease agreements were negotiated between related parties. Their terms, including consideration payable thereunder, may be less favorable to us than terms negotiated with unaffiliated and third-party lessees. Additionally, conflicts of interest may arise between Inmobiliaria Insurgentes 421 and us in many areas relating to our ongoing relationships. We cannot guarantee that any potential conflict of interest that could arise from transactions with Inmobiliaria Insurgentes 421 will be resolved advantageously for us.

In addition GIC I Trust, the lessor under the GIC I Hotel lease agreement, is our affiliate. As a result, the GIC I Hotel lease agreement was negotiated between related parties. Its terms, including consideration payable thereunder, may be less favorable to us than terms negotiated with unaffiliated and third-party lessees. Additionally, conflicts of interest may arise between GIC I Trust and us in many areas relating to our ongoing relationships. We cannot guarantee that any potential conflict of interest that could arise from transaction with GIC I Trust will be resolved advantageously for us.

***We execute transactions with related parties that third parties could deem not to be arms' length.***

In the ordinary course of our business, we execute various transactions with companies owned or controlled directly or indirectly by us and by our and affiliates. We have policies in place that we are required to follow to ensure that transactions with affiliates are entered into on terms that are at least as favorable to us as those that would be obtainable at the time for a comparable transaction or series of similar transactions in arm's-length dealings with an unrelated third person. In addition, we do undertake a transfer pricing analysis in accordance with Mexican tax regulations to help ensure that the price paid in any such transaction is fair to us and our affiliated counterparty. We intend to continue to enter into transactions with our subsidiaries and affiliates in the future in conformity with applicable laws. Entering into these types of transactions could cause conflicts of interest to arise. We cannot guarantee that any potential conflict of interest that could arise as a result of transactions with related parties will be resolved advantageously for us. In the event that such conflicts are resolved less advantageously for us, they could adversely affect our business, financial condition and results of operations.

***We are subject to risks associated with the concentration of our hotel portfolio in the Hyatt and Accor family of brands. Any deterioration in the quality or reputation of the Hyatt or Accor brands could have an adverse effect on our reputation, business, financial condition, or results of operations.***

Our properties currently utilize or are expected to utilize brands owned by Hyatt and Accor. As a result, our ability to attract and retain guests depends, in part, on the public recognition of these brands and their associated reputation. Changes in ownership or management practices, the occurrence of accidents or injuries, force majeure events, crime, individual guest notoriety or similar events at our hotels or other properties managed, owned, or leased by these brands can harm our reputation, create adverse publicity, subject us to legal claims and cause a loss of consumer confidence in our business. If the Hyatt or Accor brands become obsolete or consumers view them as unfashionable or lacking in consistency and quality, we may be unable to attract guests to our hotels, which could adversely affect our business, financial condition, or results of operations. In addition, any adverse developments in Hyatt's or Accor's business and affairs, reputation or financial condition could impair its ability to manage our properties and could have a material adverse effect on us.

***Contractual and other disagreements with or involving our current and future third-party hotel managers could make us liable to them or result in litigation costs or other expenses.***

Our management agreements require us and our managers to comply with operational and performance conditions that are subject to interpretation and could result in disagreements, and we expect this will be true of any management agreements that we enter into with future third-party hotel managers or operators. We cannot predict the outcome of any arbitration or litigation related to such agreements, the effect of any negative judgment against us or the amount of any settlement that we may enter into with any third-party. In the event we terminate a management agreement early and the hotel manager considers such termination to have been wrongful, they may seek damages. Additionally, we may be required to indemnify our third-party hotel managers and affiliates against disputes with third parties pursuant to our management agreements. An adverse result in any of these proceedings could materially and adversely affect our revenues and profitability.

***We are dependent on the performance of our managers and could be materially and adversely affected if our managers do not properly manage our hotels or otherwise act in our best interests or if we are unable to maintain a good relationship with our third-party hotel managers.***

Our Insurgentes 421 Hotel Complex in Mexico City is managed by Hyatt and Accor pursuant to separate hotel management agreements that expire on December 31, 2043. Once the development of the GIC Complex in Cancun is completed, it is expected to be managed by Hyatt pursuant to management agreements that will expire on December 31, 2038. We could be materially and adversely affected if any third-party hotel manager fails to provide quality services and amenities, fails to maintain a quality brand name or otherwise fails to manage our hotels in our best interest, and could be held financially responsible for the actions and inactions of our third-party hotel managers pursuant to our management agreements. In addition, our third-party hotel managers manage, and in some cases may own or lease, or may have invested in or may have provided credit support or operating guarantees to hotels that compete with our hotels, any of which could result in conflicts of interest. As a result, third-party managers may make decisions regarding competing lodging facilities that are not in our best interests.

The success of our properties largely depends on our ability to establish and maintain good relationships with third-party hotel managers. If we are unable to maintain good relationships with our third-party hotel managers, we may be unable to renew existing management agreements or expand relationships with them. Additionally, opportunities for developing new relationships with additional third-party managers may be adversely affected. This, in turn, could have an adverse effect on our results of operations and our ability to execute our growth strategy. In the event that we terminate any of our management agreements, we can provide no assurances that we could find a replacement hotel manager or that any replacement hotel manager will be successful in operating our hotels. If any of the foregoing were to occur, it could materially and adversely affect us.

***Cyber threats and the risk of data breaches or disruptions of our hotel managers' or our own information technology systems could materially adversely affect our business.***

Our hotel managers are dependent on information technology networks and systems, including the internet, to access, process, transmit and store proprietary and customer information, including personally identifiable information of hotel guests, including credit card numbers.

These information networks and systems can be vulnerable to threats such as system, network, or internet failures; computer hacking or business disruption, including through network- and email-based attacks as well as social engineering; cyber-terrorism; cyber extortion; viruses, worms or other malicious software programs; and employee error, negligence or fraud. The risk of a security breach or disruption, particularly through cyber-attack or cyber intrusion, including by computer hackers, nation-state affiliated actors and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. We rely on our hotel managers to protect proprietary and customer information from these threats. Any compromise of our own network or hotel managers' networks could result in a disruption to our booking or sales systems or other operations, in increased costs (e.g., related to response, investigation, and notification) or in potential litigation and liability. In addition, public disclosure or loss of customer or proprietary information could result in damage to the hotel manager's reputation, a loss of confidence among hotel guests, reputational harm for our hotels, potential litigation and increased regulatory oversight, including governmental investigations, enforcement actions, and regulatory fines, any of which may have a material adverse effect on our business, financial condition, and results of operations. In the conduct of our business, we rely on relationships with third parties, including cloud data storage and other information technology service providers, suppliers, distributors, contractors, and other external business partners, for certain functions or for services in support of key portions of our operations. These third-party entities are subject to similar risks as we are relating to cybersecurity, privacy violations, business interruption, and systems and employee failures and an attack against such third-party service provider or partner could have a material adverse effect on our business.

In addition to the information technologies and systems our hotel managers use to operate our hotels, we have our own corporate technologies and systems that are used to access, store, transmit, and manage or support a variety of business processes and employee personally identifiable information. We may be required to expend significant attention and financial resources to protect these technologies and systems against physical or cybersecurity incidents and even then, our security measures may subsequently be deemed to have been inadequate by regulators or courts given the lack of prescriptive measures in data security and cybersecurity laws. There can be no assurance that the security measures we have taken to protect the contents of these systems will prevent failures, inadequacies, or interruptions in system services or that system security will not be compromised through system or user error, physical or electronic break-ins, computer viruses, or attacks by hackers. Any such compromise could have a material adverse effect on our business, our financial reporting and compliance, and could subject us to or result in liability claims, litigation, monetary losses or regulatory oversight, investigations or penalties which could be significant. In addition, the cost and operational consequences of responding to cybersecurity incidents and implementing remediation measures could be significant.

Like many corporations, our information networks and systems are a target of attacks. In addition, third-party providers of data hosting or cloud services may experience cybersecurity incidents that may involve data we share with them. Although the incidents that we have experienced to date have not had a material effect on our business, financial condition or results of operations, such incidents could have a material adverse effect on us in the future.

While we are in the process of obtaining cybersecurity insurance, there are no assurances that the coverage would be adequate in relation to any incurred losses. Moreover, as cyberattacks increase in frequency and magnitude, we may be unable to obtain cybersecurity insurance in amounts and on terms we view as adequate for our operations.

In addition, increased regulation of data collection, use and retention practices, including self-regulation and industry standards, changes in existing laws and regulations, enactment of new laws and regulations, increased enforcement activity, and changes in interpretation of laws, could increase our cost of compliance and operation, limit our ability to grow our business or otherwise harm us.

***Costs associated with, or failure to maintain, brand operating standards may materially and adversely affect our results of operations and profitability.***

The terms of our management agreements generally require us to meet specified operating standards and other terms and conditions, and compliance with such standards may be costly. Failure by us, or any hotel management company that we engage, to maintain these standards or other terms and conditions could result in a franchise license being cancelled or the franchisor requiring us to undertake a costly property improvement program. If an agreement is terminated due to our failure to make required improvements or to otherwise comply with its terms, we also may be liable to the counterparty for a termination payment, which could materially and adversely affect our results of operations and profitability.

If we were to lose a brand license, the underlying value of a particular hotel could decline significantly (including from the loss of brand name recognition, marketing support, guest loyalty programs, brand manager or franchisor central reservation systems or other systems), which could require us to recognize an impairment on the hotel. Furthermore, the loss of a franchise license at a particular hotel could harm our relationship with the franchisor or brand manager and cause us to incur significant costs to obtain a new franchise license or brand management agreement for the particular hotel. Accordingly, if we lose one or more franchise licenses or brand management agreements, it could materially and adversely affect our results of operations and profitability as well as limit or slow our future growth.

***Our efforts to develop, redevelop or renovate our properties, in connection with our active asset management strategy, could be delayed or become more expensive, which could reduce revenues or impair our ability to compete effectively.***

If not maintained, the condition of certain of our properties could negatively affect our ability to attract guests or result in higher operating and capital costs. These factors could reduce revenues or profits from these properties. There can be no assurance that our planned replacements and repairs will occur, or even if completed, will result in improved performance. In addition, these efforts are subject to a number of risks, including the following: construction delays or cost overruns; delays in obtaining, or failure to obtain, zoning, occupancy and other required permits or authorizations; government restrictions on the size or kind of development; changes in economic conditions that may result in weakened or lack of demand for improvements that we make or negative project returns; and lack of availability of rooms or meeting spaces for revenue-generating activities during construction, modernization or renovation projects. If our properties are not updated to meet guest preferences or brand standards under our management and franchise agreements, if properties under development or renovation are delayed in opening as scheduled, or if renovation investments adversely affect or fail to improve performance, our operations and financial results could be negatively affected.

***Our properties are geographically concentrated in Mexico City, Cancun and Ensenada and, accordingly, we could be disproportionately harmed by adverse changes to these markets, natural disasters, climate change and related regulations.***

Our existing and projected entire room count is concentrated in Mexico City and Cancun. This concentration exposes us to greater risk to local economic or business conditions, changes in hotel supply in these markets, and other conditions than more geographically diversified hotel companies. An economic downturn, an increase in hotel supply, a force majeure event, a natural disaster, changing weather patterns and other physical effects of climate change (including supply chain disruptions), a terrorist attack or similar event in any one of these markets likely would cause a decline in the hotel market and adversely affect occupancy rates, the financial performance of our hotels in these markets and our overall results of operations, which could be material, and could significantly increase our costs.

Over time, our hotel properties located in coastal markets, and other areas that may be impacted by climate change are expected to experience increases in storm intensity and rising sea-levels causing damage to our hotel properties, while hotels in other markets may experience prolonged variations in temperature or precipitation that may limit access to the water needed to operate our hotel properties, increasing operating costs at our hotels, such as the cost of water or energy, and requiring us to expend funds as we seek to repair and protect our hotels against such risks. The effects of climate change may also affect our business by increasing the cost of (or making unavailable) property insurance on terms we find acceptable in areas most vulnerable to such events. There can be no assurance that climate change will not have a material adverse effect on our hotels, operations, or business.

***If the insurance that we carry does not sufficiently cover damage or other potential losses or liabilities involving our properties, including as a result of terrorism and climate change, our profits could be reduced.***

Because certain types of losses are uncertain, including natural disaster, the effects of climate change or other catastrophic losses, they may be uninsurable or prohibitively expensive. There are also other risks that may fall outside the general coverage terms and limits of our policies. Market forces beyond our control could limit the scope of the insurance coverage that we can obtain or may otherwise restrict our ability to buy insurance coverage at reasonable rates. In the event of a substantial loss, the insurance coverage that we carry may not be sufficient to pay the full value of our financial obligations, our liabilities or the replacement cost of any lost investment or property. Furthermore, certain of our properties may qualify as legally permissible nonconforming uses and improvements, including certain of our iconic and most profitable properties, and we may not be permitted to rebuild such properties as they exist now or at all, regardless of insurance proceeds, if such properties are destroyed. Any loss of this nature, whether insured or not, could materially adversely affect our results of operations and prospects.

***We are subject to risks associated with the employment of hotel personnel, particularly with hotels that employ unionized labor, which could increase our operating costs, reduce the flexibility of our hotel managers to adjust the size of the workforce at our hotels and could materially and adversely affect our revenues and profitability.***

While our hotel managers are and will be primarily responsible for hiring and maintaining the labor force at our hotels, we are subject to the costs and risks generally associated with the hotel labor force, and increased labor costs due to factors like labor shortages and resulting increases in wages, additional taxes, or requirements to incur additional employee benefits costs may adversely impact our operating costs. Labor costs, including wages, can be particularly challenging at those of our hotels with unionized labor, and additional hotels may be subject to new collective bargaining agreements in the future.

From time to time, strikes, lockouts, public demonstrations or other negative actions and publicity may disrupt hotel operations at any of our properties, negatively impact our reputation or the reputation of our brands, or harm relationships with the labor forces at our properties in operation or under development. We also may incur increased legal costs and indirect labor costs as a result of contract disputes or other events. The resolution of labor disputes or new or re-negotiated labor contracts could lead to increased labor costs, either by increases in wages or benefits or by changes in work rules that raise hotel operating costs. Furthermore, labor agreements may limit the ability of our hotel managers to reduce the size of hotel workforces during an economic downturn because collective bargaining agreements are negotiated between the hotel managers and labor unions. As we do not directly employ the employees at our hotels, we do not have the ability to control the outcome of these negotiations.

***Terrorist acts, armed conflict, civil unrest, criminal activity, and threats thereof, and other events impacting the security of travel or of our contractors or the perception of security of travel or that of our contractors could adversely affect the demand for travel generally and demand for vacation packages at our hotels or the timely development of our hotels.***

Past acts of terrorism and violent crime have had an adverse effect on tourism, travel and the availability of air service and other forms of transportation. The threat or possibility of future terrorist acts, an outbreak, escalation and/or continuation of hostilities or armed conflict abroad, such as the war between Russia and Ukraine and the Israel-Palestine conflict, criminal violence, civil unrest, or the possibility thereof, the issuance of travel advisories by sovereign governments, and other geopolitical uncertainties have had and may have an adverse impact on the demand for vacation packages and consequently the pricing for vacation packages. Decreases in demand and reduced pricing in response to such decreased demand would adversely affect our business by reducing our profitability.

All the properties in our portfolio are located in Mexico, and Mexico has experienced criminal violence for years, primarily due to the activities of drug cartels and related organized crime. There have occasionally been instances of criminal violence near our properties, including our properties under development in Cancun and Ensenada. Criminal activities and the possible escalation of violence or other safety concerns, including food and beverage safety concerns, associated with them in regions where our resorts are located, or an increase in the perception among our prospective guests of an escalation of such violence or safety concerns, could instill and perpetuate fear among prospective guests and may lead to a loss in business at our properties in Mexico because these guests may choose to vacation elsewhere or not at all. In addition, increases in violence, crime or civil unrest or other safety concerns in any other location where we may own a resort in the future may also lead to decreased demand for our resorts and negatively affect our business, financial condition, liquidity, results of operations and prospects.

***There is increased competition from global hospitality branded companies in the all-inclusive market segment.***

As demand for all-inclusive stays has increased, we have seen U.S. and European global hospitality branded companies enter the all-inclusive market segment. Increased competition from global branded hospitality companies may result in reduced market share and lower returns on investment for us as the increasing interest of global hospitality brands in the all-inclusive segment attracts more institutional capital to our target markets, increasing competition for the acquisition of hospitality assets. The entrance by global branded hospitality companies into the all-inclusive market segment may impact our ability to secure third-party management agreements as global hospitality branded companies are able to offer management agreements bundled with their branding services and a lower fee structure, resulting in increased competition for the management of all-inclusive resorts.

***We have significant exposure to currency exchange rate risk.***

Revenue from hotel operations is primarily received in U.S. dollars and the majority of our operating expenses are incurred locally at our properties and are denominated in Mexican Pesos. Our outstanding debt borrowings are payable largely in U.S. dollars and our functional reporting currency is Mexican Pesos. An increase in the relative value of the Mexican Peso, in which we incur most of our costs, relative to the U.S. dollar, in which our revenue from operations is primarily denominated, would adversely affect our results of operations. Our current policy is not to hedge against changes in foreign exchange rates and we therefore may be adversely affected by appreciation in the value of the Mexican Peso against the U.S. dollar, or to prolonged periods of exchange rate volatility. These fluctuations may negatively impact our financial condition, liquidity, and results of operations to the extent we are unable to adjust our pricing accordingly.

Furthermore, appreciation of the Mexican Peso relative to the U.S. dollar could make fulfillment of our U.S. dollar denominated obligations more challenging and could have a material adverse effect on us, including our business, financial condition, liquidity, results of operations and prospects.

***Our projects, and any future acquisition, expansion, repositioning, and rebranding projects will be subject to timing, budgeting, and other risks, which could have a material adverse effect on us.***

We may develop, acquire, expand, reposition, or rebrand resorts (such as the GIC Complex, the Resort Property in Baja Development Project and the Baja Park Development Project we are currently developing or expect to begin developing) from time to time as suitable opportunities arise, taking into consideration general economic conditions. To the extent that we determine to develop, acquire, expand, reposition, or rebrand resorts, we could be subject to risks associated with, among others:

- construction delays or cost overruns that may increase project costs;
- receipt of zoning, occupancy and other required governmental permits and authorizations;
- strikes or other labor issues;
- development costs incurred for projects that are not pursued to completion;
- investment of substantial capital without, in the case of developed or repositioned resorts, immediate corresponding income;
- results that may not achieve our desired revenue or profit goals;
- acts of nature such as earthquakes, hurricanes, floods or fires that could adversely impact a resort;

- ability to raise capital, including construction or acquisition financing; and
- governmental restrictions on the nature or size of a project.

We have seen certain construction timelines lengthen due to competition for skilled construction labor, disruption in the supply chain for materials, especially as a result of COVID-19, and these circumstances could replicate or worsen in the future. As a result of the foregoing, we cannot assure you that any development, acquisition, expansion, repositioning and/or rebranding project, including the development of the GIC Complex, the Resort Property in Baja Development Project and the Baja Park Development Project, will be completed on time or within budget or if the ultimate rates of investment return are below the returns forecasted at the time the relevant project was commenced. If we are unable to complete a project on time or within budget, the resort's projected operating results may be adversely affected, which could have a material adverse effect on us, including our business, financial condition, liquidity, results of operations and prospects.

***Given the beachfront locations of the GIC Complex, we are particularly vulnerable to extreme weather events, such as hurricanes, which may increase in frequency and severity as a result of climate change and adversely affect our business.***

We have been and may continue to be adversely impacted by the consequences of climate change, such as increases in the frequency, duration and severity of extreme weather events and changes in precipitation and temperature, which have resulted and may continue to result in physical damage or a decrease in demand for our properties, all of which are located in coastal beachfront locations that are vulnerable to significant property damage from hurricanes, tropical storms and flooding. Although we believe we have adequate insurance, there is no assurance that, given the increasing burdens on insurance companies from extreme weather events, we will be able to continue to obtain adequate insurance against these types of losses, or that our insurers will in the future be in a position to satisfy our claims. In addition, the costs of insurance against these types of events have increased in recent years.

In addition, changes in applicable legislation and regulation on climate change could result in increased capital expenditures, such as a result of changes in building codes or requirements to improve the energy efficiency of the properties. In addition, the ongoing transition to non-carbon-based energy presents certain risks for us and our target customers, including macroeconomic risks related to high energy costs and energy shortages, among other things. Furthermore, legislative, regulatory, or other efforts to combat climate change or other environmental concerns could result in future increases in taxes, restrictions on or increases in the costs of supplies, transportation, and utilities, any of which could increase our operating costs, and necessitate future investments in facilities and equipment.

Climate change also presents additional risks beyond our control which can adversely impact demand for hospitality products and services, our operations, and our financial results. For example, GIC Complex properties are located at or around sea level and are therefore vulnerable to rising sea levels and erosion. Climate change-related impacts may also result in a scarcity of resources, such as water and energy, at some or all of the regions in which our results are located. Furthermore, increasing awareness around sustainability, the impact of air travel on climate change and the impact of over-tourism may contribute to a reduction in demand from certain guests visiting our resorts.

We also face investor-related climate risks. Investors are increasingly taking into account environmental, social, and governance factors, including climate risks, in determining whether to invest in companies. Our exposure to the risks of climate change may adversely impact investor interest in our securities. These risks also include the increased pressure to make commitments, set targets, or establish goals to take actions to meet them, which could expose us to market, operational, execution and reputational costs or risks.

***Consequences of climate change, such as the appearance of large masses of sargassum seaweed in the Yucatán Peninsula and beach erosion effects, could result in decreased tourism appetite in Cancun, which could have a material adverse effect on our business.***

Cancun has been exposed to elevated sea levels. Rising sea level in the Caribbean creates, among others, beach erosion, storm surges of hurricanes, and large masses of sargassum seaweed. The impact of hurricanes, such as Hurricane Wilma in 2005, can cause the sand in the beaches to be washed away. As sea level rises, storm surges from hurricanes will be higher. Since 2009, Mexico launched a project to restore seven miles of beach and is expected to continue.

In recent years, the quantity of sargassum seaweed that has washed up onshore in various geographies in Mexico has increased. If not removed promptly, the sargassum seaweed can overrun the beach, making it difficult to access the water and it generates a foul odor if allowed to rot on the beach. In recent years, the heightened level of sargassum seaweed has led to negative media coverage and increased awareness of the potential problem.

Since 2011, tourism to Mexico's Yucatán Peninsula has been heavily impacted by large masses of sargassum seaweed washing up on the beaches, with the largest seaweed event occurring in 2019. Seaweed deters beach tourism, potentially shifting tourism inland towards many types of recreational activities, such as theme parks, cenotes (sinkholes), cultural tours and restaurants, or to beach destinations in other regions or countries. Since the first massive seaweed arrivals in Mexico in 2011, there have been a number of initiatives to investigate the impacts and management of sargassum in the region. In 2019, a government's sargassum containment strategy headed by the Ministry of Navy was established. The existence of large masses of sargassum seaweed in the Yucatán Peninsula could materially and adversely affect our operating results.

Although the GIC Complex is located on the Nichupté Lagoon and not on the beach, a decrease in the attractiveness of the overall Cancun area as a tourist destination as a result of the above could have a material adverse effect on our business.

***We cannot predict the impact that changing climate conditions, as well as legal, regulatory, and social responses thereto, may have on our business.***

Various scientists, environmentalists, international organizations, regulators, and other commentators believe that global climate change has added, and will continue to add, to the unpredictability, frequency, and severity of natural disasters (including, but not limited to, hurricanes, tornadoes, freezes, other storms, and fires) in certain parts of the world. A number of legal and regulatory measures as well as social initiatives have been introduced in an effort to reduce greenhouse gases and other carbon emissions, which some believe may be chief contributors to global climate change. We cannot predict the impact that changing climate conditions, if any, will have on our results of operations or our financial condition. Moreover, we cannot predict how legal, regulatory, and social responses to concerns about global climate change will impact our business.

Furthermore, we anticipate that pending regulations under the General Law on Climate Change (*Ley General de Cambio Climático*) in Mexico, which are expected to impose an internal system to limit emissions and introduce tradable permits and other measures to achieve its goal of greenhouse gas reduction, may affect our operations and/or result in environmental liability.

***Our hotels will require ongoing and often costly maintenance, renovations, and capital improvements.***

Our hotels will have an ongoing need for maintenance, renovations, and other capital improvements, including replacements, from time to time, of furniture, fixtures, and equipment. In addition, Hyatt and other internationally recognized hotel brands may require periodic capital improvements by us as a condition of maintaining the use of their brands. We may need to finance the cost of maintenance, renovations and/or capital improvements and we may not have access to financings on reasonable terms or at all. In addition to liquidity risks, these capital improvements may result in declines in revenues while rooms are out of service due to capital improvement projects or other risks. The costs of these capital improvements or any of the above noted factors could have a material adverse effect on us, including our financial condition, liquidity, and results of operations.

***Our business is susceptible to reductions in discretionary consumer and corporate spending due to global economic conditions.***

Consumer demand for resorts, trade shows, and conventions and the type of luxury amenities that we offer are particularly sensitive to changes in the global economy, which adversely impact discretionary spending on leisure activities. Changes in discretionary consumer spending or consumer preferences brought about by factors such as perceived or actual general global economic conditions, high unemployment, weakness in housing or oil markets, perceived or actual changes in disposable consumer income and wealth, an economic recession, and changes in consumer confidence in the global economy, or fears of war and future acts of terrorism and mass violence have in the past and could in the future reduce customer demand for the type of luxury amenities and leisure activities we expect to offer, which could impose downward pressure on pricing and, in turn, have a significant negative impact on our future operating results. Our success depends in part on our hotel operators' ability to anticipate consumers' preferences and react to those trends, and any failure to do so may negatively impact our operating results.

***The seasonality of the lodging industry could have a material adverse effect on us.***

The lodging industry is seasonal in nature, which can be expected to cause quarterly fluctuations in our revenues. The seasonality of the lodging industry and the location of our hotels in Mexico will generally result in the greatest demand for our resorts between mid-December and April of each year, yielding higher occupancy levels and package rates during this period. This seasonality in demand is expected to result in predictable fluctuations in revenue, results of operations and liquidity, which are expected to be higher during the first quarter of each year than in successive quarters. We can provide no assurances that these seasonal fluctuations will, in the future, be consistent with the historical experience in the sector or whether any shortfalls that occur as a result of these fluctuations will not have a material adverse effect on us.



***The cyclical nature of the lodging industry may cause fluctuations in our operating performance, which could have a material adverse effect on us.***

The lodging industry is highly cyclical in nature. Fluctuations in operating performance are caused largely by general economic and local market conditions, which subsequently affect levels of business and leisure travel. In addition to general economic conditions, new hotel and resort room supply is an important factor that can affect the lodging industry's performance, and over-building has the potential to further exacerbate the negative impact of an economic recession. Room rates and occupancy levels tend to increase when demand growth exceeds supply growth. A decline in lodging demand, or increase in lodging supply, could result in returns that are substantially below expectations, or result in losses, which could have a material adverse effect on us, including our business, financial condition, liquidity, results of operations and prospects. Further, the costs of running a hotel tend to be more fixed than variable. As a result, in an environment of declining revenue, the rate of decline in earnings is likely to be higher than the rate of decline in revenue.

***The increasing use of internet travel intermediaries by consumers could have a material adverse effect on us.***

Some of our vacation packages are expected to be booked through Internet travel intermediaries, including, but not limited to, Travelocity.com, Expedia.com and Priceline.com. As these Internet bookings increase, these intermediaries may be able to obtain higher commissions, reduced room rates or other significant contract concessions from us. If consumers develop loyalty to Internet reservations systems rather than to our booking system or the brands under which we operate, the value of our hotels could deteriorate and we could be materially and adversely affected, including our financial results.

***If the hotel operators are unable to recruit, train and retain qualified management and employees, our business could be significantly harmed.***

In order to operate our hotels effectively, the operators will need to recruit numerous executives, managers, and employees with hospitality industry experience. We cannot assure you that a sufficient number of qualified employees will be available to meet the hotel operators' labor needs, particularly given the intense competition for skilled employees in the Mexico City and Cancun markets.

We cannot assure you that our hotel operators will find suitable and qualified candidates for all the positions required to fill before the opening of our hotels. We also cannot assure you that, once hired, the hotel operators will retain their employees or find suitable and qualified replacements for those employees whose employment terminates. If a hotel operator is unable to attract, hire and retain an adequate number of suitable and qualified employees, our business may be significantly impaired.

***Our hotels may contain or develop harmful mold or suffer from other indoor air quality issues, which could lead to liability for adverse health effects or property damage, or cost for remediation and may adversely impact our financial condition and results of operations.***

When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources, and other biological contaminants such as pollen, viruses, and bacteria. Indoor exposure to airborne toxins or irritants can be alleged to cause a variety of adverse health effects and symptoms, including allergies or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of our hotels could require us to undertake a costly remediation program to contain or remove the mold or other airborne contaminants or to increase ventilation and could expose us to liability from third parties if a personal injury occurs.

***The departure of any key personnel with significant experience and relationships in the lodging industry from any of our hotels could materially and adversely impede or impair our ability to compete effectively and limit future growth prospects.***

We depend on the experience and relationships of the senior management team of our hotel operators to manage the day-to-day operations of the hotels. The hotel operators' senior management team has an extensive network of lodging industry contacts and relationships. We can provide no assurances that any of the key personnel of the hotel operators will continue working with the hotel operators. The departure of any of our key personnel of the hotel operator who has significant experience and relationships in the lodging industry could materially and adversely impede or impair our ability to compete effectively and limit future growth prospects.

***From time to time, we and/or our affiliates may be involved in legal and other proceedings which may have an adverse effect on our properties and operations and/or a negative impact on our reputation.***

From time to time, we and/or our affiliates may be involved in disputes with various parties related to the financing, construction, and operation of the properties, including contractual disputes with contractors, suppliers, and construction workers or property damage or personal liability claims. Regardless of the outcome, these disputes may lead to legal or other proceedings and may result in substantial costs, delays in our development schedule, and the diversion of resources and management's attention. We intend to carry insurance to cover most business risks, but there can be no assurance that the insurance coverage we have will cover all claims that may be asserted against us. Should any ultimate judgments or settlements not be covered by insurance or exceed our insurance coverage, such uncovered losses could increase our costs and thereby lower our profitability. There can also be no assurance that we will be able to obtain the appropriate and sufficient types and levels of insurance once the properties are operating. Our affiliates have in the past been involved in legal and other proceedings and may be involved in other proceedings in the future. Regardless of insurance coverage, if any legal or other proceedings in which we and/or our affiliates may be involved are finally resolved against us and/or our affiliates interest, any such resolution may have a material adverse effect on our properties and operations and/or may negatively impact our reputation.

***We and our hotel operators are subject to the risk of increased lodging operating expenses.***

Together with the hotel operators, we are subject to the risk of increased lodging operating expenses, including, but not limited to, the following cost elements:

- wage and benefit costs;
- repair and maintenance expenses;
- employee liabilities;
- energy costs;
- property and other taxes;
- insurance costs; and
- other operating expenses.

***We face competition in the lodging industry in Mexico, which may limit our profitability and return to our shareholders.***

The lodging industry in Mexico is highly competitive. This competition could reduce occupancy levels and rental revenues at our properties, which would adversely affect our operations. We face competition from many sources. We face competition from other lodging facilities both in the immediate vicinity of our properties and the geographic markets in which the properties will be located. In addition, increases in operating costs due to inflation may not be offset by increased room rates. We also face competition from recognized lodging brands with which we are not associated.

We also face competition from online marketplaces focused on customer-to-customer virtual platforms, like Airbnb, which enables people to lease or rent short-term lodging, including vacation rentals, apartment rentals, homestays, hostel beds, or hotel rooms to its customers.

Some of our competitors may have substantially greater marketing and financial resources than us. If our hotel management companies are unable to compete successfully or if our competitors' marketing strategies are effective, our business, financial condition and results of operations may be adversely affected.

***The need for business-related travel and, thus, demand for rooms in our hotels may be materially and adversely affected by the increased use of business-related technology.***

The increased use of teleconference and video-conference technology by businesses could result in decreased business travel as companies increase the use of technologies that allow multiple parties from different locations to participate at meetings without traveling to a centralized meeting location, such as our hotels. To the extent that such technologies play an increased role in day-to-day business and the necessity for business-related travel decreases, demand for our hotel rooms may decrease, and we could be materially and adversely affected.

***Lack of sufficient air service to Mexico City or Cancun could adversely affect our revenues and profits.***

Nearly all of our prospective international customers travel to Mexico City and Cancun by air. Although we believe that the current level of air service to Mexico City and Cancun is adequate, any interruption or reduction of air service would prevent many prospective customers from visiting our hotels and reduce our sales and the growth of our business. Many of our guests rely on a combination of scheduled commercial airline services and tour operator services for passenger connections, and price increases or service changes by airlines or tour operators could reduce our occupancy rates and revenue levels and, therefore, have a material adverse effect on our business, financial condition, and results of operations.

***Many of our guests depend on a combination of scheduled commercial airline services and tour operator services to transport them to airports near our resorts.***

Increases in the price of airfare, due to increases in fuel prices or other factors, would increase the overall travel cost to our guests and may adversely affect demand for our hotels. Changes in commercial airline services or tour operator services as a result of strikes, weather or other events, or the lack of availability due to schedule changes or a high level of airline bookings, could reduce our occupancy rates and revenue levels and, therefore, have a material adverse effect on our business, financial condition and results of operations.

***Illiquidity of real estate investments could significantly impede our ability to sell our hotels or otherwise respond to adverse changes in our hotel portfolio performance, which could have a material adverse effect on us.***

Because real estate investments are relatively illiquid, our ability to sell a hotel promptly for reasonable prices in response to changing economic, financial and investment conditions will be limited. The real estate market is affected by many factors beyond our control that could impact the timing of a disposition, including adverse changes in economic and market conditions, changes in interest and tax rates and in the availability and cost and other terms of debt financing, and changes in governmental laws and regulations.

In addition, we may be required to expend funds to correct defects, terminate contracts or to make improvements before a resort can be sold. We can provide no assurances that we will have funds available, or access to such funds, to correct those defects or to make those improvements. In acquiring or developing a hotel, we may agree to lock-out provisions or tax protection agreements that materially restrict us from selling that property for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed or repaid on that property. These factors and any others that would impede our ability to respond to adverse changes in the performance of our resorts or a need for liquidity could materially and adversely affect us, including our financial results.

***Increases in property taxes would increase our operating costs, which could have a material adverse effect on us.***

The Insurgentes 421 Hotel Complex, the Vivid Hotel and any future hotels within the GIC Complex are expected to be subject to real estate and personal property taxes, especially upon any development, redevelopment, rebranding, repositioning, and renovation. These taxes may increase as tax rates change and as our properties are assessed or reassessed by taxing authorities. If property taxes increase, we would incur a corresponding increase in our operating expenses, which could have a material adverse effect on us, including our business, financial condition, liquidity, results of operations and prospects.

***Our properties and operations are subject to extensive environmental, health and safety laws and regulations. We may incur costs that have a material adverse effect on our financial condition due to any liabilities under, or potential violations of, environmental, health and safety laws and regulations.***

Our properties and operations are subject to numerous covenants, laws, regulations, rules, codes and to oversight by various federal, state and local governmental authorities, including those related to ecological ordinance, environmental impact, municipal and/or forest land use changes, health and safety, fire protection and seismic matters in each of the places in Mexico in which we operate.

These laws and regulations require that we obtain, and maintain (as applicable) several permits in connection with the site preparation, construction and operation of our businesses, which can sometimes impose restrictive covenants or are conditioned to the fulfilment of actions such as the obtaining of prior approval from other local authorities or communities so that they become in full force and effect and we can initiate site preparation and construction; the issuance of these permits can also be delayed due to extreme backlog in the processing of authorizations by some authorities, causing rippled delays in our prospective project schedules and may require us to incur significant additional costs on short notice which may adversely affect our financial condition to move forward with the development of our projects. Our growth strategy may be adversely affected by our ability to obtain permits, licenses and approvals. Our failure to obtain such permits, licenses and approvals could have a material adverse effect on our business, financial condition and results of operations.

We are also exposed to the risk of a sudden increase in becoming liable for contamination at any Murano Group's properties or resorts which could be the result of third-party actions on-site or migrating from nearby areas and/or the number of complaints against us as a result of changes in the existing regulation (or in the interpretation thereof), such as the enactment of various legal reforms to allow class actions, those that seek the protection of indigenous or afro Mexican communities' rights or to protect other diffuse and collective human rights such as the human right to access to water.

In addition, future changes in the regulation applicable to our industry may result in the risk of temporary water restrictions, revocation of concession titles impeding us to use national assets such as federal maritime terrestrial zones adjacent to our properties, the imposition of bans or restrictions on the use of certain products, vape smoking bans in our restaurants, increases in the taxation of luxury goods or the sale of alcohol or high-calorie beverages, restrictions on the hours of operation of our restaurants, convention centers, etc. and we may incur costs that have a material adverse effect on our results of operations and financial condition as a result thereof or of any liabilities under or potential violations of environmental, health and safety laws and regulations.

We anticipate that the regulation of our business operations under Mexican federal, state and local environmental laws and regulations will increase and become more stringent over time. We cannot predict the effects of such changes, if any, that the adoption of additional or more stringent environmental laws and regulations would have on our results of operations, cash flows, capital expenditure requirements or financial condition.

***Risks Related to Doing Business in Mexico***

***All of Murano's assets are located in Mexico. Therefore, we are subject to political, economic, legal, and regulatory risks specific to Mexico and the Mexican real estate industry and lodging sector and are vulnerable to an economic downturn, other changes in market conditions, acts of violence, or natural disasters in Mexico or in the regions where our properties are located.***

Our operating entities are incorporated in Mexico, and all our assets and operations are located in Mexico. As a result, we are subject to political, economic, legal, and regulatory risks specific to Mexico, including the general condition of the Mexican real estate industry, lodging sector, and the Mexican economy, the devaluation of the peso as compared to the U.S. dollar, Mexican inflation, interest rates, regulation, confiscatory taxation and regulation, expropriation, social instability, and political, social, and economic developments in Mexico.

Our business may be significantly affected by the Mexican economy's general condition, by the depreciation of the peso, inflation, and high-interest rates in Mexico, or by political developments in Mexico. Declines in growth, high rates of inflation, and high-interest rates in Mexico have a generally adverse effect on our operations. If inflation in Mexico increases while economic growth slows, our business, results of operations, and financial condition will be affected. In addition, high-interest rates and economic instability could increase our costs of financing.

In the past, the rating agencies rating Mexico and PEMEX have downgraded both Mexico and PEMEX and/or placed them on negative outlooks. On June 16, 2023, Fitch Ratings has affirmed Mexico's Long-Term (LT) Foreign Currency (FC) Issuer Default Rating (IDR) at 'BBB-'; with a stable rating outlook. On July 14, 2023, Moody's assigned Mexico a rating of Baa2; with a stable rating outlook. We cannot ensure that the rating agencies will not announce downgrades of Mexico and/or PEMEX in the future and any such downgrades could adversely affect the Mexican economy and, consequently, our business, financial condition, operating results, and prospects.

***Political instability in Mexico could negatively affect our operating results.***

In Mexico, political instability has been a determining factor in business investment. Significant changes in laws, public policies and/or regulations could affect Mexico's political and economic situation, which could, in turn, adversely affect our business.

Mexican political events may affect our business operations. President Lopez Obrador's political party and its allies hold a majority in the Chamber of Deputies (*Cámara de Diputados*) and the Senate (*Senado de la República*) and a strong influence in various local legislatures. The federal administration has significant power to implement substantial changes in law, policy, and regulations in Mexico, including Constitutional reforms, which could affect our business, results of operations, financial condition, and prospects. We cannot predict whether potential changes in Mexican governmental and economic policy could adversely affect Mexico's economic conditions or the sector in which we operate. We cannot provide any assurances that political developments in Mexico, over which we have no control, will not have an adverse effect on our business, results of operations, financial condition, and prospects.

Social and political instability in or affecting Mexico could adversely affect our business, financial condition, and results of operations, as well as market conditions and prices of our securities. These and other future developments in the Mexican political or social environment may cause disruptions to our business operations and decreases in our sales and net income.

***Our assets are located in Mexico and are therefore subject to the provisions of the National Law of Domain Extinction (Ley Nacional de Extinción de Dominio).***

The National Law of Domain Extinction (*Ley Nacional de Extinción de Dominio*, the "LNED") empowers the public prosecutor (*agente del ministerio público*) to exercise the extinction of domain action with respect to all types of assets related to crimes in a broad range of categories, including organized crime, kidnapping, crimes related to hydrocarbons, oil and petrochemicals, crimes against health, human trafficking, crimes for acts of corruption, cover-ups, crimes committed by public servants, theft of vehicles, resources of illicit origin and extortion. Pursuant to the LNED, the extinction of domain action may be exercised with respect to assets related to any of these crimes, including if the assets are used by a party other than the owner of the asset in order to commit the crime.

The LINED permits a final judgment on domain extinction even in certain cases when the criminal trial has not yet concluded; provided the governmental authority determines that solid and reasonable grounds exist to infer the existence of assets that are covered by the LINED. In such cases, if the affected person were to later prove its innocence and the asset has already been monetized, the affected person would only be able to recover the proceeds from the monetization of the asset.

Legal remedies are available to challenge the enforcement of the LINED on the grounds of a possible violation of human and constitutional rights such as property rights and the presumption of innocence. Should our assets ever be challenged under LINED grounds, in order to defend our rights, it may be necessary to incur significant costs due to litigation and/or full or partial loss of the assets subject to domain extinction proceedings. All of the foregoing could adversely affect our business, financial condition and results of operations.

***Fluctuations in the U.S. economy or the global economy, in general, may adversely affect Mexico's economy and our business.***

Mexico's economy is vulnerable to global market downturns and economic slowdowns. Moreover, Mexico's economy is largely influenced by economic conditions in the United States and Canada as a result of various factors, including the volume of commercial transactions under the United States–Mexico–Canada Agreement (the "USMCA") and the level of U.S. investments in Mexico. Therefore, events and conditions that affect the U.S. economy can also directly and indirectly affect our business, financial condition, and results of operations.

The global economy, including Mexico and the United States, has been materially and adversely affected by a significant lack of liquidity, disruption in the credit markets, reduced business activity, rising unemployment, a decline in interest rates, and erosion of consumer confidence during recent periods of recession. This situation has had a direct adverse effect on the purchasing power of our customers in Mexico. The macroeconomic environment in which we operate is beyond our control, and the future economic environment may continue to be less favorable than in recent years. The risks associated with current and potential changes in the Mexican and United States economies are significant and could have a material adverse effect on our business, financial condition, and results of operations.

***Developments in other countries, particularly the United States, could materially affect the Mexican economy and, in turn, our business, financial condition and results of operations.***

The U.S. economy heavily influences the Mexican economy, and therefore, the deterioration of the United States' economy, the status of the USMCA or other related events may impact the economy of Mexico. Economic conditions in Mexico have become increasingly correlated to economic conditions in the United States as a result of the North American Free Trade Agreement, which has induced higher economic activity between the two countries and increased the remittance of funds from Mexican immigrants working in the United States to Mexican residents. In 2023 Mexico surpassed China as the largest exporter to the U.S. and on an annual basis, as of December 31, 2023, U.S.\$475.6 billion or 80.2% of Mexico's total exports were purchased by the United States, the single country with the highest share of trade with Mexico. It is currently unclear what the results of the USMCA and its implementation will be. The new terms of the USMCA could have an impact on Mexico's economy generally and job creation in Mexico, which could significantly adversely affect our business, financial performance, and results of operations.

Likewise, any action taken by the current U.S. or Mexico administrations, including changes to the USMCA and/or other U.S. government policies that may be adopted by the U.S. administration, could have a negative impact on the Mexican economy, such as reductions in the levels of remittances, reduced commercial activity or bilateral trade or declining foreign direct investment in Mexico. In addition, increased or perceptions of increased economic protectionism in the United States, Mexico and other countries could potentially lead to lower levels of trade and investment and economic growth, which could have a similarly negative impact on the Mexican economy. These economic and political consequences could adversely affect our business, financial condition, and results of operations.

We cannot make assurances that any events in the United States or elsewhere will not materially and adversely affect us.

***General economic uncertainty and weak demand in the lodging industry could have a material adverse effect on us.***

Our business strategy depends significantly on demand for vacations generally and, more specifically, on demand for all-inclusive vacation packages. Weak economic conditions and other factors beyond our control, including high levels of unemployment and underemployment, in North America, especially the United States and Mexico, Europe and Asia could reduce the level of discretionary income or consumer confidence in the countries from which we source our guests and have a negative impact on the lodging industry. We cannot provide any assurances that demand for all-inclusive vacation packages will remain consistent with or increase from current levels. Furthermore, our business is focused primarily on, and our acquisition strategy targets the acquisition of resorts in, the all-inclusive segment of the lodging industry (and properties that we believe can be converted into all-inclusive resorts in a manner consistent with our business strategy). This concentration exposes us to the risk of economic downturns in the lodging industry broadly and, more specifically, in the leisure dominated all-inclusive segment of the lodging industry. As a result of the foregoing, we could experience a prolonged period of decreased demand and price discounting in our markets, which would negatively affect our revenues and could have a material adverse effect on us, including our business, financial condition, liquidity, results of operations and prospects.

***If the Mexican government imposes exchange controls and/or other similar restrictions, the Mexican economy and our operations may be negatively affected.***

In the past, the Mexican economy has experienced a balance of payment deficits and shortages in foreign exchange reserves. There can be no assurance that the Mexican government will not institute a restrictive exchange control policy or other restrictions. If the Mexican government imposes exchange controls and/or other similar restrictions, the Mexican economy and our operations may be negatively affected.

***Security risks in Mexico could increase, and this could adversely affect the Mexican economy and our business, financial condition, and results of operations.***

In recent years, Mexico has experienced a period of increasing criminal activity and particularly high homicide rates, primarily due to organized crime. The presence of violence among drug cartels, and between these and the Mexican law enforcement and armed forces, or an increase in other types of crime, pose a risk to our business, and might negatively impact business continuity.

In August 2023, the U.S. Department of State updated its travel advisory to U.S. citizens about the risk of traveling to certain regions in Mexico due to threats to safety and security posed by organized criminal groups. While no travel restrictions are in place for U.S. government employees for Mexico City or Quintana Roo state (including Cancun), the U.S. Department of State suggests exercising increased caution due to crime in these areas. Continuing travel advisories by the U.S. Department of State in these and other states, and any future travel advisories issued by the U.S. or other countries could reduce tourism to Mexico generally or any of the regions in which our hotels are located. Any such decline could adversely affect occupancy at our hotels, which could have a material adverse effect on our business, financial condition, and results of operations.

***We are subject to anti-corruption, anti-bribery, anti-money laundering, and antitrust laws and regulations in Mexico. Any violation of any such laws or regulations could have a material adverse impact on our reputation and results of operations and financial condition.***

We are subject to anti-corruption, anti-bribery, anti-money laundering, antitrust and other international laws and regulations and are required to comply with the applicable laws and regulations of Mexico. In addition, we are subject to regulations on economic sanctions that restrict our dealings with certain sanctioned countries, individuals, and

entities. There can be no assurance that our internal policies and procedures will be sufficient to prevent or detect all inappropriate practices, fraud, or violations of law by our affiliates, employees, directors, officers, partners, agents, and service providers or that any such persons will not take actions in violation of our policies and procedures. Any violations by us of anti-bribery and anti-corruption laws or sanctions regulations could have a material adverse effect on our business, reputation, results of operations and financial condition.

***We are subject to laws applicable to the development of our properties, including stricter environmental laws and regulations.***

The development of our properties is subject to strict regulations at federal and local levels. If we fail to comply with these regulations, we could be subject to fines and/or lose the right to develop the properties. Government agencies are empowered to implement laws, regulations, and standards that could adversely affect the operations and the value of the Properties, which could rely on political considerations.

In addition, the viability of hotel developments could depend on obtaining permits, authorizations, concessions, and other contracts issued by federal or local governmental authorities. If we fail to obtain any such permits, authorizations, concessions and other contracts, our hotel development projects could be subject to fines and/or we could lose the right to develop the projects.

The hotel development projects are also subject to compliance with Mexican environmental laws, which in recent years became stricter and resulted in additional compliance-related expenses. Mexican federal authorities, including the Ministry of Environment and Natural Resources, the Federal Environmental Protection Agency, the Mexican Water Commission, and local authorities, are empowered to file civil, administrative, and criminal proceedings against companies that violate environmental laws, the terms of their permits, and/or cause environmental damages. They may also halt any development that does not comply with applicable law.

We are also subject to certain environmental compliance costs, including associated air emissions, the use, storage and disposal of hazardous and toxic substances, and wastewater disposal. Our failure to comply with any such laws, including any required permits or licenses, or publicity resulting from actual or alleged compliance failures, could result in substantial fines or possible revocation of our authority to conduct some of our operations or otherwise have an adverse effect on our business. Environmental laws may also impose potential liability on a current or former owner or operator of real property for, among other things, investigation, removal, or remediation of hazardous or toxic substances at our currently or formerly owned or leased real property, regardless of whether or not we knew of, or caused, the presence or release of such substances. From time to time, we may be required to remediate such substances or remove, abate, or manage asbestos, mold, radon gas, lead, or other hazardous conditions at our properties. The presence or release of such toxic or hazardous substances at our currently or formerly owned or leased properties could result in limitations on or interruptions to our operations or in third-party claims for personal injury, property or natural resource damages, business interruption or other losses, including liens in favor of the government for costs the government incurs in cleaning up contamination. Such claims and the need to investigate, remediate or otherwise address hazardous, toxic, or unsafe conditions could adversely affect our operations, the value of any affected real property, or our ability to sell, lease or assign our rights in any such property, or could otherwise harm our business or reputation. In addition, we also may be liable for the costs of remediating contamination at off-site waste disposal facilities to which we have arranged for the disposal, transportation, or treatment of hazardous substances without regard to whether we complied with environmental laws in doing so. Environmental, health and safety requirements have also become, and may continue to become, increasingly stringent, and our costs may increase as a result. New or revised laws and regulations or new interpretations of existing laws and regulations, such as those related to climate change, could affect the operation of our properties, or result in significant additional expense and operating restrictions on us or our hotel managers.

The development of properties in Mexico is subject to laws and regulations governing urban development, sanitation, security, and protection of the environment. With respect to environmental matters, we could be subject to financial and other liabilities pursuant to laws and regulations relating to the management of hazardous waste and contaminated sites. These laws and regulations could require the affected property owners to absorb the costs of cleaning and remediating such sites jointly and severally with the sellers of the property without regard to fault and independent of any claims the owners of the affected property may have against sellers of the property. Additionally, the transfer of contaminated sites is subject to the approval of the Secretary of Environment and Natural Resources (*Secretaría de Medio Ambiente y Recursos Naturales*, or “SEMARNAT”). If SEMARNAT’s authorization is not obtained within the timeframe required for a transaction, we may incur additional costs and delays relating to the expansion of our portfolio or the disposition of properties.

Additionally, the Mexican government has the authority to initiate civil, administrative, or criminal legal actions against companies and enjoin developments that do not comply with applicable environmental laws.

It is possible that our properties could require cleaning and remediation, for which the costs could be high and not covered by our insurance policies. In addition, if any of our properties are subject to applicable environmental laws, we could incur delays in development and additional expenses for cleaning and remediation.

Our failure to comply with applicable laws and regulations related to our hotel development projects, including environmental laws, could have material adverse effect on our business, financial condition, and results of operations.

***Governmental regulation may adversely affect the operation of our properties and our business as a whole.***

The hotel industry is subject to extensive federal, state, and local governmental regulations, including those relating to the service of alcoholic beverages, the preparation and sale of food, building and zoning requirements and data protection, cybersecurity, and privacy. We and our hotel managers are also subject to licensing and regulation by state and local departments relating to health, sanitation, fire, and safety standards, and to laws governing our relationships with employees, including minimum wage requirements, overtime, working conditions and citizenship requirements. Our existing systems may be unable to satisfy changing regulatory requirements and employee and customer expectations or may require significant additional investments or time to do so.

**Risks Related to Murano Following the Consummation of the Business Combination**

***Murano will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices.***

As a public company, Murano will incur significant legal, accounting, and other expenses that it did not incur as a private company. For example, Murano is subject to the reporting requirements of the Exchange Act and is required to comply with the applicable requirements of the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) and Nasdaq.

We expect that compliance with these requirements will increase legal and financial compliance costs and will make some activities more time-consuming and costly. In addition, our management and other personnel may be required to divert their attention from operational and other business matters to devote substantial time to these public company requirements. In particular, we are incurring significant expenses and devoting substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act, which will increase further when Murano is no longer an “emerging growth company” as defined under the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). As a public company, Murano will likely hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge and may need to establish an internal audit function.

***Murano is an “emerging growth company”, and the reduced disclosure requirements applicable to emerging growth companies may make our securities less attractive to investors.***

Murano is an “emerging growth company,” as defined in the JOBS Act. As a result, Murano is taking advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including, the ability to furnish two rather than three years of income statements and statements of cash flows in various required filings, and not being required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. As a result, our shareholders and prospective investors may not have access to certain information that they deem important. Murano could be an emerging growth company for up to five years, although it could lose that status sooner if its gross revenue exceeds U.S.\$1.07 billion, if Murano issues more than U.S.\$1.0 billion in nonconvertible debt in a three-year period, or if the fair value of its shares held by non-affiliates exceeds U.S.\$700.0 million (and Murano has been a public company for at least 12 months and have filed one annual report on Form 20-F).

We cannot predict if prospective investors will find our securities less attractive if we rely on these exemptions. If they find our securities less attractive as a result, there may be a less active trading market for our securities and our share price may be more volatile.

***Murano may lose its foreign private issuer status in the future, which could result in significant additional costs and expenses, and subject us to U.S. GAAP reporting requirements which may be difficult for us to comply with.***

As a “foreign private issuer,” Murano is not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act and related rules and regulations. Under those rules, the determination of foreign private issuer status is made annually on the last business day of an issuer’s most recently completed second fiscal quarter, and, accordingly, the next determination will be made with respect to us on June 30, 2024.

In the future, Murano could lose its foreign private issuer status if a majority of its ordinary shares are held by residents in the United States and it fails to meet any one of the additional “business contacts” requirements. Although Murano intends to follow certain practices that are consistent with U.S. regulatory provisions applicable to U.S. companies, its loss of foreign private issuer status would make such provisions mandatory. The regulatory and compliance costs to Murano under U.S. securities laws if it is deemed a U.S. domestic issuer may be significantly higher. If Murano is not a foreign private issuer, it will be required to file periodic reports and prospectuses on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer. For example, it would become subject to the Regulation FD promulgated by the SEC, aimed at preventing issuers from making selective disclosures of material information. It also may be required to modify certain of its policies to comply with good governance practices associated with U.S. domestic issuers. Such conversion and modifications will involve additional costs. In addition, it may lose our ability to rely upon exemptions from certain corporate governance requirements of Nasdaq that are available to foreign private issuers. For example, Nasdaq’s corporate governance rules require listed companies to have, among other things, a majority of independent board members and independent director oversight of executive compensation, nomination of directors, and corporate governance matters. Nasdaq rules also require shareholder approval of certain share issuances, including approval of equity compensation plans. As a foreign private issuer, Murano is permitted to follow home country practice in lieu of the above requirements. While it is not currently using the following exemptions from certain Nasdaq corporate governance standards as of the date of this annual report, as long as it relies on the foreign private issuer exemption to certain of Nasdaq’s corporate governance standards, a majority of the directors on its board of directors are not required to be independent directors, its remuneration committee is not required to be comprised entirely of independent directors and it will not be required to have a nominating and corporate governance committee. Also, Murano would be required to change its basis of accounting from IFRS as issued by the IASB to U.S. GAAP, which may be difficult and costly for it to comply with. If Murano loses its foreign private issuer status and fails to comply with U.S. securities laws applicable to U.S. domestic issuers, it may have to de-list from Nasdaq and could be subject to investigation by the SEC, Nasdaq, and other regulators, among other materially adverse consequences.

***Murano Group’s financial reporting infrastructure requires enhancement to meet the requirements of a public company.***

We are required to meet onerous standards of financial reporting and control to satisfy the needs of a company listed on Nasdaq and significant changes and enhancements are required to staffing and infrastructure to deliver these requirements. The Murano Group is the combination of several private entities under common control; however, such entities were previously managed as a family business. We were not previously required to perform an evaluation of internal control over financial reporting in accordance with the provisions of the Sarbanes-Oxley Act and it is likely if an evaluation had been performed, certain control deficiencies may have been identified, and those control deficiencies could have also represented one or more material weaknesses. In fact, in connection with the preparation of the Murano Group Combined Financial Statements as of December 31, 2023 and 2022 and for the three years ended December 31, 2023, 2022 and 2021, material weaknesses in internal controls over our financial reporting were identified and include the following:

- Lack of management review regarding the identification and assessment of the proper accounting of unusual significant transactions,
- Lack of technical personnel with an appropriate level of technical experience required for timely and accurate financial accounting in accordance with IFRS and reporting requirements, and
- Lack of sufficient technological infrastructure.



The Murano Group is in the process of enhancing the financial reporting infrastructure and internal control environment for the newly combined business including the hiring of suitably qualified personnel with appropriate technical accounting knowledge and experience with respect to the design and implementation of a robust system of internal controls, the application of IFRS, and the implementation of a reporting structure to deliver internal and external reporting befitting a Nasdaq listed company. We cannot assure you these actions will be effective to address any material weaknesses and if unable to successfully address we could be unable to report financial results accurately on a timely basis. Any failure to timely provide required financial information could materially and adversely impact us, including a potential loss of investor confidence or delisting.

***We may not be able to satisfy the listing requirements of Nasdaq or maintain a listing of our common stock on Nasdaq.***

We are required to meet certain financial and liquidity criteria to maintain our Nasdaq listing. If we violate Nasdaq listing requirements or fail to meet any of its listing standards our common stock may be delisted. In addition, our board of directors may determine that the cost of maintaining our listing on a national securities exchange outweighs the benefits of such listing. A delisting of our common stock from Nasdaq may materially impair our stockholders' ability to buy and sell our common stock and could have an adverse effect on the market price of, and the efficiency of the trading market for, our common stock. The delisting of our common stock would significantly impair our ability to raise capital and the value of your investment.

***The fair value of our fixed assets requires subjective judgement and may be subject to volatility, which could significantly affect our financial condition.***

The valuation of our fixed assets is inherently subjective due to the individual nature of the assets as well as the observable and un-observable inputs that are used in the calculation, as a result, valuations are subject to uncertainty. Our fixed assets measured at fair value include land, construction in process and investment properties. The accounting policy choice under IFRS is a matter of judgement, in which case we believe that best reflects the nature of our business. We determine the fair value of our assets using accredited independent appraisers.

Observable and un-observable inputs may be subject to change, volatility, uncertainty and may not be available in the future periods. As a result, there is no assurance that the valuations of our interests in the properties reflected in our financial statements would reflect actual sale prices even where any such sales occur shortly after the financial statements are prepared.

***Our results of operations include losses on revaluation adjustments on investment properties, which may fluctuate significantly over financial periods and may materially and adversely affect our business, results of operations and financial condition.***

For the year ended December 31, 2023, we had a loss on revaluation of investment properties of Ps.\$86.6 million. In particular, the loss impacted our profit before income tax for the respective fiscal year. The downward revaluation adjustment reflects an unrealized capital loss on our investment properties during the relevant periods, but the adjustments were not actual cash flow transactions or generated from the sales or rental of our investment properties. Unless such investment properties are disposed of at similarly revalued amounts, we will not realize the actual cash flow. The amount of revaluation adjustments has been, and will continue to be, significantly affected by the prevailing property markets and will be subject to market fluctuations.

We cannot guarantee whether changes in market conditions will increase, maintain or decrease the fair value gains on our investment properties at historical levels or at all. In addition, the fair value of our investment properties may materially differ from the amount we receive from any actual sale of an investment property. If there is any material downward adjustment in the revaluation of our investment properties in the future or if our investment properties are disposed of at significantly lower prices than their valuation or appraised value, our business, results of operations and financial condition may be materially and adversely affected.

***The fair value of our fixed assets (including construction in process and land) may be harmed by certain factors that may entail impairment losses not previously recorded, which would affect our financial results, our financial condition and thus the satisfaction of financial covenants.***

Certain circumstances may affect the fair value of our real estate assets (whether operating or under construction), including, among other things: (i) a decrease in the average room rates and occupancy rates in our Insurgentes 421 Hotel Complex and the Vivid Hotel, (ii) an increase in the applicable discounts rates at which we discount the anticipated operational cash flow of our assets, (iii) the absence of or modifications to permits or approvals required for the construction and/or operation of any real estate asset, (iv) delays in completion of works beyond the anticipated target, (v) cost overruns, (vi) potential lawsuits that may affect our operations, whether or not we are a party thereto, (vii) full or partial eminent domain proceedings (with or without compensation) regarding such real estate assets; and (viii) findings indicating soil or water contamination or the existence of historical or geological antiquities that may require us to absorb significant cleaning, purification or preservation costs. In addition, certain laws and regulations applicable to our business where the legislation process undergoes constant changes may be subject to frequent and substantially different interpretations, and agreements which may be interpreted by governmental authorities so as to shorten the term of use of real estate, which may be accompanied by a demolition or nationalization order with or without compensation, may significantly affect the value of such real estate asset.

In addition to the items set forth above, our investment in our Insurgentes 421 Hotel Complex and the Vivid Hotel is subject to varying degrees of risk related to the ownership and operation of real property. The fair value of the assets and income from our Insurgentes 421 Hotel Complex and the Vivid Hotel may be materially adversely affected by:

- changes in global and national economic conditions, including global or national recession;
- a general or local slowdown in the real property market, such as the recent global slowdown;
- political events that may have a material adverse effect on the hotel industry;
- competition from other lodging facilities, and oversupply of hotel rooms in Mexico City and Cancun;
- material changes in operating expenses, including as a result of changes in real property tax systems or rates or labor laws;
- changes in the availability, cost and terms of financing;
- the effect of present or future environmental laws;
- our ongoing need for capital improvements and refurbishments; and
- material changes in governmental rules and policies.

***Murano may be or become a PFIC, which could result in adverse U.S. federal income tax consequences to U.S. holders of Murano Ordinary Shares or Murano Warrants.***

In general, a non-U.S. corporation, such as Murano, will be a passive foreign investment company (“**PFIC**”) for U.S. federal income tax purposes in any taxable year in which, after applying relevant look-through rules with respect to the income and assets of its subsidiaries, (i) 75% or more of its gross income is passive income, and/or (ii) 50% or more of the value of its assets (generally based on the quarterly average of the value of its assets during such year) is attributable to assets, including cash, that produce passive income or are held for the production of passive income. Passive income generally includes dividends, interest, certain royalties and rents, annuities, net gains from the sale or exchange of property producing such income and net foreign currency gains.

Based on the expected composition of Murano’s gross assets and income and the manner in which Murano expects to operate its business in 2024 and future years, Murano does not expect to be classified as a PFIC for U.S. federal income tax purposes for Murano’s 2024 taxable year or in the foreseeable future. However, whether Murano is a PFIC is a factual determination made annually, and Murano’s status could change depending, among other things, upon changes in the composition and relative value of its gross receipts and assets. Accordingly, there can be no assurances Murano will not be a PFIC for its 2024 taxable year or any future taxable years.

If Murano is a PFIC for any taxable year during which a U.S. holder owns Murano Ordinary Shares, the U.S. holder generally will be subject to adverse U.S. federal income tax consequences and additional reporting requirements. U.S. holders of Murano Ordinary Shares and Murano Warrants should consult their tax advisors regarding the application of the PFIC rules to Murano and the risks of investing in a company that may be a PFIC. See “*Material U.S. Federal Income Tax Considerations—Application of the PFIC Rules to Murano Ordinary Shares and Murano Warrants.*”

***Risk Related to the Ownership of Murano Ordinary Shares Following the Business Combination***

***Murano’s board of directors and management have significant control over Murano’s business.***

Murano’s directors and executive officers beneficially own, directly or indirectly, in the aggregate, approximately 69,100,000 Murano Ordinary Shares, representing a maximum aggregate of approximately 87.2% of the combined voting power of Murano’s outstanding capital stock (excluding any warrants, options or other securities exercisable for Murano Ordinary Shares). As a result, in addition to their day-to-day management roles, Murano’s executive officers and directors are able to exercise significant influence on Murano’s business as shareholders, including influence over election of members of the board of directors and the authorization of other corporate actions requiring shareholder approval.

***If securities analysts do not publish research or reports about our business or if they publish negative evaluations of our securities, the price of our securities could decline.***

The trading market for Murano’s securities will be influenced by the research and reports that industry or securities analysts may publish about Murano, its business, market or competitors. Securities and industry analysts do not currently, and may never, publish research on Murano. If no securities or industry analysts commence coverage of Murano, Murano’s share price and trading volume would likely be negatively impacted. If any of the analysts who may cover Murano change their recommendation regarding Murano Ordinary Shares adversely, or provide more favorable relative recommendations about its competitors, the price of Murano Ordinary Shares would likely decline. If any analyst who may cover Murano were to cease coverage or fail to regularly publish reports, Murano could lose visibility in the financial markets, which in turn could cause its share price or trading volume to decline.

***Murano’s pre-Business Combination shareholders and the HCM Initial Shareholders are subject to lock-ups and as a result, there may be limited liquidity for Murano Ordinary Shares.***

Murano’s pre-Business Combination shareholders and the HCM Initial Shareholders, who are subject to lock-ups, hold maximums of approximately 87.2% and 11.1%, respectively, of Murano Ordinary Shares following the Business Combination exclusive of the dilutive impact of the exercise and conversion of certain securities. On a fully-diluted basis, the HCM Initial Shareholders hold a maximum of 9.2% of the total outstanding shares. Such shareholders are subject to the lock-ups described elsewhere in this annual report, and as a result there may initially be limited liquidity in the trading market for our shares. In addition, even once the applicable lock-up periods expire, the liquidity for our shares may remain limited given the substantial holdings of such shareholders, which could make the price of our shares more volatile and may make it more difficult for investors to buy or sell large amounts of our shares.

***As there are no current plans to pay cash dividends on Murano Ordinary Shares for the foreseeable future, you may not receive any return on investment unless you sell Murano Ordinary Shares for a price greater than that which you paid for it.***

Murano may retain future earnings, if any, for future operations, expansion and debt repayment and has no current plans to pay any cash dividends for the foreseeable future. Any decision to declare and pay dividends as a public company in the future will be made at the discretion of Murano's board of directors and will depend on, among other things, Murano's results of operations, financial condition, cash requirements, contractual restrictions, applicable law and other factors that Murano's board of directors may deem relevant. In addition, Murano's ability to pay dividends may be limited by covenants of any existing and future outstanding indebtedness it or its subsidiaries incur. As a result, you may not receive any return on an investment in Murano Ordinary Shares unless you sell your shares for a price greater than that which you paid for it.

***If Murano were to pay dividends, holders of Murano Ordinary Shares could be subject to withholding taxes on those dividends.***

As a matter of current United Kingdom tax law, Murano is not required to withhold any amounts on account of United Kingdom tax at source from dividend payments it makes in respect of the Murano Ordinary Shares. However, there is no guarantee that the United Kingdom will not change its laws in the future to impose withholding tax on dividends.

***An active trading market for Murano Ordinary Shares may not develop, and you may not be able to resell your Murano Ordinary Shares at or above the price paid for them.***

Prior to the Business Combination, there was no public market for Murano Ordinary Shares. We cannot predict the extent to which investor interest in us will lead to the development of a trading market on Nasdaq or otherwise, or how liquid that market might become. If an active market does not develop, you may have difficulty selling any Murano Ordinary Shares. An inactive market may also impair Murano's ability to raise capital by selling Murano Ordinary Shares and may impair our ability to acquire or make investments in companies, products or technologies for which we may issue equity securities to pay for such acquisition or investment.

***Future resales of the Murano Ordinary Shares issued in connection with the Business Combination may cause the market price of Murano Ordinary Shares to drop significantly, even if Murano's business is performing well.***

Murano's pre-Business Combination shareholders and the HCM Initial Shareholders, who are subject to lock-ups, hold maximums of approximately 87.2% and 11.1%, respectively, of Murano Ordinary Shares following the Business Combination. On a fully-diluted basis, the HCM Initial Shareholders would hold a maximum of 9.1% of the total outstanding shares assuming maximum redemptions. Upon expiration of the applicable lock-up period(s) for these shareholders, and upon the effectiveness of any registration statement Murano files pursuant to the Registration Rights Agreement or the Subscription Agreements, in a registered offering of securities pursuant to the Securities Act or otherwise in accordance with Rule 144 under the Securities Act, such Murano shareholders may sell Murano Ordinary Shares in the open market or in privately negotiated transactions, which could have the effect of increasing the volatility in the trading price of the Murano Ordinary Shares or putting significant downward pressure on the price of the Murano Ordinary Shares. Further, sales of Murano Ordinary Shares upon expiration of the applicable lock-up period(s) could encourage short sales by market participants. Generally, short selling means selling a security, contract or commodity not owned by the seller. The seller is committed to eventually purchase the financial instrument previously sold. Short sales are used to capitalize on an expected decline in the security's price. As such, short sales of Murano Ordinary Shares could have a tendency to depress the price of the Murano Ordinary Shares, which could further increase the potential for short sales.

Murano cannot predict the size of future issuances or sales of Murano Ordinary Shares or the effect, if any, that future issuances and sales of Murano Ordinary Shares will have on the market price of the Murano Ordinary Shares. Sales of substantial amounts of Murano Ordinary Shares (including those shares issued in connection with the Business Combination), or the perception that such sales could occur, may materially and adversely affect prevailing market prices of Murano Ordinary Shares.

***The market price for Murano Ordinary Shares may be subject to substantial fluctuations, which may make it difficult for you to sell your shares at the volumes, prices and times desired.***

The market price of Murano Ordinary Shares may be highly volatile, which may make it difficult for you to sell your shares at the volumes, prices and times desired. Some factors that may have a significant effect on the market price of Murano Ordinary Shares include:

- actual or anticipated fluctuations in our operating results or those of our competitors;
- changes in economic or business conditions;

- changes in governmental regulation; and
- publication of research reports about us, our competitors, or our industry, or changes in, or failure to meet, estimates made by securities analysts or ratings agencies of our financial and operating performance, or lack of research reports by industry analysts or ceasing of analyst coverage.

***Murano's issuance of additional securities in connection with financings, acquisitions, investments, equity incentive plans or otherwise would dilute all other shareholders.***

Murano may issue additional securities in the future. Any such issuance would result in dilution to all other shareholders. In the future, Murano may issue additional securities, including as a grant of equity awards to employees, directors and consultants under our equity incentive plans, to raise capital through equity financings or to acquire or make investments in companies, products or technologies for which we may issue equity securities to pay for such acquisition or investment. Any such issuances of additional securities may cause shareholders to experience significant dilution of their ownership interests and the per share value of Murano Ordinary Shares to decline.

***Murano's board of directors will have the ability to issue blank check preferred securities, which may discourage or impede acquisition efforts or other transactions.***

Murano's board of directors will have the power, subject to applicable law, to issue series of preferred securities that could, depending on the terms of the series, impede the completion of a merger, tender offer or other takeover attempt. For instance, subject to applicable law, a series of preferred securities may impede a business combination by including class voting rights, which would enable the holder or holders of such series to block a proposed transaction. Murano's board of directors will make any determination to issue shares of preferred securities based on its judgment as to our and our shareholders' best interests. Murano's board of directors, in so acting, could issue shares of preferred securities having terms which could discourage an acquisition attempt or other transaction that some, or a majority, of the shareholders may believe to be in their best interests or in which shareholders would have received a premium for their securities over the then-prevailing market price of the securities.

***Jersey company law will require that Murano meet certain additional financial requirements before it can declare dividends, make distributions or repurchase shares.***

Under the Jersey Companies Law, Murano will be able to declare dividends, make distributions from any source (other than the nominal capital account or capital redemption reserve) or repurchase its own shares using any source of funding. The directors of a Bailiwick of Jersey company which authorize a distribution or repurchase of its own shares must make a statutory solvency statement in the form set out in the Jersey Companies Law.

#### **ITEM 4. INFORMATION ON THE COMPANY**

##### **A. History and Development of the Company**

###### **Business Combination**

On March 20, 2024, Murano PubCo announced the completion of the previously announced business combination with HCM Acquisition Corp, a Cayman Islands exempted company ("HCM"), pursuant to the amended & restated business combination agreement, dated as of August 2, 2023, by and among Murano, HCM, Murano PV, S.A. de C.V. ("Murano PV"), a Mexican corporation, Elías Sacal Cababie, an individual ("ESC"), ES Agrupación, S.A. de C.V., a Mexican corporation (the "ESAGRUP" and collectively with ESC, the "Seller"), Murano Global B.V., a Dutch private limited liability company (besloten vennootschap met beperkte aansprakelijkheid) under Dutch law, having its official seat in Amsterdam, the Netherlands and registered with the Dutch trade register under number 89192877 ("Dutch Murano"), MPV Investment B.V., a private limited liability company under Dutch law, having its official seat in Amsterdam, the Netherlands and registered with the Dutch trade register under number 89196651, ("Murano Holding" and together with Dutch Murano, the "Dutch Entities") and Murano Global Cayman, a Cayman Islands exempted company incorporated with limited liability which is a direct wholly-owned subsidiary of Murano ("New CayCo") (the "Original Business Combination Agreement") as amended by the First Amendment to the Business Combination Agreement, dated as of December 31, 2023 (together with the Original Business Combination Agreement, the "Business Combination Agreement").

We refer to the business combination effected through the Business Combination Agreement as the "Business Combination". In connection with, and prior to, the Business Combination, on March 1, 2024, Murano converted from a private limited company operating under the name "Murano Global Investments Ltd." into a public limited company operating under the name "Murano Global Investments PLC".

Pursuant to the terms of the Business Combination Agreement, among other things, the following transactions occurred: (i) New CayCo merged with and into HCM, the separate corporate existence of New CayCo ceasing with HCM being the surviving company and a wholly owned direct subsidiary of Murano (the “Merger”) and (ii) HCM changed its name to “Murano Global Hospitality Corp”. The surviving company is centrally managed and controlled from, and resident for tax purposes in, the United Kingdom.

In addition, at the effective time of the Merger, (i) each issued and outstanding HCM ordinary share, par value \$0.0001 per share (the “HCM Ordinary Shares”) was automatically canceled and extinguished, and each holder of HCM Ordinary Shares received merger rights representing a corresponding number of Murano ordinary shares, no par value per share (the “Murano Ordinary Shares”), and (ii) each issued and outstanding warrant to purchase one HCM Ordinary Share automatically ceased to represent a right to acquire an HCM Ordinary Share and converted into and represent a right to acquire Murano Ordinary Shares (each, a “Murano Warrant”) and each Murano Warrant (a) has an exercise price of \$11.50 per whole warrant required to purchase one Murano Ordinary Share, and (b) will expire on the five year anniversary of the closing date of the Business Combination (i.e., March 20, 2029).

As a result of the foregoing transactions, there were 79,242,873 ordinary shares and 16,875,000 warrants outstanding as of March 20, 2024.

On March 21, 2024, Murano’s ordinary shares and warrants commenced trading on the Nasdaq Stock Market LLC (“Nasdaq”) under the symbols, “MRNO” and “MRNOW,” respectively.

#### **Murano Group Reorganization Prior to Business Combination**

Prior to and in connection with the Business Combination, the Murano Group implemented a corporate reorganization consisting of share transfers and assignments of trust rights with the purpose of, among other aspects, Murano becoming the shareholder of 99.99% of the stock of Murano PV and Murano PV emerging as the holding company that consolidates all entities of the Murano Group (the “*Murano Group Reorganization*”). As a result of the Murano Group Reorganization, Murano PV controls and consolidates all the Murano Group’s entities.

Pursuant to the Murano Group Reorganization, prior to and in preparation for the share transfers and assignments described below: (i) Murano World, as lender, and Murano PV, as borrower, entered into a loan agreement for an amount of Ps.\$34,419,809.11, to fund Murano PV’s share acquisitions; and (ii) Murano PV carried out a capital reduction in its variable capital stock in the amount of Ps.\$16,363,928.

For more information about the Murano Group Reorganization transactions, see “Item 5.A – *Operating and Financial Review and Prospects — A. Operating Results - Murano Group Reorganization Prior to Business Combination.*”

#### **Corporate Information**

Our principal corporate offices are located at 25 Berkeley Square, London W1J 6HN, United Kingdom (+44 20 7404 4140) and at FFCC de Cuernavaca No. 20, 12 Floor, Lomas de Chapultepec, Sección III, Miguel Hidalgo, 11000, Mexico City, Mexico (+52-55-92-67-83-60). Murano Group’s website address is <https://www.murano.com.mx/en/>. Information contained in, or accessible through, Murano Group’s website is not part of, and is not incorporated by reference in, this annual report.

The SEC also maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at <http://www.sec.gov>.

#### **Recent Developments**

On January 5, 2024, and April 9, 2024, we entered into the Finamo Loans as defined and discussed in “Item 5 – Operating and Financial Review and Prospects — B. Liquidity and Capital Resources – Debt – Finamo Loans.”

On March 20, 2024, we completed the Business Combination as discussed in “— A. History and Development of the Company — Business Combination.”

### **B. Business Overview**

#### **Overview**

On March 20, 2024, Murano PubCo, completed the Business Combination described in more detail under “Item 4. Information on the Company—A. History and Development of the Company—Business Combination.” As a result, on March 21, 2024, Murano’s ordinary shares and warrants commenced trading on Nasdaq under the symbols, “MRNO” and “MRNOW,” respectively.

We are an international development corporate group with extensive experience in the structuring, development and assessment of industrial, residential, corporate office, and hotel projects in Mexico with a vision to create competitive and leading investment vehicles for the acquisition, consolidation, operation, and development of real estate assets. We also provide comprehensive services, including the execution, construction, management, and operation of a wide variety of industrial, business, tourism, and medical real estate projects, among others. We have a national footprint and international outreach aimed at institutional real estate investors.

We were formed primarily to develop and manage a portfolio of hotel and resort properties in Mexico City, Cancun, and Ensenada. We currently own (i) Operational Hotels in Mexico City and Cancun, (ii) Project Under Completion in Cancun and (iii) Projects to be Developed in Cancun and Ensenada.

### Operational Hotels

Our current portfolio of operational hotels (the “Operational Hotels”) consists of:

- **Andaz Hotel:** the Andaz Mexico City Condesa (the “Andaz Hotel”) operated by Hyatt, is part of the Insurgentes 421 Hotel Complex in Mexico City. Completed in 2022 and has been operational since the first quarter of 2023, the Andaz Hotel has 217 rooms and several amenities, including a sky bar “Cabuya Rooftop”, multiple restaurants, an auditorium, breakout rooms, a business center, a pet friendly area and restaurant for pets, the “Wooftop”, a gym and a spa. It also has a 954.31 sqm ballroom with a crystal dome with a capacity for 49 tables and 588 guests.
- **Mondrian Hotel:** the Mondrian Mexico City Condesa (the “Mondrian Hotel”) operated by Accor, is part of the Insurgentes 421 Hotel Complex in Mexico City. Completed in 2022 and has been operational since the first quarter of 2023, the Mondrian Hotel has 183 rooms and several amenities, including a “Sky Bar” restaurant, a “Terraza” bar and a “Flower Shop” coffee shop.
- **Vivid Hotel:** the Hyatt Vivid Grand Island (the “Vivid Hotel”) operated by Hyatt is part of the GIC I Hotel in the GIC Complex in Cancun. Recently completed and operational since April 2024, the Vivid Hotel is an adult-only brand all-inclusive hotel categorized as five-star upper scale with 400 rooms and several amenities, including one main buffet, one coffee shop, the vantage club for VIPs, seven specialty restaurants, six bars, gym, spa, one retail shop, and 1,010 sqm space for events.

The Grand Island Beach Club (the “Beach Club”) is part of the GIC Complex in Cancun and commenced operations in April 2024. The Beach Club provides services to the Vivid Hotel and will provide services to future hotels located in the GIC Complex.

### Project Under Completion

We are currently completing the following project (the “Project Under Completion”):

- **Dreams Hotel:** the Dreams Grand Island (the “Dreams Hotel”) will be part of the GIC I Hotel in the GIC Complex in Cancun and will be operated by Hyatt. Currently expected to be completed and commence operations in the third quarter of 2024, the Dreams Hotel will be a family-friendly brand hotel categorized as five-star upper scale with 616 rooms and several amenities, including one main buffet, one coffee shop, the preferred club for VIPs, four specialty restaurants, nine bars, gym, spa, one retail shop, two pickleball courts, and two paddle tennis courts.

### Projects to be Developed

We currently own the following projects that we plan to develop (the “Projects to be Developed”):

- **GIC II Hotel:** part of the GIC Complex in Cancun, the GIC II Hotel is planned as an integrated resort comprised of four different hotel brands, all of them operated by Hyatt (AM Resorts). We expect to develop the GIC II Hotel, which is planned to have 2,000 rooms, through our subsidiary, GIC II Trust. Based on preliminary estimates, we expect the development of the GIC II Hotel will cost in the order of U.S.\$500 million.
- **Resort Property in Baja Development Project:** this resort is expected to have 371 rooms. Based on preliminary estimates, we expect the development of the Resort Property in Baja Development Project to cost approximately U.S.\$120 million. We have not yet begun the process of trying to secure financing for the development of this project. Therefore, we do not know when and if we will be able to begin construction of this project.

- **Baja Park Development Project:** this project in Ensenada, will consist of 363,262 sqm of retail space. This project is currently under evaluation, and we have not yet begun the process of trying to secure financing for its development. Therefore, we do not know when and if we will be able to begin construction of this project.

We refer to (i) the GIC I Hotel (including the Vivid Hotel, which is operational, and the Dreams Hotel, which is under completion), and (ii) the GIC II Hotel (planned to be developed) as the “GIC Complex”, which, if and once fully developed, will have a total of 3,016 rooms categorized as five-star upper scale in Cancun along the Nichupté Lagoon on the west side of the Cancun hotel zone. The GIC II Hotel, the Resort Property in Baja Development Project, and the Baja Park Development Project are projects that we plan to develop subject to planning and environmental approvals as well as the Group being able to secure financing on acceptable terms.

Our portfolio is expected to be comprised of all-inclusive resorts, several of which will share the following characteristics: (i) prime beachfront locations; (ii) convenient air access from a number of North American and other international gateway markets; (iii) strategic locations in popular vacation destinations in Mexico with strong government commitments to tourism; (iv) high quality physical condition; and (v) capacity for further growth through incremental renovation or repositioning opportunities. We believe that the resorts of our portfolio will have a competitive advantage due to their location, amenities offering, large-scale and guest-friendly design.

#### **Management of the Hotel Portfolio**

We have entered into long-term hotel management agreements with (i) Hyatt, under the Andaz brand, to operate the Andaz Hotel (part of the Insurgentes 421 Hotel Complex in Mexico City), (ii) Accor, under the Mondrian brand, to operate the Mondrian Hotel (part of the Insurgentes 421 Hotel Complex in Mexico City), and (iii) Hyatt, through Hyatt Inclusive Collection, to operate the Vivid Hotel and the Dreams Hotel (part of the GIC I Hotel in Cancun).

We believe these to be world-renowned hotel management companies recognized for their high-quality service, sophisticated and innovative loyalty programs, vacation clubs, modern reservation systems and global distribution channels.

#### **Market Opportunity**

We believe there is an extraordinary market opportunity for our hotels, which are located in the two largest business and leisure destinations in Mexico. Mexico City is a significant cultural center and business hub representing approximately 18% of the country’s GDP. While there are multiple hotel developments that compete with us in terms of quality and geographic location within the city, most of these will be opening after 2024 and are of a smaller scale.

Cancun is the top destination in the Caribbean with more than two times the number of passenger arrivals as Puerto Rico, its closest competitor. We estimate that total passenger traffic in Cancun in upcoming years will be near the historical levels seen before the COVID-19 pandemic. In the last several years, the number of total passengers visiting Cancun has grown at a considerably higher pace than the number of hotel rooms, creating an opportunity in the hospitality industry.

#### **Competitive Strengths**

We believe the following are our key competitive strengths:

#### **Luxury Hotel Assets with Naturally Hedged Revenues at Strategic International Destinations**

We own a five-star upper-scale hotel portfolio, consisting of: (i) the Andaz Hotel and the Mondrian Hotel, currently operational, in the Insurgentes 421 Hotel Complex in Mexico City, and (ii) the GIC I Hotel in Cancun, consisting of the Vivid Hotel, currently operational, and the Dreams Hotel (project under completion). We believe the hotel and resort properties in the Hotel Portfolio represent a competitive advantage due to their privileged locations in areas with dynamic demand characteristics and high barriers to entry, strong brand affiliations, superior amenities offerings, and their large-scale and cutting-edge architectural design. The properties’ prime real estate and strategic locations are expected to generate significant tourist interest and business activity and strong demand for superior lodging.

The Insurgentes 421 Hotel Complex is located in the Condesa neighborhood, one of the trendiest and most popular districts in Mexico City, Mexico’s most important business and cultural center. Surrounded by tourist attractions, landmarks, parks and a vibrant restaurant scene, Condesa is located within walking distance of Paseo de la Reforma, close to the city’s historic center and main financial district, and only 12 kilometers from Mexico City’s international airport, the country’s largest in terms of passenger traffic. GIC I Hotel all-inclusive luxury resort is located in the area between Delfines Beach and the Nichupté Lagoon in Cancun, Mexico’s leading tourist destination, next to the Iberostar Golf Club in the north of Punta Nizuc, the archeological zone of San Miguelito, and only 14 kilometers away from Cancun’s international airport, the country’s second largest in terms of passenger traffic.

The strategic locations attract substantial international demand from leisure and business visitors, including guests from the United States and Canada. Accordingly, we expect that a substantial portion of our revenues will be denominated in or linked to the U.S. dollar, while most of our operating expenses will be in pesos, providing us with a natural hedge for our U.S. dollar-denominated debt. It is market practice to quote and charge daily rates for luxury hotels in U.S. dollars in both Mexico City and Cancun.

In addition, we expect the properties in the Hotel Portfolio to feature state-of-the-art technology and amenities, including restaurants, bars, conference centers, ballrooms, pools, spas, gyms and, in the case of the GIC Complex, the GIC Retail Village, GIC Water Park and the largest convention center in the region operated under the name of the WTCA. We have designed and believe our properties are positioned to be the preferred destination for leisure, business and group travelers.

#### ***Attractive Industry Fundamentals in the Mexican Leisure and Business Travel Sectors***

Mexico is a preferred tourist destination with a consistently high level of annual visitors. During 2020, largely due to the impact of the COVID-19 pandemic, Mexico ranked second among the world's most visited countries and first in the Americas. Prior to 2020, Mexico ranked seventh among the world's most visited countries. Mexico's tourism industry has shown strong and sustained fundamentals through the years. Its rich cultural and natural offering is supported by a superior tourism-related infrastructure and high connectivity with key gateway markets in the United States and Canada through well-connected airports. The country's tourism industry has proven to be resilient even throughout the COVID-19 pandemic, which had a material adverse impact on the tourism industry globally. Mexico suffered the lowest decline in tourism out of the top 10 travel destinations in the world.

The destinations where our properties are located experienced significant growth in international tourism prior to the COVID-19 pandemic, with relatively high occupancy rates in Cancun and Mexico City. Cancun has been consistently ranked as the most popular tourist destination in the Caribbean, based on World Bank data, and one of the most visited cities in the world. It also receives a large share of visitors from the United States and Canada.

Mexico City, the country's capital, is also a popular tourist destination, with three UNESCO World Heritage Sites containing five historic buildings dating back to the 16<sup>th</sup> century. Mexico City is known as a popular tourist destination and a technology hub characterized by a thriving modern business environment. Mexico City's booming business scene likely results from its unique ability to offer opportunities to combine business and culture at a reasonable cost. The city is an important financial center and global economic hub and is often described as the cultural Mecca of Latin America.

As global travel and tourism continue to increase post the COVID-19 pandemic, we expect a strong and sustainable recovery in the lodging industry in Mexico. We believe that our properties are exceptionally well-located to allow them to benefit from long-term positive trends in the tourism markets of Cancun and Mexico City.

#### ***Long-term Strategic Partnerships with World Class Designers, Construction Companies, and Hotel Operators with Global Premium Hospitality Brands***

We benefit from the experience and expertise of our internationally recognized design, construction, engineering, and project management partners. The GIC Complex has been designed by HOK – the largest U.S.-based design, architecture, engineering and urban planning firm – and GIC Complex's landscaping, outdoor amenities and aquatic parks have been designed by EDSA, a renowned U.S.-based planning, landscape architecture and design firm. The supervision of the construction and engineering process is managed by Ideurban, a leading construction management firm with over 70 years of experience managing the construction of emblematic hotels in Mexico, including the St. Regis Ciudad de Mexico, St. Regis Punta Mita and Westin Brisas Ixtapa. We believe the skills and capabilities of these partners and their substantial experience successfully designing, constructing, and managing premier quality hotels and resorts enhances the value of our properties.

Hyatt is the largest operator of luxury hotels in Mexico and the Caribbean, and of luxury all-inclusive resorts in the world. As of March 31, 2024, Hyatt had 75 hotels in Mexico, 44 million Loyalty program members, and presence in over 75 countries across the globe. Accor is a leading hotel management service provider with more than 821,000 rooms across 110+ countries and more than 110 hotels in the pipeline for LatAm.

Hyatt and Accor are industry-leading hotel operators with world-renowned premium hotel brands and by partnering with them we expect to maximize the cost structure and performance of our properties by leveraging their superior customer-oriented approach, marketing capabilities and profound experience as hotel operators. More specifically, their sophisticated loyalty and vacation club programs, modern and robust reservation systems, global distribution channels, marketing infrastructure, effective product segmentation and strong customer awareness will position our properties among the top hotels and resorts in Mexico City and Cancun.



*Insurgentes 421 Hotel Complex*

The Andaz Hotel is operated by Hyatt under the Andaz brand (owned by Hyatt), who has a strong combination of global loyalty programs and local know-how in the location. Additionally, the Mondrian Hotel is operated by Accor under the Mondrian brand (owned by Accor) as its first luxury hotel property in Mexico City, making the location its flagship hotel in Latin America. As such, we believe Accor will have strong incentives to provide high-quality management. Though the Andaz Hotel and the Mondrian Hotel are separate hotels and operators, both brands coexist within the same building (the “Insurgentes 421 Hotel Complex”), allowing for operating efficiencies, a wider product offering and capturing a larger target market.

In addition, to maximize our partnership with Hyatt and Accor we have structured long-term hotel management agreements. Accor’s agreement for the Mondrian Hotel includes a fee arrangement tied to occupancy and performance targets consistent with the quality of the property, based on a minimum amount of adjusted gross operating profit (“AGOP”). As part of that agreement, Accor will be entitled to a base fee of 2.0% of gross revenue the first year, as well as fees related to F&B (up to 2% of gross revenue per annum); in addition, Accor will be paid an incentive fee of 15% over the Special Adjusted Gross Operating Profit (meaning the gross operating profit, less the following: (i) base fee; (ii) all property taxes; (iii) insurance costs; (iv) replacement reserve contribution; and (v) an amount equal to eight percent (8%) of the total project costs (which is the sum of all costs and expenses incurred by OHI421 Premium in connection with the development, construction, initial furnishing and initial equipment of the Mondrian Hotel and an aggregate amount of \$200,000 per key at the Mondrian Hotel)).

In respect of the Andaz Hotel, Hyatt will be entitled to a base fee as follows: (a) (i) 1.6% of gross revenue in the first fiscal year, (ii) 2.1% of gross revenue in the second fiscal year, and (iii) 2.6% of gross revenue in the third and subsequent fiscal years; and (b) a royalty fee of 0.4% of gross revenue per annum. In addition, Hyatt is entitled to an incentive fee payment if the gross operating profit margin exceeds 20.01%. The incentive fee will be based on a percentage of annual gross profits, with multiple step-ups capped at 10% when gross operating profit margin exceeds 40%.

*GIC Complex*

The GIC I Hotel is operated by Hyatt, through Hyatt Inclusive Collection, under the Dreams (family oriented) and Vivid (adults only) brands. As the leading luxury all-inclusive resort operator in Mexico, Hyatt is also a top U.S. seller of all-inclusive vacation packages. Via its Apple Leisure Group subsidiary driven by loyalty and growth of the customer base, Hyatt offers the end-to-end solutions: (i) Inclusive Collection, the world’s largest portfolio of luxury all-inclusive resorts, (ii) ALG Vacations, a booking platform that provides all-inclusive vacation experiences including flights, transport, excursions, and resort packages, and (iii) Unlimited Vacation Club, a membership program providing exclusive offers at all of their all-inclusive luxury resort properties.

Regarding the GIC I Hotel and GIC II Hotel, Hyatt will be entitled to 3% of annual gross revenue and an incentive fee equal to 10% of annual gross profit.

***Committed Sponsor and Experienced Management Team with a Solid Track Record***

The Murano Group is an experienced real estate developer dedicated to acquiring, developing, and owning high-end residential properties, luxury hotels, and industrial real estate in Mexico. Murano Group’s current portfolio of city and beach properties spans the country’s most popular and desirable cities. Since its formation in 1999, Murano Group has sold 2,174 condominiums, and has developed, or is in the process of developing, multiple resorts and hotels. It has also invested over U.S.\$64.6 million in its landbank and constructed over 465,555 sqm, investing U.S.\$435.7 million in aggregate.

***Green Certified Hotels with a Long-Term Commitment to Sustainability***

The Andaz Hotel and the Mondrian Hotel have received the EDGE Green Building Certification. EDGE (which stands for “Excellence in Design for Greater Efficiencies”) is a green building standard and certification system developed by the International Finance Corporation and applicable in 140 countries. The areas of assessment on the environmental performance of the buildings include: (i) climate conditions of the location, (ii) building type and output use, (iii) design and specifications and (iv) calculation of end-use demand, which considers overall energy demand, heating, ventilation and air condition, water demand and estimations on rainwater harvesting or recycled waters onsite. To achieve an EDGE certification, a building must demonstrate a minimum of 20% reduction in operational energy consumption, water use, and embodied energy in materials as compared to typical local practice.

***Investment Grade Property Insurance Providers***

The properties are covered by top investment grade insurance providers. The GIC I Hotel is covered by GMX Seguros and the Andaz and Mondrian Hotels in Mexico City are covered by AXA Insurance. The insurance policies are designed to uphold high standards of coverage, including: (i) full building replacement cost, (ii) building, improvements and adaptations, contents and consequential losses, and (iii) covered risks including earthquake, hydro-meteorological and fire.

## **Business and Growth Strategies**

### ***Maximize Profitability through Active Asset Management***

We intend to continually improve the operating performance and profitability of our portfolio. To do so, together with the hotel operators, we will seek to identify revenue-enhancement opportunities and drive cost efficiencies to maximize the operating performance, cash flow, and value of each property. As active owners, we provide direction and oversight to the hotel operators and continuously evaluate their plans and strategies, including those to be implemented to optimize the performance of each property. To that end, we will regularly conduct sales, marketing, and financial performance reviews designed to identify strengths and weaknesses that can be addressed to enhance property performance and conduct periodic on-site meetings with property and regional personnel and in-depth operational reviews focused on identifying new and ongoing margin improvement initiatives.

### ***Maintain a Stable and Efficient Capital Structure***

We are committed to maintaining a capital structure in line with our cash flow generation while providing attractive returns for our shareholders. We seek to tailor our debt portfolio to ensure a reasonable cost of capital, and to match the long-term nature of our asset base. We are also focused on maintaining appropriate levels of liquidity.

### ***Leverage Our Partnerships with Leading Industry Hotel Operators to Drive Occupancy, ADR and RevPAR Growth***

We leverage our partnerships with Hyatt and Accor and utilize their world-renowned brands, depth of experience, unique understanding of resort operations, track record in our specific markets, robust reservation and marketing infrastructure and networks, effective product segmentation, vacation club services, loyalty programs, and strong customer awareness. We believe these experienced operators will deliver a distinctive lodging experience to our hotel guests, and their operational expertise will drive occupancy, ADR and RevPAR growth at our properties. We also believe their substantial experience and expertise in our markets will mitigate the hotel integration and utilization risk that may otherwise exist with new entrants in the competitive Mexico City and Cancun markets.

### ***Diversify our Revenue Mix***

We expect to capitalize on the state-of-the-art amenities at the properties of the Hotel Portfolio, as well as their strategic locations, to diversify our revenue mix. We expect the superior amenities at our properties, including restaurants, bars, spas, and facilities for large conferences, banquets, and weddings, will provide an additional source of operating cash flows and reduce overall sensitivity to seasonal changes in demand for lodging among leisure and business travelers. We also believe that the operation of the properties of the Hotel Portfolio under different brands that target different demographics and customer preferences will further diversify our sources of revenue.

### ***Integrated ESG Strategy, Environmental Certifications and Green Bond Framework***

We expect to implement an integrated environmental and corporate governance (“ESG”) strategy. We recognize that developing real estate assets is a high-impact industry with respect to environmental, social and governance factors. Consequently, we have adopted a construction model that includes sound environmental features in our buildings by controlling our construction process, focusing on the environmental performance of our properties, and emphasizing energy efficiency.

Our strategy relies on innovation and sustainability as the fundamental pillars to develop our projects, which will drive us to generate value while designing and operating highly efficient and sustainable hotels. We will implement projects that engage sustainable construction, champion social priorities related to construction, and serve as a model for ethical governance in the real estate and hospitality sector. In order to have a clear and constant assessment of the implementation of these practices, we will use commercially reasonable efforts to have all our properties certified by EDGE.

Furthermore, we prioritize social, environmental, and biodiversity issues in all the locations in which we operate. Our corporate social responsibility activities have the ultimate goal of positively impacting one or more of the 17 United Nations’ Sustainable Development Goals (“SDGs”), with a focus on those SDGs for which it has a greater responsibility, such as creating more sustainable cities, promoting innovation in industrial sectors and fighting climate change, in the context of the environment in which we operate and the nature of our business as a real estate developer.

***Develop and Maintain Dialogue with all Stakeholders in the Community and Protect the Environment***

We intend to continue to work proactively to identify, evaluate, and work to control all safety risks and prevent any negative impact on our Group's employees and contractors, as well as the communities and the environment in the vicinity of our existing assets. We intend to continue to follow strict policies for environmental protection in our operations aligned with applicable laws and regulations and international sustainable business practices. We intend to develop trustworthy relationships based on transparency and mutual benefit with our communities, workers, subcontractors, suppliers, guests, and all of our relevant stakeholders.

**Description of the Properties**

See "Item 4. Information on the Company - D. Property, Plants and Equipment" for descriptions of our properties and the construction methods, material agreements and project agreements related to our properties.

See "Item 5. Operating and Financial Review and Prospects - B. Liquidity and Capital Resources – Debt" for descriptions of the existing indebtedness related to our properties.

**Insurance**

Murano Group's resorts carry what Murano Group believes are appropriate levels of insurance coverage for a business operating in the lodging real estate industry in Mexico. This insurance includes coverage for general liability, property, workers' compensation and other risks with respect to Murano Group's business and business interruption coverage.

This general liability insurance provides coverage for claims resulting from Murano Group's operations, goods and services, and vehicles. Murano Group believes these insurance policies are adequate for foreseeable losses, and on terms and conditions that are reasonable and customary with solvent insurance carriers.

**Competition**

Our hotels will compete with other hotels for guests in each of their markets on the basis of several factors, including, among others, location, quality of accommodations, convenience, brand affiliation, room rates, service levels and amenities, and level of customer service. Competition is often specific to the individual markets in which our hotels are located and includes competition from existing and new hotels operated under premium brands in the segments in which we operate. We believe that hotels such as the hotels in our portfolio, that are affiliated with leading national and international brands, such as the brands of Hyatt and Accor, enjoy the competitive advantages associated with operating under such brands. Increased competition could harm our occupancy and revenues and may require us to provide additional amenities or make capital improvements that we otherwise would not have to, which may materially and adversely affect our operating results and liquidity.

The Insurgentes 421 Hotel Complex will compete directly with more than 13 hotels in Mexico City representing more than 5,500 hotel rooms. Additionally, there are more than 22 proposed new hotel projects in Mexico City at varying stages of development that are scheduled to open between the second quarter of 2024 and the fourth quarter of 2028 that will directly compete against the Insurgentes 421 Hotel Complex.

The GIC Complex will directly compete against more than 19 hotels in Cancun representing over 13,749 hotel rooms.

**Seasonality**

The seasonality of the lodging industry and the location of Murano's resorts in Mexico and the Caribbean generally result in the greatest demand between mid-December and April of each year, yielding higher occupancy levels and package rates during this period. This seasonality in demand has resulted in predictable fluctuations in revenue, results of operations and liquidity, which are consistently higher during the first quarter of each year than in successive quarters.

**Cyclical**

The lodging industry is highly cyclical in nature. Fluctuations in operating performance are caused largely by general economic and local market conditions, which subsequently affect levels of business and leisure travel. In addition to general economic conditions, new hotel and resort room supply is an important factor that can affect the lodging industry's performance, and over-building has the potential to further exacerbate the negative impact of an economic recession. Room rates and occupancy tend to increase when demand growth exceeds supply growth. A decline in lodging demand, or increase in lodging supply, could result in returns that are substantially below expectations, or result in losses, which could have a material adverse effect on Murano's business, financial condition, liquidity and results of operations. Further, many of the costs of running a resort are fixed rather than variable. As a result, in an environment of declining revenues, the rate of decline in earnings is likely to be higher than the rate of decline in revenues.

## Intellectual Property

Murano and its affiliates own rights to trademarks, trade names, and service marks that they use in connection with the operation of their business, including their corresponding names, logos, and website names and addresses. Other trademarks, trade names, and service marks, including those of Mondrian, Hyatt Hotels Corporation and Hyatt. Murano and its Affiliates have rights to copyrights that protect certain content related to their business and products. In the highly competitive lodging real estate industry in which Murano and its Affiliates operate, trademarks, service marks, trade names and logos are very important to the success of their businesses.

## Environmental Matters

Murano Group is subject to Mexican laws that address a wide variety of issues, including those that impose liability for contamination at Murano Group's resorts, and those regulating the use and disposal of hazardous regulated substances and wastes. Murano Group may incur costs to comply with environmental laws and regulations, and could be subject to fines and penalties for non-compliance with applicable laws.

Our operations are subject to laws, regulations, rules and standards, including those related to ecological ordinance, environmental impact and risk assessments, municipal and/or forest land use changes, air pollution, flora and fauna conservation, efficient or rational use of natural resources, health and safety matters, and to oversight by various federal, state and/or local environmental authorities in each of the places in Mexico in which we operate. See *"Item 3. Key Information – D. Risk Factors—Risks Related to Murano's Business and Operating in the Hotel Industry — Our properties and operations are subject to extensive environmental, health and safety laws and regulations. We may incur costs that have a material adverse effect on our financial condition due to any liabilities under, or potential violations of, environmental, health and safety laws and regulations."*

These laws and regulations require that we obtain and maintain (as applicable) several permits in connection with the site preparation, construction and operation of our businesses, which can sometimes be conditioned to the fulfillment of affirmative covenants so that they become in full force and effect and we can initiate construction. We believe we are in material compliance with obligations applicable to our projects established in environmental laws and regulations.

### Relevant environmental authorities

Ministry of Environment and Natural Resources (*Secretaría de Medio Ambiente y Recursos Naturales*) is the federal environmental regulator with authority to formulate and implement environmental policies as well as to grant environmental permits that fall under their jurisdiction, including environmental impact authorizations to engage in certain activities such as real estate developments (housing, hospitality, etc.) in coastal environments, forest land use change approval, the registration as a hazardous waste generator and the approval of plans for remedial action in contaminated sites.

The Attorney General's Office for the Protection of the Environment (*Procuraduría Federal de Protección al Ambiente*) functions as SEMARNAT's enforcement arm with authority to undertake inspection visits, impose sanctions for breaches to federal environmental laws and regulations, halt a non-complying development or bring legal actions in court seeking remediation or compensation for environmental damages. Mexican environmental legislation follows the "polluter pays" principle.

Each state and local authority has equivalent Secretariats, Ministries or Departments to those at the federal level mentioned above.

### Environmental legal framework

Federal Congress has been granted powers to enact laws establishing concurrent authority among the Federal, state, municipal governments as well as those of the administrative areas (*demarcaciones territoriales*) of Mexico City in matters related to the protection of the environment, the preservation and restoration of ecological equilibrium. The General Law of Ecological Equilibrium and Environmental Protection (*Ley General del Equilibrio Ecológico y la Protección al Ambiente*), or LGEEPA, is the foundational statute of the Mexican environmental regulatory framework. Through this law, the Federal Congress has distributed powers and functions among all three levels of government and has established overarching policies and instruments to regulate environmental matters, including permits. Development regulations to legal provisions in the LGEEPA are encompassed in a number of Regulations to the LGEEPA on matters of air emissions, environmental impact evaluation, environmental noise and voluntary environmental audits that can lead to certifications.

Other relevant environmental laws which may apply to our business are:

- The General Law on Sustainable Forest Development.
- The General Law for the Prevention and the Integral Management of Waste.
- National Waters Law.

The environmental legal framework in Mexico is supplemented by many international conventions, treaties and agreements on environmental protection. These international instruments, upon ratification by the senate, become a part of Mexican law.

Technical standards establishing binding specifications, standards, values, and characteristics applicable to any product, process, service, or activity supplement the environmental legal framework. These standards colloquially called NOMs dictate maximum allowable pollutant limits and list hazardous waste, substances, endangered species, etc.

In addition, the Mexican state congresses may issue specific environmental laws and regulations on those matters falling under their respective jurisdictions which are not expressly reserved for the federal jurisdiction. Local ordinances may also be imposed and applied at a municipal level.

Core project approvals for site preparation, construction or refurbishing, and operation of our Mexico City and Cancun hotels in matters of environmental impact, forest land use change, and air emissions have been or are in the process of being secured. For example, certain of our affiliates are in the process of obtaining new or extensions to environmental-related permits applicable to its properties and or for the operation thereof, including the Comprehensive Environmental License for Mexico City (*Licencia Ambiental Única para la Ciudad de México*) for the hotel operating in Mexico City and the Environmental Operational License for fixed sources of emissions by the Ministry of Ecology and Environment of the state of Quintana Roo. We do not currently anticipate material obstacles in the obtaining of these or other permits that will be required for future stages of our projects.

We endeavor to ensure that all of our business operations and projects are in material compliance at all times with the applicable environmental laws, regulations and governmental directives, and with our own environmental covenants. We believe that we are taking appropriate measures to ensure compliance, nonetheless, due to the complex nature of the environmental legal framework applicable to our operations, and that we are subject to oversight by several Federal, state and local environmental authorities, it is possible that we may from time to time discover that we have failed to obtain, renew or fulfill our obligations under any material permit required for the operation of our projects, requiring us to take action as soon as practical. We are currently working on a specific review of some of our environmental permits to determine whether affirmative actions are required to correct deviations and inconsistencies detected between our federal environmental impact authorization for our hotels in Cancun and municipal permitting for construction.

## **Regulatory Overview**

### **General**

Our hotels are subject to various Mexican federal, state and local laws, ordinances and regulations, including regulations relating to zoning, fire and safety requirements, among others. We believe that each of our hotels has the necessary permits and approvals to operate its business. See *“Item 3. Key Information – D. Risk Factors—Risks Related to Murano’s Business and Operating in the Hotel Industry— Our properties and operations are subject to extensive environmental, health and safety laws and regulations. We may incur costs that have a material adverse effect on our financial condition due to any liabilities under, or potential violations of, environmental, health and safety laws and regulations.”*

In Mexico, each of our hotels is granted a business license by both the state and the municipality to operate locally. We must also register each of our hotels and the rates charged by each of them with the Mexican National Tourism Registry (*Registro Nacional de Turismo*), together with any related services such as restaurants and bars provided by such hotel. State and municipal laws in Mexico also regulate fire safety. Additionally, each of our hotels is required to have sanitation licenses and hotel construction projects are required to have a construction license and must comply with several zoning and land-use regulations. We believe that we are in material compliance with all applicable sanitation and construction licenses in Mexico, and zoning and land-use regulations applicable to our operations.

In addition, our operations are subject to consumer protection regulations such as the Federal Law of Consumer Protection (*Ley Federal de Protección al Consumidor*) and other regulations issued by the Mexican Consumer Protection Agency (*Procuraduría Federal del Consumidor*).

Approvals from state and municipal regulatory entities are necessary at almost every stage of construction of a hotel. Generally, development requires, among other approvals: (i) approval of preliminary development, which includes authorization of the design and the use of the land, as well as preliminary agreements with Comisión Federal de Electricidad (the Mexican government-owned electricity company), water organisms at state or municipal levels for water, wastewater collection, treatment and disposal in order to provide the development with energy, water and connection to the sewage system, respectively; (ii) approval of the subdivision of land, as applicable; and (iii) a construction license.

Finally, in addition to the regulations described above, each of our hotels is subject to extensive federal, state and municipal regulations and on a periodic basis, we must obtain various licenses and permits, including, but not limited to, those relating to the operation of restaurants, swimming pools, fitness club facilities, parking garages, the sale of alcoholic beverages, advertisement and occupational health and safety.

We believe that the Insurgentes 421 Hotel Complex and GIC Complex (up to its current development stage) are in material compliance with applicable laws and regulations and has obtained all applicable licenses and permits and that our business will be conducted in substantial compliance with applicable laws.

### **Expropriation and Dispossession**

In Mexico, the government has the authority to expropriate properties or assets if there are justified public interest or national security reasons. Under Mexican applicable law including, among others, the Mexican Constitution and Expropriation Law (*Ley de Expropiación*), the government is required to indemnify the owner of the property subject to expropriation. If there is disagreement in connection with the indemnification amount, the determination of such amount may be submitted to a judicial authority. There are no specific rules with respect to the indemnification amount we would receive in the event of expropriation, in the understanding that such indemnification must be paid between the following 45 business days to the publication of the expropriation decree. In addition, under the Mexican Constitution and Mexican applicable law, we may be dispossessed of the Properties by the Mexican government if tenants engage in certain criminal activities within the Properties. As of June 30, 2021, none of the Properties were subject to an expropriation or dispossession proceeding.

### **Overview of Mexico and the Mexican Lodging Industry**

#### ***Macroeconomic Overview***

During 2023, the Mexican economy continued to expand despite continued uncertainty regarding global economic conditions, prevailing inflationary pressures, high interest rates and adverse economic effects from global conflicts. Mexico's GDP increased by 3.2% in 2023 vs. 2022 and is expected to grow up to 3.5% in 2024.

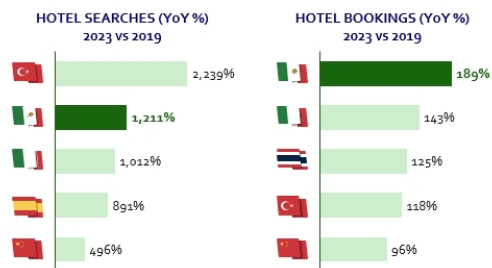
Moreover, Mexico continues to show a robust labor market with an unemployment rate was 2.7% as of December 31, 2023, a 0.1% decrease from the rate as of September 30, 2023. As of December 31, 2023, the economically active population in Mexico (fifteen years of age and older) was 61 million. As of January 1, 2024, the minimum wages in Mexico were Ps. \$374.89 per day for municipalities in the *Zona Libre de la Frontera Norte* (Northern Border Free Trade Zone) and Ps. \$248.93 per day for the rest of Mexico, an increase of 20%, respectively, from the applicable minimum wages in effect from January 1, 2023 to December 31, 2023.

Mexico's sovereign ratings were fully investment grade as of December 31, 2023, standing at a Baa2 with "stable" outlook by Moody's, a BBB with a "stable" outlook by S&P, and a BBB- with a "stable" negative outlook by Fitch.

#### ***The Mexican Lodging Industry***

The travel & leisure sector is a key economic engine for the Mexican economy, representing 8.5% of its GDP as of 2022. International arrivals to Mexico have quickly recovered, standing just 6.3% below pre-pandemic levels and showing positive momentum with a 10.1% increase against 2022. Overall occupancy levels in Mexico have also quickly rebounded almost reaching pre-pandemic levels as of December 31, 2023.

Mexico is one of the top travel destinations in the world, and its tourism sector has grown significantly in recent years. It currently stands as the second most searched hotel destination in the world, and the fastest growing on hotel bookings since 2019.



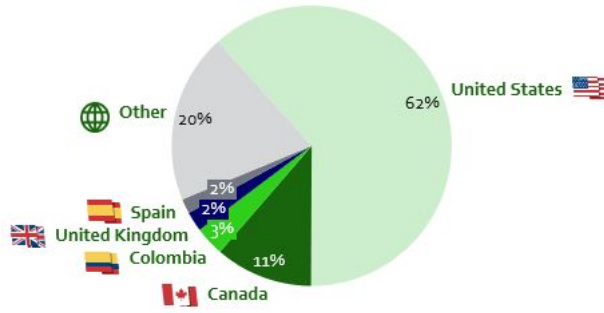
Source: World Tourism Organization

Mexico is also the most visited destination in Latin America and the 6<sup>th</sup> most visited country in the world by international tourists.

Rkg.	Country	9M 2023	9M 2022	Vs. 9M22	Vs. 2019
1	France*	-	79.400	-	(12.7%)
2	Spain	66.529	56.020	18.8%	(1.6%)
3	United States	49.312	36.202	36.2%	(19.5%)
4	Italy	45.337	39.487	14.8%	(13.5%)
5	Turkey	38.092	34.133	11.6%	(7.0%)
<b>6</b>	<b>Mexico</b>	<b>30.866</b>	<b>27.539</b>	<b>12.1%</b>	<b>(7.5%)</b>
7	United Kingdom	29.443	21.647	36.0%	(1.0%)
8	Greece	27.790	23.687	17.3%	1.9%
9	Germany	26.747	21.147	26.5%	(13.9%)
10	Austria	25.156	21.003	19.8%	(2.1%)

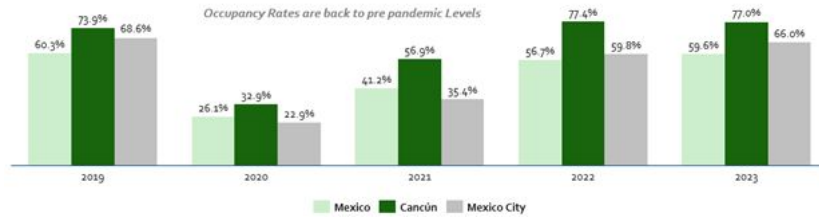
Source: World Tourism Organization

In 2023, Mexico's incoming tourism base mainly comprises visitors from investment grade, hard currency denominated countries such as the United States, Canada, the United Kingdom and Spain.



Source: Mexico's Ministry of Tourism

Moreover, Mexico City and Cancun continue to be the top Mexican destinations for international tourists to Mexico. These cities together represented approximately 66% of total airport arrivals in Mexico during 2023; and Cancun remains the most visited Caribbean destination by passenger arrivals. The trend is expected to continue as there is a strong pipeline of projects to be delivered in 2024 to meet increasing visitor demand. In Cancun and Mexico City, and additional 53% of new room supply is expected to be developed in 2024. Additionally, both cities continue to show higher occupancy levels compared to the rest of Mexico.

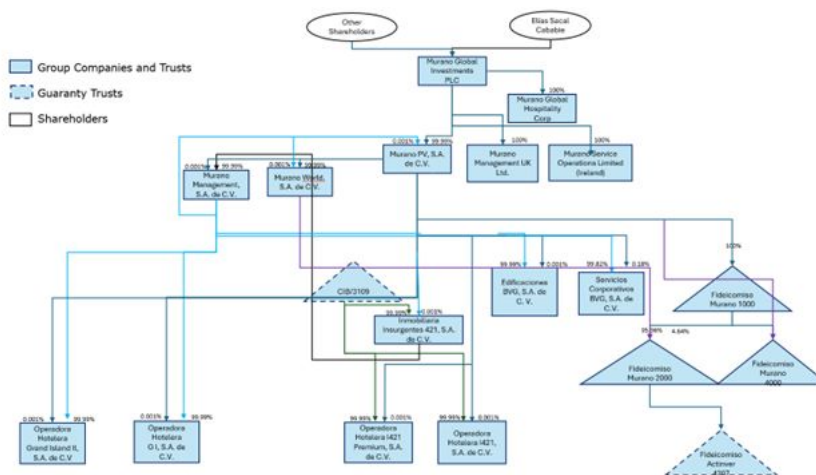


Source: INEGI, Mexico's Ministry of Tourism



**C. Organizational Structure**

The following diagram sets forth our current corporate structure following the Business Combination and related corporate reorganization, including the subsidiaries of Murano PubCo:



**D. Property, Plant and Equipment**

**Description of the Properties**

**Hotels**

**Insurgentes 421 Hotel Complex**

The Insurgentes 421 Hotel Complex is located in Colonia Condesa, a trendy and upscale neighborhood in Mexico City that is surrounded by tourist attractions, landmarks, parks and a vibrant restaurant scene. Condesa is within walking distance of the Roma neighborhood and Paseo de la Reforma, one of the city’s main avenues, close to the city’s historic center and main financial district, and only 12 kilometers away from Mexico City’s international airport.

The building where the Insurgentes 421 Hotel Complex is located was built in 1961 and designed by José Luis Benlliure, a renowned Spanish architect, painter and sculptor. This historic building, formerly known as the Aristos, has long been considered an icon of the city’s architectural style and was declared part of the artistic heritage of Mexico City by the National Institute of Fine Arts (*Instituto Nacional de Bellas Artes*) and the Ministry of Housing and Urban Development (*Secretaría de Desarrollo Urbano y Vivienda*). Murano Group acquired the building in 2006 and began conversion of the property into an upscale international business hotel in 2018. The development of the Insurgentes 421 Hotel Complex was completed in the last quarter of 2022 and became operational in the first quarter of 2023.

The Insurgentes 421 Hotel Complex consists of three independent buildings connected by a central square. The first building faces West and is located on *Avenida de los Insurgentes*. It is 55 meters high and consists of a Lower Ground and 16 floors with 217 rooms, which is operated under the Andaz brand, focused on business travelers. The second building faces North and is located on Aguascalientes Street. It is 34.45 meters high and consists of a Ground Floor and nine floors with 183 rooms, which is operated under the Mondrian brand, which is geared toward lifestyle tourism and sophisticated leisure travelers. The third building faces South and can be accessed from the central square. It consists of a lower ground and three floors encased by a large crystal ballroom. The Insurgentes 421 Hotel Complex also has an underground garage accessible from Aguascalientes Street.

The Andaz Hotel is operated by Hyatt, has 217 rooms and several amenities, including a sky bar “Cabuya Rooftop”, multiple restaurants, an auditorium, breakout rooms, a business center, a pet friendly area and restaurant for pets, the “Wooftop”, a gym and a spa. It also has a 954.31 sqm ballroom with a crystal dome with a capacity for 49 tables and 588 guests.

The Mondrian Hotel is the first luxury Accor hotel in Mexico and its flagship location in Latin America. Pursuant to the Hotel Management Agreement with Accor, 183 rooms are operated under the Mondrian brand.

According to the appraisal report issued by CBRE in April 2023, a global real estate consulting and appraisal firm, the market value of the Insurgentes 421 Hotel Complex property was U.S.\$204.6 million and this valuation was adopted as of December 31, 2023.

As of December 31, 2023, we had invested U.S.\$121.4 million to complete the development of the Insurgentes 421 Hotel Complex.

#### *GIC Complex*

The GIC Complex, once fully developed, is expected to be a 3,016-room complex situated in the area between Delfines Beach and the Nichupté Lagoon in Cancun. Its strategic location as one of the five-star hotels in Cancun closest to the airport and similarly close to Cancun’s major entertainment area, alongside the state-of-the-art design and luxurious rooms and amenities, will be second-to-none in Cancun and we believe will be key to attracting our guests. The GIC Complex will be a destination within a destination where the GIC II Hotel will complement the GIC I Hotel, and countless amenities will be offered for both leisure and business travelers of all ages.

Cancun is the foremost destination in the Caribbean as it is easily accessible from many parts of the world, with numerous daily direct flights linking the city with large metropolitan centers in the United States, Canada and Europe. The total number of passengers visiting Cancun has grown at a considerably higher pace than the number of hotel rooms, creating an opportunity in the hospitality industry in Cancun. Given the exposure to international visitors and the local dynamics in Cancun, we currently expect that substantially all the revenues generated by the GIC Complex will be denominated in U.S. dollars.

#### *GIC I Hotel*

The GIC I Hotel will feature 1,016 rooms across two hotels, with views of the ocean, lagoon, and/or adjacent golf course owned by Iberostar.

The Vivid Hotel is an adult-only brand all-inclusive hotel categorized as five-star upper scale with 400 rooms operated under the Vivid brand and which opened in April 2024. The Dreams Hotel is expected to be completed and operational in the third quarter of 2024 and will be a family-friendly brand hotel categorized as five-star upper scale with 616 rooms operated under the Dreams brand.

When fully operational later in 2024, the GIC I Hotel is expected to have the following amenities: a world-class spa, beach club, rooftop terraces, four specialty restaurants, two buffet restaurants, two pool restaurants, two gyms, two lobby bars, two sunset bars, two *cavas*, two swim-up bars, a kids club, two barefoot grills, a terrace lounge, a shopping store, a wedding terrace, an entertainment square, a jogging track and the longest sky pool in the world. Adjacent amenities forming part of the GIC Complex will include the GIC Spa, the GIC Village Food Hall, and close access to the golf course owned by Iberostar.

The GIC I Hotel is located within walking distance of Delfines beach and close to the El Rey Archaeological Zone and National Park. The GIC I Hotel will be operated by Hyatt’s subsidiary Hyatt Inclusive Collection, which is an industry leader in the luxury resort destination category with over 102 properties, more than 21,302 guest rooms and suites and the largest portfolio of hotel brands, and has grown to become one of the leaders in the resort operations sector in Mexico and the Caribbean, based on 2021 year-end projections as of July 31, 2021. Hyatt Inclusive Collection operates luxury resorts under all-inclusive plans in Mexico, Jamaica, the Dominican Republic, Costa Rica, Curaçao and Panama, and is one of the fastest-growing operators in luxury tourism offering all-inclusive plans across North America.

Hyatt Inclusive Collection is part of Hyatt and Apple Leisure Group, the top U.S. seller of all-inclusive vacation packages worldwide. In 2020, Apple Leisure Group had approximately 3.2 million passengers through its tour companies and is the leading North American leisure travel and resort brand management group. In addition to Hyatt Inclusive Collection and its tour companies, Apple Leisure Group operates a carrier and services company and a vacation club with more than 60,000 members. We estimate that, upon completion, the GIC I Hotel will have 1,016 rooms: (i) 400 keys corresponding to the Vivid Hotel, operated under the Vivid brand; and (ii) upon completion, 616 keys corresponding to the Dreams Hotel, will be operated under the Dreams brand.

According to an appraisal report issued by Vaapro, the market value of the GIC I Hotel on December 31, 2023 was U.S.\$540.3 million.

## GIC II Hotel

The GIC II Hotel is expected to comprise approximately 73,785.32 sqm of land and is planned as an integrated resort split across four different hotel brands with a total 2,000 rooms, with views of the ocean, lagoon and/or adjacent golf course owned by Iberostar. Development of the GIC II Hotel is in the early stages of development.

When fully developed, the GIC II Hotel is expected to have a range of amenities, including a water park, sports center, world-class spa, rooftop terraces, four buffet restaurants, seven specialty restaurants, four pool restaurants, four coffee shops, four barefoot grills, four lobby bars, four pool bars, three caves, pools, roof pools, sunbathing decks, a jogging track, shops and galleries, an observation deck, a kids club, a core zone, gyms, and a World Trade Center (a convention center under the WTCA name). We estimate that, upon completion, the GIC II Hotel will have 2,000 rooms: sectioned in four hotel brands (in process of negotiation with Hyatt) that will be divided into: (i) 800 keys for the adult-only sector and (ii) 1200 keys that will be a family-friendly brand.

## GIC Complex's Adjacent Amenities

In addition to the GIC Complex's amenities described above; the GIC Complex will include a range of amenities that will enhance our guests' experience, including the GIC Spa, the GIC Retail Village, and the GIC World Trade Center (a convention center under the WTCA name), which we believe will be the largest convention center in the region and leverage the growing and under-satisfied demand for business facilities in Cancun. The GIC I Trust will own and develop the GIC Village Food Hall (in GIC Private Unit 1). The CIB/3224 Trust will own and develop the GIC Spa (in GIC Private Unit 2). In addition, the GIC World Trade Center and the GIC Retail Village (in GIC Private Unit 4) will be developed and owned by a different entity of the Murano Group.

## Design of the GIC Complex

The GIC Complex has been designed by HOK Group, Inc. ("*HOK*"), the largest U.S.-based design, architecture, engineering and urban planning firm. HOK has been recognized for six consecutive years on the American Institute of Architect's (AIA) "Top 10 Green Projects List," one of the industry's best-known awards program for sustainable design excellence. The landscaping, outdoor amenities and aquatic parks have been designed by EDSA, Inc. ("*EDSA*"), a renowned U.S.-based planning, landscape architecture and design firm.

## The Resort Property in Baja Development Project

The Resort Property in Baja Development Project is expected to consist of 41,049.66 sqm of land, and will feature 371 rooms, with views of the ocean and/or adjacent golf course in Ensenada. Development of the Resort Property in Baja Hotel is in the early stages but when fully developed, the Resort Property in Baja hotel is expected to have the following amenities: business center, world-class spa, pool terraces, bars and restaurants.

The Resort Property in Baja Development Project is currently in the project plan and design phase and the team is working to ensure that a wide array of details are taken into consideration, from the layout of the rooms to the choice of materials for the furnishings.

The project is currently under evaluation, and we have not yet begun the process of securing financing for completion. Therefore, we do not know when and if we will be able to begin construction of this project.

## ***Industrial Park Properties***

### *Baja Park*

The Baja Park property is expected to comprise approximately 363,262 sqm of retail space.

## ***Asset Management of our Properties***

We employ a proactive asset management approach to maximize the performance of our hotels through revenue enhancement and cost-containment measures. As committed owners, we provide direction and oversight to the hotel operators and continuously evaluate their plans and strategies, including those to be implemented to optimize the performance of each of our properties. To that end, we regularly conduct sales, marketing, and financial performance reviews designed to identify strengths and weaknesses that can be addressed to enhance property performance and conduct periodic on-site meetings with property and regional personnel, and in-depth operational reviews focused on identifying new and ongoing margin improvement initiatives.

## Construction

The Murano Group has engaged or will directly engage with experienced contractors to carry out the construction of the Project Under Completion. In addition, we have engaged Ideurban as manager and supervisor of the construction of the project. With more than 70 years of experience, Ideurban is one of Mexico City's leading urban development companies delivering a complete range of integrated real estate solutions and construction services. Supporting the needs of communities, governments, commerce and industry in Mexico, Ideurban has led projects in markets ranging from hospitality (including a portfolio of emblematic hotels throughout Mexico), residential, retail, and commercial to highway infrastructure, mixed-use developments and urban planning.

### Description of Certain Project Agreements

*The following is a summary of selected provisions of certain project agreements related to the Insurgentes 421 Hotel Complex and the GIC Complex and is not considered to be a full statement of the terms of each such agreement. The following summaries are qualified in their entirety by reference to the applicable agreements or drafts of agreements and are subject to the full text of those documents, some of which are in Spanish. Unless otherwise stated, any reference in this annual report to any agreement will mean such agreement and all schedules, exhibits and attachments thereto, as amended, supplemented or otherwise modified and in effect as of the date of this annual report.*

#### **Insurgentes 421 Hotel Complex**

##### *Andaz Hotel Management Agreement*

On May 11, 2022, OHI421 entered into a hotel management agreement with Hyatt of Mexico, S.A. de C.V., as hotel manager, pursuant to which the hotel manager operates 217 guest rooms part of the Insurgentes 421 Hotel Complex under the label of Andaz Mexico City Condesa, for a period of 20 mandatory years starting on December 31, 2022 (the "Andaz Hotel Management Agreement").

- **Key Terms**

- > Hyatt has the right to extend the term of the Andaz Hotel Management Agreement for a 10-year additional term unless Hyatt gives notice to OHI421 of its intention not to renew at least 12 calendar months prior to the expiration date.
- > Hyatt is responsible and has the authority to direct all aspects of the operation of the Andaz Hotel, including but not limited to, (i) personnel management and human resources policies and resolving employment disputes, (ii) determining the terms of guest admittances, (iii) use and services provided by the Andaz Hotel, (iv) marketing and booking process, (v) collection of revenue and payment of operating expenses, and (vi) prepare accounting books and records reflecting the results of the operations of the Andaz Hotel.
- > Hyatt has the authority to institute, conduct, defend and settle in the name and on behalf of OHI421, legal proceedings arising from the ordinary course of the Andaz Hotel operations including: (i) routine collection matters; (ii) evictions or removal of guests or other persons occupying the Hotel; (iii) enforcement of any rights (including termination); (iv) personnel and employment matters; and (v) claims governed by insurance.
- > OHI421 is responsible for, among others, (i) the procurement and receipt of any governmental approval required in connection with the Insurgentes 421 Hotel Complex and its renewal including all costs, expenses and fees thereof, (ii) the sale, transfer or any other disposition of all or any portion of the Andaz Hotel, (iii) the financing or refinancing of the Andaz Hotel, (iv) settling any property insurance claims that relate to any casualty or any condemnation awards, (v) entering any transaction with an affiliate of Hyatt, and (vi) settling legal proceedings relating to ownership, constructions and development of the Andaz Hotel.
- > Hyatt is entitled to receive compensation as follows: (a) a Base Fee, payable monthly, in an amount equal to (i) 1.6% of the cumulative revenue of the hotel from the opening date until the end of the first fiscal year of operations, (ii) 2.1% of the cumulative revenue of the hotel from the start of the second fiscal year of operations until the end of the second fiscal year of operations, and (iii) thereafter, 2.6% of the cumulative revenue of the hotel, and (b) an Incentive Fee equal to a percentage of Adjusted Profit (a percentage of Adjusted Profit (means, for any relevant period, the amount, not less than zero equal to the excess (if any) of (x) Gross Operating Profit for such period over (y) the sum of the Base Fee and the License Fee earned for such period (but not the Incentive Fee) (but only to the extent that such amounts are not otherwise deducted in computing Gross Operating Profit)) of the Andaz Hotel, subject to the Andaz Hotel achieving the relevant Adjusted Profit Margin (which for any fiscal year shall mean the percentage calculated by dividing (x) Adjusted Profit for such fiscal year by (y) revenue of the hotel for such fiscal year), payable monthly, as described in the table below:

<b>Tier</b>	<b>Adjusted Profit Margin</b>	<b>Incentive Fee earned.</b> (monthly, as preliminary installments of the Incentive Fee)
	Between 0 and up to and including 20%	No Incentive Fee
	Greater than 20.01% and up to including 25%	6% of the Adjusted Profit
	Greater than 25.01% and up to and including 30%	7% of the Adjusted Profit
	Greater than 30.01% and up to and including 35%	8% of the Adjusted Profit
	Greater than 35.01% and up to and including 40%	9% of the Adjusted Profit
	Greater than 40%	10% of the Adjusted Profit

- > Hyatt will have the right, at its discretion, to extend the operating term for an additional 10-year period.

- Termination Events

- > The occurrence of any of the following events not cured within the grace period provided under the Andaz Hotel Management Agreement will be deemed as an event of default that is not remedied within 30 days: (i) failure of OHI421 to make any payment to Hyatt or its affiliates, (ii) the filing of a voluntary petition in bankruptcy or insolvency or a petition for reorganization under any bankruptcy or insolvency law by either party, (iii) breach by any of the parties of any material covenants including representations, warranties, or conditions set forth thereunder, (iv) any assignment or transfer by a party in violation of any financing undertaken by OHI421 or impacting the Andaz Hotel that fails to satisfy the financing conditions, and (v) any default by guarantor under the guaranty.
- > A non-defaulting party shall have the right to terminate the Andaz Hotel Management Agreement by the occurrence of any event of default of the other party by delivering a written notice. The rights of termination shall be in addition to, and not in lieu of, any other rights or remedies provided, being understood, and agreed that the exercise of the remedy of termination shall not constitute an election of remedies and shall be without prejudice to any other rights or remedies.
- > OHI421 has the right to terminate the Andaz Hotel Management Agreement if the Andaz Hotel does not meet the requirements of the performance test<sup>2</sup> applicable to the most recently concluded performance test period<sup>3</sup>. The Andaz Hotel would not meet the requirements for passage of the performance test in any performance test period in which the Andaz Hotel failed both applicable tests in each consecutive fiscal year comprising the performance test period.
- > Any sum that is not paid by either party as when due shall bear interest at the Interest Rate (means the lesser of (a) the prime rate announced from time to time in the Wall Street Journal plus 5%, and (b) the maximum rate of interest permissible under applicable laws, compounded monthly. In the event that the Wall Street Journal ceases to publish the prime rate, then subsection (a) shall be the prime rate announced from time to time by JPMorgan Chase Bank, N.A. (and its successors) ) from the date when such sum becomes due to the date of payment.

- Governing Law

- > The Andaz Hotel Management Agreement is governed by Mexican Law. Any disputes arising from this agreement will be subject to arbitration with the Rules of the International Chamber of Commerce.

*Mondrian Hotel Management Agreement*

On May 11, 2022, OHI421 Premium entered into a hotel management agreement with Ennismore, as hotel manager, pursuant to which the hotel manager operates 183 rooms, two restaurants and one bar part of the Insurgentes 421 Hotel Complex under the label of Mondrian Mexico City Condesa, for a period of 20 mandatory years starting on December 31, 2022 (the "Mondrian Hotel Management Agreement").

• **Key Terms**

- > The term of Mondrian Hotel Management Agreement will be extended for an additional 10-year period if neither party delivers a written notice of termination 180 days prior to the last date of the initial term, and which could be subsequently extended for an additional 10-year period provided that neither party delivers a written notice of termination 180 days prior to the last date of the term, or first renewal term, as applicable.
- > Ennismore shall have discretion in the supervision, operation, direction, control and management of the Mondrian Hotel and it will have the exclusive right to (i) manage the Mondrian Hotel without interference from OHI421 Premium other than any inspection and auditing rights it may have under the Mondrian Hotel Management Agreement, (ii) determine all policies and procedures for the operation of the Mondrian Hotel, (iii) implement, in the name and on behalf of OHI421 Premium, all policies and procedures applicable to Mondrian Hotels in the region.
- > OHI421 Premium must, among others, (i) ensure the standard of the Mondrian Hotel to be always maintained, (ii) provide sufficient working capital to ensure that the operation of the Hotel is to be undertaken as a manner required by Ennismore's standards, (iii) comply with all its legal requirements with respect to the Mondrian Hotel, (iv) acknowledge that the Mondrian Hotel Management Agreement does not give it any right, title, or interest in or to any of Ennismore's standards, except as a license during its term to have such standards use with respect to the operation of the Mondrian Hotel, and (v) obtain or maintain all approvals, consents, licenses, permits and authorizations as may be necessary for the occupation and operation of the Mondrian Hotel at its cost and expense during the term of the Mondrian Hotel Management Agreement.
- > Ennismore is entitled to receive a Base Fee, payable monthly, in an amount equal to (i) 2.0% of the total revenue of the hotel from the opening date until the end of the first fiscal year of operations, (ii) 2.5% of the total revenue of the hotel from the start of the second fiscal year of operations until the end of the second fiscal year of operations, and (iii) 3% of the total revenue of the hotel thereafter.
- > Ennismore is entitled to an incentive fee, payable monthly, in an amount equal to 15% of the special adjusted gross operating profit of the hotel (meaning the gross operating profit, less the following: (i) base fee; (ii) all property taxes; (iii) insurance costs; (iv) replacement reserve contribution; and (v) an amount equal to eight percent (8%) of the total project costs (which is the sum of all costs and expenses incurred by OHI421 Premium in connection with the development, construction, initial furnishing and initial equipment of the Mondrian Hotel and an aggregate amount of \$200,000 per key at the Mondrian Hotel).
- > Ennismore is entitled to receive a food and beverage fee, payable monthly, equal to 2% of the food and beverage revenue.
- > None of the base fee, the incentive fee, and/or the food and beverage fee shall be subordinated to any payments, if OHI421 Premium fails to pay to Ennismore in a timely manner, Ennismore is authorized to transfer such amounts from the replacement reserve account to the operating account and withdraw such amounts from the operating account.
- > Ennismore shall not without the prior written consent of OHI421 directly or indirectly operate, franchise, or license another hotel branded and named as Mondrian located within five kilometers of the Mondrian Hotel.
- > The employees of the Mondrian Hotel will work under the supervision of Ennismore but shall be considered from a labor perspective to be under OHI421 Premium.
- > OHI421 Premium must obtain insurance as specified in the Mondrian Hotel Management Agreement.

- > OHI421 Premium shall defend, indemnify, protect, and hold Ennismore and its affiliates and its officers, directors, shareholders, partners, members, employees, agents and representatives harmless from any claims in connection with the (i) development, construction, marketing, sales, ownership or operation of the Hotel or any component thereof; or (ii) by reason of any action taken or omitted to be taken pursuant to the Mondrian Hotel Management Agreement.
- > Ennismore shall defend, indemnify, protect and hold OHI421 Premium and its officers, directors, shareholders, partners, members, employees, agents and representatives harmless from and against all claims, demands, damages, judgements, costs, losses, penalties, fines, liens, arising in connection with the operation of the Mondrian Hotel by reason of (i) Ennismore gross negligence; or (ii) willful misconduct on the part of Ennismore or its affiliates.
- > Ennismore shall have the right to transfer its rights and obligations under the Mondrian Hotel Management Agreement to (i) any person who is a successor or transferee which may result from any merger, consolidation, or reorganization of Ennismore, or (ii) Accor SA, Ennismore or any of their affiliates provided that the transferee assumes all of Ennismore's obligations under the Mondrian Hotel Management Agreement and is in a position to operate the Mondrian Hotel.
- > OHI421 Premium shall not transfer its rights and obligations under the Mondrian Hotel Management Agreement unless (i) it has given 90 days' prior written notice to Ennismore, (ii) the transfer is to an acceptable transferee, (iii) at the date of transfer all amounts owed to Ennismore and its affiliates have been paid in full and all amounts accrued that will become due after the transfer shall be reserved in an account under Ennismore's control, and (iv) the transferee enters into a written agreement with Ennismore to be bound by the terms and conditions of the Mondrian Hotel Management Agreement.

- Termination Events

- > Termination may arise if any of the following occurs (each, a default under the Mondrian Hotel Management Agreement): (i) failure to pay any amount due and payable, (ii) failure to perform any covenants or obligations, (iii) material breach of any representation or warranty, (iv) insolvency default, (v) breach of the Hotel Consultancy Services Agreement (as defined in the Mondrian Hotel Management Agreement) entered between OHI421 and the Hotel Consultant (as defined in the Mondrian Hotel Management Agreement) will result in a default by either of the parties, and, exclusively for Ennismore (vi) losing the use of the Mondrian brand, and (vii) abandoning the operation of the Mondrian Hotel for longer than 15 days unless otherwise agreed upon with OHI421 Premium.
- > Following a default (as defined in the Mondrian Hotel Management Agreement) and provided that the default continues for a period of 30 days the non-defaulting party may terminate the Mondrian Hotel Management Agreement without prejudice to any rights, actions or remedies either party may have thereunder. If the default can be cured but not within such period, the period will be extended to such longer period as it is reasonable but no longer than 60 days.
- > In case of an insolvency default the non-defaulting party may terminate the Mondrian Hotel Management Agreement with immediate effect by serving a notice on the defaulting party.
- > In the event of rescission or earlier termination due to causes attributable to OHI421 Premium, in addition to all amounts owed and repayment of any unamortized key money to Ennismore, a termination penalty equal to the net present value of the following amounts calculated using a discount rate of 8% in each instance, discounted to the date of termination will be applied:
  - if termination occurs during years 1 to 4, the penalty shall be an amount equal to \$130,158 multiplied by the remaining months of the term,
  - if termination occurs in year 5 of thereafter, the penalty shall be an amount equal to the average monthly fees for the 12 months period prior to the date of termination, in which 12 months preceding period no force majeure event has occurred, multiplied by the remaining months of the term.
- > OHI421 Premium shall have the right to terminate the Mondrian Hotel Management Agreement without the need for a court order, if in any Termination Test Period, the Mondrian Hotel suffers (i) a GOP Failure, and (ii) a REVPAR Failure (in each case as defined in the Mondrian Hotel Management Agreement).

- Governing Law

- The Mondrian Hotel Management Agreement is governed by Mexican Law. Any disputes arising from this agreement will be subject to arbitration with the Rules of the International Chamber of Commerce.

### ***Insurgentes Lease Agreements***

On October 10, 2018, and as amended and restated on May 11, 2022, Inmobiliaria Insurgentes 421, as lessor, entered into the OHI421 Lease Agreement with OHI421, as lessee, through which the lessee is required to use the relevant property exclusively to operate it under the terms of the corresponding hotel management agreement. Lessee shall pay lessor a base rent of U.S.\$50,000 within the first 15 days of each month, plus a variable rent equivalent to 95% (ninety five percent) of the gross operating profit of the lessee for the calendar year ended. The lease agreement has a 20-year term. As of December 31, 2023, the base rent amounted to U.S.\$300,000.

On May 11, 2022, Inmobiliaria Insurgentes 421, as lessor, entered into the OHI421 Premium Lease Agreement with OHI421 Premium, as lessee, through which the lessee is required to use the property exclusively to operate it under the terms of the corresponding hotel management agreement. Lessee shall pay lessor a base rent of U.S.\$50,000 within the first 15 days of each month, plus a variable rent equivalent to 95% of the gross operating profit of the lessee for the calendar year ended. The lease agreement has a 20-year term. As of December 31, 2023, the base rent amounted to U.S.\$300,000.

As part of the collateral to secure the Insurgentes Loan, among others, Inmobiliaria Insurgentes 421 contributed (i) the ownership of the property of the Insurgentes 421 Hotel Complex, (ii) its collection rights under and in respect of the Insurgentes Lease Agreements and (iii) its collection rights in regard to any potential sale of the Insurgentes 421 Hotel Complex. “See “Item 5.B. Liquidity and Capital Resources – Debt” for descriptions of the material agreements.

- Key Terms

- The term of the Insurgentes Lease Agreements may be extended by mutual agreement of its parties after negotiating new terms, conditions and rental structure.
- The rent amount, terms and conditions are revisited every three years to take into consideration inflation rates and market conditions, among others.
- In case of delayed payment of rent, a default interest rate at 20% calculated annually shall be applied.
- The Insurgentes Lease Agreements contain terms and conditions customary for a transaction of its nature, pursuant to which the lessee, among others, will: (i) allow the lessor to inspect the Andaz Hotel or the Mondrian Hotel, as applicable; (ii) comply with any law or requirement (including environmental laws); (iii) leave and deliver Andaz Hotel or the Mondrian Hotel, as applicable, properties to the lessor in the same condition as delivered; (iv) maintain necessary permits, licenses or authorizations for operation and occupancy of Andaz Hotel or the Mondrian Hotel, as applicable; (v) notify of any judicial or administrative process (including related to compliance with environmental regulations) initiated against any of the parties related to Andaz Hotel or the Mondrian Hotel, as applicable; (vi) pay and withhold taxes (except those that must be paid by the lessor, pursuant to the Insurgentes Lease Agreements); (vii) prepare and deliver quarterly and annual financial information. On the other hand, the lessor will: (i) deliver the derivative and material possession of Andaz Hotel or the Mondrian Hotel, as applicable, properties and allow the use by the lessee; (ii) not interfere with the management and operation of the Andaz Hotel or the Mondrian Hotel, as applicable; (iii) maintain Andaz Hotel or the Mondrian Hotel, as applicable properties in good conditions, among others.
- The permitted use of Andaz Hotel or the Mondrian Hotel, as applicable, properties is restricted to the use in accordance with the Andaz Hotel Management Agreement or the Mondrian Hotel Management Agreement, as applicable, which restricts it to activities typically conducted by a hotel such as hospitality services, restaurant services, sale of alcoholic and non-alcoholic beverages, among others.
- The permits and licenses required to operate the Andaz Hotel or the Mondrian Hotel, as applicable, must be obtained and maintained by the lessee or the Hotel Operator.
- The lessee shall indemnify the lessor, its employees, agents, contractors or consultants, from any claim arising from any harm, disease or death that take place in the Andaz Hotel or the Mondrian Hotel, as applicable, as long as not due to the negligence or bad faith of the lessor; labor claims, payment of taxes due by the lessee, among others specified in the Insurgentes Lease Agreements.



- Termination Events

- > The Insurgentes Lease Agreements may be terminated by the lessor if (i) the lessee incurs in any event of default and fails to cure such breach within the applicable grace period, (ii) the lessee uses the hotel for any purpose other than within the permitted use under the hotel management agreements, (iii) if the lessee assigns or transfers by any means the use of the hotel to any third party without the lessor's prior consent, and (iv) if the corresponding hotel management agreement is terminated by causes attributable to the lessee.

- Governing Law

- > The Insurgentes Lease Agreements are governed by the laws of Mexico City and are subject to the jurisdiction of the courts of Mexico City.

The Insurgentes Lease Agreements contain terms and conditions customary for a transaction of its nature, pursuant to which the lessee, among others, will: (i) allow the lessor to inspect the Andaz Hotel or the Mondrian Hotel, as applicable; (ii) comply with any law or requirement (including environmental laws); (iii) leave and deliver Andaz Hotel or the Mondrian Hotel, as applicable, properties to the lessor in the same condition as delivered.

***Exitus Sale and Lease Back Agreement***

On December 12, 2019, Edificaciones BVG, as lessee, Exitus as lessor, and Marcos Sacal Cohen as joint and several obligor, entered into a master lease agreement through which Exitus grants to Edificaciones BVG the use and enjoyment of equipment in exchange for a monthly consideration for a 36-month term, subject to renewals. As of December 31, 2023, Ps.\$12.4 million was outstanding under this agreement.

- Key Terms

- > BVG Edificaciones has the obligation to pay to Exitus an origination fee and a commission for investigation and/or formalization expenses, which will be determined in the lease addenda, plus the corresponding VAT per implemented lease.
- > The lease addendum or addenda executed pursuant to the Exitus Lease Agreement shall constitute a net lease and Edificaciones BVG undertakes to make all payments thereunder.
- > Edificaciones BVG agrees to and shall comply with (i) all laws, regulations, decrees, rules and orders of any governmental agency or agency, relating to the installation, use or operation of the equipment to maintain in effect any required licenses, authorizations, concessions, permits, registrations and other documentation, (ii) shall only use the equipment for the activities of the regular course of business (iii) shall use and store the equipment precisely in the place determined for such purpose, (iv) shall receive the equipment directly from the supplier, (v) paying expenses related to the handling, operation and maintenance of the equipment, (vi) to keep and maintain its corporate structure, existence and legal personality without changes in stature as well as to allow Exitus to inspect the equipment, (vii) to take all actions to recover the equipment or defend the use and enjoyment thereof (viii) to update its financial information and deliver balances, (ix) to deliver financial statements (x) obtain and maintain insurance for the equipment.
- > Exitus may assign its rights under the Exitus Sale and Lease Back Agreement without requiring consent from Edificaciones BVG. Edificaciones BVG shall not assign its rights or obligations under the Exitus Sale and Lease Back Agreement unless prior written consent from Exitus is obtained.

- Termination Events

- > Exitus may terminate the Exitus Sale and Lease Back Agreement if Edificaciones BVG (i) fails to pay on the indicated date any periodical or rent payment as well as any other payment at its expense or in the annexes and that the non-compliance persists for more than 10 (ten) calendar days, (ii) fails to perform or observe any obligation, covenant, condition or agreement thereunder, (iii) makes any misrepresentation regarding any terms contained thereunder, (iv) enters into dissolution or liquidation, (v) attempts to remove, sell, convey, convey, encumber, forfeit or sublet the Equipment or any part thereof, (vi) fails to obtain the applicable insurance, (vii) fails to comply with a court order or arbitrations award.

- Governing Law

- > The Exitus Sale and Lease Back Agreement is governed by the laws of Mexico City and the parties are subject to the jurisdiction of the courts of Mexico City.

## GIC Complex

### GIC I Hotel

#### GIC I Hotel Management Agreement

On September 10, 2019, Operadora GIC I entered into a hotel management agreement (as amended on September 11, 2019, March 28, 2021, and July 11, 2023, and as may be further amended from time to time) with AMR Operaciones MX, S. de R.L. de C.V. (Hyatt Inclusive Collection), as hotel manager, pursuant to which the hotel manager will operate the GIC I Hotel for a period of 20 mandatory years starting on the date in which the hotel manager gives notice of receipt of the GIC I Hotel (the "GIC I Hotel Management Agreement"). The GIC I Initial Period commenced on April 1, 2024.

- Key Terms

- > The term of the GIC I Hotel Management Agreement which will be automatically renewed for subsequent five-year extensions, unless either party notifies the other of its intent not to renew at least 12 (twelve) calendar months prior to the expiration date.
- > Hyatt Inclusive Collection will have, in the name and on behalf of Operadora GIC I, the control and faculty to make decisions regarding the operation and commercialization, maintaining the control, as well as the management, over such activities and over all the GIC I Hotel's assets.
- > The hotel must be operational by the second quarter of 2024, it being understood that, in case of *force majeure*, this deadline will be extended for a period equivalent to the period that said *force majeure* event lasts.
- > The hotel will be designed to the Hyatt Inclusive Collection standards specified in the GIC I Hotel Management Agreement.
- > Operadora GIC I will maintain operating capital equal to the amount agreed in the Approved Annual Budget (as defined in the GIC I Hotel Management Agreement) and make the necessary equity contributions for the operation of the hotel and to cover all applicable pre-operative costs.
- > Hyatt Inclusive Collection will be entitled to an administrative fee equal to 3% of annual gross revenue of the GIC I Hotel and an incentive fee equal to 10% of gross profit of the GIC I Hotel.
- > In case of delay in payments of the administrative fee or the incentive fee, there shall be a default interest of 12% per year of pending amounts or Hyatt Inclusive Collection can discount the pending fees from the gross revenues.
- > Operadora GIC I will reimburse Hyatt Inclusive Collection for (i) commercialization and sales costs (up to 6.0% of annual gross revenues paid monthly), (ii) expenses related to sales generated through the call center and website set up by Hyatt Inclusive Collection which will amount to 5% of sales generated through that conduit, and (iii) reimbursement for group services.
- > Hyatt Inclusive Collection will maintain the GIC I Hotel in good conditions and will have the right to, at the expense of the Operadora GIC I, make certain changes and improvements to the GIC I Hotel.
- > The employees of the GIC I Hotel will work under the supervision of Hyatt Inclusive Collection, but shall be considered from a labor perspective to be under the Operadora GIC I.
- > Operadora GIC I must obtain insurance as specified in the GIC I Hotel Management Agreement, including insurance for litigation and damages to the GIC I Hotel.

- > Operadora GIC I will indemnify Hyatt Inclusive Collection, any subsidiaries, affiliates or any directors, employees or advisors for any claim that arises in relation to the GIC I Hotel Management Agreement, unless there has been gross negligence or bad faith.
- > Hyatt Inclusive Collection will have a right of first refusal if we decide to sell the hotel. Pursuant to this right, it will be entitled to a 60-day due diligence period.
- > Hyatt Inclusive Collection will have the right to assign its rights and obligations under the GIC I Hotel Management Agreement to an affiliate, subsidiary or related party, without the need to obtain prior consent from Operadora GIC I, as long as the assignee proves that it has control of Hyatt Inclusive Collection and the necessary experience to operate the hotel.
- > Operadora GIC I has the right to assign our rights and obligations under the GIC I Hotel Management Agreement to an affiliate, subsidiary or related party, without the need to obtain prior consent from Hyatt Inclusive Collection.
- > Except for the rights and obligations under the financing documents, we may not sell, assign, transfer or in any other way alienate the rights that correspond to the GIC I Hotel, either through sale or any other form of disposition of the GIC I Hotel, of the shares and/or any other similar corporate interest during the first two years of the initial period.
- Termination Events
  - > Hyatt Inclusive Collection may terminate the GIC I Hotel Management Agreement under the following circumstances (each subject to a 30-day cure period): (i) non-payment of fees or reimbursements, (ii) failure to maintain the required Operating Capital, (iii) insolvency or bankruptcy, (iv) loss of material permits affecting operations, (v) failure to obtain and/or maintain insurance coverage, (vi) interference with Hyatt Inclusive Collection's operations, and (vii) failure to meet construction milestones. In such events and if Hyatt Inclusive Collection terminates the GIC I Hotel Management Agreement, Operadora GIC I shall pay the following penalties to Hyatt Inclusive Collection:
    - ✓ A conventional penalty equivalent to 50% of the total of the Administration Fee (as defined in the GIC I Hotel Management Agreement) and the Incentive Fee (as defined in the GIC I Hotel Management Agreement) of the last 12 months of operation multiplied by the remaining fiscal years of the validity of the GIC I Hotel Management Agreement.
    - ✓ If termination occurs before the 12 months mentioned in the previous paragraph can be counted, then the conventional penalty will be the amount resulting from multiplying \$2,500 by the number of rooms provided in the Contract by the number of years remaining of the Validity (as defined in the GIC I Hotel Management Agreement) of the GIC I Management Agreement.
    - ✓ If the termination of the GIC I Hotel Management Agreement occurs after 12 months can be counted, but before 4 fiscal years can be counted, then the conventional penalty will be the equivalent to the total of the sum of the Administration Fee and the Incentive Fee of the last 12 months multiplied by three.
  - > Operadora GIC I may terminate the GIC I Hotel Management Agreement under the following circumstances (each subject to a 30-day cure period except for (i)): (i) Hyatt Inclusive Collection fails to make the guaranteed payments, (ii) insolvency or bankruptcy of Hyatt Inclusive Collection, (iii) Hyatt Inclusive Collection abandons the hotel premises for 5 business days, (iv) Hyatt Inclusive Collection fails to renew any permits affecting operations; (v) Hyatt Inclusive Collection fails to meet at least 85% of gross operating profit for two consecutive years and does not cover the shortfall.
- Governing Law
  - > The GIC I Hotel Management Agreement is governed by the laws of Mexico and the parties are subject to the jurisdiction of the courts of Cancun, Quintana Roo or Mexico City as chosen by the plaintiff.

#### GIC I Lease Agreement

On September 5, 2019, the GIC I Trust entered into a lease agreement with Operadora GIC I pursuant to which the GIC I Trust leases the GIC I Hotel's properties to Operadora GIC I, both restricted subsidiaries under the Indenture, for a period of 20 years (the "GIC I Lease Agreement"). The rights under the GIC I Lease Agreement will not be assigned to the Collateral prior to the repayment of the GIC I Loan.

- Key Terms

- > As long as the lessee is in compliance with the terms of the GIC I Lease Agreement, the parties may agree to extend the agreement.
- > The lessee will pay a variable rent equivalent to variable rent equivalent to 98% of the gross revenue, payable within the first four months of each year. The variable rent pending from the previous year has priority in order of payment, followed by the variable rent.
- > The rent may be paid in pesos, calculated at the exchange rate published by the Central Bank on the previous business day to the payment date.
- > The rent amount, terms and conditions are revisited every three years in order to take into consideration inflation rates and market conditions, among others. The rent structure may be modified if there is a change in law, with the lessor's prior written consent.
- > There shall be monthly interest payments in case of delayed payment of rent, in accordance with the legal interest rate (9% per annum) provided under the Federal Civil Code.
- > The GIC I Lease Agreement contains terms and conditions customary for a transaction of its nature, pursuant to which the lessee, among others, will: (i) allow the lessor to inspect the GIC I Hotel; (ii) comply with any law or requirement (including environmental laws); (iii) leave and deliver GIC I Hotel's properties to the lessor in the same condition as delivered; (iv) maintain necessary permits, licenses or authorizations for operation and occupancy of GIC I Hotel's properties; (v) notify of any judicial or administrative process (including related to compliance with environmental regulations) initiated against any of the parties related to GIC I Hotel's properties; (vi) pay and withhold taxes (except those that must be paid by the lessor, pursuant to the GIC I Lease Agreement); (vii) prepare and deliver quarterly and annual financial information. On the other hand, the lessor will: (i) deliver the derivative and material possession of GIC I Hotel's properties and allow the use by the lessee; (ii) not interfere with the management and operation of the GIC I Hotel; (iii) maintain GIC I Hotel's properties in good conditions, among others.
- > The permitted use of GIC I Hotel's properties is restricted to the use in accordance with the GIC I Hotel Management Agreement, which restricts it to activities typically conducted by a hotel such as hospitality services, restaurant services, sale of alcoholic and non-alcoholic beverages, among others.
- > The permits and licenses required to operate the GIC I Hotel must be obtained and maintained by the lessee or the Hotel Operator.
- > The lessee may not assign its rights and obligations without the express, prior written consent of the lessor. However, with the instruction of the Trust Administrator (as defined in the GIC I Lease Agreement), the lessor may assign its rights and obligations.
- > The lessee is authorized to execute sub-leasing agreements for hotel spaces or rooms, as long as they are in compliance with the GIC I Hotel Management Agreement.
- > The lessee shall indemnify the lessor, its employees, agents, contractors or consultants, from any claim arising from any harm, disease or death that take place in the GIC I Hotel, as long as not due to the negligence or bad faith of the lessor, labor claims, payment of taxes due by the lessee, among others specified in the GIC I Lease Agreement.
- > If there is an expropriation that makes it impossible to continue to use the GIC I Hotel, any of the parties may terminate the GIC I Lease Agreement.

- Termination Events

- > The lessor may terminate the GIC I Lease Agreement at any time, prior instruction of the Trust Administrator (as defined in the GIC I Lease Agreement), with 30 business days' notice to the lessee. In addition, the lessor may terminate the GIC I Lease Agreement if the lessee defaults on any of its obligations under the GIC I Lease Agreement, uses GIC I Hotel's property for a different purpose than allowed or assigns its rights and/or obligations in favor of a third party, without prior written consent of the lessor, default in the payment of rent, if the lessee becomes insolvent or files for bankruptcy, if the lessee's assets are frozen or seized pursuant to a judicial procedure, a change of control in the lessee, or if the GIC I Hotel Management Agreement is terminated and the Hotel Operator is not substituted, among others.

- > The Lessor may terminate the agreement by means of a termination notice delivered 30 business days in advance.

- Governing Laws

- > The GIC I Lease Agreement is governed by the laws of the State of Quintana Roo, Mexico and the parties are subject to the jurisdiction of the courts of Mexico City.

*Finamo Sale and Lease Back Agreements*

On February 27, 2023, Murano World, as lessee, Arrendadora Finamo, as lessor, and Marcos Sacal Cohen, as depositary, and Edificaciones BVG as joint and several obligor, entered into a lease agreement under which the parties establish the terms and conditions based on which the lessor will grant the lessee the temporary use and enjoyment of the goods, its accessories and spare parts for a specific period, as determined in the annexes ("*Finamo Sale and Lease Back Agreement P*").

On October 24, 2023 Murano World, as lessee, Arrendadora Finamo, as lessor, and Marcos Sacal Cohen, as depositary, and Edificaciones BVG as joint and several obligor, entered into a lease agreement under which the parties establish the terms and conditions based on which the lessor will grant the lessee the temporary use and enjoyment of the goods, its accessories and spare parts for a specific period, as determined in the annexes ("*Finamo Sale and Lease Back Agreement IP*" and together with the Finamo Sale and Lease Back Agreement I, the "*Finamo Sale and Lease Back Agreements*"). As of December 31, 2023, Ps.\$364.4 million was outstanding under these agreements.

- Key Terms

- > Each of the leases entered into under the Finamo Lease Agreements will be implemented through the execution of the annexes and shall additionally determine the specific elements that must govern each lease, such as (i) the documentation and precise description of the assets subject to the lease (ii) the amount of the rents that Murano World shall pay to Arrendadora Finamo or its designee (iii) the fixed term and (iv) the breakdown of the additional concepts that may be applicable to the transaction.
- > Murano World must comply with the fixed term of each annex and therefore agrees to cover the rents due as they are generated duly contained in the table of payments in each annex, however, the early termination of the agreed term or failure to pay the obligations acquired by Murano World shall constitute the payment of the conventional penalty established in each annex.
- > The rental amount will be covered by the lessee through installments that will be covered monthly in arrears and will be payable as they accrue.
- > Failure to timely pay any amount payable by Murano World or any other document executed in accordance therewith, Murano World shall pay Arrendadora Finamo a default interest of 3% (three percent) on the amount corresponding to the overdue and unpaid obligations computed from the date on which the payment is due, until the date of effective payment for the number of days elapsed, without prejudice to the right of Arrendadora Finamo to terminate the Agreement and Exhibits in advance.
- > Murano World has, among others, the following obligations (i) obtain the permits, authorizations or licenses necessary for the proper use of the goods, as well as the payment of any taxes, license or permit that may be applicable for the use and enjoyment of the goods during the validity of the Annexed Contract (as defined in the Finamo Sale and Lease Back Agreement), (ii) repair the damages and harm and hold the lessor harmless from the possible execution of illegal acts in which the leased property is involved, (iii) obtain broad coverage insurance that covers any risk that the goods may suffer, before the date of delivery of the same and maintain said insurance in force while the goods are in its possession, (iv) provide quarterly financial statements and annual audited financial statements, (v) inform the lessor of any event that may jeopardize its obligations under thereunder, (vi) refrain from making any encumbrance, sublease and/or dispose of the goods in any way different from the agreement's purpose, and (vii) hold the lessor safe and harmless from any liability it may be awarded with respect to damages and/or any loss that may be caused by any third party from the execution of illegal acts in which the leased property is involved.
- > The lessor may require Murano World and the depositary and the joint obligor to subscribe a promissory note in its favor for each executed annex.

- > The lessor assign, transfer, discount or transmit by any legal figure each one of the rights and obligations contracted under the Finamo Sale and Lease Back Agreement I. The lessee may not assign or transfer in any way its rights and obligations thereunder without the express written authorization of the lessor. Termination Events

- Termination Events

- > Among others, the following will constitute an event of default by Murano World: (i) any non-compliance with its obligations, (ii) for delay and/or failure to timely pay any consideration or amount due and payable thereunder, (iii) the seizure of the goods, (iii) bankruptcy, suspension of payment, dissolution or liquidation, (iv) increase the level of leverage shown in the credit risk analysis at the time of approving the transaction and/or vary the cash coverage on the payment of rents

- Governing Law

- > The Finamo Sale and Lease Back Agreement I is governed by the laws of Mexico and the parties are subject to the jurisdiction of the courts of Mexico City. The Finamo Sale and Lease Back Agreement II is governed by the laws of Culiacán, Sinaloa, México and the parties are subject to the jurisdiction of the courts of Culiacán, Sinaloa, México.

*Coppel Lease Agreement*

On November 8, 2023, Operadora GIC I, as lessee, Arrendadora Coppel, as lessor, and Murano World, Edificaciones BVG and Elías Sacal Cababie as joint and several obligors, entered into a lease agreement under which the parties establish the terms and conditions based on which the lessor will grant the lessee the temporary use and enjoyment of the goods described in the specific contracts that are signed from time to time by the parties, including of equipment, their accessories and spare parts, and under which, additionally, the lessee will have the obligation to pay to the lessor the rental amount (“Coppel Lease Agreement”). As of December 31, 2023, Ps.\$191.3 million was outstanding under this agreement.

- Key Terms

- > Each of the leases that are formalized under the lease will be implemented through the execution of Annexed Contracts. The term of the Annexed Contracts will be of 60 months.
- > As consideration for the use and enjoyment of the goods, the lessee will pay the lessor the amount of the Lease without considering the VAT. The Amount of the Lease will be that established under the corresponding item in the Annexed Contracts.
- > The rental amount will be covered by the lessee through installments that will be covered monthly in arrears and will be payable as they accrue.
- > In the event that the lessee does not make the corresponding payment, a daily default interest will be charged from the date of default and until full payment on the amounts owed at the monthly rate agreed in each Annexed Contract.
- > Operadora GIC I has, among others, the following obligations: (i) obtain the permits, authorizations or licenses necessary for the proper use of the goods, as well as the payment of any taxes, license or permit that may be applicable for the use and enjoyment of the goods during the validity of the Annexed Contract, (ii) repair the damages and harm and hold the lessor harmless from the possible execution of illegal acts in which the leased property is involved, (iii) obtain broad coverage insurance that covers any risk that the goods may suffer, before the date of delivery of the same and maintain said insurance in force while the goods are in its possession.

- Termination Events

- > The Coppel Lease Agreement shall terminate by express agreement by the parties or if there is theft or total loss of the leased goods.
- > Among others, the following will constitute an event of default by Operadora GIC I: (i) any non-compliance with its obligations, (ii) the seizure of the goods, (iii) using the goods for a purpose other than that agreed upon, (iv) subletting the goods, (v) bankruptcy, suspension of payment, dissolution or liquidation, (vi) failure to make repairs or maintenance services to the goods, (vii) loss or deterioration of goods, and (viii) failure to comply with any other financing granted by Arrendadora Coppel or any other financial institution.

- Governing Law

- > The Coppel Lease Agreement is governed by Mexican laws and the parties are subject to the jurisdiction of the courts of Mexico City.

*GIC I Supervision Agreement*

On October 1, 2019, Ideurban entered into a services agreement with the GIC I Trust (the “GIC I Supervision Agreement”) whereby the GIC I Trust retains the services of Ideurban who shall provide all services necessary for the development of the GIC I Hotel.

- Key Terms

- > Ideurban shall render the following services: (i) development services which include to supervise, audit and approve the development phases of the construction, made by the Contractors until delivery of the fully completed construction as provided under each of the GIC I Construction Agreements; (ii) coordination services which include the coordination and evaluation of the day-to-day construction activities of the GIC I Hotel performed by the Contractors and act as the GIC I Trust’s authorized party to approve and supervise the Contractors’ obligations and rights under the GIC I Construction Agreements; (iii) supervision services which include to provide all supervision and construction management services necessary for the development of GIC I Hotel, taking care at all times of the relationship with the Contractors and with the responsible construction managers and co-responsible parties. Additionally, supervision services also include the supervision of the activities and work performed by the Contractors in terms of the GIC I Construction Agreements, as well as under any agreement, sub-agreement or amendment thereto related to the construction of GIC I Hotel, and shall report the construction progress biweekly (or earlier in case it is required under the GIC I Construction Agreements); and (iv) any other service that involves coordinating, verifying, assisting, evaluating or supervising the construction of GIC I Hotel. Ideurban shall comply with instruction delivered by the GIC I Trust in connection with the services to be rendered by Ideurban and the Contractors.
- > The GIC I Trust pays directly to the Contractors any amounts due under the pending GIC I Construction Agreements.
- > Ideurban’s main obligations are: (i) provide the above-mentioned services in an efficient and timely manner, with the technical means of organization, experience and economic capacity and highest quality of service; (ii) verify that the Contractors engaged for the construction of the GIC I Hotel comply with the applicable regulation (including environmental regulations) and Ideurban will be liable for the non-compliance of the Contractors in accordance with the applicable regulations; (iii) prepare and deliver to the GIC I Trust a report on the first and 15th day of each month describing the status of the construction, as well as the activities carried out by Ideurban in rendering of the services; and (iv) supervise and audit the Contractors’ compliance with their environmental obligations.

- Termination Events and Penalties

- > Ideurban may terminate the GIC I Supervision Agreement in the event of (i) payment default without reasonable cause; (ii) if any amount due to Ideurban is not reimbursed by the GIC I Trust; and (iii) if the GIC I Trust files for bankruptcy.
- > The GIC I Trust may terminate the GIC I Supervision Agreement with justified cause at any time.

- Governing Law

- > The GIC I Supervision Agreement is governed by the laws of Mexico.

*GIC I Master Construction Agreement<sup>5</sup>*

On January 25, 2019, Edificaciones BVG entered into a construction agreement with the GIC I Trust (the “GIC I Master Construction Agreement”).

- Key Terms

- > The GIC I Master Construction Agreement will be in force until October 31, 2024.
- > The Parties agree that the descriptions, units, quantities, measurements, materials, unit price, amount, and other characteristics and specifications as detailed in the defined budget. The construction works include specialized and qualified labor, equipment, materials, tools, scaffolding and the necessary technical supervision.
- > Edificaciones BVG is required to (i) perform the constructions works in accordance with the highest quality standards and in accordance with the construction regulations applicable to it, (ii) comply with all the rules, provisions and ordinances indicated by the corresponding authorities and those contained in the applicable laws and regulations, (iii) use specialized labor suitable to achieve the quality and/or proper functioning of equipment, expenses, freight, payment of tariffs, maneuvers, labor, prices of the materials, tools, services and other elements that are required to be used in the Construction, (iv) fully prepare and build the Construction, (v) assume at its own expense the full obligation of payment of taxes, duties, salaries and legal benefits, and (vi) acquiring the civil liability policy, to protect with the most extensive coverage for the damages that the works of the Construction may cause to third parties. The insurance must remain in force and with an insured amount equivalent to the Total Price (as defined in the GIC I Master Construction Agreement).
- > Edificaciones BVG is entitled to receive as a consideration the sum price of USD \$281,373,569 plus VAT.
- > Edificaciones BVG will be the sole responsible and sole employer in any type of labor relationship that arises or may arise with its workers under the GIC I Master Construction Agreement.
- > Edificaciones BVG undertakes to release and keep the the GIC I Trust safe and harmless including any and all affiliates and/or subsidiaries, directors, officers, legal representatives, collaborators, agents and/or shareholders of the latter), from any lawsuit, or of any claim of administrative authority or civil or criminal controversy that may be filed against it, as well as to reimburse the amounts that the Client may spend to meet any contingency on such concepts.

- Termination Events and Penalties

- > GIC I Trust may terminate the GIC I Master Construction Agreement in the event of Edificaciones BVG's: (i) failure to commence the Construction on the specified date, (ii) unjustified delay in the termination of the Constructions, (iii) failure to comply with any obligation under the GIC I Master Construction Agreement in a timely manner, and (iv) filing for bankruptcy.

- Governing Law

- > The GIC I Supervision Agreement is governed by the laws of Mexico.

*GIC I Construction Agreements*

The GIC I Trust, as client, entered into GIC I Construction Agreements with Contractors, as contractors, with the appearance of Ideurban, as supervisor, that are needed from time to time to complete the construction of GIC I Hotel.

For the construction of the GIC I Hotel, the GIC I Trust has engaged or will engage, as the case may be, with specialized Contractors. The principal Contractors engaged as of this date are:

- Prefabricados y Transportes PRET, S.A. de C.V. for the concrete foundation and structure, among others.
- Elevadores Otis, S. de R.L. de C.V. for the elevators supply, among others.
- PYD Construcciones Cancún, S.A. de C.V. for the metallic emergency stairs, walls, ceilings, among others.
- J&C Technology, S.A. de C.V. for the air conditioning supply, among others.
- Avanzia Instalaciones, S.A. de C.V. for the electrical, plumbing and fire protection systems supply, among others.



Approximately 80% of the GIC I Hotel budget is concentrated between 15 to 20 Contractors. It is expected that GIC I Hotel will be fully operational in the third quarter of 2024.

## GIC II

### *GIC II Hotel*

Although Murano has not yet begun the process of securing financing for the commencement of the development of GIC II Hotel, we have entered into a GIC II Hotel Management Agreement and if needed, at the appropriate time, we expect to enter into corresponding supervision and construction agreements.

#### *GIC II Hotel Management Agreement*

On August 23, 2021, Operadora GIC II entered into a hotel management agreement with AMR Operaciones MX, S. de R.L. de C.V. (Hyatt Inclusive Collection), as hotel manager, pursuant to which the hotel manager will operate the GIC II Hotel for a period of 15 mandatory years starting on the date in which the hotel manager gives notice of receipt of the GIC II Hotel or February 1, 2024, whatever occurs later, with the possibility of a subsequent 5 year extension (as amended, supplemented or otherwise modified from time to time, the “*GIC II Hotel Management Agreement*”). Murano has yet to begin the process of securing financing for the commencement of the development of GIC II Hotel.

- Key Terms

- > Hyatt Inclusive Collection will have, in the name and on behalf of Operadora GIC II, the control and faculty to make decisions regarding the operation and commercialization, maintaining the control, as well as the management, over such activities and over all the GIC II Hotel’s assets.
- > The hotel will be designed to the Hyatt Inclusive Collection standards specified in the GIC II Hotel Management Agreement.
- > Operadora GIC II will maintain operating capital equal to the amount agreed in the Approved Annual Budget and make the necessary equity contributions for the operation of the hotel and to cover all applicable pre-operative costs.
- > Hyatt Inclusive Collection will be entitled to an administrative fee equal to 3% of annual gross revenue and an incentive fee equal to 10% of gross profit.
- > The employees of the GIC II Hotel will work under the supervision of Hyatt Inclusive Collection but shall be considered from a labor perspective to be under Operadora GIC II.
- > Operadora GIC II must obtain insurance as specified in the GIC II Hotel Management Agreement, including for litigation and damages to the GIC II Hotel.
- > Operadora GIC II will reimburse Hyatt Inclusive Collection for (i) commercialization and sales costs (up to 6.0% of annual gross revenues paid monthly), (ii) expenses related to sales generated through the call center and website set up by Hyatt Inclusive Collection which will amount to 5% of sales generated through that conduit, and (iii) reimbursement for group services.
- > Any late payments due to Hyatt Inclusive Collection will carry a 12% interest per year.
- > Hyatt Inclusive Collection will have a right of first refusal if we decide to sell the hotel. Pursuant to this right, it will be entitled to a 60-day due diligence period.
- > Hyatt Inclusive Collection will have the right to assign its rights and obligations under the GIC II Hotel Management Agreement to an affiliate, subsidiary or related party, without the need to obtain prior consent from Operadora GIC II, as long as the assignee proves that it has control of Hyatt Inclusive Collection and the necessary experience to operate the hotel.
- > Operadora GIC II has the right to assign our rights and obligations under the GIC II Hotel Management Agreement to an affiliate, subsidiary or related party, without the need to obtain prior consent from Hyatt Inclusive Collection.

- > Except for the rights and obligations under the financing documents, we may not sell, assign, transfer or in any other way alienate the rights that correspond to the hotel, either through sale or any other form of disposition of the hotel, of the shares and/or any other similar corporate interest during the first 2 (two) years of the initial period.
- > In case the delivery of GIC II Hotel is delayed from January 1, 2024 we will be responsible to pay U.S.\$5,000 to Hyatt Inclusive Collection for each late day, which will be capped at U.S.\$500,000.
- Termination Events
  - > Hyatt Inclusive Collection may terminate the GIC II Hotel Management Agreement under the following circumstances (each subject to a 30-day cure period, except for (i) non-payment of fees or reimbursements, (ii) failure to maintain the required Operating Capital, (iii) insolvency or bankruptcy, (iv) loss of material permits affecting operations, (v) failure to obtain and/or maintain insurance coverage, (vi) failure to provide the amounts required for the operation of the GIC II Hotel, (vii) interference with Hyatt Inclusive Collection's operations, and (viii) interference with Hyatt Inclusive Collection's activities under the GIC II Hotel Management Agreement; (xi) failure to notify the payment priority under the GIC II Hotel Management Agreement (x) failure to meet construction milestones. In such events and if Hyatt Inclusive Collection terminates the GIC II Hotel Management Agreement, Operadora GIC II shall pay to Hyatt Inclusive Collection, as determined by the latter, (a) damages; or (b) a penalty as described below:
    - ✓ Before the first year following the execution: U.S.\$10 million;
    - ✓ Following the first year and before the fourth year following the execution: the result of multiplying by three the total sum of the Administration Fee and the Incentive Fee for the last 12 months; and
    - ✓ After the fourth year following the execution: the sum of the Administration Fee and the Incentive Fee for the last 12 months.
  - > Operadora GIC II may terminate the GIC II Hotel Management Agreement under the following circumstances (each subject to a 30-day cure period): (i) Hyatt Inclusive Collection fails to make the guaranteed payments, (ii) insolvency or bankruptcy of Hyatt Inclusive Collection, (iii) Hyatt Inclusive Collection abandons the hotel premises, (iv) Hyatt Inclusive Collection fails to renew any permits affecting operations; (v) Hyatt Inclusive Collection fails to meet at least 85% of gross operating profit for two consecutive years and does not cover the shortfall.
- Governing Law
  - > The GIC II Hotel Management Agreement is governed by the laws of Mexico.

#### GIC II Supervision Agreement

At the appropriate time, Ideurban may enter into a service agreement with the GIC II Trust (the "GIC II Supervision Agreement"), pursuant to which Ideurban shall render services that may include: (i) development services to supervise, audit and approve the development phases of the construction, made by the Contractors until delivery of the fully completed construction as provided under the anticipated GIC II Construction Agreements; (ii) coordination services to include the coordination and evaluation of the day-to-day construction activities of the GIC II Hotel performed by the Contractors and to act as the GIC II Trust's authorized party to approve and supervise the Contractors' obligations and rights under the GIC II Construction Agreements; (iii) supervision services to include provision of all supervision and construction management services necessary for the development of GIC II Hotel, managing at all times of the relationship with the Contractors and with the responsible construction managers and co-responsible parties. Supervision services may also include supervision of the activities and work performed by the Contractors in terms of the GIC II Construction Agreements, as well as under any agreement, sub-agreement or amendment thereto related to the construction of GIC II Hotel, and bi-weekly reporting of construction progress (or earlier if required under the GIC II Construction Agreements); and (iv) any other service that involves coordinating, verifying, assisting, evaluating or supervising the construction of GIC II Hotel. Ideurban shall be obligated to comply with instructions delivered by the GIC II Trust in connection with the services to be rendered by Ideurban and the Contractors.

#### *GIC II Construction Agreements.*

At the appropriate time, the GIC II Trust, as client, may enter into GIC II Construction Agreements with contractors, appointing a supervisor, such as Ideurban, as needed from time to time to complete the construction of GIC II Hotel. In accordance with Murano internal policy, the engaged contractors through each GIC II Construction Agreement with a value higher than Ps.1.5 million must provide (i) a 100% down payment bond; (ii) a 10% compliance bond; (iii) a 20% hidden defect bond; and (iv) a 10% labor contingency and any other collateral directly to the GIC II Trust. The percentages provided herein are based on the GIC I Construction Agreements.

Murano has not yet begun the process of securing financing for the commencement of the development of GICII Hotel.

### ***GIC Complex's Adjacent Amenities***

#### *GIC World Trade Center Sublicense Agreement*

On January 15, 2020, the GIC I Trust entered into a sublicense agreement with Frana Management, S.A.P.I. de C.V. ("Frana"), pursuant to which Frana granted the GIC I Trust an exclusive sublicense for the use and exploitation of the following trademarks: (i) World Trade Center Cancun, (ii) WTC Cancun, and (iii) the logo (the "Sublicensed Property") for a period of 10 years starting on the date in which the conditions precedent referred below are fulfilled (the "GIC World Trade Center Sublicense Agreement"). Murano has yet to begin the process of securing financing for the commencement of the GIC World Trade Center.

- **Conditions Precedent**

- > Registration before the Mexican Institute of Intellectual Property of: (i) the original license agreement; (ii) the Sublicensed Property; and (iii) the GIC World Trade Center Sublicense Agreement;
- > Assignment of the Sublicensed Property in favor of the WTCA; and
- > Authorization of the WTCA to recognize the rights of the GIC I Trust.

- **Key Terms**

- > The GIC I Trust shall pay Frana: (i) a single payment of U.S.\$250,000 (VAT included) within five business days after the aforementioned conditions precedent are fulfilled; and (ii) an annual fee of U.S.\$25,000 (VAT included) thereafter.
- > Within five business days after the aforementioned conditions precedent are fulfilled, the GIC I Trust will deposit U.S.\$25,000 in escrow, to the benefit of Frana. Upon satisfaction of all conditions precedent, Frana may (i) apply the escrow deposit as payment of the first annuity; or (ii) return the escrow deposit to the GIC I Trust.
- > Unless otherwise approved by the WTCA in writing, the Sublicensed Property shall be used only in connection with: (i) the trade-related services described in WTCA's Service Quality Standards Development and Certification Guide for 2015, as may be revised or amended by WTCA from time to time; and (ii) the branding of a facility owned by the GIC I Trust in the GIC I property or owned by a third party in the GIC I Hotel and branded in accordance with the original license agreement.

- **Termination Events**

- > Frana may seek an early termination of this agreement if the GIC I Trust: (i) fails to comply its obligations under the original license agreement; (ii) fails to request the authorization of WTCA to recognize the GIC I Trust's rights within 30 days since the execution of this agreement; (iii) becomes insolvent or bankrupt; (iv) assigns or transfers its rights under this agreement without the prior written consent of Frana; and/or (v) the GIC I Trust or its employees, representatives or personnel, engages in any illegal conduct or activity involving the Sublicensed Property.
- > The GIC I Trust may terminate this agreement under the following circumstances: (i) Frana fails to fulfill its payment obligations for a period of one year; (ii) the GIC I Trust has not commenced use of the Sublicensed Property within three consecutive years after this agreement has become effective; (iii) Frana notifies the GIC I Trust on more than three occasions within a one-year period that the GIC I Trust is not furthering the purposes of the WTCA; (iv) Frana becomes insolvent or bankrupt, assigns or transfers its rights under this agreement without the prior written consent of the GIC I Trust or its employees, representatives, personnel, engages in any illegal conduct or activity involving the Sublicensed Property.

- **Governing Law**

- > The GIC World Trade Center Sublicense Agreement is governed by the laws of Mexico.

Murano has not yet begun the process of securing financing for the commencement of the GIC World Trade Center.

#### **Description of Certain Financing Agreements**

See “Item 5.B. Liquidity and Capital Resources – Debt” for a discussion of the main provisions of our financing agreements relating to our properties, including provisions whereby some of our properties are pledged as collateral under such financings.

#### **ITEM 4A. UNRESOLVED STAFF COMMENTS**

None / Not Applicable.

#### **ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS**

##### **A. Operating Results**

*You should read the following discussion in conjunction with the Murano Group Combined Financial Statements, as well as the other parts of this annual report: “Presentation of Financial and Other Information” and “Item 5 – Operating and Financial Review and Prospects” for information regarding our financial statements, exchange rates, definitions of technical terms and other introductory matters.*

*Certain information contained herein, including information with respect to our plans and expectations for our business and the Properties, are forward-looking statements and involve risks and uncertainties that could cause actual future activities and results of operations to be materially different from those set forth in such forward-looking statements. You should consider carefully the factors set forth under “Cautionary Statement Concerning Forward Looking Statements” and “Risk Factors” for a discussion of important factors that could cause actual results to differ materially from any forward-looking statements contained in this annual report.*

##### **Overview**

On March 20, 2024, Murano PubCo, completed the Business Combination described in more detail under “Item 4. Information on the Company—A. History and Development of the Company—Business Combination.” As a result, on March 21, 2024, Murano’s ordinary shares and warrants commenced trading on Nasdaq under the symbols, “MRNO” and “MRNOW,” respectively.

Murano Group is an international development corporate group with extensive experience in the structuring, development and assessment of industrial, residential, corporate office, and hotel projects in Mexico with a vision to create competitive and leading investment vehicles for the acquisition, consolidation, operation, and development of real estate assets. We also provide comprehensive services, including the execution, construction, management, and operation of a wide variety of industrial, business, tourism, and medical real estate projects, among others. We have a national footprint and international outreach aimed at institutional real estate investors.

We were formed primarily to develop and manage a portfolio of hotel and resort properties in Mexico City, Cancun, and Ensenada. We currently own (i) Operational Hotels in Mexico City and Cancun, (ii) a Project Under Completion in Cancun and (iii) Projects to be Developed in Cancun and Ensenada.

##### **Operational Hotels**

Our current portfolio of operational hotels (the “Operational Hotels”) consists of:

- **Andaz Hotel:** the Andaz Hotel is operated by Hyatt, is part of the Insurgentes 421 Hotel Complex in Mexico City. Completed in 2022 and operational since the first quarter of 2023, the Andaz Hotel has 217 rooms and several amenities, including a sky bar “Cabuya Rooftop”, multiple restaurants, an auditorium, breakout rooms, a business center, a pet friendly area and restaurant for pets, the “Wooftop”, a gym and a spa. It also has a 954.31 sqm ballroom with a crystal dome with a capacity for 49 tables and 588 guests.
- **Mondrian Hotel:** the Mondrian Hotel is operated by Accor, is part of the Insurgentes 421 Hotel Complex in Mexico City. Completed in 2022 and operational since the first quarter of 2023, the Mondrian Hotel has 183 rooms and several amenities, including a “Sky Bar” restaurant, a “Terraza” bar and a “Flower Shop” coffee shop.
- **Vivid Hotel:** the Vivid Hotel is operated by Hyatt is part of the GIC I Hotel in the GIC Complex in Cancun. Recently completed and operational since April 2024, the Vivid Hotel is an adult-only brand all-inclusive hotel categorized as five-star upper scale with 400 rooms and several amenities, including one main buffet, one coffee shop, the vantage club for VIPs, seven specialty restaurants, six bars, gym, spa, one retail shop, and 1,010 sqm space for events.

## Project Under Completion

We are currently completing the following project (the “Project Under Completion”):

- **Dreams Hotel:** the Dreams Grand Island (the “Dreams Hotel”) will be part of the GIC I Hotel in the GIC Complex in Cancun and will be operated by Hyatt. Currently expected to be completed and commence operations in the third quarter of 2024, the Dreams Hotel will be a family-friendly brand hotel categorized as five-star upper scale with 616 rooms and several amenities, including one main buffet, one coffee shop, the preferred club for VIPs, four specialty restaurants, nine bars, gym, spa, one retail shop, two pickleball courts, and two paddle tennis courts.

## Projects to be Developed

We currently own the following projects that we plan to develop (the “Projects to be Developed”):

- **GIC II Hotel:** part of the GIC Complex in Cancun, the GIC II Hotel is planned as an integrated resort comprised of four different hotel brands, all of them operated by Hyatt (AM Resorts). We expect to develop the GIC II Hotel, which is planned to have 2,000 rooms, through our subsidiary, GIC II Trust. Based on preliminary estimates, we expect the development of the GIC II Hotel will cost in the order of U.S.\$500 million. We have not yet begun the process of trying to secure financing for the development of this project. Therefore, we do not know when and if we will be able to begin construction of this project.
- **Resort Property in Baja Development Project:** this resort is expected to have 371 rooms. Based on preliminary estimates, we expect the development of the Resort Property in Baja Development Project to cost in the order of U.S.\$120 million but we do not know when and if we will be able to begin construction of this project.
- **Baja Park Development Project:** this project in Ensenada, will consist of 363,262 sqm of retail space. This project is currently under evaluation, and we have not yet begun the process of trying to secure financing for its development. Therefore, we do not know when and if we will be able to begin construction of this project.

We refer to (i) the GIC I Hotel (including the Vivid Hotel, which is operational, and the Dreams Hotel, which is under completion), and (ii) the GIC II Hotel (planned to be developed) as the “GIC Complex”, which, if and once fully developed, is expected to have a total of 3,016 rooms categorized as five-star upper scale in Cancun along the Nichupté Lagoon on the west side of the Cancun hotel zone. The GIC II Hotel, Resort Property in Baja Development Project, and the Baja Park Development Project are projects that we plan to develop subject to planning and environmental approvals as well as the Group being able to secure financing on acceptable terms.

The Resort Property in Baja Development Project, and the Baja Park Development Project are projects that we plan to develop subject to planning, environmental approvals as well as the group being able to secure financing on acceptable terms.

The GIC Complex and the Resort Property in Baja Development Project are expected to be comprised of all-inclusive resorts, several of which will share the following characteristics: (i) prime beachfront locations; (ii) convenient air access from a number of North American and other international gateway markets; (iii) strategic locations in popular vacation destinations in Mexico with strong government commitments to tourism; (iv) high quality physical condition; and (v) capacity for further growth through incremental renovation or repositioning opportunities. We believe that the resorts in our portfolio will have a competitive advantage due to their location, amenities offering, large-scale and guest-friendly design.

## Business Combination

In connection with, and prior to, the Business Combination, on March 1, 2024, Murano converted from a private limited company operating under the name “Murano Global Investments Ltd” into a public limited company operating under the name “Murano Global Investments PLC”.

Pursuant to the terms of the Business Combination Agreement, among other things, the following transactions occurred: (i) New CayCo merged with and into HCM, the separate corporate existence of New CayCo ceasing with HCM being the surviving company and a wholly owned direct subsidiary of Murano (the “Merger”) and (ii) HCM changed its name to “Murano Global Hospitality Corp”. The surviving company is centrally managed and controlled from, and resident for tax purposes in, the United Kingdom.

In addition, at the effective time of the Merger, (i) each issued and outstanding HCM ordinary share, par value \$0.0001 per share (the “HCM Ordinary Shares”) was automatically canceled and extinguished, and each holder of HCM Ordinary Shares received merger rights representing a corresponding number of Murano ordinary shares, no par value per share (the “Murano Ordinary Shares”), and (ii) each issued and outstanding warrant to purchase one HCM Ordinary Share automatically ceased to represent a right to acquire an HCM Ordinary Share and converted into and represent a right to acquire Murano Ordinary Shares (each, a “Murano Warrant”) and each Murano Warrant (a) has an exercise price of \$11.50 per whole warrant required to purchase one Murano Ordinary Share, and (b) will expire on the five year anniversary of the closing date of the Business Combination (i.e., March 20, 2029).

As a result of the foregoing transactions, there were 79,242,873 ordinary shares and 16,875,000 warrants outstanding as of March 20, 2024.

On March 21, 2024, Murano’s ordinary shares and warrants commenced trading on the Nasdaq Stock Market LLC (“Nasdaq”) under the symbols, “MRNO” and “MRNOW,” respectively.

The Business Combination was accounted for as a capital reorganization in accordance with IFRS 2 Share-based payment. Under this method of accounting, there is no acquisition accounting and no recognition of goodwill or intangible assets, as HCM does not meet the definition of a “business” pursuant to IFRS 3 Business Combinations given it consisted predominantly of cash in a trust account.

HCM is treated as the accounting “acquired” company for financial reporting purposes, and Murano PubCo is the accounting “acquirer”. This determination was primarily based on (i) Murano Group’s shareholders hold a majority of the voting power of Murano PubCo, (ii) Murano Group’s operations substantially comprise the ongoing operations of the combined company, (iii) Murano Group’s designees comprise a portion of the governing body of Murano PubCo, and (iv) Murano Group’s senior management comprise the senior management of Murano PubCo.

#### **Murano Group Reorganization Prior to Business Combination**

Prior to and in connection with the Business Combination, the Murano Group implemented a corporate reorganization consisting of share transfers and assignments of trust rights with the purpose of, among other aspects, Murano PubCo becoming the shareholder of 99.99% of the stock of Murano PV and Murano PV emerging as the holding company that consolidates all entities of the Murano Group. As a result of the Murano Group Reorganization, Murano PV controls and consolidates all the Murano Group’s entities.

Pursuant to the Murano Group Reorganization, prior to and in preparation for the share transfers and assignments described below: (i) Murano World, as lender, and Murano PV, as borrower, entered into a loan agreement for an amount of Ps.\$34,419,809.11, to fund Murano PV’s share acquisitions; and (ii) Murano PV carried out a capital reduction in its variable capital stock in the amount of Ps.\$16,363,928.

Then, the following share transfers and assignments of trust rights were completed as part of the Murano Group Reorganization:

#### ***Murano PV Capital Stock***

- ESAGRUP transferred to Murano World 49,999 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Murano PV.
- Elias Sacal Cababie transferred to Murano Management one Series A share, with a par value of Ps.\$1.00 representing the fixed capital stock of Murano PV.
- Murano World transferred to Murano 49,999 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Murano PV.

#### ***ESAGRUP Capital Stock***

- Murano World transferred to BVG Infraestructura, S.A. de C.V. one Series A share, with a par value of Ps.\$1.00, representing the fixed capital stock of ESAGRUP.

**Murano Management Capital Stock**

- Marcos Sacal Cohen transferred to Inmobiliaria Insurgentes 421 one Series A share, with a par value of Ps.\$1.00, representing the fixed capital stock of Murano Management.

**Operadora GIC I Capital Stock**

- Marcos Sacal Cohen transferred to Murano Management 49,999 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Operadora GIC I, as well as 210,001 Series B shares, with a par value of Ps.\$1.00 each, representing the variable capital stock of Operadora GIC I.
- Edgar Armando Padilla Pérez transferred to Murano PV one Series A share, with a par value of Ps.\$1.00, representing fixed capital stock of Operadora GIC I.

**Operadora GIC II Capital Stock**

- Marcos Sacal Cohen transferred to Murano Management 49,000 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Operadora GIC II, as well as 50,000 Series B shares, with a par value of Ps.\$1.00 each, representing the variable capital stock of Operadora GIC II.
- Edgar Armando Padilla Pérez transferred to Murano PV 1,000 Series A shares, with a par value of Ps.\$1.00 each, representing fixed capital stock of Operadora GIC II.

**Insurgentes Security Trust Rights**

- Assignment of the trust beneficiary rights of Marcos Sacal Cohen in favor of Murano Management with respect to the shares issued by OHI421, contributed by Marcos Sacal Cohen to the Insurgentes Security Trust.
- Assignment of the trust beneficiary rights of Marcos Sacal Cohen in favor of Murano Management with respect to the shares issued by OHI421 Premium, contributed by Marcos Sacal Cohen to the Insurgentes Security Trust.
- Assignment of the trust beneficiary rights of ESAGRUP in favor of Murano PV with respect to the shares issued by Inmobiliaria Insurgentes 421, contributed by ESAGRUP to the Insurgentes Security Trust. As payment for the consideration of such assignment, Murano PV issued a promissory note for the amount of Ps.\$542,500,000 in favor of ESAGRUP.
- Assignment of the trust beneficiary rights of Elías Sacal Cababie in favor of Murano PV with respect to the shares issued by Inmobiliaria Insurgentes 421, contributed by Elías Sacal Cababie to the Insurgentes Security Trust. As payment for the consideration of such assignment, Murano PV issued a promissory note for the amount of Ps.\$18,000,000 in favor of Elías Sacal Cababie.

**OHI421 Capital Stock**

- Edgar Armando Padilla Pérez transferred to Murano PV one Series A share, with a par value of Ps.\$1.00, pledged in favor of Bancomext, representing fixed capital stock of OHI421.

**OHI421 Premium Capital Stock**

- Edgar Armando Padilla Pérez transferred to Murano PV one Series A share, with a par value of Ps.\$1.00, pledged in favor of Bancomext, representing fixed capital stock of OHI421 Premium.

**Inmobiliaria Insurgentes 421 Capital Stock**

- Elías Sacal Cababie transferred to Murano Management one Series A share, with a par value of Ps.\$1.00, pledged in favor of Bancomext, representing fixed capital stock of Inmobiliaria Insurgentes 421. As payment for the consideration of such share transfer, Murano Management issued a promissory note for the amount of Ps.\$1,000 in favor of Elías Sacal Cababie.

**Servicios Corporativos BVG, S.A. de C.V. Capital Stock**

- ESAGRUP transferred to Murano PV 49,500 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Servicios Corporativos BVG, S.A. de C.V.

- Murano World transferred to Murano Management 500 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Servicios Corporativos BVG, S.A. de C.V., as well as 27,773,036 Series B shares, with a par value of Ps.\$1.00 each, representing the variable capital stock of Servicios Corporativos BVG, S.A. de C.V.

***Edificaciones BVG, S.A. de C.V.***

- Edgar Armando Padilla Pérez transferred to Murano PV, of one Series A share, with a par value of Ps.\$1.00, representing the fixed capital stock of Edificaciones BVG, S.A. de C.V.
- Edgar Armando Padilla Pérez transferred to Murano Management 24,999 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Edificaciones BVG, S.A. de C.V.
- Rubén Félix Álvarez Laris transferred to Murano Management 25,000 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Edificaciones BVG, S.A. de C.V.

***Murano World***

- Elías Sacal Cababie transferred to Murano PV 500 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Murano World, as well as 103,267,241 Series B shares, with a par value of Ps.\$1.00 each, representing the variable capital stock of Murano World, and pledged in favor of Sabadell. As payment for the consideration of such share transfer, Murano PV issued a promissory note in the amount of Ps.\$73,000,000 in favor of Elías Sacal Cababie.
- ESAGRUP transferred to Murano PV 49,499 Series A shares, with a par value of Ps.\$1.00 each, representing the fixed capital stock of Murano World, as well as 329,704,074 Series B shares, with a par value of Ps.\$1.00 representing the variable capital stock of Murano World. As payment for the consideration of such share transfer, Murano PV issued a promissory note for the amount of Ps.\$266,500,000 in favor of ESAGRUP.
- ESAGRUP transferred to Murano Management one Series A share, with a par value of Ps.\$1.00, representing the variable capital stock of Murano World. As payment for the consideration of such share transfer, Murano Management issued a promissory note for the amount of Ps.\$1,000 in favor of ESAGRUP.

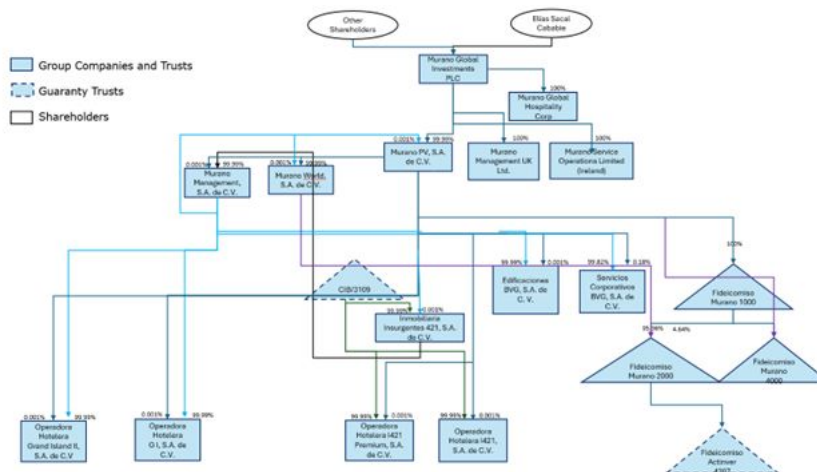
As a result of the share transfers and assignments of trust rights related to the Murano Group Reorganization, different entities of the Murano Group issued six promissory notes for a total amount of Ps.\$900,002,000. Three of such promissory notes, for a total amount of Ps.\$809,001,000, were issued in favor of ESAGRUP and the remaining three promissory notes, for a total amount of Ps.\$91,001,000, were issued in favor of Elías Sacal Cababie. Consequently, ESAGRUP conducted a capital reduction of its variable capital stock by redeeming 809,001,000 Serie B shares, and reimbursing them to its shareholder, Elías Sacal Cababie. The payment of such reimbursement was made by endorsing the promissory notes in favor of Elías Sacal Cababie. Subsequently, Elías Sacal Cababie became the sole owner and holder of all promissory notes and capitalized the amounts documented in such notes in Murano, and Murano then capitalized such amounts in Murano PV, finalizing the Murano Group Reorganization.



## Macroeconomic Scenario

For macroeconomic factors that may affect our results of operations and financial condition see “Item 4. Information on the Company—B. Business Overview—Overview of Mexico and the Mexican Lodging Industry—Macroeconomic Overview.”

The following diagram sets forth our current corporate structure following the Business Combination and related corporate reorganization, including the subsidiaries of Murano PubCo:



## Key Business and Financial Metrics Used by Management

### Revenue

We derive our revenues from hotel operations. Management uses revenues to assess the overall performance of our business and analyze trends such as consumer demand, brand preference and competition. For a detailed discussion of the factors that affect our revenues, see the section entitled “—Item 5. Operating and Financial Review and Prospects – A. Operating Results – Principal Components and Key Factors Affecting Our Results of Operations.”

### Net profit

Net profit represents the total earnings or income generated by our business. Management uses net income to analyze the performance of our business on a combined basis.

### Occupancy

Occupancy represents the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels. Occupancy measures the utilization of our hotels’ available capacity. Management uses occupancy to gauge demand at a specific hotel or group of hotels in a given period. Occupancy levels also help us determine achievable ADR levels as demand for hotel rooms increases or decreases.

### Average Daily Rate (“ADR”)

ADR represents hotel room revenue divided by the total number of room nights sold in a given period. ADR measures the average room price attained by a hotel and ADR trends provide useful information concerning the pricing environment and the nature of a hotel’s customer base. ADR is a commonly used performance measure in the industry, and we use ADR to assess pricing levels that we are able to generate by type of customer, as changes in rates have a different effect on overall revenues and incremental profitability than changes in occupancy, as described above.

**Revenue per Available Room (“RevPAR”)**

We calculate RevPAR by dividing hotel room revenue by room nights available to guests for a given period. We consider RevPAR to be a meaningful indicator of our performance as it provides a metric correlated to two key, primary operational drivers at our hotels: Occupancy and ADR. RevPAR is also a useful indicator in measuring performance over comparable periods for comparable hotels.

References to Occupancy, ADR and RevPAR are presented on a comparable basis and references to RevPAR and ADR are presented on a currency-neutral basis (i.e. all periods use the same exchange rates), unless otherwise noted.

**EBITDA and Adjusted EBITDA**

EBITDA, presented herein, is a financial measure that is not recognized under IFRS and reflects net income attributable to our shareholders, excluding interest expense, a provision for income taxes and depreciation and amortization. We consider EBITDA to be a useful measure of operating performance, due to the significance of our long-lived assets and level of indebtedness.

Adjusted EBITDA, presented herein, is calculated as EBITDA, as previously defined, adjusted to further exclude transaction-related expenses derived from the Business Combination.

EBITDA and Adjusted EBITDA are not recognized terms under IFRS and should not be considered as alternatives to combined net income (loss) or other measures of financial performance or liquidity derived in accordance with IFRS. In addition, our definitions of EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

We believe EBITDA and Adjusted EBITDA provide useful information to investors about us and our financial condition and results of operations for the following reasons: (i) EBITDA and Adjusted EBITDA are among the measures used by our management team to evaluate our operating performance and make day-to-day operating decisions; and (ii) EBITDA and Adjusted EBITDA are frequently used by securities analysts, investors and other interested parties as a common performance measure to compare results or estimate valuations across companies in our industry.

EBITDA and Adjusted EBITDA have limitations as analytical tools and should not be considered either in isolation or as a substitute for net income (loss), cash flow, or other methods of analyzing our results as reported under IFRS. Some of these limitations are:

- EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- EBITDA and Adjusted EBITDA do not reflect our interest expense, or the cash requirements necessary to service interest or principal payments, on our indebtedness;
- EBITDA and Adjusted EBITDA do not reflect our tax expense or the cash requirements to pay our taxes;
- EBITDA and Adjusted EBITDA do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- EBITDA and Adjusted EBITDA do not reflect the effect on earnings or changes resulting from matters that we consider not to be indicative of our future operations;
- although depreciation is a non-cash charge, the assets being depreciated will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate EBITDA and Adjusted EBITDA differently, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as measures of cash available to us to meet our obligations.

## Principal Components and Key Factors Affecting Our Results of Operations

### Revenue

#### Principal Components

We primarily derive our revenues from contracts with customers. This represents revenues derived from hotel operations, including room rentals and food and beverage sales, and other ancillary revenues at our owned properties. These revenues are primarily derived from two categories of customers: transient and group. Transient guests are individual travelers who are traveling for business or leisure. Our group guests are traveling for group events that reserve rooms for meetings or conferences. Group business usually includes a block of room accommodations, as well as other ancillary services, such as catering and banquet services. A majority of our food and beverage sales and other ancillary services are provided to customers also occupying rooms at our hotel properties. As a result, occupancy affects all components of our hotel revenues.

#### Key Factors affecting our Revenues

The following factors affect the revenues we derive from our operations:

*Consumer demand for hotels and resorts and economic conditions.* Consumer demand for hotels and resorts is closely linked to the performance of the general economy and is sensitive to business and personal discretionary spending levels. Declines in consumer demand can be the result of a variety of factors, many of which are unpredictable and not under our control, including, but not limited to:

- changes in general economic conditions, including consumer confidence, income, and unemployment levels resulting from the severity and duration of any downturn in the Mexican, U.S., or global economy;
- conditions that might negatively shape public perception of travel in general and particularly in Mexico, including travel-related accidents, outbreaks of a pandemic, or contagious diseases;
- political conditions or social unrest, terrorist activities or threats, and heightened travel security measures instituted in response to these events;
- other factors affecting or reducing travel patterns;
- changes in desirability of the geographic regions of our resorts and/or the geographic concentration of our resorts;
- changes in the perception or popularity of the brands associated with us and/or our operations;
- other changes in consumer preferences;
- security issues or warnings from foreign governments regarding traveling to certain destinations in Mexico; and
- unseasonal weather conditions, including natural disasters (such as hurricanes, floods, earthquakes and other adverse weather and climate conditions).

*Performance of management companies.* We depend on management companies, including Accor and Hyatt, to generate revenue from the rent of rooms to guests, including international guests. While Accor and Hyatt have a successful track record of attracting international guests to properties, declines in the number of international guests or the prices at which we are able to rent rooms could materially and adversely affect our financial condition and ability to generate revenues.

*Competition.* Competition for resort guests and the supply of resorts in Mexico City, Cancun, and Ensenada will affect our ability to increase rates charged to customers at the properties. As a result, changes in consumer demand and general business cycles can expose our revenues to significant volatility.

*Seasonality.* The hospitality industry is seasonal in nature, which can be expected to cause fluctuations in our room rental revenues, occupancy levels, room rates, operating expenses, and cash flows. The periods during which the properties experience higher or lower levels of demand will vary from property to property and depend upon location, customer base, and competitive mix within the specific location.

**Direct and selling, general and administrative expenses**

*Principal Components*

*Direct and selling, general and administrative expenses.* These reflect the operating expenses, including room expenses, food and beverage costs, operators' management fees, other support costs, and property expenses. Room expense includes employee benefits for housekeeping, laundry, front desk staff, and supply costs for guest room amenities and laundry. Food and beverage costs include costs for inventory. Other support expenses consist of costs associated with fees, advertisement, insurance and others. Property expenses include property taxes, depreciation, maintenance and conservation.

*Key Factors affecting our Expenses*

The key factors that mainly affect the expenses we incur in the course of our operations are the following:

*Fixed expenses.* Some of the expenses associated with owning hotels are relatively fixed. These expenses include personnel costs, rent, property taxes, management fees, insurance and utilities. If we are unable to decrease these costs significantly or rapidly when demand for our hotels and other properties decreases, the resulting decline in our revenues can have an adverse effect on our net cash flow, margins and profits. This effect can be especially pronounced during periods of economic contraction or slow economic growth. The effectiveness of any cost-cutting efforts is limited by the fixed costs inherent in our business. As a result, we may not be able to offset revenue reductions through cost cutting. In addition, any efforts to reduce costs, or to defer or cancel capital improvements, could adversely affect the economic value of our hotels. We have taken steps to reduce our fixed costs to levels we feel are appropriate to maximize profitability and respond to market conditions without jeopardizing the overall customer experience or the value of our hotels.

*Changes in depreciation expense.* Changes in depreciation expense may be driven by renovations of existing hotels, acquisition or development of new hotels, the disposition of existing hotels through sale or closure, or changes in estimates of the useful lives of our assets. As we place new assets into service, we will be required to record additional depreciation expenses on those assets.

*Other items*

*Foreign currency exchange rates.* We expect that a portion of our revenues will be denominated in U.S. dollars or linked to the U.S. dollar, while most of our operating expenses will be denominated in pesos. Changes in foreign currency exchange rates may become material to us in the future due to factors beyond our control.

**Corrections of Immaterial errors of previously reported Murano Group Combined Financial Statements**

In connection with the preparation of Murano Group Combined Financial Statements, we identified an error in the presentation of cash flows related to capitalized interest in the Combined Statement of Cash Flows for the years ended December 31, 2022 and 2021, and an error related to the recognition of the deferred tax liability for taxable temporary differences arising from certain recognized financial derivative instruments for the year ended December 31, 2022, 2021 and as of January 1, 2021. Management concluded that these are immaterial errors to its financial statements taken as a whole.

Management has evaluated and concluded to correct these immaterial errors in the Combined Statement of Cash Flows, the Combined Statement of Financial Position, the Combined Statement of Profit or Loss and Other Comprehensive Income, the Combined Statement of Change in Net Assets, and the related notes, in each case as applicable as of December 31, 2022, 2021 and January 1, 2021, and for the years ended December 31, 2022 and 2021.

For further information, see Note 19 to the Murano Group Combined Financial Statements.

**Results of Operations**

The discussion below relates to the results of the operations of the Group. Murano Group is not a single legal entity, but rather a combination of entities that are intended to reflect, for the periods presented, the ownership and administration of the Properties that we own.

As of the date of this annual report, we have operations in the Insurgentes 421 Hotel Complex and in the GIC I Hotel, which commenced operations with the opening of the Vivid Hotel on April 1, 2024.

During December 2022, the Mondrian Hotel partially opened before its full opening in January 2023; therefore, revenue generated for the year ended December 31, 2022 was not significant. Substantially, except for the Insurgentes 421 Hotel Complex, all the Group's expenditures are being capitalized to construction in process ("CIP"), apart from the administrative expenses.

Our operating results for the years ended December 31, 2023 and 2022 are not indicative of future operating results.

**Year ended December 31, 2023 Compared to Year ended December 31, 2022**

Combined statements of profit or loss and other comprehensive income data

	For the year ended December 31	
	2023	2022
	(In Mexican Pesos)	
<b>Revenue</b>	<b>\$ 286,651,914</b>	<b>\$ 6,431,022</b>
Direct and selling, general and administrative expenses		
Employee Benefits	158,777,211	53,944,188
Food & Beverage and service cost	50,548,808	1,167,596
Sales commissions	12,047,140	-
Management fees operators	6,031,578	-
Depreciation and amortization	135,498,890	1,808,833
Development contributions to the local area	-	25,862,069
Property tax	10,062,451	15,605,504
Fees	81,161,295	67,534,391
Administrative fees	16,148,254	1,784,617
Maintenance and conservation	9,676,728	10,218,739
Utility expenses	11,806,600	2,386,067
Advertising	7,326,696	9,806,261
Donations	7,676,660	1,000,000
Insurance	14,820,097	3,891,189
Software	6,744,506	2,226,283
Cleaning and laundry	9,197,151	1,622,716
Bank commissions	8,317,475	6,700,414
Other costs	62,238,994	45,073,847
<b>Total direct and selling, general and administrative expenses</b>	<b>608,080,534</b>	<b>250,632,714</b>
(Loss) gain on revaluation of investment property	(86,598,436)	298,089,926
Interest income	8,845,532	555,638
Interest expense	(303,746,643)	(86,485,683)
Exchange rate income, net	768,699,652	276,747,870
Valuation of financial derivative instruments	(75,868,263)	200,739,870
Other income	25,560,552	33,514,903
Other expenses	(9,801,077)	(3,874,125)
<b>Profit before income taxes</b>	<b>5,662,697</b>	<b>475,086,707</b>
Income taxes	52,130,224	230,709,407
<b>Net profit for the period</b>	<b>\$ 57,792,921</b>	<b>\$ 244,377,300</b>

**Revenue:** Revenue amounted to Ps.\$286.7 million for the year ended December 31, 2023, an increase of Ps.\$280.3 million or 4,357.3% from Ps.\$6.4 million from the year ended December 31, 2022. The increase is mainly attributable to the commencement of operations of the Insurgentes 421 Hotel Complex during December 2022 and January 2023. The Andaz hotel's revenue during 2023 was Ps.\$177.2 million, comprising: (1) 58.7% room income, (2) 39.1% food and beverage income, and (3) 2.1% other income. The Mondrian Hotel's revenue during 2023 was Ps.\$107.6 million, comprising (1) 60.7% room income, (2) 33.0% food & beverage income, and (3) 6.3% other income.

**Employee Benefits:** Employee benefits amounted to Ps.\$158.8 million for the year ended December 31, 2023, an increase of Ps.\$104.9 million or 194.3% from the year ended December 31, 2022. The increase is mainly attributable to the commencement of hotel operations. Murano hired its employees a couple of months before the opening for training and to arrange the necessary activities to provide services to its customers such as accommodation of hotel rooms and restaurants. Currently, the Insurgentes 421 Hotel Complex has approximately 350 employees.

**Food & Beverage and service cost:** Food & beverage and service cost amounted to Ps.\$50.5 million for the year ended December 31, 2023, an increase of Ps.\$49.3 million or 4,229.3% from Ps.\$1.2 million for the year ended December 31, 2022. The increase in food and beverages was attributable to the operations of the Mondrian and Andaz hotels throughout 2023.

**Sales commissions:** Sales commissions amounted to Ps.\$12.0 million for the year ended December 31, 2023 as compared to \$0 for the year ended December 31, 2022. The amount corresponds mainly to the commissions incurred for services provided by independent Online Travel Agencies such as Expedia and Booking. The amounts attributable to the Andaz Hotel is Ps.\$5.2 million and Ps.\$1.9 million to the Mondrian Hotel.

**Management fees operators:** Management fees operators amounted to Ps.\$6.0 million for the year ended December 31, 2023, which relates to management services provided by Hyatt and Accor. Andaz Hotel incurred in Ps.\$ 3.7 million while Mondrian Hotel incurred Ps.\$2.3 million.

**Depreciation and amortization:** Depreciation and amortization amounted to Ps.\$135.5 million for the year ended December 31, 2023, an increase of Ps.\$133.7 million from the year ended December 31, 2022. The increase corresponds to the placement into operations of the Insurgentes 421 Hotel Complex's assets which were transferred from construction in process to fixed assets. The depreciation and amortization amounted to Ps.\$93.2 million for property and equipment and Ps.\$6.8 million for right of use assets, respectively.

**Development contributions to the local area:** Development contributions to local area decreased 100% from Ps.\$25.9 million for the year ended December 31, 2022. During 2022, Murano granted a one-time community investment to Cancun's city hall.

**Property tax:** Property tax amounted to Ps.\$10.1 million for the year ended December 31, 2023, a decrease of Ps.\$5.5 million or 35.5% from Ps.\$15.6 million for the year ended December 31, 2022. The decrease in the property tax is mainly attributable to the Insurgentes 421 Hotel Complex. The decrease relates to a one-time Ps.\$6.0 million property tax paid to the Mexico City Secretary of Administration and Finance, during 2022.

**Fees:** Fees amounted to Ps.\$81.2 million for the year ended December 31, 2023, an increase of Ps.\$13.7 million or 20.2% from Ps.\$67.5 million for the year ended December 31, 2022. The increase is mainly related to legal and transaction costs incurred by Murano World which amounted to Ps.\$15.9 million. Additionally, both Murano World and Fideicomiso 2000 hired financial advisors to renegotiate its existing loans and to obtain other sources of finance.

**Administrative fees:** Administrative fees amounted to Ps.\$16.1 million for the year ended December 31, 2023, an increase of Ps.\$14.3 million or 804.9% from Ps.\$1.8 million for the year ended December 31, 2022. The increase is mainly related to other services hired by the Group to carry out its operations.

**Maintenance and conservation:** Maintenance and conservation amounted to Ps.\$9.7 million for the year ended December 31, 2023, a decrease of Ps.\$0.5 million or 5.3% from the year ended December 31, 2022. This expense remained flat due as the tax is attributable mostly to the same properties in both years.

**Utility expenses:** Utility expenses amounted to Ps.\$11.8 million for the year ended December 31, 2023, an increase of Ps.\$9.4 million or 394.8% from Ps.\$2.4 million for the year ended December 31, 2022. This increase is mainly attributable to the operations of the Insurgentes 421 Hotel Complex throughout 2023. During 2022, utilities were incurred primarily for the Company's corporate office.

**Advertising:** Advertising amounted to Ps.\$7.3 million for the year ended December 31, 2023, a decrease of Ps.\$2.5 million or 25.3% from Ps.\$9.8 million for the year ended December 31, 2022. Significant publicity expenditures were incurred in anticipation of the openings of the Insurgentes 421 Hotel Complex during 2022 and the beginning of 2023, which tapered off after the commencement of Complex operations.

**Donations:** Donations amounted to Ps.\$7.7 million for the year ended December 31, 2023, an increase of Ps.\$6.7 million or 667.7% from Ps.\$1.0 million for the year ended December 31, 2022. This increase is attributable to the donations granted to the UNICEF International Council to support the transformation of education in Mexico.

**Insurance:** Insurance amounted to Ps.\$14.8 million for the year ended December 31, 2023, an increase of Ps.\$10.9 million or 280.9% from Ps.\$3.9 million for the year ended December 31, 2022. The increase in insurance expenses was attributable to the acquisition of an insurance premium of Ps.\$ 2.0 million for the Beach Club acquired in March 2023. Moreover, there was also an increase in the insurance premium for the Insurgentes 421 Hotel Complex that amounted to Ps.\$5.5 million, which derived from the increase in the property's fair value.

**Software:** Software amounted to Ps.\$6.7 million for the year ended December 31, 2023, an increase of Ps.\$4.5 million or 202.9% from the year ended December 31, 2022. This expense relates to certain equipment and operating software implementation costs incurred at the Insurgentes 421 Hotel Complex.

**Cleaning and laundry:** Cleaning and laundry amounted to Ps.\$9.2 million for the year ended December 31, 2023, an increase of Ps.\$7.6 or 466.8% from the year ended December 31, 2022. The increase in cleaning and laundry expenses is directly attributable to the opening of the Andaz and Mondrian Hotels, which now offer guest room services. At the Andaz Hotel, this expense includes Ps. \$5.7 million for purchasing cleaning supplies and \$1.5 million for laundry services provided by external parties, along with Ps. \$1.0 million for the laundering of staff uniforms. Related to the Mondrian Hotel, this expense is comprised mainly of laundry contracts totaling Ps.\$2.2 million and Ps.\$3.0 related to the laundering of staff uniforms.

**Bank commissions:** Bank fees amounted to Ps.\$8.3 million for the year ended December 31, 2023, an increase of Ps.\$1.6 million or 24.1% from Ps.\$6.7 million for the year ended December 31, 2022, which corresponds to the increase in the interest income accrued by short term investments.

**Other costs:** Other costs amounted to Ps.\$62.2 million for the year ended December 31, 2023, an increase of Ps.\$17.1 million or 38.1% from Ps.\$45.1 million for the year ended December 31, 2022. The are several immaterial expenses included in Other costs. The increase corresponds mainly to the following: (1) Ps.\$3.5 million incurred in surveillance services, (2) Ps.\$5.0 million of tax surcharges, (3) Ps.\$3.0 of stationery items and (4) Ps.\$1.0 million of telephone services.

**(Loss) gain on revaluation of investment property:** The Loss on revaluation of investment property amounted to Ps.\$86.6 million for the year ended December 31, 2023, a decrease of Ps.\$384.7 million or 129.1% from the gain of Ps.\$298.1 million during the year ended December 31, 2022. The value determined by the external appraisers in U.S. dollars did not decrease but when converting to pesos a exchange rate loss was originated which causes the decrease. For the year ended December 31, 2022, there was an appreciation of the plots of land located in Ensenada, Baja California and the conversion effect did not have such a significant impact.

**Interest income:** Interest income amounted to Ps.\$8.8 million for the year ended December 31, 2023, an increase of Ps.\$8.2 million or 1,492.0% from Ps.\$0.6 million from the year ended December 31, 2022. The increase in interest income was attributable mainly to the increase in interest bearing assets during 2023, including Ps.\$6.7 million accrued on amounts due from related parties.

**Interest expense:** Interest expense amounted to Ps.\$303.7 million for the year ended December 31, 2023, an increase of Ps.\$217.2 million or 251.2% from the year ended December 31, 2022. The increase in interest expense was attributable mainly to Murano World and comprised 66.6% loan interest and 33.4% related to finance lease obligations. Also, the interest expense of Inmobiliaria Insurgentes 421 contributed to the increase and amounted to Ps.\$138.4, comprising 98.4% bank loan interest and 1.6% interest on loans from related parties. Prior to 2023, interest on these loans was capitalized as part of the construction in process.

**Exchange rate income, net:** Foreign exchange income, net, amounted to Ps.\$768.7 million for the year ended December 31, 2023, an increase of Ps.\$492.0 million or 177.8% from the year ended December 31, 2022. The increase in foreign exchange income, net transactions was attributable to the appreciation of the Mexican peso against the U.S. dollar.

**Valuation of financial derivative instruments:** Valuation of financial derivative instruments amounted to a loss of Ps.\$75.9 million for the year ended December 31, 2023, a decrease of Ps.\$276.6 million or 137.8% from a gain of Ps.\$200.7 million for the year ended December 31, 2022 due to unfavorable movements in the yield curve.

**Other income:** Other income amounted to Ps.\$25.6 million for the year ended December 31, 2023, a decrease of Ps.\$7.9 million or 23.7% from Ps.\$33.5 million for the year ended December 31, 2022.

**Other expenses:** Other expenses amounted to Ps.\$9.8 million for the year ended December 31, 2023, an increase of Ps.\$5.9 million or 153.0% from Ps.\$3.9 million for the year ended December 31, 2022.

**Income taxes:** Income taxes amounted to Ps.\$52.1 million income tax benefit for the year ended December 31, 2023, a change of Ps.\$282.8 million or 112.6% from an income tax expense of Ps.\$230.7 million for the year ended December 31, 2022. The decrease in income tax expense was mainly attributable to lower pretax profits and a higher benefit related to other permanent differences of Ps.\$120.6 million, which includes the application of previously unrecognized tax loss carryforwards to the taxable profit during 2023.

**Net profit (loss) for the period:** For the reasons outlined above, the Murano Group recorded a net profit of Ps.\$57.8 million for the year ended December 31, 2023, a decrease of Ps.\$186.6 million, as compared to a net profit of Ps.\$244.4 million for the year ended December 31, 2022.

**Year ended December 31, 2022 Compared to Year ended December 31, 2021**

Combined statements of profit or loss and other comprehensive income data

	<b>For the year ended December 31</b>	
	<b>2022</b>	<b>2021</b>
	<i>(In Mexican Pesos)</i>	
<b>Revenue</b>	<b>\$ 6,431,022</b>	<b>\$ 1,529,063</b>
Direct and selling, general and administrative expenses		
Employee Benefits	53,944,188	18,978,039
Development contributions to local area	25,862,069	—
Property tax	15,605,504	6,578,460
Fees	67,534,391	42,344,526
Maintenance and conservation	10,218,739	—
Advertising	9,806,261	2,657,102
Insurance	3,891,189	2,599,879
Food & Beverage and service cost	1,167,596	—
Other costs	62,602,777	20,353,208
<b>Total direct and selling, general and administrative expenses</b>	<b>250,632,714</b>	<b>93,511,214</b>
Gain on revaluation of investment property	298,089,926	60,907,125
Interest income	555,638	851,178
Interest expense	(86,485,683)	(50,527,066)
Exchange rate income, net	276,747,870	306,286
Valuation of financial derivative instruments	200,739,870	75,846,728
Other income	33,514,903	33,656,776
Other expenses	(3,874,125)	(28,708,322)
<b>Profit before income taxes</b>	<b>475,086,707</b>	<b>350,554</b>
Income taxes	(230,709,407)	(105,858,981)
<b>Net profit (loss) for the period</b>	<b>\$ 244,377,300</b>	<b>\$ (105,508,427)</b>

*Revenue:* Revenue amounted to Ps.\$6.4 million for the year ended December 31, 2022, an increase of Ps.\$4.9 million or 320.6% from the year ended December 31, 2021. The increase is mainly attributable to the partial opening of the Mondrian Hotel, which generated revenue of Ps.\$4.4 million. The remaining increase is related to other revenue generated from administrative services provided to related parties, which amounted to Ps.\$2.0 million for the year ended December 31, 2022, compared to Ps.\$1.5 million for the year ended December 31, 2021.

*Employee Benefits:* Employee benefits Cost of Sales amounted to Ps.\$53.9 million for the year ended December 31, 2022, an increase of Ps.\$35.0 million or 184.2% from the year ended December 31, 2021. The increase in operating expenses was attributable mainly to the increase in Murano's expenses related to the payroll since one of the hotels commenced operations in December 2022. In order to operate the hotel, Murano hired its employees months before the opening for training and to arrange the necessary activities to provide services to its customers. Our employee benefits cost of sales consisted of salaries of Ps.\$45.4 million for the year ended December 31, 2022, an increase of Ps.\$29.7 million or 189.6% compared to Ps.\$15.7 million for the year ended December 31, 2022; social security expenses and the profit-sharing expenses of Ps.\$7.8 million, an increase of Ps.\$5.1 million or 182.7% compared to Ps.\$2.8 million for the year ended December 31, 2021.

*Development contributions to the local area:* Development contributions to local area amounted to Ps.\$25.9 million for the year ended December 31, 2022, an increase of 100% from the year ended December 31, 2021. The increase is related to the construction of the GIC Complex Development Project in Cancun. In 2022, Murano granted Ps.\$25.9 million to Cancun's city hall as a community investment, which was mostly used by the city to improve sidewalks and to pave dirt roads.

*Property tax:* Property tax amounted to Ps.\$15.6 million for the year ended December 31, 2022, an increase of Ps.\$9.0 million or 137.2% from Ps.\$6.6 million for the year ended December 31, 2021. The increase in the property tax was attributable to the Insurgentes 421 Hotel Complex. We owed Ps.\$6.0 million of property tax to the Mexico City's Secretariat for Administration and Finance, which was recognized and paid during 2022.

*Fees:* Fees amounted to Ps.\$67.5 million for the year ended December 31, 2022, an increase of Ps.\$25.2 million or 59.5% from Ps.\$42.3 million for the year ended December 31, 2021. The increase is mainly related to legal and advisory fees incurred for the Business Combination Agreement transaction.



**Maintenance and conservation:** Maintenance and conservation amounted to Ps.\$10.2 million for the year ended December 31, 2022, an increase of 100% from the year ended December 31, 2021. As part of the opening activities, Murano carried out minor maintenance and conservation activities in the Insurgentes 421 Hotel Complex.

**Advertising:** Advertising amounted to Ps.\$9.8 million for the year ended December 31, 2022, an increase of Ps.\$7.1 million or 269.1% from Ps.\$2.7 million for the year ended December 31, 2021. The increase in advertising was attributable to Murano's efforts to give exposure and publicity to the Insurgentes 421 Hotel Complex, since the Mondrian Hotel opened in December 2022 and the Andaz Hotel commenced operations early in 2023.

**Insurance:** Insurance amounted to Ps.\$3.9 million for the year ended December 31, 2022, an increase of Ps.\$1.3 million or 49.7% from Ps.\$2.6 million for the year ended December 31, 2021. The increase in insurance expenses was attributable to a higher insurance premium for the Insurgentes 421 Hotel Complex, which derived from the increase in the asset's fair value.

**Food & Beverage and service cost:** Food and beverages amounted to Ps.\$1.2 million for the year ended December 31, 2022, an increase of 100% from the year ended December 31, 2021. The increase in food and beverages was attributable to the opening of the Mondrian Hotel, Murano acquired the necessary materials and beverage to provide its restaurant and bar services to its customers.

**Gain on revaluation of investment property:** Gain on revaluation of investment property amounted to Ps.\$298.1 million for the year ended December 31, 2022, an increase of Ps.\$237.2 million or 389.4% from Ps.\$60.9 million from the year ended December 31, 2021. The increase was mainly attributable to the appreciation of the plots of land located in Ensenada, Baja California.

**Interest income:** Interest income amounted to Ps.\$0.6 million for the year ended December 31, 2022, a decrease of Ps.\$0.3 million or 34.7% from Ps.\$0.9 million from the year ended December 31, 2021. The decrease in interest income was attributable mainly to lower rates in Murano's short-term investments.

**Interest expense:** Interest expense amounted to Ps.\$86.5 million for the year ended December 31, 2022, an increase of Ps.\$36.0 million or 71.2% from the year ended December 31, 2021. The increase in interest expense was attributable mainly to the new loans obtained by Murano World, the principal amount of these loans amounted to Ps.\$580.3 million as of December 31, 2022 compared to Ps.\$192.3 million as of December 31, 2021. Also, the interest accrued for these loans is recognized in profit and loss and not capitalized as part of the CIP.

**Exchange rate income, net:** Foreign exchange income, net, amounted to Ps.\$276.7 million for the year ended December 31, 2022, an increase of Ps.\$276.4 million or 90,256.0% from the year ended December 31, 2021. The increase in foreign exchange income, net transactions was attributable to the fact that during 2022, Murano obtained new loan agreements denominated in a foreign currency which in total amounted to U.S.\$111.5 million, also the Mexican peso has been showing an appreciation against the U.S. dollar.

**Valuation of financial derivative instruments:** Valuation of financial derivative instruments amounted to Ps.\$200.7 million for the year ended December 31, 2022, an increase of Ps.\$124.9 million or 164.7% from the year ended December 31, 2021. The increase in the valuation of financial derivative instruments transactions was mainly attributable to a substantial increase in the floating rate of more than one percentage point compared to the fixed rate, also the amount of the contracted debt increased, these factors combined to positively impact the instrument value and generate profits on the quarterly settlements.

**Other income:** Other income amounted to Ps.\$33.5 million for the year ended December 31, 2022, a decrease of Ps.\$0.1 million or (0.4)% from Ps.\$33.7 million for the year ended December 31, 2021.

**Other expenses:** Other expenses amounted to Ps.\$3.9 million for the year ended December 31, 2022, a decrease of Ps.\$24.8 million or 86.5% from Ps.\$28.7 million for the year ended December 31, 2021. The decrease was mainly due to a non-recurrent transaction in 2021, where the Murano Group recognized a \$28.4 million loss on repurchase of land derived from the recovery of a property that was given as a guarantee.

**Income taxes:** Income taxes amounted to Ps.\$230.8 million expense for the year ended December 31, 2022, an increase of Ps.\$124.8 million or 117.9% from Ps.\$105.9 million for the year ended December 31, 2021. The increase in income taxes was mainly attributable to the effect at 30% (Mexico's legal tax rate) of the increase in the gain on revaluation of investment property, which amounted to \$298.1 for the year ended December 21, 2022 and the effects of the exchange rate income and the non-capitalized interest expense, that together impacted the deferred income taxes by \$89.4 million.

**Net profit (loss) for the period:** For the reasons set above, the Murano Group recorded a net profit of Ps.\$244.4 million for the year ended December 31, 2022, an increase of Ps.\$349.9 million, as compared to a net loss of Ps.\$105.5 million for the year ended December 31, 2021.

Other Financial Data

	For the year ended December 31		
	2023	2022	2021
	<i>(in Mexican pesos)</i>		
EBITDA <sup>(1)</sup>	444,908,230	563,381,223	52,983,784
Adjusted EBITDA <sup>(2)</sup>	500,913,740	563,838,513	52,983,784

(1) We define EBITDA as a measure that reflects net profit for the period, excluding interest expense, income taxes, depreciation and amortization. The following table reconciles our net profit for the period for the period, our most directly comparable measure under IFRS, to EBITDA:

	For the Year Ended December 31		Variance	
	2023	2022	Ps. Change	% Change
	<i>(in Mexican pesos)</i>			
Net profit for the period	82,684,699	244,377,300	(186,584,379)	(76.4)%
<b>Add (deduct):</b>				
Income taxes	(52,130,224)	230,709,407	(282,839,631)	(122.6)%
Interest expense	303,746,643	86,485,683	217,260,960	251.2%
Depreciation and amortization	135,498,890	1,808,833	133,690,057	7,391.0%
<b>EBITDA</b>	<b>444,908,230</b>	<b>563,381,223</b>	<b>(118,472,993)</b>	<b>(21.0)%</b>

(2) We defined Adjusted EBITDA as EBITDA further adjusted to exclude transaction-related expenses derived from the Business Combination. The following table reconciles Adjusted EBITDA to EBITDA:

	For the year ended December 31		Variance	
	2023	2022	Ps. Change	% Change
	<i>(in Mexican pesos)</i>			
<b>EBITDA</b>	<b>444,908,230</b>	<b>563,381,223</b>	<b>(118,472,993)</b>	<b>(21.0)%</b>
Transaction related expenses	56,005,510	457,290	55,548,220	12,147.3%
<b>Adjusted EBITDA</b>	<b>500,913,740</b>	<b>563,838,513</b>	<b>(62,924,773)</b>	<b>(11.2)%</b>

	For the Year Ended December 31		Variance	
	2022	2021	Ps. Change	% Change
	<i>(in Mexican pesos)</i>			
Net profit (loss) for the period	244,377,300	(105,508,427)	349,885,727	(331.6)%
<b>Add (deduct):</b>				
Income taxes	230,709,407	105,858,981	124,850,426	117.9%
Interest expense	86,485,683	50,527,066	35,958,617	71.2%
Depreciation and amortization	1,808,833	2,106,164	(297,331)	(14.1)%
<b>EBITDA</b>	<b>563,381,223</b>	<b>52,983,784</b>	<b>510,397,439</b>	<b>963.3%</b>

	For the year ended December 31		Variance	
	2022	2021	Ps. Change	% Change
	<i>(in Mexican pesos)</i>			
<b>EBITDA</b>	<b>563,381,223</b>	<b>52,983,784</b>	<b>(118,472,993)</b>	<b>963.3%</b>
Transaction related expenses	457,290	-	457,290	100.0%
<b>Adjusted EBITDA</b>	<b>563,838,513</b>	<b>52,983,784</b>	<b>510,854,729</b>	<b>964.2%</b>

**Operating Data**

	For the Year Ended December 31, 2023		
	RevPAR <sup>(1)</sup>	ADR <sup>(2)</sup>	Occupancy <sup>(3)</sup>
	<i>(in Mexican Pesos)</i>		%
<b>Andaz Hotel</b>	\$ 1,380	\$ 3,758	36.7
<b>Mondrian Hotel</b>	\$ 1,003	\$ 3,547	28.3

- (1) We calculate RevPAR by dividing hotel room revenue by room nights available to guests for a given period.  
(2) ADR represents hotel room revenue divided by the total number of room nights sold in a given period.  
(3) Occupancy represents the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels.

	For the Year Ended December 31, 2022		
	RevPAR	ADR	Occupancy
	<i>(in Mexican Pesos)</i>		%
<b>Mondrian Hotel<sup>(1)</sup></b>	\$ 194	\$ 4,305	5

- (1) The revenue metrics are presented only for the Mondrian Hotel as it was the only hotel in operation as of December 31, 2022.

**B. Liquidity and Capital Resources**

**Overview**

Since our inception, we have financed our development projects and operations primarily from capital contributions from our shareholders and borrowings under different financing arrangements. As of December 31, 2023, our total debt was Ps.\$6.903.0 million (US\$408.6 million). Since then, we have incurred additional indebtedness in the amount of Ps.\$798.4 million (US\$47.2 million).

We currently estimate the total remaining development and construction costs of the Projects to be Completed to be approximately U.S.\$620.0 million. These are preliminary estimates and while we believe that our overall budget for the construction costs for these properties is reasonable as of the date of this annual report, these costs are only estimates, and the actual final costs to develop may be significantly higher than expected.

We currently expect that the Business Combination, together with borrowings under our existing financings, will not be sufficient to fund the currently foreseeable budget of our property development projects and/or otherwise be sufficient to fulfill our business strategy. Therefore, we will likely need additional capital in the future. Our ability to obtain bank financing or to access the capital markets for future debt or equity offerings may be limited by our financial condition, results of operations or other factors, such as our credit rating or outlook at the time of any such financing or offering and the covenants in our existing debt agreements, as well as by general economic conditions and contingencies and uncertainties that are beyond our control. Therefore, we cannot assure you that we will be able to obtain additional capital and/or that we will be able to obtain bank financing or access the capital markets on commercially reasonable terms or at all; for further details, see "Note 2c – Basis of preparation in the Murano Group Combined Financial Statements."

**Recent Transactions Affecting our Liquidity and Capital Resources**

*Year ended December 31, 2023 compared to year ended December 31, 2022*

The following table from the Combined Statement of Cash Flows summarizes Murano Group's cash flows for the years ended December 31, 2023 and 2022:

	For the Year Ended December 31		Variance	
	2023	2022		
	<i>Ps.</i>	<i>Ps.</i>	<i>Ps.</i>	%
	<i>(in Mexican pesos)</i>			
Net cash flows from (used in) operating activities	\$ 165,206,337	\$ (275,511,389)	\$ 440,717,726	(160.0)%
Net cash flows used in investing activities	(1,697,602,022)	(1,437,521,734)	(260,080,288)	18.1%
Net cash flows from financing activities	1,438,010,614	1,770,353,133	(332,342,519)	(18.8)%
<b>Net (decrease) increase in cash and cash equivalents and restricted cash</b>	<b>\$ (94,385,071)</b>	<b>\$ 57,320,010</b>	<b>(151,705,081)</b>	<b>(264.7)%</b>

Cash flows from operating activities

Net cash from operating activities was Ps.\$165.2 million for the year ended December 31, 2023, while for the year ended December 31, 2022 there was net cash used in operating activities of Ps.\$275.5 million.

Net cash from operating activities consisted of a loss before income tax of Ps.\$5.7 million for the year ended December 31, 2023, adjusted for non-cash and non-operating cash flow items and the effect of changes in working capital. Non-operating cash flow adjustments principally included Ps.\$300.5 million derived from interest expense, while non-cash items included Ps.\$128.7 million from the depreciation of property, plant and equipment, Ps.\$86.6 in the valuation of financial derivative instruments and Ps.\$756.6 million of effect in foreign exchange rates. Net changes in working capital increased mainly by Ps.\$275.5 million related to trade payables to GIC I Complex suppliers, which increased Ps.\$250.2 million or 989.9% from the year ended December 31, 2022.

Cash flows from investing activities

Net cash used in investing activities was Ps.\$1,697.6 million for the year ended December 31, 2023, an increase of Ps.\$260.1 million or 18.1% from the year ended December 31, 2022 primarily due to the acquisition of land, equipment and construction in process of \$1,719.9 million of which Ps.\$174.0 million correspond to the acquisition of the beach club and Ps.\$1,545.9 of construction in process. These effects were offset by proceeds from disposals of furniture, fixtures & equipment, which amounted to Ps.\$157.0 million as a result of sale and leaseback transactions.

Cash flows from financing activities

Net cash provided by financing activities was Ps.\$1,438.0 million for the year ended December 31, 2023, a decrease of Ps.\$332.4 million or 18.8% from the year ended December 31, 2022. Overall, proceeds from new borrowings provided to the Group decreased by Ps.\$121.0 million and interest paid increased Ps.\$212.6 million.

*Year ended December 31, 2022 compared to year ended December 31, 2021*

The following table from the Combined Statement of Cash Flows summarizes Murano's cash flows for the years ended December 31, 2022 and 2021:

	<b>For the Year Ended December 31</b>		<b>Variance</b>	
	<b>2022</b>	<b>2021</b>		
	<i>Ps.</i>	<i>Ps.</i>	<i>Ps.</i>	<i>%</i>
	<i>(in Mexican pesos)</i>			
Net cash flows used in operating activities	\$ (275,511,389)	\$ (183,978,982)	\$ (91,532,407)	49.8%
Net cash flows used in investing activities	(1,437,521,734)	(877,719,552)	(559,802,182)	63.8%
Net cash flows from financing activities	1,770,353,133	835,820,033	934,533,100	111.8%
<b>Net increase(decrease) in cash and cash equivalents and restricted cash</b>	<b>\$ 57,320,010</b>	<b>\$ (225,878,501)</b>	<b>283,198,511</b>	<b>(125.4)%</b>

Cash flows from operating activities

Net cash used in operating activities was Ps.\$275.5 million for the year ended December 31, 2022, an increase of Ps.\$91.5 million or 49.8% from the year ended December 31, 2021. Net cash used in operating activities consisted of a profit before income tax of Ps.\$475.1 million for the year ended December 31, 2022, adjusted for non-cash items and the effect of changes in working capital. Non-cash adjustments principally included Ps.\$200.7 million in the valuation of financial derivative financial instruments, Ps.\$298.1 million derived from the revaluation of the investment property and Ps.\$281.3 million of effect in foreign exchange rates. Net changes in working capital required cash of Ps.\$57.0 million related to the VAT generated from the construction expenses, which increased Ps.\$14.9 million or 35.5% from the year ended December 31, 2021, the increase is mainly related with the additions in the construction process.

Cash flows from investing activities

Net cash used in investing activities was Ps.\$1,437.5 million for the year ended December 31, 2022, an increase of Ps.\$559.8 million or 63.8% from the year ended December 31, 2021 primarily due to the investment in the GIC Complex and the purchase of furniture and equipment for the Insurgentes 421 Hotel Complex.

Cash flows from financing activities

Net cash provided by financing activities was Ps.\$1,770.4 million for the year ended December 31, 2022, an increase of Ps.\$934.5 million or 111.8% from the year ended December 31, 2021, primarily due to the new loan agreements celebrated, the cash obtained from those loans amounted to Ps.\$2,237.2 million, which is also net by the loan payments that amounted to Ps.\$265.7 million. There was also a net capital reimbursement that amounted to Ps.\$298.8 million.

**Capital Expenditures**

For the years ended December 31, 2023 and 2022 and 2021, our capital expenditures amounted to Ps.\$1,719.3 million, Ps.\$1,523.3 million, and Ps.\$844.9 million, respectively. This increase was mainly driven by the expenditures related to the construction of GIC I Hotel, part of the GIC Complex.

As of December 31, 2023, we had outstanding commitments under construction contracts of U.S.\$23.6 million, for capital expenditures at our owned properties. Our contracts contain clauses that allow us to cancel all or some portion of the work. If cancellation of a contract occurred, our commitment would be any costs incurred up to the cancellation date, in addition to any costs associated with the discharge of the contract.

**Debt**

As of December 31, 2023, our debt with third parties amounted to Ps.\$6,682.7 million and our debt with related parties amounted to Ps.\$220.3 million, including accrued interest and the exchange difference generated from the U.S. dollar-denominated loans.

For the year ended December 31, 2023, interest expense on our borrowings amounted to Ps.\$641.0 million (Ps.\$303.7 million directly recognized in the Combined Statement of Profit or Loss and Other Comprehensive Income and the remaining was capitalized as part of the borrowing costs in construction in process).

The agreements referred to below include covenants and restrictions that require, among other things, to provide the lenders, quarterly and annually, with Murano's internal financial statements and compliance with certain ratios and reserve funds. Noncompliance with such requirements constitutes an event of default under which the respective loan may become immediately due and payable. For discussions of certain defaults that are outstanding and that have been waived, and potential consequences, with respect to our debt, see –"The instruments governing our indebtedness contain cross-default provisions that may cause all of the debt issued under such instruments to become immediately due and payable as a result of a default under an unrelated debt instrument" and –"We have substantial debt that may be called on demand of lender due to breach in covenants that may happen in the future".

Also refer to Note 10 of the Murano Group Combined Financial Statements for more information about defaults that are all outstanding.

**Insurgentes Loan**

The construction, development and start of operations of the Insurgentes 421 Hotel Complex have been financed through a loan facility entered into on September 29, 2022, Inmobiliaria Insurgentes 421, as borrower, OHI421 and OHI421 Premium, as joint obligors, and Bancomext, as lender, as amended and restated from time to time (the "Insurgentes Loan"). The principal amount of the facility was U.S.\$75,000,000.00, with a variable interest rate, divided into two tranches, tranche A for an amount of U.S.\$49,500,000.00 and tranche B for an amount of U.S.\$25,500,000.00. The use of proceeds for tranche A was for the payment and refinancing of a prior loan; tranche B use of proceeds was for the financing of the renovation of the Insurgentes 421 Hotel Complex. On May 25, 2023, the parties amended and restated such loan agreement to increase the credit line with Bancomext from U.S.\$75,000,000 to U.S.\$100,000,000 pursuant to a new tranche of credit (tranche C).

The quarterly interest payable under the Insurgentes Loan is equal to term SOFR plus a 3.5% margin and the maturity is October 7, 2037. The proceeds of the Insurgentes Loan were used to refinance certain indebtedness related to the development of the Insurgentes 421 Hotel Complex and pay capital expenditures related to the development and start of operations of the Insurgentes 421 Hotel Complex.

As of December 31, 2023, the outstanding principal amount under the Insurgentes Loan was Ps.\$1,687.5 million (U.S.\$99.9 million), bearing interest as of December 31, 2023 at 8.83%.

As part of the collateral to secure the Insurgentes Loan, the following rights and assets were contributed to the Insurgentes Security Trust:

- Inmobiliaria Insurgentes 421 contributed (i) the property of the Insurgentes 421 Hotel Complex, (ii) its collection rights under and in respect of each of the Insurgentes Lease Agreements, and (iii) its collection rights in regard to any potential sale of the Insurgentes 421 Hotel Complex, among other rights set forth in the Insurgentes Security Trust;
- OHI421 contributed (i) its collection rights under the Andaz Hotel Management Agreement and related net cash flows and (ii) its collection rights in regard to any sublease agreement;
- OHI421 Premium contributed (i) its collection rights under the Mondrian Hotel Management Agreement and related net cash flows and (ii) its collection rights in regard to any sublease agreement;
- Murano PV contributed (i) 500 Series A shares of fixed capital stock and (ii) 434,361,112 Series B shares of variable capital stock of Inmobiliaria Insurgentes 421;
- Murano PV contributed (i) 49,499 Series A shares of fixed capital stock and (ii) 10,771,066 Series B shares of variable capital stock of Inmobiliaria Insurgentes 421, which together with the E.S. Agrupación contribution represent approximately 99.99% of the capital stock of Inmobiliaria Insurgentes 421;
- Murano Management contributed 49,999 shares of fixed capital stock representative of the capital stock of OHI421, which represent 99.99% of the capital stock of OHI421; and
- Murano Management contributed 49,999 shares of fixed capital stock representative of the capital stock of OHI421 Premium, which represent 99.99% of the capital stock of OHI421 Premium.

The Insurgentes Loan is governed by Mexican laws and the parties are subject to the jurisdiction of the courts of Mexico City.

### ***GIC I Loan and Hedge***

#### ***GIC I Loan***

The construction, development, equipment and start of operations of the GIC I Hotel have been financed through a mortgage loan facility provided by a syndicate of banks including Sabcapital, CaixaBank, Bancomext, and Nafin, as lenders (the "GIC I Senior Lenders"), pursuant to the terms and conditions of the syndicated senior secured loan agreement dated October 4, 2019 (as amended and restated from time to time, including on July 11, 2022, August 24, 2023 and December 20, 2023), entered into among the GIC I Trust, as borrower, Operadora GIC I, Operadora GIC II, and Murano World, as joint obligors, the GIC I Senior Lenders, as lenders, and Sabadell, as administrative agent and collateral agent, under which the GIC I Senior Lenders granted a loan subject to the terms and conditions set forth therein in an aggregate amount of U.S.\$239,811,149.50 at an interest rate of term SOFR +4.0116%. The quarterly interest payable under the GIC I Loan is equal to term SOFR plus a 4.0116% margin. The loan maturity date is February 5, 2033. As of December 31, 2023, the outstanding principal amount of the GIC I Loan was Ps.\$3,882.3 million (U.S.\$229.8 million).

- On October 4, 2019, the GIC I Trust, as borrower, and Operadora GIC I, Murano World and Operadora GIC II, as joint obligors, entered into a syndicated secured mortgage loan with Sabadell, as administrative agent and collateral agent, and Sabcapital, CaixaBank, Bancomext, and Nafin, as lenders, with the appearance of Murano PV, Elias Sacal Cababie, and the CIB/3224 Trust, in an aggregate amount of U.S.\$239,811,149.50 at an interest rate of term SOFR +4.0116%, and maturing on February 5, 2033 (as amended, supplemented and/or restated from time to time, the "GIC I Loan"). As of December 31, 2023, the outstanding principal amount of the GIC I Loan was Ps.\$3,882.3 million (U.S.\$229.8 million), bearing interest as of December 31, 2023 at 9.33%. The amounts borrowed under the GIC I Loan were used to partially finance the construction and development of the GIC Complex, among other uses.

Additionally, on April 9, 2024, an assignment and adhesion to the GIC I Loan was executed by and between Avantta Sentir Común, S. A. de C.V., SOFOM, E.N.R., as adherent creditor and assignee, Sabcapital, S.A. de C.V., SOFOM, E.R., as the assignor, with the appearance of Sabadell in its capacity as administrative and collateral agent and the GIC I Trust (the "GIC Loan Assignment") whereby the assignor assigned and transferred to the assignee its rights and obligations owned as a Tranche C creditor representing 60% of the tranche C commitment, amounting to U.S. \$6,000,000.00 as the assigned amount. The GIC I Loan Assignment is part of the GIC I Loan and therefore all the terms applicable to the latter are applicable to this agreement.

The GIC I Loan includes certain financial maintenance covenants, including the following:

- during the term of the GIC I Loan, the GIC I Trust must constitute and maintain a debt service reserve amount in an amount equal to (i) from the date of execution of the GIC I Loan to the date that is six months prior to the first principal payment date thereof, three months of interest under the GIC I Loan, and (ii) from the date that is six months prior to the first principal payment date of the GIC I Loan to maturity date, three months of interest and three months of principal under the GIC I Loan;
- while outstanding amounts remain under the GIC I Loan, the GIC I Trust must maintain a debt service coverage ratio of at least 1.40 times;
- during the term of the GIC I Loan, the GIC I Trust must maintain a minimum ratio of 2.22 times based on a maximum LTV of 45%, considering the value of the GIC I Hotel; and
- during the construction period of GIC I Hotel, the GIC I Trust must maintain a loan to cost limit no greater than 55%.

As part of the collateral to secure the GIC I Loan, among other assets and rights granted as collateral in favor of the GIC I Senior Lenders, the GIC I Trust granted a mortgage over GIC Private Units 1, 4 and 5 related to the GIC I Hotel, and the following rights and assets were contributed to the GIC I Security Trust:

- the GIC I Trust contributed (i) its collection rights in connection with the ownership of the real estate on which the GIC I Hotel will be located, (ii) the construction collection rights, (iii) the lease collection rights, (iv) the interest rate coverage rights, and (v) the insurance policies and all rights derived from the insurance, among other rights set forth in the GIC I Security Trust;
- Operadora GIC I contributed its rights under the GIC I Hotel Management Agreement and related net cash flows; and
- Murano World contributed all its rights in connection to permits, concessions, authorizations, licenses or similar related to the construction and operation of the GIC I Hotel.

Also as part of the collateral to secure the GIC I Loan, among other assets and rights granted as collateral in favor of the GIC I Senior Lenders:

- The GIC I Trust granted a non-possessory pledge in favor of the collateral agent with respect to the movable assets (FF&E and OS&E) of the GIC I Hotel;
- Murano World granted a second ranking mortgage in favor of the collateral agent with respect to the Playa Delfines property where the beach club project is located;
- CIBanco, as trustee of Fideicomiso CIB/3224, granted a mortgage in favor of the collateral agent with respect to the GIC Private Unit 2 related to the GIC I Hotel; and
- Elias Sacal Cababie granted a pledge in favor of the collateral agent with respect to the shares he owns in the capital stock of Murano World. Such pledge was early terminated due to certain corporate restructure of Murano Group and was substituted by a share pledge agreement granted by Murano PV in favor of the collateral agent on the shares it owns in the capital stock of Murano World.
- Elias Sacal granted a pledge over cash and financial instruments, in favor of the collateral agent with respect to his bank account in Monaco.

The GIC I Loan is governed by Mexican laws and the parties are subject to the jurisdiction of the courts of Mexico City.

### *GIC I Hedge*

In order to hedge the interest rate in respect of the GIC I Loan, the GIC I Trust entered into (a) an ISDA interest rate agreement with Banco Sabadell, S.A., dated as of November 27, 2019 (the “GIC I Sabadell Hedge Agreement”) and (b) an ISDA interest rate agreement with CaixaBank, S.A. (together with Banco Sabadell, S.A. as hedge provider, the “GIC I Hedge Providers”) dated as of December 11, 2019 (together with the GIC I Sabadell Hedge Agreement and the interest rate hedges provided thereunder, the “GIC I Hedge”).

### *Beach Club Loan*

The acquisition and development of the beach club property related to the GIC Complex has been financed through the Beach Club Loan. The annual interest payable under the Beach Club Loan is equal to 10% and the loan matures on December 1, 2030. As of December 31, 2023, the outstanding principal amount of the Beach Club Loan was Ps.\$337.9 million (U.S.\$20.0 million).

As part of the collateral to secure the Beach Club Loan, Murano World granted a first ranking mortgage in favor of ALG with respect to the Playa Delfines property where the beach club is located.

The Beach Club Loan is governed by Mexican laws and the parties are subject to the jurisdiction of the courts of Mexico City.

### *Finamo Loans*

On January 5, 2024, Murano PV, as borrower, and Mr. Elías Sacal Cababie, as joint obligor, entered into a secured term loan with Finamo, as lender, in an aggregate amount of up to U.S.\$26.0 million at a fixed interest rate of 15%, and maturing on January 1, 2030 (as amended, supplemented and/or restated from time to time, the “Finamo Loan I”). The amounts borrowed under the Finamo Loan were used to partially finance the completion and start of operations of the GIC I Hotel, among other uses.

Additionally, on April 9, 2024, Murano PV, as borrower, and Mr. Elías Sacal Cababie, as joint obligor, entered into a secured term loan with Finamo, as lender, in an aggregate amount of up to Ps.\$100 million at a fixed interest rate of 22%, and maturing on October 15, 2024 (the “Finamo Loan II”), and together with the Finamo Loan I, the “Finamo Loans”). As of December 31, 2023, the outstanding principal amount of the Finamo Loan II was Ps.\$100 million. The amounts borrowed under the Finamo Loan II were used to partially finance the start of operations of the GIC I Hotel, among other uses.

The Finamo Loans are secured by GIC Private Unit 3, which is owned by the Murano 4000 Trust.

The Finamo Loans are governed by Mexican laws and the parties are subject to the jurisdiction of the courts of Mexico City.

### *GIC I VAT Loan*

In order to finance up to 80% of the value added tax payable during the construction of the GIC I Hotel, the GIC I Trust as borrower and Operadora GIC I as joint obligor, entered into a loan agreement dated as of October 16, 2019 with Bancomext, as lender, pursuant to which Bancomext provided a 12-year loan on the aggregate amount of Ps.\$31,480,000.00 at an interest rate of TIEE 91 days + 2.75% (with borrowings as of 2024 bearing an interest rate of TIEE 28 days + 2.75%), and maturing on June 30, 2034 (as amended, supplemented and/or restated from time to time, the “GIC I VAT Loan”). As of December 31, 2023, the outstanding principal amount of the VAT Loans was Ps.\$54.4 million, bearing interest at 9.33%. The amounts borrowed under the GIC I VAT Loan were used to partially finance VAT receivables during the construction phase of the GIC I Hotel, among other uses.

As part of the collateral to secure the GIC I VAT Loan, the GIC I Trust granted a second ranking mortgage over GIC Private Unit 1, GIC Private Unit 4 and GIC Private Unit 5.

The GIC I VAT Loan is governed by Mexican laws and the parties are subject to the jurisdiction of the courts of Mexico City.

### *Exitus Loans*

In order to finance certain initial capital expenditures with respect to the development of the GIC I Complex, Murano World, as borrower, Exitus Capital, S.A.P.I. de C.V., SOFOM, E.N.R., as lender, and ES Agrupación, Elías Sacal Cababie and Marcos Sacal Cohen, as guarantors, entered into three facilities (as amended and restated from time to time, collectively, the “Exitus Loans”):

- On May 31, 2022, Murano World, as borrower, entered into a secured term loan with Exitus, as lender, in an aggregate amount of U.S.\$15 million at a fixed interest rate of 15%, and maturing on May 31, 2025 (as amended, supplemented and/or restated from time to time, the “Exitus Loan I”). As of December 31, 2023, the outstanding principal amount of the Exitus Loan I was Ps.\$253.4 million (U.S.\$15.0 million).



- On June 26, 2023, Murano World, as borrower, entered into a secured term loan with Exitus, as lender, in an aggregate amount of U.S.\$972.3 thousand at a fixed interest rate of 15%, and maturing on December 26, 2025 (as amended, supplemented and/or restated from time to time, the “Exitus Loan II”). As of December 31, 2023, the outstanding principal amount of the Exitus Loan II was Ps.\$14.9 million (U.S.\$879,780).
- On December 5, 2023, Murano World, as borrower, entered into a secured term loan with Exitus, as lender, in an aggregate amount of U.S.\$2.5 million at a fixed interest rate of 15%, and maturing on December 5, 2025 (as amended, supplemented and/or restated from time to time, the “Exitus Loan III”, and together with the Exitus Loan I and the Exitus Loan II, the “Exitus Loans”). As of December 31, 2023, the outstanding principal amount of the Exitus Loan III was Ps.\$18.4 million (U.S.\$1.1 million).

The amounts borrowed under the Exitus Loans were used to partially finance the completion and start of operations of the GIC I Hotel, among other uses. As of December 31, 2023, the total amount of indebtedness owed under the Exitus Loans is Ps.\$286.7 million (U.S.\$17.0 million)

The collateral to secure the Exitus Loans consists of an irrevocable guarantee trust agreement (the “*Exitus Trust*”) which estate consists of (a) cash flows arising from the Andaz Hotel Management Agreement, the Mondrian Hotel Management Agreement and the GIC I Hotel Management Agreement, (b) real estate property known as “La Costa Bajamar” lot identified as MP-1 consisting of three fractions of land located in Ensenada, Baja California, (c) real estate property known as “Club de Playa” consisting of lots seven to thirteen located in Fraccionamiento Brisas del Márquez, Mz., E, S/N in Acapulco de Juárez, Guerrero, and (d) real estate property consisting of private units eight and nine located in different lots and superblocks within the GIC Complex. As of December 31, 2023, the total amount of indebtedness owed under the Exitus Loans is U.S.\$10.0 million (Ps.169.0 million at the Mexican Central Bank Exchange Rate).

The Exitus Loans are governed by Mexican laws and the parties are subject to the jurisdiction of the courts of Mexico City.

#### ***Sofoplus Loan***

In order to partially finance the completion and start of operations of the GIC I Hotel, among other uses, Murano World, as borrower, Sofoplus, as lender, ES Agrupación and Elias Sacal Cababie as joint and several obligors entered into a secured term loan with Sofoplus, as lender, in an aggregate amount of U.S.\$15,000,000.00 at a fixed interest rate of 15%, and maturing on June 24, 2025 (as amended, supplemented and/or restated from time to time). The collateral to secure the Sofoplus Loan consists of the Exitus Trust as described above. As of December 31, 2023, the outstanding principal amount of the Sofoplus Loan was Ps.\$168.9 million (U.S.\$10.0 million).

The amounts borrowed under the Sofoplus Loan were used to partially finance the completion and start of operations of the GIC I Hotel, among other uses.

The Sofoplus Loan is governed by the laws of Mexico City and the parties are subject to the jurisdiction of the courts of Mexico City.

Mr. Harry Sacal (Mr. Elias Sacal’s brother), owns 32% of Pluscorp S.A.P.I de C.V., which, in turn, owns 99% of Sofoplus. For more information about Mr. Harry Sacal’s participation in Pluscorp S.A.P.I. de C.V., see “*Item 7 – Major Shareholders and Related Party Transactions – B. Related Party Transactions.*”

#### ***Santander Revolving Credit Facility***

On March 3, 2023 Murano World, as borrower, Santander International, as lender and Harry Sacal Cababie as pledgor, entered into an uncommitted line of credit agreement in an aggregate amount of U.S.\$1,500,000 for the use and payment of the credit granted at an ordinary interest of the amount equivalent to the rate of interest that reflects the all-inclusive cost of funding to Santander plus 0.8% (“*Santander Revolving Credit Facility*”). The Santander Revolving Credit Facility was extended on March 27, 2024, pursuant to which Murano World obtained an additional USD\$500,000.000 (five hundred thousand dollars) to its existing revolving line of credit, converting the principal amount of credit to USD\$2,000,000.00. Murano World agreed to pay to Santander International as ordinary interest the amount equivalent to the rate of interest that reflects the all-inclusive cost of funding to Santander plus 0.8% per annum for working capital. The term of the loan will be 2 years from the date on which the proceeds of the loan are made available by Santander to Murano World, thus the Santander Revolving Credit Facility’s maturity date is 2026. As of December 31, 2023, the outstanding principal amount was Ps.\$25.3 million (U.S.\$1.5 million). On March 27, 2024, Murano World increased its credit line with Santander from U.S. \$1.5 million to U.S. \$2.0 million.

The Santander Revolving Credit Facility is governed by U.S. laws and the parties are subject to the jurisdiction of the courts of Miami Dade, Florida.

#### ***Finamo Sale and Lease Back Agreements***

Based on their characteristics, the Finamo Sale and Leaseback Agreements were classified as sale and lease back agreements for accounting purposes and recognized as debt. As of December 31, 2023, Ps.\$364.4 million was outstanding under these agreements. See “*Item 4. Information on the Company – D.Property, Plant and Equipment – Description of Certain Project Agreements*” and Note 10 to the Murano Group Combined Financial Statements for more information about these agreements and our indebtedness.

## **Lease Liabilities**

### ***Coppel Lease Agreement***

On November 8, 2023, Operadora GIC I, as lessee, Arrendadora Coppel, as lessor, and Murano World, Edificaciones BVG and Elias Sacal Cababie as joint and several obligors, entered into a lease agreement under which, the parties establish the terms and conditions based on which the lessor will grant the lessee the temporary use and enjoyment of the goods described in the specific contracts that are signed from time to time by the parties, in which, additionally, the lessee will have the obligation to pay to the lessor the rental amount. As of December 31, 2023, Ps.\$191.3 million was outstanding under this agreement.

We had \$208.0 million of lease liabilities as of December 31, 2023. For further information on our leases, see *"Note 9 to the Murano Group Combined Financial Statements."*

### **Commitments and Contingencies**

We are subject to litigation, claims, and other commitments and contingencies arising in the ordinary course of business. While no assurance can be given as to the ultimate outcome of any litigation matters, we do not believe it is probable that a loss will be incurred and do not expect the ultimate resolution of any open matters will have a material adverse effect on our financial position or results of operations.

### **Off-Balance Sheet Arrangements**

As of December 31, 2023, we did not have any off-balance sheet arrangements.

### **C. Research and development, patents and licenses, etc.**

None.

### **D. Trend Information**

Other than as disclosed elsewhere in this annual report, we are not aware of any other trends, uncertainties, demands, commitments or events for the fiscal year ended December 31, 2024 that are reasonably likely to have a material and adverse effect on our revenues, income, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future results of operations or financial conditions.

### **E. Critical Accounting Estimates**

Our Combined Financial Statements are prepared in accordance with International Financial Reporting Standards ("*IFRS*") as issued by the International Accounting Standards Board ("*IASB*"). In connection with the preparation of its Combined Financial Statements, we are required to make assumptions and estimates about future events and apply judgments that affect the reported amounts of assets, liabilities, revenue, expenses, and the related disclosures. We base our assumptions, estimates, and judgments on historical experience, current trends and other factors that management believes to be relevant at the time its Combined Financial Statements are prepared. On a regular basis, we review the accounting policies, assumptions, estimates, and judgments to ensure that its financial statements are presented fairly and in accordance with IFRS. However, because future events and their effects cannot be determined with certainty, actual results could differ from its assumptions and estimates, and such differences could be material. We have identified several policies as being critical because they require management to make particularly difficult, subjective and complex judgments about matters that are inherently uncertain, and there is a likelihood that materially different amounts would be reported under different conditions or using different assumptions.

All of our significant accounting policies are discussed in Note 2 to its Combined Financial Statements included elsewhere in this annual report.

Information about assumptions and estimation uncertainties as of December 31, 2023, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes to our Combined Financial Statements included elsewhere in this annual report: Note 12 - recognition of deferred tax assets: availability of the future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized; Note 7 - determining the fair value of construction in process, land and building on the basis of significant unobservable inputs; Note 8 - determining the fair value of the investment property on the basis of significant unobservable inputs; Note 13 - determining the fair value of financial derivative instruments; Note 11 - measurement of defined benefit obligations: key actuarial assumptions; and Note 17 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

### ***Significant Factors, Assumptions, and Methodologies Used in Determining Fair Value***

The Company has certain assets measured and recognized at fair value; therefore, we evaluate the significant observable inputs and valuation adjustments annually. If third-party information, such as broker quotes or pricing services, is used to measure fair values, the Group evaluates the evidence obtained from third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data whenever possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety at the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

### ***Long-lived assets***

We evaluate the carrying value of our long-lived assets for impairment by comparing the expected undiscounted future cash flows of the assets to the net book value of the assets when certain triggering events occur. If the expected undiscounted future cash flows are less than the net book value of the assets, the excess of the net book value over the estimated fair value is charged to earnings. When determining fair value, we use internally developed discounted future cash flow models, third-party appraisals and, if appropriate, current estimated net sales proceeds from pending offers. Under the discounted cash flow approach we use various assumptions, including projections of revenues based on assumed long-term growth rates, estimated costs, terminal value growth rate and appropriate pre-tax discount rates based on the weighted-average cost of capital.

As part of the process, we use judgment to:

- determine whether or not a triggering event has occurred. The final determination of the occurrence of a triggering event is based on our knowledge of the hospitality industry, historical experience, location of the property, market conditions and property-specific information available at the time of the assessment. We realize, however, that the results of our analysis could vary from period to period depending on how our judgment is applied and the facts and circumstances available at the time of the analysis; and
- determine the projected undiscounted future operating cash flows when necessary. The principal factor used in the undiscounted cash flow analysis requiring judgment is our estimates regarding long-term growth and costs which are based on historical data, various internal estimates, and a variety of external sources and are developed as part of our routine, long-term planning process; and determine the estimated fair value of the respective long-lived asset when necessary. In determining the fair value of a long-lived asset, we typically use internally developed discounted cash flow models. The principal factors used in the discounted cash flow analysis requiring judgment are the projected future operating cash flows, the weighted-average cost of capital and the terminal value growth rate assumptions. The weighted-average cost of capital takes into account the relative weights of each component of our capital structure (equity and long-term debt). Our estimates of long-term growth and costs are based on historical data, various internal estimates and a variety of external sources and are developed as part of our routine, long-range planning process.

Changes in economic and operating conditions impacting these judgments could result in impairments to our long-lived assets in future periods, which could be material to our results of operation. We had Ps.\$ 18,520.5 million and Ps.\$18,069.6 million of long-lived assets as of December 31, 2023 and December 31, 2022, respectively.

**ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES****A. Directors and Senior Management**

The table below sets forth our executive officers and directors. Our board of directors (“Board”) is comprised of seven directors: Elias Sacal Cababie, Marcos Sacal Cohen, Shawn Matthews, David James Galan, Keith Graeme Edelman, Joanne Faye Sonin, and Patrick Joseph Goulding.

<b>Name</b>	<b>Position</b>	<b>Age</b>	<b>Expiration</b>
Elias Sacal Cababie	Member of the Board	57	2025
Marcos Sacal Cohen	Member of the Board	31	2027
Shawn Matthews	Member of the Board	55	2025
David James Galan	Member of the Board	50	2026
Keith Graeme Edelman	Member of the Board	73	2025
Joanne Faye Sonin	Member of the Board	53	2026
Patrick Joseph Goulding	Member of the Board	60	2027

**Biographical Information**

**Elias Sacal Cababie**, 57, founded BVG World S.A. de C.V. (“*Bay View Grand*,” currently Murano World, S. A. de C. V) in 1996 and has served as chairman of the board of directors of Fideicomiso CTB/3001 Murano 2000 (“*Grupo Murano*”) since 2018. Additionally, Mr. Cababie is the Chief Executive Officer of Grupo Murano. Since 2009, Mr. Cababie is a leader within Mexico’s tourism and lodging industry with over 20 years of experience developing, acquiring and financing real estate. Between 1998 and 2008, Mr. Cababie developed the “Second Home Living” business focused on international buyers interested in owning a vacation home in Mexico. Previously, Mr. Cababie was a director on the board of Archiao Limited, a New York City and Dublin software company, from 2014 to 2018. Mr. Cababie has developed multiple residential real estate projects in beach cities including Puerto Vallarta, Mexico City, and Cancún. Mr. Cababie is a member of the boards of trustees of the Mexico’s National Museum of Anthropology, the Mexican Federation of Associations of Friends of Museums, and is an adviser to the Princess Grace Foundation (Monaco). We believe that Mr. Cababie is qualified to serve as a member of our board of directors because of his extensive business, real estate, and leadership experience, including leadership of Bay View Grand and Grupo Murano.

**Marcos Sacal Cohen**, 31, is the Chief Operating Officer of Murano Group, where he oversees various high-value projects. Notably, he has managed the construction and sale of Residencial Marina BVG Ixtapa for over U.S.\$89 million, facilitated the sale of Residencial Villa Alejandra BVG for U.S.\$48 million, and contributed to the successful sale of Grand Venetian BVG Vallarta for U.S.\$300 million. Sacal Cohen holds a bachelor’s degree in business administration from Universidad Anahuac in Mexico City, and he has furthered his education with a specialization in corporate finance from ITAM and a diploma with certification in Project Evaluation from Harvard University. With his extensive expertise, he has secured financing exceeding \$400 million and successfully concluded the construction of over 1,400 rooms. Moreover, he has adeptly secured management agreements with top-tier companies. His leadership was instrumental in navigating the process of a public listing on Nasdaq.

**Shawn Matthews** is a financial services expert and entrepreneur with more than 30 years of management experience in public and private corporations. Since January 2019, Mr. Matthews founded and has served as the Chief Investment Officer of Hondius Capital Management (HCM), an alternative investment firm. In such capacity, he is responsible for the overall success of HCM with a particular focus on managing all firm investments. From March 2009 until December 2018, Mr. Matthews served as Chief Executive Officer of Cantor Fitzgerald & Co., a leading NY-based financial services firm, where he was responsible for their strategic growth and risk-taking business. Mr. Matthews also served as a member of the Executive Committee Cantor Fitzgerald & Co. from March 2009 until December 2018. During his tenure at Cantor Fitzgerald, Mr. Matthews played a significant role in the company’s growth, with significant revenue and earnings enhancement during his tenure. In addition, while serving as the Chief Executive Officer of Cantor Fitzgerald, Mr. Matthews founded and oversaw their sizeable SPAC business. We believe Mr. Matthews is qualified to serve as a member of our board of directors because of his extensive business, leadership and finance experience.

**David James Galan**, 50, is the Global Chief Financial Officer, and joined PubCo in September 2023. Before joining PubCo, Mr. Galan served from 2019 to 2023 as the Chief Financial Officer of Kibbutz Holding S.a.r.l, the investment holding company that founded Nasdaq listed hospitality group, Selina Hospitality PLC, and Latin America based real estate company, Dekel Real Estate Holding, S.A. From 2016 to 2019 David served initially as Chief Financial Officer and subsequently Chief Executive Officer of London Stock Exchange listed Zinc Media Group PLC, which grew to be one of the UK’s leading independent TV production businesses. Mr. Galan is a UK Chartered Accountant, having qualified at Arthur Andersen in London in the audit and then corporate finance divisions. Post qualification he spent several years working in investment banking, specializing in small-cap IPOs and M&A. Mr. Galan has over 20 years’ experience in preparing companies for public markets, equity and debt fundraising, investor relations as well as recent real estate and hospitality industry experience. Mr. Galan is a UK resident and based in London. We believe Mr. Galan is qualified to serve as a member of our board of directors because of his extensive business, leadership and finance experience.

**Keith Graeme Edelman**, 73, is an independent director of PubCo. He is the Chairman of Headlam Group Plc, a floor coverings distributor, Chairman of Revolution Bars Group Plc, an operator of premium bars and pubs, and JQB, an online retailer of gold and gold coins. He has been a public company director of FTSE 100, FTSE 250, and other small cap quoted companies for over 30 years. He has worked in a broad range of consumer industries including hotels at Ladbroke Group where he spearheaded the acquisition of Hilton International for \$1.9 billion, media at Carlton Communications Plc and retail at Storehouse Plc. In addition, he has extensive property experience gained at Ladbroke Group, managing extensive retail property portfolios and latterly at Arsenal. His last executive role was at Arsenal Football Club where, as Managing Director, he was responsible for the development of the Emirates Stadium and the redevelopment of the old Highbury Stadium into 725 residential unit. The whole project was delivered on time and within budget. Since then, Mr. Edelman has held non-executive positions at a number of companies and was involved in of the Superdry Plc and Revolution Bars Group Plc IPOs. We believe Mr. Edelman is qualified to serve as a member of our board of directors because of his extensive business, leadership and finance experience.

**Joanne Faye Sonin**, 53, is an independent director of PubCo. She is a senior finance professional and scholar with broad international experience as an advisor, a principal, and a non-executive director, combining experience and expertise in corporate finance, company law, real estate, and ESG. Dr. Sonin has over 20 years of experience working in global financial markets, with sector expertise in real estate and financial institutions, and has worked as an investment banker at several global firms, including Citigroup, JP Morgan, and Deutsche Bank. In addition to her roles at major financial institutions in London, New York, and Sydney, from 2012-2015, Dr. Sonin was Executive Vice President, Head of Corporate Development, at Gazit Globe, a publicly listed global real estate company, where she had a wide range of operational, transactional, development, investment, and managerial responsibilities across many different jurisdictions. Dr. Sonin has a PhD in law from the London School of Economics and Political Science as well as an MBA from the MIT Sloan School of Management, a PhD from the University of Cambridge, and a BA from The Hebrew University of Jerusalem. Dr. Sonin is a UK resident. We believe Dr. Sonin is qualified to serve as a member of our board of directors because of her extensive business, leadership and finance experience.

**Patrick Joseph Goulding**, 60, is a director of PubCo. He is a real estate and finance industry veteran with more than 30 years of management experience in public and private corporations. Most recently, Mr. Goulding has provided consulting services to a variety of firms across the finance sector in the US and United Kingdom with a particular focus on capital markets strategy including M&A and financing. Throughout his career he has served as Chief Financial Officer of a number of public and private entities across the globe and has deep knowledge and experience having worked in the US, the United Kingdom, Australia and The Netherlands through his career. Mr. Goulding previously served as a Managing Director and Head of Finance for Morgan Stanley's global real estate investment business. He also held senior finance roles within the real estate businesses of Schroders, ING and Lend Lease. In his various roles he was an officer or director of a significant number of those firm's businesses. Mr. Goulding attended the South East Technological University (Ireland) before completing his Chartered Accountant qualification with PricewaterhouseCoopers. He is a Fellow of Chartered Accountants Ireland. We believe Mr. Goulding is qualified to serve as a member of our board of directors because of his extensive business, leadership and finance experience.

#### **Family Relationships**

Mr. Elias Sacal Cababie and Mr. Marcos Sacal Cohen are related as father and son.

#### **Share Ownership**

The shares and any outstanding beneficially owned by our directors and officers and/or entities affiliated with these individuals are disclosed in "Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders."

#### **B. Compensation**

##### **Compensation of Directors and Officers**

The following is a summary of the elements of, and amounts paid under our compensation plans for the fiscal years ended December 31, 2023 and 2022. Our compensation for previously mentioned year is listed in the summary compensation table below.

Our "named executive officers" during 2023 were Elias Sacal Cababie (Chief Executive Officer), and Marcos Sacal Cohen, (Chief Operating Officer).

The following table sets forth the annual base salary and other compensation paid to each of Murano's named executive officers for the fiscal years ended December 31, 2023 and 2022, other than as described below, no further amounts were set aside or accrued by Murano or any of its subsidiaries to provide pension, retirement, or similar benefits:

<b>Name and Principal Position</b>	<b>Year</b>	<b>Salary (Ps.\$)</b>	<b>Bonus (Ps.\$)</b>	<b>Option Awards (Ps.\$)</b>	<b>All Other Compensation (Ps.\$)</b>	<b>Total (Ps.\$)</b>
<b>Elias Sacal Cababie,</b>	2023	-	-	-	-	-
	2022	-	-	-	-	-
<b>Marcos Sacal Cohen,</b>	2023	13,185,131	-	-	-	13,185,131
	2022	17,133,989	-	-	-	17,133,989

Mr. Elias Sacal Cababie's employment agreement provides for an indefinite period. He serves as Chief Executive Officer of Murano Group and does not receive a base salary for his functions as he is the main shareholder of Murano.

Mr. Marcos Sacal Cohen serves as Chief Operating Officer of Murano Group.

His terms of employment provide for annual base salaries of US\$780,845 and US\$879,144 in 2023 and 2022, respectively.

The amount of compensation paid to the Murano Group's other Executive Directors for the year ended December 31, 2023 was U.S.\$100,005 comprised of cash-based compensation as follows:

Base compensation(1)	US	\$880,850
Bonuses	US	\$0
Additional benefit payments	US	\$0
Share-Based Awards	US	\$0
<b>Total compensation</b>	<b>US</b>	<b>\$880,850</b>

(1) Base compensation represents the actual salary amounts paid to our executive directors, Mr. Marcos Sacal Cohen, Mr. David James Galan and Mr. Patrick Joseph Goulding in 2023 and has been prorated for each based upon their date of appointment to the Board and/or appointment to their respective executive role.

All non-executive directors are subject to a director compensation policy applying a uniform amount of cash compensation and Murano Group equity on an annual basis. Directors appointed to committees receive an additional per committee stipend. Directors performing the duty of Committee Chair or Lead Independent Director receive an additional stipend. External advice will be taken when reviewing director compensation.

#### **Indemnification of Officers and Auditors**

The Company has also entered into Agreements of Insurance with each Director or officer. Such agreements contain a right of access to the Company's books and records for a purpose reasonably related to the Director's or officer's position as a current or former director or officer, to the extent such documents would be made available to a Director under applicable law.

The Company has not otherwise, during or since the period of this Annual Report, except to the extent permitted by law, indemnified or agreed to indemnify an auditor of the Company or of any related body corporate against a liability incurred as an auditor.

#### **C. Board Practices**

##### **Foreign Private Issuer Exemption**

Under Nasdaq rules, a "foreign private issuer," as defined by the SEC, such as Murano generally is permitted to follow home country rules with regard to corporate governance practices, instead of the comparable requirements of the applicable Nasdaq rules, other than with respect to certain matters including, among others, the requirement that the issuer have a majority of independent directors, the audit committee, compensation committee, and nominating and corporate governance committee requirements, the requirement to disclose third-party director and nominee compensation, and the requirement to distribute annual and interim reports.

In the interest of transparency, as a foreign private issuer, Murano will not follow the requirement applicable for U.S. listed companies to disclose third party director and nominee compensation, and the requirement to distribute annual and interim reports. Notwithstanding, Murano will comply with the independent audit committee requirement, the notification of noncompliance and voting rights, required by Nasdaq 5600 Series rules.

We also inform you of the following nuances with respect to certain of our other corporate governance practices as of the date of this annual report, subject to future changes or additions from time to time (that would be publicly disclosed):

- our Board of Directors and Audit Committee ("AC") will hold fiduciary duties and liability for our accounts and annual filings, as opposed to them being signed off by our Chief Executive Officer and Chief Financial Officer with oversight by the AC;
- our shareholders are required by home country law to appoint our auditor, which therefore goes into the general shareholders meeting circular each year. Our AC does not itself appoint the auditor, they only recommend them for appointment; and
- our shareholders are not required to vote to issue shares, which is delegated directly to our Board of Directors under our Articles and in our Compensation & Governance Committee charter.

Murano intends to take all actions necessary for it to maintain compliance as a foreign private issuer under the applicable corporate governance requirements of the Sarbanes-Oxley Act of 2002, the rules adopted by the SEC and Nasdaq corporate governance rules and listing standards.

Because Murano is a foreign private issuer, its directors and senior management are not subject to short-swing profit and insider trading reporting obligations under Section 16 of the Exchange Act. They will, however, be subject to the obligations to report changes in share ownership under Section 13 of the Exchange Act and related SEC rules.

##### **Controlled Company**

For purposes of the rules of the Nasdaq, Murano is a "controlled company." Under the Nasdaq rules, controlled companies are companies of which more than 50% of the voting power for the election of directors is held by an individual, a group, or another company. Upon completion of the Business Combination, Elías Sacal Cababie owned more than 50% of the outstanding Murano Ordinary Shares. Accordingly, Murano may be eligible to take advantage of certain exemptions from certain Nasdaq corporate governance standards.

##### **Corporate Governance**

We have structured our corporate governance in a manner that we believe closely aligns our interests with those of our shareholders following the Business Combination. Notable features of our corporate governance include:

- we have independent director representation on our Audit, Compensation & Governance, and Nominations committees, and our independent directors meet with sufficient frequency to allow our Board to manage and control our business in executive sessions without the presence of our corporate officers or non-independent directors;
- at least one of our directors qualifies as an "audit committee financial expert" as defined by the SEC; and
- we implement a range of other corporate governance practices, including implementing a robust director education program.

Our Board has adopted Corporate Governance Guidelines, which are available on our website. The reference to our website address in this annual report does not include or incorporate by reference the information on our website into this annual report.

## **Independence of our Board of Directors**

### *Audit Committee*

Our Audit Committee will be responsible for, among other things:

- appointing, compensating, retaining, evaluating, terminating and overseeing our independent registered public accounting firm;
- discussing with our independent registered public accounting firm their independence from management;
- reviewing, with our independent registered public accounting firm, the scope and results of their audit;
- approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
- overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the annual financial statements that we file with the SEC;
- overseeing our financial and accounting controls and compliance with legal and regulatory requirements;
- reviewing our policies on risk assessment and risk management;
- reviewing related person transactions; and
- establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls or auditing matters.

The members of our Audit Committee, Keith Graeme Edelman and Joanne Faye Sonin, were designated by our Board at the closing of the Business Combination, and each qualifies as independent directors according to the rules and regulations of the SEC and Nasdaq with respect to audit committee membership. In addition, all of the audit committee members meet the requirements for financial literacy under applicable SEC and Nasdaq rules and at least one of the members qualifies as an “audit committee financial expert,” as such term is defined in Item 407(d) of Regulation S-K. The Board has adopted a new written charter for the Audit Committee, which is available on our website. The reference to our website address in this annual report does not include or incorporate by reference the information on our website into this annual report.

### *Compensation & Governance Committee*

Our Compensation and Governance committee will be responsible for, among other things:

- reviewing and approving the corporate goals and objectives, evaluating the performance of and reviewing and approving, (either alone or, if directed by the board of directors, in conjunction with a majority of the independent members of the board of directors) the compensation of our Chief Executive Officer;
- overseeing an evaluation of the performance of and reviewing and setting or making recommendations to our board of directors regarding the compensation of our other executive officers;
- reviewing and approving or making recommendations to our board of directors regarding our incentive compensation and equity-based plans, policies and programs;
- reviewing and approving all employment agreement and severance arrangements for our executive officers;
- making recommendations to our board of directors regarding the compensation of our directors; and
- retaining and overseeing any compensation consultants.



The members of our Compensation and Governance committee, Keith Graeme Edelman and Joanne Faye Sonin, were designated by our Board at the closing of the Business Combination, and each qualifies as independent directors according to the rules and regulations of the SEC and Nasdaq with respect to compensation committee membership, including the heightened independence standards for members of a compensation committee. Our Board has adopted a new written charter for the compensation and governance committee, which is available on our website. The reference to our website address in this annual report does not include or incorporate by reference the information on our website into this annual report.

#### *Nominations Committee*

Our nominations committee will be responsible for, among other things:

- identifying individuals qualified to become members of our board of directors, consistent with criteria approved by our board of directors;
- overseeing succession planning for our Chief Executive Officer and other executive officers;
- periodically reviewing our board of directors' leadership structure and recommending any proposed changes to our board of directors;
- reviews developments in corporate governance practices;
- overseeing an annual evaluation of the effectiveness of our board of directors and its committees; and
- developing and recommending to our board of directors a set of corporate governance guidelines.

The members of our Nominations Committee, Keith Graeme Edelman and Joanne Faye Sonin, were designated by our Board at the closing of the Business Combination, and each qualifies as independent directors according to the rules and regulations of the SEC and Nasdaq with respect to nominations committee membership. Our Board has adopted a new written charter for the Nomination Committee, which is available on our website. The reference to our website address in this annual report does not include or incorporate by reference the information on our website into this annual report.

#### **Risk Oversight**

Our board of directors is responsible for overseeing our risk management process. Our board of directors focuses on our general risk management strategy, the most significant risks facing us, and oversees the implementation of risk mitigation strategies by management. Our audit committee is also responsible for discussing our policies with respect to risk assessment and risk management. Our board of directors believes its administration of its risk oversight function has not negatively affected our board of directors' leadership structure.

#### **Code of Ethics**

Information regarding our Code of Business Conduct and Ethics is set forth in Item 16B of this Annual Report.

#### **D. Employees**

As of December 31, 2023, Murano directly and indirectly employed approximately 556 employees worldwide at its corporate offices and on-site at its resorts. Murano believes relations with its employees are good. Murano estimates that 154 of these employees are represented by labor unions. Third-party service providers hire a significant number of employees to perform services for Murano and its affiliates, as is customary in the industry.

#### **E. Share Ownership**

Information regarding the ownership of Murano's ordinary shares by Murano's directors and executive officers is set forth in "Item 7. Major Shareholders and Related Party Transactions – A. Major Shareholders" of this Report.

#### **F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation**

Not applicable.

**ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS**

**A. Major Shareholders**

The following table sets forth information relating to the beneficial ownership of Murano’s ordinary shares as of March 21, 2024 by:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of outstanding ordinary shares;
- each of our directors;
- each of our named executive officers; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to, or the power to receive the economic benefit of ownership of, the securities. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares that the person has the right to acquire within 60 days are included, including through the exercise of any option or other right or the conversion of any other security. However, these shares are not included in the computation of the percentage ownership of any other person.

The percentage of Murano’s ordinary shares beneficially owned is computed on the basis of 79,242,873 ordinary shares issued and outstanding on March 21, 2024, after giving effect to the Business Combination.

<b>Beneficial Owners<sup>(1)</sup></b>	<b>Number of Ordinary Shares</b>	<b>Percentage of all Ordinary Shares</b>
<b>5% shareholders:</b>		
Elias Sacal Cababie	69,100,000	87.2%
Shawn Matthews <sup>(2)</sup>	8,737,500	11.0%
<b>Directors and Executive Officers</b>		
Elias Sacal Cababie	69,100,000	87.2%
Marcos Sacal Cohen	–	*
Shawn Matthews <sup>(2)</sup>	8,737,500	11.0%
David James Galan	–	*
Keith Graeme Edelman	–	*
Joanne Faye Sonin	–	*
Patrick Joseph Goulding	–	*
<b>All directors and executive officers as a group</b>	<b>77,837,500</b>	<b>98.2%</b>

(\*) Less than 1% individually.

(1) Unless otherwise noted, the business address of each of our shareholders is 25 Berkeley Square, London W1J 6HN.

(2) HCM Investor Holdings, LLC (“HCM Holdings”) is the record holder of such shares. Mr. Matthews is the managing member of HCM Holdings. As such, each of HCM Holdings and Mr. Matthews may be deemed to share beneficial ownership of the ordinary shares held directly by HCM Holdings. Mr. Matthews disclaims any beneficial ownership of the ordinary shares held directly by HCM Holdings, and disclaims any beneficial ownership of such shares other than to the extent of any pecuniary interest he may have therein, directly or indirectly.

**For more information regarding the share ownership of Murano before, and after the Business Combination, see “Item 4. Information on the Company – A. History and Development of the Company - Business Combination.”**

**B. Related Party Transactions**

The table below sets forth the entities the Murano Group has engaged in related party transactions with and their relationship to the Murano Group:

<b>Related Party</b>	<b>Relationship to Murano Group</b>
Impulsora Turística de Vallarta, S. A. de C. V. (ITV)	A Mexican corporation ( <i>sociedad anónima</i> ) owned 0.000001% by ES Agrupacion, S. A. de C. V. (Company in which Elias Sacal Cababie holds 99.99% of its equity)
Puerto Varas, S. A. de C. V. (Puerto Varas)	A Mexican corporation ( <i>sociedad anónima</i> ) owned 50.00% by ES Agrupacion, S. A. de C. V. (Company in which Elias Sacal Cababie holds 99.99% of its equity)
Elias Sacal Cababie	Founder and Chief Executive Officer of Murano.
Marcos Sacal Cohen	Chief Operating Officer of Murano and son of Elias Sacal Cababie.
E.S. Agrupación, S.A. de C.V.	A Mexican corporation ( <i>sociedad anónima</i> ) in which Elias Sacal Cababie holds 99.99% and BVG Infraestructura holds 0.01% of its equity.
Sofoplus, S. A. P. I. de C. V., SOFOM, ER (Sofoplus)	A Mexican Stock Market Promotion Company (S. A. P. I. by its acronym in Spanish) in which Harry Sacal Cababie holds 0.1% of its equity and 99.99% indirectly.
Inmobiliaria Insurgentes 421, S.A. de C.V.	A Mexican corporation ( <i>sociedad anónima</i> ) in which the Insurgentes Security Trust holds 99.99% of its equity.
Edgar Armando Padilla Pérez	Shareholder of Edificaciones BVG, S. A. de C. V., and minority interest in Operadora Hotelera I421, S. A. de C. V.; Operadora Hotelera I 421 Premium, S. A. de C. V.; Operadora Hotelera GI, S. A. de C. V. and Operadora Hotelera Grand Island II, S. A. de C. V. until March 8, 2024.
Rubén Álvarez Laris	Shareholder of Edificaciones BVG, S. A. de C. V. until March 8, 2024.
Murano World, S.A. de C.V.	A Mexican corporation ( <i>sociedad anónima</i> ) in which Elias Sacal Cababie holds 23.85% and E.S.Agrupación holds 76.15% of its equity.
BVG Infraestructura, S.A. de C.V.	A Mexican corporation ( <i>sociedad anónima</i> ) in which Elias Sacal Cababie holds 99.999992%, Edgar Armando Padilla Pérez holds 0.000004% and Rubén Álvarez Laris holds 0.000004% of its equity.

**Provision of Administrative Services**

**ITV**

During 2023 there were no services provided to ITV. For the years ended December 31, 2022 and 2021, the Murano Group provided services to ITV. The services consisted primarily of administrative services. For the years ended December 31, 2022 and 2021, the Murano Group accrued a total of Ps.\$1,370,344 (U.S.\$70,777) and Ps.\$1,529,063 (U.S.\$74,531) in administrative services, respectively. As of December 31, 2023 and 2022, there were no remaining balances to collect under the services agreement.

**Puerto Varas**

For the years ended December 31, 2023 and 2022 the Murano Group provided services to Puerto Varas. The services consisted primarily of administrative services. For the year ended December 31, 2023 and 2022 the Murano Group accrued a total of Ps.\$1,761,896 (U.S.\$104,294) and Ps.\$667,891 (U.S.\$34,496), respectively. As of December 31, 2023 and 2022, there was no balance pending to collect under the services agreement.

**Related Party Loans**

**ITV**

On May 2, 2021, ITV made a 36-month loan to Murano World, S. A. de C. V. on commercially reasonable arm's length terms, for a total amount of Ps.\$97,500,000 (U.S.\$4,752,458) at an annual rate of 17.75%. As of December 31, 2023 and 2022, the outstanding balance of this loan, including interest was Ps.\$39,121,151 (U.S.\$2,315,752) and Ps.\$58,078,077 (U.S.\$2,999,668), respectively.

For the years ended December 31, 2023 and 2022, the Murano Group has paid a total interest of Ps.\$7,608,336 (U.S.\$450,351) and Ps.\$15,159,574 (U.S.\$782,975), respectively.

**Eliás Sacal Cababié**

On February 9, 2023, Murano World, S.A. de C.V. granted a 12-month loan to Eliás Sacal Cababie on commercially reasonable arm's length terms for a total amount of Ps.\$7,900,000 (U.S. \$417,107) at a monthly variable rate of TIEE 28 plus a spread of 3%. The outstanding balance of this loan was paid during December 2023.

On February 10, 2023, Murano World, S.A. de C.V. granted a 12-month loan to Eliás Sacal Cababie on commercially reasonable arm's length terms for a total amount of U.S. \$2,865,000 at a monthly variable rate of 3M SOFR plus a spread of 3%. As of December 31, 2023 the outstanding balance of this loan was U.S. \$2,160,980, including interest.

On September 26, 2023, Murano World, S.A. de C.V. granted a 12-month loan to Eliás Sacal Cababie on commercially reasonable arm's length terms for a total amount of U.S. \$3,200,000 at a monthly variable rate of 3M SOFR plus a spread of 3%. As of December 31, 2023 the outstanding balance of this loan was U.S. \$3,237,306, including interest.

On April 14, 2023, Murano PV, S.A. de C.V. granted a 12-month loan to Eliás Sacal Cababie. on commercially reasonable arm's length terms for a total amount of Ps.\$2,000,000 (U.S. \$110,803) at a monthly variable rate of TIEE 28 plus a spread of 3%. As of December 31, 2023 the outstanding balance of this loan was Ps.\$2,210,399 (U.S. \$130,843), including interest.

On April 14, 2023, Murano PV, S.A. de C.V. granted a 12-month loan to Eliás Sacal Cababie. on commercially reasonable arm's length terms for a total amount of U.S.\$438,611 at a monthly variable rate of 3M SOFR plus a spread of 3%. As of December 31, 2023 the outstanding balance of this loan was U.S. \$464,113, including interest.

**E.S. Agrupación, S.A. de C.V.**

On February 10, 2023, Murano World granted a 12-month loan to E.S. Agrupación, S.A. de C.V. on commercially reasonable arm's length terms for a total amount of Ps.\$9,620,660 (U.S. \$507,955) at a monthly variable rate of TIEE 28 plus a spread of 3%. As of December 31, 2023 the outstanding balance of this loan was Ps.\$10,595,884 (U.S. \$627,217), including interest.

On March 31, 2023, Murano World granted a 12-month loan to E.S. Agrupación, S.A. de C.V. on commercially reasonable arm's length terms for a total amount of U.S.\$453,000 at a monthly variable rate of 3M SOFR plus a spread of 3%. As of December 31, 2023 the outstanding balance of this loan was U.S. \$479,552, including interest.

On April 14, 2023, Murano PV granted a 12-month loan to E.S. Agrupación, S.A. de C.V. on commercially reasonable arm's length terms for a total amount of U.S.\$359,368 at a monthly variable rate of 3M SOFR plus a spread of 3%. As of December 31, 2023 the outstanding balance of this loan was U.S. \$380,263, including interest.

On November 9, 2023, Murano World granted a 12-month loan to E.S. Agrupación, S.A. de C.V. on commercially reasonable arm's length terms for a total amount of Ps.\$10,000,000 (U.S. \$571,373) at a monthly variable rate of THIE 28 plus a spread of 3%. As of December 31, 2023 the outstanding balance of this loan was Ps.\$10,124,890 (U.S. \$599,336), including interest.

#### **Sofoplus**

On June 28, 2019, Sofoplus made a 48-month loan to Murano World, S. A. de C. V. on commercially reasonable arm's length terms for a total amount of Ps.\$100,000,000 (U.S.\$5,298,659) at an annual rate of 16.75%. As of December 31, 2022, the outstanding balance of this loan was Ps.\$71,179,852 (U.S.\$3,671,236). The remaining balance was paid on August 24, 2023.

On June 24, 2022, Sofoplus made a 48-month loan to Murano World, S. A. de C. V. on commercially reasonable arm's length terms for a total amount of Ps.\$153,693,000 (U.S.\$7,500,000) at an annual rate of 15.00%. As of December 31, 2023 and 2022, the outstanding balance of this loan, including interest was Ps.\$171,153,445 (U.S. \$10,131,319) and Ps.\$145,231,418 (U.S.\$7,500,000).

For the years ended December 31, 2023 and 2022, the Murano Group has paid a total interest of and Ps.\$20,338,443 (U.S.\$1,203,921) and Ps.\$25,513,064 (U.S.\$1,233,407), respectively.

#### **Inmobiliaria Insurgentes**

On July 1, 2023, the lease agreements between (i) Inmobiliaria Insurgentes 421 (as lessor) and OHI421 (as lessee) and (ii) Inmobiliaria Insurgentes 421 (as lessor) OHI421 Premium (as lessee) became effective. These lease agreements were executed for a 20-year term and their purpose is to lease the property of the Insurgentes 421 Hotel Complex.

These agreements were negotiated and entered into between related parties. Therefore, the terms of the Insurgentes Loan Agreements, including consideration payable thereunder, may be less favorable to us than terms negotiated with unaffiliated and third-party lessees. Under both lease agreements, the lessees must pay a monthly base rent of U.S.\$50,000 and an annual variable rent payment based on 95% of the lessees' annual operating income.

As of December 31, 2023, Inmobiliaria Insurgentes 421 has received from the lessees, the amount of U.S.\$500,000 for base rent concept, which means that the cumulative base rent paid by each lessee was U.S.\$250,000. No payments have been issued to Inmobiliaria Insurgentes for concept of variable rent under the lease agreements. As of December 31, 2023, the base rent amounted to U.S.\$600,000 which means that the cumulative base rent paid by each lessee was U.S.\$300,000, payments received from the hotel operators to the date amounted to U.S.\$350,000.

#### **BVG Infraestructura**

On March 1, 2023, Inmobiliaria Insurgentes 421 granted a 12-month loan to BVG Infraestructura, S.A. de C.V. on commercially reasonable arm's length terms for a total amount of U.S.\$955,011 at a monthly variable rate of 3M SOFR plus a spread of 3%. As of December 31, 2023 the outstanding balance of this loan was U.S. \$709,494.

#### **Promissory Notes**

Certain Group Companies issued the following promissory notes as part of the Murano Group Reorganization in order to capitalize Murano Global Investments Limited:

In January 2024, Murano PV, S.A. de C.V. issued a promissory note in favor of Elias Sacal Cababie for the total amount of Ps.\$73,000,000 (U.S. \$4,321,189) as a result of the purchase of 103,267,741 shares of Murano World, S. A. de C. V. previously owned by Elias Sacal.

In January 2024, Murano PV, S.A. de C.V. issued a promissory note in favor of Elias Sacal Cababie for the total amount of Ps.\$18,000,000 (U.S. \$1,065,499) as a result of a transfer of the trustee rights of 16,915,151 shares of Inmobiliaria Insurgentes 421, S.A. de C.V. previously owned by Elías Sacal.

In January 2024, Murano PV, S.A. de C.V. issued a promissory note in favor of E.S. Agrupación, S.A. de C.V. for the total amount of Ps.\$266,500,000 (U.S. \$15,775,298) as a result of the purchase of 329,753,574 shares of Murano World, S. A. de C. V. previously owned by E.S. Agrupación, S. A. de C. V.

In January 2024, Murano PV, S.A. de C.V. issued a promissory note in favor of E.S. Agrupación, S.A. de C.V. for the total amount of Ps.\$542,500,000 (U.S. \$32,112,943) as a result of the transfer of the trustee rights of 434,361,612 shares from Inmobiliaria Insurgentes 421, S.A. de C.V. previously owned by E.S. Agrupación, S.A. de C.V.

All the promissory notes described above were issued as part of the Murano Group Reorganization and used by Elias Sacal Cababie to capitalize Murano Global Investments PLC. On March 8, 2024 Murano Global Investments PLC utilized the promissory notes to complete the Murano Group Reorganization by capitalizing Murano P.V and the notes were cancelled as a final step in the reorganization.

For more information about Murano Group's transactions with related parties please see *Note 6 to the Murano Group Combined Financial Statements included elsewhere in this annual report.*

## Certain Agreements Related to the Business Combination

In connection with the Business Combination, we entered into the following agreements:

- Sponsor Support Agreement with HCM and HCM Holdings, concurrently with the execution and delivery of the Business Combination Agreement, pursuant to which HCM Holdings has agreed, among other things, to vote (or execute and return an action by written consent), or cause to be voted at the Extraordinary Meeting (or validly execute and return and cause such consent to be granted with respect to), all of its HCM Class B Ordinary Shares in favor of (A) the approval and adoption of the Business Combination Agreement and approval of the Merger and all other transactions contemplated by the Business Combination Agreement, (B) against any action, agreement or transaction or proposal that would result in a breach of any covenant, representation or warranty or any other obligation or agreement of HCM under the Business Combination Agreement or that would reasonably be expected to result in the failure of the Merger from being consummated and (C) each of the proposals and any other matters necessary or reasonably requested by HCM for consummation of the Merger and the other transactions contemplated by the Business Combination Agreement.
- Assignment, Assumption and Amendment to HCM Warrant Agreement with HCM and Continental, as warrant agent, pursuant to which, as of the Effective Time (as defined in the agreement), (i) each SPAC Warrant (as defined in the agreement) that is outstanding immediately prior to the Effective Time will no longer represent a right to acquire one HCM Ordinary Share and will instead represent the right to acquire the same number of PubCo Ordinary Shares under substantially the same terms as set forth in the HCM Warrant Agreement entered into in connection with HCM's IPO and (ii) HCM will assign to PubCo all of HCM's right, title and interest in and to the existing HCM Warrant Agreement and PubCo will assume, and agree to pay, perform, satisfy and discharge in full, all of HCM's liabilities and obligations under the existing HCM Warrant Agreement arising from and after the Effective Time.
- Registration Rights Agreement with HCM Holdings and certain equityholders, containing customary registration rights for HCM Holdings and the equityholders who are parties thereto.
- Lock-Up Agreement with HCM Holdings, which was subsequently amended on December 31, 2023, pursuant to which the Sponsor has agreed not to transfer any PubCo Lock-Up Shares held by it during the Lock-Up Period (in each case as defined in the agreement).
- Vendor Participation Agreement with HCM and HCM Holdings and certain vendors of Murano, pursuant to which such vendors were entitled to purchase at cost an aggregate of 1,250,000 additional Founder Shares (as defined in the agreement) from Sponsor, immediately prior to the consummation of the Business Combination, contingent upon the satisfaction and cancellation of an aggregate principal amount of \$12,500,000 due from Murano.
- Indemnification agreement granted by Elias Sacal Cababie in favor of HCM Acquisition Corp executed as of March 20, 2024, pursuant to which, among others, Elias Sacal Cababie shall indemnify and hold HCM and its successors harmless from tax contingencies resulting from (i) the inclusion of BVG Infraestructura, S.A. de C.V. as settlor and beneficiary of F/0455 Trust and (ii) the segregation of real estate property from the F/0455 Trust, 250C Trust and Finamo Trust.

### C. Interests of Experts and Counsel

None / Not applicable.

## ITEM 8. FINANCIAL INFORMATION

### A. Combined Statements and Other Financial Information

#### *Combined Financial Statements*

See "Item 18. Financial Statements" of this Report for our combined financial statements and other financial information.

**Legal and Arbitration Proceedings**

Murano is currently not subject to any material legal or regulatory proceeding as defendant. To Murano's knowledge, there are currently no other material legal or regulatory proceedings threatened or contemplated against Murano or its affiliates.

**Dividend Policy**

We have never declared or paid any cash dividend on our Ordinary Shares. The payment of cash dividends in the future will depend upon our revenues and earnings, if any, capital requirements and general financial condition. Any further determination to pay dividends on our Ordinary Shares would be at the discretion of our board of directors.

**B. Significant Changes**

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of our audited combined financial statements included in this annual report.

**ITEM 9. THE OFFER AND LISTING**

**A. Offer and Listing Details**

**Nasdaq Listing of Murano ordinary shares and Murano warrants**

Murano Ordinary Shares and Murano Warrants are listed on Nasdaq under the symbols "MRNO" and "MRNOW", respectively. Holders of these ordinary shares and/or warrants should obtain current market quotations for their securities. There can be no assurance that the Murano Ordinary Shares and/or Murano Warrants will remain listed on Nasdaq. If Murano fails to comply with the Nasdaq listing requirements, Murano Ordinary Shares and Murano Warrants could be delisted from Nasdaq. A delisting of Murano Ordinary Shares and/or Murano Warrants will likely affect their liquidity and could inhibit or restrict the ability of Murano to raise additional financing.

**Lock-up Agreements**

Information regarding the lock-up restrictions applicable to the Murano Ordinary Shares and Murano Warrants held by certain shareholders and executives of Murano, including its principal shareholders and key executives, is included in "Item 7. Major Shareholders and Related Party Transactions – B. Related Party Transactions – Certain Agreements Related to the Business Combination".

**B. Plan of Distribution**

Not applicable.

**C. Markets**

See "Item 9. The Offer and Listing Details".

**D. Selling Shareholders**

Not Applicable.

**E. Dilution**

Not applicable.

**F. Expenses of the Issue**

Not applicable.

**ITEM 10. ADDITIONAL INFORMATION**

**A. Share Capital**

The authorized share capital of Murano is unlimited.

As of the date hereof, there were 79,242,873 Murano Ordinary Shares outstanding.

Information regarding our share capital is included in the Registration Statement on Form F-4 (File No. 333-273849), which was filed with the SEC on February 15, 2024, as supplemented by Prospectus Supplement No. 1 dated March 20, 2024 (as subsequently amended, the “Registration Statement”) under the section titled “Description of PubCo’s Securities” and is incorporated herein by reference.

## **B. Memorandum and Articles of Association**

Information regarding certain material provisions of the constitution of Murano is included in the Registration Statement under the section titled “Description of PubCo Securities” and is incorporated herein by reference.

## **C. Material Contracts**

Information regarding certain material contracts among entities in the Group may be found in “Item 4. Information on the Company – A. History and Development of the Company – Business Combination” and “Item 7. Major Shareholders and Related Party Transactions – B. Related Party Transactions.”

## **D. Exchange Controls**

There are no governmental laws, decrees, regulations or other legislation in the Bailiwick of Jersey that may affect the import or export of capital, including the availability of cash and cash equivalents for use by Murano, or that may affect the remittance of dividends, interest, or other payments by Murano to non-resident holders of its ordinary shares. There is no limitation imposed by the laws of the Bailiwick of Jersey or in Murano’s constitution on the right of non-residents to hold or vote shares.

## **E. Taxation**

### **Certain Material Jersey Tax Considerations**

The following summary of the anticipated tax treatment in Jersey of PubCo and holders of PubCo Ordinary Shares is based on Jersey taxation law and practice as they are understood to apply at the date of this proxy statement/prospectus. It does not constitute, nor should it be considered to be, legal or tax advice and does not address all aspects of Jersey tax law and practice (including without limitation such tax law and practice as they apply to any land or building situated in Jersey, or as they apply to certain types of persons, such as persons holding or acquiring shares in the course of trade, collective investment schemes or insurance companies). Holders of PubCo Ordinary Shares should consult their professional advisors on the implications of acquiring, buying, holding, selling or otherwise disposing of PubCo Ordinary Shares under the laws of any jurisdictions in which they may be liable to taxation. Holders of PubCo Ordinary Shares should be aware that tax rules and practice and their interpretation may change.

### **Taxation of PubCo and of Non-Jersey Residents**

On the basis that PubCo is incorporated in Jersey, but is centrally managed and controlled, and is solely resident for tax purposes, in the United Kingdom, a jurisdiction where the highest rate of corporate tax is at least 10%, PubCo will not be liable to pay Jersey income tax other than on certain Jersey source income (except where such income is exempted from income tax pursuant to the Income Tax (Jersey) Law 1961, as amended). On the basis that PubCo is not a financial services company, a utility company, large retailer or involved in the importation or distribution of hydrocarbon oils and does not hold Jersey real estate, it is subject to income tax in Jersey at a rate of zero per cent on any such income.

Dividends on PubCo Ordinary Shares may be paid by PubCo without withholding or deduction for or on account of Jersey income tax and holders of PubCo Ordinary Shares (other than residents of Jersey) will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such shares. It is possible that the current tax regime applicable in Jersey may be amended and PubCo could become subject to taxation in Jersey. Please see “Item 10. Additional Information - E. Taxation - Shareholders of a Jersey Company” in relation to the status of Jersey resident holders of PubCo Ordinary Shares

### **Goods and Services Tax**

The States of Jersey introduced a Goods and Services Tax, which we refer to as GST, with effect from May 6, 2008. A company may opt out of the GST regime by applying to become an international services entity (“ISE”), as provided by the Goods and Services Tax (Jersey) Law 2007. ISE status is obtained upon meeting certain requirements and paying a prescribed annual fee. As an ISE, a company is exempted both from registering for GST and from accounting for GST on supplies made and received in Jersey solely for the purpose of its business. It is anticipated that PubCo will maintain ISE status and the PubCo Board intends to conduct the business of the combined company such that no GST will be incurred by PubCo.



## **Shareholders of a Jersey Company**

Any shareholders of a Jersey company who are resident for tax purposes in Jersey will incur income tax on any dividends paid on the shares held by them.

No stamp duty is levied on the transfer *inter vivos*, exchange, issue or repurchase of shares (unless the articles of association of the company convey the right to occupy property in Jersey), but there is a stamp duty payable when Jersey grants of probate and letters of administration are required. In the case of a grant of probate or letters of administration, stamp duty is levied according to the size of the estate (wherever situated in respect of a holder of shares who is domiciled in Jersey, or situated in Jersey in respect of a holder of shares domiciled outside Jersey) and is payable on a sliding scale at a rate of up to 0.75% of such estate and such duty is capped at £100,000.

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains, transactions or gifts nor are there other estate duties.

## **Certain Material United Kingdom Tax Considerations**

### ***Tax Residence***

Murano is incorporated in Jersey, but it is intended that it will be resident for UK tax purposes in the UK by virtue of its central management and control being exercised in the United Kingdom.

### ***Dividends and Disposals***

As a matter of current United Kingdom tax law, Murano is not required to withhold any amounts on account of United Kingdom tax at source from dividend payments it makes in respect of the Murano Ordinary Shares.

A holder of the Murano Ordinary Shares who is not resident in the United Kingdom for United Kingdom tax purposes and does not carry on a trade, profession or vocation in the United Kingdom through a permanent establishment, branch, agency or otherwise in the United Kingdom should not generally be liable to United Kingdom tax on the receipt of dividends paid in respect of the Murano Ordinary Shares or on the disposal of Murano Ordinary Shares.

### ***Stamp Duty and Stamp Duty Reserve Tax***

No United Kingdom stamp duty reserve tax will be payable on the issue of the Murano Ordinary Shares or any agreement to transfer the Murano Ordinary Shares.

No United Kingdom stamp duty will be payable on the issue of the Murano Ordinary Shares or any transfer of the Murano Ordinary Shares effected by electronic means. A documentary transfer of any Murano Ordinary Shares or documentary agreement to transfer any interest in any Murano Ordinary Shares (where such interest falls short of full legal and beneficial ownership) may give rise to United Kingdom stamp duty and advice should be taken in this regard.

## **Material U.S. Federal Income Tax Considerations**

This section describes material U.S. federal income tax consequences to a U.S. holder (as defined below) with respect to the ownership and disposition of Murano Ordinary Shares and Murano Warrants (collectively, the "**Murano Securities**"). This discussion deals only with U.S. holders that hold their Murano Securities as capital assets. It does not cover all aspects of U.S. federal income taxation that may be relevant to the U.S. holders (including consequences under any alternative minimum tax or net investment income tax), and does not address state, local, non-U.S. or other tax laws (such as estate or gift tax laws). This discussion also does not address tax considerations applicable to U.S. holders that own (directly, indirectly or by attribution) 5% or more of the Murano Securities by vote or value, nor does this section discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, dealers in securities or currencies, traders in securities that elect to mark their securities to market for U.S. federal income tax purposes, investors that hold Murano Securities as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons that received Murano Securities as compensation for services, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Murano Securities in connection with a trade or business conducted outside of the United States, S corporations, partnerships or other entities or arrangements treated as partnerships or other flow-through entities for U.S. federal income tax purposes (and investors therein), U.S. citizens or lawful permanent residents living abroad, passive investors that are required to include amounts in their taxable income in advance of receipt under rules regarding applicable financial statements or U.S. holders whose functional currency is not the U.S. dollar).

As used herein, the term “*U.S. holder*” means a beneficial owner of Murano Securities that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Murano Securities will depend on the status of the partner and the activities of the partnership. Entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisers concerning the U.S. federal income tax consequences to them and their partners of owning of Murano Securities.

This discussion is based on the tax laws of the United States, including the Code, its legislative history, existing and proposed regulations thereunder, published rulings of the IRS and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect. Any such change or differing interpretation could affect the accuracy of the statements and conclusions set forth in this discussion. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax considerations described in this discussion. No ruling has been or will be sought from the IRS regarding any matter discussed below.

ALL HOLDERS OF MURANO SECURITIES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM RELATING TO THE OWNERSHIP OF MURANO SECURITIES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

**Ownership of Murano Ordinary Shares and Murano Warrants**

This discussion is subject to the discussion in “— Application of the PFIC Rules to Murano Ordinary Shares and Murano Warrants” below.

*Distributions on Murano Ordinary Shares*

The gross amount of any distribution on Murano Ordinary Shares that is made out of Murano’s current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) generally will be taxable to a U.S. holder as ordinary dividend income on the date such distribution is actually or constructively received. Any such dividends generally will not be eligible for the dividends received deduction generally allowed to U.S. corporations in respect of dividends received from other U.S. corporations. To the extent that the amount of the distribution exceeds Murano’s current and accumulated earnings and profits (as determined under U.S. federal income tax principles), such excess amount will be treated first as a non-taxable return of capital to the extent of the U.S. holder’s adjusted tax basis in its Murano Ordinary Shares, and thereafter as capital gain recognized on a sale or exchange.

Dividends paid by Murano generally will be taxable to a non-corporate U.S. holder at the reduced rate normally applicable to long-term capital gains, provided that Murano is considered a “qualified foreign corporation” and certain other requirements are met. A qualified foreign corporation includes a foreign corporation that is eligible for the benefits of the income tax treaty between the United Kingdom and the United States (the “*Treaty*”). A foreign corporation is also treated as a “qualified foreign corporation” with respect to dividends paid by that corporation on shares that are readily tradable on an established securities market in the United States. U.S. Treasury Department guidance indicates that shares listed on the Nasdaq, such as the Murano Ordinary Shares, will be readily tradable on an established securities market in the United States. There can be no assurance, however, that Murano Ordinary Shares will be considered readily tradable on an established securities market in later years or that that Murano will be eligible for the benefits of the Treaty. A U.S. holder will not be able to claim the reduced rate on dividends received from Murano if Murano is treated as a PFIC (as defined below) in the taxable year in which the dividends are received or in the preceding taxable year (or if any shares of Murano that they own are treated as stock in a PFIC). See the section entitled “—Application of the PFIC Rules to Murano Ordinary Shares and Murano Warrants” below.

Subject to certain conditions and limitations, withholding taxes, if any, on dividends paid by Murano may be treated as foreign taxes eligible for credit against a U.S. holder’s U.S. federal income tax liability under the U.S. foreign tax credit rules. For purposes of calculating the U.S. foreign tax credit, dividends paid on Murano Ordinary Shares will generally be treated as income from sources outside the United States and will generally constitute passive category income. The rules governing the U.S. foreign tax credit are complex. U.S. holders should consult their tax advisors regarding the availability of the U.S. foreign tax credit under particular circumstances.

*Sale, Exchange, Redemption or Other Taxable Disposition of Murano Ordinary Shares and Murano Warrants*

A U.S. holder generally will recognize gain or loss on any sale, exchange, redemption or other taxable disposition of Murano Ordinary Shares or Murano Warrants in an amount equal to the difference between (i) the amount realized on the disposition and (ii) such U.S. holder’s adjusted tax basis in such shares and/or warrants. Any gain or loss recognized by a U.S. holder on a taxable disposition of Murano Ordinary Shares or Murano Warrants generally will be capital gain or loss and will be long-term capital gain or loss if the holder’s holding period in such shares and/or warrants exceeds one year at the time of the disposition. Preferential tax rates may apply to long-term capital gains of non-corporate U.S. holders (including individuals). The deductibility of capital losses is subject to limitations. Any gain or loss recognized by a U.S. holder on the sale or exchange of Murano Ordinary Shares or Murano Warrants generally will be treated as U.S.-source gain or loss. Therefore, a U.S. holder may have insufficient foreign-source income to utilize foreign tax credits attributable to any non-U.S. withholding tax (if any) imposed on a sale, exchange, redemption or other taxable disposition. U.S. holders should consult their tax advisors as to the availability of and limitations on any foreign tax credit attributable to non-U.S. withholding taxes (if any such taxes are imposed).

*Exercise or Lapse of a Murano Warrant*

Except as discussed below with respect to the cashless exercise of a Murano Warrant, a U.S. holder generally will not recognize gain or loss upon the acquisition of a Murano Ordinary Share on the exercise of a Murano Warrant for cash. A U.S. holder’s tax basis in a Murano Ordinary Share received upon exercise of the Murano Warrant generally should be an amount equal to the sum of the U.S. holder’s tax basis in the Murano Warrant exchanged therefor and the exercise price. The U.S. holder’s holding period for a Murano Ordinary Share received upon exercise of the Murano Warrant will begin on the date following the date of exercise (or possibly the date of exercise) of the Murano Warrant and will not include the period during which the U.S. holder held the Murano Warrant. If a Murano Warrant is allowed to lapse unexercised, a U.S. holder generally will recognize a capital loss equal to such holder’s tax basis in the Murano Warrant.

The tax consequences of a cashless exercise of a Murano Warrant are not clear under current tax law. A cashless exercise may be tax-deferred, either because the exercise is not a gain realization event or because the exercise is treated as a recapitalization for U.S. federal income tax purposes. In either tax-deferred situation, a U.S. holder's basis in the Murano Ordinary Shares received would equal the holder's basis in the Murano Warrants exercised therefor. If the cashless exercise were treated as not being a gain realization event, a U.S. holder's holding period in the Murano Ordinary Shares would be treated as commencing on the date following the date of exercise (or possibly the date of exercise) of the Murano Warrants. If the cashless exercise were treated as a recapitalization, the holding period of the Murano Ordinary Shares generally would include the holding period of the Murano Warrants exercised therefor.

It is also possible that a cashless exercise of a Murano Warrant could be treated in part as a taxable exchange in which gain or loss would be recognized. In such event, a U.S. holder would recognize gain or loss with respect to the portion of the exercised Murano Warrants treated as surrendered to pay the exercise price of the Murano Warrants (the "surrendered warrants"). The U.S. holder would recognize capital gain or loss with respect to the surrendered warrants in an amount generally equal to the difference between (i) the fair market value of the Murano Ordinary Shares that would have been received with respect to the surrendered warrants in a regular exercise of the Murano Warrants and (ii) the sum of the U.S. holder's tax basis in the surrendered warrants and the aggregate cash exercise price of such warrants (if they had been exercised in a regular exercise). In this case, a U.S. holder's tax basis in the Murano Ordinary Shares received would equal the U.S. holder's tax basis in the Murano Warrants exercised plus (or minus) the gain (or loss) recognized with respect to the surrendered warrants. A U.S. holder's holding period for the Murano Ordinary Shares generally would commence on the date following the date of exercise (or possibly the date of exercise) of the Murano Warrants.

Due to the absence of authority on the U.S. federal income tax treatment of a cashless exercise of warrants, there can be no assurance which, if any, of the alternative tax consequences and holding periods described above would be adopted by the IRS or a court of law. Accordingly, U.S. holders should consult their tax advisors regarding the tax consequences of a cashless exercise of Murano Warrants.

#### *Possible Constructive Distributions*

The terms of each Murano Warrant provide for an adjustment to the number of Murano Ordinary Shares for which the Murano Warrant may be exercised or to the exercise price of the Murano Warrant in certain events, as discussed above in the section captioned "Item 10. Additional Information - B. Memorandum and Articles of Association". An adjustment which has the effect of preventing dilution generally is not taxable. A U.S. holder of a Murano Warrant generally would, however, be treated as receiving a constructive distribution from Murano if, for example, the adjustment increases the holder's proportionate interest in Murano's assets or earnings and profits (e.g., through an increase in the number of Murano Ordinary Shares that would be obtained upon exercise of such warrant) as a result of a distribution of cash to the holders of the Murano Ordinary Shares which is taxable to the U.S. holders of such shares as described in the section entitled "—Distributions on Murano Ordinary Shares" above. Such constructive distribution generally would be subject to tax as described in that section in the same manner as if the U.S. holder of such warrant received a cash distribution from Murano equal to the fair market value of such increased interest.

#### *Application of the PFIC Rules to Murano Ordinary Shares and Murano Warrants*

A non-U.S. corporation, such as Murano, will be a passive foreign investment company ("PFIC") for U.S. federal income tax purposes in any taxable year in which, after applying relevant look-through rules with respect to the income and assets of its subsidiaries, (i) 75% or more of its gross income is passive income, and/or (ii) 50% or more of the value of its assets (generally based on the quarterly average of the value of its assets during such year) is attributable to assets, including cash, that produce passive income or are held for the production of passive income. Passive income generally includes dividends, interest, certain royalties and rents, annuities, net gains from the sale or exchange of property producing such income and net foreign currency gains. Based on the expected composition of Murano's gross assets and income and the manner in which Murano expects to operate its business in 2024 and future years, Murano does not expect to be classified as a PFIC for U.S. federal income tax purposes for Murano's 2024 taxable year or in the foreseeable future. Whether Murano is a PFIC is a factual determination made annually, and Murano's status could change depending, among other things, upon changes in the composition and relative value of its gross receipts and assets.

If Murano were a PFIC in any year during which a U.S. holder owns Murano Ordinary Shares, subject to the discussion below regarding the mark-to-market ("MTM") or qualified electing fund ("QEF") elections, a U.S. holder generally will be subject to special rules (regardless of whether Murano continues to be a PFIC) with respect to (i) any "excess distribution" (generally, any distributions received by a U.S. holder on its Murano Ordinary Shares in a taxable year that are greater than 125% of the average annual distributions received by the U.S. holder in the three preceding taxable years or, if shorter, the U.S. holder's holding period for the Murano Ordinary Shares) and (ii) any gain realized on the sale or other disposition of Murano Ordinary Shares. Under these rules (a) the excess distribution or gain will be allocated ratably over the U.S. holder's holding period, (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which Murano is a PFIC will be taxed as ordinary income, and (c) the amount allocated to each of the other taxable years will be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year and an interest charge for the deemed deferral benefit will be imposed with respect to the resulting tax attributable to each such other taxable year.

A U.S. Holder may be able to avoid some of the adverse impacts of the PFIC rules described in the preceding paragraph by making an MTM election with respect to its Murano Ordinary Shares. The election is available only if the Murano Ordinary Shares are considered "marketable stock," which generally includes stock that is regularly traded in more than de minimis quantities on a qualifying exchange. If a U.S. Holder makes the MTM election, it generally will not be subject to the excess distribution regime discussed in the preceding paragraph and the tax consequences should be as set forth above under this paragraph. Any gain from marking the Murano Ordinary Shares to market or from disposing of them would be ordinary income. Any loss from marking the Murano Ordinary Shares to market would be recognized only to the extent of unreversed gains previously included in income. Loss from marking the Murano Ordinary Shares to market would be ordinary, but loss on disposing of them would be capital loss except to the extent of unreversed inclusions with respect to such stock. It is expected that Murano Ordinary Shares, which are expected to be listed on Nasdaq, will qualify as marketable shares for the PFIC rules purposes. No assurance can be given that the Murano Ordinary Shares will be traded in sufficient frequency and quantity to be considered "marketable stock." A valid MTM election cannot be revoked without the consent of the IRS unless the Murano Ordinary Shares cease to be marketable stock. In addition, it is anticipated that U.S. holders of Murano Warrants will not be able to make an MTM election with respect to such warrants.

A U.S. holder would not be able to avoid the tax consequences described above by electing to treat Murano as a QEF because Murano does not intend to provide U.S. holders with the information that would be necessary to make a QEF election with respect to the Murano Ordinary Shares. In any event, U.S. holders of Murano Warrants will not be able to make a QEF election with respect to their warrants.

U.S. holders should consult their own tax advisors concerning Murano's possible PFIC status and the consequences to them, including potential reporting requirements, if Murano were classified as a PFIC for any taxable year.

**Information Reporting and Backup Withholding**

Information reporting requirements may apply to distributions on and proceeds from a disposition of the Murano Securities. Backup withholding may apply to such amounts if the U.S. holder fails to provide an accurate taxpayer identification number (generally on an IRS Form W-9 provided to the paying agent of the U.S. holder's broker) or is otherwise subject to backup withholding.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against the U.S. holder's U.S. federal income tax liability, and a U.S. holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for a refund with the IRS and furnishing any required information. U.S. holders should consult their tax advisors regarding these rules and any other reporting obligations that may apply to the ownership or disposition of Murano Ordinary Shares or Murano Warrants, including reporting obligations related to the holding of certain foreign financial assets.

**F. Dividends and Paying Agents**

See “Item 8. Financial Information - A. Combined Statements and Other Financial Information - Combined Financial Statements” and “Item 10. Additional Information - B. Memorandum and Articles of Association” for a discussion of whether, how and when we may declare and pay dividends.

**G. Statement by Experts**

Not applicable.

**H. Documents on Display**

Murano is subject to certain of the informational filing requirements of the Exchange Act. Since Murano is a “foreign private issuer,” it is exempt from the rules and regulations under the Exchange Act prescribing the furnishing and content of proxy statements, and the officers, directors and principal shareholders of Murano are exempt from the reporting and “short-swing” profit recovery provisions contained in Section 16 of the Exchange Act with respect to their purchase and sale of Murano ordinary shares. In addition, Murano is not required to file reports and financial statements with the SEC as frequently or as promptly as U.S. public companies whose securities are registered under the Exchange Act. However, Murano is required to file with the SEC an Annual Report on Form 20-F containing financial statements audited by an independent accounting firm. The SEC also maintains a website at [www.sec.gov](http://www.sec.gov) that contains reports and other information that Murano files with or furnishes electronically to the SEC. You may read and copy any report or document we file, including the exhibits, at the SEC’s public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room.

Murano’s ordinary shares and Murano warrants are quoted on Nasdaq. Information about Murano is also available on our website at <https://www.murano.com.mx/en/>. Our website and the information contained therein or connected thereto will not be deemed to be incorporated into this Report and you should not rely on any such information in making your decision whether to purchase our ordinary shares.

**I. Subsidiary Information**

Not applicable.

**J. Annual Report to Security Holders**

Not applicable.

**ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

We are exposed to a variety of market and other risks, including credit risk, liquidity risk, market risk, operating risk, and legal risk. For quantitative and qualitative disclosures about these risks, see *Note 13 to the Murano Group Combined Financial Statements*

**ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES**

**A. Debt Securities**

Not applicable.

**B. Warrants and Rights**

Not applicable.

**C. Other Securities**

Not applicable.

**D. American Depositary Shares**

Not applicable.

**ITEM 13. Defaults, Dividend Arrearages and Delinquencies**

None. For a discussion of certain defaults not relating to any payment see “*Item 3. Key Information – D. Risk Factors – Risks Related to Murano’s Business and Operating in the Hotel Industry – Our total current liabilities exceed the amount of the total current assets, which has placed significant doubt on our ability to continue as a going concern.*”

**ITEM 14. Material Modifications to the Rights of Security Holders and Use of Proceeds**

None.

**ITEM 15. Controls and Procedures****(a) Disclosure Controls and Procedures**

We have evaluated, with the participation of our chief executive officer and chief financial officer, the effectiveness of our disclosure controls and procedures as of December 31, 2023.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon our evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were ineffective as of December 31, 2023, due to the material weaknesses mentioned in “*Item 3. Key Information - D. Risk Factors—Risks Related to Murano Following the Consummation of the Business Combination – Murano Group’s financial reporting infrastructure requires enhancement to meet the requirements of a public company.*”

Notwithstanding such material weaknesses, the chief executive officer and chief financial officer have concluded that the Company’s combined financial statements as of December 31, 2023 were fairly stated in all material respects in accordance with IFRS for each of the years presented.

**(b) Management’s Annual Report on Internal Control over Financial Reporting**

This annual report does not include a report of management’s assessment regarding internal control over financial reporting due to a transition period established by the rules of the SEC for newly public companies.

**(c) Attestation Report of the Registered Public Accounting Firm**

This annual report does not include an attestation report of the Company’s registered public accounting firm regarding internal control over financial reporting due to a transition period established by the rules of the SEC for newly public companies.

**(d) Changes in Internal Control over Financial Reporting**

Except as described in “*Item 3. Key Information - D. Risk Factors—Risks Related to Murano Following the Consummation of the Business Combination – Murano Group’s financial reporting infrastructure requires enhancement to meet the requirements of a public company.*” there were no changes in our internal controls over financial reporting that occurred during the period covered by this annual report on Form 20-F that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 16. RESERVED****ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT**

Our audit committee consists of Keith Graeme Edelman and Joanne Faye Sonin, with Mr. Edelman serving as Chairperson. Our board of directors has determined that each of Mr. Edelman and Ms. Sonin qualify as independent directors according to the rules and regulations of the SEC and Nasdaq with respect to audit committee membership. In addition, all of the audit committee members meet the requirements for financial literacy under applicable SEC and Nasdaq rules that its member Ms. Sonin qualifies as an “audit committee financial expert,” as such term is defined in Item 407(d) of Regulation S-K. The Board has adopted a new written charter for the audit committee, which is available on our website. The reference to our website address in this annual report does not include or incorporate by reference the information on our website into this annual report. For more information, see “*Item 6. Directors, Senior Management and Employees—C. Board Practices – Independence of our Board Directors –Audit Committee*”



**ITEM 16B. CODE OF ETHICS**

Our Board has adopted a Code of Business Conduct and Ethics applicable to our directors, executive officers and team members that complies with the rules and regulations of Nasdaq and the SEC. The Code of Business Conduct and Ethics is available on our website. In addition, we intend to post on the Corporate Governance section of our website all disclosures that are required by law or Nasdaq listing standards concerning any amendments to, or waivers from, any provision of the Code of Business Conduct and Ethics. The reference to our website address in this annual report does not include or incorporate by reference the information on our website into this annual report. A copy of the Code of Business Conduct and Ethics is filed as Exhibit 11.1 to this Annual Report.

**ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The following table describes the total amount billed to us by KPMG Cárdenas Dosal, S.C. for services performed during the fiscal years ended December 31, 2023 and 2022:

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<i>(in Mexican pesos)</i>	
Audit fees	\$ 11,053,920	\$ 12,560,184
Audit-related fees		
Tax fees		
All other fees		
<b>Total consolidated audit fees</b>	<b>\$ 11,053,920</b>	<b>\$ 12,560,184</b>

Audit fees are fees billed for the audit of our annual financial statements, the statutory financial statements of certain companies with Murano Group, and the review of our interim combined financial statements as of June 30, 2023 and 2022 which were included in the Registration Statement. Audit related fees correspond to services provided in connection with assistance related to review of documents to be filed with local and foreign regulatory bodies, including documents regarding compliance with legislation and regulations, audit of specific financial statements and annual report review, due diligence activities, assurance of special purpose reports, and other previously agreed-upon procedures. Tax fees correspond for the aggregate fees billed for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning. "All other fees" comprises the aggregate fees billed for products and services provided by the principal accountant, other than the services reported in the previous items.

Management approved all audit, audit-related services, tax services and other services provided by our auditor. Further, our auditor committee will approve all audit, audit-related services, tax services and other services provided by our auditor. Any services provided by our auditor that are not specifically included within the scope of the audit must be pre-approved by the board of directors in advance of any engagement.

**ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES**

See "Item 6. Directors, Senior Management and Employees—C. Board practices—Foreign Private Issuer Exemption."

**ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS**

We have conducted the following repurchases of our shares:

Date	Number of shares	Price per share (\$)	Total (\$)
April 9, 2024	907	11.2	10,158.40
April 9, 2024	2,500	11.2	28,000.00
April 10, 2024	5,400	11	59,400.00
April 18, 2024	300	9.9	2,970.00
April 18, 2024	500	10.16	5,080.00
April 18, 2024	750	10.05	7,537.50
April 18, 2024	1,000	10.1	10,100.00
April 19, 2024	2,000	8.2	16,400.00
April 19, 2024	2,000	8.2	16,400.00
April 22, 2024	2,000	8.55	17,100.00
April 23, 2024	500	8.3	4,150.00
April 23, 2024	2,500	8.41	21,025.00
<b>TOTAL</b>	<b>20,357</b>		<b>198,320.90</b>

**ITEM 16F. CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT**

Not applicable.

**ITEM 16G. CORPORATE GOVERNANCE**

For a discussion of how our corporate governance practices differ from those followed by domestic companies, see “*Item 6. Directors, Senior Management and Employees—C. Board practices—Foreign Private Issuer Status.*”

**ITEM 16H. MINE SAFETY DISCLOSURE**

Not applicable.

**ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

**ITEM 16J. INSIDER TRADING POLICY.**

We have adopted an Insider Trading Policy that encourages our team members to act with integrity and uphold our values in all that they do and that enforces these values with the objective of preventing insider trading. The policy applies to all directors, officers, employees, staff, temporary or short-term workers, exclusive contractors and contractors, regardless of their operating location, the duration of their service or role within the Company. Each such team member is responsible for making sure they comply with the policy, and that any family member, household member or entity whose transactions are subject to the policy also comply with it. The policy may be reviewed and updated from time-to-time as appropriate or as required by applicable law. A copy of the policy is filed as Exhibit 11.2 to this Annual Report.

**ITEM 16K. CYBERSECURITY**

We have structured and implemented a set of security policies and procedures to reduce the vulnerability of our systems and protect the confidentiality and availability of our critical systems.

Murano’s IT manager is charged with overseeing our IT infrastructure and information systems, which includes identifying cybersecurity threats to which we are exposed, assessing the level of vulnerability and adopting IT solutions and security protocols to reduce those risks to an acceptable level. The IT manager reports periodically to our CEO and COO on cybersecurity matters. We believe that our IT manager has the appropriate academic background and the experience (eight years in its current role) to effectively perform their tasks.

We also engage a managed IT service provider to assist us with managing cybersecurity risks. Our managed IT service provider supplies monitoring and management services that enable us to assess, identify, and remediate material risks from cybersecurity threats to our information systems. Our IT manager receives a monthly report from the managed IT service provider with a summary of cybersecurity matters. In the event of a potential cybersecurity incident or a series of related cybersecurity incidents, we will receive assistance from our IT service provider, which will coordinate with the IT manager. We maintain backups and disaster recovery plans to restore our information in the event of an incident.

Murano’s board of directors has oversight responsibility for Murano’s overall risk management, including cybersecurity risk. Our COO is responsible for reporting on a quarterly basis to the Compensation & Governance Committee which is responsible for overseeing the Group’s risks including those from cybersecurity threats, and reporting to the Murano Board in that regard. Both the Compensation & Governance Committee and Board have members with substantial expertise and experience in the management and oversight of risks, including IT and cyber-related. The Compensation & Governance Committee is immediately informed of any IT or cyber threat and monitors the prevention, detection, mitigation, and remediation of cybersecurity incidents.

There can be no assurance that our cybersecurity risk management program and processes, including our policies, controls or procedures, will be fully enforced, complied with or effective in protecting our systems and information. We have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. We face certain ongoing risks from cybersecurity threats that, if realized, are reasonably likely to materially affect our operations, business strategy, results of operations, or financial condition. For an additional description of our cybersecurity risks and potential related impacts on us, see the section entitled “*Item 3. Key Information - D. Risk Factors - Risks Related to Murano’s Business and Operating in the Hotel Industry - Cyber threats and the risk of data breaches or disruptions of our hotel managers’ or our own information technology systems could materially adversely affect our business*” in this annual report.

**ITEM 17. FINANCIAL STATEMENTS**

See Item 18.

**ITEM 18. FINANCIAL STATEMENTS**

See our Murano Group’s combined financial statements beginning on page F-1.

**ITEM 19. EXHIBITS**

No.	Description
<a href="#">1.1</a>	Memorandum and Articles of Association
<a href="#">2.1</a>	Private Placement Warrants Purchase Agreement, dated January 20, 2022, by and between HCM Acquisition Corp and the Underwriter (incorporated by reference to Exhibit 10.3(b) on Form 8-K filed on January 25, 2022)
<a href="#">2.2</a>	Warrant Agreement, dated January 20, 2022, by and between HCM Acquisition Corp and Continental Stock Transfer & Trust Company, as warrant agent (incorporated by reference to Exhibit 4.4 to Form 8-K filed on January 25, 2022)
<a href="#">4.1</a>	Initial Business Combination Agreement, dated March 13, 2023, by and among HCM Acquisition Corp, MURANO PV, S.A. DE C.V., Elías Sacal Cababie, ES Agrupación, S.A. de C.V., Murano Global B.V., MPV Investment B.V., and Murano Global Cayman (incorporated by reference to Exhibit 2.1 to the Form 8-K filed on March 15, 2023)
<a href="#">4.2</a>	Amended & Restated Business Combination Agreement, dated August 2, 2023, by and among HCM Acquisition Corp, MURANO PV, S.A. DE C.V., Elías Sacal Cababie, ES Agrupación, S.A. de C.V., Murano Global B.V., MPV Investment B.V., and Murano Global Cayman (incorporated by reference to Exhibit 2.1 to the Form 8-K filed on August 7, 2023)
<a href="#">4.3</a>	Amendment to the Amended & Restated Business Combination Agreement, dated December 31, 2023, by and among HCM Acquisition Corp, and MURANO PV, S.A. DE C.V. (incorporated by reference to Exhibit 2.1 to the Form 8-K filed on January 5, 2024)
<a href="#">4.4</a>	Second Amendment to Amended and Restated Memorandum and Articles of Association (incorporated by reference to Exhibit 3.1 on the Form 8-K filed on January 23, 2024)
<a href="#">4.5</a>	Registration Rights Agreement, dated January 20, 2022, by and among the HCM Acquisition Corp, HCM Holdings and the Underwriter (incorporated by reference to Exhibit 10.2 on Form 8-K filed on January 25, 2022)
<a href="#">4.6</a>	Sponsor Support Agreement, dated August 2, 2023, by and among HCM Investor Holdings, LLC, the other holders of HCM Class B Ordinary Shares, and Murano PV, S.A. de C.V. (incorporated by reference to Exhibit 10.1 to the Form 8-K filed on August 7, 2023)
<a href="#">4.7</a>	Amendment to Sponsor Support Agreement, dated December 31, 2023, by and among HCM Investor Holdings, LLC, the other holders of HCM Class B Ordinary Shares, and Murano PV, S.A. de C.V. (incorporated by reference to Exhibit 10.1 to the Form 8-K filed on January 5, 2024)
<a href="#">4.8</a>	U.S. dollar-denominated syndicated secured mortgage loan agreement, dated October 4, 2019, among Fideicomiso Murano 2000 and Banco Nacional de Comercio Exterior, S.N.C Institución de Banca de Desarrollo, Caixabank, S.A. Institución de Banca Múltiple, Sabadell, S.A. Institución de Banca Múltiple and Nacional Financiera, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo (the “2019 Sabadell Loan Agreement”) (incorporated by reference to Exhibit 10.7 to the Form F-4 filed on January 30, 2024)
<a href="#">4.9</a>	Peso-denominated loan agreement, dated as of October 16, 2019, between Fideicomiso Murano 2000 and Banco Nacional de Comercio Exterior, S.N.C Institución de Banca de Desarrollo (incorporated by reference to Exhibit 10.8 to the Form F-4 filed on January 11, 2024)
<a href="#">4.10</a>	Amendment to the 2019 Sabadell Loan Agreement, dated August 24, 2023 (incorporated by reference to Exhibit 10.9 to the Form F-4 filed on January 30, 2024)
<a href="#">4.11</a>	Lease Agreement, dated February 3, 2023, between Arrendadora Finamo, S.A. de C.V., as lessor, and Murano World (incorporated by reference to Exhibit 10.10 to the Form F-4 filed on January 11, 2024)
<a href="#">4.12</a>	Amended and Restated Bancomext Loan Agreement, dated May 25, 2023, among Inmobiliaria Insurgentes 421, as borrower, Operadora Hotelera I421, S.A. de C.V. and Operadora Hotelera I421 Premium, S.A. de C.V., as joint obligors entered into certain loan agreement with Banco Nacional de Comercio Exterior, S.N.C., Institución de Banca de Desarrollo, as lender (incorporated by reference to Exhibit 10.13 to the Form F-4 filed on January 11, 2024)

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<a href="#">4.13</a>	Grand Island I Hotel Management Agreement, dated September 10, 2019, between Operadora Hotelera G I, S.A. de C.V. and AMR Operaciones MX, S. de R.L. de C.V. (incorporated by reference to Exhibit 10.14 to the Form F-4 filed on January 11, 2024)
<a href="#">4.14</a>	Amendment to Grand Island I Hotel Management Agreement, dated July 11, 2023, between Operadora Hotelera G I, S.A. de C.V. and AMR Operaciones MX, S. de R.L. de C.V. (incorporated by reference to Exhibit 10.15 to the Form F-4 filed on January 11, 2024)
<a href="#">4.15</a>	Hyatt Hotel Management Agreement, dated May 11, 2022, between Operadora Hotelera I421, S.A. de C.V. and Hyatt of Mexico, S.A. de C.V. (incorporated by reference to Exhibit 10.16 to the Form F-4 filed on January 11, 2024)
<a href="#">4.16</a>	Mondrian Hotel Management Agreement, dated May 11, 2022, between Operadora Hotelera I421 Premium, S.A. de C.V. and Ennismore Holdings US Inc. (incorporated by reference to Exhibit 10.17 to the Form F-4 filed on December 1, 2023)
<a href="#">4.17</a>	Loan Agreement, dated as of March 29, 2023, by and among Murano World, S.A. DE C.V., as borrower, and ALG Servicios Financieros Mexico, S.A. DE C.V., Sofom E.N.R, Sofom, as creditor (incorporated by reference to Exhibit 10.18 to the Form F-4 filed on January 11, 2024)
<a href="#">4.18</a>	Amended and Restated Lease Agreement, dated October 10, 2018, by and among Inmobiliaria Insurgentes 421 and Operadora Hotelera I421, S. A. de C.V. (incorporated by reference to Exhibit 10.19 to the Form F-4 filed on January 11, 2024)
<a href="#">4.19</a>	Second Amendment to Peso-denominated loan agreement, dated February 14, 2023, between Fideicomiso Murano 2000 and Banco Nacional de Comercio Exterior, S.N.C Institución de Banca de Desarrollo (incorporated by reference to Exhibit 10.20 to the Form F-4 filed on January 11, 2024)
<a href="#">4.20</a>	Third Amendment to Peso-denominated loan agreement, dated December 11, 2023, between Fideicomiso Murano 2000 and Banco Nacional de Comercio Exterior, S.N.C Institución de Banca de Desarrollo (incorporated by reference to Exhibit 10.21 to the Form F-4 filed on January 30, 2024)
<a href="#">4.21</a>	Counter Guarantee dated as of September 11, 2019, executed by Operadora Hotelera GI, S.A. de C.V. in favor of AMR Operaciones MX, S. de R.L. de C.V.†
<a href="#">4.22</a>	Counter Guarantee, dated as of August 23, 2021, executed by Operadora Hotelera Grand Island II, S.A. de C.V. in favor of AMR Operaciones MX, S. de R.L. de C.V.†
<a href="#">4.23</a>	Memorandum of Understanding, dated as of March 30, 2023, by and among Elias Sacal Cababie, Murano World, S.A. de C.V., Operadora Hotelera GI, S.A. de C.V., and Operadora Hotelera Grand Island II, S.A. de C.V.†
<a href="#">4.24</a>	First amendment to the Counter Guarantee, dated as of September 11, 2019, executed on March 30, 2023†
<a href="#">4.25</a>	First amendment to the Counter Guarantee, dated as of August 23, 2021, executed on March 30, 2023†
<a href="#">4.26</a>	Second amendment to the Counter Guarantee, dated as of September 11, 2019, executed on August 22, 2023†
<a href="#">4.27</a>	Second amendment to the Counter Guarantee, dated as of August 23, 2021, executed on August 22, 2023†
<a href="#">4.28</a>	Amendment and Restatement to the Sabadell Loan Agreement dated as of December 20, 2023
<a href="#">4.29</a>	Peso-denominated loan agreement, dated April 9, 2024, between Murano P.V. and Finamo and Mr. Elias Sacal Cababie.
<a href="#">8.1</a>	Subsidiaries of the registrant (incorporated by reference to Exhibit 21.1 to the Form F-4 filed on November 8, 2023)
<a href="#">11.1</a>	Code of Conduct
<a href="#">11.2</a>	Insider Trading Policy
<a href="#">13.1</a>	Certificate of Chief Executive Officer
<a href="#">13.2</a>	Certificate of Chief Operating Officer
<a href="#">13.3</a>	Certificate of Chief Financial Officer
<a href="#">97.1</a>	Compensation Recovery Policy

† Filed herewith

# Certain schedules, annexes and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K, but will be furnished supplementally to the SEC upon request.

**SIGNATURES**

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this report on its behalf.

**MURANO GLOBAL INVESTMENTS PLC**

Date: April 30, 2024

By: /s/ David Galan  
Name: David Galan  
Title: Chief Financial Officer

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**Report of Independent Registered Public Accounting Firm**

To the Stockholders and Board of Directors

Murano PV, S. A. de C. V

*Opinion on the Combined Financial Statements*

We have audited the accompanying combined statements of financial position of Murano PV, S. A. de C. V., Murano World, S. A. de C. V., Edificaciones BVG, S. A. de C. V., Fideicomiso Murano 6000 CIB/3109, Inmobiliaria Insurgentes 421, S. A. de C.V., Operadora Hotelera GI, S. A. de C. V., Operadora Hotelera Grand Island II, S. A. de C. V., Operadora Hotelera I421, S. A. de C. V., Operadora Hotelera I421 Premium, S. A. de C. V., Fideicomiso Murano 2000 CIB /3001, Fideicomiso Murano 4000 CIB/3288, Fideicomiso Murano 1000 CIB /3000, Servicios Corporativos BVG, S. A. de C.V., and Murano Management, S. A. de C. V. (collectively, Murano Group) as of December 31, 2023 and 2022, the related combined statements of profit or loss and other comprehensive income, change in net assets, and cash flows for each of the years in the three-year period ended December 31, 2023 and the related notes (collectively, the combined financial statements). In our opinion, the combined financial statements present fairly, in all material respects, the financial position of Murano Group as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2023, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

*Going Concern*

The accompanying combined financial statements have been prepared assuming that the Companies included in the combined financial statements will continue as a going concern. As discussed in Note 2c to the combined financial statements, at December 31, 2023 total current liabilities exceed the amount of the total current assets on the combined statement of financial position. Based upon the Murano Group's current plans, management believes that financial resources to fund the operations of the Companies for the twelve months subsequent to the authorization and issuance of these combined financial statements may be insufficient. As a result of these conditions, substantial doubt exists about the ability of the Companies to continue as a going concern. Management's plans in regard to these matters are also described in Note 2c. The combined financial statements do not include any adjustments that might result from the outcome of this uncertainty.

*Basis for Opinion*

These combined financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these combined financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the combined financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the combined financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG Cárdenas Dosal, S.C.

We have served as the Company's auditor since 2019.

Mexico City, Mexico

April 30, 2024

**Murano Group Combined Financial Statements**
**Combined statements of financial position  
As of December 31, 2023 and 2022  
(Mexican pesos)**

	Notes	December 31, 2023	December 31, 2022
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and cash equivalents and restricted cash	5	\$ 146,369,734	\$ 240,754,805
Trade receivables		16,831,611	-
VAT receivable		242,079,862	228,769,530
Other receivables		28,341,695	25,406,466
Due from related parties	6	143,549,146	-
Prepayments		18,792,796	22,900,399
Inventories		1,415,594	1,912,518
<b>Total current assets</b>		<u>597,380,438</u>	<u>519,743,718</u>
Property, construction in process and equipment	7	17,420,027,969	16,882,483,829
Investment property	8	1,100,491,490	1,187,089,926
Prepayments		-	20,200,000
Right of use assets	9	217,037,091	591,039
Financial derivative instruments	13	116,923,727	192,791,990
Guarantee deposits	9, 10	21,480,804	-
Other assets		1	1
<b>Total non-current assets</b>		<u>18,875,961,083</u>	<u>18,283,156,785</u>
<b>Total assets</b>		<u>\$ 19,473,341,521</u>	<u>\$ 18,802,900,503</u>
<b>Liabilities and Net assets</b>			
<b>Current Liabilities:</b>			
Current installments of long-term debt	10	\$ 2,039,355,678	\$ 3,795,787,027
Trade accounts payable and accumulated expenses		399,163,421	124,585,497
Advance customers		8,263,469	-
Due to related parties	6	133,002,659	68,343,487
Lease liabilities	9	30,006,807	387,617
Income tax payable		12,135,180	18,744,910
Employees' statutory profit sharing		2,241,724	2,140,642
Contributions for future net assets		3,500,000	59,439,020
<b>Total current liabilities</b>		<u>2,627,668,938</u>	<u>4,069,428,200</u>
<b>Non-current Liabilities:</b>			
Long-term debt, excluding current installments	10	4,643,317,136	1,767,387,977
Due to related parties, excluding current portion	6	87,302,929	206,145,860
Lease liabilities, excluding current portion	9	177,954,726	236,572
Employee benefits	11	8,766,021	6,654,318
Other liabilities	3(r)	62,504,424	-
Deferred tax liabilities	12	4,031,599,864	4,353,712,591
<b>Total non-current liabilities</b>		<u>9,011,445,100</u>	<u>6,334,137,319</u>
<b>Total liabilities</b>		11,639,114,038	10,403,565,518
<b>Net Assets</b>			
Net parent investment	16	902,611,512	902,611,512
Accumulated deficit		(1,181,044,835)	(1,238,837,756)
Other comprehensive income		8,112,660,806	8,735,561,229
<b>Total Net assets</b>		<u>7,834,227,483</u>	<u>8,399,334,985</u>
<b>Total liabilities and net assets</b>		<u>\$ 19,473,341,521</u>	<u>\$ 18,802,900,503</u>

The accompanying 19 notes are an integral part of these combined financial statements, which were authorized for issue on April 30, 2024.



**Murano Group Combined Financial Statements**
**Combined statements of profit or loss and other comprehensive income**  
**Years ended December 31, 2023, 2022 and 2021**  
**(Mexican pesos)**

	Notes	2023	2022	2021
Revenue	14	\$ 286,651,914	\$ 6,431,022	\$ 1,529,063
Direct and selling, general and administrative expenses:				
Employee Benefits		158,777,211	53,944,188	18,978,039
Food & Beverage and service cost		50,548,808	1,167,596	-
Sales commissions		12,047,140	-	-
Management fees operators		6,031,578	-	-
Depreciation and amortization		135,498,890	1,808,833	-
Development contributions to the local area		-	25,862,069	-
Property tax		10,062,451	15,605,504	6,578,460
Fees		81,161,295	67,534,391	42,344,526
Administrative fees		16,148,254	1,784,617	-
Maintenance and conservation		9,676,728	10,218,739	-
Utility expenses		11,806,600	2,386,067	-
Advertising		7,326,696	9,806,261	2,657,102
Donations		7,676,660	1,000,000	-
Insurance		14,820,097	3,891,189	2,599,879
Software		6,744,506	2,226,283	-
Cleaning and laundry		9,197,151	1,622,716	-
Bank commissions		8,317,475	6,700,414	-
Other costs		62,238,994	45,073,847	20,353,208
Total direct and selling, general and administrative expenses		608,080,534	250,632,714	93,511,214
(Loss) gain on revaluation of investment property		(86,598,436)	298,089,926	60,907,125
Interest income		8,845,532	555,638	851,178
Interest expense		(303,746,643)	(86,485,683)	(50,527,066)
Exchange rate income, net		768,699,652	276,747,870	306,286
Valuation of financial derivative instruments	13	(75,868,263)	200,739,870	75,846,728
Other income	15	25,560,552	33,514,903	33,656,776
Other expenses	15	(9,801,077)	(3,874,125)	(28,708,322)
<b>Profit before income taxes</b>		<u>5,662,697</u>	<u>475,086,707</u>	<u>350,554</u>
Income taxes	12	52,130,224	(230,709,407)	(105,858,981)
<b>Net profit (loss) for the period</b>		<u>\$ 57,792,921</u>	<u>\$ 244,377,300</u>	<u>\$ (105,508,427)</u>
Other comprehensive income:				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Revaluation of Property, construction in process and equipment net of deferred income tax	12	(622,987,642)	4,206,327,542	167,293,063
Remeasurement of net defined benefit liability net of deferred income tax	12	87,219	(1,788,136)	659,303
<b>Other comprehensive (loss) income for the period</b>		<u>(622,900,423)</u>	<u>4,204,539,406</u>	<u>167,952,366</u>
<b>Total comprehensive (loss) income</b>		<u>\$ (565,107,502)</u>	<u>\$ 4,448,916,705</u>	<u>\$ 62,443,939</u>

The accompanying 19 notes are an integral part of these combined financial statements, which were authorized for issue on April 30, 2024.

**Murano Group Combined Financial Statements**

**Combined statements of change in net assets  
Years ended December 31, 2023, 2022 and 2021  
(Mexican pesos)**

	Notes	Net Parent Investment	Accumulated Deficit	Other Comprehensive Income		Total
				Revaluation of Property, construction in process and equipment net of deferred income tax	Remeasurement of net defined benefit liability net of deferred income tax	
Balances as of January 1, 2021		\$ 1,239,627,326	\$ (1,377,706,629)	\$ 4,363,490,298	\$ (420,841)	\$ 4,224,990,154
Reimbursements of net parent investment	16	(45,721,041)	-	-	-	(45,721,041)
Contributions to net parent investment	16	7,050,551	-	-	-	7,050,551
Loss for the period		-	(105,508,427)	-	-	(105,508,427)
Other comprehensive income for the period		-	-	167,293,063	659,303	167,952,366
Balances as of December 31, 2021		1,200,956,836	(1,483,215,056)	4,530,783,361	238,462	4,248,763,603
Reimbursements of net parent investment	16	(298,773,702)	-	-	-	(298,773,702)
Contributions to net parent investment	16	428,378	-	-	-	428,378
Profit for the period		-	244,377,300	-	-	244,377,300
Other comprehensive income (loss) for the period		-	-	4,206,327,542	(1,788,136)	4,204,539,406
Balances as of December 31, 2022		\$ 902,611,512	\$ (1,238,837,756)	\$ 8,737,110,903	\$ (1,549,674)	\$ 8,399,334,985
Profit for the period		-	57,792,921	-	-	57,792,921
Other comprehensive income (loss) for the period		-	-	(622,987,642)	87,219	(622,900,423)
Balances as of December 31, 2023		\$ 902,611,512	\$ (1,181,044,835)	\$ 8,114,123,261	\$ (1,462,455)	\$ 7,834,227,483

The accompanying 19 notes are an integral part of these combined financial statements, which were authorized for issue on April 30, 2024.

**Murano Group Combined Financial Statements**
**Combined statements of cash flows**  
**Years ended December 31, 2023, 2022 and 2021**  
**(Mexican pesos)**

	Notes	2023	2022	2021
<b>Cash flows from operating activities:</b>				
Profit before income taxes		\$ 5,662,697	\$ 475,086,707	\$ 350,554
Adjustments for:				
Depreciation of property, construction in process and equipment	7	128,715,199	1,268,241	1,569,991
Depreciation of right of use assets	9	6,783,691	540,642	536,173
Disposals of furniture		6,656,723	-	-
Amortization of costs to obtain loans and commissions	10	8,106,066	3,884,065	3,302,539
Valuation of financial derivative instruments	13	75,868,263	(200,739,870)	(75,846,728)
Loss (gain) on revaluation of investment property	8	86,598,436	(298,089,926)	(60,907,125)
Interest expense	10, 6	300,463,958	86,435,979	50,449,401
Interest expense from lease liabilities	9	3,282,685	49,704	77,665
Interest income		(8,845,532)	(555,638)	(851,178)
Net foreign exchange gain unearned		(756,380,690)	(281,250,941)	82,858,976
		(143,088,504)	(213,371,037)	1,540,268
Changes in:				
Increase in receivable VAT		(13,310,332)	(57,046,975)	(42,107,954)
Increase in trade receivable		(16,831,611)	-	-
Increase in other receivables		(2,935,229)	(12,561,563)	(1,180,916)
Decrease in prepayments		24,307,603	2,065,240	(36,089,436)
Increase in related parties, net		-	(20,107,537)	(44,073,072)
Decrease (increase) in inventory		496,924	(1,912,518)	-
(Increase) decrease in other assets		(21,480,806)	73,362	(76,073)
Increase (decrease) in trade payables		275,492,241	25,276,683	(63,035,437)
Increase in other liabilities		62,504,425	-	-
Increase in employee benefits		2,149,082	684,383	1,024,865
Increase in employees' statutory profit sharing		101,082	1,388,573	18,773
Income taxes paid		(2,198,538)	-	-
Net cash flows from (used in) operating activities		165,206,337	(275,511,389)	(183,978,982)
<b>Cash flows used in investing activities</b>				
Interest received		2,081,201	555,638	851,178
Disposal of property, construction in process and equipment	7	157,032,407	85,296,091	8,204,241
Loans granted to related parties	6	(136,784,815)	-	-
Acquisition of property, construction in process and equipment	7	(1,719,930,815)	(1,523,373,463)	(886,774,971)
Net cash flows used in investing activities		(1,697,602,022)	(1,437,521,734)	(877,719,552)
<b>Cash flows from financing activities:</b>				
Cash contributions to net parent investment	16	-	428,378	7,050,551
Reimbursements of net parent investment	16	-	(298,773,702)	(45,721,042)
(Withdrawals) contributions for future net assets increase		(55,939,020)	24,121,580	5,806,279
Proceeds from loans	10	2,116,176,076	2,237,181,037	1,108,741,445
Loans received from related parties	6	60,581,457	150,363,750	177,990,700
Loan payments to related parties	6	(96,693,781)	(57,493,961)	(316,177,293)
Loan payments to third parties	10	(272,136,923)	(220,572,529)	(63,126,856)
Costs to obtain loans and commissions	10	(37,075,869)	(19,249,547)	-
Payments of leasing liabilities	9	(19,175,084)	(586,399)	(581,924)
Interest paid		(257,726,242)	(45,065,474)	(38,161,827)
Net cash flows from financing activities		1,438,010,614	1,770,353,133	835,820,033
Net (decrease) increase in cash and cash equivalents and restricted cash		(94,385,071)	57,320,010	(225,878,501)
Cash and cash equivalents and restricted cash at the beginning of the year		240,754,805	183,434,795	409,313,296
Cash and cash equivalents and restricted cash at the end of the year		\$ 146,369,734	\$ 240,754,805	\$ 183,434,795

The accompanying 19 notes are an integral part of these combined financial statements, which were authorized for issue on April 30, 2024.

**Murano Group Combined Financial Statements**

**Notes to Combined Financial Statements**

**As of December 31, 2023 and 2022**

**And for the Years Ended December 31, 2023, 2022 and 2021**

**(Mexican pesos)**

**1. Reporting Entity and description of business**

**a. Corporate information**

On April 30, 2024, Elias Sacal Cababie, Chief Executive Officer, Marcos Sacal Cohen, Chief Operating Officer, David James Galan, Global Chief Financial Officer and Oscar Jazmani Mendoza Escobar, Chief Financial Officer Mexico, authorized the issue of these combined financial statements.

Murano PV, S. A. de C. V., Murano World, S. A. de C. V., Edificaciones BVG, S. A. de C. V., Fideicomiso Murano 6000 CIB/3109, Inmobiliaria Insurgentes 421, S. A. de C.V., Operadora Hotelera GI, S. A. de C. V., Operadora Hotelera Grand Island II, S. A. de C. V., Operadora Hotelera I421, S. A. de C. V., Operadora Hotelera I421 Premium, S. A. de C. V., Fideicomiso Murano 2000 CIB /3001, Fideicomiso Murano 4000 CIB/3288, Fideicomiso Murano 1000 CIB /3000, Servicios Corporativos BVG, S. A. de C.V., and Murano Management, S. A. de C. V. (collectively, the “Group”, “the Company” or the “Companies”) are headquartered at F. C. de Cuernavaca 20, 12<sup>th</sup> floor, Lomas – Virreyes, Lomas de Chapultepec III Secc., Miguel Hidalgo, 11000 Mexico City. The Group has prepared its financial statements on a combined basis, for further information refer to note 3 (a).

The Group is a Mexican development company with extensive experience in the structuring, development and assessment of industrial, residential, corporate office, and hotel projects in Mexico. The Company also provides comprehensive services, including the execution, construction, management, and operation of a wide variety of industrial, business, tourism, and medical real estate projects, among others. The Group is primarily involved in developing and managing luxury hotels in urban and beach resort destinations.

As of December 31, 2023, the Andaz and Mondrian Hotels, in Mexico City, are fully operational with a combined capacity of 396 rooms.

The Group is also developing a resort complex in Grand Island, Cancun, Quintana Roo, which will include over 3,000 rooms, a world trade center, a water park, a retail village and a beach club. This project is divided into two phases:

- I. Phase one of the complex when fully operational will have 1,016 rooms, divided into two hotel brands: (i) 400 rooms, to be operated under the “Vivid” brand, an adult-only brand; and (ii) 616 rooms, to be operated under the “Dreams” brand, a family-friendly brand. The Vivid hotel with 400 rooms is completed and began operations on April 1, 2024. The Dreams hotel with a further 616 rooms is expected to commence operations in the third quarter of 2024.
- II. Phase two of the GIC Complex in Cancun is planned as an integrated resort split across four different hotel brands all operated by Hyatt (AM Resorts). This second phase is planned to have 2,000 rooms, Murano has not yet begun the process of trying to secure financing for the development of this phase of the Cancun project and a completion date is therefore not possible to estimate at this time.

The Group is also planning to develop an iconic 371 room hotel categorized as 5 star upper-upscale, in Bajamar, Baja California (the "Resort Property in Baja"). The construction of the Resort Property in Baja is currently under preliminary evaluation and Murano has not yet begun the process of securing financing for this project and a completion date is therefore not possible to estimate at this time.

Also in Baja California, the Group is engaged in the development of industrial parks, such as the Baja Park Development Project which will consist of 363,262 sqm of retail area. Construction of the Baja Park Development Project is expected to begin once financing has been secured, a completion date is therefore not possible to estimate at this time.

**b. Significant transactions**

- i. In February 2023, the Group signed a lease agreement as lessee for an amount of \$350,000,000 with a 48-month term period with Arrendadora Finamo, S.A. de C.V. ("Finamo"), this contract was classified as a financial liability due to the sale and lease-back transaction agreement is a failed sale. The agreement includes plots of land in La Punta Baja Mar that were subject to a registered debenture.

The list of the plots of land granted is as follows: (1) Lote 1, Manzana S/M, Sup. 4,117.88 M2; (2) Lote 2, Manzana S/M, Sup. 6,294.08 M2; (3) Lote 3 (VIALIDAD), Manzana S/M, Sup. 4,117.88 M2; (4) Lote 4, Manzana S/M, Sup. 10,015.68 M2; (5) Lote 5, Manzana S/M, Sup. 11,986.53 M2; (6) Lote 6, Manzana S/M, Sup. 2,912.02 M2; (7) Lote 7, Manzana S/M, Sup. 568.51 M2 and (8) Lote 8, Manzana S/M, Sup. 635.25 M2.

- ii. On March 13, 2023, the Group signed a Business Combination Agreement ("BCA") with HCM Acquisition Corp ("HCM") to carry out a de-SPAC transaction. On August 2, 2023, the Group signed an amended and restated Business Combination Agreement which contains customary representations and warranties, covenants, closing conditions and other terms relating to the business combination and the replacement of Murano Global B.V., which was intended to be a tax resident of the Netherlands, with Murano Global Investments Limited ("Murano Global"), a tax resident of the United Kingdom.

- iii. In March 2023, the Group acquired a beach club in Cancun for an amount of \$171,000,000 (U.S.\$9.4 million approximately). The Group signed a secured loan agreement with ALG Servicios Financieros México, S.A. de C.V., SOFOM E.N.R. ("ALG") for a principal amount of U.S.\$20,000,000.00. The first disbursement of U.S.\$8,000,000.00, was used to finance the acquisition of the beach club land. In April and July 2023, the Group drew U.S.\$5,000,000 and U.S.\$7,000,000, respectively, which were used for the construction of the beach club. The loan bears an annual interest of 10% and matures on December 1, 2030. The Group provided this beach club as guarantee for this loan. ALG is incorporated as trustee in the guarantee trust of Fideicomiso Murano 2000.

- iv. In May 2023, the Group restructured the credit line with Bancomext to increase from U.S.\$75,000,000 up to U.S.\$100,000,000.

- v. On August 24, 2023, Fideicomiso Murano 2000, as borrower, Banco Sabadell, S.A., I.B.M., as administrative and collateral agent, Banco Nacional de Comercio Exterior, S.N.C Institución de Banca de Desarrollo, Caixabank, S.A., SabCapital, S.A. de C.V., S.O.F.O.M., E.R., and Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, as lenders, Operadora Hotelera GI, S.A. de C.V., Operadora Hotelera Grand Island II, S. A. de C. V., and Murano World, S.A. de C.V., as joint and several obligors, and with the appearance of Murano PV, S.A. de C.V., Murano AT GV, S.A. de C.V. and Elías Sacal Cababie executed an amendment to the syndicated secured mortgage loan agreement and its subsequent amendments for purposes of restructuring such loan.

The restructuring consists of an increase of the current syndicated credit facility by U.S. \$45,000,000, with a variable interest rate based on the quarterly SOFR rate with a fixed spread of 4.0116%. The credit extension was documented through two tranches of debt: Tranche B for U.S.\$35,000,000 which will be used to finalize the construction of phase I of the GIC Complex and Tranche C for U.S.\$10,000,000 which will be used to cover additional project costs and capital requirements for the development of the GIC Complex. The loan maturity date is February 5, 2033. The agreement is subject to the Mexican laws and jurisdiction of the courts of Mexico City. The loan agreement includes as new guarantees the plot of land number 2 and the beach club – Playa Delfines of the Cancun complex.

- vi. The Exitus and Sofoplus loans in Mexican pesos described in note 6, came to an end through the early payment made by the Group, aiming to release the collateral associated with these financing arrangements. The amount paid to Sofoplus was \$57,593,160 on August 22, 2023 and the amount paid to Exitus was \$75,130,254 on September 14, 2023 regarding the loan credit agreements, for a principal amount of \$200,000,000. This early payment allows the Group to set free the plot of land number 2 of the Cancun Complex and give it as a guarantee in the restructuring of the syndicated loan described in note 1.b.v and note 10.

## 2. **Basis of preparation**

These combined financial statements have been prepared for purposes of including them in a filing with the U.S. Securities and Exchange Commission. During 2024, the Group conducted a capital restructuring that resulted in Murano Global becoming the ultimate parent company of the Group and Murano PV, S. A. de C. V. as an intermediate holding company of the Group of the companies included in these combined financial statements and a subsidiary of Murano Global.

### a. **Statement of compliance**

The Group has prepared these combined financial statements in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), in effect as of December 31, 2023.

### b. **Basis of measurement**

The combined financial statements have been prepared on the historical cost basis, except for derivative financial instruments, net defined benefit liability and certain items of property, construction in process and equipment such as land, buildings and construction in process, which are measured at fair value at the end of each reporting period.

### c. **Going concern basis**

These combined financial statements have been prepared assuming the companies included will continue as a going concern. However, management has identified material uncertainties that may cast significant doubt on the ability of certain companies included in these Combined Financial Statements to continue as a going concern. As a result, certain of these companies may be unable to realize their assets and discharge their liabilities in the normal course of business.

The combined operations of the Group are that of an early-stage and emerging growth company. Fideicomiso Murano 2000, Inmobiliaria Insurgentes 421 and Murano World (collectively the "Debt Holder Entities") have incurred significant debt primarily to fund operating expenses and finance the construction projects mentioned in note 1 (a). In addition, a covenant related to the debt held by Fideicomiso Murano 2000, which was in compliance as of December 31, 2023, was breached subsequent to year end. On March 19, 2024, a temporary waiver for this covenant breach was obtained until May 1, 2024. The Debt Holder Entities represent 83.8% of the Group's total combined assets.

In addition, as of December 31, 2023, the companies comprising the remaining 16.2% of the total combined assets of the Group have incurred recurring losses and negative operating cash flows since their inception. As of December 31, 2023, total current liabilities exceed the amount of the total current assets on the combined statement of financial position. Based upon the Group's current plans, management believes that financial resources to fund the operations of those entities as well as the Debt Holder Entities above for the twelve months subsequent to the authorization and issuance of these combined financial statements may be insufficient.

As a result of these conditions, substantial doubt exists about the ability of those entities as well as the Debt Holder Entities above to continue as a going concern following twelve months after the financial statements are authorized to be issued.

Management continues evaluating strategies to obtain the required additional funding necessary for future operations, to comply with all covenants as required by the loan agreements, and to be able to discharge the outstanding debt and other liabilities as they become due. In assessing these strategies, management has considered the available cash resources, inflows from the hotels that are already in operation, and future financing options available to the Group such as new or restructured loan agreements and the possible financial support of the major shareholder of the Group. However, the Group may be unable to access further equity or debt financing when needed. As such, there can be no assurance that the Group will be able to obtain additional liquidity when needed or under acceptable terms, if at all.

As part of its strategy and funding plans, in January 2024, the Group signed a loan agreement with Finamo for \$350,000,000 with an annual interest rate of 17%, the funds were received on the same date. The Group also signed a loan agreement with Finamo for U.S. \$26,000,000 with an annual interest rate of 15%, the funds were received on January 18, 2024; part of this second loan was used to repay the first \$350,000,000.

On February 1, 2024, the Group received U.S.\$6,000,000 related to the tranche C of the Syndicated loan On March 27, 2024, Murano World, S. A. de C. V. increased its credit line with Santander from U.S.\$1,500,000 to U.S.\$2,000,000. Finally, on April 9, 2024, Murano PV, S. A. de C. V. signed a loan agreement with Finamo for \$100,000,000 with maturity in 6 months and a fixed annual interest rate of 22%.

These combined financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities and reported expenses that may otherwise be required if the going concern basis for the entities comprising the Group was not appropriate.

**d. Functional and presentation currency**

These combined financial statements are presented in Mexican pesos. All amounts have been rounded, unless otherwise indicated.

Management has exercised judgment in selecting the functional currency of each of the entities included in these combined financial statements based on the primary economic environment in which the entity operates and in reference to the various indicators including the currency that primarily influences or determines interest income, interest expense and other expenses. Based on this evaluation, management has determined that the functional currency of each of the entities included in these combined financial statements is the Mexican peso.

For purposes of disclosure in the notes to the combined financial statements, “pesos” or “\$”, means Mexican pesos and “dollars” or “U.S.\$” means United States of America dollars.

**e. Segments**

Operations are managed and the financial performance is evaluated on a company-wide basis. Accordingly, all of the Group’s hotels, construction and service operations are considered by management to be aggregated in one reportable operating segment; therefore, no separate segment disclosures are presented.

f. *Use of judgments and estimates*

In preparing these combined financial statements, management has made judgments and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

A. *Judgments*

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the combined financial statements is included in the following notes:

Note 3(g) - Construction in process, land and buildings: Subsequent measurement of construction in process is at fair value based on periodic, at least annually, valuations performed by external independent appraisers.

B. *Assumptions and estimation uncertainties*

Information about assumptions and estimation uncertainties as of December 31, 2023, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

Note 7 - determining the fair value of construction in process, land and building on the basis of significant unobservable inputs;

Note 8 - determining the fair value of the investment property on the basis of significant unobservable inputs;

Note 11 - measurement of defined benefit obligations: key actuarial assumptions;

Note 12 - recognition of deferred tax assets: availability of the future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized;

Note 13 - determining the fair value of financial derivative instruments; and

Note 17 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

C. *Measurement of fair value*

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group reviews the significant observable inputs and valuation adjustments.

If third-party information, such as broker quotes or pricing services, is used to measure fair values, the Group evaluates the evidence obtained from third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data whenever possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1:* Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3:* Inputs for the asset or liability that are not based on observable market data (unobservable inputs).



If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 7 - Property, construction in process and equipment.
- Note 8 - Investment Property.
- Note 13 - Financial instruments - Fair value and risk management.

### 3. Material accounting policies

The Group has consistently applied the following material accounting policies to all the periods presented in these combined financial statements.

#### a. Basis of combination

The Group is directly or indirectly controlled by Elias Sacal Cababie, therefore the Group has been combined under the common control approach. The combination includes the following entities: Murano PV, S. A. de C. V., Murano World, S. A. de C. V., Edificaciones BVG, S. A. de C. V., Fideicomiso Murano 6000 CIB/3109, Inmobiliaria Insurgentes 421, S. A. de C.V., Operadora Hotelera GI, S. A. de C. V., Operadora Hotelera Grand Island II, S. A. de C. V., Operadora Hotelera I421, S. A. de C. V., Operadora Hotelera I421 Premium, S. A. de C. V., Fideicomiso Murano 2000 CIB /3001, Fideicomiso Murano 4000 CIB/3288, Fideicomiso Murano 1000 CIB /3000, Servicios Corporativos BVG, S. A. de C.V., and Murano Management, S. A. de C. V.

Transactions, balances and unrealized gains or losses on transactions arising from intragroup transactions are eliminated on the combination following the guidance defined by IFRS 10. Also, the Group is jointly managed by the same Board of Directors, share the same financial reporting system and accounting financial policies under IFRS, and develop and manage the same operating industry.

#### b. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on the historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss and presented within finance costs.

However, foreign currency differences arising from the translation of the following items are recognized in OCI:

- An investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognized in OCI are reclassified to profit or loss);
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective (see (P)(v)); and
- Qualifying cash flow hedges to the extent that the hedges are effective.

#### c. Revenue from contracts with customers

The Company acts as a principal in the activities from which it generates its revenue. Our revenues are primarily derived from the products and services provided to our customers in our owned hotels and are generally recognized when control of the product or service has transferred to the customer. A summary of our sources of revenue is as follows:

- Room rentals.
- Food and beverage.
- Private events.
- Spa services.
- Other services.

We provide room rentals and other services to our guests, including, but not limited to, food and beverage, spa, laundry, and parking. These products and services each represent individual performance obligations, and in exchange for these services, we receive fixed amounts-based on published rates or negotiated contracts. Payment is due in full at the time the services are rendered or the goods are provided.

Room rental revenues are recognized over time on a daily basis as the guest occupies the room, and revenues related to the other products and services are recognized at a point in time when the product or service is provided to the guest.

As of December 31, 2023, the Company did not capitalize costs to obtain contracts with customers because there are no long-term contracts with the customers, due to the operations of the hotel, the incremental costs are recognized in profit or loss as incurred. If long-term contracts were obtained, the Company will capitalize the cost of those contracts.

d. **Cash and cash equivalents and restricted cash**

Cash and cash equivalents and restricted cash of the Company are represented primarily by cash (cash on hand and demand deposits), restricted cash and cash equivalents. Cash equivalents are short-term highly liquid investments with maturities no longer than 90 days, which are subject to an insignificant risk of changes in value. Cash is stated at nominal value and cash equivalents are measured at fair value. For further information, please refer to note 5.

e. **Financial instruments**

(i) **Recognition and initial measurement**

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at Fair Value Through Profit or Loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) **Classification and subsequent measurement**

Financial assets -

On initial recognition, a financial asset is classified as measured at amortized cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at Fair Value Through Other Comprehensive Income ("FVOCI") if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income ("OCI"). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

*Financial assets - Business model assessment:*

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to investors. The information considered includes.

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flow collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

*Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest.*

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual per amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

*Financial assets - Subsequent measurement and gains and losses:*

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gain or losses and impairment are capitalized. Any gain or loss on derecognition is recognized in profit or loss.

*Financial liabilities - Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iii) **Derecognition**

*Financial assets*

The Group derecognizes a financial asset when:

- The contractual rights to the cash flows from the financial asset expire; or
- It transfers the rights to receive the contractual cash flows in a transaction in which either:
  - i. Substantially all the risks and rewards of ownership of the financial asset are transferred; or
  - ii. The Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its combined statement of financial position but retains either all or substantially all of the risk and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

*Financial liabilities*

The Group derecognizes a financial liability when its contractual obligations are discharged or canceled or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

*Interest rate benchmark reform*

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortized cost changed as a result of interest rate benchmark reform, the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- The change is necessary as a direct consequence of the reform; and
- The new basis for determining the contractual cash flows is economically equivalent to the previous basis - i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes.

(iv) **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the combined statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(v) **Derivative financial instruments**

The Group holds derivative financial instruments with the intention to hedge interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss.

(vi) **Impairment**

i. **Non-derivative financial assets**

*Financial instruments*

The Group recognizes loss allowances for Expected Credit Losses ("ECLs") on:

- Financial assets measured at amortized cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following which are measured at twelve-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has nothing creased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- The financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

#### *Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

#### ***Presentation of allowance for ECL in the combined statement of financial position***

Allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

As of December 31, 2023, the Group did not recognize ECL since it has determined that the ECL related to its trade receivables would not be material in the context of these financial statements taken as a whole. As of December 31, 2022, the Group did not recognize ECL due to it did not have financial instruments subject to impairment.

ii. **Non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognized in profit or loss.

For assets, other than goodwill, is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

f. **Prepayments**

Prepaid expenses are initially recognized as assets as of the date the payment is made, provided that it is probable that the future economic benefits associated with the asset will flow to the Group. At the time the goods or services are received, prepaid expenses are either capitalized or recognized in profit or loss as an expense, depending on whether there is certainty that the acquired goods or services will generate future economic benefits. The Group periodically evaluates its prepaid expenses to determine the likelihood that they will cease to generate future economic benefits and to assess their recoverability. The Company classifies its prepayments as current or non-current assets, depending on the period when the Company expects to exercise them. Unrecoverable prepaid expenses are recognized as impairment losses in profit or loss.

g. **Property, construction in process and equipment**

The Company's Property, construction in process and equipment includes the following: land, buildings, construction in process, computer equipment, transportation equipment, furniture, and other equipment.

i. **Recognition and measurement**

Items of property, construction in process and equipment are initially measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

Subsequent measurement of land, buildings and construction in process is at fair value based on periodic, at least annual, valuations performed by external independent appraisers, less subsequent depreciation for buildings; land is not depreciated. The carrying amount of the revaluated assets is adjusted to the revalued amount. If the carrying amount increases as a result of the revaluation, the increase is recognized in other comprehensive income and accumulated as a revaluation surplus, except if it reverses a revaluation decrease of the same assets previously recognized in profit or loss. If the carrying amount is decreased as a result of the revaluation, the decrease is recognized in profit or loss, or against the revaluation surplus in comprehensive income to the extent of any existing balance in respect to the same asset.

All other property and equipment are recognized at historical cost less depreciation.

If significant parts of an item of property, construction in process and equipment have different useful lives, then they are accounted for as separated items (major components) or property, construction in process and equipment.

Any gain or loss on disposal of an item of property, construction in process and equipment is recognized in profit or loss.

ii. *Subsequent expenditure*

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. *Depreciation*

Depreciation is calculated to write off the cost of property, construction in process and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognized in profit or loss. As of December 31, 2022 items recognized at fair value were not subject to depreciation until the construction in process is complete.

During 2023, several assets recognized as construction in process were capitalized as property, building and hotel furniture due to the assets reached the necessary conditions to operate as Management intended.

Management Group estimates the following useful life for the major assets.

	<u>Years</u>
Buildings	40 years
Elevators	10 years
Furniture, fixtures, and equipment ("FF&E")	5 years
Operating, supplies and equipment ("OS&E")	2 years
Computer equipment	3-4 years
Transportation Equipment	4 years
Furniture	10 years
Equipment and other assets	10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

iv. *Reclassification to investment property*

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognized in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any gain recognized in OCI and presented in the revaluation reserve. Any loss is recognized in profit or loss. However, to the extent that an amount is included in the revaluation surplus for that property, the loss is recognized in OCI and reduces the revaluation surplus within equity.



h. **Investment property**

Investment property is initially measured at cost and subsequently at fair value with any change therein recognized in profit and loss.

Any gain or loss on disposal of the investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. When investment property that was previously classified as property, construction in process and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

As of December 31, 2023 and 2022, the Company has a plot of land located in, Baja California, Mexico, that qualifies as an investment property in accordance with the requirements established by IAS 40, since the Company foresees to use this land for the creation of an industrial park, where the Company will act as a lessor and it will obtain income from rentals.

i. **Employee benefits**

i. **Short-term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. **Other long-term employee benefits**

The Group's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

iii. **Termination benefits**

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

iv. **Defined employee benefit**

In accordance with Mexican Labor Law, the Company provides seniority premium benefits to its employees under certain circumstances, which is recognized as a defined benefit plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of the defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of the economic benefits available in the form of future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of the economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, return on plan assets (excluding interest), and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any change in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or curtailment gain or loss is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

j. **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

k. **Income tax**

Income tax expense comprises current and deferred tax and it is recognized in profit or loss. As mentioned in Note 1(a) the Group participates in certain trusts as a Trustor, these trusts are not subject to income taxes.

*Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivables is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

*Deferred tax*

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognizing deferred tax.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale.

Deferred tax assets and liabilities are offset only if certain criteria are met.

l. **Finance income and finance cost**

The Group's finance income and finance cost include:

- Interest income,
- Interest expense,
- The net gain or loss on financial assets at FVTPL,
- The foreign currency gain or loss on financial assets and financial liabilities,

Interest income or expense is recognized using the 'effective interest rate' method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the assets (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

m. **Leases**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*As a lessee*

At the commencement or on modification of a contract that contains a lease component, the Group allocates the contract consideration to each lease component on the basis of its relative stand-alone prices. However, for leases of property the Group has elected not to separate the non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability on the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end date of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments; including in-substance fixed payment;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- Amounts expected to be payable under a residual value guarantee, and
- The exercise price under purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at reinforced cost using the effective interest method and data measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in profit or loss in the carrying amount of the right-of-use asset has been reduced to zero.

*Short-term leases and leases of low-value assets*

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

n. **Contingencies**

Liabilities for loss contingencies are recorded when it is probable that a liability has been incurred and the amount thereof can be reasonably estimated. When a reasonable estimation cannot be made, disclosure is provided in the notes to the combined financial statements. Contingent revenues, earnings or assets are not recognized until realization is assured.

o. **Provisions**

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a finance cost.

p. **Contributions for future net assets**

Contributions for future net assets are contributions granted by the shareholders of the Group that will become part of the net parent investment on a certain date or when certain conditions are met, these contributions are recognized at the transaction price as a liability since there is no present value interest component to recognize.

q. **Fair value measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market in which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities (see Note 13).

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is considered 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price, i.e., the fair value of the consideration given or received.

If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument, but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

r. **Other liabilities**

Other liabilities mainly constitutes contributions granted by Hyatt and Accor under the concept of 'key money' per the Hotel Services Agreement and the Hotel Management Agreement, respectively. The 'key money' was granted as an inducement to the Group to enter such agreements. The Group recognizes these contributions in other liabilities against cash, and the Group subsequently amortizes the total amount on a monthly, straight-line basis from the first month the 'key money' is received and continuing during the term of the agreement. If the agreements are canceled or terminated before the agreed term, the Group shall repay to the operators the remaining unamortized amount.

s. **Combined Statements of cash flows**

The combined statement of cash flows detail the cash inflows and outflows that occurred during the period. In addition, the combined statement of cash flows starts with the profit before income taxes and other comprehensive income, presenting first cash flows from operating activities, then investment activities and finally, financing activities.

The combined statement of cash flows for the years ended December 31, 2023 and 2022 were prepared using the indirect method.

4. **New standards or amendments issued**

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after January 1, 2023. Their adoption has not had any material impact on the disclosures or the amounts reported in these financial statements.

a. **IFRS 17 Insurance Contracts (including June 2020 and December 2021 Amendments to IFRS 17)**

The Group does not have any contracts that meet the definition of an insurance contract under IFRS 17.

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

b. ***Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements — Disclosure of Accounting Policies***

The Group has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Management reviewed the accounting policies disclosed and determined that the amendment did not impact the accounting policy information disclosed in Note 3.

c. ***Amendments to IAS 12 Income taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction***

The Group has adopted the amendments to IAS 12 for the first time in the current year. The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.

Following the amendments to IAS 12, an entity is required to recognize the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

As of December 31, 2023, there was no material impact on the amounts or disclosures reported in these financial statements due to the adoption of this amendment.

d. ***Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors — Definition of Accounting Estimates***

The Group has adopted the amendments to IAS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates.

Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

As of December 31, 2023, there was no material impact on the amounts or disclosures reported in these financial statements due to the adoption of this amendment.

e. *New and revised IFRS Accounting Standards in issue but not yet effective*

At the date of authorization of these financial statements, the group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)*
- *Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)*
- *Non-Current Liabilities with Covenants (Amendments to IAS 1)*
- *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)*
- *Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)*

The Group is in the process of assessing the potential impact of the amendments on the classification of these liabilities and the related disclosures.

**5. Cash and cash equivalents and restricted cash**

As of December 31, 2023, and 2022, cash and cash equivalents and restricted cash is as follows:

	<b>As of December 31,</b>	
	<b>2023</b>	<b>2022</b>
Cash	\$ 993,681	\$ 434,443
Bank deposits (1) (2) (3)	<u>145,376,053</u>	<u>240,320,362</u>
Total cash and cash equivalents and restricted cash	<u>\$ 146,369,734</u>	<u>\$ 240,754,805</u>

- (1) Murano World - In accordance with the long-term debt held with Bancomext, Sabadell, Caixabank and NAFIN Fideicomiso Murano 2000 (a subsidiary of Murano World) must maintain an interest reserve fund equivalent to a minimum of one quarterly interest payment. While the amount can be withdrawn to pay such interest without any penalty, Fideicomiso Murano 2000 is obligated to replace such interest reserve fund to set a minimum amount. As of December 31, 2023 and 2022, the correspondent amount in the reserve fund was \$12,842,404 and \$138,618, respectively.
- (2) Inmobiliaria Insurgentes 421 - In accordance with the long-term debt with Bancomext, the entity must maintain a debt service reserve fund equivalent to the next amortization of capital payment plus interests, according to the amortization schedule, and an additional fund for an amount equivalent to the principal debt service reserve fund. While the amount can be withdrawn to cover the payments without any penalty, Inmobiliaria Insurgentes 421 is obligated to replace such reserve funds 15 days after the balance is drawn. As of December 31, 2023 and 2022, the principal reserve fund amounted to \$52,272,015 and \$24,916,838, respectively. The additional debt service reserve fund was not fully funded as of December 31, 2023, for further information see note 10.
- (3) As of December 31, 2022 the Company held \$38,722,806 in a short-term investment in CMB Monaco. The transaction was carried out through a treasury management services agreement with ESC S.C.P., a related party. As of December 31, 2023, there was no investment amount in this account.

**6. Related-party transactions and balances**

*Transactions with key management personnel*

i. Key management personnel compensation

Compensation of the Group's key management personnel includes only short-term employee benefits in the amount of \$13,185,131, \$17,384,930 and \$7,945,915 during 2023, 2022 and 2021, respectively.

ii. Outstanding balances with related parties as of December 31, 2023 and 2022 are shown as follows:

	<b>As of December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Receivable</b>		
Affiliate:		
Eliás Sacal Cababie <sup>(1)</sup>	\$ 104,029,840	\$ -
E.S. Agrupación, S. A. de C. V. <sup>(2)</sup>	35,582,383	-
Marcos Sacal Cohen <sup>(3)</sup>	540,031	-
Edgar Armando Padilla Pérez <sup>(4)</sup>	1,700,466	-
Rubén Álvarez Laris <sup>(5)</sup>	1,696,426	-
Total related parties receivable	<u>143,549,146</u>	<u>-</u>
<b>Payable:</b>		
Affiliate:		
Impulsora Turística de Vallarta, S. A. de C. V. <sup>(6)</sup>	39,121,151	58,078,077
Sofoplus S.A.P.I de C. V., SOFOM ER <sup>(7)</sup>	-	71,179,852
Sofoplus S.A.P.I de C. V., SOFOM ER <sup>(8)</sup>	171,153,445	145,231,418
BVG Infraestructura, S. A. de C. V. <sup>(9)</sup>	10,030,992	-
Total related parties payable	<u>220,305,588</u>	<u>274,489,347</u>
Current portion	<u>133,002,659</u>	<u>68,343,487</u>
Long term portion	<u>\$ 87,302,929</u>	<u>\$ 206,145,860</u>

(1) This balance is composed of several loan agreements as follows:

- (a) On April 14, 2023, Murano P.V. granted a short-term loan of \$2,000,000 with a maturity of a year and accrues interest at a rate of TIE 28 days plus a spread of 3%;
- (b) On April 14, 2023, Murano P.V. granted a short-term loan of U.S.\$438,611 with a maturity of a year and accrues interest at a rate of 3M SOFR plus a spread of 3%;
- (c) On February 9, 2023, Murano World granted a short-term loan of \$7,900,000 with a maturity of a year and accrues interest at a rate of TIE 28 days plus a spread of 3%;
- (d) On February 10, 2023, Murano World granted a short-term loan of U.S.\$2,865,000 with a maturity of a year and accrues interest at a rate of 3M SOFR plus a spread of 3%;
- (e) On September 26, 2023, Murano World granted a short-term loan of U.S.\$3,200,000 with a maturity of a year and accrues interest at a rate of 3M SOFR plus a spread of 3%.

(2) This balance is composed of several loan agreements as follows:

- (a) On May 5, 2023, Murano P.V. granted a short-term loan of \$30,000 with a maturity of a year and accrues interest at a rate of TIE 28 days plus a spread of 3%;
- (b) On April 14, 2023, Murano P.V. granted a short-term loan of U.S.\$359,368 with a maturity of a year and accrues interest at a rate of 3M SOFR plus a spread of 3%;
- (c) On February 10, 2023, Murano World granted a short-term loan of \$9,620,660 with a maturity of a year and accrues interest at a rate of TIE 28 days plus a spread of 3%;
- (d) On March 31, 2023, Murano World granted a short-term loan of U.S.\$453,000 with a maturity of a year and accrues interest at a rate of 3M SOFR plus a spread of 3%;
- (e) On November 9, 2023, Murano World granted a short-term loan of \$10,000,000 with a maturity of a year and accrues interest at a rate of TIE 28 days plus a spread of 3%.



- (3) Short-term loan agreement for \$492,000 dated on May 5, 2023 with a maturity of a year and accrues interest at a rate of TIE 28 days plus a spread of 3%.
- (4) This balance is composed of a couple of loan agreements as follows: On May 5, 2023 Murano Management, S. A. de C. V. granted a short-term loan of \$1,546,669 (Mexican pesos) with a maturity of a year and accrues interest at a rate of TIE 28 days plus a spread of 3% and on May 5, 2023 Murano Management, S. A. de C. V. granted a short-term loan of \$4,400 (Mexican pesos) with a maturity of a year and accrues interest at a rate of TIE 28 days plus a spread of 3%.
- (5) Short-term loan agreement granted by Murano Management, S. A. de C. V. for \$1,547,609 dated on May 5, 2023 with a maturity of a year and accrues interest at a rate of TIE 28 days plus a spread of 3%.
- (6) Loan agreement signed on May 2, 2021 with a 36-month termination period. The amount of the loan is \$97,500,000 and it causes interest at the annual rate of 17.75%.
- (7) Syndicated secured mortgage loan for up to \$200,000,000 which matures in 2024 and causes interest at the annual rate of 16.75% for which the major shareholders are joint obligors. On September 14, 2023 the outstanding balance of this loan was paid to the lender.
- (8) Syndicated secured mortgage loan for up to U.S.\$30,000,000 which matures in 2025 and causes interest at the annual rate of 15.00% for which the major shareholders are joint obligors.
- (9) On March 1, 2023, Inmobiliaria Insurgentes granted a short-term loan of U.S.\$2,865,000 with a maturity of a year and accrues interest at a rate of 3M SOFR plus a spread of 3%.

*Reconciliation of movements of liabilities to cash flows arising from financing activities*

	<u>Long-term debt</u>
<b>Balances as of January 1, 2023</b>	\$ 274,489,347
Payments	(96,693,781)
Interest paid	(37,140,328)
Proceeds from loans	60,581,457
Accrued interest	39,901,733
Total changes from financing cash flows	241,138,428
Effect on changes in foreign exchange rates	(20,832,840)
<b>Balances as of December 31, 2023</b>	<u>\$ 220,305,588</u>
	<u>Long-term debt</u>
<b>Balances as of January 1, 2022</b>	\$ 188,122,066
Payments	(72,493,961)
Interest paid	(43,078,341)
Proceeds from loans	165,363,750
Accrued interest	41,738,642
Total changes from financing cash flows	279,652,156
Effect on changes in foreign exchange rates	(5,162,809)
<b>Balances as of December 31, 2022</b>	<u>\$ 274,489,347</u>

## 7. Property, construction in process and equipment

## Reconciliation of carrying amount

	Land	Construction in process	Buildings	Elevators	Computer equipment	Transportation Equipment	Furniture <sup>(1)</sup>	Equipment and other assets	Total
<b>Cost:</b>									
Balances as of January 1, 2021	\$ 6,373,462,349	\$ 1,943,448,204	-	-	\$ 5,515,500	\$ 2,310,075	\$ 4,687,834	\$ 3,164,149	\$ 8,332,588,111
Additions	39,800,079	844,891,106	-	-	1,289,113	628,276	156,665	9,732	886,774,971
Disposals	(7,908,895)	-	-	-	-	(295,346)	-	-	(8,204,241)
Revaluation	228,322,633	10,667,457	-	-	-	-	-	-	238,990,090
<b>Balances as of December 31, 2021</b>	<b>6,633,676,166</b>	<b>2,799,006,767</b>	<b>-</b>	<b>-</b>	<b>6,804,613</b>	<b>2,643,005</b>	<b>4,844,499</b>	<b>3,173,881</b>	<b>9,450,148,931</b>
Additions	-	1,521,986,623	-	-	304,710	231,683	850,447	-	1,523,373,463
Disposals	(85,296,091)	-	-	-	-	-	-	-	(85,296,091)
Revaluation	1,246,037,181	4,763,002,165	-	-	-	-	-	-	6,009,039,346
<b>Balances as of December 31, 2022</b>	<b>\$ 7,794,417,256</b>	<b>\$ 9,083,995,555</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,109,323</b>	<b>\$ 2,874,688</b>	<b>\$ 5,694,946</b>	<b>\$ 3,173,881</b>	<b>\$ 16,897,265,649</b>
Additions	173,992,200	1,388,105,617	-	-	627,269	-	157,205,729	-	1,719,930,815
Disposals	-	-	-	-	-	-	(163,689,130)	-	(163,689,130)
Capitalization of FF&E and OS&E, buildings and elevators	-	(1,525,827,023)	1,348,289,068	10,964,935	-	-	166,573,020	-	-
Revaluation	(21,598,770)	(2,437,323,707)	1,568,940,131	-	-	-	-	-	(889,982,346)
<b>Balances as of December 31, 2023</b>	<b>\$ 7,946,810,686</b>	<b>\$ 6,508,950,442</b>	<b>\$ 2,917,229,199</b>	<b>\$ 10,964,935</b>	<b>\$ 7,736,592</b>	<b>\$ 2,874,688</b>	<b>\$ 165,784,565</b>	<b>\$ 3,173,881</b>	<b>\$ 17,563,524,988</b>
	Land	Construction in process	Buildings	Elevators	Computer equipment	Transportation Equipment	Furniture <sup>(1)</sup>	Equipment and other assets	Total
<b>Accumulated depreciation:</b>									
Balances as of January 1, 2021	\$ -	\$ -	\$ -	\$ -	\$ (4,435,872)	\$ (1,838,991)	\$ (3,806,348)	\$ (1,871,164)	\$ (11,952,375)
Depreciation	-	-	-	-	(644,870)	(643,856)	(122,157)	(159,108)	(1,569,991)
Disposals	-	-	-	-	-	8,787	-	-	8,787
<b>Balances as of December 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,080,742)</b>	<b>(2,474,060)</b>	<b>(3,928,505)</b>	<b>(2,030,272)</b>	<b>(13,513,579)</b>
Depreciation	-	-	-	-	(811,269)	(152,541)	(151,450)	(152,981)	(1,268,241)
<b>Balances as of December 31, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5,892,011)</b>	<b>\$ (2,626,601)</b>	<b>\$ (4,079,955)</b>	<b>\$ (2,183,253)</b>	<b>\$ (14,781,820)</b>
Depreciation	-	-	(71,580,551)	(1,096,493)	(779,108)	(77,491)	(55,029,094)	(152,462)	(128,715,199)
<b>Balances as of December 31, 2023</b>	<b>-</b>	<b>-</b>	<b>(71,580,551)</b>	<b>(1,096,493)</b>	<b>(6,671,119)</b>	<b>(2,704,092)</b>	<b>(59,109,049)</b>	<b>(2,335,715)</b>	<b>(143,497,019)</b>
<b>Carrying amounts as of:</b>									
<b>December 31, 2021</b>	<b>\$ 6,633,676,166</b>	<b>\$ 2,799,006,767</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,723,871</b>	<b>\$ 168,945</b>	<b>\$ 915,994</b>	<b>\$ 1,143,609</b>	<b>\$ 9,436,635,352</b>
<b>December 31, 2022</b>	<b>\$ 7,794,417,256</b>	<b>\$ 9,083,995,555</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,217,312</b>	<b>\$ 248,087</b>	<b>\$ 1,614,991</b>	<b>\$ 990,628</b>	<b>\$ 16,882,483,829</b>
<b>December 31, 2023</b>	<b>\$ 7,946,810,686</b>	<b>\$ 6,508,950,442</b>	<b>\$ 2,845,648,648</b>	<b>\$ 9,868,442</b>	<b>\$ 1,065,473</b>	<b>\$ 170,596</b>	<b>\$ 106,675,516</b>	<b>\$ 838,166</b>	<b>\$ 17,420,027,969</b>

(1) Includes FF&amp;E and OS&amp;E assets.

**Construction in process**

GIC I is a hotel project in Cancun with 1,016 rooms, with construction nearing completion and operations commencing through 2024. The total amount expected to be invested in the construction is \$3,200,000,000, excluding financial cost and cost of land. As of December 31, 2023, and 2022, amounts incurred in the construction in process during the calendar year are \$1,106,639,896 and \$1,194,557,969, respectively.

GIC II is a plot of land located in Cancun, Quintana Roo, the Group will develop a hotel facility project up to 2,000 rooms.

Insurgentes Hotel is a hotel facility project comprised of two individual hotels with a combined capacity of 396 rooms, located in Mexico City. This hotel commenced operations in the first quarter of 2023. As of December 31, 2023, and 2022, the incurred amounts in the construction are \$79,064,992 and \$293,725,328, respectively.

Capitalization of borrowing cost included in the incurred cost of the construction of the above hotel facilities for the years ended December 31, 2023 and 2022 of \$275,133,471 and \$247,025,739, respectively, were calculated using a capitalization rate of 100% since all the loans held by the Group are specific and directable attributable to the construction in process.

**Non-cash and cash transactions in Property, construction in process and equipment**

	<b>2023</b>	<b>As of December 31, 2022</b>	<b>2021</b>
<b>Balances as of January 1</b>	\$ 16,897,265,649	\$ 9,450,148,931	\$ 8,332,588,111
Non-cash transactions:			
Revaluation of land and construction in process	(889,982,346)	6,009,039,346	238,990,090
Effect on movement in exchange rates on cash held	-	1,451,180	(571,766)
Total non-cash transactions	(889,982,346)	6,010,490,526	238,418,324
Cash transactions:			
Construction in process and equipment	1,281,108,214	1,189,600,453	666,056,209
Accrued capitalized borrowing costs	275,133,471	247,025,739	213,086,287
Total cash transactions	1,556,241,685	1,436,626,192	879,142,496
<b>Balances as of December 31</b>	<b>\$ 17,563,524,988</b>	<b>\$ 16,897,265,649</b>	<b>\$ 9,450,148,931</b>

**Measurement of fair value**

**Land and construction in process**

*Fair value hierarchy*

The Group engages third-party qualified appraisers to perform the valuation of the land and construction in process annually. The technical committee works closely with qualified external appraisers to establish the appropriate valuation techniques and inputs to the model.

The fair value measurement for the land and construction in process has been categorized as a Level 3 fair value based on the inputs to the valuation technique used. Changes in fair value are recognized in Other Comprehensive Income (OCI).

*Valuation technique and significant unobservable inputs*

The following table shows the valuation technique used in measuring the fair value of the land and construction in process, as well as the significant unobservable inputs used.

The revaluation (loss) surplus for the years ended December 31, 2023, 2022 and 2021 were \$(889,982,346) \$6,009,039,346 and \$238,990,090, respectively.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<p><b>Land</b></p> <p>Group directors use the market-based approach to determine the value of the land as described in the valuation reports prepared by the appraisers.</p> <p>In estimating the fair value of the subject assets, the appraiser performed the following:</p> <ul style="list-style-type: none"> <li>• Researched market data to obtain information pertaining to sales and listings (comps) that are similar to the Subject Asset.</li> <li>• Selected relevant units of comparison (e.g., price per square meter), and developed a comparative analysis for each.</li> <li>• Compared the comps to the Subject Asset using elements of comparison that may include, but are not limited to, market conditions, location, and physical characteristics; and adjusted the comps as appropriate.</li> <li>• Reconciled the multiple value indications that resulted from the adjustment of the comps into a single value indication.</li> <li>• The selected price per square meter is consistent with market prices rates paid by market participants and/or current asking market prices rates for comparable properties.</li> </ul>	<p>The appraiser compared the comps to the Subject Assets using comparison elements that include market conditions, location, and physical characteristics.</p> <ul style="list-style-type: none"> <li>• Location (0.80 - 1).</li> <li>• Size (1.08 - 1.20).</li> <li>• Market conditions (0.8 - 1).</li> </ul>	<p>The estimated fair value would increase if the adjustments applied were higher.</p>

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<p><b>Construction in process</b></p> <p>Group directors use the cost approach to determine the value of construction in process as described in the valuation reports prepared by the appraisers. In estimating the fair value of building and site improvements, the appraiser performed the following:</p> <ul style="list-style-type: none"> <li>• Estimated replacement cost of the building and site improvements, as though new, considering items such as indirect costs.</li> <li>• Estimated and applied deductions related to accrued depreciation, resulting from physical deterioration, and work in progress.</li> </ul>	<p>The appraiser used an adjustment factor regarding the status of the construction in process.</p> <p>Work in progress adjustment (0.6 - 0.98).</p>	<p>The estimated fair value would increase if the adjustments applied were higher.</p>

**Carrying amount**

If the Group's land and construction in process been measured on a historical cost basis, the carrying amounts would have been as follows:

	<b>As of December 31,</b>	
	<b>2023</b>	<b>2022</b>
Land	\$ 673,294,661	\$ 499,302,461
Construction in process	5,276,177,102	3,693,047,230
<b>Total</b>	<b>\$ 5,949,471,763</b>	<b>\$ 4,192,349,691</b>

**Security**

As of December 31, 2023, properties with a carrying amount of \$17,407,733,917 were subject to a registered debenture that forms security for certain loans. A list of the properties granted and the related loans is as follows:

<b>Property</b>	<b>Associated Credit Reference</b>
Unit 1, 4 y 5 / Grand Island	See Note 10 Terms and repayment schedule (1)
Unit 2 / Grand Island	
Unit 8, No. 56-A-1, Supermanzana A2, Sup. 824.20 M2	See Note 10 Terms and repayment schedule (4) and Note 6 reference 8
Unit 9, No. 56-A-1, Supermanzana A2, Sup. 832.94 M2	
Insurgentes Sur 421 Complex	See Note 10 Terms and repayment schedule (3)
Beach Club – Playa Delfines	See Note 10 Terms and repayment schedule (1) and (8)
Plot of land: La Punta Bajamar / Lote 1, Manzana S/M, Sup. 4,117.88 M2	See Note 10 Terms and repayment schedule (7)
Plot of land: La Punta Bajamar / Lote 2, Manzana S/M, Sup. 6,294.08 M2	See Note 10 Terms and repayment schedule (7)
Plot of land: La Punta Bajamar / Lote 3 (Vialidad), Manzana S/M, Sup. 4,117.88 M2	See Note 10 Terms and repayment schedule (7)
Plot of land: La Punta Bajamar / Lote 4, Manzana S/M, Sup. 10,015.68 M2	See Note 10 Terms and repayment schedule (7)
Plot of land: La Punta Bajamar / Lote 5, Manzana S/M, Sup. 11,986.53 M2	See Note 10 Terms and repayment schedule (7)
Plot of land: La Punta Bajamar / Lote 6, Manzana S/M, Sup. 2,912.02 M2	See Note 10 Terms and repayment schedule (7)
Plot of land: La Punta Bajamar / Lote 7, Manzana S/M, Sup. 568.51 M2	See Note 10 Terms and repayment schedule (7)
Plot of land: La Punta Bajamar / Lote 8, Manzana S/M, Sup. 635.25 M2	See Note 10 Terms and repayment schedule (7)

As of December 31, 2022, properties with a carrying amount of \$14,013,476,697 were subject to a registered debenture that forms security for certain loans. A list of the properties granted and the related loans is as follows:

<b>Property</b>	<b>Associated Credit Reference</b>
Unit 1, 4 y 5 / Grand Island	See Note 10 Terms and repayment schedule (1)
Unit 2 / Grand Island	
Unit 8, No. 56-A-1, Supermanzana A2, Sup. 824.20 M2	See Note 10 Terms and repayment schedule (4)
Unit 9, No. 56-A-1, Supermanzana A2, Sup. 832.94 M2	and Note 6 references (7) and (8)
Insurgentes Sur 421 Complex	See Note 10 Terms and repayment schedule (3)

**8. Investment property**

**Reconciliation of carrying amount**

	<b>As of December 31,</b>	
	<b>2023</b>	<b>2022</b>
Balances as of January 1,	\$ 1,187,089,926	\$ 889,000,000
Changes in fair value	(86,598,436)	298,089,926
<b>Balances as of December 31,</b>	<b>\$ 1,100,491,490</b>	<b>\$ 1,187,089,926</b>

Investment property comprises 450,000 sqm of retail area planned for the development of an industrial park located in Bajamar, Baja California (the “Baja Park Development Project”).

Changes in fair value are recognized as gain in profit or loss and included in ‘other income’. All gains are unrealized.

**Measurement of fair value**

**Fair value hierarchy**

The Group engages third-party qualified appraisers to perform the valuation of the investment properties annually. The technical committee works closely with qualified external appraisers to establish the appropriate valuation techniques and inputs to the model.

The fair value measurement for all of the investment properties has been categorized as a Level 3 fair value based on the inputs to the valuation technique used.

**Valuation technique and significant unobservable inputs**

The following table shows the valuation technique used in measuring the fair value of the investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Group directors use the market-based approach to determine the value of the subject assets as described in the valuation reports prepared by the appraisers.	The appraiser compared the comps to the Subject Assets using comparison elements that include market conditions, location, and physical characteristics.	The estimated fair value would increase if adjustments applied were higher.
In estimating the fair value of the subject assets, the appraiser performed the following:	<ul style="list-style-type: none"> <li>• Location (0.80 – 1).</li> <li>• Size (1.08 – 1.20).</li> <li>• Market conditions (0.8 – 1).</li> </ul>	
<ul style="list-style-type: none"> <li>• Researched market data to obtain information pertaining to sales and listings (comps) that are similar to the Subject Asset.</li> <li>• Selected relevant units of comparison (e.g., price per square meter), and developed a comparative analysis for each.</li> <li>• Compared the comps to the Subject Asset using elements of comparison that may include, but are not limited to, market conditions, location, and physical characteristics; and adjusted the comps as appropriate.</li> <li>• Reconciled the multiple value indications that resulted from the adjustment of the comps into a single value indication.</li> </ul>		
The selected price per square meter is consistent with market price rates paid by market participants and/or current asking market prices rates for comparable properties.		

**Security**

As of December 31, 2023, properties with a carrying amount of \$1,100,491,490 were subject to a registered debenture that forms security for certain loans. A list of the properties granted and the related loans is as follows:

Property	Associated Credit Reference
Plot of land: La Costa Bajamar / Lote MP1, Fracc. A, Manzana S/M, Sup. 271,042.763 M2	See Note 10 <i>Terms and repayment schedule</i> (5), and Note 6 references (8).
Plot of land: La Costa Bajamar: Lote MP1, Fracc. B, Manzana S/M, Sup. 304,851.487 M2	
Plot of land: La Costa Bajamar: Lote MP1, Fracc. C, Manzana S/M, Sup. 353,797.091 M2	
Plot of land: La Costa Bajamar: Fracc. Servidumbre de Paso, Manzana S/M, Sup. 41,084.499 M2	

As of December 31, 2022, properties with a carrying amount of \$1,187,089,926 were subject to a registered debenture that forms security for certain loans. A list of the properties granted and the related loans is as follows:

Property	Associated Credit Reference
Plot of land: La Costa Bajamar / Lote MP1, Fracc. A, Manzana S/M, Sup. 271,042.763 M2	See Note 10 <i>Terms and repayment schedule</i> (5), and Note 6 references (7) and (8).
Plot of land: La Costa Bajamar: Lote MP1, Fracc. B, Manzana S/M, Sup. 304,851.487 M2	
Plot of land: La Costa Bajamar: Lote MP1, Fracc. C, Manzana S/M, Sup. 353,797.091 M2	
Plot of land: La Costa Bajamar: Fracc. Servidumbre de Paso, Manzana S/M, Sup. 41,084.499 M2	

**9. Leases**

The Group leases equipment, office space and vehicles. Lease terms vary from contract to contract. Information on leases in which the Group is a lessee is presented below.

**Right-of-use assets**

Right-of-use assets related to leased properties that do not meet the definition of investment property.

2023	Hotel Equipment <sup>(1)</sup>	Offices	Vehicles	Total
Balance as of January 1,	\$ -	\$ -	\$ 591,039	\$ 591,039
Additions	203,886,899	17,094,898	2,247,946	223,229,743
Depreciation charge for the year	(3,929,118)	(1,840,989)	(1,013,584)	(6,783,691)
Balance as of December 31,	\$ 199,957,781	\$ 15,253,909	\$ 1,825,401	\$ 217,037,091

(1) On November 8, 2023, Operadora Hotelera GI, S. A. de C. V. entered into a leasing agreement with Arrendadora Coppel, S.A.P.I. de C.V. for hotel equipment for a period of 5 years, rent payments are fixed throughout the contract.

2022	Vehicles
Balance as of January 1,	\$ 1,131,681
Depreciation charge for the year	(540,642)
Balance as of December 31,	\$ 591,039

2021	Vehicles
Balance as of January 1,	\$ 1,430,449
Depreciation charge for the year	(536,173)
Addition to right-of-use-assets	237,405
Balance as of December 31,	\$ 1,131,681

**Amounts recognized in profit or loss**

Amounts recognized in profit and loss	For the Years Ended December 31,		
	2023	2022	2021
Interest on lease liabilities	\$ 3,282,685	\$ 49,704	\$ 77,665
Expenses related to short-term leases	1,506,962	319,498	319,498
	\$ 4,789,647	\$ 369,202	\$ 397,163

**Amounts recognized in the combined statement of cash flow**

Total cash outflow	\$ 19,175,084	\$ 586,399	\$ 581,924
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**Guarantee deposits**

As part of the hotel equipment lease, the Group provided a guarantee deposit of \$4,870,138, as of December 31, 2023.

**10. Long-term debt**

	<b>As of December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Current liabilities:</b>		
Current portion of secured bank loans	\$ 1,866,499,269	\$ 3,704,429,770
Unsecured bank loans	64,827,258	19,958,980
Interest	<u>108,029,151</u>	<u>71,398,277</u>
<b>Total current liabilities</b>	<b><u>\$ 2,039,355,678</u></b>	<b><u>\$ 3,795,787,027</u></b>

<b>Non-current liabilities:</b>		
Secured bank loan	\$ 4,641,315,619	\$ 338,735,900
Unsecured bank loans	<u>2,001,517</u>	<u>1,428,652,077</u>
<b>Total non-current liabilities</b>	<b><u>\$ 4,643,317,136</u></b>	<b><u>\$ 1,767,387,977</u></b>

The secured bank loans are secured over land and construction in process with a carrying amount of \$15,922,158,231 and \$15,200,566,623 as of December 31, 2023 and 2022, respectively (see Note 7 and Note 8 *Security*).

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 13.

**Terms and repayment schedule**

		<b>Nominal interest rate</b>	<b>Nominal interest rate</b>		<b>As of December 31,</b>	
	<b>Currency</b>	<b>2023</b>	<b>2022</b>	<b>Maturity</b>	<b>2023</b>	<b>2022</b>
<b>Fideicomiso Murano 2000 CIB/3001 (subsidiary of Murano World):</b>						
Banco Nacional de Comercio Exterior S.N.C. Institución de Banca de Desarrollo ("Bancomext") (1)	USD	SOFR + 4.0116%	SOFR + 4.0116%	2033	\$ 1,013,610,000	\$ 1,161,690,000
Caixabank, S.A. Institución de Banca Múltiple ("Caixabank") (1)	USD	SOFR + 4.0116%	SOFR + 4.0116%	2033	1,013,610,000	1,161,690,000
Sabadell, S.A. Institución de Banca Múltiple ("Sabadell") (1)	USD	SOFR + 4.0116%	SOFR + 4.0116%	2033	844,675,000	774,460,000
Nacional Financiera, Sociedad Nacional de Crédito, Institución de Banca de Desarrollo ("NAFIN") (1)	USD	SOFR + 4.0116%	SOFR + 4.0116%	2033	1,010,419,654	580,845,000
Bancomext (2)	MXN	TIIE 91 + 2.75%	TIIE 91 + 2.75%	See (2)	54,441,003	36,860,326
Cost to obtain loans and commissions					(46,187,476)	(36,375,839)
<b>Total loans Fideicomiso Murano 2000</b>					<u>3,890,568,181</u>	<u>3,679,169,487</u>
<b>Inmobiliaria Insurgentes 421:</b>						
Bancomext (3)	USD	SOFR + 3.5%	SOFR + 3.5%	2037	1,687,477,257	1,429,380,028
Cost to obtain loans and commissions					(18,383,126)	(10,899,869)
<b>Total loans Inmobiliaria Insurgentes 421</b>					<u>1,669,094,131</u>	<u>1,418,480,159</u>
<b>Murano World:</b>						
Exitus Capital S.A.P.I de C. V. ENR ("Exitus Capital") (4)	USD	15.00%	15.00%	2025	253,402,500	290,422,500
Exitus Capital (11)	USD	15.00%	N/A	2025	14,862,566	-
Exitus Capital (5)	MXN	TIIE 28 + 12.55	TIIE 28 + 12.55	2024	-	73,573,683
Exitus Capital (6)	USD	15.00%	N/A	2025	18,391,571	-
Finamo (7)	MXN	15.76%	N/A	2027	364,390,142	-
ALG (8)	USD	10%	N/A	2030	337,870,000	-
Santander International (9)	USD	Best Rate+0.80%	N/A	2025	25,335,608	-
Cost to obtain loans and commissions					(11,658,806)	-
<b>Total loans Murano World</b>					<u>1,002,593,581</u>	<u>363,996,183</u>
<b>Edificaciones BVG:</b>						
Exitus Capital (10)					12,387,770	30,130,898
<b>Total Edificaciones BVG</b>					<u>12,387,770</u>	<u>30,130,898</u>
Accrued interest payable					108,029,151	71,398,277
<b>Total debt</b>					<u>6,682,672,814</u>	<u>5,563,175,004</u>
Current installments					<u>2,039,355,678</u>	<u>3,795,787,027</u>
<b>Long-term debt, excluding current installments</b>					<b><u>\$ 4,643,317,136</u></b>	<b><u>\$ 1,767,387,977</u></b>

- (1) Syndicated secured mortgage loan for up to U.S.\$160,000,000. Operadora GIC I is jointly liable for this loan as well as Murano World. On July 11, 2022 NAFIN joined to the loan under the same terms as the other lenders, granting U.S.\$34,811,150 to Fideicomiso 2000. On August 24, 2023 the Group restructured the related syndicated loan to increase the credit line by U.S.\$45,000,000, NAFIN is funding U.S.\$35,000,000 and Sabadell is funding the other U.S.\$10,000,000 to Fideicomiso Murano 2000.
- (2) Secured loan under a credit line up to U.S. \$31,480,000 to finance VAT receivable with a 36-month maturity or early on collection of such VAT receivables from Mexican Authorities, with unpaid balances, if any, after 36 months payable in 18 months. On December 18, 2023 the Company and the lender extended the maturity period of this loan to December 2024.
- (3) On October 18, 2018, Inmobiliaria Insurgentes 421 obtained a U.S.\$49,753,000 unsecured loan. This loan was renegotiated to U.S.\$7,500,000 on October 10, 2022, with this loan, the Group repaid fully the first loan, including interest. This loan is secured by the Insurgentes Complex with OHI421 and OHI421 Premium jointly liable. In May 2023, the Group restructured this loan with an increase of U.S.\$25,000,000 giving a total credit line of U.S.\$100,000,000.
- (4) Syndicated secured mortgage loan for U.S.\$30,000,000 with the major shareholders as joint obligors.
- (5) Syndicated secured mortgage loan for \$200,000,000 with the major shareholders as joint obligors. On August 24 and September 14, 2023, the Group paid the outstanding balances of this loan.
- (6) Loan agreement for U.S.\$2,500,000 with the major shareholders as joint obligors. As of December 31, 2023, the total amount drawn is \$18,391,571 (U.S. \$1,088,677).
- (7) Sale and lease back agreement signed with Finamo signed on February 2023 with a 48-month termination period. The Group signed a new sale and lease back agreement for \$60,000,000 in October and November 2023.
- (8) Loan to purchase and development of the beach club, which guarantees this loan in second place and at first the syndicated loan described in number (1) above.
- (9) Revolving loan with “Best rate” interest for preferred clients.
- (10) Sale and lease back agreement signed with Exitus Capital in December 2019 with a 36-month termination period.
- (11) Loan agreement for U.S.\$972,300 signed on June 26, 2023.

The loan agreements referred to above include covenants and restrictions that require, among other things, to provide quarterly and annually the lenders with the Company’s internal financial statements and compliance with certain ratios. Noncompliance with such requirements constitutes an event of default under which the respective loan may become immediately due and payable.

As of December 31, 2023, the Group complied with all terms and covenants included in the loan agreements, except for the following:

***Inmobiliaria Insurgentes I421***

As of December 31, 2023, the additional debt service reserve fund of the Bancomext loan was not fully funded, the Group requested a waiver from the lender in connection with the funding obligations of the debt service reserve funds. As described in note 18, on April 4, 2024, the Group obtained an event of default waiver provided by Bancomext which cured the situation, so the lender will not call the debt. The Group classified the outstanding balance of this loan as a current liability as of December 31, 2023 due to the waiver being obtained after year-end.

***Fideicomiso Murano 2000 CIB/3001 (subsidiary of Murano World)***

The Group anticipated that it might not have the debt service reserve account fully funded as of December 31, 2023 and requested a waiver from the lenders, such waiver was received on December 29, 2023 as a consequence the breach was cured as of December 31, 2023.

As of December 31, 2022, the Group complied with all terms and covenants included in the loan agreements, except for the following:

***Fideicomiso Murano 2000 CIB/3001 (subsidiary of Murano World)***

Under the syndicated loan agreement with Bancomext, Caixabank, Sabadell and NAFIN, the Group must maintain an interest reserve fund equivalent to a minimum of one quarterly interest payment, as of December 31, 2022, the Group did not have such reserve fully funded. The lender did not request accelerated repayment of the loan and the terms of the loan were not changed. Management has reviewed the Group’s settlement procedures to ensure that such circumstances do not recur. As a result, on January 6, 2023 the Group refunded the outstanding amount to be in compliance with such covenant. As described in Note 10, on August 24, 2023, the Group restructured the syndicated loan to increase the credit line by U.S.\$45,000,000 and included a statement recognizing that there are no early termination causes, providing comfort that the lenders will not call the debt.



**Guarantee deposits**

As part of the agreements with Finamo, see numeral (7) above, the Group provided several guarantee deposits, totalling \$14,769,966 as of December 31, 2023.

**Reconciliation of movements of liabilities to cash flows arising from financing activities**

	<b>Long-term debt</b>
<b>Balances as of January 1, 2023</b>	<b>\$ 5,563,175,004</b>
Payments	(272,136,923)
Interest paid	(286,015,329)
Interest paid and capitalized (see note 7)	(275,133,471)
Proceeds from loans	2,116,176,076
Accrued interest	601,125,111
Amortization of cost to obtain loans and commissions	8,106,066
Costs to obtain loans and commissions	(37,075,869)
Total changes from financing cash flows	<u>7,418,220,665</u>
Effect on changes in foreign exchange rates	<u>(735,547,851)</u>
<b>Balances as of December 31, 2023</b>	<b>\$ 6,682,672,814</b>
	<b>Long-term debt</b>
<b>Balances as of January 1, 2022</b>	<b>\$ 3,795,309,906</b>
Payments	(220,572,529)
Interest paid and capitalized (see note 7)	(247,025,739)
Proceeds from loans	2,237,181,037
Accrued interest	289,735,943
Amortization of cost to obtain loans and commissions	3,884,065
Costs to obtain loans and commissions	(19,249,547)
Total changes from financing cash flows	<u>5,839,263,136</u>
Effect on changes in foreign exchange rates	<u>(276,088,132)</u>
<b>Balances as of December 31, 2022</b>	<b>\$ 5,563,175,004</b>

**11. Employee benefits**

	<b>As of December 31,</b>	
	<b>2023</b>	<b>2022</b>
Net defined benefit liability:		
Liability for social security contributions	\$ 4,544,203	\$ 4,087,635
Liability for long-service leave	8,766,021	6,654,318
<b>Total employee benefit liability</b>	<b>13,310,224</b>	<b>10,741,953</b>
<b>Non-current</b>	<b>\$ 8,766,021</b>	<b>\$ 6,654,318</b>
<b>Current</b>	<b>\$ 4,544,203</b>	<b>\$ 4,087,635</b>

In accordance with Mexican Labor Law, the Group provides seniority premium benefits, which consist of a single payment of 12 days for each year worked based on the last salary, limited to twice the minimum salary established by law. The relative liability and the annual cost of benefits are calculated by independent actuaries in accordance with the bases defined in the plans, using the projected unit credit method.

*Movement in net defined benefit liability*

	<b>2023</b>	<b>As of December 31,</b>	
		<b>2022</b>	<b>2021</b>
<b>Balance as of January 1,</b>	\$ 6,654,318	\$ 3,415,458	\$ 3,332,454
Included in profit and loss:			
Current service cost	1,706,150	428,469	841,579
Interest cost	544,326	255,911	183,286
	<u>8,904,794</u>	<u>4,099,838</u>	<u>4,357,319</u>
<b>Included in OCI</b>			
Remeasurement in loss (gain)	(124,616)	2,554,480	(941,861)
<b>Payments</b>			
Benefits paid	(14,157)	-	-
<b>Balance as of December 31,</b>	<b>\$ 8,766,021</b>	<b>\$ 6,654,318</b>	<b>\$ 3,415,458</b>

*Actuarial assumptions*

The following were the principal actuarial assumption at the reporting date (expressed as weighted averages):

	<b>2023</b>	<b>2022</b>
Discount rate	9.20%	9.01%
Salary growth	5.50%	5.50%
Future salary growth	5.50%	5.50%

As of December 31, 2023 and 2022, the weighted -average duration of the defined benefit obligation was 15 years per employee.

*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	<b>As of December 31, 2023</b>		<b>As of December 31, 2022</b>	
	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>
Discount rate (1% movement)	\$ (1,121,519)	\$ 1,298,516	\$ (851,804)	\$ 986,487
	<u>\$ (1,121,519)</u>	<u>\$ 1,298,516</u>	<u>\$ (851,804)</u>	<u>\$ 986,487</u>

**12. Income tax**

	<b>For the Year Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Current tax (benefit) expense</b>			
Current income tax	\$ 3,025,179	\$ 3,406,827	\$ 13,942
Deferred income tax	(55,155,403)	227,302,580	105,845,039
	<u>\$ (52,130,224)</u>	<u>\$ 230,709,407</u>	<u>\$ 105,858,981</u>

The Mexican Tax Law effective as of January 1, 2014 is applicable to the Group, which imposes an income tax rate of 30%.

**Amounts recognized in profit or loss**

Management has determined that the recoverability of cumulative tax losses, which expire in 2026 - 2033, is not feasible based on estimated breakeven of hotel operations. Therefore, the Group has not recognized certain expected income tax losses in the determination of deferred income tax, except for those companies that has taxable profit to offset the income tax losses.

**Amounts recognized in OCI**

	<b>As of December 31, 2023</b>			<b>As of December 31, 2022</b>			<b>As of December 31, 2021</b>		
	<b>Before tax</b>	<b>Tax (expense) benefit</b>	<b>Net of tax</b>	<b>Before tax</b>	<b>Tax (expense) benefit</b>	<b>Net of tax</b>	<b>Before tax</b>	<b>Tax (expense) benefit</b>	<b>Net of tax</b>
Items that will not be reclassified to profit and loss									
Remeasurements of defined benefit liability	\$ 124,599	\$ (37,380)	\$ 87,219	\$ (2,554,480)	\$ 766,344	\$ (1,788,136)	\$ 941,861	\$ (282,558)	\$ 659,303
Revaluation of property, construction in process and equipment	(889,982,346)	266,994,704	(622,987,642)	6,009,039,347	(1,802,711,804)	4,206,327,543	238,990,089	(71,697,026)	167,293,063
	<u>\$ (889,857,747)</u>	<u>\$ 266,957,324</u>	<u>\$ (622,900,423)</u>	<u>\$ 6,006,484,867</u>	<u>\$ (1,801,945,460)</u>	<u>\$ 4,204,539,407</u>	<u>\$ 239,931,950</u>	<u>\$ (71,979,584)</u>	<u>\$ 167,952,366</u>

**Reconciliation of effective tax rate**

	<b>For the Year Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
Profit before income tax	\$ 5,662,697	\$ 475,086,707	\$ 350,554
Tax using the Company's domestic tax rate	30%	30%	30%
Income tax at legal tax rate	1,698,809	142,526,012	105,166
Tax effect of:			
Annual adjustment inflation	86,082,320	72,595,223	66,939,657
Non-deductible expenses	5,970,038	7,751,565	895,711
Change in allowance for NOL's	(145,881,392)	7,836,607	37,918,447
Total tax expense	<u>\$ (52,130,224)</u>	<u>\$ 230,709,407</u>	<u>\$ 105,858,981</u>

## Movement in deferred tax balances

2023	<u>Net balance as of January 1,</u>	<u>Recognized in profit and loss</u>	<u>Recognized in OCI</u>	<u>Final balance</u>
Prepayments	\$ (1,422,966)	\$ (2,576,735)	-	\$ (3,999,701)
Property, plant and equipment	236,862	(40,054,941)	-	(39,818,079)
PP&E Surplus	(3,744,476,101)	5,750,177	266,994,704	(3,471,731,220)
PP&E (capitalized foreign exchange rate and interest expense)	(226,499,908)	(4,542,890)	-	(231,042,798)
Investment properties	(326,498,611)	25,979,531	-	(300,519,080)
Right of use of assets	-	(65,111,127)	-	(65,111,127)
Derivatives	(57,837,597)	22,760,479	-	(35,077,118)
Accruals	147,482	3,223,403	-	3,370,885
Advance customers	-	46,637,589	-	46,637,589
Lease liabilities	-	62,388,460	-	62,388,460
Employees' benefits	1,996,298	670,889	(37,380)	2,629,807
Employees' statutory profit sharing	641,950	30,568	-	672,518
	<u>\$ (4,353,712,591)</u>	<u>\$ 55,155,403</u>	<u>\$ 266,957,324</u>	<u>\$ (4,031,599,864)</u>

2022	<u>Net balance as of January 1,</u>	<u>Recognized in profit and loss</u>	<u>Recognized in OCI</u>	<u>Final balance</u>
Prepayments	\$ (628,022)	\$ (794,944)	\$ -	\$ (1,422,966)
Property, plant and equipment	(1,941,698,749)	171,314	(1,802,711,804)	(3,744,239,239)
PP&E (capitalized foreign exchange rate and interest expense)	(152,392,186)	(74,107,722)	-	(226,499,908)
Investment properties	(237,071,633)	(89,426,978)	-	(326,498,611)
Derivatives	2,384,364	(60,221,961)	-	(57,837,597)
Accruals	3,691,418	(3,543,936)	-	147,482
Employees' benefits	1,024,636	205,318	766,344	1,996,298
Employees' statutory profit sharing	225,621	416,329	-	641,950
	<u>\$ (2,324,464,551)</u>	<u>\$ (227,302,580)</u>	<u>\$ (1,801,945,460)</u>	<u>\$ (4,353,712,591)</u>

2021	<u>Net balance at January 1,</u>	<u>Recognized in profit and loss</u>	<u>Recognized in OCI</u>	<u>Final Balance</u>
Prepayments	\$ (431,516)	\$ (196,506)	\$ -	\$ (628,022)
Property, plant and equipment	(1,870,096,086)	94,363	(71,697,026)	(1,941,698,749)
PP&E FCI	(88,466,300)	(63,925,886)	-	(152,392,186)
Investment properties	(218,799,495)	(18,272,138)	-	(237,071,633)
Derivatives	25,138,382	(22,754,018)	-	2,384,364
Accruals	4,795,362	(1,103,944)	-	3,691,418
Employees' benefits	999,736	307,458	(282,558)	1,024,636
Employees' statutory profit sharing	219,989	5,632	-	225,621
	<u>\$ (2,146,639,928)</u>	<u>\$ (105,845,039)</u>	<u>\$ (71,979,584)</u>	<u>\$ (2,324,464,551)</u>

*Unrecognized deferred tax assets*

Deferred tax assets have not been recognized in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

	<u>As of December 31, 2023</u>		<u>As of December 31, 2022</u>	
	<u>Gross amount</u>	<u>Tax effect</u>	<u>Gross amount</u>	<u>Tax effect</u>
Income tax losses	\$ 707,357,588	\$ 212,207,276	\$ 1,201,013,037	\$ 360,303,911

*Tax losses carried forward*

Tax losses for which no deferred tax assets was recognized expire as follows:

Year	<u>Gross amount</u>	<u>Expire rate</u>
2016	\$ 25,155,567	2026
2018	585,980,790	2028
2021	12,404,940	2031
2022	10,296,375	2032
2023	73,519,916	2033
Total income tax losses	<u>\$ 707,357,588</u>	

**13. Financial instruments - Fair value and risk management**

*Accounting classification*

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value since the carrying amount is a reasonable approximation of fair value.

	<u>As of December 31, 2023</u>			<u>Total</u>
	<u>Mandatory at FVTPL</u>	<u>Financial assets at amortized cost</u>	<u>Other financial assets (liabilities)</u>	
<b>Financial assets measured at fair value</b>				
Interest rate swaps (Level 2)	\$ 116,923,727	\$ -	\$ -	\$ 116,923,727
<b>Financial assets not measured at fair value</b>				
Cash and cash equivalents and restricted cash (Level 1)	-	146,369,734	-	146,369,734
<b>Financial liabilities not measured at fair value</b>				
Secured bank loan	-	-	(6,614,983,870)	(6,614,983,870)
Unsecured bank loan	-	-	(67,688,944)	(67,688,944)
	<u>As of December 31, 2022</u>			
	<u>Mandatory at FVTPL</u>	<u>Financial assets at amortized cost</u>	<u>Other financial assets (liabilities)</u>	<u>Total</u>
<b>Financial assets measured at fair value</b>				
Interest rate swaps (Level 2)	\$ 192,791,990	\$ -	\$ -	\$ 192,791,990
<b>Financial assets not measured at fair value</b>				
Cash and cash equivalents and restricted cash (Level 1)	-	240,754,805	-	240,754,805
<b>Financial liabilities not measured at fair value</b>				
Secured bank loan	-	-	(4,308,870,061)	(4,308,870,061)
Unsecured bank loan	-	-	(1,528,794,290)	(1,528,794,290)

*Measurement of fair values*

i. Valuation techniques and significant unobservable inputs

The following table shows the valuation technique used in measuring Level 2 fair value of financial instruments in the statements of financial position.

Financial instruments measured at fair value

<b>Type</b>	<b>Valuation technique</b>
Interest rate swaps	FV is determined using market participant assumptions to measure these derivatives. Market participants' assumptions include the risk inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable.

ii. Transfers between levels

There were no transfers between Level 1 and 2 during the current or prior year. There were no transfers to Level 3 during the current or prior year.

*Financial risk managements*

The Group has exposure to the following risks arising from financial instruments:

- Liquidity risk
  - Market risk
- i. Risk management framework

Management of the Group has overall responsibility for the establishment and oversight of the Group's risk management framework. Management is responsible for developing and monitoring the Group's risk management policies and reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

*Liquidity risk*

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses the activity-based costing to cost its products and services, which assists in monitoring cash flow requirements and optimizing its cash return on investment.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next 60 days.

The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

*Exposure to liquidity risk*

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

As of December 31, 2023	Carrying amount	Contractual cash flows			Total
		2-12 Months	1-5 Years	More than 5 Years	
<b>Derivative financial assets</b>					
Derivatives (Interest rate swaps)	\$ -	\$ 116,923,727	\$ -	\$ -	\$ 116,923,727
<b>Total derivative financial assets</b>	<b>\$ -</b>	<b>\$ 116,923,727</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 116,923,727</b>
<b>Non-derivative financial liabilities</b>					
Secured bank loans	\$ 54,268,025	\$ 1,919,400,225	\$ 1,635,476,776	\$ 3,005,838,844	\$ 6,614,983,870
Unsecured bank loans	854,763	64,832,664	2,001,517	-	67,688,944
Lease liabilities	-	30,006,807	177,954,726	-	207,961,533
Trade payables	87,022,467	312,140,955	-	-	399,163,422
<b>Total non-derivative financial liabilities</b>	<b>\$ 142,145,255</b>	<b>\$ 2,326,380,651</b>	<b>\$ 1,815,433,019</b>	<b>\$ 3,005,838,844</b>	<b>\$ 7,289,797,769</b>

As of December 31, 2022	Contractual cash flows				
	Carrying amount	2-12 Months	1-5 Years	More than 5 Years	Total
<b>Derivative financial assets</b>					
Derivatives (Interest rate swaps)	\$ -	\$ 192,791,990	\$ -	\$ -	\$ 192,791,990
<b>Total derivative financial assets</b>	<b>\$ -</b>	<b>\$ 192,791,990</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 192,791,990</b>
<b>Non-derivative financial liabilities</b>					
Secured bank loans	\$ 17,707,910	\$ 279,613,581	\$ 2,038,359,482	\$ 1,973,189,088	\$ 4,308,870,061
Unsecured bank loans	22,044,602	59,372,314	341,726,892	1,105,650,482	1,528,794,290
Lease liabilities	-	387,617	236,572	-	624,189
Trade payables	36,820,831	87,764,666	-	-	124,585,497
<b>Total non-derivative financial liabilities</b>	<b>\$ 76,573,343</b>	<b>\$ 427,138,178</b>	<b>\$ 2,380,322,946</b>	<b>\$ 3,078,839,570</b>	<b>\$ 5,962,874,037</b>

As disclosed in Note 10, the Group has secured bank loans that contain certain covenants. A breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rate change. The future cash flows on derivative instruments may be different from the amount in the above table as interest rates and exchange rates or the relevant conditions underlying the contingency change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

For further information regarding our liquidity risk, please see note 2 (c).

*Market risk*

Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates and equity prices - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk managements is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the risk management committee.

*Managing interest rate benchmark reforms and associated risks*

*Overview*

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as "IBOR reform"). In 2021, the Group undertook amendments to most financial instruments with contractual terms indexed to IBORS such that they incorporate new benchmark rates, e.g. SONIA. As at 31 December 2022, the Group's remaining IBOR exposure is indexed to US dollar LIBOR. The alternative reference rate for US dollar LIBOR is the Secured Overnight Financing Rate (SOFR). The Group finished the process of implementing appropriate fallback clauses for all US dollar LIBOR indexed exposures in 2021. These clauses automatically switch the instrument from USD LIBOR to SOFR as and when USD LIBOR ceases. As announced by the Financial Conduct Authority (FCA) in early 2022, the panel bank submissions for US dollar LIBOR ceased in mid-2023.

The risk management committee monitors and manages the Group's transition to alternative rates. The committee evaluates the extent to which contracts reference IBOR cash flows, whether such contracts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties. The committee reports to the Company's board of directors quarterly and collaborates with other business functions as needed. It provides periodic reports to management of interest rate risk and risks arising from IBOR reform.

*Non-derivative financial liabilities*

The Group modified all of its floating-rate liabilities indexed to sterling LIBOR to reference SOFR during the year ended December 31, 2021. As a result, the Group's IBOR exposures to non-derivative financial liabilities as of December 31, 2023 and 2022 were secured bank loans indexed to SOFR.

*Derivatives*

The Group holds interest rate swaps for risk management purposes. The interest rate swaps have floating legs that are indexed to SOFR. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s master agreements.

*Currency risk*

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of Group companies. The functional currency of the Group companies is MXN. The currencies in which these transactions are primarily USD.

*Exposure to currency risk*

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows.

	<b>Dollars</b>	
	<b><u>As of December 31,</u></b>	<b><u>2022</u></b>
	<b><u>2023</u></b>	<b><u>2022</u></b>
<b>Assets:</b>		
Cash and cash equivalents and restricted cash	\$ 7,232,698	\$ 9,236,161
Trade receivables	419,351	-
Related parties	6,835,274	-
Other receivables	1,512,021	-
Prepayments	168,229	-
<b>Liabilities:</b>		
Current installments of long-term debt	(16,665,975)	(11,868,777)
Long-term debt	(354,024,085)	(275,684,063)
Trade accounts payable	(6,118,017)	(3,374,626)
Related parties	(709,429)	-
Other liabilities	(4,473,499)	-
<b>Net position</b>	<b><u>\$ (365,823,432)</u></b>	<b><u>\$ (281,691,305)</u></b>

The exchange rates of MXN/USD as of the date of the Combined Financial Statements and their issuance date are as follows:

	<b><u>As of December 31,</u></b>		<b><u>As of April 30,</u></b>
	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2024</u></b>
One U. S. dollar	<b><u>\$ 16.8935</u></b>	<b><u>\$ 19.3615</u></b>	<b><u>\$ 17.1552</u></b>



*Sensitivity analysis*

The strengthening or weakening of the U.S. dollar, with respect to the Mexican peso as of December 31, 2023 and 2022, would have affected the gains or losses capitalized in construction in progress for the amounts shown below. This analysis is based on changes in the exchange rate that the Group considered reasonably possible at the end of the reporting period. This analysis assumes that the rest of the variables remain constant.

The analysis is performed on the same basis for 2023 and 2022, although the reasonably possible variations in the exchange rate were different, as indicated below:

	<u>Capitalized in construction in process</u>		<u>Profit and loss</u>	
	<u>Strengthening</u>	<u>Weakening</u>	<u>Strengthening</u>	<u>Weakening</u>
December 31, 2023 USD (5% movement)	\$ (313,112,626)	\$ 313,112,626	\$ 4,110,719	\$ (4,119,719)
December 31, 2022 USD (5% movement)	\$ -	\$ -	\$ (272,698,311)	\$ 272,698,311

*Interest rate risks*

The Group adopts a policy of ensuring that 70% of its interest rate risk exposure with Banco Sabadell, S. A. Institución de Banca Multiple and CaixaBank, S. A. Institución de Banca Multiple is at fixed rate. This is achieved partly by entering into interest rate swaps. The Group applies a hedge ratio of 1:1.

*Exposure to interest rate risk*

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

<b>As of December 31, 2023</b>				
	<b>FV hierarchy</b>	<b>Nominal amount USD</b>	<b>Carrying amount</b>	<b>Effects recognized in P&amp;L</b>
<b>Financial assets measured at fair value</b>				
Interest rate swap - Sabadell	Level 2	73,376,432	\$ 68,146,850	\$ (45,855,988)
Interest rate swap - CaixaBank	Level 2	57,438,000	48,776,877	(30,012,275)
Total			\$ 116,923,727	\$ (75,868,263)
<b>As of December 31, 2022</b>				
	<b>FV hierarchy</b>	<b>Nominal amount USD</b>	<b>Carrying amount</b>	<b>Effects recognized in P&amp;L</b>
<b>Financial assets measured at fair value</b>				
Interest rate swap - Sabadell	Level 2	76,367,805	\$ 114,002,838	\$ 119,432,687
Interest rate swap - CaixaBank	Level 2	60,000,000	78,789,152	81,307,183
Total			\$ 192,791,990	\$ 200,739,870

*Fair value sensitivity analysis for fixed-rate instruments*

The Group does not account for any fixed-rate financial assets or financial liabilities, at FVPL, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

*Interest rate sensitivity*

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's combined income before income taxes is affected through the impact of floating rate borrowings (debt) as follows:

	<u>Increase/decrease in</u> <u>%</u>	<u>Effect on</u> <u>combined income</u> <u>before income taxes</u>
As of December 31, 2023		
US dollar	1%	\$ 601,345
US dollar	(1)%	(601,345)
As of December 31, 2022		
US dollar	1%	\$ 458,569
US dollar	(1)%	(458,569)

*Master netting or similar agreements*

The Group enters into derivative transactions under ISDA master agreements. The ISDA agreement do not meet the criteria for offsetting in the combined statement of financial position. This is because the Group does not have any currently legally enforceable right to offset recognized amounts.

**14. Revenue**

	<u>For the Year Ended December 31,</u>		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenue from contracts with customers	\$ 284,890,018	\$ 4,392,585	\$ -
Revenue for administrative services with related parties	1,761,896	2,038,437	1,529,063
Total revenue	<u>\$ 286,651,914</u>	<u>\$ 6,431,022</u>	<u>\$ 1,529,063</u>

*Revenue Streams*

The Group generates revenue primarily from its owned hotels. Other minor sources of revenue include administrative services that the Group provides to related parties.

a. *Disaggregation of revenue from contracts with customers*

In the following table, revenue from contracts with customers is disaggregated by primary major products and service lines and timing of revenue recognition.

	<u>For the year ended</u> <u>December 31,</u>		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
Major products/service lines			
Room rentals	\$ 169,417,278	\$ 1,103,206	\$ -
Food and beverage	104,813,372	2,520,105	-
Laundry	4,818,864	-	-
Private events	-	21,120	-
Spa services	3,127,449	18,600	-
Other services	2,713,055	729,554	-
Total revenue from contracts with customers	<u>284,890,018</u>	<u>4,392,585</u>	<u>-</u>
Administrative services to related parties	1,761,896	2,038,437	1,529,063
Total revenue	<u>286,651,914</u>	<u>6,431,022</u>	<u>1,529,063</u>
Timing of revenue recognition			
Services and products transferred at a point in time	117,234,636	5,327,816	1,529,063
Services transferred over time	169,417,278	1,103,206	-
Total revenue from contracts with customers	<u>\$ 286,651,914</u>	<u>\$ 6,431,022</u>	<u>\$ 1,529,063</u>

**15. Other income and other expenses**

	<b>For the Year Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
Other income			
Gain on sale of property, plant and equipment	\$ 100	\$ 203,909	\$ 25,863
Income on extraordinary maintenance			13,815,641
Expanses reimbursement	-	12,610,139	-
Land repurchase bonus	-	7,848,211	-
Rent	-	4,326,241	-
VAT revaluation	4,283,151	8,511,228	2,946,612
Insurance recovery	1,549,313	-	-
Key Money Amortization	1,705,089	-	-
Others	18,022,899	15,175	16,868,660
<b>Total other income</b>	<b>\$ 25,560,552</b>	<b>\$ 33,514,903</b>	<b>\$ 33,656,776</b>

	<b>For the Year Ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
Other expenses			
Penalties on land acquisition	\$ -	\$ -	\$ (28,364,700)
Other expenses	(9,801,077)	(3,874,125)	(343,622)
<b>Total other expenses</b>	<b>\$ (9,801,077)</b>	<b>\$ (3,874,125)</b>	<b>\$ (28,708,322)</b>

**16. Net assets**

a. **Issued member's equity:**

During 2022, the Group's shareholders contributed in cash to the net assets of the Group's Companies as follows:

- On January 31, 2022, Murano P.V. contributed \$128,378.
- On September 15, 2022, Murano P.V. contributed \$150,000.
- On November 25, 2022, Murano P.V. contributed \$100,000.
- On February 10, 2022, Operadora Hotelera I421 Premium, was incorporated and contributed \$50,000.

During 2021, the Group's shareholders contributed in cash to the net assets of the Group's Companies as follows:

- On August 31, 2021, Murano P.V. contributed \$1,050,000.
- On September 3, 2021, Murano P.V. contributed \$1,996,150.
- On September 9, 2021, Murano P.V. contributed \$1,994,400.
- On October 29, 2021, Murano P.V. contributed \$200,000.
- On November 26, 2021, Murano P.V. contributed \$300,000.
- On December 17, 2021, Murano P.V. contributed \$150,000.
- On December 23, 2021, Murano P.V. contributed \$150,000.
- On November 25, 2021, Operadora Hotelera I421 contributed \$900,000.
- On November 25, 2021, Operadora Hotelera GI contributed \$210,001.
- On July 7, 2021, Operadora Hotelera GI II., was incorporated and contributed \$100,000.

b. **Capital Reimbursement**

During 2022, the Group's shareholders made capital reimbursements as follows:

- On February 9, 2022, Murano World made capital reimbursements of \$1,658,600.
- On February 22, 2022, Murano World made capital reimbursements of \$12,183,780.
- On February 28, 2022, Murano World made capital reimbursements of \$4,800,000.
- On March 17, 2022, Murano World made capital reimbursements of \$4,174,860.
- On March 23, 2022, Murano World made capital reimbursements of \$13,748,700.
- On April 20, 2022, Murano World made capital reimbursements of \$1,993,770.
- On April 28, 2022, Murano World made capital reimbursements of \$5,089,000.
- On May 12, 2022, Murano World made capital reimbursements of \$10,186,000.
- On May 20, 2022, Murano World made capital reimbursements of \$2,994,945.
- On May 31, 2022, Murano World made capital reimbursements of \$4,239,475.
- On June 7, 2022, Murano World made capital reimbursements of \$3,623,356.
- On June 17, 2022, Murano World made capital reimbursements of \$4,133,500.
- On June 27, 2022, Murano World made capital reimbursements of \$5,009,125.
- On July 1, 2022, Murano World made capital reimbursements of \$30,216,450.
- On July 14, 2022, Murano World made capital reimbursements of \$4,157,640.
- On July 21, 2022, Murano World made capital reimbursements of \$5,110,175.
- On July 21, 2022, Murano World made capital reimbursements of \$3,064,950.
- On August 19, 2022, Murano World made capital reimbursements of \$3,255,805.
- On August 26, 2022, Murano World made capital reimbursements of \$4,979,950.
- On September 9, 2022, Murano World made capital reimbursements of \$1,001,485.
- On September 14, 2022, Murano World made capital reimbursements of \$1,089,785.
- On September 23, 2022, Murano World made capital reimbursements of \$5,200,675.
- On September 28, 2022, Murano World made capital reimbursements of \$250,000.
- On October 21, 2022, Murano World made capital reimbursements of \$14,089,040.
- On November 22, 2022, Murano World made capital reimbursements of \$24,291,625.
- On November 25, 2022, Murano World made capital reimbursements of \$100,000.
- On December 9, 2022, Murano World made capital reimbursements of \$9,848,850.
- On December 15, 2022, Murano World made capital reimbursements of \$10,822,900.
- On December 19, 2022, Murano World made capital reimbursements of \$21,959,260.
- On December 31, 2022, Murano World made capital reimbursements of \$85,500,000.

During 2021, the Group's shareholders made capital reimbursements as follows:

- On January 13, 2021, Murano World made capital reimbursements of \$1,200,000.
- On January 22, 2021, Murano World made capital reimbursements of \$1,957,930.
- On January 29, 2021, Murano World made capital reimbursements of \$4,043,360.
- On February 10, 2021, Murano World made capital reimbursements of \$201,227.
- On February 11, 2021, Murano World made capital reimbursements of \$602,739.
- On February 19, 2021, Murano World made capital reimbursements of \$1,213,542.
- On February 25, 2021, Murano World made capital reimbursements of \$3,087,495.
- On March 12, 2021, Murano World made capital reimbursements of \$629,559.
- On March 22, 2021, Murano World made capital reimbursements of \$2,044,150.
- On March 26, 2021, Murano World made capital reimbursements of \$3,118,230.
- On April 8, 2021, Murano World made capital reimbursements of \$3,225,792.
- On April 14, 2021, Murano World made capital reimbursements of \$3,617,100.
- On April 23, 2021, Murano World made capital reimbursements of \$1,987,400.
- On April 30, 2021, Murano World made capital reimbursements of \$3,994,240.
- On May 12, 2021, Murano World made capital reimbursements of \$1,500,000.
- On August 31, 2021, Murano World made capital reimbursements of \$4,486,688.

- On September 3, 2021, Murano World made capital reimbursements of \$1,996,150.
- On September 9, 2021, Murano World made capital reimbursements of \$1,994,400.
- On September 20, 2021, Murano World made capital reimbursements of \$300,000.
- On September 29, 2021, Murano World made capital reimbursements of \$4,021,040.
- On September 29, 2021, Murano World made capital reimbursements of \$200,000.
- On November 26, 2021, Murano World made capital reimbursements of \$300,000.

**17. Commitments and contingencies**

- a. In accordance with Mexican tax law, the tax authorities are empowered to examine transactions carried out during the five years prior to the most recent income tax return filed.
- b. In accordance with the Mexican tax Law, companies carrying out transactions with related parties are subject to certain requirements as to the determination of prices, which should be like those used in arm's-length transactions. Should the tax authorities examine the transactions and reject the related-party prices, they could assess additional taxes plus the related inflation adjustment and interest, in addition to penalties of up to 100% of the omitted taxes.
- c. On September 10, 2019, and as amended on March 28, 2021, July 11, 2023 and the extension on January 19, 2024, the Group signed a Hotel Management Agreement with AMR Operaciones MX, S. de R.L. de C. V. (AMR). Under this contract, AMR is solely engaged as an exclusive managing agent of the 1,016 keys with the brands Vivid (400 keys) and Dreams (616 keys) of the Cancun complex on behalf of the Company, in exchange of certain fees for the services provided. The period commencing from the opening date and ending on December 31 of the 25th full Fiscal Year following the opening date
- d. On May 11, 2022, the Group signed a Hotel Services Agreement with Hyatt of Mexico, S.A. de C.V. ("Hyatt"). Under this contract, Hyatt is solely engaged as an exclusive managing agent of the Andaz Hotel on behalf of the Company, in exchange of certain fees for the services provided. The period commencing from the opening date and ending on December 31 of the 20th full Fiscal Year following the opening date.
- e. On May 11, 2022, the Group signed a Hotel Management Agreement with Ennismore Holdings US Inc. ("Accor"). Under this contract, Accor is solely engaged as an exclusive managing agent of the Mondrian Hotel on behalf of the Company, in exchange of certain fees for the services provided. The period commencing from the opening date and ending on December 31 of the 20th full Fiscal Year following the opening date.

**18. Subsequent events**

- a. On January 5, 2024, the Group signed a loan agreement with Finamo for \$350,000,000 with an annual interest rate of 17%; funds were received on the same date. On January 5, 2024, the Group signed a loan agreement with Finamo for U.S.\$26,000,000 with an annual interest rate of 15%. The funds were received on January 18, 2024, and part of this loan was used to pay the \$350,000,000 described above. Unit 3 of the land in Grand Island was given as guarantee under this loan agreement.
- b. On January 26, 2024, February 26, 2024 and March 26, 2024, the Group received U.S.\$70,000, U.S.\$316,000 and U.S.\$311,000, respectively, from the U.S.\$2,500,000 Exitus loan (see Note 10.6).
- c. On February 1, 2024, the Group received U.S.\$6,000,000 related to the tranche C of the Syndicated loan.
- d. On February 23, 2024 the Securities and Exchange Commission gave notice of effectiveness to the Registration Statement on Form F-4 related to the BCA described in Note 1.b.2. On March 1, 2024, Murano Global Investments Limited converted from a private limited company to a public limited company operating under the name Murano Global Investments PLC.

As part of the BCA, on March 8, 2024, the Group conducted a capital restructuring that resulted in Murano Global Investments PLC becoming the ultimate parent company of the Group and Murano PV, S. A. de C. V. as an intermediate holding company of the Group, a subsidiary of Murano Global Investments PLC and owner of the Mexican structure.

On March 20, 2024, Murano Global Investments Limited PLC and HCM completed the BCA and as a result there were 79,242,873 ordinary shares and 16,875,000 warrants outstanding as of that date. The Group's original shareholder obtained 87.2% of the total outstanding shares, HCM's sponsor obtained 11.1%, certain vendors obtained 1.6% and the rest of HCM's shareholders 0.1%. HCM does not meet the definition of a "business" under IFRS 3 *Business Combinations* given it consisted predominantly of cash in trust account, therefore, there is no acquisition accounting and no recognition of goodwill or intangible assets. Instead, the merger as defined in the BCA is accounted for as a capital reorganization for which the Group applied IFRS 2 Share-based payment. Also, in accordance with IFRS 2 *Share-based Payment*, the difference in the fair value of the shares issued by the Group over the identifiable net assets of HCM at historical cost will be an increase/decrease in the number of ordinary shares issued accounted for as share-based compensation.

On March 21, 2024 its common stock and warrants began trading on the Nasdaq Capital Market under the ticker symbols "MRNO" and "MRNOW", respectively.

As of the date of these combined financial statements, the Group is evaluating the economic impact of the BCA in the ultimate parent company of the Group. The Group considers that the following items will have an economic impact resulting from this operation: cash and cash equivalents, common stock, accrued expenses and transaction costs. The estimation of these impacts is conducted in accordance with IFRS 2.

- e. During the first quarter of 2024, the debt service reserve account under the Fideicomiso 2000's syndicated secured mortgage loan was not fully funded at test day, the Group requested a waiver from the lenders, which was granted on March 19, 2024 a temporary waiver for this covenant breach was obtained until May 1, 2024.
- f. On March 27, 2024, Murano World, S. A. de C. V. increased its credit line with Santander from U.S.\$1,500,000 to U.S.\$2,000,000.
- g. On April 4, 2024, the Group amended the loan agreement signed between Inmobiliaria Insurgentes 421 and Bancomext. The main change included postponing the capital payments calendar from April 2024 to April 2025, as well as obtained an event of default waiver by Bancomext, as lender, in connection with the funding obligations of the debt service reserve accounts. As a result of such waiver, the parties thereto executed an amendment and waiver agreement to provide for the new terms and conditions with respect to the funding obligations of the debt service reserve accounts. Therefore, as of this date such events of default under the Insurgentes Loan have been waived by the lender.
- h. On April 9, 2024, Murano PV, S. A. de C. V. signed a loan agreement with Finamo for \$100,000,000 with maturity in 6 months and a fixed annual interest rate of 22%.
- i. On April 9, 2024, an assignment and adhesion to the syndicated secured mortgage loan of Fideicomiso Murano 2000 (GIC I Trust) was executed by and between Avantta Sentir Común, S. A. de C.V., SOFOM, E.N.R., as adherent creditor and assignee, Sabcapital, S.A. de C.V., SOFOM, E.R., as the assignor, with the appearance of Sabadell in its capacity as administrative and collateral agent and the GIC I Trust (the "GIC Loan Assignment") whereby the assignor assigned and transferred to the assignee its rights and obligations owned as a Tranche C creditor representing 60% of the tranche C commitment, amounting to U.S. \$6,000,000.00 as the assigned amount.
- j. On April 11, 2024, the Group received \$137,615,652 from the credit line with Bancomext to finance VAT receivable.

**19. Correction of immaterial errors**

The combined financial statements previously issued for the years ended December 31, 2022, 2021 and as of January 1, 2021 included errors related to the classification of non-cash transactions in the combined statement of cash flows and errors related to deferred taxes. Such errors are corrected in this combined financial statements and management believes these are immaterial errors to its financial statements taken as a whole.

- The cash flow adjustments include the following: (i) a decrease of interest expense in operating activities and a decrease in the interest paid in financing activities of \$241,931,148 for the years ended December 31, 2022, and (ii) a decrease of interest expense in operating activities and a decrease in the interest paid in financing activities of \$102,952,238 for the year ended December 31, 2021.
- The deferred tax adjustments as of and for the year ended December 31, 2022 include the following: (i) an increase of the deferred tax liability of \$57,837,597, (ii) an increase in income tax expense of \$60,221,961 for the year ended December 31, 2022, (iii) an increase in accumulated deficit of \$57,837,597 as of December 31, 2022.
- The deferred tax adjustments as of and for the year ended December 31, 2021 include the following (i) a decrease in the deferred tax liability of \$2,384,364, (ii) an increase in income tax expense of \$22,754,018, (iii) an decrease in accumulated deficit of \$2,384,364 as of December 31, 2021 and (iv) a decrease in accumulated deficit of \$25,138,382 as of January 1, 2021.

[TO BE RATIFIED BEFORE A PUBLIC NOTARY]

RE-EXPRESSION AGREEMENT (THE "AGREEMENT") ENTERED INTO ON DECEMBER 20, 2023 TO THE SIMPLE LOAN AGREEMENT WITH MORTGAGE GUARANTEE, DATED OCTOBER 4, 2019, ENTERED INTO BY AND BETWEEN:

(I) CIBANCO, S.A., INSTITUCIÓN DE BANCA MÚLTIPLE, ACTING AS TRUSTEE OF TRUST NUMBER CIB/3001, REFERRED TO BY THE PARTIES THERETO AS "FIDEICOMISO MURANO 2000", IN ITS CAPACITY AS BORROWER AND MORTGAGE DEBTOR UNDER THE LOAN AGREEMENT, TRUSTOR PURSUANT TO THE GUARANTEE TRUST AND SECURED PARTY IN TERMS OF THE FF&E PLEDGE AGREEMENT (THE "BORROWER" OR THE "BORROWER TRUST", INTERCHANGEABLY);

(II) OPERADORA HOTELERA G.I., S.A. DE C.V. ("OPERADORA HOTELERA GI"), AS JOINT AND SEVERAL OBLIGOR UNDER THE LOAN AGREEMENT AND TRUSTOR PURSUANT TO THE GUARANTEE TRUST;

(III) MURANO WORLD, S.A. DE C.V. (FORMERLY BVG WORLD, S.A. DE C.V.) ("MURANO WORLD"), IN ITS CAPACITY AS JOINT AND SEVERAL OBLIGOR UNDER THE LOAN AGREEMENT, MORTGAGE DEBTOR PURSUANT TO THE MORTGAGE OVER THE PLAYA DELFINES PROPERTY AND FOR PURPOSES OF THE PROVISIONS OF SECTIONS TEN AND ELEVEN OF THE LOAN AGREEMENT, AS WELL AS IN ITS CAPACITY AS TRUSTOR UNDER THE GUARANTEE TRUST;

(IV) OPERADORA HOTELERA GRAND ISLAND II, S.A. DE C.V. ("OPERADORA HOTELERA GI2" AND TOGETHER WITH OPERADORA HOTELERA GI AND MURANO WORLD, THE "JOINT AND SEVERAL OBLIGORS"), AS JOINT AND SEVERAL OBLIGOR UNDER THE LOAN AGREEMENT;

(V) BANCO SABADELL, S.A., INSTITUCIÓN DE BANCA MÚLTIPLE, AS ADMINISTRATIVE AND COLLATERAL AGENT (THE "AGENT");

(VI) EACH OF THE LENDERS LISTED ON THE SIGNATURE PAGES HERETO (THE "LENDERS");

(VII) WITH THE APPEARANCE AND CONSENT, FOR PURPOSES OF THE PROVISIONS OF SECTIONS TWO BIS, THREE, TEN, ELEVEN AND NINETEEN OF THE LOAN AGREEMENT, AS APPLICABLE, OF MURANO PV, S.A. DE C.V. ("MURANO PV") AND MR. ELÍAS SACAL CABABIE ("ESC" AND TOGETHER WITH MURANO PV, THE "APPEARING PARTIES"), THE LATTER ALSO IN HIS CAPACITY AS TRUSTOR UNDER THE GUARANTEE TRUST AND SECURED PARTY PURSUANT TO THE MONACO PLEDGE AGREEMENT, AND

(VIII) WITH THE APPEARANCE AND CONSENT, FOR PURPOSES OF SECTION THREE HEREOF AND IN ITS CAPACITY AS MORTGAGE DEBTOR UNDER THE MORTGAGE OVER CONDOMINIUM UNIT NUMBER 2, OF CIBANCO, S.A., INSTITUCIÓN DE BANCA MÚLTIPLE, IN ITS CAPACITY AS TRUSTEE UNDER THE IRREVOCABLE MANAGEMENT TRUST AGREEMENT IDENTIFIED WITH NUMBER CIB/3224 (THE "CIB/3224 TRUST"),

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PURSUANT TO THE FOLLOWING BACKGROUND, REPRESENTATIONS AND SECTIONS:

BACKGROUND

FIRST. On October 4, 2019, (i) the Borrower, in that same capacity, (ii) Operadora Hotelera GI, as joint and several obligor, (iii) the Agent, as lender and administrative and collateral agent, (iv) Banco Nacional de Comercio Exterior, S.N.C., Institución de Banca de Desarrollo ("Bancomext") and Caixabank, S.A. ("Caixabank"), as lenders, and (v) with the appearance of Murano World and the Appearing Parties, solely and exclusively for the effects established therein, entered into a simple loan agreement with mortgage guarantee by virtue of which the lenders agreed to make available to the Borrower a simple loan for a total amount equal to the lesser of: (i) US\$160,000,000.00 (one hundred sixty million Dollars 00/100) or (ii) 55% (fifty-five percent) of the sum of the Project Construction Cost plus the value of the land of the Properties, considering a value of US\$60,000,000.00 (sixty million Dollars 00/100), pursuant to the terms and conditions set forth therein (as amended from time to time, including, without limitation, by means of the Sabadell Assignment Agreement and the Amendment Agreements (as such terms are defined below), and as re-expressed hereby, the "Loan Agreement").

SECOND. On October 4, 2019, (i) the Borrower, as trustor A and second place beneficiary, (ii) Operadora Hotelera GI, as trustor B and second place beneficiary, (iii) Murano World, as trustor C and second place beneficiary (hereinafter, the Borrower, Operadora Hotelera GI and Murano World, each with the capacity indicated in each case, the "Original Trustors"), (iv) the Agent, as first place beneficiary, in the name, on behalf and for the benefit of the lenders under the Loan Agreement, and (v) Banco Actinver, S.A., Institución de Banca Múltiple, Grupo Financiero Actinver, as trustee (the "Trustee"), entered into an irrevocable guarantee, administration and source of payment trust agreement number 4207, by virtue of which the trustors contributed to the trust estate the assets and rights described therein to serve as guarantee and alternative source of payment for the Loan (as amended from time to time, the "Guarantee Trust").

THIRD. On October 4, 2019, (i) the Borrower, as pledgor, and (ii) the Agent, in its capacity as secured party and in its capacity as collateral agent, in the name, on behalf and for the benefit of the lenders under the Loan Agreement, entered into a pledge agreement without transfer of possession by virtue of which a first priority pledge was created in favor of the Agent over each and all of the Pledged Assets (as such term is defined in such agreement) to secure the timely performance of the Loan (as amended from time to time, the "FF&E Pledge Agreement").

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FOURTH. On December 21, 2020, (i) the Agent, as assignor and administrative and collateral agent, (ii) Sabcapital, S.A. de C.V., S.O.F.O.M., E.R., as assignee (“Sabcapital”), and (iii) with the appearance of the Borrower Trust, as borrower under the Loan Agreement, entered into an assignment agreement for transfer of rights and obligations and accession to the Loan Agreement by virtue of which, among other resolutions, the Agent unconditionally and irrevocably assigned to Sabcapital all of the rights (together with all of their accessories) and obligations it held, solely and exclusively in its capacity as lender, under the Loan Agreement and the other Credit Documents (the “Sabadell Assignment Agreement”). By virtue of the foregoing, as of such date, Sabcapital is considered a lender under the Loan Agreement and the other Credit Documents, without such having implied any change in the person acting as administrative and collateral agent pursuant to the Credit Documents and Security Documents; that is, the Agent.

FIFTH. On January 26, 2021, (i) the Borrower, in such capacity, (ii) Operadora Hotelera GI, as joint and several obligor, (iii) the Agent, as administrative and collateral agent, (iv) Bancomext, Caixabank and Sabcapital, as lenders, and (v) with the appearance of Murano World and the Appearing Parties, entered into a first amendment agreement to the Loan Agreement by virtue of which, among other resolutions, the deadline was extended for the granting of the Additional Credit, as well as for the substitution of the Monaco Pledge Agreement for the Miami Pledge Agreement, and the Disbursement and Investment Schedule was replaced.

SIXTH. On January 26, 2021, (i) the Original Trustors, in such capacity, (ii) the Agent, as first place beneficiary, in the name, on behalf and for the benefit of the lenders under the Loan Agreement, (iii) the Trustee, in such capacity, and (iv) ESC, as adhering trustor, entered into a first amendment agreement to the Guarantee Trust by virtue of which, among other resolutions, Mr. ESC adhered to the Guarantee Trust in the capacity as trustor D.

SEVENTH. On October 6, 2021, (i) the Borrower, in such capacity, (ii) Operadora Hotelera GI, as joint and several obligor, (iii) the Agent, as administrative and collateral agent, (iv) Bancomext, Caixabank and Sabcapital, as lenders, and (v) with the appearance of Murano World and the Appearing Parties, entered into a second amendment agreement to the Loan Agreement by virtue of which, among other resolutions, the deadline was extended to carry out the substitution of the Monaco Pledge Agreement for the Miami Pledge Agreement.

EIGHTH. On April 7, 2022, (i) the Borrower, in such capacity, (ii) Operadora Hotelera GI, as joint and several obligor, (iii) the Agent, as administrative and collateral agent, (iv) Bancomext, Caixabank and Sabcapital, as lenders, and (v) with the appearance of Murano World and the Appearing Parties, entered into a third amendment agreement to the Loan Agreement by virtue of which, among other resolutions, the definition of Disbursement Period was modified.

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NINTH. On July 11, 2022, (i) the Borrower, as such, (ii) Operadora Hotelera GI, as joint and several obligor, (iii) the Agent, as administrative and collateral agent, (iv) Nacional Financiera, S.N.C., Institución de Banca de Desarrollo ("Nafin"), as adhering lender, (v) Bancomext, Caixabank and Sabcapital, as lenders, and (vi) with the appearance of Murano World and the Appearing Parties, entered into the fourth amendment agreement to the Loan Agreement by virtue of which, among other resolutions, the parties agreed to the terms and conditions under which Nafin would grant to the Borrower, under the Loan Agreement, an additional credit line for up to USD\$34,811,149.50 (thirty-four million eight hundred eleven thousand one hundred forty-nine Dollars 50/100).

TENTH. On December 16, 2022, (i) the Borrower, as such, (ii) Operadora Hotelera GI, as joint and several obligor, (iii) the Agent, as administrative and collateral agent, (iv) the Lenders, in such capacity, and (v) with the appearance of Murano World and the Appearing Parties, entered into the fifth amendment agreement to the Loan Agreement by virtue of which, among other resolutions, the definition of Guaranteed Documents was modified for purposes of including therein the Interest Rate Hedging Agreement entered into with Affiliates of the Lenders.

ELEVENTH. On August 1, 2023, (i) the Borrower Trust, in such capacity and as mortgage debtor under the Loan Agreement, trustor under the Guarantee Trust and secured party under the FF&E Pledge Agreement, (ii) Operadora Hotelera GI, as joint and several obligor under the Loan Agreement and trustor under the Guarantee Trust, (iii) the Agent, as administrative and collateral agent, (iv) the Lenders, in such capacity, (v) with the appearance and consent of Murano World, who also appeared in its capacity as trustor under the Guarantee Trust, Murano PV and ESC, who also appeared in its capacity as secured party under the Monaco Pledge Agreement and as trustor under the Guarantee Trust, and (vi) with the appearance of the Trustee, in such capacity, entered into the sixth amendment agreement to the Loan Agreement by virtue of which, among other resolutions, the rescheduling of the principal amortization of the Loan was agreed and the Loan Amortization Schedule was modified and replaced.

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TWELFTH. On August 24, 2023, (i) the Borrower, in such capacity, (ii) Operadora Hotelera GI, as joint and several obligor, (iii) Murano World, as adhering joint and several obligor and for purposes of the provisions of Sections Ten and Eleven of the Loan Agreement, (iv) Operadora Hotelera GI2, as adhering joint and several obligor, (v) the Agent, as administrative and collateral agent, (vi) the Lenders, in such capacity, (vii) with the appearance and consent for purposes of the provisions of Sections Two Bis, Three, Ten, Eleven and Nineteen of the Loan Agreement, as applicable, of the Appearing Parties, and (viii) with the appearance and consent of Murano AT GV, S.A. de C.V. for purposes of the provisions of Section Twenty-Eight of said amendment agreement, entered into a seventh amendment and acknowledgment and restructuring agreement to the Loan Agreement (said amendment agreement, together with the other six amendment agreements indicated in Background Sections Fifth and Seventh through Eleventh hereof, the "Amendment Agreements") by virtue of which, among other resolutions, Murano World and Operadora Hotelera GI2 adhered to the Loan Agreement in their capacity as joint and several obligors, and several provisions of the Loan Agreement were amended pursuant to the terms set forth therein.

THIRTEENTH. On August 24, 2023, the trustee of the CIB/3224 Trust, in its capacity as mortgage guarantor, granted in first priority mortgage, in favor of the Agent, in the name, on behalf and for the benefit of the Lenders, Condominium Unit Number 2 to secure the Guaranteed Obligations pursuant to the terms and conditions set forth in said mortgage deed (as amended from time to time, the "Mortgage over Condominium Unit Number 2").

FOURTEENTH. On August 24, 2023, Murano World, in its capacity as mortgage guarantor, granted in second priority mortgage, in favor of the Agent, in the name, on behalf and for the benefit of the Lenders, over the Playa Delfines Property to secure the Guaranteed Obligations, pursuant to the terms and conditions set forth in said mortgage deed (as amended from time to time, the "Mortgage over the Playa Delfines Property").

FIFTEENTH. On August 24, 2023, ESC granted in pledge, in favor of the Agent, in the name, on behalf and for the benefit of the Lenders, over all of the shares it owns in Murano World to secure the Guaranteed Obligations, pursuant to the terms and conditions set forth in the respective share pledge agreement (as amended from time to time, the "Pledge over Shares of Murano World").

SIXTEENTH. On December 14, 2023, (i) ESC, in its capacity as pledgor, and (ii) the Agent, in the name, on behalf and for the benefit of the Lenders, entered into a pledge over cash and financial instruments, pursuant to the laws of the Principality of Monaco, by virtue of which ESC guarantees the due and timely contribution to the Project of at least USD\$18,613,000.00 (eighteen million six hundred thirteen thousand Dollars 00/100) for application pursuant to the Disbursement and Investment Schedule and Budget, as well as, if necessary, payment of any Project cost overruns for the same amount.

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SEVENTEENTH. On December 18, 2023, the trustee of the Borrower Trust received from Murano AT GV, S.A de C.V., in its capacity as manager under the Borrower Trust itself, the instruction letter for it to enter into, solely in its capacity as trustee of the Borrower Trust, this Agreement. A copy of said instruction letter is attached hereto as Exhibit A.

EIGHTEENTH. On December 18, 2023, the trustee of the CIB/3224 Trust received from Murano World, in its capacity as trustor and second place beneficiary under the CIB/3224 Trust itself, the instruction letter for it to enter into, solely in its capacity as trustee of the CIB/3224 Trust and for purposes of the provisions of Section Three hereof, this Agreement. A copy of said instruction letter is attached hereto as Exhibit B.

NINETEENTH. Capitalized terms used in the Background and Representations sections of this Agreement have the meaning assigned to them in the Loan Agreement (as re-expressed pursuant to the terms and conditions set forth herein), unless expressly defined differently herein (said meanings being applicable to both the singular and plural forms).

#### DECLARATIONS

I. The Borrower declares, through its trustees, that:

(a) Constitution. It is a financial entity, duly incorporated and validly existing under the laws of Mexico, appearing to this Agreement solely in its capacity as the trustee of the Accredited Trust.

(b) Powers. Its trustees have sufficient and necessary powers to enter into this Agreement on behalf of the trustee, powers that have not been revoked, modified, or limited in any way as of the date of this Agreement, as evidenced by public deed number 190,443 dated May 31, 2023, granted before the lawyer Amado Mastachi Aguario, holder of notary number 121 in Mexico City, whose first certified copy was duly registered with the Public Registry of Property and Commerce of Mexico City under commercial folio number 384235-1, on July 12, 2023.

(c) Validity. The Credit Agreement, the Credit Documents, the Guarantee Documents, and the Accredited Trust Agreement are in full force.

(d) Debts. The document attached hereto as Annex C constitutes the updated list of Debts incurred solely and exclusively as trustee of the Accredited Trust, as well as any other relevant debts as of this date, so there are no other Debts and/or relevant debts beyond those reflected therein.

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(e) Trust's Assets. As of the date of this Agreement, to the best of its knowledge, no event or condition has occurred that may adversely affect: (i) assets, rights, or values comprising the Trust's Assets, (ii) liabilities or condition (financial or otherwise) regarding the Accredited Trust, and/or (iii) its ability, solely in its capacity as trustee of the Accredited Trust and in execution of its purposes, to fulfill the obligations arising from its position under the Credit Agreement.

(f) Non-Violation. The execution and performance of this Agreement by the Borrower, in its capacity as trustee of the Accredited Trust, do not violate (i) its bylaws, (ii) any law, regulation, circular, award, order, or judgment applicable to it, (iii) the provisions of any contract, agreement, issuance act, or any other source of obligations to which the Borrower, in its capacity as trustee of the Accredited Trust, is a party or to which it is subject, nor (iv) the administration trust contract number CIB/3001 of which it is a trustee. Also, except for the instruction letter referred to in Seventeenth Background of this Agreement, no further authorization is required for the execution and performance by the Borrower, in its capacity as trustee of the Accredited Trust, of this Agreement, other than those obtained to date.

(g) Litigation. Except as stated in the document attached hereto as Annex D, as of the date of this Agreement, it is not aware of any threat regarding any legal or administrative action or proceeding or any other legal nature against any of the assets that are part of the Trust's Assets, before any court, governmental entity, or arbitrator that may result or could have as a consequence a Significant Adverse Change, or that may affect the legality, validity, or enforceability of this Agreement and/or any of the Credit Documents and/or the Guarantee Documents and/or the Project's development.

(h) Enforceability. This Agreement constitutes a legal and valid obligation of the Borrower, in its capacity as trustee of the Accredited Trust, enforceable against it in accordance with its terms.

(i) No Novation. The execution of this Agreement does not constitute in any way, and should not be construed or interpreted as, a payment in kind, novation (subjective or objective), and/or any other form of extinguishment of the obligations of the Borrower, in its capacity as trustee of the Accredited Trust, under the Credit Documents and/or the Guarantee Documents.

(j) Agreement Execution. It is their will to enter into this Agreement solely and exclusively to restate the Credit Agreement in accordance with the terms and conditions set forth herein, as well as to ratify, as applicable, the validity and enforceability of the guarantees constituted in favor of the Agent, for the benefit of the Creditors, and, as of this date, there is no notification regarding the occurrence of an Event of Default under the Credit Agreement.

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(k) Absence of Liens on the Properties. Except for the Guarantee Trust, the Mortgage, and a certain second-ranking and priority mortgage granted in favor of Bancomext on November 26, 2019, as recorded in public deed number 225,165 of the same date, granted before the lawyer Cecilio González Márquez, holder of notary number 151 in Mexico City, as of this Agreement date, there are no additional Liens on the Properties or the Trust's Assets. Likewise, as of this date, it has not been notified, nor is aware, that any reivindicatory action or any other type of action that limits or extinguishes possession and ownership over any of the Properties has been brought against it and/or any of the Properties. Similarly, it declares that, regarding the Properties, it has not entered into any option or commitment to sell or dispose of them to any third party.

(l) Project Development. (1) The Project has been developed and is in compliance with the Plans and any applicable laws, (2) the Project Documents are in force and have full effect, and (3) no Significant Adverse Change regarding the Project has occurred or is expected to occur.

(m) Credit Agreement Declarations. The declarations made by the Borrower in the Declarations chapter of the Credit Agreement (as originally executed) and the Amendment Agreements continue to be true and applicable as of this date (except for those declarations referring to an earlier date, in which case they are true and applicable as of that earlier date), and are deemed incorporated herein mutatis mutandis.

II. Each of the Solidary Obligors declares, through its respective attorney-in-fact, as applicable:

(a) Constitution. It is a variable capital corporation, duly incorporated and validly existing under the laws of Mexico.

(b) Powers.

(b.1) Operadora Hotelera GI. Its attorney-in-fact has sufficient powers to enter into this Agreement, as evidenced by public deed number 4,571 dated August 8, 2023, granted before Lawyer Javier Horacio Sauza Semerena, holder of notary number 72 in Quintana Roo, whose first certified copy was duly registered with the Public Registry of Property and Commerce of Mexico City under electronic commercial folio number N-2018078026, on August 11, 2023, and such powers have not been revoked, limited, or modified in any way as of the date of this Agreement.

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(b.2) Murano World. Its attorney-in-fact has sufficient powers to enter into this Agreement, as evidenced by deed number 61,036 dated February 28, 2023, granted before Lawyer Gabriel Benjamín Díaz Soto, holder of notary number 131 in Mexico City, registered in the Public Registry of Property and Commerce of Mexico City under commercial folio 363034-1, on June 23, 2023, and such powers have not been revoked, limited, or modified in any way as of the date of this Agreement.

(b.3) Operadora Hotelera GI 2. Its attorney-in-fact has sufficient powers to enter into this Agreement, as evidenced by public deed number 47,094 dated July 7, 2021, granted before Lawyer Luis Eduardo Paredes Sánchez, holder of notary number 180 in Mexico City, whose first certified copy was duly registered with the Public Registry of Property and Commerce of Mexico City under electronic commercial folio number N-2021053651, on August 8, 2021, and such powers have not been revoked, limited, or modified in any way as of the date of this Agreement.

(c) Validity. The Credit Agreement, the Credit Documents, and the Guarantee Documents are in full force.

(d) Debts. The document attached to this Agreement as Annex C constitutes the updated list of their Debts, as well as any other relevant debts, as of this date, so there are no more Debts and/or relevant debts beyond those reflected therein. Each of the Solidary Obligors is solvent as of this date.

(e) Non-Violation. The execution and performance of this Agreement do not violate (i) its bylaws, (ii) any law, regulation, circular, award, order, or judgment applicable to it, nor (iii) the provisions of any contract, agreement, issuance act, or any other source of obligations to which it is a party or that is applicable to it. Also, no further authorization is required for the execution and performance of this Agreement, other than those obtained to date.

(f) Litigation. Except as stated in the document attached to this Agreement as Annex D, it is not aware of any threat regarding any legal or administrative action or proceeding or any other legal nature against it or any of its properties, before any court, governmental entity, or arbitrator that may result or could have as a consequence a Significant Adverse Change, or that may affect the legality, validity, or enforceability of this Agreement and/or any of the Credit Documents and/or the Guarantee Documents.

(g) Enforceability. This Agreement constitutes a legal and valid obligation, enforceable against it in accordance with its terms.

(h) No Novation. The execution of this Agreement does not constitute in any way, and should not be construed or interpreted as, a payment in kind, novation (subjective or objective), and/or any other form of extinguishment of the obligations of each Solidary Obligor under the Credit Documents and/or the Guarantee Documents.

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(i) Agreement Execution. It is their will to enter into this Agreement solely and exclusively to (1) restate the Credit Agreement in accordance with the terms and conditions set forth herein, (2) ratify, as applicable, the validity and enforceability of the guarantees constituted in favor of the Agent, for the benefit of the Creditors, and (3) ratify their joint and several obligation to pay the principal and accessories of the Credit, and, as of this date, there is no notification regarding the occurrence of an Event of Default under the Credit Agreement.

(j) Credit Agreement Declarations. The declarations made by each Solidary Obligor in the Declarations chapter of the Credit Agreement (as originally executed) and the Amendment Agreements continue to be true and applicable as of this date (except for those declarations referring to an earlier date, in which case they are true and applicable as of that earlier date), and are deemed incorporated herein mutatis mutandis.

IV. The trustee of Trust 3224 declares, through its trust delegates, that:

(a) Constitution. It is a financial entity, duly constituted and validly existing under the laws of Mexico, which appears at the execution of this Agreement exclusively in its capacity as the trustee of the irrevocable administration trust with reversion rights identified by the number CIB/3224.

(b) Powers. Its trust delegates have the necessary and sufficient powers to enter into this Agreement on behalf of the trustee, powers that have not been revoked, modified, or limited in any way as of the date of this Agreement, as evidenced in public deed number 190,443 dated May 31, 2023, granted before Mr. Amando Mastachi Aguario, holder of notary number 121 in Mexico City, whose first copy was duly registered with the Public Registry of Property and Commerce of Mexico City, under mercantile folio number 384235-1, on July 12, 2023.

(c) Validity. The Mortgage on Unit 2 is in full effect.

(d) Non-Contravention. The execution and fulfillment of this Agreement by its part do not violate, as applicable, (i) its bylaws, (ii) any applicable law, regulation, circular, award, order, or judgment, nor (iii) the provisions of any contract, agreement, issuance act, or any other source of obligations to which it is a party or that is applicable, including the irrevocable administration trust with reversion rights identified by the number CIB/3224 of which it is the trustee. Likewise, except for the instructions letter referred to in the Eighteenth Background, it does not require any authorization to appear and fulfill its part of this Agreement other than those obtained to date.

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(e) Absence of Encumbrances on Unit 2. Except for the Mortgage on Unit 2, there is no additional Encumbrance on Unit 2. Also, to this date, it has not been notified, nor is aware that any reivindicatory action and/or any other type of action limiting or extinguishing possession and ownership of said property has been filed against it and/or regarding Unit 2. Similarly, it declares that, concerning Unit 2, it has not entered into or assumed any option or commitment for sale or transfer with any third party.

(f) Obligatory Nature. This Agreement constitutes a legal and valid obligation, enforceable against it in accordance with its terms.

(g) No Novation. The execution of this Agreement does not, in any way, constitute or should be understood or interpreted as constituting a deed in payment, novation (subjective or objective), and/or any other form of extinction of the obligations under the Mortgage on Unit 2.

(h) Appearance. It is its will to appear at the execution of this Agreement in accordance with the terms and conditions established therein for the purpose of ratifying the validity and enforceability of the Mortgage on Unit 2.

V. The Agent declares, through its attorney-in-fact, that:

(a) Constitution. It is a multiple banking institution, authorized under the laws of Mexico to act as a multiple banking institution and fully empowered to enter into this Agreement.

(b) Powers. Its attorney-in-fact has the necessary and sufficient powers to execute this Agreement, which have not been modified, limited, or revoked in any way to this date.

(c) Corporate Authorization and Non-Contravention. It has the authorizations of its respective internal bodies, and it does not require the consent or authorization of any natural person, legal entity, or authority to execute and fulfill this Agreement. The execution and fulfillment of this Agreement by its part do not violate (i) its bylaws, (ii) any applicable law, regulation, circular, or judgment, nor (iii) the provisions of any contract, agreement, issuance act, or any other source of obligations to which it is a party.

(d) Obligatory Nature. This Agreement is a legal and valid obligation, enforceable against it in accordance with its terms.

(e) Agent. It has been appointed by the Creditors as the Agent in accordance with the Credit Documents, the Sabadell Assignment Agreement, the Amending Agreements, and this Agreement, and acts in this act exclusively in that capacity, on behalf of and for the benefit of the Creditors, in accordance with, and subject to the terms of, the Credit Documents.

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(f) Execution of the Agreement. It is its will to execute this Agreement solely and exclusively to restate the Credit Contract in accordance with the terms and conditions set forth herein.

VI. Each of Sabcapital, Bancomext, Caixabank, and Nafin declares, through its attorneys-in-fact, as applicable, that:

(a) Constitution.

1. Sabcapital. It is a regulated multiple-purpose financial company, constituted and authorized under the laws of Mexico and fully empowered to enter into this Agreement.

2. Caixabank. It is a financial institution constituted and authorized under the laws of the Kingdom of Spain and fully empowered to enter into this Agreement.

3. Bancomext. It is a national credit company, a development banking institution, according to the laws of Mexico and fully empowered to enter into this Agreement.

4. Nafin. It is a national credit company, a development banking institution, according to the laws of Mexico and fully empowered to enter into this Agreement.

(b) Powers. Its attorneys-in-fact have the necessary and sufficient powers to execute this Agreement, which have not been modified, limited, or revoked in any way to this date.

(c) Corporate Authorization and Non-Contravention. It has the authorizations of its respective internal bodies, and it does not require the consent or authorization of any natural person, legal entity, or authority to execute and fulfill this Agreement. The execution and fulfillment of this Agreement by its part do not violate (i) its bylaws or its organic law, as applicable, (ii) any applicable law, regulation, circular, or judgment, nor (iii) the provisions of any contract, agreement, issuance act, or any other source of obligations to which it is a party.

(d) Obligatory Nature. This Agreement is a legal and valid obligation, enforceable against it in accordance with its terms.

(e) Execution of the Agreement. It is its will to execute this Agreement solely and exclusively to restate the Credit Contract in accordance with the terms and conditions set forth herein.

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Based on the Background and Declarations above, the parties agree to execute this Agreement in accordance with the following:

CLAUSES

FIRST. Definitions. For the purposes of this Agreement, terms with initial capital letters have the meaning attributed to them in the Credit Contract (as restated in accordance with the terms and conditions established herein), unless expressly defined differently in this Agreement (with such meanings applicable to both the singular and plural).

SECOND. Restatement of the Credit Contract. Hereby, the parties agree to fully restate the Credit Contract (including all its annexes) to reflect the modifications provided for in each of the Amending Agreements. Consequently, as of this date, the parties acknowledge and agree that the current text of the Credit Contract and its annexes will be that reflected in the document attached hereto as Annex G, so that all references to the Credit Contract in the Credit Documents, Guarantee Documents, and/or any other documents related thereto shall mean the Credit Contract restated through this Agreement.

THIRD. Ratification of Guarantees. Each of (i) the Borrower, in its capacity as a mortgage debtor under the Mortgage, settlor A under the Guarantee Trust, and pledge debtor under the FF&E Pledge, (ii) Operadora Hotelera GI, as settlor B under the Guarantee Trust, (iii) Murano World, as mortgage guarantor under the Mortgage on Playa Delfines Property and settlor C under the Guarantee Trust, (iv) ESC, in its capacity as pledge debtor under the Monaco Pledge, pledge guarantor under the Pledge on Murano World Shares, and settlor D under the Guarantee Trust, and (v) the trustee of Trust CIB/3224, as mortgage guarantor under the Mortgage on Unit 2, (a) hereby express their consent to the execution of this Agreement, (b) expressly ratify, as applicable, the validity and enforceability of the Guarantee Documents to which they are a party, and (c) expressly recognize and ratify, as applicable, that each and every one of the Total Properties, the Trust Estate, the assets pledged under the Monaco Pledge, the Pledge on Murano World Shares, and the FF&E Pledge continue to guarantee all of the Secured Obligations in accordance with the terms and conditions established in the Credit Contract and the other Credit Documents.

FOURTH. Ratification of Joint Obligation. Each of the Joint Obligors hereby ratifies and expressly acknowledges that it remains jointly and severally obligated to pay the Creditors the principal, ordinary and default interest, commissions, and other accessories payable under the Credit Contract (as modified and/or restated from time to time, including through this Agreement) on the terms set forth therein.

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FIFTH. Obligations of the Appearing Parties. Each of the Appearing Parties, together with Murano World, expressly acknowledges and agrees that, regardless of any other obligations under the Credit Documents and Guarantee Documents, they will remain obligated to fulfill the obligations established for them, as applicable, in Clauses Second Bis, Third, Tenth, Eleventh, and Nineteenth of the Credit Contract.

SIXTH. No Extinction of Obligations. The parties expressly agree that it is not their intention, nor should it be interpreted as their intention, to novate and/or in any other way extinguish the covenants, terms, and conditions of the Credit Contract, the Credit Documents, and/or the Guarantee Documents, so this Agreement and the Credit Contract shall be interpreted harmoniously as a contractual unit. Likewise, the Parties agree that all other agreements and covenants reached by them in the Credit Contract, the Credit Documents, and/or the Guarantee Documents (as each of them has been or is modified from time to time) shall remain in full force and effect.

In this regard, the Parties agree that all provisions of the Credit Contract, the Credit Documents, and/or the Guarantee Documents will continue in force and full effect and shall be read and interpreted harmoniously, taking into account this Agreement.

In case of conflict between the provisions of this Agreement and the provisions of the Credit Contract, the provisions of this Agreement shall prevail.

SEVENTH. Miscellaneous. The Parties agree that the following clauses of the Credit Contract (as restated through this Agreement) shall apply mutatis mutandis to this Agreement: Twenty-Second (Notices); Twenty-Sixth (Headings); Twenty-Seventh (Annexes); Twenty-Ninth (Nullity); Thirtieth (Applicable Laws); and Thirty-First (Jurisdiction).

EIGHTH. Disclosure. The information contained in any annex related to any statement of any party under this Agreement shall be considered as a disclosure, qualification, or exception, as applicable, to any other statement of such party contained herein (regardless of whether such statement expressly indicates it).

[SIGNATURE PAGES FOLLOW]

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Borrower Trust:

CIBanco, S.A., Multiple Banking Institution, acting as trustee of trust number CIB/3001, in its capacity as Borrower and Mortgage Debtor under the Credit Contract, settlor under the Guarantee Trust, and pledge debtor under the FF&E Pledge.

By: (SIGNATURE)

Name: Gerardo Andrés Sainz González

Position: Fiduciary Delegate

By: (SIGNATURE)

Name: Gerardo Ibarrola Samaniego

Position: Fiduciary Delegate

SIGNATURE PAGE OF THE RESTATEMENT AGREEMENT ENTERED INTO ON DECEMBER 20, 2023, TO THE OPENING OF A SIMPLE CREDIT WITH MORTGAGE GUARANTEE AGREEMENT DATED OCTOBER 4, 2019, BY AND BETWEEN: (I) CIBanco, S.A., MULTIPLE BANKING INSTITUTION, ACTING AS TRUSTEE OF TRUST NUMBER CIB/3001, REFERRED TO BY THE PARTIES AS "MURANO 2000 TRUST," IN ITS CAPACITY AS BORROWER AND MORTGAGE DEBTOR UNDER THE CREDIT CONTRACT, SETTLOR UNDER THE GUARANTEE TRUST, AND PLEDGE DEBTOR UNDER THE FF&E PLEDGE; (II) OPERADORA HOTELERA G.I., S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT AND SETTLOR UNDER THE GUARANTEE TRUST; (III) MURANO WORLD, S.A. DE C.V. (FORMERLY BVG WORLD, S.A. DE C.V.), IN ITS CAPACITY AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT, MORTGAGE DEBTOR UNDER THE MORTGAGE ON PLAYA DELFINES PROPERTY, AND FOR THE PURPOSES OF CLAUSES TENTH AND ELEVENTH OF THE CREDIT CONTRACT, AS WELL AS IN ITS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST; (IV) OPERADORA HOTELERA GRAND ISLAND II, S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT; (V) BANCO SABADELL, S.A., MULTIPLE BANKING INSTITUTION, AS ADMINISTRATIVE AND GUARANTEE AGENT; (VI) EACH OF THE CREDITORS LISTED IN THE SIGNATURE PAGES OF THIS AGREEMENT; (VII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSES SECOND BIS, THIRD, TENTH, ELEVENTH, AND NINETEENTH OF THE CREDIT CONTRACT, AS APPLICABLE, OF MURANO PV, S.A. DE C.V. AND MR. ELÍAS SACAL CABABIE, THE LATTER ALSO IN HIS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST AND PLEDGE DEBTOR UNDER THE MONACO PLEDGE; AND (VIII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSE THIRD OF THIS AGREEMENT AND IN ITS CAPACITY AS MORTGAGE DEBTOR UNDER THE MORTGAGE ON UNIT 2, CIBanco, S.A., MULTIPLE BANKING INSTITUTION, IN ITS CAPACITY AS TRUSTEE OF THE IRREVOCABLE ADMINISTRATION TRUST AGREEMENT WITH REVERSION RIGHT IDENTIFIED WITH NUMBER CIB/3224.

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Joint Obligors:

Operadora Hotelera G.I., S.A. de C.V., as Joint Obligor under the Credit Contract and settlor under the Guarantee Trust.

By: (SIGNATURE)

Name: Marcos Sacal Cohen

Position: Attorney-in-fact

Murano World, S.A. de C.V. (formerly BVG World, S.A. de C.V.), in its capacity as Joint Obligor under the Credit Contract, Mortgage Debtor under the Mortgage on Playa Delfines Property, and settlor under the Guarantee Trust.

By: (SIGNATURE)

Name: Marcos Sacal Cohen

Position: Attorney-in-fact

Operadora Hotelera Grand Island II, S.A. de C.V., as Joint Obligor under the Credit Contract.

By: (SIGNATURE)

Name: Marcos Sacal Cohen

Position: Attorney-in-fact

SIGNATURE PAGE OF THE RESTATEMENT AGREEMENT ENTERED INTO ON DECEMBER 20, 2023, TO THE OPENING OF A SIMPLE CREDIT WITH MORTGAGE GUARANTEE AGREEMENT DATED OCTOBER 4, 2019, BY AND BETWEEN: (I) CIBanco, S.A., MULTIPLE BANKING INSTITUTION, ACTING AS TRUSTEE OF TRUST NUMBER CIB/3001, REFERRED TO BY THE PARTIES AS "MURANO 2000 TRUST," IN ITS CAPACITY AS BORROWER AND MORTGAGE DEBTOR UNDER THE CREDIT CONTRACT, SETTLOR UNDER THE GUARANTEE TRUST, AND PLEDGE DEBTOR UNDER THE FF&E PLEDGE; (II) OPERADORA HOTELERA GI., S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT AND SETTLOR UNDER THE GUARANTEE TRUST; (III) MURANO WORLD, S.A. DE C.V. (FORMERLY BVG WORLD, S.A. DE C.V.), IN ITS CAPACITY AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT, MORTGAGE DEBTOR UNDER THE MORTGAGE ON PLAYA DELFINES PROPERTY, AND FOR THE PURPOSES OF CLAUSES TENTH AND ELEVENTH OF THE CREDIT CONTRACT, AS WELL AS IN ITS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST; (IV) OPERADORA HOTELERA GRAND ISLAND II, S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT; (V) BANCO SABADELL, S.A., MULTIPLE BANKING INSTITUTION, AS ADMINISTRATIVE AND GUARANTEE AGENT; (VI) EACH OF THE CREDITORS LISTED IN THE SIGNATURE PAGES OF THIS AGREEMENT; (VII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSES SECOND BIS, THIRD, TENTH, ELEVENTH, AND NINETEENTH OF THE CREDIT CONTRACT, AS APPLICABLE, OF MURANO PV, S.A. DE C.V. AND MR. ELÍAS SACAL CABABIE, THE LATTER ALSO IN HIS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST AND PLEDGE DEBTOR UNDER THE MONACO PLEDGE; AND (VIII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSE THIRD OF THIS AGREEMENT AND IN ITS CAPACITY AS MORTGAGE DEBTOR UNDER THE MORTGAGE ON UNIT 2, CIBanco, S.A., MULTIPLE BANKING INSTITUTION, IN ITS CAPACITY AS TRUSTEE OF THE IRREVOCABLE ADMINISTRATION TRUST AGREEMENT WITH REVERSION RIGHT IDENTIFIED WITH NUMBER CIB/3224.

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Banco Sabadell, S.A., Multiple Banking Institution, as Administrative and Guarantee Agent.

By:(SIGNATURE)

Name: Gabriel Vázquez Celis

Position: Attorney-in-fact

SIGNATURE PAGE OF THE RESTATEMENT AGREEMENT ENTERED INTO ON DECEMBER 20, 2023, TO THE OPENING OF A SIMPLE CREDIT WITH MORTGAGE GUARANTEE AGREEMENT DATED OCTOBER 4, 2019, BY AND BETWEEN: (I) CIBanco, S.A., MULTIPLE BANKING INSTITUTION, ACTING AS TRUSTEE OF TRUST NUMBER CIB/3001, REFERRED TO BY THE PARTIES AS "MURANO 2000 TRUST," IN ITS CAPACITY AS BORROWER AND MORTGAGE DEBTOR UNDER THE CREDIT CONTRACT, SETTLOR UNDER THE GUARANTEE TRUST, AND PLEDGE DEBTOR UNDER THE FF&E PLEDGE; (II) OPERADORA HOTELERA G.I., S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT AND SETTLOR UNDER THE GUARANTEE TRUST; (III) MURANO WORLD, S.A. DE C.V. (FORMERLY BVG WORLD, S.A. DE C.V.), IN ITS CAPACITY AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT, MORTGAGE DEBTOR UNDER THE MORTGAGE ON PLAYA DELFINES PROPERTY, AND FOR THE PURPOSES OF CLAUSES TENTH AND ELEVENTH OF THE CREDIT CONTRACT, AS WELL AS IN ITS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST; (IV) OPERADORA HOTELERA GRAND ISLAND II, S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT; (V) BANCO SABADELL, S.A., MULTIPLE BANKING INSTITUTION, AS ADMINISTRATIVE AND GUARANTEE AGENT; (VI) EACH OF THE CREDITORS LISTED IN THE SIGNATURE PAGES OF THIS AGREEMENT; (VII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSES SECOND BIS, THIRD, TENTH, ELEVENTH, AND NINETEENTH OF THE CREDIT CONTRACT, AS APPLICABLE, OF MURANO PV, S.A. DE C.V. AND MR. ELÍAS SACAL CABABIE, THE LATTER ALSO IN HIS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST AND PLEDGE DEBTOR UNDER THE MONACO PLEDGE; AND (VIII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSE THIRD OF THIS AGREEMENT AND IN ITS CAPACITY AS MORTGAGE DEBTOR UNDER THE MORTGAGE ON UNIT 2, CIBanco, S.A., MULTIPLE BANKING INSTITUTION, IN ITS CAPACITY AS TRUSTEE OF THE IRREVOCABLE ADMINISTRATION TRUST AGREEMENT WITH REVERSION RIGHT IDENTIFIED WITH NUMBER CIB/3224.

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CaixaBank, S.A., as Creditor.

By: (SIGNATURE)

Name: Natalia Andrea Rico Rodriguez

Position: Attorney-in-fact

SIGNATURE PAGE OF THE RESTATEMENT AGREEMENT ENTERED INTO ON DECEMBER 20, 2023, TO THE OPENING OF A SIMPLE CREDIT WITH MORTGAGE GUARANTEE AGREEMENT DATED OCTOBER 4, 2019, BY AND BETWEEN: (I) CIBanco, S.A., MULTIPLE BANKING INSTITUTION, ACTING AS TRUSTEE OF TRUST NUMBER CIB/3001, REFERRED TO BY THE PARTIES AS "MURANO 2000 TRUST," IN ITS CAPACITY AS BORROWER AND MORTGAGE DEBTOR UNDER THE CREDIT CONTRACT, SETTLOR UNDER THE GUARANTEE TRUST, AND PLEDGE DEBTOR UNDER THE FF&E PLEDGE; (II) OPERADORA HOTELERA G.I., S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT AND SETTLOR UNDER THE GUARANTEE TRUST; (III) MURANO WORLD, S.A. DE C.V. (FORMERLY BVG WORLD, S.A. DE C.V.), IN ITS CAPACITY AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT, MORTGAGE DEBTOR UNDER THE MORTGAGE ON PLAYA DELFINES PROPERTY, AND FOR THE PURPOSES OF CLAUSES TENTH AND ELEVENTH OF THE CREDIT CONTRACT, AS WELL AS IN ITS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST; (IV) OPERADORA HOTELERA GRAND ISLAND II, S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT; (V) BANCO SABADELL, S.A., MULTIPLE BANKING INSTITUTION, AS ADMINISTRATIVE AND GUARANTEE AGENT; (VI) EACH OF THE CREDITORS LISTED IN THE SIGNATURE PAGES OF THIS AGREEMENT; (VII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSES SECOND BIS, THIRD, TENTH, ELEVENTH, AND NINETEENTH OF THE CREDIT CONTRACT, AS APPLICABLE, OF MURANO PV, S.A. DE C.V. AND MR. ELÍAS SACAL CABABIE, THE LATTER ALSO IN HIS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST AND PLEDGE DEBTOR UNDER THE MONACO PLEDGE; AND (VIII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSE THIRD OF THIS AGREEMENT AND IN ITS CAPACITY AS MORTGAGE DEBTOR UNDER THE MORTGAGE ON UNIT 2, CIBanco, S.A., MULTIPLE BANKING INSTITUTION, IN ITS CAPACITY AS TRUSTEE OF THE IRREVOCABLE ADMINISTRATION TRUST AGREEMENT WITH REVERSION RIGHT IDENTIFIED WITH NUMBER CIB/3224.

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\*\*Creditor:\*\*

Banco Nacional de Comercio Exterior, S.N.C., Development Banking Institution, as Creditor.

By: (SIGNATURE)

Name: César Eduardo de la Peña Dominguez

Position: Attorney-in-fact

By: (SIGNATURE)

Name: Karla Yeneri Ventre Guerrero

Position: Attorney-in-fact

SIGNATURE PAGE OF THE RESTATEMENT AGREEMENT ENTERED INTO ON DECEMBER 20, 2023, TO THE OPENING OF A SIMPLE CREDIT WITH MORTGAGE GUARANTEE AGREEMENT DATED OCTOBER 4, 2019, BY AND BETWEEN: (I) CIBanco, S.A., MULTIPLE BANKING INSTITUTION, ACTING AS TRUSTEE OF TRUST NUMBER CIB/3001, REFERRED TO BY THE PARTIES AS "MURANO 2000 TRUST," IN ITS CAPACITY AS BORROWER AND MORTGAGE DEBTOR UNDER THE CREDIT CONTRACT, SETTLOR UNDER THE GUARANTEE TRUST, AND PLEDGE DEBTOR UNDER THE FF&E PLEDGE; (II) OPERADORA HOTELERA G.I., S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT AND SETTLOR UNDER THE GUARANTEE TRUST; (III) MURANO WORLD, S.A. DE C.V. (FORMERLY BVG WORLD, S.A. DE C.V.), IN ITS CAPACITY AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT, MORTGAGE DEBTOR UNDER THE MORTGAGE ON PLAYA DELFINES PROPERTY, AND FOR THE PURPOSES OF CLAUSES TENTH AND ELEVENTH OF THE CREDIT CONTRACT, AS WELL AS IN ITS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST; (IV) OPERADORA HOTELERA GRAND ISLAND II, S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT; (V) BANCO SABADELL, S.A., MULTIPLE BANKING INSTITUTION, AS ADMINISTRATIVE AND GUARANTEE AGENT; (VI) EACH OF THE CREDITORS LISTED IN THE SIGNATURE PAGES OF THIS AGREEMENT; (VII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSES SECOND BIS, THIRD, TENTH, ELEVENTH, AND NINETEENTH OF THE CREDIT CONTRACT, AS APPLICABLE, OF MURANO PV, S.A. DE C.V. AND MR. ELÍAS SACAL CABABIE, THE LATTER ALSO IN HIS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST AND PLEDGE DEBTOR UNDER THE MONACO PLEDGE; AND (VIII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSE THIRD OF THIS AGREEMENT AND IN ITS CAPACITY AS MORTGAGE DEBTOR UNDER THE MORTGAGE ON UNIT 2, CIBanco, S.A., MULTIPLE BANKING INSTITUTION, IN ITS CAPACITY AS TRUSTEE OF THE IRREVOCABLE ADMINISTRATION TRUST AGREEMENT WITH REVERSION RIGHT IDENTIFIED WITH NUMBER CIB/3224.

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\*\*Creditor:\*\*

Nacional Financiera, S.N.C., Development Banking Institution, as Creditor.

By: (SIGNATURE)

Name: Arturo Gochicoa Acosta

Position: Attorney-in-fact

SIGNATURE PAGE OF THE RESTATEMENT AGREEMENT ENTERED INTO ON DECEMBER 20, 2023, TO THE OPENING OF A SIMPLE CREDIT WITH MORTGAGE GUARANTEE AGREEMENT DATED OCTOBER 4, 2019, BY AND BETWEEN: (I) CIBanco, S.A., MULTIPLE BANKING INSTITUTION, ACTING AS TRUSTEE OF TRUST NUMBER CIB/3001, REFERRED TO BY THE PARTIES AS "MURANO 2000 TRUST," IN ITS CAPACITY AS BORROWER AND MORTGAGE DEBTOR UNDER THE CREDIT CONTRACT, SETTLOR UNDER THE GUARANTEE TRUST, AND PLEDGE DEBTOR UNDER THE FF&E PLEDGE; (II) OPERADORA HOTELERA G.I., S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT AND SETTLOR UNDER THE GUARANTEE TRUST; (III) MURANO WORLD, S.A. DE C.V. (FORMERLY BVG WORLD, S.A. DE C.V.), IN ITS CAPACITY AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT, MORTGAGE DEBTOR UNDER THE MORTGAGE ON PLAYA DELFINES PROPERTY, AND FOR THE PURPOSES OF CLAUSES TENTH AND ELEVENTH OF THE CREDIT CONTRACT, AS WELL AS IN ITS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST; (IV) OPERADORA HOTELERA GRAND ISLAND II, S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT; (V) BANCO SABADELL, S.A., MULTIPLE BANKING INSTITUTION, AS ADMINISTRATIVE AND GUARANTEE AGENT; (VI) EACH OF THE CREDITORS LISTED IN THE SIGNATURE PAGES OF THIS AGREEMENT; (VII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSES SECOND BIS, THIRD, TENTH, ELEVENTH, AND NINETEENTH OF THE CREDIT CONTRACT, AS APPLICABLE, OF MURANO PV, S.A. DE C.V. AND MR. ELÍAS SACAL CABABIE, THE LATTER ALSO IN HIS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST AND PLEDGE DEBTOR UNDER THE MONACO PLEDGE; AND (VIII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSE THIRD OF THIS AGREEMENT AND IN ITS CAPACITY AS MORTGAGE DEBTOR UNDER THE MORTGAGE ON UNIT 2, CIBanco, S.A., MULTIPLE BANKING INSTITUTION, IN ITS CAPACITY AS TRUSTEE OF THE IRREVOCABLE ADMINISTRATION TRUST AGREEMENT WITH REVERSION RIGHT IDENTIFIED WITH NUMBER CIB/3224.

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With the appearance and consent of:

Murano PV, S.A. de C.V.

By:(SIGNATURE)

Name: Marcos Sacal Cohen

Position: Attorney-in-fact

Mr. Elias Sacal Cababie

By:(SIGNATURE)

Name: Marcos Sacal Cohen

Position: Attorney-in-fact

SIGNATURE PAGE OF THE RESTATEMENT AGREEMENT ENTERED INTO ON DECEMBER 20, 2023, TO THE OPENING OF A SIMPLE CREDIT WITH MORTGAGE GUARANTEE AGREEMENT DATED OCTOBER 4, 2019, BY AND BETWEEN: (I) CIBanco, S.A., MULTIPLE BANKING INSTITUTION, ACTING AS TRUSTEE OF TRUST NUMBER CIB/3001, REFERRED TO BY THE PARTIES AS "MURANO 2000 TRUST," IN ITS CAPACITY AS BORROWER AND MORTGAGE DEBTOR UNDER THE CREDIT CONTRACT, SETTLOR UNDER THE GUARANTEE TRUST, AND PLEDGE DEBTOR UNDER THE FF&E PLEDGE; (II) OPERADORA HOTELERA G.I., S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT AND SETTLOR UNDER THE GUARANTEE TRUST; (III) MURANO WORLD, S.A. DE C.V. (FORMERLY BVG WORLD, S.A. DE C.V.), IN ITS CAPACITY AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT, MORTGAGE DEBTOR UNDER THE MORTGAGE ON PLAYA DELFINES PROPERTY, AND FOR THE PURPOSES OF CLAUSES TENTH AND ELEVENTH OF THE CREDIT CONTRACT, AS WELL AS IN ITS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST; (IV) OPERADORA HOTELERA GRAND ISLAND II, S.A. DE C.V., AS JOINT OBLIGOR UNDER THE CREDIT CONTRACT; (V) BANCO SABADELL, S.A., MULTIPLE BANKING INSTITUTION, AS ADMINISTRATIVE AND GUARANTEE AGENT; (VI) EACH OF THE CREDITORS LISTED IN THE SIGNATURE PAGES OF THIS AGREEMENT; (VII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSES SECOND BIS, THIRD, TENTH, ELEVENTH, AND NINETEENTH OF THE CREDIT CONTRACT, AS APPLICABLE, OF MURANO PV, S.A. DE C.V. AND MR. ELÍAS SACAL CABABIE, THE LATTER ALSO IN HIS CAPACITY AS SETTLOR UNDER THE GUARANTEE TRUST AND PLEDGE DEBTOR UNDER THE MONACO PLEDGE; AND (VIII) WITH THE APPEARANCE AND CONSENT, FOR THE PURPOSES OF CLAUSE THIRD OF THIS AGREEMENT AND IN ITS CAPACITY AS MORTGAGE DEBTOR UNDER THE MORTGAGE ON UNIT 2, CIBanco, S.A., MULTIPLE BANKING INSTITUTION, IN ITS CAPACITY AS TRUSTEE OF THE IRREVOCABLE ADMINISTRATION TRUST AGREEMENT WITH REVERSION RIGHT IDENTIFIED WITH NUMBER CIB/3224

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## Current Clauses of the Credit Agreement

## C L A U S E S

FIRST. Definitions; Interpretation; Accounting Terms and Determinations.

(a) Definitions. The following terms will have the meaning assigned to them here below:

“Accredited” or “Accredited Trust” means CIBanco, S.A., Institución de Banca Multiple, acting as trustee of the trust number CIB/3001, denominated by the parties thereof as “Murano 2000 Trust”, in its capacity as accredited under this Agreement.

“Creditors” means, jointly, Sabcapital, Bancomext, Caixabank and Nafin. This definition will also include any Additional or adherent Creditors if applicable.

“Additional Creditors” has the meaning attributed to it in Clause Two Bis of this Agreement.

“SOFR Term Rate Administrator” means CME Group Benchmark Administration Limited (CBA) or a substitute SOFR Term Reference Rate administrator selected by the Creditors.

“Affiliate” means (i) with respect to any Person, any other Person who, directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person, and (ii) with respect to a natural person, additionally, the spouse, siblings, their relatives in an ascending or descending line without limitation of degree and any trust of which said Person, their spouse, siblings, or their relatives in an ascending or descending line are beneficiaries without degree limitation.

“Capacity” means the result of dividing the value of the Total Properties on the calculation date, according to the latest available Appraisal, by the unpaid principal amount of the Credit on the calculation date. The above, with the understanding that, with respect to the Playa Delfines Property, the value that will be considered for the purposes of calculating the Capacity will be the equivalent of the value of said property according to the last available Appraisal minus the unpaid principal balance of the credit that guarantees the mortgage. in the first place and degree on said property.

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“Agent” means Banco Sabadell, S.A., Institución de Banca Múltiple, as administrative and guarantee agent under this Agreement and/or any assignee, assignee or person who substitutes it.

“ALG” means ALG Servicios Financieros México, S.A. de C.V., Multiple Object Financial Company, Non-Regulated Entity.

“Environmental Advisor” means the company Valuación de Proyectos Vaproy, S.A. de C.V. or any other Person of recognized prestige to the satisfaction of the Creditors.

“Insurance Advisor” means AON México or any other Person of recognized prestige to the satisfaction of the Creditors.

“Financial Advisor” means Argoss Partners or any other Person who is hired by and at the expense of the Borrower, to the satisfaction of the Creditors, as their advisor for the monitoring of the Project including, among other functions, monthly reviews of the financial progress of the Project, generation of cash flow and compliance with the business plan.

“Technical Advisor” means the company Valuación de Proyectos Vaproy, de C.V. S.A. de C.V. or any other Person of recognized prestige to the satisfaction of the Creditors.

“Advisors” means jointly the Environmental Advisor, the Technical Advisor and the Insurance Advisor.

“Government Authority” means any government agency or any state, municipality, mayor, agency, department or other political subdivision thereof, or any government body, agency, authority (including any central bank or fiscal authority), any entity (including any court or tribunal) that exercises government, executive, legislative, judicial or administrative functions in Mexico and/or Spain.

“Sanctioning Authority” means, jointly, (i) the United Nations Security Council, (ii) the United States of America, (iii) the European Union, (iv) the United Kingdom, (v) the Member States of the European Union, (vi) any other relevant authority to whose laws the Parties to this Agreement are subject, especially of Mexico and (vii) the governments and official institutions or agencies of any of the subsections (i) to (vi), including OFAC, the Department of State of the United States of America (US Department of State), and the Ministry of the Treasury of the United Kingdom (Her Majesty's Treasury).

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“Appraisal” means, jointly, the appraisals regarding the commercial value of each of the Total Properties conducted by the Authorized Appraiser or by a bank appraiser, which must be no older than 12 (twelve) months from the date in which they must be used in accordance with this Agreement.

“Appraisal (As Stabilized)” means the pro forma study that will be conducted by the Authorized Appraiser, to the satisfaction of the Agent, through which the value of the Project will be determined using the income capitalization or discounted cash flow approach, at your option. of the Agent, assuming the conclusion of the Project based on the projections and information delivered to the Authorized Appraiser.

“Initial Appraisal” means the appraisal prepared by the Authorized Appraiser dated May 1, 2019, regarding the commercial value of the land of the Properties.

“Notice of Completion of Work” has the meaning attributed to said term in Clause Ten, section A, subsection (33), of this Agreement.

“Bancomext” means Banco Nacional de Comercio Exterior, S.N.C., Development Banking Institution.

“Caixabank” means Caixabank, S.A.

“Amortization Schedule” has the meaning attributed to it in Clause Six of this Agreement.

“Schedule of Provisions and Investments” means the schedule attached hereto as Exhibit A.

“Change of Control” means that the Control Group ceases to have, directly or indirectly, Control over the Borrower and/or the Joint Obligors, through at least one of the members of said Control Group; provided that for the purposes of clarity, a “Change of Control” will not be considered to have occurred if one or more Persons who are part of the Control Group on this date cease to be part of it, as long as one or more members of the Control Group Control Group preserve and consolidate Control over the Borrower and/or the Solidarity Obligors.

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“Significant Adverse Change” means a circumstance or event of any nature that (i) adversely and materially affects the operation, financial or legal condition, operations, results or business of the Project, of the Borrower in relation to the Project, of the Solidarity Obligors, of Murano PV and/or of Mr. Elias Sacal Cababie and, consequently, the capacity of any of said parties to comply with their respective obligations in terms of this Agreement, or (ii) has an impact on the assets of the Credited in relation to the Project or in the assets of the Solidarity Obligors for an amount equivalent to at least 10% (ten percent) of the Credit.

“Base Financial Case” means the document attached hereto as Annex B.

“Cause of Early Expiration” has the meaning attributed to it in Clause Twelfth of this Agreement.

“CCF” has the meaning attributed to it in Clause Fifteen of this Agreement.

“CCQ” has the meaning attributed to it in Clause Fifteen of this Agreement.

“Interest Rate Hedging” means the framework Agreement(s) for derivative financial operations, including its supplements and annexes by virtue of which one or more derivative financial operations will be entered into, documented by their respective confirmations, through which Agreement an interest rate coverage that the Borrower must enter into (i) within 60 (sixty) calendar days after the date of signing this Agreement or (ii) on or before the date of the First Drawdown, whichever occurs first, with a Coverage Provider, but always on reasonable terms for Creditors.

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“Dispensation Commission” means the amount of USD\$50,000.00 (fifty thousand Dollars 00/100) plus the corresponding VAT that, as of August 24, 2023, the Borrower must pay to the Creditors, through the Agent, for each request of waiver on the fulfillment of obligations that is presented by the Borrower and authorized by the Creditors during the validity of this Agreement. The foregoing is with the understanding that (i) the Waiver Commission must be paid precisely on the date on which each and every one of the Creditors authorizes the corresponding waiver request, in Dollars, using immediately available funds, to the Agent's Account, ( ii) the Waiver Fee will be applicable to all waiver requests submitted by the Borrower in relation to breaches of the Credit Documents that have already occurred on that date, (iii) if the waiver request is submitted by the Borrower prior to that the respective non-compliance with the Credit Documents occurs, the Waiver Commission will not be applicable for the first three waiver requests submitted by the Borrower in that regard during the same fiscal year, therefore, from the fourth waiver request In this sense, the Waiver Commission will be applicable (notwithstanding and independently of the majority of Creditors required in this Agreement based on the content of the waiver request in question, for the application of this point (iii), that is, the granting of grace for each of the first three waiver requests, UNANIMITY of the Creditors will be necessary), and (iv) the Borrower may include one or more waiver requirements in the same request, without this having to affect the collection or applicable amount of the Waiver Commission, since said commission will be charged per authorized waiver request and not for the effective number of waivers granted. The Agent must distribute said Waiver Commission among the Creditors in proportion to the amount of their respective Commitments. Without prejudice to the foregoing, the Parties agree that the Waiver Commission will have retroactive effects only with respect to the waiver request authorized by the Creditors on July 10, 2023, so it will be payable only in relation to said request in a period no longer than 90 (ninety) calendar days counted from August 24, 2023 or the date on which the first drawdown of Tranche C occurs, whichever comes first.

“Structuring Fee” means the fee payable to each of the following creditors in accordance with the following table:

Bank	Commitment (Dollars)	Minimum commission plus VAT
Banco Sabadell, S.A., Institución de Banca Múltiple	USD\$40,000,000.00	80 pbs
CaixaBank S.A.	USD\$60,000,000.00	115 pbs
Banco Nacional de Comercio Exterior, S.N.C., Institución de Banca de Desarrollo	USD\$60,000,000.00	115 pbs



“Commission for Non-Drawing” means a commission equivalent to 0.70% (zero-point seventy percent) annually (plus the corresponding VAT) on the average daily undrawn balance of the Credit to be paid by the Borrower. Said commission must be paid semiannually only during the Drawdown Period and on each Interest Payment Date immediately following the calculated semester. The Agent must distribute said Non-Disposal Commission among the Creditors in proportion to the amount of their respective Commitments.

“Commitment” means, with respect to each Creditor, the obligation of such Creditor to grant part of the Credit for the principal amount established for each Creditor in Annex C.

“National Content” means the national goods, services and labor used in the construction, development or installation of the Project, as well as any physical infrastructure linked thereto.

“Agreement” means this simple credit opening Agreement with mortgage guarantee (as it may be modified, added and/or re-expressed from time to time).

“ALG (Hyatt) Credit Agreement” means the credit agreement dated March 31, 2023 (as amended from time to time) entered into between Murano World, as borrower, and ALG, as lender, for an aggregate amount of up to US\$20,000,000.00 (twenty million 00/100 Dollars), to, among other things, finance the acquisition and development of the Playa Delfines Property.

“Lease Agreement” means the lease agreement dated September 5, 2019 (as modified, added and/or restated from time to time) entered into between the Accredited Trust, as lessor, and Operadora Hotelera GI, as lessee, with the appearance of Murano AT GV, by virtue of which the Accredited Trust leased, among other things, the Hotels and the furniture of the Hotels in accordance with the terms and conditions established therein.

“VAT Credit Agreement” means the simple credit opening Agreement in national currency that will be entered into by Bancomext and the Borrower to finance the reimbursement of up to 80% (eighty percent) of the VAT paid during the Construction Period of all the investments derived from the works and expenses of the Project.

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“Operation Agreement” means: (i) the Agreement for the provision of hotel operation and management services dated September 10, 2019 (as modified, added and/or restated from time to time) executed between the Operator, with the same character, and Operadora Hotelera GI, as lessee of the Hotels, by virtue of which the terms and conditions for the operation and administration of the Hotel that will operate in the Project were established, and (ii) any other Agreement of operation and/or exploitation of the Project.

“Construction Agreement” means the lump-sum construction Agreement that the Borrower has entered into for the construction of the Project with Edificaciones BVG, de C.V. S.A. de C.V. dated January 25, 2019 (as modified, added and/or re-expressed from time to time).

“Hotel Agreements” means, jointly (a) the Operating Agreement; and (b) any other Agreement (including leases) arising in the future in connection with the operation, administration or exploitation of the Project or in respect of services or licenses essential to the operation, administration or exploitation of the Project, or that stipulates consideration to a contractor that is a percentage of or linked to the Operating Income, or related to technical assistance, software licenses or whose effect is to transmit a significant part of the administration or daily operation or business of the Project to a third party other than the Borrower and/or the Solidarity Obligors.

“Control”, “Controlled by” and “under common Control with” means the ability of a person or group of persons to carry out any of the following acts: (a) to impose, directly or indirectly, decisions at meetings of shareholders, partners or equivalent bodies, or appoint or dismiss the majority of the directors, administrators or their equivalents, of a legal entity, (b) maintain ownership of rights that allow, directly or indirectly, the exercise of voting with respect to more than 50% (fifty percent) of the capital stock of a legal entity, (c) direct, directly or indirectly, the administration, strategy or main policies of a legal entity, whether through ownership of securities, by Agreement or otherwise, (d) impose, directly or indirectly, decisions on a technical committee or equivalent body, or appoint or remove the majority of the members of the technical committee or its equivalent, of a trust, (e) maintain the ownership of rights that allow, directly or indirectly, the exercise of the vote to fully instruct the fiduciary of a trust, or (f) direct, directly or indirectly, the administration, strategy or main policies of a trust, whether through participation through fiduciary rights, by Agreement or in any other way.

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“Project Construction Cost” is the amount in Dollars, excluding VAT, that according to the Budget (excluding the value of the costs inherent to the land, within which is the value of the land of the Total Properties considering a value of USD \$60,000,000.00 (sixty million Dollars 00/100)) and each determination of the progress of work as it is updated by the Technical Advisor from time to time, constitutes the total amount of resources necessary for the conclusion of the Period of Project Construction on each determination date. This cost will include, among others, interest derived from Debt, commissions, expenses for financial services, licenses, permits and the contracting of Insurance and bonds until the conclusion of the Project Construction Period.

“Credit” means (i) Tranche A plus (ii) the amount actually drawn down by the Borrower for Tranches B and C. The foregoing is understood to mean that, where applicable, such definition must include the Additional Credit.

“Additional Credit” has the meaning attributed to it in Clause Two Bis of this Agreement.

“Nafin Additional Credit” means the amount of up to USD\$34,811,149.50 (thirty-four million eight hundred and eleven thousand one hundred and forty-nine Dollars 50/100) that would be granted, if applicable, to the Borrower in the form of simple credit in accordance with this Agreement. The foregoing is with the understanding that, with respect to such amount, (i) Nafin, subject to its financial availability or any other funding source used by it at the time each Provision is requested, as well as the non-occurrence of a fortuitous event or force majeure, a Cause of Early Maturity or a Significant Adverse Change that requires the analysis and prior authorization of Nafin's risk areas, would be willing to grant the Borrower up to the amount mentioned above and (ii) Subcapital, Bancomecx and Caixabank do not They will be obliged to grant any recourse.

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“Additional Credit Contribution Account” means the bank account to be opened, within 10 (ten) Business Days following the trustee of the Guarantee Trust receiving the corresponding written instruction from the Agent, in the name of the trustee of the Guarantee Trust. Guarantee, in Banco Sabadell, S.A., Institución de Banca Multiple, in Dollars, in which the cash amounts corresponding to the contributions that must be made by the Borrower and/or Mr. Elías Sacal Cababie must be received in the event that they are not grant the Additional Credit in accordance with subsection (c) of the Second Bis Clause of this Agreement. All amounts deposited in the Additional Credit Contribution Account must be applied in accordance with the provisions of the Guarantee Trust.

“Flow Retention Reserve Account” means the account in Dollars that will be opened and maintained by the trustee of the Guarantee Trust in which he must deposit the percentages of Net Free Cash Flow as instructed, from time to time, by the Agent. in the event that a Cash Wipe Event occurs in accordance with the provisions of subsection (i) of subsection (a) of section 1. of Clause Seven of this Agreement.

“Agent Account” means the Dollar account opened at Bank of America, with code BOFAUS3N; ABA 026 009 593; in the name of the Agent; Swift: BSABMXMM; account: 15618000000028254; reference: Grand Island; Message: MT103, as it is updated or replaced by the Agent from time to time.

“Credit Account” means the bank account that the Borrower will open and maintain with the Agent for the purposes of this Agreement.

“Debt Service Reserve Fund Account” means the bank account that the trustee of the Guarantee Trust will open and maintain for the deposit of funds corresponding to the Debt Service Fund into such account.

“FF&E Account” means, by its acronym in English (Furniture Fixtures and Equipment), the account opened and maintained by the trustee of the Guarantee Trust to: (i) pay the costs of maintenance, acquisition, repair of furniture or any other equipment that is not permanently incorporated into the structure, construction or soil of the Project and (ii) pay for necessary improvements and non-structural maintenance required by the Property, which must be provided with the amounts and on the dates described in the Guarantee Trust.

“Project Concentrator Accounts” means the bank account(s) in Pesos and/or Dollars that the trustee of the Guarantee Trust will open and maintain so that each and every one of the resources corresponding to the Operating Income are deposited in such account.

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“Trust Accounts” has the meaning given to that term in the Accredited Trust.

“Guarantee Trust Accounts” means, jointly, the Project Concentrator Accounts, the Debt Service Fund Account, the FF&E Account, the Flow Retention Reserve Account, and the Additional Credit Contributions Account.

“Debt” with respect to any Person, means, without duplication, (a) the payment obligations of such Person arising from money borrowed, (b) the obligations of such Person for the payment of the deferred purchase price of goods or services (other than accounts payable incurred in the ordinary course of such Person's business), (c) the obligations of such Person documented in bonds, debentures, notes or similar instruments, (d) the non-contingent obligations of such Person with respect to letters of credit and guarantee bonds, (e) the obligations of such Person with respect to bank acceptances, (f) the Guarantees, including the guarantee of such Person of all the Third Party Debt referred to in subsections (a) to (e) and (g) of this definition, (g) the Debt referred to in subsections (a) to (f) of this definition (including Secured Debt) of other Persons, secured by any Lien constituted on any asset of such Person (valued at the lesser of the value of such asset and the amount of such Debt), whether the Debt guaranteed by it has been assumed or not, and (h) the Interest Rate Hedging Agreements.

“Permitted Debt” means: (i) Debt resulting from or relating to the Credit Documents; (ii) any Debt contracted to fully pay or refinance this Agreement, (iii) the VAT Credit Agreement, (iv) Debt regarding the supply of goods and services specifically related to the Project, with a payment term of up to one hundred and eighty (180) days after delivery and up to an amount that is consistent with the Budget, and (v) Debt with suppliers, or third parties derived from the Project Documents or provided for in the Budget, Construction Program or in the Budget Annual. The foregoing, with the understanding that all Debt, in any case, will be subordinated to the full payment of the Credit and its accessories.

“Intercompany Revolving Debts” has the meaning attributed to such term in Clause Sixteen, subsection (d), of this Agreement.

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“Business Day” means any day, except Saturday, Sunday or any day on which banks authorized to operate in Mexico City, Mexico, in London, England, in New York, United States of America, and in Madrid, Spain, are authorized or obliged, by law or order of authority, to close their offices for operations with the public.

“Forward SOFR Calculation Business Day” means any day except Saturdays, Sundays and those days on which the Securities Industry and Financial Markets Association of the United States of America (<https://www.sifma.org/resources/general/holiday-schedule/#US> or any other website that replaces the previous one) recommends that fixed income departments remain closed for the purposes of listing securities in the United States of America.

“Disposal” means each disbursement of the Credit made by the Borrower in accordance with the provisions of this Agreement.

“Guarantee Documents” means, jointly: (i) the Guarantee Trust, (ii) the Mortgage, (iii) the Pledge on Furniture, (iv) the Monaco Pledge, (v) the guarantee of Mr. Elias Sacal Cababie in terms of this Agreement and the Promissory Notes, (vi) the Mortgage on the Playa Delfines Property, (vii) the Mortgage on Private Unit Number 2, (viii) the mortgage on Private Unit Number 3 which, if applicable, is constitutes in accordance with the provisions of Clause Ten, section A, section (33), of this Agreement, (ix) the Pledge on Murano World Shares, (x) as well as each and every one of the Agreements, instruments and other required documents in accordance with the Credit Documents, executed or to be executed to guarantee and/or serve as a source of payment for the Borrower's obligations under this Agreement.

“Credit Documents” means, jointly, this Agreement (including the Nafin Additional Credit and Tranches B and C), the Promissory Notes, the Guarantee Documents, the Interest Rate Coverage, as well as any commission letters entered into by the Borrower, the Solidarity Obligors and the Creditors.

“Project Documents” means, but is not limited to, including any modifications thereto, the Construction Agreement, the Hotel Agreements, the Plans and the licenses, authorizations, concessions and permits necessary to construct and operate the Project, as well as the Agreements and any documents to which the Borrower is a party in relation to the construction, building, engineering or equipment of the Project.

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“Secured Documents” means this Agreement, the Promissory Notes and the Interest Rate Coverage, provided that the latter has been entered into with any of the Creditors and/or any of their Affiliates.

“Dollar” or “USD\$” means the legal currency of the United States of America.

“Financial Statements” means with respect to any Person, the statement of financial position, the statement of changes in financial position or statement of cash flows, the income statement and the notes thereto, as of a specified date and prepared in accordance with the applicable NIFs.

“Statements of Operating Results” means, as of a given date, the quarterly results statement of the commercial exploitation of the Dreams Hotel, the Vivid Hotel and the Project in general respectively, including without limitation (i) average occupancy, (ii) average rate daily, (iii) available rooms, (iv) occupied rooms, (v) Operating Income broken down by their different concepts and origin, (vi) Operating Expenses broken down by their different concepts and origin and (vii) any other income, cost or expense that has been received or disbursed during the referred period with respect to the operation and correct functioning of the Project and/or each of its components.

“Cash Wipe Event” has the meaning attributed to such term in Clause Seven of this Agreement.

“Forward SOFR Reference Rate Transition Event” means the update of one or more of the following events with respect to the then-current SOFR Term Reference Rate:

(a) a public statement or publication of information by or on behalf of the Administrator of the SOFR Term Rate (or the administrator of a published component used in the calculation thereof) communicating that it has ceased or will cease to provide quotes for all the terms available for the SOFR Term Reference Rate permanently or indefinitely; provided that, at the time of such public statement or publication of information, there is no substitute administrator who will continue to provide quotations for any available term for the SOFR Term Reference Rate; either

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(b) a public statement or publication of information by the regulatory supervisor of the Administrator of the SOFR Term Rate (or the administrator of a published component used in the calculation thereof), the United States Federal Reserve Board of America (Board of Governors of the Federal Reserve of the United States of America), the Federal Reserve Bank of New York (Federal Reserve Bank of New York), a public insolvency officer with authority over the SOFR Rate Administrator Term, a resolution of an authority with powers over the Administrator of the SOFR Term Rate (or of the component), a court or entity with similar powers in matters of insolvency or final resolution over the Administrator of the SOFR Term Rate (or of the component), which establishes that the Administrator of the SOFR Term Reference Rate (or of the component) has ceased or will cease to provide quotes for all available terms for the SOFR Reference Rate Term (or of the component) on a permanent basis or indefinite; provided that, at the time of such statement or publication, there is no substitute servicer continuing to provide any available term for the SOFR Term Reference Rate (or component); either

(c) a public statement or publication of information by or on behalf of the Administrator of the SOFR Term Rate (or the administrator of a published component used in the calculation thereof) or its regulatory supervisor communicating that all available terms for Term SOFR Reference Rate (or component) have ceased to be representative or at a specific future date, will cease to be representative or in compliance or aligned with the "Principles for Financial Reference Rates" published by the International Organization of Securities Commissions (International Organization of Securities Commissions).

A Transition Event of the SOFR Term Reference Rate will be considered to have occurred when any of the events indicated in the previous sections occur, with respect to all the available terms in force at that time for the SOFR Term Reference Rate.

"RCSD Calculation Date" means each June 30 and December 31 of each fiscal year.

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“Stable Phase Start Date” means the date on which the Agent receives a certificate from the Borrower’s Authorized Official certifying, to the satisfaction of the Agent and the Creditors, that each and every one of the following milestones has been achieved: (i) the first principal amortization of the Credit has been carried out, (ii) the Work Completion Date has occurred; (iii) the Project is in operation under the standards of the ed brands and has been received by the Operator to its satisfaction, in terms of the Operation Agreement, (iv) during the last 12 (twelve) months of operation, the Project has obtained a Net Operating Profit that allows obtaining a RCSD greater than or equal to 1.40x (one point forty times), (v) the Agent has received an Appraisal no older than 3 (three) months that allows a minimum Capacity of 2.22 (two point twenty-two) times based on a maximum LTV of 45% (forty-five percent), (vi) 100% (one hundred percent) of the Credit Reserves has been constituted, and (vii) the Technical Advisor certifies that the delivery and start-up of all the facilities and buildings included in the Construction Program meet the required technical specifications.

“Interest Payment Date” means the 5th (fifth) day of each month of November, February, May and August during the term of this Agreement, from the date of the First Drawdown and until the Maturity Date. In the event that any Interest Payment Date is a non-business day, the Interest Payment Date will be the immediately preceding Business Day, calculating in any case the respective interests by the number of days actually elapsed until the respective Interest Payment Date. The Parties recognize and agree that the last Interest Payment Date will be precisely on the Maturity Date.

“Principal Payment Date” means each principal payment date indicated in the Amortization Schedule. The Parties recognize and agree that the last Principal Payment Date will be precisely on the Maturity Date.

“Work Completion Date” means the date on which each and every one of the following milestones are achieved: (i) the construction of the Project has been 100% (one hundred percent) completed, as evidenced by the copy of the Notice of Work Completion, (ii) the Agent has received a certification from the Technical Advisor regarding the completion of the work, and (iii) the Project has been received in accordance and left in charge of the Operator and/or any another person who has been entrusted with its operation.

“Expiration Date” means February 5, 2033. If such date is a non-business day, the Expiration Date will be the immediately preceding Business Day.

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“CIB/3288 Trust” means the administration trust Agreement number CIB/3288 dated June 3, 2019, denominated by the parties thereof as “Murano 4000 Trust”, which was formalized by public deed number 91,311 dated June 19, 2019, granted in the faith of Mr. Roberto Garzón Jimenez, head of public notary number 242 of Mexico City, to which, among other things, Private Unit Number 3 was transmitted.

“Guarantee Trust” means the irrevocable guarantee, administration and source of payment trust agreement number 4207 dated October 4, 2019 (as modified, added and/or re-expressed from time to time) executed between ( i) the Borrower, as trustor A and trustee in second place, (ii) Hotel Operator GI, as trustor B and trustee in second place, (iii) Murano World, as trustor C and trustee in second place, (iv) Mr. Elias Sacal Cababie, as trustor D, (v) the Agent, as trustee in the first place, in the name, on behalf and for the benefit of the Creditors, and (vi) Banco Actinver, S.A., Institución de Banca Multiple, Grupo Financiero Actinver, as trustee.

“Net Cash Flow” means, on a given date, the difference between (a) Operating Income, less (b) the sum of (i) Operating Expenses, plus (ii) the FF&E Reserve, and (iii) those amounts that the Operator has the right to retain for working capital pursuant to the Operating Agreement.

“Net Free Cash Flow” means the difference between (a) the Net Cash Flow, less (b) the Debt Service, and any payment made to constitute the Debt Service Fund provided under this Agreement or those reservations that are agreed upon by the Parties.

“Debt Service Fund” means the reserve that must be constituted in the Guarantee Trust and that must be provided (i) from the date of signing this Agreement and up to 6 (six) months before the start of payment of the principal of the Credit, in accordance with the Amortization Schedule, of an amount equivalent to 3 (three) months of interest on the Credit, as determined by the Agent, and (ii) starting 6 (six) months prior to the start of payment of the principal of the Credit, in accordance with the Amortization Schedule, and until the Maturity Date, of an amount equivalent to 3 (three) months of interest and 3 (three) months of principal payments of the Credit, as determined by the Agent, and may be established, in this Last case, with the Project flows, or with the Borrower's own resources and/or the Solidarity Obligors; provided that (a) with respect to subsection (ii) immediately preceding and solely and exclusively for the first applicable funding of the Debt Service Fund prior to the start of payment of the principal of the Credit, such amount may be allocated within a period of 6 ( six) months, through monthly installments equivalent to one sixth of the corresponding amount, beginning in the sixth month prior to the start of principal payment of the Credit and ending before the first Principal Payment Date, and (b) as of the First Principal Payment Date, the Debt Service Fund must be duly funded at all times with an amount equivalent to 3 (three) months of interest and 3 (three) months of principal payments of the Credit.

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“Authorized Official” means any representative of the Borrower and the Joint Obligors, to the satisfaction of the Agent, who has at least a general power of attorney for administrative acts. The foregoing is with the understanding that any limitations of such power must be addressed and satisfied.

“Guarantee” for any Person, means any direct, contingent or any other obligation of such Person, which directly or indirectly guarantees any Debt of any other Person, including without limitation, any guarantee, bond and any obligation (solidary or joint), direct or indirect, contingent or any other, of such Person (i) to acquire or pay or give advances or provide funds for the acquisition or payment of such Debt (whether derived as a consequence of association agreements, by maintenance agreement, to purchase assets, goods, securities or services, to take or pay, or to meet conditions of the financial statement or of any other type), or (ii) entered into for the purpose of guaranteeing the beneficiary of such Debt the payment thereof or to protect such beneficiary against the loss (in whole or in part) thereof.

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“Operating Expenses” means, without duplication, as of a given date, all direct, ordinary, normal, recurring and necessary expenses of the Project (excluding Debt Service) incurred and/or paid by the Borrower and/or the Joint Obligors, as recorded and shown in their books, records and statements of income consistently applied in accordance with the applicable financial standards, including, but not limited to: (a) costs of sales, salaries and wages, including payroll taxes and benefits and other expenses that are directly attributable to the rooms, food, beverage and telephone departments, guest laundry, parking, in-room bar, health club, gift shop and rental spaces; (b) salaries and wages, including payroll taxes and benefits of personnel employed on site to manage, lease, market, manage, maintain and operate the Project, not paid by any Person in accordance with the Hotel Agreements; (c) administrative and general expenses, including, but not limited to, payments for accounting services, credit card commissions, credit and collection expenses, data processing expenses, equipment rental, licenses and permits, fees registration and entry to chambers and associations, telephones, mail, printing, stationery, reserve for doubtful accounts, commissions derived from the marketing of the Project and other expenses not paid by any Person in accordance with the corresponding Hotel Agreements and the commissions and fees derived from the Hotel Agreements, including the commission in favor of the Operator; (d) marketing expenses, including, but not limited to, advertising expenses, promotion expenses, fees and commissions and other expenses not paid by any Person in accordance with the Hotel Agreements; (e) expenses for repair and maintenance of mechanical devices, structures, electrical installation, elevators, heating, ventilation, air conditioning and plumbing systems of the Project; (f) costs or expenses for maintenance services for interior or exterior gardening of the facilities, housekeeping, window washing and cleaning, garbage collection, electrical appliances, cable or satellite television services and other services; (g) costs or expenses of Project security services; (h) maintenance and cleaning expenses for interior and exterior spaces of the Project, including parking lots, swimming pools and other facilities; (i) costs or expenses of water, electricity and drainage supply services of the Project; (j) property tax; (k) property, third party and business interruption insurance premiums including automobile, heater and machinery insurance, if applicable; and (l) any other Project expenses incurred and/or paid that are foreseen within the Annual Budget; and with the understanding that the Operating Expenses shall not include (i) interest expenses on any loan, and (ii) depreciation or amortization of any part of the Project including furniture and equipment.

“Lien” means any real or personal guarantee, trust of any kind, as well as, with respect to any property and/or right, any mortgage, pledge, emphyteusis, antichresis, attachment, embargo, granting of rights of interest and/or rights of preference therefore, and any other limitation of ownership or availability over any property (movable or immovable), including, without limitation, a seller's retention of title and any easement, right of way or other encumbrance on the ownership of a property or active.

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“Control Group” means the joint and indistinct reference to the Persons identified in Annex D.

“Mortgage” means the mortgage in first place and degree of priority that is constituted by the Borrower in this Agreement, on the Properties in order to guarantee to the Creditors the fulfillment and their preference in the payment of any Guaranteed Obligations, in the terms of this Agreement.

“Mortgage on the Playa Delfines Property” means the second priority mortgage on the Playa Delfines Property that, on August 24, 2023, was granted by Murano World, as mortgage guarantor, in favor of the Agent, as mortgagee, in the name and for the benefit of the Creditors, to guarantee the Secured Obligations in accordance with the terms and conditions established therein.

“Mortgage on Private Unit Number 2” means the mortgage in first place and degree of priority over Private Unit Number 2 that, on August 24, 2023, was granted by CIBanco, Sociedad Anonima, Institución de Banca Multiple, in its capacity as trustee of the irrevocable administration trust Agreement with the right of reversion identified with number CIB/3224, as mortgage guarantor, in favor of the Agent, as mortgagee, in the name and for the benefit of the Creditors, to guarantee the Secured Obligations in accordance with the terms and conditions established therein.

“Hotel” means, without distinction, the Dreams Hotel or the Vivid Hotel.

“Hotel Dreams” means the hotel to be operated within the Property under the Dreams ® brand that will be part of the Project.

“Vivid Hotel” means the hotel to be operated within the Property under the Vivid ® brand that will be part of the Project.

“IBA” means ICE Benchmark Administration.

“Tax” means, without distinction, any tax, right, use, tribute, withholding, deduction, charge or other fiscal contribution or liability (federal, state or municipal) together with interest, updates, penalties, fines or surcharges derived from themselves.

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“Confidential Information” has the meaning attributed to it in Clause Twentieth of this Agreement.

“Operating Income” means, as of a given date, and without duplication, (i) all amounts of money paid and payable to the Borrower and/or Operadora Hotelera GI (in whatever form they are called, including fees, commissions, rents, etc.) in accordance with the Hotel Agreements; (ii) all amounts deposited in the Project Concentrator Accounts; (iii) each and every one of the amounts, payments, fees, receipts, rents, royalties, income, accounts receivable and money received, earned, accrued, for or on behalf of or creditable in favor of the Borrower and/or the Obligors Solidarity by any Person in relation to the ownership, use, operation, marketing and license of the Project, as the Borrower and/or the Solidarity Obligors register and manifest in their respective books, records and income statements, in accordance with the Uniform System of Hotel Accounting (Uniform System of Accounts for the Lodging Industry), consistently applied in accordance with accounting principles generally accepted in Mexico for the hotel industry, including but not limited to: (a) income from room services, food, beverages, telephones, guest laundry, parking, bar, room service, health club, gift shop, rental spaces (including any leases and subleases), spa, banquets, (b) license fees, concessions, or any other Agreement related to dispensing machines or service providers, income from “Business Center” services, advertising posters, radio and television services, antennas and disks, (c) tax incentives on VAT or any other refunds, fees and payments from Government Development Authorities or any other Government Authority, (d) Business Interruption Insurance proceeds, (e) rents of all types obtained directly from tenants and licensees, (f) any amounts recovered by virtue of a legal procedure or a transaction that has arisen in connection with the operations of the Project, (g) payments received for any other right of use over the Project (except for timeshare units) as well as any payment for maintenance or payments for consumption of “food and beverages” within the Project, and (h) accounts receivable under credit card agreements, to the extent such accounts receivable relate to the foregoing; less a reasonable reserve for doubtful accounts (as such doubtful accounts will be included as Operating Expenses when the amounts are recovered), withdrawals from cash reserves (except to the extent that any operating expenses paid for these items are excluded of Operating Expenses), but excluding security deposits and good faith deposits until the depositor has forfeited his right, advance of rents until they are collectible and proceeds of any sale or other disposition, and (iv) all other payments in cash made to or to which the Borrower and/or the Joint Obligors are entitled derived from the operation of the Project or that otherwise arise in relation to the Project. The foregoing is with the understanding that all the Operating Income must be deposited in the Project Concentrator Accounts, for which purposes, as applicable, the Borrower and/or the Solidarity Obligors must assign their collection rights corresponding to the Guarantee Trust Assets.

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“Property” or “Property” means the real estate or properties described in Annex E of this Agreement.

“Additional Properties” has the meaning attributed to such term in Clause Fifteen, subsection (e), of this Agreement.

“Total Properties” means the Properties, the New Properties and the Additional Properties, together.

“VAT” means the value added tax applicable in Mexico.

“LGTOC” means the General Law of Credit Titles and Operations.

“LIC” means the Credit Institutions Law.

“Sanctions List” means the list of Specially Designated Nationals and Blocked Persons maintained by OFAC, the Consolidated Financial Sanctions List and the List of Sanctioned Investors maintained by Her Majesty's Treasury or any similar public list maintained by it or the public announcement of any Sanction conducted by any Sanctioning Authority, as publicly updated over time.

“LTC” means the result of dividing the unpaid principal amount of the Credit on the calculation date between the Construction Cost of the Project taking into consideration the Budget plus the value of the land of the Total Properties, considering a value of USD \$60,000,000.00 (sixty million Dollars 00/100), as well as the percentage of financial progress of the Project as determined by the Technical Advisor.

“LTV” means the result of dividing the unpaid principal amount of the Credit on the calculation date by the value of the Total Properties on the calculation date, according to the latest available Appraisal.

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“Majority of Creditors” means the group of Creditors that together represent at least 60% (sixty percent) of the unpaid balance of the Credit.

“Mexico” means the United Mexican States.

“Consistency Modifications” means with respect to (a) the use or administration of the SOFR Forward Reference Rate or (b) the use, administration, adoption or implementation of the Substitute Reference Rate, any technical, administrative or operational changes (including changes to the definitions of Business Day, Term SOFR Calculation Business Day, and Interest Period (or the addition of a defined term other than Interest Period), the timing and frequency of determining such rates and making interest payments, interest, the timing for making Disposition Requests or early amortizations, the application and duration of past periods and/or the application of breakup costs that the Creditors determine are appropriate for the adoption and implementation of any such rates or to allow the use or administration thereof in a manner substantially consistent with market practice (or if the Creditors determine that the adoption of part of such market practice is not administratively possible or that there is no market practice for the administration of such market practice), rate, in such manner of administration as the Creditors determine is necessary in connection with this Agreement).

“Murano PV” means Murano PV, S.A. de C.V.

“Murano World” means Murano World, de C.V. S.A. de C.V. (formerly BVG World, S.A. de C.V.).

“Nafin” means Nacional Financiera, S.N.C., Development Banking Institution.

“NIFs” mean the Financial Reporting Standards applicable in Mexico or, where applicable, the International Financial Reporting Standards (“International Financial Reporting Standards”), as applicable to the Borrower, the Solidarity Obligors and/or Murano PV, in force at any time.

“New Properties” means the Playa Delfines Property, Private Unit Number 2 and any other properties that, if applicable, are granted as mortgage guarantee in favor of the Agent to guarantee the Guaranteed Obligations.

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“Guaranteed Obligations” means each and every one of the obligations, present and future, derived from the Guaranteed Documents, as well as the punctual and timely payment of both the principal amount of the Credit (including, for purposes of clarity, the Additional Nafin Credit and Tranches B and C), as well as the ordinary and default interests thereof and the other accessories payable by the Borrower and the Joint Obligors derived from the Guaranteed Documents.

“Solidarity Obligors” means, jointly, GI Hotel Operator and, as of August 24, 2023, will also include any Adhering Solidarity Obligors.

“Adherent Joint Obligors” means Murano World, Operadora Hotelera GI2 and any other Persons who in the future acquire the status of joint and several obligors of the Borrower in accordance with the terms and conditions established in this Agreement.

“OFAC” means the Office of Foreign Assets Control of the US Department of the Treasury.

“Applicable Office of the Creditor” means the address of the office that for each Creditor is indicated in Annex F of this Agreement.

“Operator” means AMR Operaciones MX, S. de R.L. de C.V. and/or any other person who replaces him in terms of this Agreement, with prior consent of the Creditors.

“Operadora Hotelera GI” means Operadora Hotelera G.I., S.A. de C.V.

“Operadora Hotelera GI2” means Operadora Hotelera Grand Island II, S.A. de C.V.

“Government Body” means the Board of Governors of the Federal Reserve of the United States of America, the Federal Reserve Bank of New York, and the Federal Reserve Bank of New York., or a committee officially endorsed or convened by the Federal Reserve Board of the United States of America or by the Federal Reserve Bank of New York, or any successor thereof.

“Promissory Note” means each of the promissory notes signed by the Borrower as subscriber, as well as by the Solidarity Obligors and Mr. Elias Sacal Cababie as guarantors, in favor of the corresponding Creditors, documenting each of the Dispositions made by the Borrower in accordance with the this Agreement and dated on each date on which each of the Provisions is carried out, which will be substantially signed in the format attached to this Agreement as Annex G.

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“Sanctioned Country” means a country or territory that is, or its government, subject to or subject to Sanctions, including, without limitation, Iran, North Korea, Sudan, South Sudan and Syria.

“Restricted Party” means a Person who is: (i) included in, or participated in or controlled by, a Person included on a Sanctions List, or a person acting on their behalf; (ii) domiciled in or incorporated under the laws of a Sanctioned Country, or a person owned or controlled by, or acting in the name and representation of, such person; or (iii) otherwise subject to Sanctions.

“Parties” means, jointly, the Borrower, the Joint Obligors, the Agent and the Creditors.

“Trust Assets” means all the assets and rights that form part of the assets of the Accredited Trust.

“Guarantee Trust Assets” means all the assets and rights that form part of the Guarantee Trust assets.

“Construction Period” means the period that begins on the date of signing this Agreement and will end on the Work Completion Date.

“Drawdown Period” means, as applicable, the (i) Tranche A Drawdown Period, (ii) the Tranche B Drawdown Period, and (iii) the Tranche C Drawdown Period.

“Tranche A Drawdown Period” means the period during which the Borrower conducted the full drawdown of Tranche A.

“Tranche B Disposal Period” means the period between the date of the first Tranche B Disposition and June 30, 2024.

“Tranche C Disposition Period” means the period between the date of the first Tranche C Disposition and June 30, 2024

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“Interest Period” means each quarterly period for which the interest accruing on the unpaid balance of the principal amount of the Provisions will be calculated; provided that (i) the first Interest Period with respect to each Drawdown will begin (including) on the date of the respective Drawdown and end (excluding) on the immediately following Interest Payment Date, and (ii) the Interest Periods Subsequent Interest will begin (including) on the immediately preceding Interest Payment Date and ending (excluding) on the immediately following Interest Payment Date. The Parties recognize and agree that the first Interest Period may be irregular.

“Person” means any individual, corporation, partnership, company, association, civil partnership, strategic alliance, joint venture, joint venture, trust, entity or Government Authority or other entity of any nature that has legal personality.

“Pesos” means the legal tender of Mexico.

“Plans” means the plans and specifications for the construction of the Project, as approved by the Agent with prior validation by the Technical Advisor. The foregoing is with the understanding that any modification required in the Plans must have the prior written approval of the Agent with the prior validation of the Technical Advisor.

“Increment Period” has the meaning attributed to it in the Second Bis Clause of this Agreement.

“Percentage of National Content” means the indicator by which the National Content in the services is defined, in accordance with the methodology and formula contained in the document attached hereto as Annex H.

“Playa Delfines Property” means the property identified as Block 53, Lot 56-P, Section “A”, Cancún Tourist Zone, Municipality of Benito Juárez, state of Quintana Roo, with an area of 4,298.16 (four thousand two hundred ninety-eight point sixteen) square meters, which is duly registered in electronic folio number 411038 in the Public Property Registry of the State of Quintana Roo, in its delegation of the City of Cancún, property on which the Borrower will build, at the request of the Operator, a beach club that will be part of the Project.

“Monaco Pledge” has the meaning attributed to it in Clause Two Bis of this Agreement.

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“Pledge on Murano World Shares” means the pledge on shares dated August 24, 2023, executed between Mr. Elias Sacal Cababie, as pledger, and the Agent, in his capacity as pledgee, in his capacity as collateral agent, in the name and for the benefit of the Creditors, pursuant to which Mr. Elias Sacal Cababie pledged in favor of the Agent all of the shares he owns in Murano World to guarantee the Guaranteed Obligations, in accordance with the terms and conditions established there.

“Pledge on Furniture” means the pledge Agreement without transfer of possession dated October 4, 2019 (as amended from time to time) entered into between the Borrower, as pledgee, and the Agent, in its capacity as creditor, pledge, in the name, on behalf and for the benefit of the Creditors, by virtue of which the Borrower pledged the furniture of the Hotels in order to impose a Lien in the first place and degree on such assets to guarantee, among other things, the payment of the Credit.

“Budget” means the budget for the construction and development of the Project that the Borrower will deliver to the Creditors, along with the certification of the Technical Advisor regarding such budget. Any modifications conducted on the Budget must have the validation of the Technical Advisor, as well as the prior written authorization of the Creditors. A copy of the Budget and the Technical Advisor's certification are attached hereto as Annex I.

“Annual Budget” means the budget prepared by the Operator and approved by Operadora Hotelera GI in which the Operating Expenses and Operating Income are detailed, which must be delivered by the Borrower to the Agent no later than within 15 (fifteen) calendar days following its delivery to Operadora Hotelera GI, in accordance with the Operation Agreement.

“First Drawdown” means the first Drawdown of Tranche A made by the Borrower in accordance with the provisions of this Agreement, provided that it has complied with the requirements for the First Drawdown of Tranche A in accordance with Clause Nine, for the amount of up to 20% (twenty percent) of the amount of Tranche A (without considering the Additional Credit), which must be made no later than 6 (six) months from the date of signing this Agreement.

“Construction Program” means the work program for the construction of the Project that the Borrower will deliver to the Creditors, after validation of the concepts contained therein by the Technical Advisor. Any modification made to the Construction Program must have prior validation from the Technical Advisor, as well as prior written authorization from the Creditors.

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“Financing Proposal” has the meaning attributed to such term in Clause Seven, section 2, of this Agreement.

“Creditors’ Financing Proposal” has the meaning attributed to such term in Clause Seven, section 2, of this Agreement.

“Coverage Provider” means any of the Creditors and/or their Affiliates.

“Project” means the buildings, land, equipment, facilities, furniture, common areas and other assets necessary for the exploitation of the first phase of the tourist project denominated “Grand Island” located in the Properties, which will have 1,016 (one thousand sixteen) hotel keys (rooms) operated through an all-inclusive concept, whose main components will be the Dreams Hotel and the Vivid Hotel, as well as their respective service areas, BOH, restaurants, crystal lagoons, water parks, retail villages, spas, swimming pools, convention centers, marinas, gyms, bars, among other areas and services.

“Debt Service Coverage Ratio” or “RCSD” means the ratio (ratio) calculated semiannually with financial information of the Project and after 12 (twelve) months of Project operation that results from dividing (a) the Net Cash Flow for the 12 (twelve) months prior to the RCSD Calculation Date, between (b) the Debt Service for the 12 (twelve) months following the RCSD Calculation Date.

“Regulation Applicable to Caixabank” means the Spanish money laundering regulations (Law 10/2010, of April 28, on the prevention of money laundering and the financing of terrorism) or the know-your-customer rules and standards, as well as any other information about which Caixabank must inform any public agency or body by virtue of any legal or regulatory norm that is legally applicable to them.

“Credit Reserves” means jointly the Debt Service Fund, the FF&E Account and, if a Cash Wipe Event exists and continues, the Flow Retention Reserve Account.

“RUG” means the Single Registry of Movable Guarantees.

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“Subcapital” means Subcapital, S.A. de C.V., Multiple Purpose Financial Company, Regulated Entity.

“Sanctions” means any sanctions imposed or to be imposed by Sanctioning Authorities, in particular, the United Nations, European Union, Mexico, the Kingdom of Spain, OFAC and/or any other relevant authority.

“Insurance” means the insurance that the Borrower and/or the Joint Obligors must Agreement and maintain under the Credit Documents and the Project Documents; with the understanding that such insurance must be contracted with insurers acceptable to the Agent, for an amount at least equal to the unpaid balance of the Credit (including Tranches B and C), and that covers the Project, including, where applicable, the New Properties and Additional Properties, as well as buildings, accessions or improvements, both in the construction process and once completed, against all insurable risks, including, but not limited to, damage from floods, explosion, smoke, fire, lightning, hail, earthquake, eruption, hurricanes, popular strikes and riots, aircraft crashes and vehicle crashes, damage caused by third parties, terrorist acts (and loss of profits), civil liability in the amount recommended by the Insurance Advisor and damages caused to third parties and any other risks that are applicable and insurable.

Notwithstanding the foregoing, specifically (i) throughout the Construction Period a civil works and civil liability insurance policy must be Contracted that covers all applicable risks and (ii) from the Date of Completion of Work and until there is any unpaid and payable amount of the Credit, a business interruption policy must be Contracted that covers at least the equivalent of 12 (twelve) months of Operating Income, as well as an insurance policy against all risks, terrorism and civil liability.

In any case, the Insurance policies must comply with the recommendations issued by the Insurance Advisor annually, as well as any other specifications indicated herein.

“SEMARNAT” means the Ministry of Environment and Natural Resources.

“Debt Service” means the sum of the payments of principal, ordinary interest, commissions and other accessories due under this Agreement and the other Credit Documents, excluding those payments corresponding to the Credit Reserves.

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“Disposition Request” has the meaning attributed to it in the Third Clause of this Agreement.

“Market Breakdown Event” means any exceptional circumstances that affect the financial market and cause the impossibility, for Creditors representing at least 40% (forty percent) of the unpaid principal of the Credit, to Agreement the necessary liability operations, to make available to the Borrower, or maintain, the amount of the Credit under the corresponding term and amount conditions, and, in particular, without limitation, those cases in which the cost of such liability operations is for the Creditors greater than the SOFR Term Rate for the corresponding term.

“Ordinary Interest Rate” has the meaning attributed to it in the Fifth Clause of this Agreement.

“Reference Rate” means the SOFR Forward Reference Rate; provided that, in the event of any Forward SOFR Reference Rate Transition Event, the term Reference Rate shall mean the applicable Substitute Reference Rate, to the extent such Substitute Reference Rate has replaced the previous reference rate in accordance with the Fifth Clause of this Agreement.

“SOFR Term Reference Rate” means the reference rate for future periods based on the SOFR Rate.

“Substitute Reference Rate” means, in relation to any SOFR Term Reference Rate Transition Event, the sum of: (a) the substitute reference rate that has been agreed upon by the Creditors and the Borrower, through the notification of the Creditors and the non-objection of the Borrower in terms of the Fifth Clause of this Agreement taking into consideration (i) any selection or recommendation of a substitute reference rate or the mechanism to determine such rate by the Government Body; or (ii) any market usage that is developing or prevailing for the purposes of determining a reference rate as a substitute rate with respect to the current Reference Rate for credits denominated in Dollars plus (b) the adjustment in the margin or method, in It is understood that to calculate or determine such adjustment in the margin (which may be positive, negative or zero) to such substitute reference rate that has been selected by the Creditors, they will take into consideration: (x) any selection or recommendation of a margin adjustment or the mechanism to determine such margin adjustment, for the replacement of such Reference Rate with a Substitute Reference Rate not adjusted by the Government Body; or (y) any market usage developing or prevailing for the purposes of determining the margin adjustment or the mechanism for determining such margin adjustment, for the replacement of such Reference Rate with an unadjusted Substitute Reference Rate for syndicated or bilateral loans denominated in Dollars.

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The foregoing with the understanding that, in the event that such Substitute Reference Rate, as determined, is less than zero, such Substitute Reference Rate will be considered zero for the purposes of this Agreement.

“SOFR Rate” means a rate equal to the secured overnight financing rate administered by the Federal Reserve Bank of New York (or any substitute administrator of the SOFR Rate).

“SOFR Term Rate” means the SOFR Reference Rate for a Term of 3 (three) months, published by the SOFR Rate Administrator on the day (such day, the “SOFR Rate Determination Day for a Period”) that is 2 (two) Business Days for the Calculation of Term SOFR prior to the first day of the corresponding Interest Period, with the understanding that, if on the Day of Determination of the SOFR Rate for a Period there are no publications for the SOFR Rate at applicable Term, then the Term SOFR Rate will be the Term SOFR Reference Rate for such term, as published by the Term SOFR Rate Administrator on the immediately preceding Term SOFR Calculation Business Day for which such Term Rate SOFR Term Reference Rate has been published by the Administrator of the SOFR Term Rate; provided that such immediately preceding Business Day is not more than 3 (three) Business Days for the Calculation of Forward SOFR prior to such Day of Determination of the Forward SOFR Rate for a Period.

In the event that the Term SOFR Rate determined in accordance with the above is less than zero, then the Term SOFR Rate will be considered zero.

“Tranche A” means the simple credits that the Creditors made available to the Borrower in accordance with this Agreement, up to the principal amount indicated in subsection (a) of the Second Clause of this Agreement, plus the amount actually drawn down by the Borrower under the Nafin Additional Credit.

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“Tranche B” means the amount of up to USD\$35,000,000.00 (thirty-five million 00/100 Dollars) that, subject to the terms and conditions provided herein, Sabcapital and Nafin have granted to the Borrower in the form of simple credit in accordance with this Agreement and in proportion to the amount of their respective Commitments (as indicated in the Commitments table attached hereto as Annex C). The foregoing, with the understanding that Bancomext and Caixabank will not participate in the granting of this credit, so they will not be obliged to grant any resources for the purposes of granting it.

“Tranche C” means the amount of up to USD\$10,000,000.00 (ten million 00/100 Dollars) that, subject to the terms and conditions provided herein, Sabcapital would grant, if applicable, to the Borrower in the form of simple credit in accordance with this Agreement. The foregoing, with the understanding that (i) the granting of such credit by Sabcapital will be subject to financial availability or any other funding source used by it at the time the respective Provision is requested, in the absence of a case fortuitous event or force majeure, a Cause of Early Maturity or a Significant Adverse Change that requires the analysis and prior authorization of Sabcapital's risk area, as well as the authorization of its internal corporate bodies and (ii) Bancomext, Caixabank and Nafin will not participate in the granting of this credit, so they will not be obliged to grant any resources for the purposes of granting it.

“Tranches B and C” means the joint reference to Tranche B and Tranche C.

“Private Unit Number 2” means the exclusive property unit 02, which is part of the Grand Island Condominium, with condominium residential tourist use, as established for the permitted use in accordance with the applicable urban development program, located on Boulevard Kukulcan, Superblock A -2nd, Second Stage, Hotel Zone of the City of Cancún, Municipality of Benito Juárez, state of Quintana Roo, with an area of 30,431.53 m<sup>2</sup> (thirty thousand four hundred thirty-one meters fifty-three square centimeters), which is registered in the Public Property Registry of Cancún, State of Quintana Roo, in electronic folio number 423312, property on which the Borrower will build a spa that will be part of the Project.

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“Private Unit Number 3” means the exclusive property unit 03, which is part of the Gran Island Condominium, with condominium residential tourist use, as established for the permitted use in accordance with the applicable urban development program, located on Boulevard Kukulkan, Superblock A dash two “A” Second Stage, Hotel Zone of the City of Cancún, Municipality of Benito Juárez, state of Quintana Roo, with an area of 73,785.32 m<sup>2</sup> (seventy-three thousand seven hundred eighty-five meters thirty-two square centimeters), the which is registered in the Public Property Registry of Cancún, State of Quintana Roo, in electronic folio number 423313, property on which the Borrower will carry out the construction of 2,000 (two thousand) hotel keys (rooms) that will form part of the first phase of the tourism project denominated “Grand Island”.

“Net Operating Income” means, as of a given date and with respect to the Project, the result of (a) the Operating Income of the 12 (twelve) months prior to the given date, less (b) the Operating Expenses of the 12 (twelve) months prior to the determined date.

“Authorized Appraiser” means any of CBRE, S. de R.L. de C.V., Cushman & Wakefield, S. de R.L. de C.V., or LaSalle Partners, S. de R.L. de C.V. or, failing that, any appraisal expert or agency of appraisal experts approved by the Creditors.

(b) Interpretation. All terms defined in this Agreement in singular form will be equally applicable to the singular and plural of the defined terms and the masculine, feminine or neuter gender will include all genders. Unless otherwise expressly indicated in this Agreement, all references to Clauses refer to the Clauses of this Agreement, and references to Annexes refer to the Annexes that are added to this Agreement, forming an integral part of the Agreement. same. The words “hereinafter,” “hereinafter,” “herein,” “hereinafter” and similar words refer to this Agreement in its entirety and not to a specific part or Clause thereof. Any reference to any provision, law or regulation will be deemed to include any amendments to them, as well as any provision, law or regulation issued in their replacement. Reference to the words “include,” “including” or similar words will be deemed followed by “without limitation” or “but not limited to,” whether or not they are followed by those phrases.

All terms established in this Agreement are understood to correspond to calendar days unless it is specifically established that they correspond to Business Days.

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(c) Accounting Terms and Determinations. Unless otherwise specified in this Agreement, all accounting terms used in it or in any of the Credit Documents will be construed, all accounting determinations under this Agreement will be made, and all Financial Statements, Statements of Operating Results and/or account statements required to be delivered under this Agreement will be prepared, in accordance with the NIFs, applied in a manner consistent with the most recent Financial Statements, Statements of Operating Results and/or account statements of the corresponding Person that have been delivered to the Creditors.

(d) Exchange Rate. For the purposes of any conversions or calculations of Pesos to Dollars that must be conducted in accordance with this Agreement, the exchange rate published by the Bank of Mexico in the Official Gazette of the Federation on the date on which it is conducted will be taken. conducted such conversion or calculation (exchange rate fix).

**SECOND. Obligation to Grant Credit; Credit Disposition.**

(a) Tranche A. Subject to the terms and conditions established in this Agreement, the Creditors hereby make available to the Borrower, who accepts and undertakes to pay in accordance with the terms established herein, a credit for a total amount of the lesser of: (i) USD\$160,000,000.00 (one hundred and sixty million Dollars 00/100) or (ii) 55% (fifty-five percent) of the sum of the Project Construction Cost plus the value of the land of the Total Properties, considering a value of USD\$60,000,000.00 (sixty million Dollars 00/100). The foregoing, with the understanding that the Borrower may dispose of Tranche A in its entirety within the Disposal Period of Tranche A and as long as it is up to date in the fulfillment of its obligations under this Agreement and the established requirements have been met. in Clause Nine of this Agreement.

(b) Article 292 of the LGTOC. The Parties agree that, within the amounts referred to in the previous paragraph of this Second Clause, interest, commissions, expenses, or other sums (except for principal) that are caused by virtue of the same are not included. Thus, the presumption established in article 292 of the LGTOC will not be applicable.

(c) Non-Revolver; Proportional Credit. No Commitment is revolving in nature, and any portion of the Credit that has been repaid or prepaid may not be re-borrowed. The Creditors will grant the Credit individually, not jointly or jointly, and in proportion to their respective Commitment. The Commitment of each Creditor will terminate immediately after it fully grants its respective Commitment or, the corresponding Drawdown Period has elapsed and the Borrower has not drawn down all of the Credit, or as otherwise established in this Agreement; from which time, the Agent and the Creditors will have no obligation nor will they assume any responsibility to deliver to the Borrower any amount additional to those requested by the Borrower through the corresponding Disposition Requests under this Agreement.

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(d) Drawdown of Credit. Subject to compliance with the requirements set forth in Clause Nine of this Agreement, the Borrower may dispose of Tranche A in various Drawdowns during the corresponding Drawdown Period.

(e) Commission for non-disposition. During the corresponding Drawdown Period, the Borrower undertakes to pay the Creditors the applicable Non-Drawdown Commission.

SECOND BIS. Credit Increase.

(a) Additional Credit. The Borrower may, by written request to the Agent and until (including) July 4, 2021 (the "Increase Period"), choose to request on a single occasion the granting of an additional simple credit up to a principal amount of USD\$18,613,000.00 (eighteen million six hundred thirteen thousand Dollars 00/100) (the "Additional Credit"). The foregoing is with the understanding that, in any case, if the Additional Credit is granted in accordance with the provisions stipulated below, such Additional Credit must be formalized on or before July 4, 2021.

Once the request for Additional Credit is received, the Agent will offer it, (i) in the first instance, to each of the Creditors (and each of the Creditors will have the right, but not the obligation, to increase their respective Commitments, of proportional to the amount of the Credit they have up to that moment, for the total amount of the Additional Credit); (ii) in the second instance, with respect to those amounts that have not been subscribed by the Creditors in the first instance, the Agent will offer it to each of the Creditors who have decided to increase their respective Commitments in accordance with the above, in proportion to the amount of the Credit that they have up to that moment (considering already the Additional Credit that they had subscribed in the first instance), and (iii) in the third instance, with respect to those amounts that have not been subscribed by the Creditors in the first and second instance, to certain financial institutions acceptable to Agent (the "Additional Creditors").

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The Borrower acknowledges and agrees that the Creditors will have no obligation to the Borrower to grant any Additional Credit and that the Agent will use only its best efforts to offer such Additional Credit between the Creditors and/or the Additional Creditors, as applicable, without the Agent being obliged in any way to obtain resources for the granting of the Additional Credit.

The Additional Credit, which is granted, if applicable, must be drawn down by the Borrower within the Drawdown Period of Tranche A, in one or several exhibitions, in accordance with the Construction Program and the Drawdown and Investment Schedule provided that, The requirements mentioned in the Third Clause have been met in a manner and substance acceptable to the Agent and the Creditors, on or prior to each proposed Disposition date, which must be referred to the Additional Credit, to the extent that are applicable. Additionally, the Credit Documents must be in force and have full effect.

(b) Effects of Additional Credit. The Parties expressly recognize and agree that on and from the first date of Drawdown of the Additional Credit, each of the Additional Creditors, if applicable, will form part of this Agreement and the other Credit Documents and will be considered for the purposes of this Agreement as a "Creditor", so any reference to "Creditor" will also include Additional Creditors.

Likewise, the Parties expressly recognize and agree that the terms and conditions applicable to the Additional Credit will be those described in this Agreement for the "Credit", including without limitation, the Ordinary Interest Rate and the Default Interest Rate, as well as the Date of Interest Payment, the Principal Payment Date, the Amortization Schedule and the requirements for subsequent Dispositions established in Clause Ninth. Pursuant to the foregoing, from the date of acceptance by any Creditor or Additional Creditor of part or all of the Additional Credit, any reference to the "Credit" will also include the Additional Credit.

The Borrower accepts, acknowledges and agrees that the Additional Credit described in this Section will be subject to the terms and conditions applicable to the Credit indicated in this Agreement and in the other Credit Documents, including without limitation, being guaranteed by the Guarantee Documents.

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(c) Pledges Abroad. Mr. Elias Sacal Cababie hereby expressly undertakes to grant, on or before the date of the First Provision, a pledge without transfer of possession over a bank account in his name, opened within the Principality of Monaco and in which is deposited an amount equivalent to at least the amount of the Additional Credit, and/or any other equivalent legal instrument, to the satisfaction of each of the Creditors, through which Mr. Elias Sacal Cababie guarantees (i) the contribution due and timely to the Project of at least the same amount of the Additional Credit; that is, the amount of USD\$18,613,000.00 (eighteen million six hundred and thirteen thousand Dollars 00/100) for its application in accordance with the Schedule of Provisions and Investments and the Budget, as well as (ii) if necessary, the payment of any Project cost overruns (the "Monaco Pledge"). Prior to the granting of the Monaco Pledge, a legal opinion addressed to the Creditors from a widely recognized firm authorized to practice law in the Principality of Monaco, chosen by the Creditors, must be delivered to the Creditors' satisfaction, through which includes the opinion of such lawyers regarding, among other things, the validity and enforceability of the Monaco Pledge, the powers of the parties, execution procedure and any other aspects requested by the Creditors. The foregoing is understood to be that the costs corresponding to the aforementioned legal opinion must be covered by the Borrower and/or Mr. Elias Sacal Cababie.

The Monaco Pledge must, where applicable, remain valid until the Work Completion Date is reached. The foregoing, with the understanding that the costs corresponding to the termination of the Monaco Pledge, as well as the costs of the lawyers of the Creditors (whether from Monaco or Mexico, as applicable) must be covered on or around the date of signing, of the termination of the Monaco Pledge by the Borrower and/or Mr. Elias Sacal Cababie.

In the event that the Monaco Pledge is in a judicial process to conduct its execution, the Borrower will not be able to continue making Credit Drawdowns in accordance with this Agreement until the resources derived from the execution of such pledge are not effectively provided. to the project.

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The parties agree that in the event that for any reason the Additional Credit is not granted, the Borrower and/or Mr. Elías Sacal Cababie must contribute to the Project, through the corresponding deposit in the Additional Credit Contribution Account, an equivalent amount to (i) 25% (twenty-five percent) of the Additional Credit; that is, the amount of USD\$4,653,250.00 (Four million six hundred and fifty-three thousand two hundred and fifty Dollars 00/100) no later than month 9 (nine) from the date of signing the Agreement – amount that was transferred on July 14, 2020 to the Debt Service Reserve Fund Account –, (ii) another 1.87% (one point eighty-seven percent) of the Additional Credit; that is, the amount of USD\$346,750.00 (Three hundred and forty-six thousand seven hundred and fifty Dollars 00/100), no later than the 12th (twelfth) month from the date of signing the Agreement – amount that was transferred on December 5 October 2020 to the Debt Service Reserve Fund Account –, (iii) another 19.41% (nineteen point forty-one percent) of the Additional Credit; that is, the amount of USD\$3,613,000.00 (Three million six hundred and thirteen thousand Dollars 00/100), no later than the 15th (fifteen) month from the date of signing the Agreement, (iv) another 26.86% (twenty-six point eighty-six percent) of the Additional Credit; that is, the amount of USD\$5,000,000.00 (Five million Dollars 00/100), no later than the 18th (eighteenth) month from the date of signing the Agreement, and (v) another 26.86% (twenty-six point eighty-six percent) of the Additional Credit; that is, the amount of USD\$5,000,000.00 (Five million Dollars 00/100), no later than the 21st (twenty-first) month from the date of signing the Agreement.

SECOND TER. Terms and Conditions of Tranche B. Except for the terms and conditions established in this Clause, the Parties agree that each and every one of the Clauses of this Agreement shall be applicable mutatis mutandis to all those obligations that the corresponding Parties must comply with in relation to the Provisions made under Tranche B. Therefore, in relation to Tranche B, the Parties agree and agree as follows:

(a) Tranche B. For purposes of clarity, the Parties recognize and agree that the provisions of the Second Clause, paragraphs (b) (Article 292 of the LGTOC) and (c) (Non-Revolving; Proportional Credit), and in the Third Clause, subsection (h) (Credit Denouncement), as well as all other Clauses established in this Agreement and not expressly contemplated in this Second Third Clause, will be applicable mutatis mutandis, as appropriate, to Tranche B.

(b) Drawdowns of Tranche B. The Borrower may make one or several Drawdowns of Tranche B, which must be made during the Drawdown Period of Tranche B.

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(c) Payment of Tranche B. The Parties agree that the entire ordinary interest and principal actually drawn on Tranche B, as well as any other accessories derived from such tranche, must be paid to the Creditors, through the Agent and by deposit, or transfer to the Agent's Account, on the dates and for the amounts established in the Amortization Schedule and under the same terms and conditions applicable to Tranche A (including, without limitation, the Interest Payment Date, the Interest Payment Date Principal, the Maturity Date, the Ordinary Interest Rate, the SOFR Term Rate and the Substitute Reference Rate). By virtue of the foregoing, any reference to the "Credit" will also include Tranche B.

(d) Destination. The Borrower must use and may only use in their entirety (i) the resources of Tranche B to complete the Project works identified by the Technical Advisor in their report dated March 24, 2023, finance the start of operation and its associated infrastructure, as well as for the payment of financial costs and expenses that derive solely and exclusively from the Credit and the funding of the Debt Service Fund until before the Start Date of the Stable Phase.

(e) Promissory notes. Each Tranche B Provision must be documented in a Promissory Note, using the Promissory Note model attached hereto as Exhibit G.

The Parties also agree that, to the Promissory Notes that document the Provisions of Tranche B, the provisions established in subsection (e) of the Third Clause of this Agreement corresponding to the obligation of Mr. Elias Sacal Cababie to subscribe will be applicable, as applicable. the Promissory Notes, as guarantor, up to an amount equivalent to 55% (fifty-five percent) of the Construction Cost of the Project and until the Start Date of the Stable Phase is reached.

(f) Requirements for the first Drawdown of Tranche B. Subject to what is stated in subsection (a) of this Second Ter Clause, the obligation of Sabcapital and Nafin to disburse the first Drawdown of Tranche B requested by the Borrower is subject to (i) all of the requirements established in section III of Clause Ninth of this Agreement have been met and (ii) the requirements established in this section (f) have been met, to the satisfaction of the Creditors, no later than 2:00 p.m. (Mexico City time) or simultaneously, as applicable, on the day of the Provision:

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i. That a simple copy of (1) the third modifying agreement has been signed and delivered to the Guarantee Trust; (2) the second amending agreement to the Furniture Pledge; (3) the Murano World Share Pledge; (4) the Mortgage on the Playa Delfines Property; (5) the Mortgage on Private Unit Number 2, and (6) the seventh agreement modifying this Agreement, all of them dated August 24, 2023.

ii. That the Agent deliver to the Creditors a certificate of compliance with the requirements established in this subsection (f).

iii. That the Agent has received a certification from the Technical Advisor certifying that the Borrower has made, as of that date, additional capital contributions to the Project for an amount equal to or greater than USD\$5,000,000.00 (five million Dollars 00 /100) to allocate them to the completion of the Project works and the start of its operations. The foregoing, with the understanding that the Agent received such certification prior to the execution of the seventh agreement modifying this Agreement dated August 24, 2023.

iv. That the Agent has received the records of registration of the first testimonies of the Mortgage on the Playa Delfines Property and the Mortgage on Private Unit Number 2 in the Public Property Registry of the State of Quintana Roo.

v. That the Murano World Share Pledge has been duly registered in the Murano World share registry book and the first testimony of such Agreement has been registered in the RUG.

vi. That the first testimonies of the third agreement modifying the Guarantee Trust and the second agreement modifying the Pledge on Furniture have been registered in the RUG.

vii. That the Agent has received a new Base Financial Case with financial projections until December 31, 2035, validated and supported by the Financial Advisor. The foregoing, with the understanding that the Agent received such new Base Financial Case prior to the execution of the seventh amending agreement to this Agreement dated August 24, 2023.

viii. That the Agent has received a new Budget and a new Construction Program. The foregoing, with the understanding that the Agent received such documents prior to the date of execution of the seventh agreement modifying this Agreement dated August 24, 2023.

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ix. That any commissions, expenses, notary fees and costs derived from the execution of the agreements modifying this Agreement, the agreements modifying the Guarantee Documents and the new Guarantee Documents, including, without limitation, the fees of the public notary before whom such documents are granted and/or ratified and the fees of the legal, financial and technical advisors of the Creditors have been paid in full.

x. That the Creditors have received a copy of the email forwarded to the Agent, for the benefit of the Creditors, by which Murano World has requested that ALG remove the obligation to include ALG as a second trustee in the Security Trust.

(g) Guarantees. The Borrower accepts, recognizes and agrees that Tranche B described in this Clause will be subject to the terms and conditions applicable to the Credit indicated in this Agreement and in the other Credit Documents, including, without limitation, being guaranteed by the Guarantee Documents.

SECOND QUATER. Terms and Conditions of Tranche C. Except for the terms and conditions established in this Clause, the Parties agree that each and every one of the Clauses of this Agreement shall be applicable mutatis mutandis to all those obligations that the corresponding Parties must comply with in relation to the Provisions made under Tranche C. Therefore, in relation to Tranche C the Parties agree and agree as follows:

(a) Uncommitted Line. The Borrower expressly acknowledges and agrees that Tranche C is not a committed line of credit, so the resources that will be made available will depend on the financial availability or any other funding source used by Sabcapital at the time the loan is requested. Respective provision, in the absence of a fortuitous event or force majeure, a Cause of Early Maturity or a Significant Adverse Change that requires the analysis and prior authorization of Sabcapital's risk area, as well as the authorization of its internal corporate bodies. By virtue of the foregoing, in the event that all of the resources corresponding to Tranche C are not obtained, the Borrower expressly acknowledges and agrees that the total amount of Tranche C that would be made available to it, as applicable, will be reduced by the corresponding measure, hereby releasing Sabcapital from any responsibility in this regard. By virtue of the foregoing, the Commission for non-Provision will not be applicable with respect to Tranche C. Additionally, and for purposes of clarity, the Parties recognize and agree that the provisions of Clause Two, subsections (b) (Article 292 of the LGTOC ) and (c) (Non-Revolver; Proportional Credit), and in the Third Clause, subsection (h) (Credit Denouncement), as well as all other Clauses established in this Agreement and not expressly contemplated in this Second Quarter Clause, They will be applicable mutatis mutandis, as appropriate, to Tranche C.

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(b) Drawdowns of Tranche C. The Borrower may make 1 (one) or several Drawdowns of Tranche C, which must be made during the Drawdown Period of Tranche C.

(c) Payment of Tranche C. The Parties agree that all of the ordinary interest and the principal actually drawn on Tranche C, as well as any other accessories derived from such tranche, must be paid to the Creditors, through the Agent and by deposit or transfer to the Agent's Account, on the dates and for the amounts established in the Amortization Schedule and under the same terms and conditions applicable to Tranche A (including, without limitation, the Interest Payment Date, the Interest Payment Date Principal, the Maturity Date, the Ordinary Interest Rate, the SOFR Term Rate and the Substitute Reference Rate). By virtue of the foregoing, any reference to the "Credit" will also include Tranche C.

(d) Destination. The Borrower must use and may only use in their entirety the resources of Tranche C to cover any working capital requirement of the Project in accordance with the provisions of the Budget.

(e) Promissory notes. Each Tranche C Provision must be documented in a Promissory Note, using the Promissory Note model attached hereto as Exhibit G.

The Parties also agree that, to the Promissory Notes that document the Provisions of Tranche C, the provisions established in subsection (e) of the Third Clause of this Agreement corresponding to the obligation of Mr. Elias Sacal Cababie to subscribe will be applicable, as appropriate, the Promissory Notes, as guarantor, up to an amount equivalent to 55% (fifty-five percent) of the Construction Cost of the Project and until the Start Date of the Stable Phase is reached.

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(f) Requirements for the first Drawdown of Tranche C. Subject to what is stated in subsection (a) of this Second Quater Clause, Subcapital's obligation to disburse the first Drawdown of Tranche C requested by the Borrower is subject to that (1) all of the requirements established in section III of Clause Ninth of this Agreement have been met, (2) the Borrower delivers to the Creditors a detailed list, signed by an Authorized Official of the Borrower, of the invoices, purchase orders, and in general, of all expenses and concepts in which all of the resources of Tranche B were used, to the satisfaction of the Creditors, no later than 2:00 p.m. (Mexico City time) or simultaneously, as applicable, on the day of the Disposition, and (3) a list, signed by an Authorized Official of the Borrower, of the Agreements and/or any other documents executed with the sub-contractors in charge of the construction and installation of the Project, together with a copy of such sub-contractors. The Parties agree that, as a requirement for the first Provision of Tranche C, it must be delivered to the Creditors, through the Agent, on the date that occurs first between (i) 45 (forty-five) calendar days following the date of signature of the seventh amending agreement to this Agreement dated August 24, 2023 or (ii) the date on which the requirements indicated in paragraphs (1) to (3) above have been met, the original of the document through which ALG accepts that Murano World will not be required to include ALG as a second trustee of the Guarantee Trust as originally requested.

(g) Guarantees. The Borrower accepts, recognizes and agrees that Tranche C described in this Clause will be subject to the terms and conditions applicable to the Credit indicated in this Agreement and in the other Credit Documents, including, without limitation, being guaranteed by the Guarantee Documents.

THIRD. Disposition Mechanics. (a) Procedure. To dispose of the Credit, the Borrower must submit to the Agent a signed written request in accordance with the notice format that is added hereto as Annex J (the "Disposal Request"), no later than 4 (four) Business Days before the date on which the Borrower wishes to carry out the corresponding Disposition, before 12:00 hours in Mexico City. The Disposition Request must contain, as applicable, the date and amount to make such Disposition, and a certification from an Authorized Official of the Borrower and the Joint Obligors that all requirements under this Agreement for such Disposition have been met. Once a Disposition Request has been submitted, the Borrower cannot revoke it. Any Disposition Requests must be for a minimum amount of USD\$5,000.00 (five thousand Dollars 00/100).

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In the event that the total Drawdown of the Credit is not made within the Drawdown Period, it will be understood that the amount of the Credit will be the amount actually drawn on the date of termination of the Drawdown Period and the Creditors will be released from their obligation to deliver the Drawdowns. following referred to in this Agreement and will not have any responsibility for undisbursed amounts.

(b) The Agent, on the same day that it receives the Disposition Request from the Borrower and before 3:00 p.m. in Mexico City on such day, will notify and request the Creditors for the amount of the Disposition that they appropriate so that, no later than 2:00 p.m. in Mexico City on the day of the Disposition date provided for in the Disposition Request, the Creditors transfer, in funds freely available on the same day, to the Agent's Account the entire of the requested amount. For these purposes, the Agent must confirm in writing (allowing for these purposes to send an email with acknowledgment of receipt) to the Creditors of compliance with the preceding requirements regarding the Disposition in question, so that the Disposition can be made. on the date stipulated for such purposes in the corresponding Disposition Request.

(c) Once the Agent (1) has confirmed compliance with the requirements, to the reasonable satisfaction of the Agent and the Creditors, for each Provision, and (2) has received from the Creditors all of the resources described in the Disposal Request, you must transfer the resources on the date provided for such Disposal in the Disposal Request, to the Credit Account in immediately available funds.

If by the deadline date and time for receiving resources from the Creditors, the Agent has not received all of them, it must send to the Borrower those resources that it has received. The foregoing is with the understanding that the Agent will not be responsible if, on the date of Disposition, the Borrower does not receive all of the resources due to total or partial non-compliance by any of the Creditors since each Creditor is obliged simply jointly and not supportive. The Creditor who has not disbursed the corresponding funds will be responsible for the damages caused to the Borrower, the Agent and the other Creditors due to the delay or failure to carry out the part of the Disposition that corresponds to them, and the Borrower, the Agent and the Other Creditors may exercise, jointly or individually, the actions that correspond to them against such Creditor.

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In the event that any of the Creditors does not disburse the funds corresponding to their Commitment in accordance with this Agreement on the Drawdown date, the Drawdown amount will be reduced to the amount that the Agent actually has on that date.

(d) Promissory notes. Each Disposition will be documented by Promissory Notes signed by the Borrower as subscriber, and by the Joint Obligors and Mr. Elías Sacal Cababie as guarantors, in favor of each of the Creditors, for the amount corresponding to the Disposition in question, in the terms of the format attached to this Agreement as Annex G.

(e) The obligation of Mr. Elías Sacal Cababie to function as guarantor of the Notes will be limited to an amount equivalent to 55% (fifty-five percent) of the Construction Cost of the Project and until the Phase Start Date is reached. Stable. By virtue of the foregoing, Mr. Elías Sacal Cababie must act solely as guarantor of the Promissory Notes until the sum of these reaches an amount equivalent to 55% (fifty-five percent) of the Construction Cost of the Project and, in the event of replacement of all the Promissory Notes with a single one in favor of each of the Creditors, will subscribe such new Promissory Notes as guarantor for up to an amount equivalent to 55% (fifty-five percent) of the Construction Cost of the Project. Likewise, Mr. Elías Sacal Cababie undertakes to cover the amount necessary to pay the construction extra costs that have been generated and are payable, guaranteeing the completion of the work.

(f) The parties agree that, on the Start Date of the Stable Phase, the guarantee of Mr. Elías Sacal Cababie of the Promissory Notes will be canceled and they will be exchanged for new Promissory Notes that do not have the guarantee of Mr. Elías Sacal Cababie.

(g) [Intentionally blank].

(h) Credit Report. The Parties expressly agree that the Creditors may denounce the Agreement in terms of article 294 of the LGTOC from a certain date or at any time, and consequently, the Disposition of the Credit, by means of simple written notice to the Borrower in that regard, without any responsibility for the Creditors.

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FOURTH. Destination of the Funds. The resources of Tranche A must be used by the Borrower to finance: (a) the construction (including any financial expenses during such stage), equipment and start-up of the Project (without considering VAT in any of such cases), (b) any commissions (without considering VAT), (c) expenses and fees of Advisors, attorneys of the Agent and Creditors and/or public notaries due under this Agreement, (d) the funding of the Debt Service Fund, and (e) any additional expenses related to the Project.

FIFTH. Interests. Applicable Margin. (a) Ordinary Interest. The Borrower will pay to each Creditor, through the Agent, without prior request, ordinary quarterly interest on the unpaid principal amount of (i) the principal balance of Tranche A and (ii) each Drawdown made with charge to Tranches B and C, as applicable during each Interest Period, at an annual rate equal to the 3 (three) month SOFR Term Rate, plus an applicable margin of 4.0116% (four point zero one hundred and sixteen percent) (the "Interest Rate"). Ordinary Interest". The foregoing is with the understanding that the first Interest Period of Tranches B and C may be irregular.

Interest on all tranches of the Credit will be payable on each Interest Payment Date; with the understanding that the last Interest Payment Date must occur precisely on the Maturity Date.

The ordinary interest and default interest that, if applicable, accrues under this Agreement, will be calculated by the days actually elapsed in each Interest Period, based on a year of 360 (three hundred and sixty) days, including the first of such days, but excluding the last one.

(b) Default Interest. In the event of default in the payment of any principal amount payable under this Agreement (except ordinary interest), default interest, payable on demand, will accrue daily on the overdue and unpaid principal amount of the Provisions, from the date in which such payment should have been made and until its total payment, at a rate equal to the result of multiplying by 2 (two) the respective Ordinary Interest Rate.

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The Borrower accepts, recognizes and agrees that the payment of default interest (i) does not constitute or imply a waiver and in no case will it have the effect of a waiver of the rights of the Creditors arising from any of the Credit Documents, (ii) does not constitute or imply a waiver and in no case will it have the effect of a waiver of any of the obligations of such Borrower arising from any of the Credit Documents, nor (iii) exclude any other right, power or privilege (including those provided for in applicable law) of the Agent or the Creditors arising from any of the Credit Documents (including, without limitation, the power to terminate the Borrower's obligations early).

(c) Replacement of the Reference Rate. In the event of a SOFR Term Reference Rate Transition Event, the parties hereby expressly agree to modify this Agreement and substitute any Note entered into to replace the SOFR Term Rate with the Substitute Reference Rate, with effects from the occurrence of a Term SOFR Rate Transition Event. In the event that the fifth Business Day after the Creditors, through the Agent, have notified such modification to the Borrower; If the Creditors have not received, until that time, a written notification from the Borrower objecting to such substitution, it will be considered that the Borrower has accepted the replacement of the SOFR Term Rate with the Substitute Reference Rate. No replacement of the Reference Rate with a Substitute Reference Rate under this Clause will occur prior to a SOFR Forward Reference Rate Transition Event having occurred.

In connection with the use, administration, adoption or implementation of a Substitute Reference Rate, the Creditors will have the right to make Consistency Modifications, from time to time and, without prejudice to any provision to the contrary contained in this Agreement. Any modifications that implement such Consistency Modifications will become effective without the need for any additional action or consent of the Borrower.

The Creditors will notify the Borrower in writing as soon as possible: (a) the implementation of any Substitute Reference Rate and (b) the entry into force of any Consistency Modifications in relation to the use, administration, adoption or implementation of a Substitute Reference Rate. The parties expressly agree that the terms contained in the notification that the Creditors present in terms of this paragraph will form an integral part of this Agreement.

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Notwithstanding anything to the contrary contained in this Agreement, at any time (including in connection with the implementation of the Substitute Reference Rate), (a) if the Reference Rate in effect at that time is a forward rate (including the SOFR Term Rate) and any of: (i) any term of such Reference Rate, is not displayed on a screen or other information service that publishes such rate from time to time, as reasonably chosen by the Creditors in their sole discretion or (ii) the regulatory supervisor of the administrator of such Reference Rate makes a public statement or other informative publication communicating that the term for such Reference Rate is not or will no longer be representative, or that it has ceased to comply with or be aligned with the Principles for Financial Rates published by the International Organization of Securities Commissions, then the Reference Rate for the following Interest Period(s) will be the last Reference Rate provided or calculated, and will be used to the calculation of interest until one of the events provided for in subsection (b) immediately following occurs; and (b) in the event that a term that has been removed pursuant to subsection (a) above is: (i) subsequently displayed on a screen or information service for a Reference Rate (including the Substitute Reference Rate), or (ii) is not or has ceased to be subject to the announcement that it has ceased to be or will cease to be representative or in compliance with, or aligned with, the Principles for Financial Rates published by the International Organization of Securities Commissions (International Organization of Securities Commissions) for a Reference Rate (including a Substitute Reference Rate); then the interest calculation will be restored to the manner provided for in this Agreement.

At the written request of the Agent and/or any of the Creditors (which may even be by email), the Borrower, the Joint Obligors and Mr. Elías Sacal Cababie, as applicable, will be obliged to replace the Promissory Note(s) in force for a new Promissory Note(s) with the new Ordinary Interest Rate, leaving the Borrower, the Joint Obligors and Mr. Elías Sacal Cababie, as applicable, obliged to sign the new Promissory Note(s). (s) within 5 (five) Business Days following the date of the corresponding notification. The previous obligation will be applicable as many times as necessary as the Ordinary Interest Rate is changed, in such case, in compliance with the provisions of this Agreement. In each case mentioned in this paragraph, the Creditors will return to the Borrower the canceled Promissory Note(s) upon delivery of the original of the Promissory Note(s) to be replaced duly canceled.)

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At the time that the Borrower receives a notification from the Creditors indicating that a Transition Event of the SOFR Term Reference Rate has occurred and provided that there is no Substitute Reference Rate, or in the event that the parties have not reached an agreement regarding the Ordinary Interest Rate that will be applicable, the parties hereby expressly agree that, with effect from the occurrence of a Transition Event of the SOFR Term Reference Rate, the Reference Rate will be the last SOFR Term Rate published by the Government Agency until the parties reach an agreement regarding the applicable Reference Rate. If an agreement is not reached regarding the applicable Reference Rate within 15 (fifteen) Business Days from the date of notification by the Creditors to the Borrower, such situation will be considered a Cause of Early Maturity in terms of what is established in the Twelfth Clause of this Agreement.

(d) Term SOFR Rate Consistency Modifications. In connection with the use or administration of the SOFR Term Rate, Creditors will have the right to make Consistency Modifications, from time to time, and, notwithstanding anything to the contrary contained in this Agreement, any modifications that implement such Modifications of Consistency will come into force without the need for any additional action or consent of the Borrower and/or the Joint Obligors. Creditors will immediately notify the Borrower in writing upon entry into force of any Consistency Modifications in connection with the use or administration of the SOFR Term Rate.

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(e) Exclusion of Liability. The Borrower acknowledges that neither the Creditors nor the Agent guarantee or accept any responsibility for, and will have no responsibility with respect to the continuation, administration, presentation or calculation of or any other matter related to the SOFR Rate or the SOFR Term Rate or the SOFR Term Reference Rate or any component of the definition thereof or of the rates referred to in the definition thereof, or any alternative, successor or substitute rate thereof (including any Reference Rate Substitute), including that the composition or characteristics of any alternative, successor or substitute rate (including any Substitute Reference Rate) is similar to, or produces the same value or equivalence as, or has the same volume or liquidity as, the SOFR Rate or the SOFR Term Rate or the SOFR Term Reference Rate or any other Reference Rate prior to its discontinuation, discontinuation or non-existence. Creditors and their Affiliates or related entities may enter into transactions that affect the calculation of the SOFR Rate or the SOFR Term Rate or the SOFR Term Reference Rate or any other alternative, successor or substitute rate (including any Substitute Reference Rate) or any adjustments corresponding to them, in each case, that adversely affect the Borrower. Creditors may select information sources or services in their reasonable discretion to determine the SOFR Rate or the SOFR Term Rate or the SOFR Term Reference Rate or any other Reference Rate, in each case, in accordance with the terms hereof. Agreement; and will not have any liability with the Borrower or with any other person or entity for damages of any kind, including direct, indirect, special, punitive, incidental or consequential damages, costs, damages, losses or expenses (whether arising from liability contractual or otherwise and whether provided for by law or in accordance with principles of equity), for any error or calculation of any such rate (or component thereof) provided by such information source or service.

SIXTH. Credit Amortizations. The Borrower will pay to the Creditors, through the Agent, in liquid and immediately available funds, the principal amount of all the Drawdowns under this Agreement, through quarterly installments payable for the corresponding amortization amounts specified in the amortization schedule, which is attached to this Agreement as Annex K (the "Amortization Schedule"), and to be paid each on a Principal Payment Date; provided that no balance of, or amount payable on or in connection with, the Credit, may remain unpaid beyond the Maturity Date.

The obligations of the Borrower are absolute and indivisible, all payments of principal, interest and other amounts to be made by the Borrower in accordance with this Agreement must be made in Dollars, totally and unconditionally, without the right to any compensation.

SEVENTH. Early Loan Repayments.

The Borrower must pay in whole or in part the unpaid balance of the Credit in any of the following cases and as indicated below:

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## 1. Mandatory.

(a) Cash Sweep. In the event that any of the assumptions described below are updated (and while they remain updated), the Agent may instruct the trustee of the Security Trust, in accordance with the terms of the Security Trust itself and this Clause, to use all or Partially the Net Cash Flow to the mandatory advance payment of the Loan (“Cash Wipe Event”) without any penalty for the Borrower:

(i) RSCD. From the Start Date of the Stable Phase:

A. If the Debt Service Coverage Ratio is less than 1.40x (one point forty times) but greater than or equal to 1.30x (one point thirty times), the Agent may instruct the trustee of the Guarantee Trust that, to From that date, separate 50% (fifty percent) of the Net Cash Flow and deposit them in the Flow Retention Reserve Account. In the event that such RCSD persists or decreases during the next measurement period of the Debt Service Coverage Ratio or during any subsequent measurement period, the resources deposited in such Flow Retention Reserve Account must be applied in the Principal Payment Date immediately following the advance payment of the principal amount of the unpaid Credit in reverse order of its maturity and any other amount owed under this Agreement (including without limitation, ordinary and default interest, commissions, expenses, etc.), without any penalty. The foregoing is with the understanding that, from the application of such reserve and as long as the RCSD to which the Borrower is obligated is not reached, 50% (fifty percent) of the entire Net Cash Flow must be applied daily to from that date to the advance payment of the principal amount of the unpaid Credit in reverse order of its maturity and any other amount owed under this Agreement (including without limitation, ordinary and default interest, commissions, expenses, etc.), without any penalty.

B. If the Debt Service Coverage Ratio is less than 1.30x (one point thirty times) but greater than or equal to 1.20x (one point twenty times), the Agent may instruct the trustee of the Guarantee Trust to separate the 75% (seventy-five percent) of the Net Cash Flow and deposit them in the Flow Retention Reserve Account. In the event that such RCSD persists or decreases during the next measurement period of the Debt Service Coverage Ratio or during any subsequent measurement period, the resources deposited in such Flow Retention Reserve Account must be applied in the Principal Payment Date immediately following the advance payment of the principal amount of the unpaid Credit in reverse order of its maturity and any other amount owed under this Agreement (including without limitation, ordinary and default interest, commissions, expenses, etc.), without any penalty. The foregoing is with the understanding that, from the application of such reserve and as long as the RCSD to which the Borrower is obliged is not reached, 75% (fifty percent) of the entire Net Cash Flow must be applied daily to from that date to the advance payment of the principal amount of the unpaid Credit in reverse order of its maturity and any other amount owed under this Agreement (including without limitation, ordinary and default interest, commissions, expenses, etc.), without any penalty.

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C. If the Debt Service Coverage Ratio is less than 1.20x (one point twenty times), regardless of any other action that the Agent or the Creditors may take pursuant to the Credit Documents, the Agent may instruct the trustee of the Guarantee Trust that from that date, uses 100% (one hundred percent) of the Net Cash Flow on a daily basis for the advance payment of the principal amount of the unpaid Credit in reverse order to its maturity and any other amount owed in accordance to this Agreement (including without limitation, ordinary and default interest, commissions, expenses, etc.).

(ii) Capacity. If, from the beginning of operation of the Project, it has a Capacity of less than 2.22 (two point twenty-two) times based on a maximum LTV of 45% (forty-five percent), the Agent may instruct the trustee of the Guarantee Trust to , as of that date, 100% (one hundred percent) of the Net Cash Flow is applied daily to the mandatory prepayment of the principal amount of the Unpaid Credit in reverse order to its maturity and any other amount owed under this Agreement (including without limitation, ordinary and default interest, commissions, expenses, etc.). The daily application of 100% (one hundred percent) of the Net Cash Flow in accordance with the provisions herein will persist until the Capacity to which the Borrower is obliged is reached.

(iii) Cause of Early Maturity. If the existence of a Cause of Early Expiration is declared in accordance with the provisions of the Twelfth Clause below, the Agent may instruct the trustee of the Guarantee Trust that, as of that date, 100% (one hundred percent) ) of the Net Cash Flow is applied daily to the mandatory advance payment of the principal amount of the unpaid Credit in reverse order of its maturity and any other amount owed under this Agreement (including without limitation, ordinary and default interest, commissions, expenses, etc. ).

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(b) Claims. Additionally, in the event that any compensation for the Contracted Insurance is paid to the trustee of the Guarantee Trust, the Agent may instruct the trustee of the Guarantee Trust to apply the resources derived from the payment of the Insurance up to the amounts established in subsection (f) of subsection (19) of Section A. of the following Tenth Clause.

(c) Start of Project Operations. In the event that the Project begins operations during months 36 (thirty-six) to 42 (forty-two) counted as of October 4, 2019, during any of such months, the Borrower must allocate 50% (fifty percent) ) of the Net Cash Flow to the mandatory advance payment of the principal amount of the unpaid Credit and any other amount owed under this Agreement (including without limitation, ordinary and default interest, commissions, expenses, etc.). This obligation will end precisely on the first Principal Payment Date. Payments made in accordance with this section must be made by the Borrower on a monthly basis on the payment dates indicated in writing by the Agent with at least 5 (five) Business Days in advance.

(d) Other cases of mandatory advance payments. In the event that (i) any of the Borrower and/or the Joint Obligors suffer a Change of Control, (ii) any of the Borrower and/or the Joint Obligors Agreement Debt other than that permitted under this Agreement, (iii) any of the Borrower and/or the Solidarity Obligors carry out an issue, public or private, of debt or capital, (iv) any of the Properties or a substantial part of the Project in the opinion of the Creditors is expropriated and/or in any other way disposed of , encumbered, leased, totally or partially, (v) an Event of Market Breakdown occurs or (vi) a relevant part of the Properties and/or the Project is totally destroyed, declared ruined or seriously damaged, the Borrower must prepay in a period not exceeding 10 (ten) Business Days (unless another period is indicated otherwise) counted from the occurrence of such event, the total amount of principal of the unpaid Credit and any other amount owed under this Agreement ( including without limitation, ordinary and default interest, commissions, expenses, etc.).

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(e) General Terms of Mandatory Amortizations. Any mandatory prepayment must be made only on an Interest Payment Date and together with the interest accrued to the date on which the prepayment in question is actually made, being applied by the Agent to cover amortizations of the Credit in reverse order, upon expiration. In the case of a mandatory prepayment, no prepayment fee will be charged. In the event of a mandatory prepayment, the notional amount of the Interest Rate Coverage must be amortized, canceled or reduced as long as it exceeds the amount or term of the Credit. The foregoing is with the understanding that, in order to comply with its obligations under this Clause, if such reduction results in a cost for the Borrower, it must cover, if applicable, such loss due to breakage of anchorage, which must be documented.

## 2. Voluntary Advance Payments.

The Borrower may prepay all or part of the principal amount of the Credit by means of irrevocable written notification delivered to the Agent at least 30 (thirty) calendar days in advance of the date on which they wish to make the corresponding advance payment, which must coincide with an Interest Payment Date under this Agreement; with the understanding that the Borrower must also pay the interest accrued on the date on which the prepayment in question is actually made for the principal amount to be paid in advance (and that are pending payment).

In the event that, during the term of this Agreement, the Borrower obtains a firm proposal from a financial entity other than the Creditors to obtain resources to conduct an early amortization of the Credit ("Financing Proposal"), it must notify the Creditors of the terms and conditions of such Financing Proposal. The Creditors, individually or jointly, will have the right, within a period of 45 (forty-five) Business Days from the date they receive such notification, to notify the Borrower of a firm financing proposal in, at least, the same terms, than the proposal that has been notified to them ("Creditors' Financing Proposal"). If the Creditors, or any of them, submit a Creditor Financing Proposal, you will have the right to be preferred to refinance the Credit. In the event that none of the Creditors present a Creditor Financing Proposal, the Borrower may Agreement the credit in terms of the Financing Proposal.

In the event that the advance payment made by the Borrower is for an amount less than the total unpaid balance of the Provisions at the time of the advance payment, such partial advance payment must be applied by the Agent to cover amortizations of the Credit in reverse order to their maturity.

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The Borrower must cover, where applicable, losses due to default resulting from voluntary prepayment, whether they are caused by the cancellation or renewal of the Interest Rate Coverage or not.

EIGHTH. Place; Way to pay; Losses due to Breaking of Anchorage; Market Breakdown.

- (a) Without prejudice to the provisions of subsection (c) of this Clause, the Borrower will make all payments of principal, interest, commissions and any other sum payable with respect to the Provisions, without any compensation, in immediately available funds and in Dollars, before 1:00 p.m. in Mexico City on each Principal Payment Date, Interest Payment Date or Maturity Date, by electronic transfer of immediately available funds, to the Agent's Account, or to any another account that the Agent notifies you in writing at least 5 (five) Business Days in advance of the corresponding payment date. Any payment received by the Agent after 1:00 p.m. Mexico City time will be considered as if it had been made on the following Business Day and the applicable interest will continue to accrue.
- (b) All payments of principal, interest, commissions and any other sum payable with respect to the Provisions will be made by the Borrower free of Taxes or any other fiscal liability payable in accordance with the laws, regulations and other applicable legal provisions as indicated. in Clause Twenty-First. The provisions of the previous sentence will not be applicable in relation to the income tax or similar Taxes payable by the Creditors in connection with the payments of the Borrower in their favor (any assignee or acquirer of their rights as permitted by this Agreement) on its income or total assets in accordance with the laws, regulations and other legal provisions applicable in Mexico.
- (c) The Borrower will be released from its obligation to make the payments referred to in subsection (a) of this Clause, to the extent that the Agent timely receives the payment in question and such payment is reflected in the bank account to which referred to in subsection (a) immediately above.
- (d) Partial payments received by the Agent must be applied:
- (i) first, for the payment of any Taxes due under the Credit Documents;
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(ii) second, in the event that a Cause of Early Maturity exists and persists, to the payment of any collection expenses, attorneys' fees and advisors in general of the Agent and the Creditors,

(iii) third, for the payment of any fiduciary fees not paid to the trustee of the Guarantee Trust;

(iv) fourth, for the payment of accessories and the reimbursement of reasonable and documented costs and expenses of the Agent derived from this Agreement (which include, without limitation, management and preparation of waivers, consents, certified copies, expenses and fees of Advisors and lawyers) invoiced to the Borrower that are unpaid after their due date (which will not be less than 5 (five) Business Days following the date on which the Borrower receives such invoice);

(v) fifth, if applicable, for the payment of commissions generated and not paid;

(vi) sixth, if applicable, for the payment of accumulated and unpaid default interest;

(vii) seventh, for the payment of accumulated and unpaid ordinary interests, including those accrued due to the contracting of the Interest Rate Coverage;

(viii) eighth, to the payment of unpaid and overdue principal of the Credit. The above with the understanding that (1) in the event that there are several amortizations pending payment, it will be applied from the oldest to the most recent, (2) in the case of mandatory advance payments, they will be applied in reverse order of their maturity and (3) in the case of voluntary advance payments, they will be applied in reverse order of their maturity or proportionally, at the Borrower's election; and

(ix) ninth, to the payment of any other amount payable under this Agreement.

The foregoing is with the understanding that the nominal of the Interest Rate Coverage may not exceed the nominal that corresponds to the Credit, therefore, the early amortizations of the Credit must be coupled with the amortization in the amount that exceeds the Coverage. of Interest Rate. If applicable, the Borrower must assume the cost of breakage.

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(e) The Agent, on the same Business Day on which it receives a payment from the Borrower under the terms of this Clause, will distribute to each Creditor proportionally in accordance with the Commitment of each of the Creditors, the payment from the Borrower that the Agent has received, as long as the Agent has received the payment in question from the Borrower before 1:00 p.m. in Mexico City on the Business Day in question. In the event that the Agent receives payment from the Borrower after the aforementioned time, the Agent will conduct the distribution to each Creditor of the corresponding portion until the Business Day following the date on which payment is received from the Borrower. must consider default interest that accrues until the date on which the Lenders receive payment.

The Agent will not have the obligation to conduct any of the distributions referred to in the preceding paragraph, until it has actually received the corresponding payment from the Borrower (even if it is for a sum lower than that which it should have received for the corresponding payment).

(f) Losses from Breaking of Anchorage. If the Borrower and/or the Joint Obligors make principal payments on any day other than the Principal Payment Date or Interest Payment Date, or if the Borrower does not carry out a Disposition after having submitted a Disposition Request, the Accredited Party will reimburse each Creditor, through the Agent, within 10 (ten) calendar days following the latter's request, any direct losses or duly documented expenses resulting that the Creditors have incurred, including, where applicable, as any loss incurred in obtaining, liquidating or using third party deposits. This provision will survive beyond the validity of this Agreement.

(g) Market Breakdown. If an Event of Market Breakup occurs, the Agent will immediately notify the Borrower, and the applicable Interest Period will then have the duration determined by the Creditors in view of the terms at which they can be Contracted in the market, if applicable, the liability operations necessary to make the amount of the Credit available to the Borrower. As long as this situation is maintained, the Ordinary Interest Rate will be the one that reflects the financing costs of the Creditors and documented documentary evidence to the Borrower. The Interest Period following that determined in accordance with the provisions of this subsection, will be automatically adjusted in terms of its duration, if market circumstances allow it because the Event of Market Breakup has ceased, so that it ends on the Date Payment of Interest that would have been due if the application of the provisions of this subsection had not taken place. The Agent must immediately notify the Borrower of the end of the Market Breakdown Event.

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If the prevailing circumstances are such that it is commercially impossible for the Creditors to Agreement the indicated liability transactions or the cost is higher than the SOFR Term Rate, the Borrower and the Creditors will negotiate in good faith for 40 (forty) Business Days from the communication. to the Borrower in the Event of Market Breakup the possible alternatives to adopt to make the continuation of the Credit possible.

If after this period of communication to the Borrower of the Event of Market Breakup the Parties have not reached an agreement satisfactory to all of them in the negotiation, acting in good faith, the Borrower must reimburse without penalty or cost of breaking any funding, in a reasonable period, not exceeding in any case more than 15 (fifteen) additional Business Days, the entire amount owed to the Creditors in respect of principal, interest, commissions, expenses, taxes or other concepts due under this Agreement (excluding funding break costs) calculated up to the date on which payment actually takes place.

In no case will the Creditors assume any responsibility in the event of a Market Breakdown Event and, in particular, for those unavoidable events or exceptional circumstances or force majeure that make it impossible to Agreement the aforementioned liability operations.

NINTH. Requirements for signing this Agreement and the Credit Provisions.

I. Requirements for signing the Agreement. The Parties recognize that, as of October 4, 2019, the following requirements must have been met, either prior to the date of signing the Agreement or simultaneously with the signature, in a manner and substance satisfactory to the Agent:

(1) that a simple copy of the Murano at GV, S.A. instruction has been delivered. de C.V. to the trustee of the Accredited Trust for the purposes of executing this Agreement;

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(2) that a simple copy of the public deed containing the powers of the fiduciary delegate of the Accredited Trust, as well as the representatives of the Solidarity Obligors and Murano PV to sign the Credit Documents, has been delivered;

(3) that a simple copy of the public deed has been delivered showing that the Accredited Trust is the sole and legitimate owner of the Properties where the Project will be developed, together with the registration of such contribution in the Public Property Registry correspondent;

(4) that a certification has been delivered in which the Technical Advisor has validated and confirmed compliance, in a timely manner, with (i) that the completion and delivery date of the Project established in the Operation Agreement coincides with what established in the Construction Program, (ii) that the Operation Agreement has a validity of at least a period of 12 (twelve) years counted from the start of operation of the Project and with the possibility of being renewed for an equal period, (iii) that the planned date of commencement of operations is to the satisfaction of the Creditors and (iv) that the Operation Agreement contains a performance guarantee by the Operator equivalent to or greater than the debt service (principal plus interest) of this Agreement. ;

(5) that a legal audit report has been delivered regarding the corporate and real estate aspects of the Project prepared by Galicia Abogados, S.C., as external legal advisor to the Creditors. The report must be satisfactory to the Creditors;

(6) that has been delivered by Galicia Abogados, S.C. his legal opinion, to the satisfaction of the Creditors;

(7) that a favorable legal opinion has been delivered to the satisfaction of the Creditors, by Nader, Hayaux and Goebel, S.C., as external legal advisors of the Borrower, regarding, among other things: (i) the legal capacity and powers of the Borrower, the Joint Obligors, Murano PV and Mr. Elias Sacal Cababie for the execution of the Credit Documents of which they are part and (ii) that the Credit Documents are (or will be in the case of the Credit Rate Coverage Interest) valid and enforceable by all such parties;

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(8) that confirmation has been delivered regarding the failure to obtain results in the RUG with respect to the Solidarity Obligors and Murano PV, as well as the original of the certificates of freedom from liens on the Project Properties issued by the Public Registry of the corresponding Property, with the understanding that such documents must be obtained or granted by the notary public authorized by the Agent and who participates in the formalization of the Guarantee Trust. Such documents must evidence the non-existence of Liens on the assets of the Solidarity Obligors and Murano PV, as well as on the Properties;

(9) that a copy of the commercial folio of Operadora Hotelera GI has been delivered;

(10) that an original portion of the Guarantee Trust has been delivered;

(11) that an original portion of the Pledge on Furniture has been delivered;

(12) that the Credit Documents (except for the Interest Rate Coverage) have been executed and are in force;

(13) that the Mortgage on the Real Estate has been executed, under the terms of this Agreement;

(14) that the notary before whom the Mortgage is formalized issues a letter certifying that the instrument constituting the Mortgage has been registered during the period of the corresponding preventive notices;

(15) that the Operator's financial statements corresponding to fiscal years 2017 and 2018 have been delivered;

(16) that a simple copy of the Operation Agreement has been delivered for a period of at least 12 (twelve) years from the start of operation of the Project and with the possibility of being renewed for an equal period;

(17) that an initial compliance report on environmental and social matters has been delivered, without incidents, presented by the Environmental Advisor that includes the analysis and evaluation of the "Ecuador Principles and IFC Performance Standards", along with a statement, under oath, issued by an Authorized Official of the Borrower and a representative of Murano World regarding any claims, demands or litigation in environmental and/or social matters against the Borrower and/or the Project during the last 3 (three) years;

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(18) that the Initial Appraisal has been delivered;

(19) that the statements of the Borrower and GI Hotel Operator in this Agreement are correct and true on the date of signing;

(20) that the Appraisal has been delivered (As Stabilized) and it shows a maximum LTV of 45% (forty-five percent), considering the total amount of the Credit;

(21) Base Case agreed upon by the Parties; and

(22) that a copy, certified by the Authorized Official of the Borrower, of the Project Construction Agreement that covers at least 65% (sixty-five percent) of the hard construction costs in accordance with the Budget has been delivered.

II. Requirements for the First Drawdown of the Credit. The obligation of each Creditor to disburse the First Drawdown of Tranche A requested by the Borrower is subject to the following requirements having been met, in a form and substance satisfactory to the Agent, and the latter must notify the fulfillment of such conditions to the Creditors (and may be via email):

(1) that proof of registration of the Mortgage on the Real Estate has been delivered in the corresponding Public Property Registry;

(2) that the Borrower has submitted a Disposition Request under the terms of subsection (a) of the Third Clause;

(3) that the Promissory Notes signed by the Borrower as subscriber, by Operadora Hotelera GI as guarantor and Mr. Elías Sacal Cababie, also as guarantor, have been delivered to the order of each of the Creditors, as appropriate, documenting such First Provision, with the understanding that the endorsement of Mr. Elías Sacal Cababie will be limited to what is established in the Third Clause above;

(4) that the Budget has been delivered, which must be validated by the Technical Advisor;

(5) that the Debt Service Fund has been established in accordance with the provisions of the Guarantee Trust, as confirmed in writing by an Authorized Official of the Borrower, the constitution of the Debt Service Fund may be conducted at the expense of the First Provision;

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(6) that a certification from the Authorized Official of the Borrower has been delivered in which he declares under oath that the following have been paid or payment has been instructed: (x) all fees, expenses and commissions that are his responsibility in accordance with the Credit Documents (including, without limitation, the fees and expenses of the attorneys of the Agent and the Creditors, the Advisors, as well as the corresponding notaries public in connection with the preparation and execution of the Credit Documents) ; and (y) the trust fees due and payable pursuant to the Accredited Trust and the Guarantee Trust;

(7) that a report has been delivered by the Insurance Advisor on the validity of the insurance policies contracted, as well as that such policies are appropriate for the Project, which includes a simple copy of the Insurance policies and/or renewal of the same, as well as a simple copy of the payment receipt and invoice for the corresponding premiums;

(8) that a certification has been delivered by an Authorized Official of the Borrower and the GI Hotel Operator confirming that as of the date of the Provision (i) no Significant Adverse Change has occurred; (ii) no cause of non-compliance has been updated under this Agreement, (iii) there is no pending litigation or contingency that has a reasonable possibility of causing a Material Adverse Change and (iv) that the statements of the Borrower and Hotel Operator GI in this Agreement are correct and true on the date of Disposal;

(9) a certification or accreditation document to the satisfaction of the Creditors by the Technical Advisor, confirming that, as of the date of the Disposition, the Project has obtained all permits, concessions, licenses, authorizations, registrations and/or certifications from of any Government Authority necessary for the construction of the Project, in accordance with the Construction Program thereof, along with a simple copy of all such documents;

(10) that proof of property payment has been delivered, as well as no water debt for the Properties corresponding to the last 5 (five) fiscal years, or certificates of no property and water debt in respect of the Properties (or any document proving that the municipal water service has not been used);

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(11) that the Borrower has made the payment to the Creditors of the Structuring Commission, with the understanding that, if it has not been covered prior to the First Drawdown of the Credit, such Structuring Commission will be paid to the Creditors with the resources from of the aforementioned First Provision of the Credit;

(12) that the Insurance Advisor has been retained;

(13) that the acknowledgment of receipt of the opinion of the Environmental Advisor has been delivered justifying that the Project does not require the authorization of change of land use, before the SEMARNAT and/or corresponding authority;

(14) that all parties have executed the VAT Credit Agreement thereof and, simultaneously, signatures are ratified before a notary public;

(15) that a report from the Technical Advisor has been delivered certifying that the Borrower has invested at least an amount equivalent to USD\$104,255,176.90 (One hundred four million two hundred fifty-five thousand one hundred seventy-six Dollars 90/100) of the hard costs of construction of the Project (including in such figure the amount corresponding to the Properties according to the highest between the Appraisal and the Budget) in accordance with the Budget and the Schedule of Provisions and Investments, and that include, among others, the excavation, the structure and the foundation;

(16) that the Monaco Pledge has been executed and is in force, to the satisfaction of the Creditors;

(17) that the Borrower and the GI Hotel Operator follow all their obligations under the Credit Documents;

(18) that has been delivered by Galicia Abogados, S.C. the legal opinion;

(19) that the Guarantee Trust has been registered in the RUG by the public notary who has ratified it;

(20) that the Pledge on Furniture has been registered in the RUG by the public notary who has ratified it;

(21) that a certificate from the Technical Advisor has been delivered validating that according to the progress of the work and the financial progress, a minimum Capacity of 1.82 (one point eighty-two) times is reached;

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(22) that simple copies of the notifications have been delivered before a notary public, as applicable, of the assignments to the Guarantee Trust Estate of (a) the collection rights of the Construction Agreement, including the right to collect insurance and guarantees regarding such Agreement; (b) the rights arising from the Interest Rate Hedging Agreements, (c) the rights arising from the Operation Agreement, (d) the collection rights of the Lease Agreement, and (e) any other rights whose assignment is required pursuant to the Guarantee Trust; and

(23) that a certificate of existence or non-existence of GI Hotel Operator Liens issued by the Public Registry of Commerce has been delivered.

III. Requirements for the Subsequent Dispositions of Tranches A, B and C. The obligation of the corresponding Creditors to carry out the second and subsequent Dispositions of Tranches A, B and C requested by the Borrower, is subject to compliance with the following requirements, in form and substance satisfactory to the Agent and the Creditors, and the Agent must notify the fulfillment of such conditions to the Creditors (which may be via email):

(1) a Disposition Request by the Borrower, under the terms of subsection (a) of the Third Clause;

(2) the Promissory Notes signed by the Borrower as subscriber, and by the Joint Obligors and Mr. Elías Sacal Cababie as guarantors, to the order of each of the Creditors, as appropriate, documenting such Disposition, in the understanding that the guarantee of Mr. Elías Sacal Cababie will be limited to what is established in the Third Clause above;

(3) an opinion issued by the Technical Advisor with a validity of 3 (three) months, in which he certifies, among other things, that each and every one of the licenses, permits or authorizations for the construction of the Project in accordance with the Program of Construction are still in force;

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- (4) a signed certification by the Technical Advisor confirming: (i) the progress of the Project in accordance with the Budget and the Construction Program in all its relevant aspects; (ii) the percentage of financial progress of the Project, (iii) the breakdown of the use in the construction and development of the Project of the resources of the immediate previous Provisions and (iv) that Murano PV has disbursed sufficient capital and in its case, the amount necessary to cover the construction extra costs that have been generated and are payable up to that moment, and (v) that the Project works have been carried out in accordance with the corresponding construction permits and authorizations. In relation to subsections (i) and (ii) of this paragraph, the Technical Advisor must include in its certification the corresponding validation that based on such progress of work and financial progress, a minimum Capacity of 1.82 (one point eighty-two) times;
- (5) a certification by an Authorized Official of the Borrower and the Joint Obligors confirming that as of the date of the Provision (i) no Significant Adverse Change has occurred; (ii) no cause of non-compliance has been updated under this Agreement, (iii) there is no pending litigation or contingency, which has a reasonable possibility of negatively and significantly affecting the financial condition of the Borrower, the Solidarity Obligors and /or the development of the Project, and (iv) that the statements of the Borrower and the Joint Obligors in this Agreement are correct and true on the date of Disposition;
- (6) a letter signed by an Authorized Official of the Borrower, stating that the Insurance is in force as of the date of the corresponding Provision;
- (7) that the Borrower and the Joint Obligors follow all their obligations under the Credit Documents;
- (8) that the Borrower has delivered the operating budget of the Project contemplated for the first year of operation;
- (9) that the Agent has delivered to the Creditors a certificate of compliance with the Disposition requirements;
- (10) Applicable to the last Provision: that a report has been delivered on the market in which the Project will be developed, containing the main performance indicators of such market (key performance indicators) and what the Project is expected to comply with during its stable phase, including without limitation: average occupancy, average daily rate, income per available room, net operating income and any others required by the Agent; and
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(11) Applicable to the last Provision: that the Borrower has delivered the operating budget of the Project contemplated for the first year of operation.

(12) At the time when 20% (twenty percent) of the Credit remains to be drawn down, the Technical Advisor must certify that the Borrower has contributed 100% (one hundred percent) of the capital under his/her responsibility to the Project.

(13) That a detailed budget of the way in which the resources of the Disposal will be used has been delivered, at least 5 (five) Business Days in advance of the date on which the Borrower wishes to conduct the corresponding Disposition. The foregoing is understood to be that the Creditors may request any information and/or explanatory documentation in relation to such budget. The budget must be prepared in terms of the format added hereto as Annex L.

(14) That a report from the Technical Advisor has been delivered, which must have the approval of the Financial Advisor, certifying that the resources of the immediate previous Provision were used in accordance with the budget referred to in subsection (13) of this subsection. In the event that there are material deviations from such budget, the prior written consent of the Creditors must be obtained.

(15) that a report from the Technical Advisor has been delivered, which must have the approval of the Financial Advisor, in which the amount and concepts established in the budget referred to in subsection (13) of this section are confirmed.

(16) that there is no request for waiver with respect to any obligations of the Borrower and/or of the Joint Obligors under the Credit Documents that is pending authorization by the Creditors.

TENTH. "To Do" Obligations.

A. Of the Borrower and the Solidarity Obligors. As of the date of signing this Agreement and as long as any amount derived from the Dispositions made by the Borrower is unpaid and unless the Creditors consent in writing to the contrary, the Borrower and the Solidarity Obligors are obliged to comply in terms satisfactory to the Creditors, with the following obligations:

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(1) Compliance with Laws and Authorizations. Comply with any laws, rules, regulations and mandates applicable in Mexico, including without limitation, the payment when due of all Taxes, duties, contributions, social security contributions and government charges, taxes on your assets, and promptly file , before the corresponding tax authorities, each and every one of the Tax returns that you are required to submit, and in particular, comply with any laws, regulations or standards of ecological balance and environmental protection in Mexico, except to the extent that challenge it in good faith through appropriate procedures and establish adequate reservations in this regard, in which case, they must deliver to the Agent a semiannual report regarding the status of such procedures and reservations.

(2) Maintenance of Project Permits, Licenses and Authorizations. Maintain in force all necessary authorizations, licenses and permits, in accordance with applicable law, for the construction and operation of the Project.

(3) Delivery of Information. Deliver and provide the Agent, with the opportunity and frequency indicated below, the following information:

(i) Quarterly Financial Information. As soon as possible, but in any case within 45 (forty-five) calendar days following the close of each calendar quarter of each year, certified by an agent with sufficient powers of the Borrower, (1) the quarterly Financial Statements, individual and consolidated statements of the Borrower and the Solidarity Obligors corresponding to such quarter together with the financial information of the Project and (2) the quarterly account statements of the Guarantee Trust.

(ii) Annual Financial Information. As soon as they are available, but in any case, within 180 (one hundred and eighty) calendar days following the close of each fiscal year: a copy of the annual, individual and consolidated financial statements of the Borrower and the Solidarity Obligors duly audited by any of the following independent public accounting firms: KPMG México, Deloitte México, EY México or PricewaterhouseCoopers México.

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(iii) Certificates of Financial Compliance. As soon as possible, but in any case within 10 (ten) calendar days following (1) each RCSD Calculation Date that occurs after the first year of operation of the Project, a calculation of the Service Coverage Ratio of the Debt based on the latest financial information of the Project available; and (2) each RCSD Calculation Date that occurs after the Stable Phase Start Date, a Capacity calculation. Such calculations must be certified by an auditor, whose election and hiring must be made to the satisfaction of the Agent.

(iv) Financial information of the Solidarity Obligors. Within 15 (fifteen) Business Days following the date on which the Agent requests it in writing, the information that the Agent requests in relation to the financial situation of the Borrower and/or the Joint Obligors.

(v) Additional information. Within 10 (ten) Business Days following the date on which the Agent requests it in writing, the information that the Agent reasonably requests in relation to the Project, as well as all the documents required by the Creditors in relation to the regulatory mechanisms and internal policies on Know Your Customer, including those requested to analyze and approve a Change of Control.

(vi) Information on the construction of the Project. During the Construction Period, within 10 (ten) Business Days of each calendar month, a report on the evolution of the construction of the Project, including, where applicable, deviations from the Construction Program and the Budget along with an explanation of them.

(vii) Appraisal. A Project Appraisal or its respective updates, the cost of which will be covered by the Borrower. Such Appraisal must be updated every 12 (twelve) months. The Borrower must deliver the Appraisal within a period of no more than 90 (ninety) calendar days from the start of Project operations.

(viii) Notice of Claims. Within 5 (five) Business Days following the summons or notification of any action, demand or procedure in which the Borrower and/or the Joint Obligors are parties and that may result in a Significant Adverse Change, a document signed by an attorney-in-fact, with sufficient powers of the Borrower and the Solidarity Obligors, describing the nature of such action, demand or procedure and the measures intended to be taken in this regard.

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(ix) Operational Report and Statement of Authorized Official. Simultaneously with the delivery of the quarterly and annual financial information provided for in paragraphs (i) and (ii) above, a document certified by a representative with sufficient powers of the Borrower and the Solidarity Obligors that includes (a) an operational report of the Project, and (b) a statement that no Cause of Early Maturity has occurred, and if such an event has occurred, specifying the nature of the event and the measures that have been taken or are intended to be taken to remedy it.

(x) Cases of Non-Compliance with the Project. Within 5 (five) Business Days following the date on which you become aware of (i) the existence of any non-compliance with the Project Documents that may result in a Significant Adverse Change, (ii) the generation of any Project cost overruns or (iii) delays in the Project, a written notice accompanied by a statement from a representative with sufficient powers of the Borrower and the Joint Obligors that contains an explanation of such event, as well as the measures proposed to be adopted with respect to it. .

(xi) Causes of Early Maturity. Within 5 (five) Business Days following the date on which you become aware of the existence of any event that constitutes a Cause for Early Maturity, a written notice accompanied by a statement from a representative with sufficient powers of the Borrower and the Obligated Solidarity, which contains an explanation of such event, as well as the measures proposed to be adopted regarding it. The foregoing without prejudice to the consequences provided for in this Agreement for each Cause of Early Maturity and the rights that correspond to the Creditors.

(xii) Statements of Operating Income. Once the operation of the Project has begun and within 30 (thirty) calendar days following the close of each calendar quarter, the Statement of Operating Results prepared by the Operator, in terms acceptable to the Creditors.

(xiii) Compliance with obligations to do and not to do. During the Construction Period, within 10 (ten) Business Days of each quarter, a report issued by an Authorized Official of the Borrower on the status of compliance with the obligations to do and not to do derived from this Agreement.

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(xiv) Environmental and Social Management Plan (PGAS) and an Action Plan of the Equator Principles (AP). Quarterly for the construction phase and annually for the operation phase; an Environmental and Social Management Plan (PGAS) and an Action Plan of the Equator Principles (AP), together with a statement, under oath, issued by an Authorized Official of the Accredited and a representative of Murano World regarding any claims, demands or litigation in environmental and/or social matters against the Borrower and/or the Project during the last 3 (three) years.

(xv) Regulation Applicable to Caixabank. Within 10 (ten) Business Days following the date on which any of the Creditors request it in a justified manner, information from the Borrower, the Joint Obligors or the settlors and trustees of the first or the shareholders of the second, with the in order to comply with the Regulation Applicable to Caixabank.

(xvi) No Encumbrances. Within the first 45 (forty-five) days of each fiscal year, the Borrower is obliged to deliver to the Creditors, through the Agent, (x) certificates of existence or non-existence of liens on the Properties, (y) certificates of existence and non-existence of liens or entries regarding the commercial negotiation of the Solidarity Obligors, and (z) verifications in the RUG regarding any entries that appeared in the name of the Solidarity Obligors. The foregoing is with the understanding that all such certificates and/or verifications must not be older than 30 (thirty) calendar days as of the corresponding delivery date.

(xvii) Delivery of Environmental and Social Information. The Borrower must comply with the obligations to deliver environmental and social information indicated in Annex M of this Agreement.

(4) Purposes; Legal personality. Maintain (i) its legal existence, assets and purposes (with the understanding that the purposes of the Borrower may not be modified except with the prior written consent of the Creditors); and (ii) all significant authorizations, permits, licenses and concessions necessary to develop the Project.

(5) Copies of documents. Deliver to the Agent, when requested in writing, a copy of any Agreement, invoice, sales certificate, signed vouchers, or any other document pursuant to which the title of any material, accessory or products incorporated into the Project and the others is evidenced. Credit Documents.

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(6) Corrections by the Technical Advisor. When requested by the Technical Advisor, correct any structural defect in the Project or any unapproved deviation from the Plans, except for the adjustments that, in the ordinary course of business, the Borrower must make to them. Any Credit Drawdown under this Agreement shall not constitute a waiver of the Agent's right to demand compliance with this obligation with respect to any such defects or deviations from the Plans that have not been previously discovered by, or have been known to, the Advisor. Technical.

(7) Inspection Rights. The Agent will at all times have the right to monitor that the amount of the Provisions is used for the purposes indicated in this Agreement, and may designate in writing and with prior notification delivered to the Borrower 10 (ten) Business Days in advance, a person responsible for verifying compliance with the Borrower's obligations under this Agreement. In the accounting aspect, the Agent is authorized to request that reviews or inspections be carried out relating only to the aspects related to the Credit, with the frequency that it deems appropriate, to be carried out by persons designated by the Agent on business days and hours, to which must send written notification to the Borrower at least 10 (ten) Business Days in advance of the date of the proposed audit. The Borrower undertakes to deliver, to the extent possible, to the Agent the documents and information requested in relation to the power granted to the Agent under this subsection. The costs related to the reviews and inspections provided for in this paragraph will be covered exclusively by the Agent unless they are conducted as a result of a Cause of Early Due.

(8) Accounting. Maintain and conduct its accounting records to truthfully reflect its financial position and the results of its operations, in accordance with the NIFs, except for those non-compliances or violations that do not result in a Significant Adverse Change, and have the annual accounts audited by a firm of independent public accountants of recognized prestige.

(9) Debt Service Fund. Establish and maintain at all times, during the term of the Credit, the Debt Service Fund. In the event that the Borrower uses the resources deposited in such fund, he must return them under the terms of this Agreement within 15 (fifteen) calendar days following their use.

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(10) Debt Service Coverage Ratio. The Borrower must maintain a minimum Debt Service Coverage Ratio of 1.40x (one point forty times), as long as there are unpaid balances derived from this Agreement, with the understanding that this obligation will be measured on each RCSD Calculation Date from after 12 (twelve) months of Project operation have elapsed. The foregoing, without prejudice to the provisions of Clause Seven.

(11) Capacity. Maintain a Capacity during the term of the Agreement of a minimum of 2.22 (two point twenty-two) times based on a maximum LTV of 45% (forty-five percent) from the Start Date of the Stable Phase the delivery of the first Appraisal, which will take place 90 (ninety) calendar days after the start of operations.

To measure the Capacity, the Appraisal to be delivered will be considered from the first anniversary of the start of operations of the Project and each update of such Appraisal that is conducted, which must be conducted every 12 (twelve) months without prejudice. that the Agent reasonably and with prior justification requests new Appraisals at any time for these purposes.

(12) FF&E account. From the start of operation of the Project and during the validity of this Agreement, maintain the FF&E Account with a minimum percentage (i) during the first year of operation, of 1% (one percent) of the Operating Income corresponding to such anus; (ii) during the second and third years of operation, 2% (two percent) of the Operating Income corresponding to such years, respectively; (iii) starting from the fourth year of operation and as long as there are unpaid balances of the Credit of 4% (four percent) of the Operating Income year after year or, failing that, the percentage established by the Operator in the Operation Agreement.

(13) Payment of Commissions and Expenses. Pay, on each applicable date, all fees and expenses of the Agent and the Creditors (including the reasonable and documented fees and expenses of the Agent's attorneys, its independent and insurance advisors), incurred in connection with the negotiation, preparation , documentation, formalization of guarantees, monitoring and signing of the Credit Documents, including without limitation, the Structuring Commission, which must be paid by the Borrower within 15 (fifteen) calendar days following the date of execution of this Agreement or on the date on which the First Provision occurs, whichever occurs first. Additionally, pay any trust fees generated pursuant to the Accredited Trust.

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(14) Guarantees. Maintain the validity and enforceability of the Guarantee Documents.

(15) Project Resources. Have the resources generated by the Project Agreements be deposited in the Project Concentrator Accounts, the FF&E Account and/or in the Debt Service Fund, according to the terms established in the Guarantee Trust.

(16) LTC. During the Construction Period, the Borrower must maintain a maximum LTC of 55% (fifty-five percent).

(17) Interest Rate Coverage. The Borrower is obliged to enter into one or more derivative financial operations, documented by their respective confirmations, under the Interest Rate Coverage, through which an interest rate coverage is contracted with respect to the interests generated, under this Agreement; the foregoing with the understanding that (x) at all times the Interest Rate Coverage must be maintained for an amount equivalent to at least 70% (seventy percent) of the unpaid balance of Tranche A, for at least 50% (fifty percent) of the remaining term for the Maturity Date and (y) the coverage percentage may not in any case be higher than 100% (one hundred percent) of the amount of the unpaid balance of the Credit.

(18) Capital Contributions. In any case, the Borrower must make, from the beginning of the term of the Credit and until the Start Date of the Stable Phase, capital contributions to the Project equal to or greater than 43.20% (forty-three point twenty percent) of the sum of the Construction Cost of the Project plus the value of the land of the Properties (considering the value included in the Budget). The above will be evidenced by the certification issued by the Technical Advisor in this regard.

(19) Insurance. The Borrower is obliged to keep the Insurance valid and current, as well as to endorse the corresponding policies in favor of the trustee of the Guarantee Trust within 15 (fifteen) calendar days following the signing of this Agreement. Likewise, Insurance that must be contracted after signing the Agreement must be endorsed within the same period from the date on which it had to be contracted.

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The Insurance policies referred to in this Clause and/or the respective endorsement must contain, among other things, the following provisions:

- (a) the insurer is obliged to deliver written notice to the trustee of the Guarantee Trust informing (a) any suspension, modification or cancellation requested or determined under the Insurance, whether by the insurer unilaterally or in response to any request received in this regard, with the understanding that no suspension, modification or cancellation of the Insurance will take effect until 30 (thirty) calendar days have elapsed from the receipt by the trustee of the Guarantee Trust of the notice related to such suspension, modification or cancellation; and/or (b) that any premium that must be covered under the Insurances has not been covered, or that for any reason the Insurances have not been renewed, as soon as possible, but in any case within 5 (five) Business Days following the occurrence of such non-payment or renewal, and with an advance notice of no less than 5 (five) Business Days before the end of the respective period to rehabilitate the Insurance, as the case may be;
  - (b) there will be no recourse against the trustee of the Guarantee Trust for the modification or cancellation in question;
  - (c) the insurer will be obliged to notify the trustee of the Guarantee Trust of any claim made under the Insurance;
  - (d) no act or omission of any person other than the trustee of the Guarantee Trust shall affect the latter's right to recovery under the Insurance in the event of loss or incident; and
  - (e) in the event of omission by the Borrower regarding obtaining the Insurance, the trustee of the Guarantee Trust will have the right but not the obligation, and without being subject to any responsibility, to Agreement the corresponding Insurance in the name and by name. account of the Borrower, the Borrower being obliged to reimburse the trustee of the Guarantee Trust within 15 (fifteen) calendar days following the date on which such Insurance was contracted, the amount of the premiums and expenses incurred, plus calculated interest. at the default interest rate agreed in this Agreement on the amounts that the trustee of the Guarantee Trust disburses for this reason, which will be generated from the date of contracting such Insurance, until the date on which the corresponding amount is fully paid.
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(f) In the event that the trustee of the Guarantee Trust receives payment of compensation derived from the Insurance contracted with respect to the Project (excluding, in any case, civil liability insurance and business interruption insurance) and the sum of such compensation be for an amount equal to or greater than the equivalent in pesos of USD\$10,000,000.00 (ten million 00/100 Dollars) per year, in an aggregate or accumulated manner, the Agent may use such amounts to prepay the Credit. In the event that for any circumstance the Borrower receives amounts derived from the Insurance, they must transfer them within the following 2 (two) Business Days to the trustee of the Guarantee Trust for the purposes that are applicable in accordance with the provisions of this Agreement and in the guaranteed trust.

Notwithstanding the foregoing, the amounts received as compensation derived from the Insurance may not be used for the early amortization of the Credit to the extent that (i) the amount of the compensation was allocated by the Borrower to reinvestment in assets of the Accredited, either to repair and/or replace the insured goods during the following 180 (one hundred and eighty) calendar days from the amounts received, as long as they are analogous to those replaced and there is a favorable report from the Technical Advisor that recommends such replacement. This period may be extended to 270 (two hundred and seventy) calendar days provided that such resources are already committed to repair the damage in question, a circumstance that must be accredited to the satisfaction of the Creditors; or (ii) the Borrower complies with the requirements established for repairs for relevant damages in terms of sections (i), (ii) and (iii) provided in the following paragraph.

In cases in which a relevant part of the existing constructions in the Properties and/or the Project is totally destroyed, declared in ruin or seriously damaged, the unpaid balance of the Credit must be prepaid, including losses due to breakage of funding. The foregoing will not apply if: (i) within a maximum period of 60 (sixty) calendar days from the occurrence of the incident, the Technical Advisor issues a favorable report in which it is determined (a) that the amounts received or to be received from the Insurance is sufficient to restore the property(s) in question to its original state; and (b) that sufficient amounts will be obtained from the business interruption policy so that the Borrower can comply with its payment obligations during the period that the repair of the property or goods in question lasts, which in no case It may be longer than 2 (two) years; (ii) the amounts referred to in the previous sections are received effectively and applied to their respective purposes; and (iii) during the period of repair or replacement of the property or goods, the Operator does not rescind or terminate the Operation Agreement and continues to comply with its obligations under it, in relation to the Project.

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In the event that the terms and conditions established in this section are met, the trustee of the Guarantee Trust is obliged to deliver to the Borrower the compensation derived from the Insurance Contracted with respect to the Project so that the Borrower can apply them under such terms.

(g) The Insurance proceeds applied to the repair of the affected Property and/or Hotel, in accordance with subsection (f) immediately above, will be delivered to the Borrower, upon written request delivered to the Agent and the trustee of the Trust. Guarantee at least 10 (ten) Business Days in advance of the proposed delivery date, which must be accompanied by those plans, specifications, Agreements, certifications and other documents that the Creditors require.

(20) Notification of Start of Stable Phase. No later than the Business Day following the date on which the Stable Phase Start Date occurs, the Borrower must provide the Agent with a notification in this regard.

(21) Assets. Maintain all its assets in optimal conditions for the operation of the Project in market conditions for this type of Project, in the reasonable judgment of the Technical Advisor.

(22) Accounts. The Borrower and the Solidarity Obligors must open and maintain a bank account in Banco Sabadell, S.A., Institución de Banca Multiple or in its branch in the United States of America, for the distribution of capital resources that are related to this Agreement and the project.

(23) Modification of Authorization Regarding Environmental Impact. Within 12 (twelve) months following October 4, 2019, the Borrower must have obtained and delivered to the Agent a copy of the resolution issued by the Ministry of the Environment and Natural Resources authorizing, in terms of environmental impact, the modifications. to the Project in relation to the affected surfaces.

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(24) Payment Priority. Carry out all acts that are necessary so that, at all times, the rights of the Creditors according to this Agreement and the Promissory Notes constitute general obligations of the Borrower and the Joint Obligors with at least an equivalent priority (pari passu), in relation to the present or future, direct and non-subordinated payment obligations of the Borrower and the Joint Obligors that arise from any source of obligations (with the exception of those payment obligations that have priority in accordance with the law).

(25) Notifications to the Operator and Tour Operators. Conduct all acts that are necessary to duly and timely notify both the Operator and the tour operators, travel agencies and any other third party with whom the Operator Agreements for the marketing of any of the Hotels, the Project Concentrator Accounts in which must deposit each and every one of the Operating Income.

(26) VAT Credit Agreement. The Borrower must execute the VAT Credit Agreement prior to the date of the First Drawdown and must deliver to the Agent, within 10 (ten) Business Days following the date of its execution, a certified copy of the VAT Credit Agreement and all the documents concluded in relation thereto.

(27) Equator Principles. In general, comply throughout the term of this Agreement with the obligations that arise from compliance with the Equator Principles.

(28) Project Construction. The Borrower undertakes to conduct the construction of the Project in accordance with the Construction Program, the Plans and the Budget, as well as to complete all works on the Project no later than March 31, 2024.

(29) Schedule of Provisions and Investments. The Borrower undertakes to conduct the Credit Drawdowns in accordance with the provisions of the Drawdown and Investment Schedule.

(30) Nafin Information. The Borrower, on each anniversary counted from the date of signing the fourth amending agreement to this Agreement dated July 11, 2022, must deliver to Nafin: (i) a report indicating the number of jobs generated and (ii) with audited financial information from the annual report, the Percentage of National Content of its products and/or services, both reports in accordance with Annex H of this Agreement.

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(31) Use of Resources. No later than 60 (sixty) calendar days following the date of each Provision, the Borrower must deliver a detailed list of the invoices, purchase orders, and in general, all the expenses and concepts in which they were used, the resources of the respective Provision. Such relationship must be signed by an Authorized Official of the Borrower, who must certify that the resources of the corresponding Provision were used in accordance with the purpose of the Credit.

(32) CAABSA Litigation. The Borrower must deliver to the Agent a report from its external legal advisors detailing the status of the current claims against any Affiliate of Grupo CAABSA, which must include, without limitation, the amounts demanded, the probability of success of demands and time estimates for final resolutions. Such report must be signed by an Authorized Official of the Borrower and delivered within the first 5 (five) Business Days of each month of March, June, September and December while any of such demands are in force.

(33) Mortgage of Private Unit Number 3. In the event that the notice or certificate of completion of work regarding the construction of 1,000 (thousand) keys presented to the corresponding Government Authority (for the purposes of the provisions of this section, the "Notice of Completion of Work") is not obtained no later than June 30, 2024, the Borrower and the Joint Obligors are obliged to constitute, or cause to be constituted, a mortgage in first place and degree of priority in favor of the Agent, in his capacity as collateral agent, on behalf of and for the benefit of the Creditors, over Private Unit Number 3 for the purposes of guaranteeing the Guaranteed Obligations. The foregoing, with the understanding that such mortgage must be established no later than July 31, 2024. The foregoing with the understanding that the aforementioned mortgage that is constituted, if applicable, will be released once (i) the Project has been operating for at least 3 (three) months, (ii) the Borrower has duly verified the destination of all the Credit resources arranged in accordance with the provisions of this Agreement and to the satisfaction of the Creditors; and (iii) the Operator confirms in writing that the Project is operating under the standards of the "AM Resorts" and "Hyatt" brands, respectively.

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By virtue of the foregoing, during the period between August 24, 2023 and whichever occurs first between (i) July 30, 2024 and (ii) the date on which the Work Completion Notice is obtained (always that such obtaining occurs before June 30, 2024), the Borrower and the Solidarity Obligors undertake not to constitute and/or not allow the creation of any Liens on Private Unit Number 3 (except for, where applicable, the mortgage referred to here), as well as not to dispose of such property in any way and/or in any other way limit its availability, without the prior written consent of the Agent.

The Borrower is obliged to instruct irrevocably and in writing, or cause to be instructed irrevocably and in writing, by whoever has the authority to do so, no later than October 9, 2023, to CIBanco, S.A., Institución de Banca Multiple, as trustee of the CIB/3288 Trust and in whose assets Private Unit Number 3 is located, so that, in the event that the Notice of Completion of Work is not obtained no later than June 30, 2024, it constitutes mortgage guarantee, first and degree of priority, over Private Unit Number 3 in accordance with the terms and conditions established here; with the understanding that such instruction will cease to take effect, without the need for any additional act, at the time the Notice of Completion of Work is obtained (provided that such obtaining occurs before June 30, 2024).

B. From Murano World. Without prejudice to the provisions of section A immediately above, as of the date of signing this Agreement and as long as any amount derived from the Dispositions made by the Borrower remains unpaid and unless the Creditors consent in writing to the contrary, Murano World is obliged, in general, to obtain and maintain in force all the necessary Plans, authorizations, licenses and permits, in accordance with the applicable law, including those on environmental matters, for the construction and operation of the Project.

C. De Murano PV. During the Construction Period, Murano PV will have the obligation to immediately contribute any amount of capital that is necessary to conduct the construction of the Project and to cover all cost overruns that may arise.

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ELEVENTH. A. Non-Doing Obligations of the Borrower and the Solidarity Obligors. During the validity of this Agreement, the Borrower and the Joint Obligors, as applicable, undertake with the Creditors that they will not conduct or allow it to be conducted, unless they obtain the prior written waiver or authorization of the Creditors, any of the following:

- (1) Accredited Trust. Any modification to the Accredited Trust without the prior written consent of the Creditors (consent that may not be unjustifiably withheld), except when such modification is required by law.
  - (2) Change of Control. Any Change of Control in the Accredited Trust and/or in the Joint Obligors without the prior written consent of the Creditors.
  - (3) Asset Sales. Any sale, assignment, transmission, transfer or alienation of its assets without the prior written consent of the Creditors, except for the sale or disposition of (i) obsolete or worn-out assets or equipment; and (ii) other obsolete fixed assets for their renewal. The Borrower may enter into leases with respect to the Properties, with the understanding that the terms and conditions of such leases must be the same as those of the Lease Agreement, to the satisfaction of the Creditors.
  - (4) Debt. Create, Agreement or assume any Debt (except Permitted Debt), except with the prior written consent of the Creditors. In any case, any Debt Permitted or authorized under this section must be subordinated to the debt that results from or is related to the Credit Documents and prior written notice must be given to the Creditors at least 30 (thirty) calendar days prior. on the date of contracting such Permitted or authorized Debt. The foregoing is with the understanding that, solely and exclusively with respect to Murano World, the contracting of Debt will be subject to the following terms and conditions: (i) Murano World undertakes not to modify any terms of the ALG Credit Agreement (Hyatt) that affect , directly or indirectly, the amount or term of such Debt, without the prior written consent of the Creditors, and (ii) Murano World will have the right to Agreement Debt (other than that derived from the ALG Credit Agreement (Hyatt)), in which case the provisions of section (i) immediately above must be complied with up to an amount equivalent, whether in one or several operations, to US\$9,000,000.00 (nine million Dollars 00/100 Legal tender in the United States of America), without requiring the prior written consent of the Creditors.
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- (5) Modification, Termination or Suspension of Project Documents. Reform, modify, terminate or suspend (or allow to be reformed, modified, terminated or suspended) any Project Document, or accept (or allow to be accepted) changes in the scope thereof, or waive (or permit waiver) of any rights under any Project Document, in all cases, without prior consent of the Creditors.
- (6) Liens. Establish or allow the existence of Liens on its assets without the prior written consent of the Creditors, with the exception of those established under the Guarantee Documents.
- (7) Investments; Loans. Conduct any investment in a manner other than those expressly permitted in this Agreement and in the other Credit Documents, or grant or grant loans to third parties, with the exception of those loans between Related Parties granted in the ordinary course of business.
- (8) Transfer of Rights and Obligations. Authorize the assignment of or assign the rights and obligations derived from any Project Document in violation of the provisions of this Agreement without prior written consent of the Creditors.
- (9) Distributions. Make distributions to its trustees or make payments of interest or principal on subordinated credits (with the exception of payments of the Permitted Debt) during the term of this Agreement, except as expressly permitted in the Accredited Trust and the Guarantee Trust; including payment of royalties or consideration in accordance with the Project Documents.
- (10) Declarations. The Borrower and the Joint Obligors must refrain from conducting any act that makes their statements under this Agreement false or incomplete on the date on which they were made.
- (11) Related Parties. Refrain from conducting operations with its Affiliates and/or Mr. Elías Sacal Cababie, except when it is in the ordinary course of the Project.
- (12) Corporate Modifications. The Solidarity Obligors must refrain from merging, splitting, transforming or modifying their purposes or object, or modifying their corporate statutes without prior written consent of the Creditors.
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(13) Destination of the Credit. Refrain from allocating the Credit resources for purposes other than the development of the Project, under the terms of this Agreement.

B. Non-Doing Obligations of Murano World and Murano PV. During the term of this Agreement, Murano World undertakes with the Creditors that it will not carry out or allow to be carried out, unless it obtains the prior written waiver or authorization of the Creditors, mutatis mutandis, the obligations provided for in the subsections (3), (5), (8) and (10) of section A immediately above. The foregoing with the understanding that, solely and exclusively with respect to Murano World, the obligation not to Agreement Debt referred to in subsection (3) of section A immediately above will be subject to the following terms and conditions: (i) Murano World undertakes not to modify any terms of the ALG (Hyatt) Credit Agreement that affect, directly or indirectly, the amount or term of such Debt, without the prior written consent of the Creditors, and (ii) Murano World will have the right of contracting Debt (other than that derived from the ALG Credit Agreement (Hyatt), in which case the provisions established in subsection (i) immediately above must be complied with up to an equivalent amount, whether in one or several operations, to USDS\$9,000,000.00 (nine million 00/100 Dollars Legal tender in the United States of America), without requiring the prior written consent of the Creditors.

Likewise, during the term of this Agreement, Murano PV undertakes with the Creditors that it will not conduct or allow to be conducted, unless it obtains the prior written waiver or authorization of the Creditors, mutatis mutandis, the obligations provided for in sections (8) and (10) of section A immediately above.

TWELFTH. Causes of Early Expiry. The Parties agree that upon the occurrence of any of the following events (each, a "Cause of Early Maturity"), and once the cure periods specified below have elapsed, if applicable, the Majority of Creditors (except cases where otherwise established), may, at its option, terminate this Agreement early, upon written notification through the Agent to the Borrower, in which case the principal amount and all other amounts due hereunder The Agreement and the Promissory Notes will be liquid, due and payable immediately, without the need for any judicial resolution, presentation, demand, protest or notice of any kind, which the Borrower expressly renounces in this act:

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- (1) If the Borrower and/or the Joint Obligors fail to pay when due, any amount of principal, interest, expenses or commissions or of any other nature, owed in accordance with this Agreement and/or the Promissory Notes.
  - (2) If the Debt Service Coverage Ratio is less than 1.05x (one point zero five times).
  - (3) If the Borrower and/or the Joint Obligors fail to pay when due, in whole or in part, any payment obligation assumed with third parties and such non-compliance is not corrected within a period of 30 (thirty) calendar days following that there is knowledge of such situation.
  - (4) If the Borrower and/or the Solidarity Obligors stop paying, without justified cause, any tax debt, except to the extent that they dispute it in good faith through appropriate procedures and establish adequate reserves in this regard in accordance with NIFs.
  - (5) If any embargo or order of execution is placed against the Borrower and/or the Joint Obligors on all or a substantial part of the Trust Assets or its assets, respectively, including the Properties and the embargo or order of execution is not lifted, execution within a period of 30 (thirty) calendar days from such embargo or execution order.
  - (6) If the Borrower and/or the Solidarity Obligors, as applicable, admit in writing their inability to pay, transfer the majority of their assets in favor of their creditors or a procedure is instituted by or against them in order to declare them in bankruptcy or bankruptcy and such non-compliance will not be corrected within 60 (sixty) calendar days following the date on which it occurred. The foregoing, with the understanding that in the event that it is the Solidarity Obligors who are in the circumstances described here, the Borrower may propose the replacement of such Solidarity Obligors and if accepted by the Creditors, it will not be considered as a cause of expiration, anticipated.
  - (7) If the Borrower and/or the Solidarity Obligors stop complying with any law, regulation or decree, or any sentence or order issued by any judicial or administrative authority, as long as such noncompliance: (i) remains and does not is corrected within 30 (thirty) days following its occurrence, (ii) such judgment implies a payment obligation borne by the Borrower and/or the Solidarity Obligors, and (iii) such non-compliance becomes a Change. Significant Adverse.
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(8) If the Borrower and/or the Joint Obligors have made any false statement, or delivered any false document or certification related to this Agreement or subsequently, which, in the opinion of the Agent, has been decisive for the granting of the Credit, as well as in the event that they had omitted to provide data and information to the Agent, which, if provided, the Creditors would have denied the granting of the Credit or, at the request of any of the Creditors (without the need for the Majority of Creditors), or either if the statements made in sections (I)(i) or (II)(d) of this Agreement are false in any respect.

(9) If the Borrower, Murano World, the other Solidarity Obligors, Murano PV and/or Mr. Elias Sacal Cababie do not comply with the obligations to do and not to do established in this Agreement.

(10) If the Borrower and/or the Joint Obligors stop complying with any other credit or loan granted to them by any of the Creditors and their early maturity is decreed or in general any term obligation is terminated early, that the Borrower and/or the Solidarity Obligors have with the Agent and/or any of the Creditors.

(11) If the Borrower, the Joint Obligors and/or any third party initiate any procedure or action whose purpose is to declare the nullity, non-existence or illegality of any Project Document and/or any Credit Document.

(12) If any authorization, permit, license, concession or registration that is at any time necessary for the Borrower and/or the Operator to comply with their significant obligations under any Project Document to which they are a party, is revoked, terminated or suspended after having exhausted the applicable legal defenses, including, without limitation, the annulment trial and the amparo trial, and as long as such circumstance remains and is not corrected by the Borrower within a period of 60 (sixty) days following the occurrence of it.

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- (13) If there is any act of authority that prevents or limits, substantially in the opinion of the Agent, the construction works of the Project on the Properties, including without limitation, any act of authority tending to the expropriation of the Project or a part thereof, or derived from the performance of construction works without a valid license and as long as such circumstance remains and is not corrected by the Borrower within a period of 30 (thirty) days following its occurrence.
- (14) If the Security Documents (together with any other document delivered or required to be delivered pursuant to them) cease to constitute a security in the first place and degree and a Lien, before the same are released in accordance with the terms of this Agreement or the Guarantee Documents, or if any other asset of the Borrower and/or the Joint Obligors becomes subject to any Lien.
- (15) If the Borrower and/or the Joint Obligors default on any Credit Document or Project Document, and such default is not remedied within any grace period granted thereunder.
- (16) If the terms of the Project Documents are modified without the prior written consent of the Creditors.
- (17) If there is a Change of Control in the Borrower and/or in the Joint Obligors.
- (18) If the Borrower does not Agreement or maintain the Interest Rate Coverage in the terms agreed in this Agreement.
- (19) If the Borrower uses the resources of the Credit for a purpose other than that established in this Agreement.
- (20) If a Significant Adverse Change occurs and it remains unremedied for more than 15 (fifteen) Business Days.
- (21) If at any time, (i) the Project ceases to be operated and/or exploited for any reason and/or (ii) the Borrower ceases to exist, changes its line of business or nature or in any way abandons the development of the Project.
- (22) If at any time, the Operation Agreement is terminated for any reason, without the prior written consent of the Creditors, as long as such circumstance remains and is not corrected within a period of 15 (fifteen) days following the occurrence of it.
- (23) If at any time, the Project Operator changes for any reason beyond the decision and consent of the Creditors.
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(24) If any environmental, administrative or urban planning procedure is instituted against the Borrower, the Properties, the Solidarity Obligors, Murano PV, the Operator and/or in general against the Project and it is not resolved in favor of the party against whom Such procedure was instituted within a period of 60 (sixty) calendar days following the date of notification of its initiation.

(25) If at any time, the trustee of the Guarantee Trust stops receiving, in whole or in part, the Operating Income or if at any time, the Operating Income ceases to be properly contributed to the Guarantee Trust.

(26) If at any time, the Properties cease to be duly contributed to the Accredited Trust.

(27) If any other Lien, other than the Mortgage, is imposed on the Real Estate.

(28) If Murano World and/or Murano PV fail to comply with any of the obligations provided for in sections B and C of Clause Tenth, respectively, and/or section B of Clause Eleventh.

(19) If the Guarantee Trust and/or Pledge on Furniture are not duly and timely registered in the RUG.

THIRTEENTH. Right of removal and replacement of the Operator. The Parties agree and acknowledge that the Agent (through an instruction to the trustee of the Guarantee Trust), will have the right to remove the Operator and replace it in the event of a breach by the Operator of its obligations established in the Operation Agreement that cause a Significant Adverse Change and/or a Cause for Early Termination in the terms of this Agreement.

The Operator in office will continue in the performance of the same, even if the Agent has resolved to remove him, as long as the new operator does not take possession of the position and is able to continue with the operation, without the substitution implying damages, losses, or impairments in relation to the operation and maintenance of the Project.

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## FOURTEENTH. Illegality; Increase in Costs.

(a) Illegality. If after the date of signing hereof, any law, regulation, circular or other provision applicable in Mexico and/or Spain to any Creditor is modified, or the interpretation of any of them by any court or Competent Government Authority in accordance with the laws, regulations and other legal provisions applicable in Mexico and Spain and, as a consequence of the foregoing, it would be illegal for such Creditor to make or maintain in force its Credit and/or its Provisions, the Creditor in question, if applicable, will use its best efforts consistent with its internal policy and applicable legal and regulatory restrictions to designate a different Applicable Office of the Creditor, in the event that by making such designation the corresponding Creditor would be allowed to maintain or grant its Credit and/or Provisions, or, if this is not possible, to assign or discount your Credit with another Mexican or foreign financial institution. In the event that the efforts of the corresponding Creditor, in the manner stipulated in this Agreement, do not allow it to make or maintain its Credit (or assign in accordance with the provisions of this paragraph), and that the modification of the law, regulation, circular or the applicable provision, or the change in the interpretation thereof by any court or competent Government Authority requires the Borrower to pay the Provisions, the Borrower, upon written request of such Creditor describing in reasonable detail the change in the legislation of Mexico and/or Spain in question or in the interpretation thereof, will pay in advance directly to such Creditor the unpaid balance of the Provisions that correspond to it on the Principal Payment Date following the date on which the Borrower has received the aforementioned request from the corresponding Creditor, without any penalty or commission. In the event that the Borrower has not drawn down the Credit, the obligation of the respective Creditor to make the Drawdowns will be extinguished in the aforementioned cases, without notification or any liability for such Creditor. Any Creditor who receives a payment pursuant to this subsection (a) shall not be required to distribute such payment among the other Creditors.

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(b) Increase in costs. If after the date of signing this Agreement, any law, regulation, circular or other provision in Mexico and/or Spain is modified (including, without limitation, requirements regarding the capitalization of any Creditor, reserves, deposits, contributions, ordinary or extraordinary, Taxes and other conditions, but excluding provisions relating to income taxes or other similar Taxes applicable to Creditors (their assignees, participants or acquirers) in relation to their income or total assets in accordance with the laws, regulations and other legal provisions applicable in Mexico and/or Spain) applicable to any Creditor, or the interpretation by any court or competent authority of any of the same is changed, and as a consequence of any of the above facts, the cost for such Creditor to make or maintain its Credit and/or its Provisions in force, or reduce the amounts received or to be received by such Creditor, the Borrower will pay such Creditor, at its request, on the last day of the Interest Periods following the current Interest Period at such time, such additional reasonable and proven amounts as may be required to compensate such Creditor for such increase in cost or decrease in income with respect to the Interest Periods following the Interest Period then in progress. In the request of the Creditor in question referred to above, such Creditor will specify the causes of the increase in cost or decrease in income, as well as their respective calculations, for which the Borrower will have a period of no more than 10 (ten) Business Days after receipt of such request to express its agreement with the increase in costs, or the Borrower will have the right to prepay the corresponding portion of the Borrower's Credit in question exclusively, without any penalty or commission, of any nature or will pay the Lender as of the Interest Payment Date following being notified of the increase in costs for the Lender. The Borrower's obligation to compensate the Creditors in terms of this subsection (b) will terminate on the Maturity Date or the date on which all amounts due under the Credit have been paid, whichever occurs first.

(c) Cost normalization. In the event that the circumstances that resulted in the increase in cost or decrease in income for the Creditor in terms of paragraphs (a) or (b) above cease to exist, and the Borrower has not made the permitted advance payment Under such sections, the Creditor in question will stop charging the Borrower the additional compensation described in such sections. The Borrower must continue paying his obligations to such Creditor as if such extra cost or decrease in his income had not existed.

(d) Advance Payment. In the event that any of the Creditors are affected by the circumstances described in paragraphs (a) or (b) of this Clause and the corresponding costs are transferred to the Borrower, then the Borrower will be entitled to amortize in advance the entire the Provisions corresponding to all Creditors affected by such circumstances on any Principal Payment Date or Interest Payment Date subsequent to the date on which compensation by the Creditors has been required. In the case of advance payment referred to in this section, there will be no commission for advance payment.

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## FIFTEENTH. Mortgage.

(a) Constitution of the Mortgage. Subject to the terms and conditions established herein and in terms of articles 2893, 2920 and other applicable articles of the Federal Civil Code (hereinafter, the "CCF") and its correlatives of the Civil Code for the State of Quintana Roo (hereinafter, "CCQ") and in order to guarantee the exact and timely compliance of all the Guaranteed Obligations, the Borrower hereby constitutes a mortgage in first place and degree of priority (hereinafter, the "Mortgage") over the Properties and constructions of the Project and everything they comprise, whose description, surface, location, boundaries and other identification data are hereby reproduced as if they were inserted verbatim, in favor of the Agent and for the benefit of the Creditors.

In terms of what is stated in article 2896 of the CCF and its correlative of the CCQ, the Borrower and the Agent, acting on behalf of and for the benefit of the Creditors, expressly recognize that the Mortgage includes the natural accessions of the Properties, the improvements made by the Borrower on the Properties, the movable objects permanently incorporated by the Borrower into them and that cannot be separated without damage to them or deterioration of those objects and the buildings and apartments that are built and those that will be built in the future on the properties. Real Estate, same guarantee that must remain in force while any amount is owed in favor of the Creditors and in charge of the Borrower in accordance with the Guaranteed Documents.

Likewise, for the purposes of the provisions of article 2897 of the CCF and its correlative of the CCQ, the Borrower and the Agent, for the benefit of the Creditors, expressly agree that the fruits of the Mortgage will be given as collateral in accordance with the Documents of the Mortgage. Guarantee and the Mortgage will include the industrial fruits of the Properties and the rents due and unpaid, at the time of notifying the initiation of the Mortgage execution procedure, the same guarantee that must remain in force while any amount is owed in favor of the Creditors and charge of the Borrower in accordance with the Secured Documents.

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The Mortgage includes, in addition to the above, the movable assets that are and that in the future will be at the service of the Project, the assets that in fact and by right become part of the Real Estate, the assets permanently placed for their adornment or comfort, the easements over which the Properties are the dominant property, the assets that the Borrower assigns to the Properties in the future and the assets that, even if they are not incorporated into the Properties, cannot be separated from them without detriment to them.

For the purposes of the provisions of article 2915 of the CCF and its correlative of the CCQ, the Borrower and the Agent, for the benefit of the Creditors, expressly agree that within the Obligations Secured by the Mortgage, as established in the first paragraph of the This subsection (a), includes the interest, both ordinary and default, that accrues in accordance with this Agreement, even in excess of the term of 3 (three) years, of which a special reason will be taken in the Public Property Registry. correspondent.

The real mortgage lien that is constituted in favor of the Agent, acting on behalf of and for the benefit of the Creditors, will be in force while any debt remains unpaid, totally or partially, either because it has not reached its maturity, or because the Creditors have granted a hold, and even when the debt has been documented in credit titles, in accordance with what was agreed in the Secured Documents.

(b) Mortgage Registration. In accordance with and for the purposes of article 2919 of the CCF and its correlatives of the CCL, the Borrower is obliged to:

(i) conduct or cause to be conducted all the procedures or acts convenient or necessary to register the first testimony of the public deed that this Agreement is granted, within 5 (five) Business Days following the date of its issuance, before the corresponding Public Property Registry;

(ii) pay any rights, taxes, expenses and fees of the notary public related to the granting of the aforementioned public deed and the registration of the first testimony thereof; and

(iii) deliver or cause to be delivered to the Agent, within 3 (three) Business Days following the date of registration with the corresponding Public Property Registry, the first testimony of the public deed that is granted for this Agreement, showing evidence that the Mortgage has been duly registered in such Public Property Registry.

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Likewise, the Borrower and the Agent, for the benefit of the Creditors, agree that the registration of the Mortgage in the respective Public Property Registry must remain in force while the Guaranteed Obligations are not fully resolved.

(c) Mortgage Proportion. The Borrower acknowledges that the value of the Total Properties according to the last Appraisal (i) during the Construction Period must maintain a maximum LTC of 58.14% (fifty-eight point fourteen percent), and (ii) as of the delivery of the first Appraisal, 90 (ninety) days after the start of operation of the Project, the Project must maintain a maximum LTV of 45% (forty-five percent), so, in the event that such proportion decreases for any reason and is remains this way for an uninterrupted period of 30 (thirty) Business Days, the Agent may require the Borrower in writing, with a copy to Murano World and the Borrower will be obliged to establish a mortgage in terms of this Clause on assets additional to the Total Properties ( hereinafter, the "Additional Properties"), in order to restore the agreed proportion.

On each occasion in which the Borrower must establish an additional mortgage in accordance with the provisions of this subsection (c), the Borrower must:

(i) sign, before a notary public, an additional mortgage creation document to the satisfaction of the Agent; and

(ii) carry out all the necessary steps so that the additional mortgage in question is presented for registration in the corresponding Public Property Registry, no later than within 5 (five) Business Days following the date in which the testimony of the respective public deed has been issued, the Borrower being obliged to deliver or cause it to be delivered to the Agent, within 3 (three) Business Days following the date of registration with the corresponding Public Property Registry, the first testimony of the public deed that the respective document is granted, showing evidence that the Mortgage on the Additional Properties has been duly registered in such Public Property Registry.

The terms and conditions of this Clause will be applicable to the mortgages that are established in accordance with the provisions of this subsection (c), as if such mortgages had been established by means of this Agreement and, therefore, the Additional Properties will be included in the definition of "Properties" for all legal purposes that may apply.

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The Borrower and the Agent agree, based on the provisions of articles 2907 and 2908 of the CCF and their correlatives of the CCQ, that if the Borrower does not constitute a mortgage on Additional Properties in accordance with this subsection (c), the Agent may proceed in terms of the provisions of article 2909 of the CCF and its correlative of the CCQ, agreeing from now on that an expert to the satisfaction of the Agent will determine the update of the assumptions provided for in such legal provisions, with the Borrower and the Joint Obligors being jointly and severally obligated from now on to pay their fees; with the understanding that, in any case, the obligation to pay such fees will be guaranteed with the Mortgage.

(d) Possession and Conservation of Mortgaged Properties. The Borrower will maintain possession of the Properties and will assume, jointly and severally with the Joint Obligors, the responsibility and costs of preserving and repairing them, as well as any other obligation inherent to the depositaries in accordance with the Commercial Code, the CCF and the CCQ, all of them expressly renouncing to receive any remuneration for this purpose.

Unless they have the prior written consent of the Creditors or the respective act is carried out in terms of subsection (ii) of subsection e) below, neither the Borrower nor the Joint Obligors may: (i) transmit or allow the transfers ownership or possession of any of the Properties; (ii) lease or allow to be leased any of the Properties; (iii) encumber or permit to be encumbered by any of the Properties; (iv) remove or disincorporate or allow the property specified in subsection a) above to be removed or disincorporated from the Properties; (v) wear out or allow the Properties to be worn out, including the goods specified in subsection a) above, outside of their normal use, and (vi) divide, subdivide, subdivide and/or subdivide any of the Properties.

Whoever contravenes the provisions of the preceding paragraph, whether the Borrower, the Solidarity Obligors and/or the person through whom the Borrower and/or the Solidarity Obligors act, will be deserving of the penalties established in the legislation applicable to the case. In any event, the Borrower and the Solidarity Obligors will be jointly and severally liable to the Creditors for the damages and/or losses caused.

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In the event that a Cause of Early Maturity occurs, the Borrower's right to maintain possession of the Properties will be resolved and he must conduct all the actions that are necessary so that the Person designated by the Agent for such purposes takes immediate possession thereof.

(e) Use and Lease of Properties. The Borrower, unless the Creditors indicate otherwise by written notice, will have the right to:

(i) make use of the Properties for the purposes of the development and operation of the Project; and

(ii) lease the Properties to third parties for the purposes of the development and operation of the Project and under fair market conditions, but never for a period longer than 10 (ten) years or agreeing to advance payment of rents. Except as indicated in the previous sentence, the Parties recognize that the Properties are currently leased to Operadora Hotelera GI for a term of 20 (twenty) years, in terms of the Lease Agreement. The Borrower undertakes to (i) request the Agent's prior approval to enter into any type of lease of commercial premises or other spaces that are part of, are within, or are related to the Properties, (ii) include in the leases, a clause according to which the lessees declare that they are aware of the existence of this Agreement, the Mortgage, the Guarantee Documents and the other guarantees that guarantee the Credit Documents and that in the event of non-compliance with the Credit Documents, The Agent may, by delivering a simple communication to such lessee, terminate the lease in question in advance, without any penalty or payment by the Agent, and (iii) not enter into option Agreements, promise of sale, or any other type of preferential right in relation to the commercial premises or space in question, whether due to the celebration of the respective lease or for any other reason.

The right granted to the Borrower in accordance with paragraph (ii) above will be extinguished, including the power to renew the leases that are in force, from the moment it receives notification of the exercise of any action against it, aimed at the collection of any of the Guaranteed Obligations.

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(f) Obligations of the Guarantor. In addition to the obligations of the Borrower that arise from the other sections of this Clause and while there are unpaid Guaranteed Obligations, the Borrower will be obliged to:

(i) carry out, by itself or at the request of the Agent, any act necessary to preserve the value and condition of the Properties, as well as the first degree of priority and preference of the Mortgage, and refrain from carrying out any act that could reasonably be considered to cause a decrease in the value or condition of the Properties or affect the first degree of priority and preference of the Mortgage;

(ii) carry out all the procedures and cover all the amounts that are necessary to comply with all the Taxes and contributions inherent to the Properties; with the understanding that, in the event that the Agent makes any payment for such concepts, it may repeat against the Borrower for the amount of such payment, which will generate default interest in accordance with the default interest rate and other terms and conditions. applicable to this Agreement, the respective debt being equally guaranteed by this Mortgage;

(iii) provide the Agent with all information and documentation related to the Properties that it requests from time to time, with the Agent and its designated persons being authorized to reproduce and photocopy such information and documentation; with the understanding that the Agent must treat and preserve it as Confidential Information;

(iv) assist the Agent so that it effectively exercises, for the benefit of the Lenders, the rights that derive or may arise from them under the Mortgage; and

(v) immediately upon becoming aware of any event or circumstance that may be considered to affect or could affect any of the Properties or any of the rights of the Creditors under the Mortgage, give written notice to the Agent presenting the information and as detailed documentation as possible.

(g) Inspection Rights. The Mortgage Guarantor will be obliged to allow the Agent and/or the persons designated by him to inspect the Properties, to determine their value and condition, by prior written notification 3 (three) Business Days in advance, provided that such inspection is carried out on business days and hours, has a reasonable duration considering the nature of the Properties, with the understanding that the information obtained by the Agent or the persons designated by him during such inspection, will be treated as Confidential Information.

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(h) Indivisibility and Term. The Borrower and the Agent, for the benefit of the Creditors, agree that the Mortgage is indivisible and each and every part of the Properties guarantees the exact and timely performance of all the Secured Obligations, regardless of any other guarantee that may have been constituted or that could be established in the future to guarantee totally or partially the exact and timely compliance of the Guaranteed Obligations. In relation to article 2913 of the CCF and its correlative of the CCQ, the Borrower hereby expressly waives his right to request the division, fraction or reduction of the Mortgage on any of the Properties in the event that, for any reason, such Property has been divided and/or subdivided.

The Mortgage will remain in full force and effect until the Guaranteed Obligations are fully settled, unless the Creditors, by signing the pertinent document before a notary public, release or cancel such Mortgage in part or in whole; in which case, the Borrower must cover the rights, taxes, expenses and documented notary public fees related to the release or cancellation of the Mortgage and modification or cancellation of the registration in the corresponding Public Property Registry. When the Guaranteed Obligations have been paid, the Creditors must execute the documents required by the Borrower in order to cancel and release the Mortgage.

(i) Value of the Properties. Since this act constitutes a mortgage on various properties, the Borrower and the Agent expressly agree that for the exclusive and sole purposes of the registration of this Agreement, each of such properties guarantees the following portions of the Credit and its accessories:

1. Private unit 1: USD\$78'880,000.00 (Seventy-eight million eight hundred and eighty thousand Dollars 00/100).
  2. Private unit 4: USD\$35,520,000.00 (Thirty-five million five hundred and twenty thousand Dollars 00/100).
  3. Private unit 5: USD\$45,600,000.00 (Forty-five million six hundred thousand Dollars 00/100).
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The Borrower and the Agent agree that the portions in which each of the Properties guarantees the Credit and its accessories, be noted in the corresponding Public Property Registry.

Despite the foregoing, the Borrower expressly renounces the power conferred on him by article 2912 of the CCF and its correlative of the CCQ, for which it is expressly agreed that the mortgage guarantee on all the Properties will remain in force while any Guaranteed Obligation is pending. payment. By virtue of the foregoing, the Borrower expressly renounces the power to request that the mortgage lien on any of the Properties be redeemed due to the decrease in the unpaid balance of the Guaranteed Obligations.

(j) Mortgage Foreclosure. Given the essential nature of the Properties outlined in this Agreement and taking into account their character as an economic entity of exploitation, which implies that to preserve their value as such, they remain united and under the same ownership; The parties expressly agree that any judicial action aimed at the execution of the Properties for the satisfaction of the Guaranteed Obligations, be carried out jointly or in "lot", thus avoiding the impairment of the guarantee, so that each and every one of the Properties is put up for auction as a unit and that it is not possible to bid for only one separately, this constituting an agreement of joint and unitary execution. This will only be applicable if in the valuation carried out for the purposes of the mortgage foreclosure, a higher value is deducted from the Properties as an operating unit and not individually considered, in which case, the Creditors may unanimously and in writing request the Agent to ask the corresponding court for the Properties to be auctioned separately in order to maximize their value.

SIXTEENTH. Obligated Solidarity.

(a) Under the terms of articles 1987, 1988 and other applicable CCF, as well as the correlative articles of the civil codes of the other federal entities of Mexico, the Solidarity Obligors are jointly and severally obligated with the Borrower to fully and punctually comply with each and every one of their obligations to pay sums of money in accordance with the Guaranteed Documents, so the Agent and the Creditors may demand compliance with such obligations without distinction from the Borrower and/or the Solidarity Obligors, individually or jointly. joint. Likewise, the Joint Obligors agree and agree that the obligations to pay sums of money of the Borrower towards the Agent and the Creditors derived from the Guaranteed Documents are indivisible in terms of the provisions of article 2003 of the CCF, as well as the correlative articles of the civil codes of the other federal entities of Mexico.

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(b) The Joint Obligors undertake to comply with each and every one of the obligations attributed to them in this Agreement and the other Guaranteed Documents, as well as to subscribe the Promissory Notes as guarantors in terms of the provisions of the LGTOC.

(c) In the event that the Joint Obligors make a payment in accordance with the Guaranteed Documents, they undertake not to repeat against the Borrower until the Agent and the Creditors have received everything owed to them in accordance with this Agreement, the Promissory Notes and the rest of the Guaranteed Documents.

(d) The Solidarity Obligors accept and agree that any right of collection or action that any of its Affiliates may have against the Borrower, to the extent that it is permissible under the applicable law, or as resolved by the judicial authority, is due to the Secured Documents or for any other reason, will be subordinate to all the rights and actions of the Agent and the Creditors against the Borrower pursuant to the Secured Documents.

By virtue of the foregoing, in the event that for any reason the Joint Obligors do not comply with the terms of this subsection (d), the Borrower accepts and undertakes to pay in favor of the Lenders, an amount equivalent to the payment made by the Borrower on any Debt assumed against any of the Joint Obligors or any of their Affiliates, even if they have assigned their collection rights to third parties.

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The Borrower and the Solidarity Obligors will refrain from paying any Debt to any Affiliates (with the exception of Allowed Debt), of one or the other, including even if such Affiliates have assigned their collection rights to third parties and provided that the payment of these is subordinate to any payment obligation under this Agreement until the Agent and the Lenders have received full payment of the Borrower's obligations under the Credit Documents. In the event that payment is ordered by an enforceable judgment, the Borrower and the Solidarity Obligors will be obliged to pay the Lenders the amount referred to in the immediately preceding paragraph. The parties agree that the Borrower and the Joint Obligors may pay revolving debts, in current accounts or other Debts between the Borrower and its Affiliates, or by the Affiliates among themselves, incurred in the ordinary course of their business, for treasury management purposes. (the "Intercompany Revolving Debts"), provided that the respective Agreements expressly recognize in writing that the obligations derived from such Agreements will be subordinated to the payment of the obligations of this Agreement, so that in the event that a Cause of Early Maturity in accordance with the Twelfth Clause hereof, the Borrower and the Joint Obligors must not continue making payments under such Intercompany Revolving Debts.

The Solidarity Obligors accept and recognize that they will not be able to raise exceptions that arise from the lack of liquidity, insolvency, insolvency or bankruptcy of the Borrower, or from any other situation that comes from the Borrower's inability to pay, by virtue of which, from this At this time, the Solidarity Obligors waive any exception or defense that they may raise in this regard in the future.

(e) If at any time during the term of this Agreement, the Joint Obligors do not represent at least 85% (eighty-five percent) of the EBITDA, the Borrower and the Joint Obligors are jointly and severally obligated to obtain consent of any other Affiliate of the Borrower that is required to achieve such percentage of EBITDA for the purposes of such Affiliate adhering to this Agreement as a jointly obligated party, as well as for it to subscribe to the Promissory Notes as a guarantor.

SEVENTEENTH. Designation of Auditor. In the event that a Cause of Early Maturity occurs, the Agent will at all times have the right to propose an intervener, who will ensure the exact fulfillment of the obligations that the Borrower Agreements by this Agreement and the Credit Documents, without in any way may hinder, prevent or hinder the operations of the Project. The salary of the auditor, as well as the reasonable and documented expenses that arise from such functions, will be borne by the Borrower, who is obliged to reimburse the Agent, the sums that have been disbursed for such concepts, on the date required to do so. Likewise, it is obliged to give the auditor or auditors the necessary facilities for them to fulfill their task. In the event of a discrepancy between the auditor or auditors and the Borrower, it will be the Agent who will issue the final resolution. For the appointment of the auditor or auditors, the Agent must send to the Borrower for approval, a list of at least three options for auditors with the cost of each of them, of which the borrower will appoint the corresponding auditor or auditors. In the event that the Borrower does not choose the auditor or auditors from the contents in such list within five (5) Business Days following the notice received from the Agent, the latter may appoint the auditor or auditors from among those proposed in the corresponding notice.

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In case of fraud or bad faith on the part of the auditor, the Borrower will have the power to remove such auditor and appoint a new one from the list sent by the Agent to the Borrower in accordance with the provisions of the previous paragraph. The removal will not take effect until the substitute Auditor accepts his position.

EIGHTEENTH. Agency

(a) Authorization and Action. The Creditors (in their capacity as creditors under this Agreement) hereby designate and authorize the Agent to take action as their commission agent and agent and to exercise such powers in accordance with this Agreement and the other Credit Documents, provided that the Agent will have no duties or obligations other than those provided for in the Credit Documents to which it is a party. With respect to any matters not expressly mentioned or contemplated in the Credit Documents (including, without limitation, the execution or collection of the Notes), the Agent will not be obligated to take, nor will it be required to take, any action, but that the Agent in all cases will act or refrain from acting (and will be fully protected in its action or abstention from acting) in accordance with the instructions of the Majority of the Creditors, and such instructions will be binding on all Creditors in the terms of this Agreement, provided, however, that the Agent will not be required to take actions that, in its discretion, expose it to civil, criminal or any other liability, against any third party or that are contrary to this Agreement or applicable law. The Agent agrees to promptly inform each Creditor of each notice or other report given to it by the parties in accordance with the terms of the Credit Documents.

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(b) Designation of Agent. The Creditors hereby authorize and designate as their commission agent, in accordance with the provisions of articles 273 and 274 of the Commercial Code, the Agent to execute, grant and comply with the terms of the instruments that document the Credit Documents and any document related thereto to which each of them is or should be a party, as well as any other document, agreement or instrument necessary or convenient for the granting, perfection, enforceability or execution of the Accredited Trust, the Guarantee Trust, the Mortgage, the Pledge on Furniture, the Liens created by virtue of the same for the benefit of the Creditors and any other guarantee, if applicable, granted in relation to this Agreement.

Specifically, and concretely, without limiting the generality of the authorizations set forth in the previous paragraph, in this act, the Creditors authorize and instruct the Agent to:

(i) in the event of the imminence of any insolvency, dissolution, liquidation, bankruptcy, restructuring or other similar judicial procedure relating to the Borrower and/or any of the Joint Obligors, the Agent (regardless of whether any of the obligations derived from this Agreement are due and payable) will have the right and will be empowered (but not obligated), through its intervention in such procedure or otherwise, (1) to present a claim or request for recognition for the total amount of the obligations that are owed and have not been paid in favor of the Creditors and to present any other papers or documents that are necessary or advisable so that the claims of the Agent (including any claim for compensation, disbursements and advances of the Agent, its commission agents and attorneys) and the Creditors and (2) to collect and receive any amounts or other assets that must be paid or delivered for such demands, as well as to distribute the same in accordance with this Agreement; and

(ii) all rights of action, execution and demands under the Credit Documents may be brought and enforced by the Agent, in its own name, as Creditor, provided that in this act the Agent is also expressly designated as commission agent of the Creditors for this and the other purposes of this Agreement and the other Credit Documents, and the Agent may, if necessary, under applicable law, undertake all actions exclusively as a commission agent for the Creditors. Any recovery due to a favorable ruling by the Agent will be, after deduction of the expenses, fees, commissions, Taxes and other accessory costs provided for in this Agreement, for the benefit of the Creditors.

Likewise, the Agent is instructed to comply only with the instructions delivered and signed by the Majority of the Creditors.

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The Agent will use its best efforts to consult with each of the Creditors (who have not instructed it in this regard) about the actions that one or more of the Creditors have proposed to take. Likewise, the Creditors consulted by the Agent will be completely free to communicate with those Creditors who have instructed the Agent regarding how to act, in order to inform themselves to their satisfaction of the proposed action instructed to the Agent, as well as to discuss the whether or not he acts in accordance with such instructions. The foregoing is understood to be that, in any case, the Agent must act in accordance with the instructions of the Majority of the Creditors.

The Creditors will grant the Agent litigation, collection and other special powers, as necessary, for the purposes of taking actions or remedies under the Credit Documents.

(c) Obligations of the Agent.

(i) If the Agent requests it in writing to the Creditors, they will grant him, within 15 (fifteen) Business Days following such request, the powers that he needs to protect the interests of the Creditors in relation to with any of the Credit Documents.

(ii) Except for the administration of the money it receives pursuant to the Credit Documents, the Agent will have no additional obligations to those already established in such Credit Documents. Likewise, the Agent will have the obligation to take the necessary actions to preserve its rights under any of the Credit Documents, provided that it receives instructions from the Majority of the Creditors for these purposes.

(iii) The Agent and the Creditors hereby acknowledge and agree that articles 279 and 303 of the Commercial Code will not apply to the Agent if he acts under the terms of this Agreement or as expressly instructed in writing by the Majority of the Creditors.

(iv) Subject to the receipt by the Agent of satisfactory guarantees and indemnities and subject to the terms and conditions of this Agreement, the Creditors, upon receipt of written communication of any Cause of Early Maturity, will have the right to:

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(1) require the Agent to enforce the Credit Documents in accordance with applicable law, whether through judicial or extrajudicial proceedings, to enforce payment of any and all obligations owed to the Creditors or the Agent pursuant to the Credit Documents and that the Liens created pursuant to the Credit Documents and any other document related thereto are enforced, the execution of the Mortgage, and

(2) indicate the time, method and place of conducting any proceeding of any remedy available to the Agent, or of exercising any power conferred on such Agent, under this Agreement or under any other Credit Document to which it is a party, in provided that (i) such indications must not be in conflict with applicable law, this Agreement or any other Credit Document and (ii) the Agent may take any other ancillary action to carry out any other indication it receives in accordance with this Clause.

(d) Guarantees and Trust. The Agent agrees to execute, for the benefit of the Creditors, the Guarantee Trust, the Mortgage and the Pledge on Furniture and to accept the goods or rights attached to or derived from them, that such Agent must receive or keep in accordance with the terms of this Agreement or any other Credit Document.

(e) Duties. The duties of the Agent will be administrative in nature and the Agent will have no fiduciary relationship with the Creditors (or any of them) by virtue of this Agreement or any Credit Document. Unless a different period is provided in this Agreement, the Agent must make available to the Creditors, by any means usual in banking practice, within 3 (three) Business Days following its receipt, all information that any of the parts of the Credit Documents delivered to you in accordance with such documents, with the exception of information addressed to the Agent as Creditor.

(f) The Agent and Affiliates. The Agent shall have the same rights and powers under the Credit Documents as any other Creditor and may exercise or refrain from exercising such rights and powers as if it were not the Agent or an Affiliate of its Affiliates, and the Agent and its Affiliates may accept deposits, make loans and generally engage in any kind of business with any party to the Credit Documents or any of its Affiliates, as if it were not an Agent under this Agreement.

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(g) Consultation with Experts. The Agent may consult with lawyers (who may or may not be the lawyers of the Borrower and/or the Solidarity Obligors), independent public accountants and other experts that it selects, and will not be responsible for any action taken or omission in good faith, in accordance with the advice of such lawyers, accountants or experts.

(h) Agent Liability. Neither the Agent nor any of its Affiliates, nor any of its directors, shareholders, administrators, officers, commission agents, advisors or employees will be responsible for any action they have or have not taken in connection with this Agreement (i) with the consent or at the request of the Majority of the Creditors, or (ii) in the absence of their own fraud. Neither the Agent nor any of its respective Affiliates, directors, officers, commission agents, advisors or employees, will be responsible for any representation or warranty given in relation to the Credit Documents or any obtaining of resources under this Agreement, the performance or observance of any of the agreements or agreements by the Borrower and the Joint Obligors, or the validity, validity, authenticity or any document related to the Credit Documents or any other written instrument or document provided in relation to them, except that there is negligence, fraud or bad faith on the part of the Agent with respect to any act mentioned above. The Agent will not incur any liability for acting in reliance on any notice, consent, certificate, declaration or any other written document (whether any wire transfer, email, telex, facsimile transmission or similar writing) that the Agent believes to be authentic, or that is signed by the appropriate party or parties.

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(i) Compensation. Each Creditor, in proportion to (i) prior to the Drawdown of the Credit, its Commitment with respect to the sum of the Commitments, and (ii) after the Drawdown of the Credit, the unpaid amount of the Credit in its favor with respect to the sum of the unpaid principal amount of the Credit, will indemnify, but only to the extent that they are not reimbursed by any other part of this Agreement, and will remove in peace and safety the Agent, and its respective Affiliates, as well as their respective advisors, administrators, officers, advisors and employees (each, an "Indemnified Party"), from and against any actions, obligations, damages, penalties, demands, judgments, claims, costs, expenses (including reasonable and documented legal expenses) or payments incurred by or attributed to or imposed against any Indemnified Party, in each case arising out of or in connection with or by reason (including, without limitation, any investigation, litigation or proceeding or the preparation of defense in connection with the themselves) of any Credit Document and any of the operations contemplated therein unless such action, obligation, damage, loss, penalty, demand, judgment, claim, cost or expense is declared in a final and unappealable judgment issued by a competent court, as a result of fraud, bad faith or negligence of such Indemnified Party. Without limiting the generality of the foregoing, each Creditor agrees to reimburse the Agent for any duly justified expenses (including attorneys' fees) incurred by such Agent and its Affiliates in connection with the preparation, execution, administration, modification or performance (whether by negotiations, judicial proceedings or otherwise), or legal advice with respect to the rights and responsibilities under any of the Credit Documents, to the extent that the Agent does not receive payment from the Borrower and/or the Joint Obligors.

(j) Decision on Granting Credit. Each Creditor acknowledges that, independently and without relying on the decisions of the Agent or other Creditors, and based on the documents and information that it has considered appropriate, it has made its own analysis and decision on the granting of credit under this Agreement. Each Creditor also acknowledges that, independently and without relying on or relying on the decisions of the Agent or other Creditors, and based on the documents and information it considers appropriate at that time, it will continue to make its own credit decisions whether or not to undertake act in accordance with the Credit Documents.

(k) Successor Agents; Other Agents. The Agent may resign at any time with prior written notice to the Creditors, the Borrower and the Joint Obligors. Upon resignation, the Creditors will have the right to appoint a successor to the Agent with the consent of the Borrower and the Joint Obligors, which will not be unreasonably delayed or denied. If the Creditors have not appointed a successor Agent or the successor Agent has not accepted the position within 30 (thirty) calendar days after the outgoing Agent has notified his resignation, then the outgoing Agent may, on behalf of the Creditors and as commission agent thereof, appoint his successor with the consent of the other parties to this Agreement, which will not be delayed or denied unjustifiably, which must be, in the case of a substitute Agent, a multiple banking institution established under the laws of Mexico. Upon acceptance of your appointment as Agent, as applicable, under this Agreement, the successor Agent will thereafter succeed the outgoing Agent and be vested with all rights and obligations of the relevant Agent under the Documents. of the Credit, and the outgoing Agent will be released from its duties and obligations under the Credit Documents. After the resignation of the outgoing Agent under this Agreement, the provisions of this Clause will inure to the benefit of him with respect to any actions taken or omitted while he has served as Agent.

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(l) Delivery of Documents to the Agent.

(1) Each Creditor agrees to deliver to the Agent, within the period indicated for this purpose, the documentation that the Agent requires to exercise its rights and obligations under this Agreement and the other Credit Documents. Without limiting the generality of this provision, each Creditor agrees to deliver to the Agent, within the period indicated for this purpose, the certifications of balances of each Creditor, signed by an official with sufficient powers to represent the Creditor in question, detailing the unpaid principal due of the Credit in favor of such Creditor, the total amount of ordinary interests accrued and not paid by the Borrower in favor of such Creditor from the date on which the Borrower, if applicable, has failed to pay the same and until the end of the month immediately preceding the request.

(2) In the event that any Creditor fails to comply with its obligation to deliver the information or documentation indicated in the terms and within the corresponding period, and such failure results in the Agent being unable to comply with its obligations or exercise its rights, such Creditor will not be entitled to receive its corresponding portion of the recoveries, indemnities or other amounts or compensations that the Agent has received for the exercise of the corresponding right.

(m) Unanimous Decisions of Creditors. The Agent will not conduct any of the following actions without the prior unanimous written consent of the Creditors:

(i) celebrate the termination of any of the Credit Documents;

(ii) (a) fully or partially release the Mortgage and/or Pledge on Furniture; and/or (b) terminate the Guarantee Trust;

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- (iii) grant any waiver, extension, grace period or waiting period for compliance with the obligations stipulated in this Agreement;
  - (iv) increase or decrease any interest rate applicable under this Agreement, including the default interest rate as indicated in the Fifth Clause hereof;
  - (v) modify the amortization schedules included in the Notes or any deadlines or terms established in the Credit Documents;
  - (vi) except as provided in Clause Nineteen of this Agreement, conduct any act that (a) reduces or increases the Commitment of each Creditor, or (b) generates a Significant Adverse Change;
  - (vii) authorize a Change of Control of the Accredited Trust and/or the Joint Obligors;
  - (viii) apply the amounts received under the Credit Documents in any manner other than that established therein;
  - (ix) modify this Clause;
  - (x) increase or reduce the percentage that represents the Majority of the Creditors;
  - (xi) limit or reduce any prohibition of indebtedness of the Borrower and/or the Joint Obligors established in this Agreement;
  - (xii) waive or waive any of the terms of any Credit Document; and
  - (xiii) authorize the change of the Operator and/or its replacement in any of its functions, including under the Operation Agreement.
- (n) Decisions by Majority of Creditors. The Agent will conduct the following actions only if it has the prior written consent of the Majority of Creditors:
- (i) any decision that must be made or consent that must be granted in its capacity as Agent, in the name and representation of the Creditors, other than those indicated in subsection (m) above;
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(ii) reduce or postpone the obligations of the Borrower, the Joint Obligors and/or any other party to the Credit Documents to indemnify the Agent or any Creditor, or to pay any Tax or other obligations that could result in a Lien on any of the assets of such party;

(iii) apply the proceeds of any indemnity or compensation for expropriation in a manner other than that established in the Credit Documents;

(iv) initiate any action against the Borrower, unless such action is urgently required to preserve the rights of the Creditors under the Credit Documents; and

(v) receive some type of additional guarantee.

(vi) declare a Cause of Early Expiration in accordance with the Twelfth Clause of this Agreement and in accordance with the following:

In the event that any of the Creditors have decided to declare a Cause of Early Maturity, they must immediately communicate this in writing to the Agent, so that the Agent can notify the remaining Creditors within three (three) Business Days following receipt of such communication.

After receiving the communication, the Creditors must adopt a joint decision on the declaration of the Cause of Early Maturity. In any case, such decision must be adopted within a maximum period of 10 (ten) Business Days from receipt of the aforementioned communication and notified to the Agent.

In the event that any of the Creditors do not express the meaning of their vote within this period, it will be considered that such party or parties are (are) against the declaration of the Cause of Early Maturity; and

Once the Agent calculates whether the Majority of the Creditors agrees with the declaration of the occurrence of the Cause of Early Maturity, he will inform the Borrower in writing about such decision.

(o) Except as otherwise expressly provided in this Agreement, the Agent shall have the right to (x) grant or withhold approvals under the Credit Documents on behalf of the Creditors; (y) reject, on behalf of the Creditors, any action or abstention on the part of the Borrower, the Joint Obligors and/or any other part of the Credit Documents; and (z) exercise or refrain from exercising, on behalf of the Creditors, any rights that the Agent or the Creditors may have under this Agreement and the Credit Documents, including the right to:

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(i) receive, review and process all documents, certificates, opinions, Insurance policies, reports, requisitions and other materials of any nature and description, presented by, or on behalf of the Borrower and/or the Solidarity Obligors, and to determine, in accordance with this Agreement, whether or not the Borrower, the Joint Obligors and/or any other party to the Credit Documents is in compliance with the provisions provided therein;

(ii) receive all payments of principal, interest, commissions, costs, expenses, fines, Insurance proceeds and other amounts paid by or on behalf of the Borrower and/or the Solidarity Obligors and distribute such funds to the Creditors, to pro rata in proportion to your Commitment; with the understanding that the Borrower and the Joint Obligors will not have any responsibility towards the Creditors for the distributions made by the Agent;

(iii) exercise or refrain from exercising all rights, remedies and privileges granted or available to the Creditors under the Credit Documents, or any opinion, certificate, guarantee, declaration or Insurance policy provided by or on behalf of the Borrower, of the Joint Obligors and/or any other part of the Credit Documents;

(iv) perform or refrain from performing all other acts that are necessary to implement and administer the Agreement; and

(v) perform or refrain from performing all other acts not described above.

Agent shall deliver to each Creditor copies of any and all modifications, corrections, additions, restatements, modifications, ratifications, amendments, alterations or changes to one or more of the Credit Documents (including waivers or consents executed or delivered by the Agent) and all agreements adhering to them, within a period of 5 (five) Business Days after the Agent has executed any of such instruments.

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## NINETEENTH. Assignments.

(a) The provisions of this Agreement will be binding on and will be for the benefit of the parties, and their successors and authorized assigns pursuant to this Agreement, with the understanding that the Borrower, the Joint Obligors and Murano PV may not assign their rights or delegate its obligations under this Agreement, or any of the Credit Documents, except with the prior written consent of the Creditors.

(b) Each Creditor is authorized to sell, transfer, assign or in any other way negotiate, even before the expiration of this Agreement or any Promissory Note, its part of the corresponding Credit (as well as the rights that result in its favor according to the Credit Documents), giving only prior written notice to the Borrower and the Agent of the sale, transfer or assignment to be carried out. The foregoing is understood that (i) the right of the Creditors established in this section will only apply when the beneficiary or assignee is a Mexican or foreign financial entity, and provided that such assignment or participation does not result in an increase in costs for the Borrower nor the increase in the amounts that the Borrower must pay under this Agreement and (ii) in the event that a Cause of Early Maturity occurs, the Creditors may sell, transfer, assign or in any other way negotiate, even before the expiration of this Agreement or any Note, its share of the Credit corresponding to any Person and without the obligation to notify the Borrower. Likewise, in the event that any of the Creditor's discounts, negotiates, or in any other way transmits, or assigns this Agreement, in the part corresponding to its Commitment, the Borrower hereby expressly renounces that the amounts will be delivered or paid. interests referred to in the second paragraph of Article 299 of the LGTOC. This is expressly consented to by the Solidarity Obligors.

(c) The Borrower and the Joint Obligors (as well as Mr. Elias Sacal Cababie in the event that his guarantee continues in force) undertake, at the request of the Agent or the corresponding Creditor, to replace any Promissory Note issued in accordance with this Agreement, in case that such Agent or Creditor so requires due to assignments made in accordance with this Nineteenth Clause. The Borrower will conduct such replacement, delivering the new Promissory Note to the Agent who will replace upon delivery of the original Promissory Note to be replaced duly cancelled, with the understanding that the subscription of new Promissory Notes and their delivery to the Agent will not imply payment with a credit title. neither of the Credit, nor its accessories, nor the assumption of new obligations other than those derived from the Credit and its respective provisions covered by the original Promissory Notes, by virtue of the fact that the substitution would only be conducted to document the substitution provided for herein subsection.

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(d) Such assignments will not constitute any novation of the Credit granted in accordance with this Agreement. As of any such assignment or negotiation, the assignee will be considered a "Creditor" for the purposes of this Agreement and the Credit Documents.

(e) The expenses and costs of any assignment by the Creditors will be covered by the assigning or assigning Creditor, as agreed between them.

(f) Any assignee or participant of all or part of the Credit must sign an assignment and adhesion agreement in accordance with the format attached to this Agreement as Annex N, accepting the terms and conditions provided for in this Agreement for Creditors. A copy of such transfer and adhesion agreement must be delivered to the Agent, and the transfers will be subject to the payment of a commission in favor of the Agent by the transferee equal to USD\$3,500 (Three thousand five hundred Dollars 00/100) in its equivalent in Pesos. at the exchange rate on the day of payment.

TWENTIETH. Information. (a) In order to comply with the provisions of the Law to Regulate Credit Information Companies, the Borrower through this Agreement authorizes the Agent and the Creditors to make periodic inquiries to the credit information companies regarding credit history. of the Borrower, as well as to provide such credit information companies with information about the Borrower.

(b) The Borrower hereby authorizes the Agent and each of the Creditors to process the information related to this Agreement through its central data processing systems generally used by the Affiliates and subsidiaries of the Agent and the Creditors, whether national or international, or other Persons that provide data processing services, and authorizes the Agent and each of the Creditors, after signing the corresponding confidentiality agreements, to grant access to such Affiliates, subsidiaries or Persons, to the information that is processed in relation to this Agreement. Likewise, the Borrower authorizes the Agent and each of the Creditors to provide, in addition to the persons referred to in articles 93 and 97 of the Credit Institutions Law, to such Affiliates, subsidiaries or persons, information about the operation, provided for in this Agreement, the Agent and each Creditor being responsible for the use of the information by their respective Affiliated companies, subsidiaries or such persons, who at all times must be subject to the provisions of the aforementioned articles of the Law of Institutions of Credit.

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(c) The Parties agree that all information will be confidential, which is why none of the Parties may disclose it partially or totally, except as established in sections (a) and (b) above, or at the request of any Party, Competent Government Authority, and by the provisions of the last paragraph of this subsection (c).

“Confidential Information” shall be understood as oral, written, graphic and/or electromagnetic information provided in any way by any of the Parties, including, but not limited to, data, information, technical documents, procedures, trade secrets, patents, formulations, strategies, creation of systems, technical, financial and business information, lists of current or potential clients or partners, business proposals, investment projects, plans, reports, marketing projects or any other information private property, construction Agreements, operation Agreements and any consideration or payments agreed upon in accordance with the Project Documents.

The term Confidential Information does not include information that: (1) was available between the Parties on a non-confidential basis; (2) is independently developed or acquired by the Parties without violating this Agreement or prior to the execution of this Agreement; (3) becomes available on a non-confidential basis from a third party, provided that such third party is not bound by a confidentiality agreement with either Party; (4) is explicitly approved for disclosure to the other Party by written authorization; (5) is generally available to the public unless it results from a disclosure between the Parties in violation of this Agreement; and (6) in the case of the Borrower, information that must be disclosed to any Government Authorities, stock exchanges, or any other third party, whether in their ordinary supervisory or audit functions. It will not constitute a breach by the Agent, the Borrower or any Creditor of the obligation referred to in the first paragraph of this subsection (c), and therefore the Agent, the Borrower and any Creditor will not be required to notify the Accredited in this regard, any disclosure of Confidential Information that is required from the Agent or any Creditor by the regulatory authorities in Mexico, including, without limitation, the National Banking and Securities Commission, the Ministry of Finance and Public Credit and the Bank of Mexico.

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TWENTY-FIRST. Number of payments: Taxes and expenses.

(a) Any and all Taxes (including, without limitation, the withholding of any Taxes or rates on income, value added tax and asset tax), contributions, rights, charges and uses, of any nature, determined, will be paid by the Borrower, with the understanding that the Creditors will not have any obligation nor will they be responsible for any Tax.

(b) All payments to be made by the Borrower to the Creditors under this Agreement or under any of the remaining Credit Documents will be made free and net of any deduction or withholding, including tax in nature, unless the Borrower is legally obliged to make such deduction or withholding on account of Taxes, in which case, subject to the provisions below, the amount payable by the Borrower will be increased to the extent necessary to ensure that, after making such deduction or withholding, the Creditors receive and retain (free from all liability with respect to the deduction or withholding made by the Borrower), a net sum equal to that which they would have received and kept if the deduction or withholding had not been, or should not have been, made (the "Amounts Additional"); provided, however, that the Additional Amounts payable by the Borrower will not exceed, in any case, those payable with respect to withholdings or deductions of Taxes attributable to interest or commissions payable to a foreign financial institution that is (i) foreign, (ii) the beneficial owner of the interest or commissions paid or payable, (iii) resident of a country with which Mexico has a treaty to avoid double taxation in force, and (iv) a Person who provides all information related to a country of tax residence that the Borrower reasonably requires (the "Applicable Limit").

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Without prejudice to the foregoing, the Borrower expressly acknowledges that, in accordance with the legal provisions in force on the date of signing this Agreement, on the amount of interest to be paid by the Borrower to CaixaBank under this Agreement, a withholding equivalent to the 4.9% (four point nine percent) of such amounts, and undertakes that, without prejudice to such withholding, CaixaBank will receive all the corresponding amounts under this Agreement free, net and increased to the full amount, so that CaixaBank receives the same amounts that would correspond to you if such withholding did not exist. Additionally, the Applicable Limit will not affect CaixaBank in the event that the conditions that are currently applicable to it are modified in the future, and it must therefore receive in all cases the amounts due under this Agreement free, net and increased to the full amount, with the perception of the Additional Amounts that are necessary for such purposes; with the understanding that, for purposes of clarity, the Parties from this moment recognize that such exception will be applicable only to CaixaBank and that, with respect to any transferee or future participant, the following will apply: in the case of transfers to Persons not resident in Mexico (including any affiliates of the Creditors), the assignment will not entail a higher cost or greater tax obligations for the Borrower. The above will be considered to be fulfilled when, on the effective date of the transfer, the transferee agrees to apply the content of the double taxation treaty with Mexico that would then be applicable to the transferor, particularly as regards the Applicable Limit.

(c) Likewise, if the Creditors are required to make any payment on account of Taxes (excluding Personal Taxes that levy income, profits and/or profits that are required of the Creditors in Mexico or, where applicable, in the jurisdiction where they are resident for tax purposes, except with respect to amounts allegedly received under this Agreement or any other Credit Document but not actually received) in relation to any sum received or to be received in accordance with this Agreement or any other Credit Document (including amounts that would have or should have been deducted or withheld in accordance with this Clause), the Borrower, at the request of the Creditors, will immediately indemnify the Creditors for such payment, as well as for all type of interest, penalties or expenses that arise or that must be paid in relation thereto (unless such interest, penalties or expenses documented, justified and at market price are due to circumstances attributable directly and exclusively to the Creditors) in any case up to the Applicable Limit in the case of foreign Creditors. All responsibilities or claims, including all types of interest, penalties and surcharges that may arise from non-payment or delay in payment of the Additional Amounts referred to in this Clause, as well as from documented, justified expenses and the market price that arises or must be paid in relation to them, will be the responsibility of the Borrower.

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(d) All responsibilities or claims, including all types of interest, penalties and surcharges that may arise from non-payment or delay in payment of the amounts referred to in this Clause, as well as for documented expenses, justified and at market price that arise or that must be paid in relation to them, will be the responsibility of the Borrower (unless the payment of such amounts arises from a circumstance attributable directly and exclusively to the Creditors).

(e) In the event that, after a payment made by the Borrower in accordance with this Clause, the Creditors reasonably determine that they have effectively recovered the amount withheld, deducted or paid on account that would have motivated such payment, such amount will correspond to the Accredited and must be paid by the Creditors with the value of the same day on which its effective recovery takes place as long as the Creditors conclude that such return does not worsen their tax situation.

(f) For the purposes of the provisions of subsection (b) above and in relation to the application of any Tax exemption or reduced tax rate in Mexico, at the request of the Borrower and within a period of 15 (fifteen) Business Days, The Creditors must provide the Borrower with a valid certificate of tax residence issued by the corresponding tax authorities that certifies that the Creditors have their tax residence in such jurisdiction.

(g) In the event that, in accordance with the Value Added Tax Law, the Borrower must pay such tax on the interest agreed upon in this Agreement, the Borrower undertakes to pay the aforementioned tax together with the interest accrued in accordance with this Agreement. In this case, the Creditors, through the Agent, will promptly issue and deliver to the Borrower the respective receipts in the manner required by the applicable tax laws.

(h) Tax payment letters.

(i) If at any time the Borrower is required by law to make any deduction or withholding with respect to any sum owed under this Agreement or under any of the remaining Credit Documents, including without limitation the payment of credited income tax or in accordance with any treaty to avoid double taxation of income tax that may be applicable (or if there are subsequent variations in the rates or in the manner in which such deductions or withholdings are to be calculated), the Borrower shall immediately notify the Agent, who will inform the Creditors no later than within the following 2 (two) Business Days.

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(2) If the Borrower makes any payment under this Agreement or under any of the remaining Credit Documents with respect to which it is required to make any deduction or withholding, including without limitation the payment of income tax credited in accordance with any treaty to avoid double taxation of the applicable income tax, will pay to the tax authority or other competent authority the total amount required to be deducted or withheld within the period permitted for such payment under the applicable law and the amount to be paid for The Creditor's Creditor shall be increased to the extent necessary to ensure that, after making such deduction or withholding, the Creditors receive and retain (free from all liability with respect to the deduction or withholding made by the Borrower), a net sum equal to the one that would have been received and kept if the deduction or withholding had not been, or should not have been, made, and will deliver it to the Agent, within 30 (thirty) Days following the day in which such payment was made to the competent authority, the original payment letter (or a certified copy thereof) issued by such authority that certifies the payment to it of all sums required to be deducted or withheld with respect to the part of such payment corresponding to the Creditors.

TWENTY SECOND. Notifications. Unless otherwise provided in this Agreement, the notifications or notices contemplated herein will be in writing and sent by email, or delivered to each Party to this Agreement at the address indicated below, or to any other address that any Party indicates in written notice given to the other Parties to this Agreement. All notifications and notices delivered to the address of the corresponding Party will take effect on the date of delivery thereof and, those sent by email, when the server of the recipient thereof issues an acknowledgment of receipt acknowledging the receipt of the corresponding communication or notice. Finally, they may also be done through a notary public under the terms and conditions established by the law applicable to the place where the domicile of the person who is to be notified is located. For the purposes related to this Agreement, including any summons or judicial notification, the Parties indicate the following as their address:

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The Accredited:  
Av. Cordillera de los Andes No. 265, Piso 2  
Colonia Lomas de Chapultepec, Primera Seccion  
Alcaldia Miguel Hidalgo  
C. P. 11000, Mexico City, Mexico  
Attention: Trustee Delegate of the CIB/3001 Trust  
Email: [instructionsmexico@cibanco.com](mailto:instructionsmexico@cibanco.com)  
With copy to: Juan Pablo Baigts Lastiri and Gerardo Ibarrola Samaniego  
Emails: [jbaigts@cibanco.com](mailto:jbaigts@cibanco.com) and [gibarrola@cibanco.com](mailto:gibarrola@cibanco.com)

The Solidarity Obligers:  
Hotel Operator GI / Murano World  
Av. Paseo de las Palmas No. 1270,  
Colonia Lomas de Chapultepec V Sect.,  
Alcaldia Miguel Hidalgo, C.P. 11000,  
Mexico City, Mexico.  
Attention: Elías Sacal Cababie / Marcos Sacal Cohen  
Email: [elias@bvg.com.mx](mailto:elias@bvg.com.mx); [marcos@bvg.com.mx](mailto:marcos@bvg.com.mx)

GI2 Hotel Operator  
Av. F. C. de Cuernavaca 20, Floor 12,  
Lomas - Viceroyes, Lomas de Chapultepec III Sect.,  
Miguel Hidalgo, Postal Code 11000, Mexico City  
Attention: Edgar Armando Padilla Pérez, Marcos Sacal Cohen and Laura Isabel Castillo Solis  
Emails: [edgar@bvg.com.mx](mailto:edgar@bvg.com.mx); [marcos@murano.com.mx](mailto:marcos@murano.com.mx);  
[lauracastillo@murano.com.mx](mailto:lauracastillo@murano.com.mx)

Murano PV:  
Av. Paseo de las Palmas No. 1270,  
Colonia Lomas de Chapultepec V Sect.,  
Mayor: Miguel Hidalgo, C.P. 11000,  
Mexico City, Mexico.  
Attention: Marcos Sacal Cohen  
Tel.: +52 52-92-01-00 ext. 100  
Email: [marcos@bvg.com.mx](mailto:marcos@bvg.com.mx)

The agent:  
Miguel de Cervantes Saavedra 193, 15th floor.  
Colonia Granada  
Miguel Hidalgo Mayor's Office  
C.P. 11520, Mexico City, Mexico  
Attention: Martha Patricia Velázquez Hernández  
Email: [VELAZQUEZMA@bancosabadell.mx](mailto:VELAZQUEZMA@bancosabadell.mx)  
With copy to: Gabriel Vázquez Celis / Manuel Muñoz Garcés  
Email: [VAZQUEZGA@bancosabadell.mx](mailto:VAZQUEZGA@bancosabadell.mx) / [MUNOZMAN@bancosabadell.mx](mailto:MUNOZMAN@bancosabadell.mx)

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## The Creditors:

Bancomext  
South Peripheral 4333  
Colonia Jardines en la Montaña, 14210  
Ayuntamiento Tlalpan  
Mexico City, Mexico  
Attention: Karla Yeneri Ventre Guerrero and/or Yvette Valenzuela Becerra  
Email: kventre@bancomext.gob.mx / yvalenzu@bancomext.gob.mx

## Caixabank

Av. República Argentina, 31 B, 2nd floor.  
41011, Seville, Spain  
Attention: Javier Calvo  
Email: support.ffee@caixabank.com / seguir.contratos.ffee@caixabank.com

## Sabcapital

Miguel de Cervantes Saavedra No. 193,  
Floor 4, Col. Granada, Miguel Hidalgo Mayor's Office,  
11520, Mexico City, Mexico  
Attention: Manuel Muñoz Garcés and Gabriel Vázquez Celis  
Emails:  
MUNOZMAN@bancosabadell.mx  
VELAZQUEZMA@bancosabadell.mx

## Nafin

Insurgentes Sur 1971, Colonia Guadalupe Inn, Tower IV,  
Alcaldía Álvaro Obregón, Postal Code 01020,  
Mexico City, Mexico  
Attention: Arturo Gochicoa Acosta, Yamili Galicia Flores and/or Nubia Nurit Jiménez Valdez  
Emails: agochicoa@nafin.gob.mx; ygalicia@nafin.gob.mx; nnjimenez@nafin.gob.mx

## Mr. Elías Sacal Cababie:

Av. Paseo de las Palmas No. 1270,  
Colonia Lomas de Chapultepec V Secc,  
Mayor: Miguel Hidalgo, C.P. 11000,  
Mexico City, Mexico.  
Attention: Elías Sacal Cababie  
Tel.: +52 52-92-01-00 ext. 100  
Email: elias@bvg.com.mx

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(b) As long as a change of address or contact information is not notified in writing, the notices, notifications and other judicial and extrajudicial procedures conducted at the addresses and contact information indicated will take full effect.

TWENTY THIRD. Costs; Bills. The Borrower will pay to the Agent and the Creditors any reasonable, documented expenses and fees of independent, legal or insurance advisors, incurred in connection with the negotiation, preparation and execution of this Agreement, or any other Agreement or document entered into pursuant or in relation to this Agreement.

Additionally, the Borrower will pay, where applicable, to the Agent and the Creditors, as soon as requested by the latter, any reasonable, documented expenses and fees of independent, legal or insurance advisors, incurred by any modification to this Agreement or any other Agreement or document entered into hereunder, as well as any costs or expenses, if any, in connection with the administration of the Credit and the Provisions, compliance or execution of this Agreement.

If the Borrower fails to comply with the obligation indicated in this Clause, it authorizes the Creditors to disburse, through the Agent, the amount of such expenses and fees, obligating to reimburse them within a period of 3 (three) Business Days following the date on which the Creditors had disbursed such amounts. In case of non-compliance with the above, the Borrower must pay default interest at a rate equal to 25% (twenty-five percent) annually on the amount not reimbursed to the Creditors. The Creditors must send to the Borrower, through the Agent, proof of previous disbursements.

TWENTY-FOURTH. Compensation. The Borrower agrees to indemnify and hold harmless the Agent and the Creditors from any damages, losses or liabilities (including related reasonable and documented costs and expenses) resulting from the Borrower's failure to comply with its obligations under this Agreement, except in the event that such liabilities are the result of the negligence, bad faith, gross negligence or fraud of any of the Agent or the Creditors.

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TWENTY-FIFTH. Money laundering. Under oath of truth, the Borrower declares and undertakes that (i) the resources granted to him by virtue of the execution of this Agreement will be used for a lawful purpose, and at no time will they be used to carry out or encourage any illegal activity, and (ii) is acting in accordance with the purposes of the Accredited Trust and in accordance with the instructions it receives in this regard, that is, that the benefits derived from this Agreement and each operation related to it are not realized or will be carried out in the name and on behalf of a third party other than the Borrower who receives the resources of this Agreement.

TWENTY-SIXTH. Headers. The headings of the Clauses and the subsections used in this Agreement are for convenience only and have no other purpose and will not affect the interpretation of this Agreement.

TWENTY-SEVENTH. Annexes. The Parties agree that the Annexes and documents added to the appendix to this instrument form an integral part of this Agreement as if they had been included therein, and that this Agreement must be interpreted considering the content of such Annexes and the appendix to this instrument.

TWENTY-EIGHTH. Advisory; Mutual Negotiation. The Parties in this act declare that each of them has been represented by a legal advisor of their choice, and that they had the opportunity to participate, and in fact participated, in the drafting of each Clause of this Agreement. Therefore, this Agreement is considered to be the product of negotiation between the Parties and their legal advisors, and will be interpreted reasonably and fairly in accordance with its terms without favoring any of the Parties.

TWENTY-NINTH. Nullity. If for any reason one or more of the provisions of this Agreement is declared invalid, in whole or in part, such declaration may not affect the validity of the other Clauses, which will remain in force.

THIRTYTH. Applicable laws. This Agreement will be governed by and construed in accordance with the federal laws of Mexico.

THIRTY-FIRST. Jurisdiction. For everything related to the interpretation and fulfillment of the obligations derived from this Agreement, the Parties expressly submit to the jurisdiction and competence of the federal courts of Mexico City, irrevocably waiving any other jurisdiction that they may have by virtue of their domicile, or come to acquire.

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## THIRTY-SECOND. Final Provisions.

(1) No Disposition made by the Creditors shall constitute a waiver of any conditions of the obligation of the Creditors to grant future Dispositions, and, in the event that the Borrower is unable to comply with any such conditions, none of such Provisions shall have the effect of preventing the Agent from declaring such incapacity as a Cause of Early Termination in the future.

(2) No modification or waiver of any right derived from this Agreement and no consent to any divergence on the part of the Borrower from the obligations arising from this Agreement, will have effect unless it is in writing and signed by the Agent and the Accredited and, in that case, such modification, consent or waiver, will only have effects in relation to the specific purpose for which it was granted.

(3) No omission or delay on the part of the Agent in the exercise of any of its rights, powers or actions under this Agreement may be considered a waiver thereof, nor may any singular or partial exercise of any of such rights, powers or actions, prevent any other or subsequent exercise thereof or the exercise of any other right, power or action. The rights and actions provided for in this Agreement are cumulative and not exclusive of any right or action provided by law.

(4) This Agreement will not be construed in such a way that the Agent and/or the Creditors are responsible to the suppliers of materials, the contractors, the specialized workers, laborers and others for the goods and services provided by them in the Project, or for debts owed to, or claims of, such parties against the Borrower or any contractor or sub-contractor, and it is expressly understood and agreed that there is no contractual relationship, either express or implied, between the Agent and/or the Creditors and any material supplier, contractor, skilled worker, laborer and other Persons providing work, services or materials.

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SIMPLE CREDIT OPENING AGREEMENT; WITH JOINT OBLIGOR; TRUST GUARANTEE, ENTERED INTO BY:

A).- ADMINISTRADORA DE SOLUCIONES, SOCIEDAD ANÓNIMA DE CAPITAL VARIABLE, MULTIPURPOSE FINANCIAL ENTITY, UNREGULATED ENTITY, hereinafter referred to as "the lender," henceforth referred to as "FÍNAMO."

B).- On the other hand, MURANO P.V., SOCIEDAD ANÓNIMA DE CAPITAL VARIABLE, referred to as "the borrower," hereinafter referred to as "THE CLIENT."

C).- On the other hand, MR. ELÍAS SACAL CABABIE REPRESENTED IN THIS ACT BY MARCOS SACAL COHEN, as "the joint obligor," hereinafter referred to as "THE JOINT OBLIGOR."

DECLARATIONS

I. DECLARES "FÍNAMO" AS FOLLOWS:

I.1.- That it is a legal entity duly constituted in accordance with Mexican laws, according to public deed number 14,805 (fourteen thousand eight hundred five), volume LI (fifty-first), dated March 5th, 2010 (two thousand ten), granted before the notary public Gerardo Gaxiola Díaz, Notary Public number 167 (one hundred sixty-seven), of the state of Sinaloa, and registered under electronic mercantile folio number 79554-1 in the public registry of commerce of Culiacán, Sinaloa.

I.2.- That its legal representative is present in this act, with the necessary powers to bind its represented party to the terms of this contract, which have not been revoked, modified, or limited in any way as of the date, according to public deed 27,302 (twenty-seven thousand three hundred two), volume XCIII (ninety-third), dated April 26th, 2022 (two thousand twenty-two), granted before the notary public Gerardo Gaxiola Díaz, Notary Public number 167 (one hundred sixty-seven) of the state of Sinaloa.

I.3.- That the address of its headquarters is Calle Alfonso G Calderón Velarde number 2656 (two thousand six hundred fifty-six), interior 11 (eleven), Desarrollo Urbano 3 Ríos, Culiacán de Rosales, Sinaloa C.P. 80020.

I.4.- That it does not require authorization from the Ministry of Finance and Public Credit for its constitution and operation as a Multiple Purpose Financial Entity and is subject to supervision and oversight by the National Banking and Securities Commission solely for the purposes of Article 56 of the General Law of Credit Organizations and Auxiliary Activities. Likewise, it has the authorizations of its respective internal organs and does not require the consent or authorization of any natural or legal person or authority for the execution and fulfillment of this contract.

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I.5.- Its website is [www.finamo.mx](http://www.finamo.mx).

II. DECLARES "THE CLIENT," UNDER OATH OF TRUTH:

II.1.- That it is a variable capital stock corporation duly and validly constituted in accordance with the laws of the United Mexican States and with domicile for the purpose of hearing and receiving all kinds of notifications at Bucareli number 42 office 101, Colonia Centro, Cuauhtémoc, Mexico City, Postal Code 06040.

II.2.- That it is duly constituted in accordance with Mexican laws, as described in public deed number 13,744, granted before the lawyer José Luis Reyes Vázquez, holder of notary number 31 of Nayarit, on February 18th, 2014, duly registered before the Public Registry of Property and Commerce of Mexico City, under electronic mercantile folio number 514303 dated May 7th, 2014.

II.3.- That its attorney-in-fact is present in this act, with the necessary powers to bind its represented party to the terms of this contract, which have not been revoked, modified, or limited in any way as of the date, according to public deed 13,744, granted before the lawyer José Luis Reyes Vázquez, holder of notary number 31 of Nayarit, on February 18th, 2014, duly registered before the Public Registry of Property and Commerce of Mexico City, under electronic mercantile folio number 514303 dated May 7th, 2014.

II.4.- That it will allocate the amount of the credit to invest capital in different affiliates and subsidiaries of the Murano Group to which "THE CLIENT" belongs, with the purpose that they can carry out the completion of the constructions and equipment of the first phase of the tourist project called "Grand Island" in the State of Quintana Roo (hereinafter referred to as the "Project").

II.5.- That it has sufficient economic solvency to undertake, in terms of the law, the payment of the credit specified in this contract.

II.6.- That communications via email should be addressed to the following accounts: Attention: Edgar Armando Padilla Pérez, Marcos Cohen, Laura Isabel Castillo Solis, and Leonel Martínez Basulto. Email addresses: [edgar@bvg.com.mx](mailto:edgar@bvg.com.mx), [marcos@murano.com.mx](mailto:marcos@murano.com.mx), [lauracastillo@murano.com.mx](mailto:lauracastillo@murano.com.mx), and [leonelmartinez@murano.com.mx](mailto:leonelmartinez@murano.com.mx).

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II.7.- That "FÍNAMO" has informed them of the "CAT," the Total Annual Cost of financing expressed in annual percentage terms that, for informational and comparison purposes, incorporates all costs and expenses inherent in the credits.

III.- DECLARES "THE JOINT OBLIGOR," REPRESENTED IN THIS ACT BY MARCOS SACAL COHEN, UNDER OATH OF TRUTH:

III.1.- That he has sufficient economic solvency to undertake, in terms of the law, the joint and direct payment of the credit and its accessories, specified in this contract, at the time any of the early termination causes are perfected, in the amount resulting from applying the rates, charges, and costs detailed below, as of the maturity date.

III.2.- That his address is Av. Paseo de las Palmas # 1270, Lomas de Chapultepec VIII Sección, Miguel Hidalgo, Mexico City, Postal Code 11000.

III.3.- That he is of legal age with full capacity to bind himself in terms of this contract.

III.4.- That the attorney-in-fact, Marcos Sacal Cohen, has the sufficient and necessary powers and faculties to execute this contract, as stated in public deed number 13,262 dated July 13th, 2020, granted before the notary public Guillermo Loza Ramírez, holder of notary number 10 of Nayarit, which have not been revoked, modified, or limited in any way up to this date.

IV. DECLARE "THE PARTIES":

IV.1.- That it is their free and spontaneous will to be bound by the terms and conditions established below:

CLAUSES

CHAPTER ONE, FINANCIAL CLAUSES

FIRST.- CREDIT OPENING.- By means of this instrument, "FÍNAMO" grants to "THE CLIENT" a credit in the form of a simple credit opening for the amount of \$100,000,000.00 (One hundred million pesos 00/100 M.N.); in which amount the interests, expenses, taxes, commissions, and other benefits that "THE CLIENT" must pay to "FÍNAMO" in accordance with this contract are not included.

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SECOND.- CREDIT DISBURSEMENT.- "FÍNAMO" undertakes to disburse to "THE CLIENT" the amount of the granted credit minus the commissions, charges, and deductions agreed upon in this contract no later than within the next banking business day after "FÍNAMO" receives from "THE CLIENT" the written disbursement request based on the format attached hereto as Annex "Disbursement Request" (hereinafter, the "Disbursement Request"). The Disbursement Request must contain the date, amount, and bank account to which the credit disbursement should be made. The foregoing, understanding that the credit granted under this contract may be disbursed to "THE CLIENT" in one disbursement, each through the delivery of the corresponding disbursement request.

THIRD.- DESTINATION OF THE CREDIT.- "THE CLIENT" undertakes to invest the amount of the granted credit to provide sufficient resources to its affiliates and subsidiaries so that they can carry out the completion of the constructions and equipment of the first phase of the project, undertaking "THE CLIENT" to credit said investment to "FÍNAMO" when requested, provided that a reasonable period has elapsed to carry out the disbursement of resources in accordance with the existing work program for the Project.

In the event that "THE CLIENT" does not invest or credit having invested the amount of the granted credit, "FÍNAMO" shall have the right to demand the early maturity of the term of this contract.

FOURTH.- COMMISSIONS.- THE CLIENT undertakes to pay "FÍNAMO" a commission for the opening of the credit of 3.5% (Three point five percent) in relation to the amount of credit granted, which will be charged in the immediate payment period following the day the situation referred to occurs.

FIFTH.- ORDINARY AND DEFAULT INTERESTS.- "THE CLIENT" undertakes to pay "FÍNAMO," without prior notice, ordinary interests on outstanding balances at the fixed rate of 22% (twenty-two percent) per annum. Interests will be calculated on the basis of 360 days per year, accruing on outstanding balances and for the days of the monthly accrual period. Ordinary interests will be paid according to the payment schedule included in the following clause.

In the event that "THE CLIENT" defaults on the timely fulfillment of its payment obligations under this Contract, it undertakes to pay "FÍNAMO" default interests on outstanding balances, which will accrue daily from the due date until their total payment, at an annual interest rate equivalent to 36% (thirty-six percent).

The default interest rate will also apply to the amount of other patrimonial obligations of "THE CLIENT" that are not for principal or interests if they are not met in the terms agreed in this Contract.

SIXTH.- EXPENSES AND FEES.- All expenses, taxes as required by law, the fees of the notary public before whom this instrument will be ratified, will be deducted from the amount of the credit, appraisals of the granted guarantees, insurance of movable and immovable properties granted as collateral, establishment of trust in case, as well as those incurred by its forced execution, will be borne by "THE CLIENT."

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SEVENTH: TERM OF THE CREDIT, AMORTIZATION, FORM OF PAYMENT, AND/OR PLACE OF PAYMENT.- This contract will have a term of 6 (Six) months, and principal and interest payments will be made according to the Annex "Amortization Table."

The Parties agree that this contract will not terminate until "THE CLIENT" has fulfilled its payment obligations contained therein, without being extendable, therefore obligating "THE CLIENT" in favor of "FINAMO" to pay for the granted credit, ordinary interests, and, if applicable, default interests, commissions, and other charges agreed upon in this contract, without the need for prior request or any interpellation, on the dates and amounts described in the Annex "Amortization Table" of this contract, and obligating "THE CLIENT" to pay in the following manner:

- A) By bank transfer.
- B) Payment by direct debit.

The payment will be credited according to the payment method used as follows:

- ii) Payment with a check from the same bank as "FINAMO's" bank account is credited on the same day as the payment.
- iii) Payment with checks from other banks is credited on the next business day; if the deposit is made after 4:00 p.m., it will be credited on the second business day.
- iv) Electronic fund transfers, if through the Interbank Electronic Payments System (SPEI), it will be credited on the same day, if it is through each bank's transfer system ("online banking"), it will be credited on the next business day.

"THE CLIENT" acknowledges that it has received all necessary information and has no doubts about the forms and places to make the payment. Likewise, it is aware that any amount paid under this contract must be made in the legal currency of the United Mexican States.

EIGHTH.- DIRECT DEBIT: Both parties agree that since "THE CLIENT" has authorized the direct debit service to the receiving bank account, "THE CLIENT" must ensure that the domiciled account will always have the necessary funds to make the payment on the dates and amounts agreed upon in this document as indicated in the Annex "Amortization Table" of this contract.

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In the event that the account does not have sufficient funds to fulfill the installment plus the ordinary interests, "THE CLIENT" authorizes "FÍNAMO" to make any necessary debit attempts at any time to cover the debt, including principal, ordinary interests, default interests, and collection expenses as applicable.

If the domiciled account does not have the necessary funds to make the payment, "THE CLIENT" must notify "FÍNAMO" of the situation in advance, and must make the payment on the dates and amounts agreed upon in this contract by bank deposit and/or electronic transfer.

"THE CLIENT" will have a maximum of 2 business days to notify "FÍNAMO" of the change of account where the debit will be made, agreeing to sign again an authorization form to carry out said domiciled charge.

In this regard, it is reiterated "THE CLIENT's" obligation to pay "FÍNAMO" on the dates and for the amounts described in the Annex "Amortization Table", in any of the aforementioned forms and/or places.

NINTH.- EARLY AND ADVANCED PAYMENTS.- "FÍNAMO" commits to accepting early payments of the credits whenever "THE CLIENT" requests it, provided "THE CLIENT" is up to date with the due payments, and the amount of the early payment is equal to or greater than the payment due for the corresponding period. Payments made by "THE CLIENT" before the due date shall be considered as early payments, and there will be no penalty, commission, or additional cost for "THE CLIENT" if it decides to make any early payment of the credit at any time during its term.

When "THE CLIENT" requests to make early payments, "FÍNAMO" will inform it of the Outstanding Balance. This information will be provided in writing if the early payment is made at any of its branches or alternatively by telephone.

Early payments will be applied exclusively to the Outstanding Capital Balance. If the amount of the early payments is not sufficient to fully amortize the Outstanding Balance, "FÍNAMO" must reduce the amount of the outstanding periodic payments, unless they agree with "THE CLIENT" to decrease the number of payments to be made. In both cases, "FÍNAMO" must calculate the amount of interest to be accrued based on the new Outstanding Balance.

Each time "THE CLIENT" makes an early payment, "FÍNAMO" must provide a receipt for such payment. In the case of early payments equal to the Outstanding Balance, "FÍNAMO," in addition to the payment receipt, must provide or make available to "THE CLIENT" the account statement or document confirming the end of the contractual relationship and the absence of debts arising exclusively from said relationship, within 10 (ten) business days from the date the debts were paid or on the next cut-off date.

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The parties agree that if "THE CLIENT" has made payments and once its debt has been settled, if there is a balance in its favor, this amount will be refunded and made available at "FÍNAMO's" offices so that "THE CLIENT" can choose the method for receiving or disposing of the balance in its favor.

Advanced Payments: "FÍNAMO" may receive Advanced Payments to apply them to cover immediate periodic payments of the Credit, provided there is a written request from "THE CLIENT." When the payment amount exceeds that which must be covered in a period, "THE CLIENT" must authorize that the resources delivered in excess of its due obligations not be applied to the early payment of the principal, but as advanced payments, through a handwritten document including the following legend: "The User authorizes that the resources delivered in excess of its due obligations not be applied to early payments of the principal but rather be used to cover in advance the immediate periodic payments of the Credit."

When "FÍNAMO" receives payment not yet due for the Period or lower amounts, the aforementioned written document will not be necessary.

Each time "THE CLIENT" makes an early payment, "FÍNAMO" will provide or make available to it the account statement or document confirming the early payment.

"FÍNAMO" must report to credit information agencies that the account is closed with no outstanding debts within the period established by the Law for Regulating Credit Information Agencies.

Upon termination of the contract, if there is a balance in favor of "THE CLIENT," it will be returned to it on the date the relationship ends, and if "THE CLIENT" does not go to the branch, "FÍNAMO" will inform it that the balance is available, and it will be returned through a counter payment.

When the termination of the contract is through another "Financial Entity," it will settle "THE CLIENT's" debt according to the information provided by "FÍNAMO," and once the debts are settled, the latter waives all remaining collection rights that may subsist after the cancellation.

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TENTH.- ORDER OF PRECEDENCE.- The parties mutually agree to establish the following order of precedence in the payment of the granted credit, commissions, interests, and other charges agreed upon in this contract:

1. VAT Commissions.
2. Commissions.
3. Other expenses and costs derived from this contract if applicable.
4. Default Interest.
5. Overdue Ordinary Interest.
6. Overdue Principal.
7. Current Ordinary Interest.
8. Current Principal.

ELEVENTH.- DUE DATE ON NON-BUSINESS DAY.- All payments that "THE CLIENT" must make to "FÍNAMO" under this contract shall be made on the due date or payment date as stipulated in the Annex "Amortization Table" of this contract, without the need for prior request or collection.

On the other hand, in the event that the payment obligation coincides with a non-business banking day, both for the payment of interest and capital and for any other concepts, "THE CLIENT" must make the payment on the next banking business day, without any commissions or penalties being applicable.

#### CHAPTER TWO, NON-FINANCIAL CLAUSES"

TWELFTH: GUARANTEE CONSTITUTION. "THE CLIENT" undertakes to establish a fiduciary guarantee to secure the payment obligations provided for in this contract, in terms of what is established in Annex "Fiduciary Guarantee". The fiduciary guarantee must be granted on terms satisfactory to "FÍNAMO" and must be executed simultaneously with the granting of the credit under this contract. Said fiduciary guarantee shall contain usual terms and conditions for this type of transactions, which shall be regulated in the corresponding fiduciary guarantee.

THIRTEENTH: GUARANTEE INSURANCE. "THE CLIENT" must contract insurance by itself or through the trustee of the fiduciary guarantee within 30 (thirty) days following the commencement of construction or work on the property subject to the fiduciary guarantee. The insurance must cover, among other risks: Risk against damages caused by fires, explosions, floods, earthquakes, tempestuous winds, hail, cyclones, hurricanes, falling trees, or damages caused by malicious persons, as well as any other provision for this type of transactions regulated in the fiduciary guarantee. Any other matter related to the insurance of the fiduciary guarantee shall be regulated in its trust so that the trustee and other related parties thereof become aware or undertake to contract the obligations requested by "FÍNAMO" for this type of transactions.

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FOURTEENTH: JOINT LIABILITY. "THE JOINT OBLIGOR" to respond to the fulfillment of each and every one of the obligations that "THE CLIENT" assumes before "FINAMO" in this contract and consequently the total payment of the credit, ordinary and default interests, accessories, commissions, expenses and costs in case of trial and other obligations that result to the charge of "THE CLIENT" and in favor of "FINAMO", subscribes with such character this instrument under the terms of articles 1987 AND 1988 of the Federal Civil Code. The joint liability granted in this clause shall be subject to the suspensive condition that, within a period of 90 (ninety) natural days following the execution of this contract, the substitute guarantees presented by "THE CLIENT" to "FINAMO" are sufficient or satisfactory to replace the joint liability granted in this contract. In case the substitute guarantees are satisfactory to "FINAMO", the joint liability shall have no effects under this contract and "THE CLIENT" undertakes, within a reasonable period agreed with "FINAMO" but not less than 90 natural days, to perfect the necessary acts to grant such substitute guarantees. The joint liability established in this clause shall subsist until "FINAMO" is fully paid all that is owed to it for the obligations contracted by "THE CLIENT".

FIFTEENTH: CONTRACT MODIFICATIONS. "FINAMO" reserves the right to make modifications to the terms and conditions of the content of this contract, in sections not related to payment, commissions, interests, or guarantees, by giving notice with 90 natural days in advance of the date on which the modifications become effective, through the email provided by "THE CLIENT". In the event that "THE CLIENT" does not agree with the proposals made known by "FINAMO", it may request the early termination of the contract within 90 days following the notice referred to in the first paragraph of this clause, without any liability on its part and under the conditions prior to the modification proposed to it. Once the period mentioned in the previous paragraph has elapsed, without "FINAMO" having received any communication from "THE CLIENT" regarding the proposed modifications made, they shall be deemed accepted.

SIXTEENTH: INSPECTION. \*\* "FINAMO" directly or through third parties may carry out inspections of "THE CLIENT's" company regarding its accounting, request data, documents, carry out appraisals of "THE CLIENT's" assets when it deems it necessary, to ensure the correct application and management of the credit, as well as to ensure the good condition and functioning of the guarantees granted in this contract, as well as compliance with all the obligations of "THE CLIENT" established herein, "THE CLIENT" being obliged to grant all necessary facilities for this purpose.

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SEVENTEENTH: OBLIGATIONS TO BE PERFORMED BY "THE CLIENT".\*\* "THE CLIENT" shall have the following obligations to perform against "FINAMO":

- A) Pay the credit in the time, place, and manner agreed upon in this contract.
- B) Use the amount of the credit for the purpose for which it was granted.
- C) Deliver to "FINAMO" updated Financial Statements at the end of the last financial year and the last partial one, 15 days in advance, prior to the date of each anniversary of the credit and as long as it is in force, counted from the date of origination of this instrument.
- D) Request authorization from "FINAMO" to make any modification or conditioning to the guarantees granted, of which "FINAMO" at this time reserves the right to grant or not said authorization.
- E) Contract insurance with the widest possible coverage to ensure the subsistence of the granted guarantee and keep the policy valid until the termination of this contract as long as there is an obligation to contract insurance for starting works on the Project.
- F) Notify any change of address. "THE CLIENT" must notify "FINAMO" no later than 10 business days prior to their change of address, at the email address [finamo@finamo.mx](mailto:finamo@finamo.mx).
- G) Maintain in optimal condition of use and operation and provide maintenance to the guarantee or guarantees granted.
- H) In the case of fiduciary guarantees, be current on the payment of the property tax known as "predial."
- I) Allow at all times during the term of this contract access and necessary facilities for "FINAMO" to review the status of the guarantees granted.
- J) Comply with all obligations stipulated in this contract.
- K) Comply with all obligations required by law.
- L) In the case of domiciled payment, notify "FINAMO" of the change of bank account within a term not exceeding 2 business days after having made it and sign the new direct debit authorization.
- M) Provide, at any time, the information requested by "FINAMO" for the purpose of corroborating the identification of "THE CLIENT" and any other information derived from this contract.
- N) Accrediting within a term of 15 natural days to be complying with all the obligations described above when requested by "FINAMO".

In the event that "THE CLIENT" fails to comply with any of the aforementioned obligations, "FINAMO" may request the early termination of this credit contract, and consequently, request the execution of the guarantee that has been stipulated, understanding that "THE CLIENT" will have a period of at least 30 natural days to remedy any breach under the contract.

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EIGHTEENTH: CONTRACT CANCELLATION. "THE CLIENT" has a period of up to 10 (ten) business days following the signing of the Contract to cancel it without any liability, provided that they have not disposed of the requested amount.

NINETEENTH: ACCOUNT STATEMENTS The parties agree that "FÍNAMO" will make the credit statement available to "THE CLIENT" semi-annually, for which "THE CLIENT" authorizes it to be sent via email, stating under oath that it is the one declared in point II.6 of the "THE CLIENT" Declarations section of this contract. This replaces the obligation to send it to their home address, understanding that "THE CLIENT" may request the statement to be sent to their address at any time.

For the same purposes, "THE CLIENT" may go to the nearest "FÍNAMO" office.

TWENTIETH - CLARIFICATIONS, CONSULTATIONS, COMPLAINTS, AND DEFENSE OF THE FINANCIAL SERVICES USER.\*\* For the resolution of any consultation, clarifications, and complaints, "THE CLIENT" may go to the complaints handling unit of "FÍNAMO" located at Alfonso G. Calderón Velarde No. 2656-11, first floor, Desarrollo Urbano Tres Ríos C.P., Culiacán, Sinaloa; C.P. 80020. Telephone 01-800-134-62-66, unidadespecializada@finamo.mx.

"THE CLIENT" has a period of 90 (ninety) natural days counted from the event that originated it or from the date of interest calculation, in case it concerns information reflected in the statement, to present any clarification or complaint. Once the clarification request is received, "FÍNAMO" has a maximum period of 45 (forty-five) days to deliver to "THE CLIENT" the corresponding report, attaching a simple copy of the document or evidence considered for the issuance of said report, based on the information that, according to the applicable provisions, must be in its possession, as well as a detailed report responding to all the facts contained in the request submitted by "THE CLIENT".

The aforementioned report and report must be made in writing and signed by personnel of "FÍNAMO" authorized for this purpose. In the event that, according to the report issued by "FÍNAMO", the collection of the respective amount is deemed appropriate, "THE CLIENT" must make the payment of the amount due, including ordinary interests as agreed, without the collection of default interests and other accessories generated by the suspension of the payment made in accordance with the applicable provisions. Within the period of 45 (forty-five) natural days from the delivery of the report referred to in the previous paragraph, "FÍNAMO" is obliged to make available to "THE CLIENT" all the documentation and information that, according to the applicable provisions, must be in its possession and that is directly related to the clarification request in question, without including data corresponding to operations related to third parties.

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In any case, "THE CLIENT" must exhaust the authentication procedures requested by "FÍNAMO". Any clarification, complaint, or consultation must be made in writing and sent to "FÍNAMO" at its address or by the means instructed.

In terms of Article 23 of the Law for Transparency and Ordering of Financial Services, the attention procedure provided therein is transcribed, to which "FÍNAMO" is subject:

I. When the Client does not agree with any of the movements appearing in the respective statement or in the electronic, optical, or any other technology media that have been agreed upon, they may submit a clarification request within the period of ninety natural days counted from the cut-off date or, as the case may be, from the execution of the operation or service.

The respective request may be submitted to the branch where the account resides, or alternatively, to the specialized unit of the institution concerned, by written letter, email, or any other means by which its reception can be reliably verified. In all cases, the institution will be obliged to acknowledge receipt of such request. Regarding amounts owed by the Client disposed of through any mechanism determined by the National Commission for the Protection and Defense of Users of Financial Services in general provisions, the Client shall have the right not to make the payment whose clarification is requested, as well as any other amount related to said payment, until the clarification is resolved in accordance with the procedure referred to in this article;

Once the clarification request is received, the institution shall have a maximum period of forty-five days to deliver to the Client the corresponding verdict, attaching a simple copy of the document or evidence considered for the issuance of said verdict, based on the information that, according to the applicable provisions, must be in its possession, as well as a detailed report responding to all the facts contained in the request submitted by the Client. In the case of claims related to operations carried out abroad, the deadline provided in this paragraph shall be up to one hundred and eighty natural days.

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The aforementioned verdict and report must be made in writing and signed by personnel of the institution authorized for this purpose. In the event that, according to the verdict issued by the institution, the collection of the respective amount is deemed appropriate, the Client must make the payment of the amount due, including ordinary interests as agreed, without the collection of default interests and other accessories generated by the suspension of the payment made in terms of this provision;

Within the period of forty-five natural days counted from the delivery of the verdict referred to in the previous fraction, the institution shall be obliged to make available to the Client in the branch where the account resides, or alternatively, in the specialized unit of the institution concerned, the file generated with respect to the request, as well as to integrate in it, under its strictest responsibility, all the documentation and information that, according to the applicable provisions, must be in its possession and that is directly related to the clarification request in question and without including data corresponding to operations related to third parties;

In the event that the institution does not provide a timely response to the Client's request or does not deliver the verdict and detailed report, as well as the documentation or evidence referred to above, the National Commission for the Protection and Defense of Users of Financial Services shall impose a fine as provided in fraction XI of Article 43 of this Law for an amount equivalent to that claimed by the Client in terms of this article, and

Until the clarification request in question is resolved in accordance with the procedure set forth in this article, the institution may not report as overdue the amounts subject to said clarification to credit information companies.

The foregoing is without prejudice to the right of Clients to go to the National Commission for the Protection and Defense of Users of Financial Services or to the corresponding judicial authority in accordance with the applicable legal provisions, as well as the sanctions that must be imposed on the institution for non-compliance with the provisions of this article. However, the procedure set forth in this article shall be without effect from the moment the Client files their complaint with the judicial authority or conducts their claim within the terms and deadlines of the Law for the Protection and Defense of Financial Services Users.”

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Likewise, you are informed of the CONDUSEF (National Commission for the Protection and Defense of Financial Services Users) contact details: I) Toll-free Telephone Service Center: 01-800-999-80-80, II) email asesoria@condusef.gob.mx, and III) website www.condusef.gob.mx. If "THE CLIENT" files a lawsuit with the judicial authority or conducts their claim under the Law for the Protection and Defense of Financial Services Users, the clarification procedure previously provided will be voided from the filing of the lawsuit or claim.

TWENTY-FIRST: CLAUSE TITLES.- The titles of the clauses appearing in this instrument have been included solely to facilitate their reading and therefore do not define or limit their content. For the interpretation of this instrument, only the content of its statements and clauses shall be taken into account, and in no way shall the title of these clauses be considered.

TWENTY-SECOND: PRINCIPLE OF GOOD FAITH.-The parties enter into this contract, with the total absence of causes of non-existence and nullity, recognizing each other's reciprocal and indisputable personality and legitimacy to enter into this contract.

TWENTY-THIRD: EARLY MATURITY AND EARLY TERMINATION OF THE CONTRACT.- "FÍNAMO" may declare this contract matured prematurely, without the need for judicial declaration, when the following circumstances occur:

- A).- The lack of payment by "THE CLIENT" in favor of "FÍNAMO", of one or more installments to repay the credit on the date, form, and/or place agreed upon in this contract.
- B).- For not investing the amount of the granted credit "THE CLIENT" for the activity described in Chapter ONE of Clause THIRD of this contract; or for not proving such investment.
- C).- When "THE CLIENT" fails to comply with the obligations stipulated in this contract.
- D).- If any information provided to "FÍNAMO" by "THE CLIENT" under the terms of this contract turns out to be false, incorrect, incomplete, or misleading.
- E).- If "THE CLIENT" incurs additional debt that implies a risk in meeting its payment obligations with "FÍNAMO" or causes a loss in its financial situation.
- F).- Those established by law.

"THE CLIENT" may request at any time the early termination, having to cover in its case and in the agreed terms, the total amount of the debt, including all financial accessories that it would have generated up to the date on which the early termination of the contract is requested, for which the presentation of a written request at any "FÍNAMO" office will suffice; once "FÍNAMO" receives the notice from "THE CLIENT", it must inform them no later than the following day of the outstanding balance by the requested means and make it available within the next 5 days at its offices. The early payment will never be for an amount less than the payment that must be made in the corresponding period.

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In case of total debt liquidation, "FÍNAMO" will make available to "THE CLIENT" the document stating the end of the contractual relationship and the absence of debts within ten business days from the date the debts have been paid and will report to credit information companies that the account is closed with no outstanding debt within the next five business days. If "THE CLIENT" does not request the early termination of the contract from "FÍNAMO" and makes the payment of the entire granted credit, as well as the generated accessories, "FÍNAMO" will deliver the document stating the end of the contractual relationship and the absence of debts within ten business days from the date the payment has been made.

TWENTY-FOURTH: ASSIGNMENT OF RIGHTS.- "THE CLIENT" expressly authorizes "FÍNAMO" to transmit, endorse, assign, discount, or in any other way negotiate partially or totally the contracts and promissory notes that document this transaction, to any national or foreign source of financing, under the modalities and for the purposes that are most convenient for "FÍNAMO", including all accessory rights, also manifesting "THE CLIENT" their willingness to recognize to those to whom the aforementioned rights are transmitted or endorsed or assigned, the same rights that correspond to "FÍNAMO", without further requirements than notifying "THE CLIENT", regarding the Assignment, in terms of the applicable legal provisions "THE CLIENT" may not assign the rights and obligations that correspond to them under this contract, without the prior written consent of "FÍNAMO" and the execution of the corresponding agreement.

TWENTY-FIFTH: SEVERABILITY.- If any provision of the CONTRACT is found to be invalid, illegal, or unenforceable by a competent court in accordance with the terms of this contract, such provision shall be deemed "not set" and consequently, declared null; provided that the remaining provisions of the CONTRACT shall not be invalidated.

TWENTY-SIXTH: WAIVER OF CLAIM.- The failure of "FÍNAMO" or "THE CLIENT" to claim at any instance in the strict execution of any of the obligations arising from the execution of this contract shall not be interpreted as a waiver of the right to claim.

TWENTY-SEVENTH: JURISDICTION AND COMPETENCE.- The parties agree to submit to the applicable legislation in Mexico and to the jurisdiction and competence of the Courts of Mexico City, Mexico, therefore waiving any other jurisdiction that by law or domicile present or future of the parties could grant them.

This Contract is entered into by the Parties on April 9, 2024.

[Signatures page follows]

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FINAMO AND/OR THE LENDER

ADMINISTRADORA DE SOLUCIONES, SOCIEDAD ANÓNIMA DE CAPITAL VARIABLE, SOCIEDAD FINANCIERA DE OBJETO MULTIPLE, NON-REGULATED ENTITY, represented in this act by its LEGAL REPRESENTATIVE RODRIGO TREJO SIERRA.

AUTOGRAPH SIGNATURE

THE CLIENT AND/OR ACCREDITED  
MURANO P.V., VARIABLE CAPITAL LIMITED COMPANY  
Represented in this act by her attorney MARCOS SACAL COHEN

AUTOGRAPH SIGNATURE

SOLIDARITY OBLIGATOR  
ELÍAS SACAL CABABIE

AUTOGRAPH SIGNATURE

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Code of Conduct  
MURANO GLOBAL INVESTMENTS PLC

Revised and Approved by the Board on 25 January 2024

#### Our Values

Integrity is the essential ingredient to our success and a key component of our reputation as a global business.

This Code of Conduct (the "Code") guides our actions to act with integrity in all of our business interactions. We know that things are not always simple and, sometimes, you might face a situation where the right thing to do is not obvious. That is where our Code of Business Conduct can help. It is always here as your guide to preserving our reputation and living our values. While the Code cannot answer every question, it can show you where to go for guidance when the answer is not clear.

This Code may be reviewed and updated from time-to-time as appropriate or as required by applicable law. We refer you to the contact details at the end of this Policy for any questions or support in understanding this Policy and its application to you.

#### Who this Code of Conduct applies to

This Policy applies to all Colleagues, including directors, officers, employees, staff, temporary or short-term workers, exclusive contractors and contractors (together, "Colleagues" or "you"), regardless of their operating location, the duration of their service or role within the Company.

Each Colleague is responsible for making sure that they comply with this Policy. Our Directors will annually sign a certification that they have read and will comply with this Code, in particular the section titled "Code of Conduct for Directors of the Board".

#### Overseeing Compliance

The Audit Committee of the Board of Directors (the "Audit Committee") is responsible for administering the Code in an independent, objective and consistent manner.

The Audit Committee may, at their discretion, delegate responsibility for this Code to a Committee of company officers, comprised of no less than three officers, which shall include at least one of: the Chief Financial Officer, Chief Legal Officer, Company Secretary, and/or Chief Risk Officer; provided the Audit Committee oversees this committee and receives appropriate and timely reports.

#### Modifications and Waivers

This Code does not cover every possible circumstance, especially when issues arise with contracts or local laws. Accordingly, the Company may need to modify the Code from time to time.

Amendments to the Code must be approved by the Audit Committee of the Board of Directors and the Company must promptly post the amended version on the Company's website.

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Any waivers of the Code, however, must be approved by the Board of Directors or the Board's designees. In the extremely rare situation that a waiver is approved, we will quickly and properly disclose it where required by law or Nasdaq listing rules.

#### When a Code Violation Occurs

We take all potential violations of this Code seriously, and a violation may lead to disciplinary action to a level which is appropriate for the nature and circumstances of the violation. Severe violations may result in suspension without pay or termination of employment or directorship.

We note however, that not all behaviour is governed by this Code. The Company has other policies and processes governing performance, conduct and behaviour. Policy violations that are not Code violations will be handled under the appropriate policy or procedure.

#### Your Responsibility

All employees and directors are expected to uphold this Code. As employees, each of us is responsible for:

- **Understanding this Code**  
You are expected to read the Code and ask any questions when something is unclear.
- **Thinking before acting**  
You are expected to think before acting, and to use good judgment to act ethically and in compliance with this Code and our values as a Company.
- **Reporting suspected violations**  
You are responsible for reporting any suspected violation of this Code without delay. Reporting can be to your line manager or through the use of our Whistleblowing procedures.
- **Modelling the Code and our values**  
You are expected to promote a culture of integrity by modelling ethical decisions and acting with integrity.

#### Protecting Confidential and Non-Public Information

Murano is a publicly listed company whose shares are sold on the Nasdaq stock exchange. Accordingly, the Company upholds policies which prohibit employees and directors from sharing certain types of confidential information.

We expect all employees to be able to identify which kinds of information are considered confidential or 'inside information' and ensure that this type of information is only shared with individuals who are authorised to know it to do their jobs.

If you are working with a current or prospective supplier, partner, investor or outside service provider and believe they require access to confidential information, you must ensure they enter into a non-disclosure agreement with the Company prior to sharing information.

Always be mindful when sharing information with family or friends, or discussing business matters in public. Confidential information must stay confidential, and we expect that if you have access to information which is not intended for the public, that you will take the right steps to ensure that information is not accessible by the public.

For more details on what constitutes Inside Information, see the Inside Information Policy. Speak to the Legal Team to request a non-disclosure agreement or a wall-cross agreement.

#### Safeguarding Company Property

Sometimes, the Company will provide you with physical property and resources such as a Company phone, computer or vehicle, to enable you to do your job. You must not ever lend, sell or give these items away. You must follow all relevant policies on securing the data contained on any Company devices. You are expected to take reasonable steps to prevent misuse or unauthorised access to any Company property, and to protect any keycard or access passes that you have such that our offices and hotels remain secure.

#### Data Privacy

You are expected to follow and uphold all policies adopted by the company and provided to you, including those relating to data privacy, document retention or data security.

#### Anti-Money Laundering

You must never look the other way when it comes to illegal activities.

Money-laundering is the process whereby money or funds are generated through criminal or illegal activity—such as terrorism, tax evasion, fraud, drug dealing or human trafficking—and moved through legitimate businesses to hide their illegal origin. We are committed to operating our Company in a manner which prevents the use of our business transactions by those who are engaging in money laundering or other financial crime, terrorism or tax evasion. We expect you to uphold all due diligence procedures set out by the Company, prior to agreeing any new service or partnership contract.

Due diligence procedures, including supplier on-boarding, help us to get to know our business partners and minimise the risk that our business will be targeted by those who wish to engage in illegal activity.

We ask all employees to be alert to signs of money-laundering such as: unusually large funds transfers or suppliers who refuse to participate in due diligence screening.

If you have a concern regarding any specific transaction or anyone with whom we do business, you should report your concern to your line manager or by following the Whistleblowing Policy.

#### Anti-bribery

Gift giving and hospitality are a regular occurrence in business. We understand that it is customary to give a token present or entertain business partners for dinner from time-to-time. Such practices are entirely normal and expected. However, we do not support bribery and expect all employees to follow relevant procedures implemented to uphold these values, and ensure our compliance with the Foreign Corrupt Practices Act and the UK Anti-Bribery Act; both of which apply to every member of our business by virtue of our Nasdaq listing and head-office in the United Kingdom.

A bribe is: any payment or gift that is made for the purpose of causing someone to:

- A. perform functions which they are not obligated to perform, or
- B. give a benefit which is not due.

Bribery is illegal, and we do not allow bribery in our business. Normal course gifts and hospitality are acceptable. We require all employees and directors to uphold any policies in place to prevent bribery, including policies related to gifts and hospitality, related-party transactions, political and charitable contributions and conflicts of interest.

#### Conflicts of Interest

We expect all employees to carry out their role in a manner which they believe is in the best interest of the Company. This can become more difficult when our personal interests conflict with the Company's interest. When their personal interests are involved in our business decisions, it is called a 'conflict of interest'. When a conflict of interest arises, steps must be taken to manage that conflict so that decisions can be made without the cloud of personal motivations.

Conflicts of Interest are a common issue, and they can range from very small conflicts to significant interests which call into question the ability to carry out our duties. To manage this broad range of issues, we have adopted a Conflicts of Interest Policy, which we expect all employees and directors to adhere to.

#### Human Rights

We must all act in a manner which upholds and respects human rights. We expect that all employment and service arrangements are written into contracts which comply with all local employment laws. We expect that all workers are treated in a manner which abides by the basic dignities afforded by the UN Guiding Principles on Business and Human Rights.

You are expected to uphold all human rights policies in place, and to follow all due diligence procedures when onboarding new suppliers and partners to ensure that they take action to uphold human rights for all that work with or for them. If you suspect a human rights violation is occurring, you must report the same to your line manager or by utilising the directives contained in the Whistleblowing Policy.

#### Code of Conduct for Directors of the Board

The Board of Directors (the "Board" or "We") of Murano Global Investments ("Murano" or the "Company") acknowledge and accept the scope and extent of our duties as Directors. We have a responsibility to carry out our oversight responsibility in the interests of all Murano shareholders, and our wider stakeholders, within the scope of our authority and consistent with our fiduciary duties and our governance documents.

The Board has adopted the following Code of Conduct, and our Directors are expected to adhere to the standards of loyalty, good faith, and the avoidance of conflicts of interest that follow:

Directors are expected to:

- Act in the best interests of, and fulfil their fiduciary obligations to, all Murano shareholders with due consideration given to the interests of all key stakeholder groups.
- Act honestly, fairly, ethically and with integrity.
- Conduct themselves in a professional, courteous, and respectful manner.
- Comply with all applicable laws, rules and regulations, and Murano policies, including, but not limited to, the applicable provisions of the Company's Policy Regarding Inside Information, Disclosure Policy, Conflicts of Interest and Related Party Transactions.



- Act in good faith, responsibly, with due care, competence, and diligence, without allowing their independent judgment to be subordinated.
- Act in a manner to enhance and maintain the reputation of Murano.
- Avoid situations that may give rise to an actual or potential conflict of interest or the appearance of a conflict of interest, report these situations without undue delay to the Chairperson, or Lead Independent Director, and Company Secretary of the Board in the event they arise, and comply with all applicable provisions of the Company's Conflicts of Interest and/or Related Party Transactions Policy.
- Make available to and share with fellow Directors information as may be appropriate to ensure the proper conduct and sound operation of Murano and its Board.
- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors, except when authorised or legally required to disclose such information.
- Not use confidential information acquired in the course of their service as Directors, or other Company assets or property, for their personal advantage; and
- Not take for themselves personally opportunities related to the Company's business or compete with the Company for business opportunities unless a majority of the disinterested members of the Board first determines that the Company will not pursue the opportunity.

No code or policy can anticipate every situation that may arise. Accordingly, a Director who has a question or concern regarding compliance with this Code should raise the matter with the Lead Independent Director and Company Secretary, who will determine, in consultation with the [Chief Legal Officer/Company Secretary/Appointed corporate attorney and solicitor as directed from time to time] and the appropriate Board Committee, what action shall be taken, all in accordance with the Company's Corporate Governance Principles, the Related Person Policy and other applicable policies. In the extremely unlikely event that a waiver of this Code for a Director would be in the best interest of the Company, it must be approved by a majority of the disinterested members of the Board.

The Governance Committee reviews this Code annually and recommends any updates to the full Board for approval.

Directors will annually sign a certification that they have read and will comply with this Code.

#### CERTIFICATION

I certify that I have read this Code of Conduct for the Board of Directors and I agree to comply with the responsibilities, expectations and standards it describes.



### Insider Trading Policy

MURANO GLOBAL INVESTMENTS PLC

Approved by the Board on 27 February 2024

Murano Global Investment Plc, together with its subsidiaries and affiliates ("Murano", the "Company", "we", "us"), is committed to acting fairly and with integrity in all of our business dealings. We encourage our Colleagues to act with integrity and uphold the Company's values in all that they do.

This Insider Trading Policy (this "Policy") enforces these values and is in place to prevent Insider Trading.

This Policy applies to all directors, officers, employees, staff, temporary or short-term workers, exclusive contractors and contractors (together, "Colleagues" or "you"), regardless of their operating location, the duration of their service or role within the Company.

Each Colleague is responsible for making sure that they comply with this Policy, and that any family member, household member or entity whose transactions are subject to this Policy (as discussed below) also comply with this Policy.

This Policy may be reviewed and updated from time-to-time as appropriate or as required by applicable law. We refer you to the contact details at the end of this Policy for any questions or support in understanding this Policy and its application to you.

#### Policy Purpose

The purpose of this Policy is to:

1. Communicate our strict prohibition against Insider Trading;
2. Communicate our strict prohibition against disclosing Material Non-Public Information, as explained below;
3. Assist you in identifying key activities that would require you to take additional care or seek approvals prior to trading Company securities;
4. Provide you with information on how to analyse situations and identify for yourself if trading shares would likely be deemed to constitute Insider Trading; and
5. Give contact details for our Legal Team who can provide additional training and resources to support Legal with this Policy.



Prevention of Insider Trading is as much about understanding what activities give rise to Insider Trading as it is about taking steps to avoid it.

We expect all Colleagues to take appropriate steps to avoid Insider Trading and have systems and processes in place to support that expectation. However, the law does not excuse Insider Trading violations even if the Company had approved a person to trade securities. Therefore, in order to avoid Insider Trading, **everyone must understand what Insider Trading is and apply the assessment principles within this Policy prior to transacting in Company securities.**

As you will see from this Policy, not every Colleague will need approvals prior to trading and not every employee will be subject to blackout dates. However, all Colleagues will need to understand the term 'Material Non-Public Information' and will need to carry out an assessment of whether they, or their family, are in possession of Material Non-Public Information prior to trading securities. When you, or your family (as defined below), are in possession of Material Non-Public Information, you are prohibited from trading securities.

Part I: Key Concepts of Insider Trading

Many key terms in this Policy may be new or otherwise unfamiliar. To ensure this Policy is understood and complied with, the following summary is provided for informative purposes.

***Does this Policy apply to me?***

This Policy applies to all directors, officers and employees of the Company and its subsidiaries. The Company may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to Material Non-Public Information.

***What are 'shares' and are they the same as 'securities'?***

Ownership of a company is divided into pieces; those pieces are called 'securities'. A 'share' is the most common type of security. Warrants, bonds and options are among the other types of common securities. For reference, when this Policy or any Company policy restricts someone from buying or selling 'shares', we are also restricting transactions in bonds, warrants, options or other types of securities. The references to shares in the policy is to aid in your ability to apply this policy when you buy, sell or otherwise transact in securities. Similarly, this Policy references 'buying', 'selling' and 'trading' shares, which are among many types of transactions an investor can do with their securities.

As this Policy is intended to prevent Insider Trading, we are more concerned with how to prevent Insider Trading than we are with detailing every type of security and all types of transactions. However, we have included a lengthy Appendix to this Policy which explains in detail the different types of securities and any nuances in applying this Policy if you are trading other types of securities or undertaking more complex securities transactions.

***How many shares do companies have?***

Most companies have at least one share; even private companies. Generally speaking, a company with one share would be owned by one person. Many companies have more than one share which means they can have more than one owner, with each owning one or more shares.

When someone owns a share (or another type of security) they are considered a 'shareholder'.

***What does it mean to be a publicly listed company?***

Murano is a publicly listed company on the Nasdaq Stock Exchange. This means that the Company allows members of the public to buy, sell or otherwise trade shares in our Company. When someone purchases a share, or a piece of ownership, in our Company, they become a shareholder by virtue of their purchase.

As the Company becomes more attractive to investors, more investors purchase shares. When the demand from investors increases, the share price increases, and the shareholder is able to sell their share at a profit from their purchase price. Conversely, if investor demand has decreased, then the share price usually decreases and any sale at the decreased price would be at a loss.

***What is 'Material Non-Public Information'?***

Shareholders are understandably keen to sell their shares at a profit rather than a loss. Therefore any information which, if known, would likely cause a reasonable investor to buy, sell or otherwise trade securities, is deemed 'material information'. Until this material information is made available to the public, it is deemed '**Material Non-Public Information**'. Any person in possession of Material Non-Public Information is deemed to be an '**Insider**'.

Allowing someone, or a group of people, to trade while in possession of Material Non-Public Information is fundamentally unfair and undercuts the sanctity of a public stock exchange. The practice of trading while in possession of Material Non-Public Information is called '**Insider Trading**'.

***What rules must we all follow with regard to Insider Trading?***

There are a number of rules that we must comply with in relation to Insider Trading. These rules are summarised as follows.

1. Someone in possession of Material Non-Public Information cannot trade securities.

If you trade securities while in possession of inside information, it is assumed your decision to trade was based on that information. As Insider Trading is fundamentally unfair, it is also illegal and your actions could result in a criminal or civil investigation.

2. Colleagues must not aid in commission of Insider Trading by others.

Colleagues with knowledge of Material Non-Public Information cannot disclose Material Non-Public Information to others unless they are required to do so by law or as part of their role. This means you cannot share Material Non-Public Information with friends, family, acquaintances, or investors until it is in the public realm. There are certain individuals within the Company who can share this information internally on an as needed basis or externally, via special press release or by formal SEC filing. But for anyone else, you must not share Material Non-Public Information.

3. Colleagues cannot make public disclosures without the authority to do so.

Colleagues with knowledge of Material Non-Public Information cannot make announcements to investors or the press which contain Material Non-Public Information unless they are explicitly directed to do so. If you are unsure whether your job requires you to make public statements, please contact the Legal Team or the Communications Team for help prior to making any public statements.

4. Colleagues must not trade when not permitted to do so under this Policy or otherwise.

Some colleagues who are deemed to have frequent access to Material Non-Public Information cannot trade during specified windows, known as “Blackout Periods”. Blackout Periods are specific periods of time when it is assumed that certain employees are so well aware of Material Non-Public Information that their decision to trade during that period would automatically be deemed to be improper. The Company will send out emails announcing blackout dates in advance of their occurrence to assist in preventing trades when prohibited.

This Insider Trading Policy outlines how these activities are prohibited, how to understand when they apply to you and what to do if you inadvertently violate this Policy.

***Will the Company tell me if I am in possession of Material Non-Public Information?***

The Company maintains ‘Insider Lists’. Insider Lists contain the names and contact details of individuals who the Company believes to have regular access to Material Non-Public Information. If your role is on an Insider List, you will be notified by email and provided with details on blackout dates, pre-clearance procedures and other restrictions that will apply to you.

From time-to-time, we may create a second Insider List that is project specific. Project specific lists contain the names and details of individuals who the Company expects to be in possession of Material Non-Public Information as a result of a project they are working on, or will be assigned to work on. As with the primary Insider List, those on a project list will receive an email outlining additional restrictions that apply to them while the project is ongoing.

There will be some individuals who may come across Material Non-Public Information, but have not been added to an Insider List. If you believe you are in possession of Material Non-Public Information and have not received an Insider List notification by email, please contact the Legal Team immediately. Alongside following this Policy, you will be given additional information to assist you in complying with pre-clearance procedures and Blackout Periods if trading securities.

If you are unsure on whether something is deemed Material Non-Public Information, please ask the Legal Team for support in understanding the application of this Policy. Remember, even if the information is not deemed to be Material Non-Public Information, you are still required to keep all confidential information private and should not be sharing confidential work information except when carrying out your duties.

***Help me understand how to identify if something is Material Non-Public Information?***

‘Material Non-Public Information’ is:

1. any information,
2. that has not been widely made public, and
3. if it was known to a reasonable investor, there is a substantial likelihood that the investor would make a decision to buy, sell or hold a security on the basis of that information.

Information must be both ‘material’ and ‘non-public’ to be deemed Material Non-Public Information.

A determination of whether something is ‘material’ is fact-specific; there is no easy rule that applies in every circumstance or an equation we can apply. We must always analyse the facts and make a determination as to whether a reasonable investor would base an investing decision on that information, if the information were known to them. However, there are some common facts and circumstances where we would expect for information to be deemed ‘material non-public’. These are as follows:

- financial projections of significant earnings or losses, or other Company earnings guidance;
- changes to previously announced earnings guidance, or the decision to suspend earnings guidance;
- a pending or proposed merger, acquisition or tender offer;
- a pending or proposed acquisition or disposition of a significant asset;
- a pending or proposed joint venture;
- major marketing changes;
- a change in management;
- a Company restructuring;
- development of a significant new product, process, or service;
- the gain or loss of a significant customer or supplier;
- notice of significant law suits or information relating to the outcome of significant litigation;
- significant related-party transactions;
- a change in dividend policy, the declaration of a share split, or an offering of additional securities;
- bank borrowings or other financing transactions out of the ordinary course;
- the establishment of a repurchase programme for Company securities;
- a change in the Company’s pricing or cost structure;
- a change in auditors or notification that the auditor’s reports may no longer be relied upon;
- pending or threatened significant litigation, or the resolution of such litigation;
- impending bankruptcy or the existence of severe liquidity problems;
- significant cybersecurity incidents; and
- the imposition of a ban on trading in securities.



***When information is considered 'non-public':***

Information that has already been formally announced via a government or regulatory filing, press release or other public disclosure, is ordinarily considered to be public one to two days after it is filed or released.

By contrast, information is deemed not to be widely disseminated, and therefore deemed to be non-public information, when it is available only to the Company's employees, or if it is only available to a select group of analysts, advisors, brokers and institutional investors.

If the Company submits a government filing relating to material information on Monday, we would assume it continues to be classed as 'non-public' on Monday and Tuesday. To be cautious, in this scenario, we would suggest that the information is deemed non-public until at least Wednesday. In any case, you should assess whether you believe the information is non-public prior to trading.

***What to do if you are unsure:***

If you are unsure whether particular information is Material Non-Public Information, you should assume that it is in fact Material Non-Public Information. Following this assumption mitigates your risk of Insider Trading. You should also review this Policy and if you remain unsure, you are invited to consult the Chief Legal Officer for training on what constitutes Insider Trading or to request additional information on blackout dates and pre-clearance.

We note that as a matter of law, anyone who is charged with the crime of Insider Trading remains responsible for their decision. The law does not excuse anyone from responsibility even if they were advised that trading was acceptable by a member of the Company, regardless of whether the advice was given by the Chief Executive Officer, a member of the Board of Directors (the "Board"), the Chief Legal Officer, the Chief Financial Officer or any other members of the management team. US law believes that every individual charged with Insider Trading is responsible for their own actions. You must make your own assessment and while we are here to help, our help cannot excuse any decision or action taken.





We do not want anyone to commit Insider Trading, but changing the law is beyond our remit, so you must take extraordinary care in making a careful assessment prior to trading securities.

***Can I tell my family or friends about Material Non-Public Information that I am aware of?***

You are not permitted to share Material Non-Public Information with anyone unless directed to do so as part of your job or as required by law.

***Can my family or friends trade on Material Non-Public Information that I am aware of?***

It does not matter how a person came to know Material Non-Public Information or whether they were employed by the Company. If your family or friends are aware of Material Non-Public Information, they must not trade securities until the information is in the public domain. If they have knowledge of Material Non-Public Information and trade while in possession of such information, then you and your Family Member or friend may be deemed to have committed Insider Trading. The simple act of being in possession of Material Non-Public Information at a time when a Family Member trades, raises a genuine concern that Insider Trading may have occurred and you and your Family Member may face criminal or civil investigations and penalties.

The law deems you to be responsible for preventing your Family Members from committing Insider Trading with respect to Company securities, therefore be careful to ensure your family consults with you prior to transacting in Company securities.

***How do you define a 'Family Member'?***

Anyone who lives with you is deemed to be a "Family Member". It is not an excuse to say that you are not personally close to someone who lives with you or that you were unaware of their trade or intent to trade.

In addition to those Family Members that live with you, any Family Members who do not live in your household but whose transactions in Company securities are directed by you or are subject to your influence or control, such as parents or children, would likely be deemed a Family Member.

*Note:* this Policy does not apply to personal securities transactions of Family Members where the purchase or sale decision is made by a third party not controlled by, influenced by or related to you or your Family Members.

***What if I did not share Material Non-Public Information with my family prior to their decision to trade?***

If the Family Member is in possession of Material Non-Public Information and trades prior to that information being made public, you both may be suspected of, or found to have committed, Insider Trading.

***Are there any exceptions to this Policy?***

All exceptions are specified in in the Appendix below and form a part of this Policy. These exceptions are very plc and apply in only a few specific types of transactions. You should read these exceptions with great care prior to making a trade of the type listed in the Appendix as an exception.

*Note:* the law does not forgive acts of Insider Trading even in small transactions or if an emergency exists and the person trading felt they needed to do so in order to quickly sell shares. You must never engage in Insider Trading and you must always do your own assessment on whether you possess Material Non-Public Information and refrain from trading if you do.

***What about entities under my ‘control’ or ‘influence’?***

This Policy also applies to any entities that you influence or control, including any corporations, partnerships or trusts (collectively referred to as “Controlled Entities”). Transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account.

***What about transactions after my employment or appointment ends?***

This Policy continues to apply to transactions after termination and applies for so long as you are in possession of Material Non-Public Information. You must refrain from trading Company securities until the Material Non-Public Information becomes public or is no longer material.

The pre-clearance procedures specified below, however, will cease to apply to transactions in Company securities upon the expiration of any Blackout Period or other Company- imposed trading restrictions applicable at the time of the termination of service.

***What is a ‘Blackout Period’?***

‘Blackout Periods’ are periods where trading Company securities is strictly prohibited. These Blackout Periods generally start fourteen days before the fiscal quarter-end and last up until the results for that quarter are published. They normally apply to certain people only.



The Company will also have event-specific Blackout Periods, which will occur when a specific event is imminent and trading with knowledge of such event would most certainly be deemed Insider Trading. In that situation, the Chief Legal Officer may notify relevant persons that they should not trade in the Company's securities, without disclosing the reason for the restriction. The existence of an event-specific trading restriction period or extension of a Blackout Period will not be announced to the Company as a whole, and should not be communicated to any other person.

*Remember:* even if you have not been designated as a person who should not trade due to an event-specific restriction, you should not trade while aware of Material Non-Public Information.

***Do we have full Company Blackout Periods?***

The Company may undertake Company-wide Blackout Periods at relevant times in order to mitigate any risk of Insider Trading. As and when these arise, all employees and other relevant parties will receive an email notification with more information.

***What are pre-clearance procedures?***

Individuals on Insider Lists may not engage in any transaction in Company securities without first obtaining pre-clearance for the transaction from two members of a designated Pre-Clearance Committee. The Pre-Clearance Committee consists of the Chief Legal Officer, Chief Financial Officer, Chief Executive Officer, and Chief Operating Officer.

A request for pre-clearance should be submitted directly to the Chief Legal Officer or the Chief Financial Officer at least two business days in advance of the proposed transaction. You will be notified if the transaction is approved. The Pre-Clearance Committee is under no obligation to approve a transaction submitted for pre-clearance. If permission to engage in the transaction is denied, the person making the request must refrain from initiating any transaction in Company securities and not inform anyone else of the restriction, as the reason for such restriction may relate to the occurrence of an event-specific Blackout Period which is not widely shared for reasons of confidentiality.

When a request for pre-clearance is made, the requestor should carefully consider whether they may be aware of any Material Non-Public Information about the Company, and should

describe fully those circumstances to the Chief Legal Officer. The requestor should also be prepared to comply with SEC Rule 144 and file Form 144, if necessary, and will be provided with further information if that is the case.

If a person seeks pre-clearance, and permission to engage in the transaction is granted, then such trade must be effected within five calendar days of receipt of pre-clearance unless an exception is granted. Such person must promptly notify either the Chief Legal Officer or Chief Financial Officer following the completion of the transaction. A person who has not completed the transaction within five calendar days may not engage in such transaction without obtaining pre-clearance again.



Notwithstanding the pre-clearance process, it is your responsibility to determine whether you are in possession of Material Non-Public Information. An open trading window or a pre-clearance of the trade does not absolve you from liability for trading on Material Non-Public Information.

#### Part II: Consequences of Violating this Policy

It is illegal to purchase or sell securities while aware of Material Non-Public Information, or to disclose Material Non-Public Information about the Company to others who then trade in the Company's securities. The law applies even to employees located outside the United States. We should all take reasonable steps to prevent Insider Trading.

Insider Trading violations are pursued vigorously by regulators and enforcement authorities with severe punishments that could include significant fines and imprisonment.

Breaching this Policy may result in disciplinary action, up to and including the termination of your employment or engagement.

#### Part III – Summary

##### ***Insider Trading***

All Colleagues have ethical and legal obligations to maintain the confidentiality of Material Non-Public Information they come across and to not engage in securities transactions while in possession of such information. **You must not trade in, or recommend trading in, securities when in possession of Material Non-Public Information.** If you are aware of Material Non-Public Information relating to the Company, you may not engage in, recommend to engage in or assist anyone with engaging in transactions of Company securities.

If, in the course of your work, you learn of Material Non-Public Information relating to another company with whom we do business, such as a supplier or a customer, you may not engage in, recommend to engage in or assist anyone with engaging in transactions of that company's securities.

The prohibitions above apply to both direct and indirect dealings through Family Members or other persons or Controlled Entities; and includes all company securities, whether or not issued by that company.

***Maintaining confidentiality***

**You must treat Material Non-Public Information with the highest level of confidentiality.** You may not disclose or assist anyone in disclosing Material Non-Public Information to anyone outside of the Company. This includes, but not plc to, your family, friends, business associates, investors and expert consulting firms, unless any such disclosure is made in accordance with the Company's policies regarding the protection or authorised external disclosure of information.

You may only share Material Non-Public Information internally on a need-to-know basis. You may not disclose or assist anyone in disclosing Material Non-Public Information to persons within the Company whose jobs do not require them to have that information.

The prohibitions above apply to both direct and indirect sharing through Family Members or other persons or Controlled Entities.

***Additional materials***

Additional information will be provided to all individuals added to the Insider List. This additional information will provide details on pre-clearance and additional actions required. Any employee may request this information. Additionally, all blackout dates will be posted in the Legal area of Arena or notified to any Colleague who possesses a Company email address.

***Questions, concerns and training updates***

Training will be provided regularly, as part of our standard Legal training. We encourage you to email [Legal@Murano.com](mailto:Legal@Murano.com) with any questions on how to apply this Policy.

Comments, suggestions and queries should also be addressed to [Legal@Murano.com](mailto:Legal@Murano.com).

***Approval and oversight of this Policy***

The Chief Legal Officer has overall responsibility for our legal affairs, with day-to-day maintenance of this Policy carried out by the Legal Team.

US Legal Annex

Restricted Transactions

The Company has determined that there is a heightened legal risk and/or the appearance of improper or inappropriate conduct associated with certain types of transactions. Therefore, if this Policy applies to you, you may not engage in certain transactions, or should otherwise consider the Company's preferences, as described below.

**Short-Term Trading:** Short-term trading of Company securities may be distracting and may unduly focus on the Company's short-term stock market performance instead of long-term business objectives. For these reasons, any director, officer or other employee of the Company who purchases Company securities in the open market may not sell any Company securities of the same class during the six months following the purchase (or vice versa).

**Short Sales:** Short sales of Company securities (*i.e.*, the sale of a security that the seller does not own) may evidence an expectation that the securities will decline in value, and therefore have the potential to signal to the market that the seller lacks confidence in the Company's prospects. In addition, short sales may reduce a seller's incentive to seek to improve the Company's performance. For these reasons, short sales of Company securities are prohibited. (Short sales arising from certain types of hedging transactions are governed by the paragraph below captioned 'Hedging Transactions'.)

**Publicly-Traded Options:** Given the relatively short term of publicly-traded options, transactions in options may create the appearance that they are based on Material Non-Public Information and focus the attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in put options, call options or other derivative securities, on an exchange or otherwise, are prohibited by this Policy. (Option positions arising from certain types of hedging transactions are governed by the next paragraph below.)

**Hedging Transactions:** Hedging or monetisation transactions can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. Such hedging transactions may permit a director, officer or employee to continue to own Company securities obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the holder no longer has the same objectives as the Company's other shareholders. Therefore, the Company prohibits you from engaging in such transactions.

**Margin Accounts and Pledged Securities:** Securities held in a margin account as collateral for a margin loan may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of Material Non-Public Information or otherwise not permitted to trade in Company securities, directors, officers and other employees are prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan, save where:

1. the party seeking to make a pledge must:
  - a. fully disclose the material financial and legal terms of the pledge or margin account to the Board at the time of seeking clearance, these terms may be provided through the draft pledging agreement or in summary provided that the summary contain all information which the Board reasonably requires, at their sole discretion from time to time, in order to assess and manage any conflicts of interest or securities law consideration relating to the pledge or margin account;
  - b. must seek and receive clearance to trade/deal as per the insider trading pre-clearance procedures and follow reasonable post-transaction disclosures procedures as required by the Company from time-to-time;
  - c. the contract for the pledge or margin account must be fully executed during a clearance window;
  - d. the contract for the pledge or margin account must be fully compliant with US securities regulations;
  - e. Any increase to the pledging value, drawdown or change in the margin call value should be treated as a 'trade' for the purposes of complying with this Policy.

Pledges of Company securities arising from certain types of hedging transactions are governed by the paragraph above captioned 'Hedging Transactions'.

**Standing and Limit Orders:** Standing and limit orders (except standing and limit orders under approved Rule 10b5-1 Plans, as described below) create heightened risks for Insider Trading violations similar to the use of margin accounts. There is no control over the timing of purchases or sales that result from standing instructions to a broker, and as a result, a broker could execute a transaction when you are in possession of Material Non-Public Information. The Company therefore discourages placing standing or limit orders on Company securities. If a person subject to this Policy determines that they must use a standing order or limit order, the order should be placed to a short duration and should otherwise comply with the restrictions and procedures outlined for pre-clearance.

Exceptions

Transactions Under Company Plans

This Policy does not apply in the case of the following transactions, except as specifically noted:

1. **Share Option Exercises:** This Policy does not apply to the exercise of an employee share option acquired pursuant to the Company's plans, or to the exercise of a tax withholding right pursuant to which a person has elected to have the Company withhold shares subject to an option to satisfy tax withholding requirements. This Policy does apply, however, to any sale of shares as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.
2. **Restricted Share Awards:** This Policy does not apply to the vesting of restricted shares, or the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares to satisfy tax withholding requirements upon the vesting of any restricted shares. The Policy does apply, however, to any market sale of restricted shares.
3. **401(k) Plan:** This Policy does not apply to purchases of Company securities in the Company's 401(k) plan (if any) resulting from your periodic contribution of money to the plan pursuant to your payroll deduction election. This Policy does apply, however, to certain elections you may make under the 401(k) plan, including: (a) an election to increase or decrease the percentage of your periodic contributions that will be allocated to the Company shares fund; (b) an election to make an intra-plan transfer of an existing account balance into or out of the Company shares fund; (c) an election to borrow money against your 401(k) plan account if the loan will result in a liquidation of some or all of your Company shares fund balance; and (d) an election to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company shares fund.
4. **Employee Share Purchase Plan:** This Policy does not apply to purchases of Company securities in the employee share purchase plan (if any) resulting from your periodic or lump sum contribution of money to the plan pursuant to the election you made at the time of your enrolment in the plan. This Policy does apply, however, to your initial election to participate in the plan, changes to your election to participate in the plan for any enrolment period, and to your sales of Company securities purchased pursuant to the plan.





5. Dividend Reinvestment Plan: This Policy does not apply to purchases of Company securities under the Company's dividend reinvestment plan (if any) resulting from your reinvestment of dividends paid on Company securities. This Policy does apply, however, to voluntary purchases of Company securities resulting from additional contributions you choose to make to the dividend reinvestment plan, and to your election to participate in the plan or increase your level of participation in the plan. This Policy also applies to your sale of any Company securities purchased pursuant to the plan.

#### Transactions Not Involving a Purchase or Sale

Bona fide gifts are not transactions subject to this Policy, unless the person making the gift has reason to believe that the recipient intends to sell the Company securities while the officer, employee or director is aware of Material Non-Public Information, or the person making the gift is subject to the trading restrictions specified in Part I under Pre-Clearance and Blackouts and the sales by the recipient of the Company Securities occur during a Blackout Period.

Further, transactions in mutual funds that are invested in Company securities are not transactions subject to this Policy.

#### Rule 10b5-1 Plans

Rule 10b5-1 under the Exchange Act provides a defence from Insider Trading liability. In order to be eligible to rely on this defence, a person subject to this Policy must enter into a Rule 10b5-1 Plan for transactions in Company securities that meets certain conditions specified in the Rule (a "Rule 10b5-1 Plan"). If the plan meets the requirements of Rule 10b5-1, Company securities may be purchased or sold without regard to certain Insider Trading restrictions. To comply with the Policy, Rule 10b5-1 Plans must be approved by the Chief Legal Officer and meet the requirements of Rule 10b5-1. In general, a Rule 10b5-1 Plan must be entered into at a time when the person entering into the plan is not aware of Material Non-Public Information. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. The plan must either specify the amount, pricing and timing of transactions in advance, or delegate discretion on these matters to an independent third party.

Any Rule 10b5-1 Plan must be submitted to the Chief Legal Officer for approval five days prior to the entry into, or amendment of, the Rule 10b5-1 Plan. No further pre-approval of transactions conducted pursuant to the Rule 10b5-1 Plan will be required if the Rule 10b5-1 Plan is approved by the Chief Legal Officer. Notwithstanding any pre-clearance of a Rule 10b5-1 Plan, the Company, its directors and its officers assume no liability for the consequences of any transaction made pursuant to such plan. The Chief Legal Officer may reject a plan or a modification thereof if, in their sole discretion, they feel it will create an undue financial or administrative burden on the Company.

Definition of 'securities'

The term securities includes the Company's ordinary shares, options to purchase ordinary shares, or any other type of securities that the Company may issue, including (but not plc to) preferred shares, convertible debentures, bonds and warrants, as well as derivative securities that are not issued by the Company, such as exchange-traded put or call options or swaps relating to the Company's securities.

Any activity contravening this Policy, whether actual or suspected, must be reported using the emailed to [Legal@Murano.com](mailto:Legal@Murano.com).

<b>Policy Number</b>	MGI-POL-03	<b>Version No</b>	V.1
<b>Effective Date</b>	Closing date of de-SPAC	<b>Next Review Date</b>	Q1 - 2025
<b>Policy Owner</b>	Chief Legal Officer	<b>Policy Approved By</b>	Board of Directors

CERTIFICATIONS

I, Elias Sacal Cababie, certify that:

1. I have reviewed this annual report on Form 20-F of Murano Global Investments PLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 30, 2024

/s/ Elias Sacal Cababie  
Elias Sacal Cababie  
Chief Executive Officer

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CERTIFICATIONS

I, David Galan, certify that:

1. I have reviewed this annual report on Form 20-F of Murano Global Investments PLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 30, 2024

/s/ David Galan

David Galan  
Chief Financial Officer

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CERTIFICATIONS

I, Marcos Sacal Cohen, certify that:

1. I have reviewed this annual report on Form 20-F of Murano Global Investments PLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 30, 2024

/s/ Marcos Sacal Cohen

Marcos Sacal Cohen  
Chief Operating Officer

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## Murano Global Investments Plc

## POLICY FOR THE RECOVERY OF ERRONEOUSLY AWARDED INCENTIVE BASED COMPENSATION

## A. OVERVIEW

In accordance with the applicable rules of The Nasdaq Stock Market (the "*Nasdaq Rules*"), Section 10D and Rule 10D-1 of the Securities Exchange Act of 1934, as amended (the "*Exchange Act*") ("*Rule 10D-1*"), Murano Global Investments Plc (the "*Company*") has adopted this Policy (the "*Policy*") to provide for the recovery or "clawback" of erroneously awarded Incentive-based Compensation from Executive Officers of the Company. All capitalized terms used and not otherwise defined herein shall have the meanings set forth in Section H, below.

## B. RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION

(1) In the event of an Accounting Restatement, the Company will reasonably promptly recover the Erroneously Awarded Compensation Received in accordance with Nasdaq Rules and Rule 10D-1 as follows:

(i) After an Accounting Restatement, the Compensation Committee (if composed entirely of independent directors, or in the absence of such a committee, a majority of independent directors serving on the Board) (the "*Committee*") shall determine the amount of any Erroneously Awarded Compensation Received by each Executive Officer and shall promptly notify each Executive Officer with a written notice containing the amount of any Erroneously Awarded Compensation and a demand for repayment or return of such compensation, as applicable.

(a) For Incentive-based Compensation based on (or derived from) the Company's stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in the applicable Accounting Restatement:

- i. The amount to be repaid or returned shall be determined by the Committee based on a reasonable estimate of the effect of the Accounting Restatement on the Company's stock price or total shareholder return upon which the Incentive-based Compensation was Received; and
- ii. The Company shall maintain documentation of the determination of such reasonable estimate and provide the relevant documentation as required to the Nasdaq.

(ii) The Committee shall have discretion to determine the appropriate means of recovering Erroneously Awarded Compensation based on the particular facts and circumstances. Notwithstanding the foregoing, except as set forth in Section B(2) below, in no event may the Company accept an amount that is less than the amount of Erroneously Awarded Compensation in satisfaction of an Executive Officer's obligations hereunder.

(iii) To the extent that the Executive Officer has already reimbursed the Company for any Erroneously Awarded Compensation Received under any duplicative recovery obligations established by the Company or applicable law, it shall be appropriate for any such reimbursed amount to be credited to the amount of Erroneously Awarded Compensation that is subject to recovery under this Policy.

(iv) To the extent that an Executive Officer fails to repay all Erroneously Awarded Compensation to the Company when due, the Company shall take all actions reasonable and appropriate to recover such Erroneously Awarded Compensation from the applicable Executive Officer. The applicable Executive Officer shall be required to reimburse the Company for all expenses reasonably incurred (including legal fees) by the Company in recovering such Erroneously Awarded Compensation in accordance with the immediately preceding sentence.

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(2) Notwithstanding anything herein to the contrary, the Company shall not be required to take the actions contemplated by Section B(1) above if the Committee (which, as specified above, is composed entirely of independent directors or in the absence of such a committee, a majority of the independent directors serving on the Board) determines that recovery would be impracticable *and* any of the following three conditions are met:

(i) The Committee has determined that the direct expenses paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered. Before making this determination, the Company must make a reasonable attempt to recover the Erroneously Awarded Compensation, document such attempt(s) and provide such documentation to Nasdaq;

(ii) Recovery would violate home country law where that law was adopted prior to November 28, 2022, provided that, before determining that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law, the Company has obtained an opinion of home country counsel, acceptable to Nasdaq, that recovery would result in such a violation and a copy of the opinion is provided to Nasdaq; or

(iii) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code of 1986, as amended, and regulations thereunder.

#### C. DISCLOSURE REQUIREMENTS

The Company shall file all disclosures with respect to this Policy and recoveries under this Policy in accordance with the requirements of the U.S. Federal securities laws, including the disclosure required by the applicable U.S. Securities and Exchange Commission ("*SEC*") filings and rules.

#### D. PROHIBITION OF INDEMNIFICATION

Notwithstanding the terms of any indemnification arrangement or insurance policy with any individual covered by this Policy, the Company shall not be permitted to insure or indemnify any Executive Officer or former Executive Officer against (i) the loss of any Erroneously Awarded Compensation that is repaid, returned, or recovered pursuant to the terms of this Policy, or (ii) any claims relating to the Company's enforcement of its rights under this Policy. Further, the Company shall not enter into any agreement that exempts any Incentive-based Compensation that is granted, paid, or awarded to an Executive Officer from the application of this Policy or that waives the Company's right to recovery of any Erroneously Awarded Compensation, and this Policy shall supersede any such agreement (whether entered into before, on or after the Effective Date of this Policy).

#### E. ADMINISTRATION AND INTERPRETATION

This Policy shall be administered by the Committee, and any determinations made by the Committee shall be final and binding on all affected individuals.

The Committee is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy and for the Company's compliance with Nasdaq Rules, Section 10D, Rule 10D-1 and any other applicable law, regulation, rule or interpretation of the SEC or Nasdaq promulgated or issued in connection therewith.

#### F. AMENDMENT; TERMINATION

The Committee may amend this Policy from time to time in its discretion and shall amend this Policy as it deems necessary. Notwithstanding anything in this Section F to the contrary, no amendment or termination of this Policy shall be effective if such amendment or termination would (after taking into account any actions taken by the Company contemporaneously with such amendment or termination) cause the Company to violate any federal securities laws, SEC rule or Nasdaq rule.

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#### G. OTHER RECOVERY RIGHTS

This Policy shall be binding and enforceable against all Executive Officers and, to the extent required by applicable law or guidance from the SEC or Nasdaq, their beneficiaries, heirs, executors, administrators, or other legal representatives. The Committee intends that this Policy will be applied to the fullest extent required by applicable law. Any employment agreement, equity award agreement, compensatory plan or any other agreement or arrangement with an Executive Officer shall be deemed to include, as a condition to the grant of any benefit thereunder, an agreement by the Executive Officer to abide by the terms of this Policy. Any right of recovery under this Policy is in addition to, and not in lieu of, any other remedies or rights of recovery that may be available to the Company under applicable law, regulation, or rule or pursuant to the terms of any policy of the Company or any provision in any employment agreement, equity award agreement, compensatory plan, agreement, or other arrangement.

#### H. DEFINITIONS

For purposes of this Policy, the following capitalized terms shall have the meanings set forth below.

- (1) “**Accounting Restatement**” means an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements (a “Big R” restatement), or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a “little r” restatement).
  - (2) “**Board**” means the Board of Directors of the Company.
  - (3) “**Clawback Eligible Incentive Compensation**” means all Incentive-based Compensation Received by an Executive Officer (i) on or after the effective date of the applicable Nasdaq rules, (ii) after beginning service as an Executive Officer, (iii) who served as an Executive Officer at any time during the applicable performance period relating to any Incentive-based Compensation (whether or not such Executive Officer is serving at the time the Erroneously Awarded Compensation is required to be repaid to the Company), (iv) while the Company has a class of securities listed on a national securities exchange or a national securities association, and (v) during the applicable Clawback Period (as defined below).
  - (4) “**Clawback Period**” means, with respect to any Accounting Restatement, the three completed fiscal years of the Company immediately preceding the Restatement Date (as defined below), and if the Company changes its fiscal year, any transition period of less than nine months within or immediately following those three completed fiscal years.
  - (5) “**Erroneously Awarded Compensation**” means, with respect to each Executive Officer in connection with an Accounting Restatement, the amount of Clawback Eligible Incentive Compensation that exceeds the amount of Incentive-based Compensation that otherwise would have been Received had it been determined based on the restated amounts, computed without regard to any taxes paid.
  - (6) “**Executive Officer**” means each individual who is currently or was previously designated as an “officer” of the Company as defined in Rule 16a-1(f) under the Exchange Act. For the avoidance of doubt, the identification of an executive officer for purposes of this Policy shall include each executive officer who is or was identified pursuant to Item 401(b) of Regulation S-K or Item 6.A of Form 20-F, as applicable, as well as the principal financial officer and principal accounting officer (or, if there is no principal accounting officer, the controller).
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(7) “**Financial Reporting Measures**” means measures that are determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and all other measures that are derived wholly or in part from such measures. Stock price and total shareholder return (and any measures that are derived wholly or in part from stock price or total shareholder return) shall, for purposes of this Policy, be considered Financial Reporting Measures. For the avoidance of doubt, a Financial Reporting Measure need not be presented in the Company’s financial statements or included in a filing with the SEC.

(8) “**Incentive-based Compensation**” means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

(9) “**Nasdaq**” means The Nasdaq Stock Market.

(10) “**Received**” means, with respect to any Incentive-based Compensation, actual or deemed receipt, and Incentive-based Compensation shall be deemed received in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive-based Compensation award is attained, even if the payment or grant of the Incentive-based Compensation to the Executive Officer occurs after the end of that period.

(11) “**Restatement Date**” means the earlier to occur of (i) the date the Board, a committee of the Board or the officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.

Effective as of March 1<sup>st</sup>, 2024

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**Exhibit A**

**ATTESTATION AND ACKNOWLEDGEMENT OF POLICY FOR THE RECOVERY OF ERRONEOUSLY AWARDED INCENTIVE BASED COMPENSATION**

By my signature below, I acknowledge and agree that:

I have received and read the attached Policy for the Recovery of Erroneously Awarded Compensation (this "*Policy*").

I hereby agree to abide by all the terms of this Policy both during and after my employment with the Company, including, without limitation, by promptly repaying or returning any Erroneously Awarded Compensation to the Company as determined in accordance with this Policy.

Signature:

Printed Name:

Date:

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