

The additional concession fee for the periods ending March 2020 and March 2021 was U.S.\$17.2 million and U.S.\$8.5 million, respectively. In the period ending in March 2022 we didn't generate any additional concession fee.

Under the terms of the NMIA Concession Agreement and the relevant tax legislation, PACKAL is required to pay a monthly concession fee of 62.01% of the total aeronautical and non-aeronautical revenues based on the gross revenues of NMIA, to the Jamaican government to allow it to use and develop the assets subject to the concession, except for certain cost recovery allowances.

For 2020, 2021 and 2022, PACKAL paid Ps.294.1 million, Ps.395.5 million and Ps.697.5 million, respectively, in concession fees.

#### *Depreciation and Amortization*

##### *Depreciation and Amortization of Mexican Assets*

Our depreciation and amortization expenses primarily reflect the amortization of our investment in our twelve Mexican concessions, which we began amortizing for accounting purposes in August 1999, the date on which the value of our Mexican concessions was determined based on the value assigned by AMP to our Series BB shares as part of its winning bid to acquire its 15% interest in us. In addition, we write-off the value of certain fixed assets we acquire or build at our Mexican airports pursuant to the investment requirements under our Master Development Programs and could be superseded by new investments. In 2020, we did not write off any amounts. In 2021 and 2022, these write-offs totaled Ps.10.3 million and Ps.15.5 million, respectively. For further information regarding depreciation and amortization expenses, refer to Notes 7, 8, 9, 10 and 11 to our audited consolidated financial statements.

##### *Depreciation and Amortization of Jamaican Assets*

Our depreciation and amortization expenses in Jamaica primarily reflect the amortization of our investment in our Jamaican airports. This includes the value of certain fixed assets the airports acquired pursuant to the investment requirements under their respective Capital Development Programs. In addition, amortization of MBJA and NMIA concessions' fair value. For further information regarding depreciation and amortization expenses, refer to Notes 7, 8, 9, 10 and 11 to our audited consolidated financial statements.

#### **Cost of Improvements to Concession Assets**

In compliance with our Master Development Programs in Mexico and the Capital Development Program in Jamaica, we invest in additions and upgrades to our concession assets. These investments are reflected according to IFRIC 12. In our case, because we hire third parties to provide construction and upgrade services and we do not recognize a premium on the cost of services, our revenues from improvements to concession assets are equal to the cost of improvements to concession assets such that the application of IFRIC 12 does not have a cash impact on our results.

#### **Taxation**

We and each of our subsidiaries pay taxes on an individual (rather than a consolidated) basis.

Our effective tax rates in 2020, 2021 and 2022 were 19.6%, 22.8% and 25.2%, respectively.

In 2022, our effective tax rate increased 237 basis points as compared to 2021, resulting from a Ps.1,534.1 million increase in our current tax expense due to a 56.8% increase in our income before income taxes as a result of the recovery in passenger traffic. This increase was offset due to a Ps.229.4 million increase in deferred income tax benefits due to higher inflation. The inflation rate in Mexico increased from 7.4% in 2021 to 7.8% in 2022.

In 2021, our effective tax rate increased 323 basis points as compared to 2020, resulting from a Ps.1,593.2 million increase in our current tax expense due to a 220.8% increase in our income before income taxes as a result of the recovery from the COVID-19 pandemic lockdowns. This increase was also due to a Ps.274.7 million increase in deferred income tax benefits due to higher inflation. The inflation rate in Mexico increased from 3.2% in 2020 to 7.4% in 2021.

In 2020, our effective tax rate decreased 610 basis points as compared to 2019, resulting from a Ps.1,333.3 million decrease in our current tax expense due to a 67.6% decrease in our earnings before income taxes as a result of the effects of the COVID-19 pandemic. This decrease was partially offset by a Ps.91.1 million increase in deferred income tax benefits due to higher inflation. The inflation rate in Mexico increased from 2.8% in 2019 to 3.2% in 2020.

In terms of cash flows, we paid Ps.812.0 million, Ps.1,017.1 million and Ps.4,356.8 million, in corporate taxes in 2020, 2021 and 2022, respectively, representing 34.0%, 13.0% and 35.5% of our earnings before taxes.

### *Taxation in Mexico*

Beginning in 2014, the Mexican income tax rate was set at 30%. The income tax rate applies to all of our Mexican entities except for those entities with operations located on the Mexican side of the border with the United States, which are subject to an income tax rate of 20% pursuant to the Decree for Fiscal Incentives in the Northern Border Region (*Decreto de Estímulos Fiscales Región Fronteriza Norte*). On December 30, 2020, the Mexican government published a decree in the Official Gazette that extends the period during which the 20% income tax rate will apply to December 31, 2024.

We regularly review our deferred tax assets for recoverability. These assets are reduced as necessary to the extent that a future tax benefit is no longer probable. This is based on an analysis of historical taxable income, projected future taxable income and the expected timing of the reversal of existing temporary differences. In addition, Mexican tax law allows Mexican companies utilizing tax amortization rates that are lower than the maximum allowable rates to modify their tax amortization rates every five years, without exceeding the maximum allowable rate. Beginning in 2000, we utilized rates lower than the 15% maximum allowable rate to amortize our airport concessions and rights to use airport facilities for tax purposes.

### *Taxation in Jamaica*

Jamaican companies, including our Jamaican airports, are required to pay corporate income tax on taxable profits, employer taxes on certain employee costs and a value-added tax on services offered.

Corporate income tax is applicable on taxable profit at a rate of 25%, but taxable profit may be reduced by an employer tax credit of up to the total amount of employer and certain obligatory employee taxes timely paid during any fiscal year. However, this employer tax credit is clawed back if any dividends are paid to shareholders in subsequent fiscal years, based on a prescribed formula. In 2020, 2021 and 2022, our Jamaican airports incurred U.S.\$1.0 million (Ps.21.1 million), U.S.\$6.9 million (Ps.139.2 million) and U.S.\$16.7 million (Ps.334.6 million), respectively, in corporate income tax liabilities.

### **Employee Profit Sharing**

#### *Employee Profit Sharing in Mexico*

We are subject to the statutory employee profit sharing regime established under the Mexican Federal Labor Law (*Ley Federal del Trabajo*). Under this regime, 10% of each unconsolidated company's annual profits (as calculated for tax purposes) must be distributed among its employees, other than its chief executive officer. Profit sharing is calculated by adjusting the year's taxable income by the income tax for that year as amended by certain provisions. As a result of the 2021 Labor Reform, the employee profit sharing distribution is capped at three months' employee salary or the average distribution made over the previous three years, whichever is higher. Therefore, the effective payment for this concept is significantly less than the established percentage.

#### *Employee Profit Sharing in Jamaica*

Our Jamaican airports are not subject to a profit sharing regime.

### **Employee Retirement Plans**

#### *Employee Retirement Plans in Mexico*

Under Mexican legislation, we must make payments equivalent to 2% of our workers' comprehensive daily salary to a defined contribution plan that is part of the retirement savings system. This expense amounted to Ps.8.7 million in 2020, Ps.9.7 million in 2021 and Ps.12.5 million in 2022.

#### *Employee Retirement Plans in Jamaica*

MBJA participates in a defined contribution pension scheme, the assets of which are held in a separate fund administered by trustees and a fund Administrator. Under this contribution pension scheme MBJA pays fixed percentage contributions to the fund, which are funded by payments from employees and the company. MBJA's contributions are charged to the statement of comprehensive income for the year to which they relate. This expense amounted to Ps.0.9 million in 2020, Ps.1.6 million in 2021 and Ps.2.8 million in 2022.

As of October 10, 2020 PACKAL participates in a defined contribution pension scheme, given that all employees are permanent. The assets of the pension are held in an Approved Retirement Scheme. Under this contribution pension scheme, PACKAL pays fixed percentage contributions to the fund, which are funded by payments from employees and the company. PACKAL's contributions are charged to the statement of comprehensive income for the year to which they relate. This expense amounted to Ps.0.4 million in 2020, Ps.1.0 million in 2021 and Ps.1.9 million in 2022.

## Effects of Devaluation and Inflation

The following table sets forth, for the periods indicated, the percentage change in the price of the Mexican peso against the U.S. dollar, the Mexican inflation rate, the U.S. inflation rate, and Mexican GDP, each as compared to the previous period:

	Year ended December 31,		
	2020	2021	2022
(Appreciation) Depreciation of the Mexican peso as compared to the U.S. dollar (1)	5.9%	3.3%	(5.9)%
Mexican inflation rate (2)	3.2%	7.4%	7.8%
U.S. inflation rate (3)	1.4%	7.0%	6.5%
Increase in Mexican GDP (4)	(8.2)%	5.0%	3.0%

- (1) Based on changes in the rates for calculating foreign exchange liabilities, as reported by the Mexican Central Bank (*Banco de México*), at the end of each period, which were as follows: Ps.19.9487 per U.S.\$1.00 as of December 31, 2020, Ps.20.5835 per U.S.\$1.00 as of December 31, 2021 and Ps.19.3615 per U.S.\$1.00 as of December 31, 2022.
- (2) Based on changes in the Mexican CPI from the previous period, as reported by INEGI. The Mexican CPI at year-end was 109.272 in 2020, 117.308 in 2021 and 126.481 in 2022.
- (3) As reported by the U.S. Bureau of Labor Statistics.
- (4) Estimated as reported by INEGI.

The general condition of the Mexican economy, changes in the value of the peso as compared to the U.S. dollar, inflation and high interest rates have in the past adversely affected, and may in the future adversely affect, our:

- Depreciation and amortization expense. According to IFRS, if inflation rates over a three-year period approach or exceed 100.0%, the incorporation of inflation into an entity's financial statements becomes necessary. Therefore, non-monetary assets would be restated, and as a result, the depreciation and amortization of those assets would be higher, negatively affecting our net income.
- Passenger charges. Passenger charges for international passengers are currently denominated in U.S. dollars but are invoiced and collected in pesos. Meanwhile, passenger charges for domestic passengers are denominated in pesos. Consequently, an appreciation of the peso against the U.S. dollar could cause declines in our revenues from passenger charges for international passengers and consequently in our aeronautical revenues. This would also produce a decline in peso-denominated revenues when compared with the previous year, because our tariffs for the services we provide to international flights or international passengers are denominated in U.S. dollars but are generally invoiced and paid for in Mexican pesos based on the average exchange rate for the month prior to each flight on which the charge is incurred.
- Finance income (cost). As required by IFRS, our finance income (cost) reflects gains or losses from foreign exchange and gains and losses from interest earned or incurred, and as a consequence a depreciation or appreciation of the peso would impact the finance income (cost).
- Maximum rates in pesos. Our tariffs for the services we provide in our Mexican airports to international flights or international passengers are denominated in U.S. dollars. However, they are generally invoiced and paid in Mexican pesos based on the average exchange rate for the month prior to each flight. During 2020, 2021 and 2022, we collected passenger charges from airlines for an average period of 67, 62 and 63 days, respectively. We intend to charge prices that are as close as possible to the maximum rates that we can charge. Since we are usually only entitled to adjust our specific prices once every six months (or earlier upon a cumulative increase of 5% in the Mexican PPI, excluding petroleum), a depreciation of the peso as compared to the U.S. dollar, particularly late in the year, could cause us to exceed the maximum rates at one or more of our airports, possibly leading to the termination of one of our Mexican concessions if it is repeated and sanctioned by the SICT at least three times. In the event that any one of our Mexican concessions is terminated, our other Mexican concessions may also be terminated. In addition, if the peso appreciates as compared to the U.S. dollar, we may underestimate the specific prices we can charge for regulated services. We may also be unable to adjust our prices upwards to maximize our regulated revenues.
- Non-aeronautical revenues. In addition, some of our non-aeronautical revenue contracts are denominated and invoiced in U.S. dollars; however, some of them are collected in Mexican pesos. Consequently, an appreciation of the peso against the U.S. dollar would cause declines in our revenues from these U.S. dollar-denominated contracts.

## Results of Operations by Subsidiary

Historically, our most profitable airports have been our Guadalajara, Los Cabos, Montego Bay and Puerto Vallarta international airports, which handle the majority of our international passengers. However, in 2020 due to the impact of the COVID-19 pandemic on our airports in tourist areas, our Tijuana airport was our second airport with the most passenger traffic. In 2020, our Tijuana airport had the lowest percentage

decrease in passenger traffic (a decrease of 29.2% as compared to 2019). In 2021 and 2022, our Tijuana airport had the highest percentage increase in passenger traffic (an increase of 8.4% and 38.1% as compared to 2019).

We determine profitability per airport by dividing income from operations at each airport by total revenues for that airport. Operating margins at our Tijuana airport historically have been lower than at our other principal airports. This is because the maximum rates applicable to aeronautical services provided at our Tijuana airport are lower than those applicable to our other principal airports. This results from the amortization of our concession relative to the level of revenues being much higher at our Tijuana airport than at our other principal airports. This is because the original concession value assigned to Tijuana International Airport was proportionately higher.

The following table sets forth our results of operations for the years indicated for each of our principal airports and our other subsidiaries:

#### Results of Operations

	Year ended December 31,					
	2020		2021		2022	
	(thousands of pesos, except percentages)					
Guadalajara:						
Revenues:						
Aeronautical services	Ps.	2,103,574	Ps.	3,296,419	Ps.	4,562,120
Non-aeronautical services		591,789		783,252		877,101
		2,695,364		4,079,672		5,439,221
Improvements to concession assets (1)				1,463,854		2,474,815
		614,479				
Total revenues		3,309,842		5,543,525		7,914,036
Total costs		1,837,386		2,929,322		4,016,621
Costs of operations (2)		752,508		972,506		1,038,575
Cost of improvements to concession assets (1)		614,479				
				1,463,854		2,474,815
Depreciation and amortization		368,964		390,393		439,418
Other expense		101,435		102,569		63,813
Income from operations		1,472,456		2,614,203		3,897,415
Operating margin (3)		44.49%		47.16%		49.25%
Tijuana:						
Revenues:						
Aeronautical services	Ps.	1,192,187	Ps.	1,944,451	Ps.	2,690,693
Non-aeronautical services		335,419		431,706		532,955
		1,527,606		2,376,156		3,223,648
Improvements to concession assets (1)		681,755		876,292		751,422
Total revenues		2,209,360		3,252,448		3,975,070
Total costs		1,407,306		1,756,191		1,747,712
Costs of operations (2)		406,858		550,855		652,611
Cost of improvements to concession assets (1)		681,755		876,292		751,422
Depreciation and amortization		254,634		255,470		341,674
Other expense		64,059		73,574		2,006
Income from operations		802,055		1,496,257		2,227,358
Operating margin (3)		36.30%		46.00%		56.03%
Los Cabos:						
Revenues:						
Aeronautical services	Ps.	971,021	Ps.	2,003,087	Ps.	2,711,345
Non-aeronautical services		460,939		839,580		1,093,300
		1,431,961		2,842,667		3,804,645
Improvements to concession assets (1)		339,231		520,812		624,893
Total revenues		1,771,191		3,363,479		4,429,538
Total costs		1,014,561		1,401,722		1,689,683
Costs of operations (2)		367,048		577,543		729,687
Cost of improvements to concession assets (1)		339,231		520,812		624,893
Depreciation and amortization		265,581		261,466		302,052
Other expense		42,702		41,901		33,051
Income from operations		756,630		1,961,757		2,739,855
Operating margin (3)		42.72%		58.33%		61.85%



	Year ended December 31,					
	2020		2021		2022	
	(thousands of pesos, except percentages)					
<b>Puerto Vallarta:</b>						
Revenues:						
Aeronautical services	Ps.	776,424	Ps.	1,336,177	Ps.	2,278,063
Non-aeronautical services		266,442		389,823		524,261
		1,042,866		1,726,000		2,802,324
Improvements to concession assets (1)		67,026		285,667		523,993
Total revenues		1,109,892		2,011,667		3,326,317
Total costs		583,131		929,510		1,333,748
Costs of operations (2)		294,821		393,268		619,672
Cost of improvements to concession assets (1)		67,026		285,667		523,993
Depreciation and amortization		168,579		176,562		196,793
Other expense (income)		52,705		74,012		(6,710 )
Income from operations		526,761		1,082,157		1,992,569
Operating margin (3)		47.46%		53.79%		59.90%
<b>Montego Bay:</b>						
Revenues:						
Aeronautical services	Ps.	695,879	Ps.	1,004,076	Ps.	1,689,682
Non-aeronautical services		327,158		454,519		693,603
		1,023,037		1,458,595		2,383,285
Improvements to concession assets (1)		138,768		93,205		109,715
Total revenues		1,161,805		1,551,800		2,493,000
Total costs		1,250,706		1,145,544		1,370,728
Costs of operations (2)		598,063		565,828		769,014
Cost of improvements to concession assets (1)		138,768		93,205		109,715
Depreciation and amortization		512,098		485,814		491,076
Other expense		1,777		697		923
Income from operations		(88,901)		406,256		1,122,272
Operating margin (3)		(7.65)%		26.18%		45.02%
<b>Guanajuato:</b>						
Revenues:						
Aeronautical services	Ps.	338,633	Ps.	570,402	Ps.	760,779
Non-aeronautical services		113,826		131,977		154,845
		452,459		702,379		915,624
Improvements to concession assets (1)		36,334		8,947		33,868
Total revenues		488,793		711,326		949,492
Total costs		272,749		294,703		344,353
Costs of operations (2)		137,900		188,934		232,591
Cost of improvements to concession assets (1)		36,334		8,947		33,868
Depreciation and amortization		72,362		75,962		80,874
Other expense (income)		26,153		20,860		(2,980 )
Income from operations		216,044		416,623		605,139
Operating margin (3)		44.20%		58.57%		63.73%

		Year ended December 31,					
		2020		2021		2022	
		(thousands of pesos, except percentages)					
<b>Hermosillo:</b>							
Revenues:							
Aeronautical services	Ps		Ps		Ps		
	.	204,650	.	341,493	.	457,013	
Non-aeronautical services		64,609		70,135		79,181	
		269,260		411,628		536,194	
Improvements to concession assets (1)		19,329		17,148		74,231	
Total revenues		288,588		428,776		610,425	
Total costs		230,818		273,085		335,133	
Costs of operations (2)		116,891		168,077		176,020	
Cost of improvements to concession assets (1)		19,329		17,148		74,231	
Depreciation and amortization		76,330		75,820		86,112	
Other expense (income)		18,269		12,040		(1,231)	
Income from operations		57,770		155,691		275,292	
Operating margin (3)		20.02%		36.31%		45.10%	
<b>Other Airport Subsidiaries (4) :</b>							
Revenues:							
Aeronautical services	Ps		Ps		Ps		
	.	943,372	.	1,487,850	.	2,187,038	
Non-aeronautical services		283,982		343,913		415,587	
		1,227,354		1,831,763		2,602,625	
Improvements to concession assets (1)		295,658		102,587		253,467	
Total revenues		1,523,012		1,934,350		2,856,092	
Total costs		1,557,645		1,629,097		2,164,046	
Costs of operations (2)		938,431		1,199,842		1,644,987	
Cost of improvements to concession assets (1)		295,658		102,587		253,467	
Depreciation and amortization		240,766		269,678		284,653	
Other expense (income)		82,790		56,990		(19,062)	
Income from operations		(34,633)		305,253		692,047	
Operating margin (3)		(2.27)%		15.78%		24.23%	
<b>Other Subsidiaries (5) :</b>							
Revenues:							
Non-aeronautical services	Ps		Ps		Ps		
	.	3,889	.	217,534	.	826,406	
Total revenues		3,889		217,534		826,406	
Total costs		(107,918)		(201,460)		564,159	
Costs of operations (2)		253,651		130,041		569,727	
Depreciation and amortization		41,046		59,373		90,669	
Other (income)		(402,615)		(390,874)		(96,237)	
Income from operations		111,807		418,995		262,248	
Total:							
Revenues:							
Aeronautical services	Ps		Ps		Ps		
	.	7,225,742	.	11,983,954	.	17,336,734	
Non-aeronautical services		2,448,053		3,662,441		5,197,238	
		9,673,795		15,646,395		22,533,972	
Improvements to concession assets (1)		2,192,578		3,368,511		4,846,404	
Total revenues		11,866,373		19,014,906		27,380,376	
Total costs		8,046,384		10,157,714		13,566,182	
Costs of operations (2)		3,866,170		4,746,895		6,432,884	
Cost of improvements to concession assets (1)		2,192,578		3,368,511		4,846,404	
Depreciation and amortization		2,000,361		2,050,539		2,313,321	
Other (income)		(12,725)		(8,231)		(26,427)	
Income from operations		3,819,989		8,857,192		13,814,194	
Operating margin (3)		32.19%		46.58%		50.45%	

(1) Corresponds to recognition of revenues and costs pursuant to IFRIC 12.

(2) Cost of operations includes cost of services, technical assistance fees and concession taxes.

(3) We determine operating margin per airport by dividing income from operations at each airport or group of airports by total revenues for that airport or group of airports.

- (4) Reflects the results of operations of our Morelia, La Paz, Aguascalientes, Mexicali, Los Mochis, Manzanillo and Kingston airports.
- (5) Other subsidiaries data reflects the results of operations of our principal holding company as well as those of our administrative, operating and car parking services providers.

The following table sets forth a summary of our consolidated results of operations for the years indicated:

### Summary Consolidated Results of Operations

	Year ended December 31,				% change
	2020	2021	2022		
	(thousands of pesos, except percentages)				
<b>Revenues:</b>					
Aeronautical services	Ps. 7,225,742	Ps. 11,983,954	Ps. 17,336,734		44.7 %
Non-aeronautical services	2,448,053	3,662,441	5,197,238		41.9 %
	9,673,795	15,646,395	22,533,972		44.0 %
Improvements to concession assets	2,192,578	3,368,511	4,846,404		43.9 %
Total revenues	11,866,373	19,014,906	27,380,376		44.0 %
<b>Operating costs:</b>					
Employee cost (1)	970,481	1,115,750	1,373,264		23.1 %
Maintenance (1)	426,523	546,548	730,568		33.7 %
Safety, security and insurance (1)	458,316	510,440	577,122		13.1 %
Utilities (1)	355,562	391,836	474,032		21.0 %
Allowance for expected credit loss (1)	86,596	15,487	41,444		167.6 %
Other operating cost (1)	371,229	409,570	584,624		42.7 %
Technical assistance fees	289,154	526,220	756,648		43.8 %
Concession taxes	908,310	1,231,044	1,895,182		53.9 %
Depreciation and amortization	2,000,360	2,050,539	2,313,321		12.8 %
Other income	(12,726)	(8,231)	(26,427)		221.1 %
Cost of improvements to concession assets					%
	2,192,578	3,368,511	4,846,404		43.9 %
Total costs	8,046,384	10,157,714	13,566,182		33.6 %
Income from operations	3,819,989	8,857,192	13,814,194		56.0 %
<b>Finance cost</b>					
Finance income	410,512	420,271	835,989		98.9 %
Finance cost	(1,514,250)	(1,686,540)	(2,455,918)		45.6 %
Exchange gain, net	(330,484)	238,339	81,420		(65.8) %
Net finance cost	(1,434,222)	(1,027,930)	(1,538,509)		49.7 %
Share of profit of associate	3	1	1		0.0 %
Income before income taxes	2,385,770	7,829,263	12,275,686		56.8 %
Income tax expense	467,067	1,785,546	3,090,212		73.1 %
Profit for the year	1,918,703	6,043,717	9,185,474		52.0 %
<b>Other comprehensive income</b>					
Items that are or may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations	580,308	30,810	(488,316)		(1,684.9) %
Cash flow hedges, effective portion of changes in fair value, net of income tax	(299,013)	500,765	100,966		(79.8) %
Items that will not be reclassified to profit or loss:					
Remeasurements of employee benefit - net of income tax	(16,658)	15,263	8,802		(42.3) %
<b>Total comprehensive income for the year</b>	2,183,340	6,590,555	8,806,926		33.6 %
<b>Profit for the year attributable to:</b>					
Controlling interest	1,968,856	5,997,492	9,013,147		50.3 %
Non-controlling interesting	(50,153)	46,225	172,327		272.8 %
Profit for the year	1,918,703	6,043,717	9,185,474		52.0 %
<b>Total comprehensive income for the year</b>					
Controlling interest	2,164,639	6,510,307	8,664,216		33.1 %
Non-controlling interesting	18,701	80,248	142,710		77.8 %
Total comprehensive income for the year	2,183,340	6,590,555	8,806,926		33.6 %
<b>Other operating data:</b>					
Operating margin (2)	32.2 %	46.6 %	50.5 %		8.4 %
Net margin (3)	16.2 %	31.8 %	33.5 %		5.3 %



- (1) Cost of services includes employee cost, maintenance, safety, security, insurance, utilities, allowance for ECL and other operating cost.
- (2) Income from operations divided by total revenues, expressed as a percentage.
- (3) Profit for the year divided by total revenues, expressed as a percentage.

## **Results of Operations for the Year ended December 31, 2022 Compared to the Year Ended December 31, 2021**

### **Revenues**

Total revenues increased by Ps.8,365.5 million, or 44.0%, from Ps.19,014.9 million in 2021 to Ps.27,380.4 million in 2022. This is a result of the increase in passenger traffic and the increase in the maximum tariffs applicable in 2022. The total revenue increase was comprised of an increase of Ps.5,352.8 million, or 44.7%, in aeronautical services revenues, an increase of Ps.1,534.8 million, or 41.9%, in non-aeronautical revenues and an increase of Ps.1,477.9 million, or 43.9%, in revenues from improvements to concession assets, which increased as a result of the committed investments outlined in our Master Development Programs.

### **Aeronautical Services Revenues**

Aeronautical services revenues increased by Ps.5,352.8 million, or 44.7%, from Ps.11,984.0 million in 2021 to Ps.17,336.7 million in 2022, mainly due to an increase of Ps.4,240.7 million, or 40.5%, in revenues at our Mexican airports primarily as a result of an increase of Ps.3,770.8 million, or 41.4%, in revenues from passenger charges, due to the 28.5% increase in total passenger traffic as a result of the recovery from the impact of the COVID-19 pandemic and the increase in specific tariffs beginning in January 2022. Revenues from aircraft landing and parking fees in our Mexican airports increased by Ps.306.2 million, or 31.1%, while revenues from the leasing of space to airlines for ticket counters, airport security and complementary services increased by Ps.163.5 million, or 41.5%. Revenues from the Montego Bay airport increased by Ps.685.6 million, or 68.3%, in 2022 compared to 2021 mainly due to an increase in passenger traffic of 68.7% as a result of the lessening of travel restrictions in the country and an increase of the U.S. CPI of 6.5%. Revenues from PACKAL increased by Ps.426.5 million, or 85.3%, in 2022 compared to 2021 mainly due to an increase in passenger traffic of 88.1% as a result of the recovery from the impact of the COVID-19 pandemic.

### **Non-Aeronautical Services Revenues**

Non-aeronautical services revenues increased by Ps.1,534.8 million, or 41.9%, from Ps.3,662.4 million in 2021 to Ps.5,197.2 million in 2022 primarily as a result of the recovery of total passenger traffic. Non-aeronautical services revenues at our Mexican airports increased Ps.1,231.6 million, or 40.3%, compared to 2021, driven mainly by an increase of Ps.737.1 million or 35.3%, in revenues from businesses operated by third parties. The increase in revenues from businesses operated by third parties was primarily driven by an increase in revenues from food and beverage operations, car rentals, duty-free stores, retail stores, timeshares, commercial spaces and other, which jointly increased by Ps.689.9 million or 36.5%. Revenues from businesses operated directly by us increased by Ps.473.8 million, or 57.4%, mainly due to an increase in car parking, convenience stores, advertising and VIP lounge revenues. Non-aeronautical services revenues from the Montego Bay airport increased by Ps.239.1 million, or 52.6% compared to 2021, mainly due to an increase in revenues from businesses operated by third parties by Ps.157.9 million, or 37.5%, primarily driven by an increase in food and beverage operations, car rentals, duty-free stores, retail stores and leasing of space. Non-aeronautical services revenues from PACKAL increased by Ps.64.2 million, or 42.8%, compared to 2021, mainly as a result of an increase in revenues from businesses operated by third parties mainly retail stores revenues, duty-free stores and car rentals.

### **Revenues from Improvements to Concession Assets**

Revenues from improvements to concession assets increased by Ps.1,477.9 million, or 43.9%, from Ps.3,368.5 million in 2021 to Ps.4,846.4 million in 2022. Revenues from improvements to concession assets are determined by committed investments under our Master Development Programs in Mexico and our Capital Development Programs in Jamaica. For 2022, the main commitments of improvements to concession assets included: (i) rehabilitation of the expansion of the terminal building and the expansion of the general apron at Los Cabos airport, (ii) construction of a new runway and taxiing runway, roads, hangar area, mixed-use building and parking lots at Guadalajara airport, (iii) rehabilitation of the taxiway at Puerto Vallarta airport, and (iv) expansion of Montego airport terminal.

### **Revenues by Airport**

Total revenues for Guadalajara airport increased by Ps.2,370.5 million, or 42.8%, from Ps.5,543.5 million in 2021 to Ps.7,914.0 million in 2022 (revenues increased by Ps.1,359.5 million, or 33.3%, taking into account only revenues from aeronautical and non-aeronautical services). Aeronautical services revenues increased by Ps.1,265.7 million, or 38.4%, from Ps.3,296.4 million in 2021 to Ps.4,562.1 million in 2022. This increase in aeronautical services revenues was mainly due to a Ps.1,125.4 million, or 38.9%, increase in passenger charges driven by a 27.5% increase in passenger traffic and by the increase in specific tariffs beginning in January 2022. Non-aeronautical services revenues

increased by Ps.93.8 million, or 12.0%, from Ps.783.3 million in 2021 to Ps.877.1 million in 2022. This increase in non-aeronautical services revenues was primarily due to a Ps.241.6 million increase in revenues from businesses operated by third parties, mainly by an increase in retail, food and beverage operations, car rentals and duty-free operations. Revenues from business lines operated by us decreased by Ps.147.8 million, or 76.5%, as a result of a decrease in revenues from car parking charges, VIP lounges, advertising and convenience store revenues. Revenues from improvements to concession assets increased by Ps.1,011.0 million, or 69.1%, in 2022 as compared to 2021.

Total revenues for Tijuana airport increased by Ps.722.6 million, or 22.2%, from Ps.3,252.4 million in 2021 to Ps.3,975.1 million in 2022 (revenues increased by Ps.847.5 million, or 35.7%, taking into account only revenues from aeronautical and non-aeronautical services). Aeronautical services revenues increased by Ps.746.2 million, or 38.4%, from Ps.1,944.5 million in 2021 to Ps.2,690.7 million in 2022. This increase in aeronautical services revenues was mainly due to an increase in passenger charges of Ps.672.1 million driven by a 38.7% increase in passenger traffic by 27.3% and by the increase in specific tariffs beginning in January 2022, as well as by an increase in revenues from landing charges, airport security charges, leasing of space to airlines and aircraft parking charges, which jointly increased by Ps.68.3 million. Non-aeronautical services revenues increased by Ps.101.3 million, or 23.5%, from Ps.431.7 million in 2021 to Ps.533.0 million in 2022, primarily due to an increase of Ps.98.6 million in revenues from business lines operated by third parties, composed mainly of an increase in revenues from food and beverage operations, retail, car rentals and leasing of spaces. Revenues from business lines operated by us increased by Ps.2.7 million, or 1.5%, as a result of an increase in revenues from car parking charges and advertising offset by a decrease in convenience store and VIP lounges. Revenues from improvements to concession assets decreased by Ps.124.9 million, or 14.2%, in 2022 as compared to 2021.

Total revenues for Los Cabos airport increased by Ps.1,066.1 million, or 31.7%, from Ps.3,363.4 million in 2021 to Ps.4,429.5 million in 2022 (revenues increased by Ps.962.0 million, or 33.8%, taking into account only revenues from aeronautical and non-aeronautical services). Aeronautical services revenues increased by Ps.708.3 million, or 35.4% from Ps.2,003.1 million in 2021 to Ps.2,711.3 million in 2022. The increase in aeronautical services revenues was mainly due to a Ps.653.6 million, or 38.5%, increase in passenger charges driven by a 26.5% increase in passenger traffic and by the increase in specific tariffs beginning in January 2022, as well as increases in revenues from landing charges, aircraft parking charges and complementary service providers which jointly increased Ps.54.7 million. Non-aeronautical services revenues increased by Ps.253.7 million, or 30.2%, from Ps.839.6 million in 2021 to Ps.1,093.3 million in 2022, mainly due to a Ps.298.1 million increase in revenues from business lines operated by third parties, driven by an increase in food and beverage operations, duty-free operations, time share operations, retail and car rental, and partially offset by a Ps.44.4 million decrease in revenues from business lines operated by us, driven mainly by a decrease in revenues in car parking charges and VIP lounge. Revenues from improvements to concession assets increased by Ps.104.1 million, or 20.0%, in 2022, as compared to 2021.

Total revenues for Puerto Vallarta airport increased by Ps.1,314.6 million, or 65.4%, from Ps.2,011.7 million in 2021 to Ps.3,326.3 million in 2022 (revenues increased by Ps.1,076.3 million, or 62.4%, taking into account only revenues from aeronautical and non-aeronautical services). Aeronautical services revenues increased by Ps.941.9 million, or 70.5%, from Ps.1,336.2 million in 2021 to Ps.2,278.1 million in 2022. This increase in aeronautical services revenues was primarily due to an increase in revenues from passenger charges of Ps.808.7 million or 70.2%, caused mainly by a 50.7% increase in passenger traffic and by the increase in specific tariffs as of January 1, 2022, as well as an increase in revenues of Ps.133.2 million from landing charges, aircraft parking charges, airport security charges and complementary service providers, jointly. Non-aeronautical services revenues increased by Ps.134.4 million, or 34.5%, from Ps.389.8 million in 2021 to Ps.524.3 million in 2022, due to a Ps.187.3 million increase in revenues from businesses operated by third parties, including retail operations, timeshare operations, car rentals, food and beverage operations and duty-free operations, and partially offset by a Ps.52.9 million decrease in revenues from business lines operated by us, mainly due to decreases in revenues from convenience stores and VIP lounges. Revenues from improvements to concession assets increased by Ps.238.3 million, or 83.4%, in 2022, as compared to 2021.

Total revenues for Montego Bay airport increased by Ps.941.2 million, or 60.7%, from Ps.1,551.8 million in 2021 to Ps.2,493.0 million in 2022 (revenues increased by Ps.924.7 million, or 63.4%, taking into account only revenues from aeronautical and non-aeronautical services). Aeronautical services revenues increased by Ps.685.6 million, or 68.3%, from Ps.1,004.1 million in 2021 to Ps.1,689.7 million in 2022. This increase in aeronautical services revenues was mainly due to a Ps.468.2 million, or 72.9%, increase in revenues from passenger charges. In addition, there was an increase of Ps.207.7 million, or 62.1%, in revenues from complementary service providers, landing charges and airport security charges, jointly. Non-aeronautical services revenues increased by Ps.239.1 million, or 52.6%, from Ps.454.5 million in 2021 to Ps.693.6 million in 2022, primarily due to a Ps.214.4 million increase in revenues from businesses operated by third parties, mainly due to an increase in revenues from duty-free operations, leasing of space, car rentals and food and beverage operations. Revenues from improvements to concession assets increased by Ps.16.5 million, or 17.7%, in 2022, as compared to 2021.

Total revenues for Guanajuato airport increased by Ps.238.2 million, or 33.5%, from Ps.711.3 million in 2021 to Ps.949.5 million in 2022 (revenues increased Ps.213.2 million, or 30.4%, taking into account only revenues from aeronautical and non-aeronautical services). Aeronautical services revenues increased by Ps.190.4 million, or 33.4%, from Ps.570.4 million in 2021 to Ps.760.8 million in 2022, mainly due to an increase in passenger charges of Ps.167.7 million, or 33.6%, driven by a 22.9% increase in passenger traffic and by the increase in specific tariffs as of January 1, 2022, as well as a Ps.22.7 million combined increase in revenues from landing charges, aircraft parking charges, airport security charges, leasing of space to airlines and complementary service providers. Non-aeronautical services revenues increased by Ps.22.9 million, or 17.3%, from Ps.132.0 million in 2021 to Ps.154.8 million in 2022. This increase in non-aeronautical services revenues is a result of a Ps.56.5 million increase in revenues from businesses operated by third parties, and partially offset by a Ps.33.6 million decrease in

revenues from businesses operated by us. Revenues from improvements to concession assets increased by Ps.24.9 million, or 278.5%, in 2022, as compared to 2021.

Total revenues for Hermosillo airport increased by Ps.181.6 million, or 42.4%, from Ps.428.7 million in 2021 to Ps.610.4 million in 2022 (revenues increased Ps.124.6 million, or 30.3%, taking into account only revenues from aeronautical and non-aeronautical services). Aeronautical services revenues increased by Ps.115.5 million, or 33.8%, from Ps.341.5 million in 2021 to Ps.457.0 million in 2022, mainly due to an increase in passenger charges of Ps.97.1 million, or 35.3%, caused by a 24.7% increase in passenger traffic and by the increase in specific tariffs as of January 1, 2022, as well as an increase of Ps.18.4 million jointly in revenues from landing charges, complementary service providers, aircraft parking charges, airport security charges and leasing of space to airlines. Non-aeronautical services revenues increased by Ps.9.0 million, or 12.9%, from Ps.70.1 million in 2021 to Ps.79.2 million in 2022, primarily due to a Ps.23.2 million increase in revenues from business lines operated by third parties, mainly due to an increase in revenues from car rentals and food and beverage operations partially offset by a Ps.14.2 million decrease in revenues from business lines operated by us, composed mainly by a decrease in revenues from VIP lounges and car parking service. Revenues from improvements to concession assets increased by Ps.57.1 million, or 332.9%, in 2022, as compared to 2021.

Total revenues for our other seven airports increased by Ps.921.7 million, or 47.7%, from Ps.1,934.4 million in 2021 to Ps.2,856.1 million in 2022 (revenues increased by Ps.770.9 million, or 42.1%, taking into account only revenues from aeronautical and non-aeronautical services). Aeronautical services revenues at these airports increased by Ps.699.2 million, or 47.0%, from Ps.1,487.9 million in 2021 to Ps.2,187.0 million in 2022, mainly due to an increase in passenger charges of Ps.474.2 million, or 43.9%, caused by a 30.4% increase in passenger traffic and by the increase in specific tariffs, as well as an increase of Ps.182.5 million in revenues from landing charges, airport security charges and aircraft parking charges. Non-aeronautical services revenues increased by Ps.71.7 million, or 20.8%, from Ps.343.9 million in 2021 to Ps.415.6 million in 2022, primarily due to a Ps.99.2 million increase in revenues from businesses operated by third parties, including from leasing space for retail, car rental, retail operations, ground transportation and duty-free stores and a Ps.27.5 million decrease in revenues from business lines operated by us, including revenues related to VIP lounges and car parking services. Revenues from improvements to concession assets decreased by Ps.150.9 million or 147.1%, in 2022, as compared to 2021.

Revenues from non-aeronautical services of the non-airport subsidiaries of the Company increased Ps.608.9 million, from Ps.217.5 million in 2021 to Ps.826.4 million in 2022, corresponding to an increase in revenues from business lines operated directly by us, mainly in VIP lounges of Ps.232.5 million, car parking services of Ps.166.1 million, convenience stores of Ps.170.6 million and advertising of Ps.39.9 million.

#### *Operating Costs*

Total operating costs increased by Ps.3,408.5 million, or 33.6%, from Ps.10,157.7 million in 2021 to Ps.13,566.2 million in 2022, primarily due to an increase in operating costs for our Mexican airports of Ps.2,808.3 million, or 33.6%, from Ps.8,353.4 million in 2021 to Ps.11,161.7 million in 2022. Operating costs of MBJA increased by Ps.215.3 million, or 18.7%, from Ps.1,151.9 million in 2021 to Ps.1,367.2 million in 2022. Operating costs of PACKAL increased by Ps.384.9 million, or 59.0%, from Ps.652.4 million in 2021 to Ps.1,037.3 million in 2022.

#### *Cost of Services*

Cost of services, which comprises employee costs, maintenance, safety, security and insurance, utilities, allowance for expected credit loss and other expenses, increased by Ps.791.4 million, or 26.5%, from Ps.2,989.6 million in 2021 to Ps.3,781.1 million in 2022.

Cost of services for our Mexican airports increased by Ps.642.8 million, or 27.4%, in 2022 compared to 2021. The change in cost of services for these airports was composed primarily of the following factors:

- Employee costs increased Ps.240.9 million, or 26.2%, compared to 2021, mainly due to additional personnel that were integrated into the operation of the airports due to the recovery of passenger traffic and changes in labor legislation.
- Maintenance costs increased by Ps.140.2 million, or 30.8%, compared to 2021 due to the expansion of terminals and operations areas.
- Safety, security and insurance costs increased Ps.55.7 million, or 15.1%, compared to 2021, mainly due to an increase in the number of security staff as compared to 2021 when the partial closure of some operating areas reduced the need for personnel.
- Utility costs increased by Ps.38.2 million, or 15.4%, compared to 2021, mainly due to the increase in the consumption of electrical energy derived from the opening of new operational areas, the rise in the price of fuels and the increase in water fees.
- Other operating expenses increased by Ps.167.7 million, or 46.9%, mainly due to the increase in the cost of sales in the VIP lounges and convenience stores, FBO services, consultancy fees, allowance for credit losses and travel expenses for Ps.136.8 million.

Of our Mexican airports, Guadalajara airport contributed the most to our cost of services in 2022, representing 20.3% of our total cost of services.

The cost of services at Guadalajara airport increased by Ps.138.5 million, or 22.0%, from Ps.628.8 million in 2021 to Ps.767.3 million in 2022. This increase was primarily as a result of an increase of Ps.144.3 million in other operating expenses and Ps.11.0 million in maintenance expenses, and partially offset by a decrease of Ps.32.1 million in employee costs.

Costs of services at Montego Bay airport increased by Ps.85.1 million, or 21.6%, in 2022 compared to 2021. The change in cost of services for this airport was primarily as a result of increases of Ps.29.7 million in utility costs, Ps.21.3 million in maintenance expenses, and other costs of Ps.13.3 million.

Costs of services for PACKAL increased by Ps.63.5 million, or 25.8%, in 2022 compared to 2021. The change in cost of services for this airport was primarily as a result of increases of Ps.22.5 million in maintenance expenses, Ps.14.6 million in other operating expenses and Ps.14.3 million in utility costs, among others.

#### *Technical Assistance Fees*

Technical assistance fees increased by Ps.230.4 million, or 43.8%, from Ps.526.2 million in 2021 to Ps.756.6 million in 2022. This increase in technical assistance fees was mainly due to an increase in our consolidated income from operations at our Mexican airports, which is used to calculate the technical assistance fee. See "Item 4, *Information on the Company - History and Development of the Company - Investment by AMP.*"

#### *Concession Taxes*

As a result of the increase in revenues (excluding revenues from improvements to concession assets, which do not form part of income for purposes of the government concession tax), government concession taxes increased by Ps.664.1 million, or 53.9%, from Ps.1,231.0 million in 2021 to Ps.1,895.2 million in 2022.

#### *Depreciation and Amortization*

Depreciation and amortization increased by Ps.262.8 million, or 12.8%, from Ps.2,050.5 million in 2021 to Ps.2,313.3 million in 2022. This is mainly due to the growth in infrastructure, resulting from the fulfillment of our Master Development Programs and Capital Development Programs.

#### *Other (Income) expense*

Other income increased by Ps.18.2 million, or 221.1%, from income of Ps.8.2 million in 2021 to income of Ps.26.4 million in 2022.

#### *Cost of Improvements to Concession Assets*

Cost of improvements to concession assets increased by Ps.1,477.9 million, or 43.9%, from Ps.3,368.5 million in 2021 to Ps.4,846.4 million in 2022. In Mexico, the cost of improvements to concession assets increased by Ps.1,441.4 million or 44.0% in 2022, as compared to 2021. Cost of improvements to concession assets for MBJA increased by Ps.16.5 million, or 17.7% as a result of the amounts committed in our

Capital Development Program for 2022. In 2022, MBJA recognized Ps.109.7 million in cost of improvements to concession assets, as compared to Ps.93.2 million in 2021. During 2021, PACKAL recognized no investments in improvements to concession assets were made. In 2022, PACKAL recognized Ps.19.9 million in cost of improvements to concession assets.

#### *Operating Costs by Airport*

Operating costs for Guadalajara airport increased by Ps.1,087.3 million, or 37.1%, from Ps.2,929.3 million in 2021 to Ps.4,016.6 million in 2022. This increase was primarily due to a Ps.1,011.0 million, or 69.1%, increase in the cost of improvements to concession assets from Ps.1,463.9 million in 2021 to Ps.2,474.8 million in 2022 and a Ps.66.1 million, or 6.8% increase in the cost of operations, mainly driven by increases in the costs of safety, security and insurance, maintenance, utilities and concession taxes. Depreciation and amortization increased by Ps.49.0 million, or 12.6%, in 2022 as compared to 2021. Operating costs increased by Ps.76.3 million, or 5.2%, without including the cost of improvements to concession assets.

Operating costs for Tijuana airport decreased by Ps.8.5 million, or 0.5%, from Ps.1,756.2 million in 2021 to Ps.1,747.7 million in 2022. This decrease was mainly due to a Ps.124.9 million, or 14.3%, decrease in the cost of improvements to concession assets from Ps.876.3 million in 2021 to Ps.751.4 million in 2022, partially offset by an increase of Ps.101.8 million, or 18.5% in cost of operation from Ps.550.9 million in 2021 to Ps.652.6 million in 2022 mainly driven by safety, security and insurance, other operating costs, maintenance and concession taxes. Depreciation and amortization increased by Ps.86.2 million, or 33.7% in 2022 as compared to 2021. Operating costs increased by Ps.116.4 million, or 13.2%, without including the cost of improvements to concession assets.

Operating costs for Los Cabos airport increased by Ps.288.0 million, or 20.5%, from Ps.1,401.7 million in 2021 to Ps.1,689.7 million in 2022. This increase was mainly due to a Ps.152.1 million, or 26.3%, increase in the cost of operations mainly in utilities, maintenance, other operating costs and concession taxes, from Ps.577.5 million in 2021 to Ps.729.7 million in 2022 and cost of improvements to concession assets increased by Ps.104.1 million, or 20.0%, from Ps.520.8 million in 2021 to Ps.624.9 million in 2022. Depreciation and amortization increased by Ps.40.6 million, or 15.5% in 2022 as compared to 2021. Operating costs increased by Ps.183.9 million, or 20.9%, without including the cost of improvements to concession assets.

Operating costs for Puerto Vallarta airport increased by Ps.404.2 million, or 43.5%, from Ps.929.5 million in 2021 to Ps.1,333.7 million in 2022. This increase was primarily due to an increase of Ps.238.3 million, or 83.4% in the cost of improvements to concession assets from Ps.285.7 million in 2021 to Ps.524.0 million in 2022 and cost of operations of Ps.226.4 million, or 57.6%, driven by increases in maintenance, utilities, safety, security and insurance, maintenance and concession taxes and. Depreciation and amortization increased by Ps.20.2 million, or 11.5%, in 2022 as compared to 2021. Operating costs increased by Ps.165.9 million, or 25.8%, without including the cost of improvements to concession assets.

Operating costs for Montego Bay airport increased by Ps.225.2 million, or 19.7%, from Ps.1,145.5 million in 2021 to Ps.1,370.7 million in 2022. This increase was mainly due to an increase in costs of operations by Ps.203.2 million, or 35.9%, from Ps.565.7 million in 2021 to Ps.769.0 million in 2022, mainly in maintenance costs, safety, security and insurance and concession taxes, and in the cost of improvements to concession assets of Ps.16.5 million, or 17.7%, from Ps.93.2 million in 2021 to Ps.109.7 million in 2022. Depreciation and amortization expenses increased by Ps.5.3 million, or 1.1%, from Ps.485.8 million in 2021 to Ps.491.1 million in 2022. Operating costs increased by Ps.203.2 million, or 35.9%, without including the cost of improvements to concession assets.

Operating costs for Guanajuato airport increased by Ps.49.6 million, or 16.8%, from Ps.294.7 million in 2021 to Ps.344.4 million in 2022. This increase of Ps.43.7 million, or 23.1%, was mainly in maintenance, safety, security and insurance, employee cost, and other expenses. The cost of improvements to concession assets increased by Ps.24.9 million, or 278.5%, from Ps.8.9 million in 2021 to Ps.33.9 million in 2022. Depreciation and amortization increased by Ps.4.9 million, or 6.5%, in 2022 as compared to 2021. Operating costs increased by Ps.24.7 million, or 8.7%, without including the cost of improvements to concession assets.

Operating costs for Hermosillo airport increased by Ps.62.0 million, or 22.7%, from Ps.273.1 million in 2021 to Ps.335.1 million in 2022. This increase was mainly due to an increase in the cost of improvements to concession of Ps.57.1 million, or 332.9%, from Ps.17.1 million in 2021 to Ps.74.2 million in 2022, and an increase in cost of operations of Ps.7.9 million, or 4.7%, mainly in costs of maintenance, safety and security, other costs and concession taxes. Depreciation and amortization increased by Ps.10.3 million, or 13.6%, in 2022 as compared to 2021. Operating costs increased by Ps.5.0 million, or 1.9%, without including the cost of improvements to concession assets.

Operating costs for our other seven airports increased by Ps.534.9 million, or 32.8%, from Ps.1,629.1 million in 2021 to Ps.2,164.0 million in 2022. This increase was primarily due to an increase of Ps.445.1 million, or 37.1%, in the cost of operations, from Ps.1,199.8 million in 2021 to Ps.1,645.0 million in 2022, mainly as a result of increases in the costs of maintenance, utilities, safety and security, employee costs, concession fees and other expenses. The cost of improvements to concession assets increased by Ps.150.9 million, or 147.1%, from Ps.102.6 million in 2021 to Ps.253.5 million in 2022. Depreciation and amortization increased by Ps.15.0 million, or 5.6%, in 2022 as compared to 2021. Operating costs increased by Ps.384.1 million, or 25.2%, without including the cost of improvements to concession assets.



### ***Income from Operations***

Income from operations increased by Ps.4,957.0 million, or 56.0%, from Ps.8,857.2 million in 2021 to Ps.13,814.2 million in 2022. This increase was due to a Ps.8,365.5 million increase in total revenues in 2022. This increase was partially offset by a Ps.894.6 million increase in technical assistance fees and concession taxes, jointly and a Ps.791.4 million increase in cost of service. Our operating margin increased by 390 basis points, from 46.6% in 2021 to 50.5% in 2022 (taking into account only the sum of aeronautical and non-aeronautical services revenues, our operating margin increased by 470 basis points in 2022, from 56.6% in 2021 to 61.3% in 2022).

Historically, our most profitable airports have been our Guadalajara, Los Cabos and Puerto Vallarta airports, which handle the majority of our international passengers in Mexico. Historically, operating margins at our Tijuana airport have been lower than at our other principal airports because of a combination of (i) a high initial concession value, and consequently larger amortizations thereof, and (ii) lower revenues due to low maximum rates applicable to aeronautical services. However, in 2020 due to the impact of the COVID-19 pandemic on our airports in tourist areas, our Tijuana airport was our second airport with the highest passenger traffic. In 2021, Tijuana airport had the highest percentage increase in passenger traffic (an increase of 8.4% versus the pre-pandemic year of 2019) and was again our fourth most profitable airport behind our Guadalajara, Los Cabos and MBJ airports (taking into account only the sum of aeronautical and non-aeronautical services revenues). In 2022, Tijuana airport had the highest percentage increase in passenger traffic (an increase of 38.1% versus the pre-pandemic year of 2019) and was again our fourth most profitable airport behind our Guadalajara, Los Cabos and MBJ airports (taking into account only the sum of aeronautical and non-aeronautical services revenues).

### ***Income from Operations by Airport***

Income from operations for Guadalajara airport increased by Ps.1,283.2 million, or 49.1%, from Ps.2,614.2 million in 2021 to Ps.3,897.4 million in 2022, mainly due to an increase in aeronautical and non-aeronautical services revenues of Ps.1,359.5 million, partially offset by an increase in operating expenses of Ps.76.3 million. The operating margin increased by 200 basis points, from 47.2% in 2021 to 49.2% in 2022 (operating margin increased by 760 basis points, from 64.1% in 2021 to 71.7% in 2022, taking into account only the sum of aeronautical and non-aeronautical services revenues).

Income from operations for Tijuana airport increased by Ps.731.1 million, or 48.9%, from Ps.1,496.3 million in 2021 to Ps.2,227.4 million in 2022, primarily due to an increase in aeronautical and non-aeronautical services revenues of Ps.847.5 million, partially offset by an increase in operating expenses of Ps.116.4 million. The operating margin increased by 1000 basis points from 46.0% in 2021 to 56.0% in 2022 (operating margin increased by 610 basis points from 63.0% in 2021 to 69.1% in 2022, taking into account only the sum of aeronautical and non-aeronautical services revenues).

Income from operations for Los Cabos airport increased by Ps.778.1 million, or 39.7%, from Ps.1,961.8 million in 2021 to Ps.2,739.9 million in 2022, primarily due to an increase in aeronautical and non-aeronautical services revenues of Ps.962.0 million, partially offset by an increase in operating expenses of Ps.183.9 million. The operating margin increased by 360 basis points from 58.3% in 2021 to 61.9% in 2022 (operating margin increased by 300 basis points, from 69.0% in 2021 to 72.0% in 2022, taking into account only the sum of aeronautical and non-aeronautical services revenues).

Income from operations for Puerto Vallarta airport increased by Ps.910.4 million, or 84.1%, from Ps.1,082.2 million in 2021 to Ps.1,992.6 million in 2022, mainly due to an increase in aeronautical and non-aeronautical services revenues of Ps.1,076.3 million, partially offset by an increase in operating expenses of Ps.165.9 million. The operating margin increased by 610 basis points from 53.8% in 2021 to 59.9% in 2022 (operating margin increased by 840 basis points from 62.7% in 2021 to 71.1% in 2022, taking into account only the sum of aeronautical and non-aeronautical services revenues).

Income from operations for Montego Bay airport increased by Ps.715.9 million, or 176.2%, from Ps.406.3 million in 2021 to Ps.1,122.2 million in 2022, mainly due to an increase in aeronautical and non-aeronautical services revenues of Ps.924.7 million, which was partially offset by a increase in operating expenses of Ps.208.7 million. The operating margin increased by 1880 basis points from a negative margin of 26.2% in 2021 to 45.0% in 2022 (operating margin increased by 1920 basis points from a negative margin of 27.9% in 2021 to 47.1% in 2022, taking into account only the sum of aeronautical and non-aeronautical services revenues).

Income from operations for Guanajuato airport increased by Ps.188.5 million, or 45.2%, from Ps.416.6 million in 2021 to Ps.605.1 million in 2022, primarily due to an increase in aeronautical and non-aeronautical services revenues of Ps.213.2 million, partially offset by an increase in operating expenses of Ps.24.7 million. The operating margin increased by 510 basis points from 58.6% in 2021 to 63.7% in 2022 (operating margin increased by 680 basis points from 59.3% in 2021 to 66.1% in 2022, taking into account only the sum of aeronautical and non-aeronautical services revenues).

Income from operations for the Hermosillo airport increased by Ps.119.6 million, or 76.8%, from Ps.155.7 million in 2021 to Ps.275.3 million in 2022, primarily due to an increase in aeronautical and non-aeronautical services revenues of Ps.124.6 million, partially offset by an increase in operating expenses of Ps.5.0 million. The operating margin increased by 880 basis points from 36.3% in 2021 to 45.1% in 2022 (operating margin increased by 1350 basis points from 37.8% in 2021 to 51.3% in 2022, taking into account only the sum of aeronautical and non-aeronautical services revenues).

Income from operations for our seven other airports increased by Ps.386.8 million, or 126.7%, from Ps.305.2 million in 2021 to Ps.692.0 million in 2022, primarily due to an increase in aeronautical and non-aeronautical services revenues of Ps.770.9 million, partially offset by an increase in operating expenses of Ps.445.1 million. The operating margin increased by 840 basis points from 15.8% in 2021 to 24.2% in 2022 (operating margin increased by 990 basis points from 16.7% in 2021 to 26.6% in 2022, taking into account only the sum of aeronautical and non-aeronautical services revenues).

#### **Finance Cost**

Finance cost in 2022 increased by Ps.510.6 million, or 49.7%, from a net expense of Ps.1,027.9 million in 2021 to a net expense of Ps.1,538.5 million in 2022. This increase was mainly due to a foreign exchange loss of Ps.156.9 million as foreign exchange rate fluctuations went from an income of Ps.238.3 million in 2021 to income of Ps.81.4 million in 2022 as a result of a 5.9% appreciation of the peso, which went from Ps.20.5835 per U.S. dollar at December 31, 2021 to Ps.19.3615 per U.S. dollar on December 30, 2022. During 2022, we recognized Ps.519.1 million in expense from exchange rate differences on translating foreign operations, recognized within other comprehensive income, in accordance with applicable norms. Interest expense increased by Ps.768.5 million, or 45.6%, in 2022 as compared to 2021, mainly due to the issuance of new long-term debt securities and an increase in the reference interest rates for those securities. Interest income increased by Ps.415.3 million, or 98.8%, in 2022 as compared to 2021 mainly due to an increase in the reference interest rates during 2022.

#### **Income Taxes**

Income taxes increased in 2022 by Ps.1,304.7 million, or 73.1%, from Ps.1,785.5 million in 2021 to Ps.3,090.2 million in 2022. The Mexican airports' current tax increased by Ps.1,338.9 million. MBJA's current tax increased by Ps.172.6 million, while DCA's current tax increased by Ps.1.1 million and PACKAL increased by Ps. 21.4 million. Our benefit from deferred tax increased by Ps.229.5 million due to a 7.8% inflation rate in 2022 as compared to a 7.4% inflation rate in 2021. Our effective tax rate increased from 22.8% in 2021 to 25.2% in 2022, primarily due to a 17.3% increase in our earnings before income taxes from Ps.7,829.3 million in 2021 to Ps.9,185.5 million in 2022, primarily as a result of the recovery in passenger traffic.

#### **Total Comprehensive Income for the Year Attributable to Controlling Interest**

Total comprehensive income for the year increased by Ps.2,153.9 million, or 33.1%, from Ps.6,510.3 million in 2021 to Ps.8,664.2 million in 2022. Income from operations increased by Ps.4,957.0 million, mainly as a result of a Ps.8,365.5 million increase in total revenues, and partially offset by an increase of Ps.3,408.5 million in total operating costs and an increase of Ps.1,304.7 million in income taxes. The cash flow hedge reserve decreased by Ps.399.8 million. In addition, there was a decrease of Ps.519.1 million in currency translation effect, due to the exchange rate differences on translating foreign operations resulting from the depreciation of the peso in 2022. Our net margin increased from 31.8% in 2021 to 33.5% in 2022 (taking into account only aeronautical and non-aeronautical services revenues, net margin increased from 38.6% in 2021 to 40.8% in 2022).

#### **Statement of Financial Position**

Our financial position as of December 31, 2022 increased by Ps.5,182.3 million, or 9.4%, as compared to December 31, 2021, primarily due to: (i) a Ps.3,402.6 million increase in improvements to concession assets, and (ii) a Ps.2,475.1 million increase in machinery, equipment and leasehold improvements and advances to suppliers. These increases were partially offset by a Ps.572.3 million decrease in other current assets, among others.

Total liabilities as of December 31, 2022 increased by Ps.5,782.8 million, or 16.6%, as compared to December 31, 2021, primarily due to: (i) a Ps.3,957.0 million increase in debt securities issued and (ii) a Ps.3,000.0 million increase in bank loans. These increases were partially offset by decreases of: (i) Ps.461.5 million in income taxes payable, (ii) Ps.435.6 million in accounts payable and (iii) Ps.117.8 million in deferred income taxes, among others.

#### **Results of Operations for the Year ended December 31, 2021 Compared to the Year Ended December 31, 2020**

For a comparison of the results of operations for the year ended December 31, 2021 as compared to the year ended December 31, 2020, see "Item 5, Operating and Financial Review and Prospects - Results of Operations for the Year ended December 31, 2021 Compared to the Year Ended December 31, 2020" in our Fiscal Year 2021 Form 20-F.

## Liquidity and Capital Resources

Historically, the cash flow generated from our operations has generally been used to fund operating costs, and the excess of our cash flow has been added to our accumulated cash and cash equivalents in our consolidated statements of financial position. For information regarding our estimated committed investments and sources of liquidity for those commitments, see *“Item 4, Information on the Company – History and Development of the Company – Master Development Programs.”*

As of December 31, 2020, 2021 and 2022 we had Ps.14,444.5 million, Ps.13,332.9 million and Ps.12,371.5 million, respectively, of cash and cash equivalents. We recorded no financial investments held for trading purposes as of December 31, 2020, 2021 and 2022.

During 2023, we have one debt maturities coming due, our “GAP-20-2” debt securities in June for Ps.602.0 million and a Scotiabank loan for Ps. 1.5 billion in November 2023. See *“Item 5, Recent Developments –Indebtedness – Indebtedness in Mexico.”*

We anticipate that we will be able to meet our financial and operational obligations with our current cash and equivalents. See *“Item 3, Risk Factors – Developments related to the outbreak of COVID-19 have had, and may continue to have, a material adverse impact on our financial conditions or results of operations control,”* and *“Item 5 – Developments related to the outbreak of COVID-19.”* For information regarding our estimated committed investments and sources of liquidity for those commitments, see *“Item 4, Information on the Company – History and Development of the Company – Master Development Programs – Estimated Committed Investments by Mexican Airport (2020-2024).”*

## Cash Flows

*Cash flows for the year ended December 31, 2022 as compared to cash flows for the year ended December 31, 2021*

Cash and cash equivalents decreased by Ps.961.4 million, or 7.2%, from Ps.13,332.9 million in 2021 to Ps.12,371.5 million in 2022, mainly due to (i) a (net) increase of Ps.3,957.6 million from the issuance of long-term debt securities in an aggregate principal amount of Ps.7,757.6 million; (ii) an increase in net cash flows provided by operating activities in 2022 as compared to 2021 as a result of the recovery of passenger traffic from the impact of the COVID-19 pandemic. The Ps.1,190.9 million increase in net cash provided by operating activities was primarily due to an increase of Ps.3,141.8 million, or 52.0%, as compared to 2021, in profit for the year, a decrease of Ps.1,024.2 million, or 82.3%, as compared to 2021, in accounts payable and an increase in recoverable taxes of Ps. 667.9 million and partially offset by an increase of Ps.3,339.7 million, or 328.3%, in income taxes paid and of Ps. 262.8 million in interest expense for financing activity in 2022 as compared to 2021. Net cash flows used in investing activities increased by Ps.3,513.1 million. Partially offset by a decrease of Ps.2,425.8 million in net cash flows used in financing activities resulting from an increase in bank loans of Ps.3,093.4 million, a decrease in the repayment of bank loans for a total of Ps.1,902.7 million and Ps. 1,000.1 million in repurchasing shares, partially offset by Ps. 2,300.0 million in repayments of long-term debt securities and Ps.568.4 million in interest paid.

Cash and cash equivalents were mainly used for: (i) dividends declared and paid of Ps.7,313.7 million (Ps.3,675.7 million on May 16, 2022 and Ps.3,638.0 million on November 17, 2022); (ii) purchases of machinery and equipment, improvements to leased buildings and concession assets and advance payments to suppliers of Ps.8,431.1 million; (iii) Ps.2,000.0 in share repurchases and (iv) Ps.2,227.9 million in payments to service the cost of debt.

*Cash flows for the year ended December 31, 2021 as compared to cash flows for the year ended December 31, 2020*

For a comparison of the cash flows for the year ended December 31, 2021 as compared to the cash flows for the year ended December 31, 2020, see *“Item 5, Operating and Financial Review and Prospects – Liquidity and Capital Resources – Cash Flows – Cash flows for the year ended December 31, 2021 as compared to cash flows for the year ended December 31, 2020”* in our Fiscal Year 2020 Form 20-F.

## Indebtedness

### *Indebtedness in Mexico*

On February 13, 2020, we issued Ps.3,000.0 million in debt securities on the Mexican market, under the ticker symbol “GAP 20”. Proceeds from the issuance were allocated for liability management (on February 14, 2020 we paid our “GAP 15” debt securities with Ps.2,200 million from the proceeds) and to finance investments set forth in our Master Development Programs for 2020. Interest is payable every 28 days at a variable rate of TIEE-28 plus 17 basis points. Principal on these bond certificates will be due at maturity on February 16, 2025.

On April 13, 2020, we entered into a loan agreement with Scotiabank for Ps.1,000.0 million, with a 15-month term and principal payment upon maturity, paying a variable interest rate of 28-day TIEE plus 100 basis points. Proceeds were allocated for general corporate purposes. On May 13, 2021, the balance amount was paid.



On May 15, 2020, we entered into a loan agreement with BBVA, S.A. for Ps.1,000.0 million with a 24-month term and principal payment upon maturity, paying a fixed annual interest rate of 6.99%. Proceeds were allocated for general corporate purposes. On May 26, 2021, the balance amount was paid.

On June 25, 2020, we issued Ps.4,200.0 million in new debt securities. The proceeds from the issuance were allocated to financing the investments set forth in the Master Development Programs for 2020 and part of 2021. The issuance was made under the following terms:

- We issued Ps.602.0 million under the ticker symbol "GAP 20-2". Interest is payable every 28 days at a variable rate of TIIE-28 plus 85 basis points, and the principal will be payable at maturity on June 22, 2023.
- We issued Ps.3,598.0 million under the ticker symbol "GAP 20-3". Interest is payable every 182 days at a fixed rate of 8.14%, and the principal will be payable at maturity on June 17, 2027.

On May 7, 2021, we issued Ps.4,500.0 million in new debt securities. Proceeds from the issuance were allocated to commercial investments and fulfilling investments committed under the Master Development Program in Mexico. In addition, we made the Ps.1,500.0 million maturity payment on our GAP 16 debt securities, and the principal payment on our Ps.1,000.0 million credit with Scotiabank in July 2021. The issuance was made in accordance with the following terms:

- We issued Ps.2,500.0 million under the ticker symbol "GAP21". Interest is payable every 28 days at a variable rate of TIIE-28 plus 60 basis points; the principal will be due at maturity on May 2, 2025, with an early payment option.
- We issued Ps.2,000.0 million in 7-year bond certificates under the ticker symbol "GAP21-2". Interest is payable every 182 days at a fixed rate of 7.91%; the principal will be due at maturity on April 28, 2028, with an early payment option.

On October 15, 2021, we issued Ps.2,500.0 million in new debt securities. The issuance was a joint issuance of green bond certificates and the first reopening of our "GAP21-2" securities. The proceeds from these issuances will be used to fulfill the investments committed under the Master Development Program for 2021 and part of 2022, as well as to finance eligible green projects in accordance with our Green Financing Framework, which is aligned with the International Capital Markets Association (ICMA) Green Bond Principles and the United Nations (UN) Sustainable Development Goals. The issuance was made in accordance with the following terms:

- We issued Ps.1,500.0 million in 5-year green bond certificates under the ticker symbol "GAP21V". Interest is payable every 28 days at a variable rate of TIIE-28 plus 25 basis points; the principal will be due at maturity on October 9, 2026, with an early amortization option.
- We issued Ps.1,000.0 million debt securities corresponding to the first reopening of our "GAP21-2" securities, originally issued on May 7, 2021. The securities have the same characteristics as the original issuance. Interest will be payable every 182 days at a coupon of 7.91%; the principal will be due at maturity on April 28, 2028, with an early amortization option.

On March 17, 2022, we issued Ps.5,000.0 million in new debt securities. Proceeds from the issuance were allocated to commercial investments and fulfilling investments committed under the Master Development Program in Mexico, as well as making the Ps.1,500.0 million maturity payment on our GAP 17 debt securities. The issuance was made in accordance with the following terms:

- We issued Ps.2,000.0 million in 5-year under the ticker symbol "GAP22". Interest is payable every 28 days at a variable rate of TIIE-28 plus 18 basis points; the principal will be due at maturity on March 11, 2027, with an early amortization option.
- We issued Ps.3,000.0 million under the ticker symbol "GAP 22-2". Interest is payable every 182 days at a fixed rate of 9.67%, and the principal will be payable at maturity on March 4, 2032.

On March 18, 2022, the Company successfully refinanced its bank debt for USD\$191.0 million, for two additional years with new maturities in January and March 2026. The refinancing was obtained from the same two bank institutions that originally granted such loans. USD\$95.5 million were refinanced with BBVA México, S.A., (BBVA), with interest payable monthly at a fixed annual rate of 2.45% and USD\$95.5 million with Scotiabank Inverlat, S.A., (Scotiabank) with interest payable monthly at a fixed annual rate of 2.64%.

On September 26, 2022, we issued 27.6 million in new debt securities for a total of Ps.2,757.6 million which are unsecured and payment of principal at maturity corresponding to the tranche of GAP 22L. Interest will be payable every 28 days at a variable rate of TIIE-28 plus 26 basis points, and the principal payment will be made upon maturity, on September 21, 2026. Proceeds from the issuance were allocated to pay off the principal of GAP 17-2 of Ps.2,300.0 million and to meet the committed investments in Mexico for 2022.

On November 7, 2022, the Company entered into a loan agreement with Scotiabank for Ps.1,500.0 million, with a term of 12 months with a possible extension of 6 months, an interest rate of 28 days TIIE variable plus 38 basis points, the payment of the principal will be repaid at maturity, resources were allocated for Mexico's capital investment and for corporate

purposes.

On December 9, 2022, the Company entered into a loan agreement with Banco Nacional de México, S.A. (Citibanamex) for Ps.1,500.0 million, with a term of 18 months, an interest rate of 28 days TIIIE variable plus 38 basis points, the payment of the principal will be at maturity, resources were allocated for Mexico's capital investment.

As of December 31, 2022, we were not party to any off-balance sheet arrangements and were in compliance with all covenants stipulated in our debt instruments.

#### *Indebtedness in Jamaica*

MBJA previously entered into unsecured loans with its shareholder, Vantage, for U.S.\$10.9 million in June 2007 and U.S.\$0.5 million in February 2009. The loans bear annual interest, payable semi-annually, at 14.0% and 8.0%, respectively, without a fixed maturity, and are subject to prepayment restrictions. As of December 31, 2022, the outstanding balance under these facilities amounted to U.S.\$11.4 million (Ps.220.7 million).

On December 28, 2017, we entered into a seven-year unsecured loan agreement with The Bank of Nova Scotia Jamaica Limited and The Bank of Nova Scotia for U.S.\$40 million, with interest at a variable rate of one-month Libor plus 285 basis points. Payments will be made on a semi-annual basis after 24 months. As of December 31, 2022, the balance outstanding under these facilities amounted to U.S.\$20.0 million (Ps.387.2 million).

On September 3, 2020, MBJA signed Amended and Restated loan agreements with The Bank of Nova Scotia Jamaica Limited and The Bank of Nova Scotia for up to U.S.\$60.0 million available for disbursement for up to 24 months from the closing date. The loan has a 5-year maturity with a 2-year optional extension for up to U.S.\$58.0 million, with a monthly interest rate of Libor plus 310 basis points and a principal payment of 10% due on the fifty-fourth month and the remaining 90% due at maturity. The disbursement fee was 50 basis points due at closing and a commitment fee of 55 basis points is payable quarterly on any drawn balance. The first drawdown of U.S.\$30.0 million was made on September 4, 2020. The loan proceeds will be used to finance MBJA's Capital Development Program, as well as for general corporate purposes. As of December 31, 2022, the balance outstanding under this facility amounted to U.S.\$30.0 million (Ps.580.8 million).

As of December 31, 2022, we were not party to any off-balance sheet arrangements and were in compliance with all covenants stipulated in our debt instruments.

#### **Capital Expenditures**

For the years ended December 31, 2020, 2021 and 2022, we had total capital expenditures of Ps.3,160.1 million, Ps.4,946.8 million and Ps.8,431.1 million, respectively. During 2020, 2021 and 2022, 3.1%, 1.3% and 2.5%, respectively, of our capital expenditures were financed by cash flows from operations, while the remaining balance was funded through bank loans and long-term debt securities issued on the Mexican capital markets. We currently intend to fund the investments and working capital required by our business strategy through cash flows from operations and debt securities issued on the Mexican debt markets.

#### *Capital Expenditures in Mexico*

Under the terms of our Mexican concessions, each of our Mexican subsidiary concession holders is required to present a Master Development Program for approval by the SICT every five years. Each Master Development Program includes investment commitments (including capital expenditures and improvements) applicable to us as the concession holder for the succeeding five-year period. Once approved by the SICT, these commitments become binding obligations under the terms of our Mexican concessions. In December 2019, the SICT approved our Master Development Programs for each of our Mexican airports for the 2020 to 2024 period. This five-year program was to be in effect from January 1, 2020 until December 31, 2024.

Due to the COVID-19 pandemic, we delayed certain non-mandatory capital investments and during the month of August 2020, we filed a proposal for an Extraordinary Review Process of our Master Development Program with the SICT in response to the impact of the COVID-19 pandemic on our operations. See "Item 3, Risk Factors - Developments related to the outbreak of COVID-19 have had, and may continue to have, a material adverse impact on our financial conditions or results of operations control", and "Item 5 - Developments related to the outbreak of COVID-19." The adjustments to our Master Development Program approved as a result of this Extraordinary Review Process and announced on November 30, 2020, resulted in the postponement of investments by approximately 20 months. As such, certain investments that were scheduled to conclude in 2024 will now conclude in 2026.

The table below sets forth our historical capital expenditures in Mexico. Capital expenditures are calculated on a cash flow basis, meaning that capital expenditures are equal to those investments actually paid for by each airport during a given year and not including investments for which the airport made allocations but did not pay during the given year. The investments shown in the table below therefore

reflect expenditures actually paid for by our airports for the years indicated. In order to be compared with our committed investments for a given year, the investments made in the previous year but paid for in the given year need to be subtracted while the investments allocated but not paid for in the given year need to be added. For 2020, 2021 and 2022, the total of our investments allocated but unpaid were Ps.540.8 million, Ps.1,428.0 million and Ps.853.5 million, respectively.

#### Capital Expenditures in Mexico

Year ended December 31,	Total Capital Expenditures (thousands of pesos) (1)
2020	Ps. 2,904,649
2021	4,687,355
2022	8,094,999

(1) Expressed in nominal pesos.

In 2020, we spent Ps.2,904.6 million on capital expenditures in Mexico, primarily for the rehabilitation and expansion of the terminal building at Los Cabos airport, the construction of a new processing building at the Tijuana airport, the construction of a new runway and taxiing runway parallel to the main runway at Guadalajara airport and the installation and adaptation of solar panels at 11 of our Mexican airports.

In 2021, we spent Ps.4,625.2 million on capital expenditures in Mexico, primarily the building of a new runway, taxiing runway parallel to the main runway, roads, hangar area and fire rescue service building at Guadalajara airport, for the rehabilitation and expansion of the terminal building and expansion of the general apron at Los Cabos airport, the construction of a new processing building at the Tijuana airport, rehabilitation of the taxiway at Puerto Vallarta airport and the expansion of the checked baggage system at our airports in Mexico.

In 2022, we spent Ps.8,094.1 million on capital expenditures in Mexico, primarily for the rehabilitation and expansion of the terminal building and the expansion of the general apron at Los Cabos airport, the building of a new runway and taxiing, roads, hangar area, mixed-use building and parking lots at Guadalajara airport and the rehabilitation of taxiway at Puerto Vallarta airport.

Every five-year period, MBJA is entitled to submit to the JCAA its proposal for increases to the maximum regulated charges together with investment commitments (including capital expenditures for capital projects and required improvements at the Montego Bay airport under MBJA's Concession Agreement). Upon the JCAA's approval of the new maximum regulated charges, these commitments become binding obligations under the terms of MBJA's concession. The maximum regulated charges are determined by the JCAA based on traffic projections, operating costs and capital investments included in the new Capital Development Program. Under the terms of MBJA's Concession Agreement with the AAJ, these committed capital investments must be met over a five-year period and not on an annual basis. On September 11, 2019, the JCAA approved new maximum regulated charges for the Montego Bay airport that assume capital investments (including scheduled maintenance) for the period from January 1, 2020 through December 31, 2024, estimated to cost approximately U.S.\$111.7 million. The new maximum rates for the five-year period from 2020-2024 went into effect on January 1, 2020. In December 2020, as a result of the COVID-19 pandemic and its economic impact, the AAJ granted MBJA a deferral on its committed investments for 2020 so that these investments can begin in January 2022. In 2021, MBJA requested a further deferral to execute the Capital Development Program until we reach an agreement with the AAJ for the rebalancing petition filed in December 2020. As of the day of this report, the rebalancing petition is still in process, we expected this process to conclude during 2023.

#### Capital Expenditures in Jamaica

Year ended December 31,	Total Capital Expenditures (million of dollar) (1)
2020	U.S. 8.6
2021	6.6
2022	6.5

(1) Expressed in nominal dollars.

In 2020, MBJA made investments of U.S.\$6.4 million in capital expenditures, primarily for the expansion and remodeling of the terminal and the acquisition of equipment. In 2021, MBJA made investments of U.S.\$4.6 million in capital expenditures primarily for the rehabilitation of the terminal building and the acquisition of machinery and equipment. In 2022, MBJA made investments of U.S.\$5.5 million in capital expenditures primarily for the rehabilitation of the terminal building, the installation and adaptation of solar panels and the acquisition of machinery and equipment.

On November 6, 2019, the JCAA approved new maximum regulated charges for the Kingston airport that assume capital investments (including scheduled maintenance) for the period from April 1, 2020 through December 31, 2024, estimated to cost approximately U.S.\$101.4 million. For NMIA, maximum rates for the five-year period from 2020-2024 went into effect as of April 1, 2020. In December 2020, as a result of the COVID-19 pandemic and its economic impact, the AAJ granted PACKAL a deferral on its committed investments for 2020 so that these investments can begin in June 2021, but in response to a petition by PACKAL the deferral by the AAJ was extended.

In 2020, PACKAL made investments of U.S.\$2.2 million in capital expenditures, primarily for the expansion and renovation of the terminal, improvements to the runway and the acquisition of equipment. In 2021, PACKAL made investments of U.S.\$2.0 million in capital expenditures, primarily for the acquisition of equipment. In 2022, PACKAL made investments of U.S.\$1.0 million in capital expenditures, primarily for the acquisition of equipment and the installation and adaptation of solar panels.

### **Share Repurchase**

We periodically repurchase our shares on the open market using funds authorized by our shareholders specifically for the repurchase of our shares by us at our discretion and in accordance with our policies.

In the aggregate, as of December 31, 2022, we held 7,024,113 shares in our treasury worth approximately Ps.1,999.9 million, at an average price of Ps.284.73 per share; as of April 5, 2023 we held 7,024,113 shares.

At the General Ordinary Shareholder's Meeting held on April 22, 2022, the Shareholders approved the cancellation of the remnant of the repurchase fund for Ps.2,031.8 million, approved in an Ordinary General Shareholders' Meeting held on April 27, 2021 and September 14, 2021 and a maximum amount of resources allocated was approved for the repurchase of the company's own shares of Ps.2,000.0 million during the 12 months following its approval, if the Company's management determines it convenient or necessary. The share repurchase program can be exercised during the 12-month period following the April 22, 2022 meeting.

At the Extraordinary General Shareholder's Meeting held on April 22, 2022, the Shareholders approved the cancellation of 13,273,970 shares previously acquired through share repurchase programs and held in treasury as of December 31, 2021.

At the General Ordinary Shareholder's Meeting held on April 27, 2021, a share repurchase program was approved for up to a maximum amount of Ps.3,000.0 million. At the Ordinary General Shareholders' Meeting held on September 14, 2021, the Shareholders approved the proposal to increase the maximum amount of resources allocated for the repurchase of the Company's shares by Ps.2,000.0 million in addition to the Ps.3,000.0 million previously approved at the Ordinary General Shareholders' Meeting held on April 27, 2021. The share repurchase program can be exercised during the 12-month period following the April 27, 2021 meeting.

At the Extraordinary General Shareholder's Meeting held on April 27, 2021, the Shareholders approved the cancellation of 35,424,453 shares previously acquired through share repurchase programs and held in treasury as of December 31, 2020.

At the General Ordinary Shareholders' Meeting held on July 1, 2020, a share repurchase program for Series B shares was approved for up to a maximum amount of Ps.1,550.0 million for the following twelve months. We began purchasing our shares in March, 2021. From March 2021 until the April 27, 2021 General Ordinary Shareholder's Meeting, we repurchased 2,439,196 shares at an average price of Ps.217.81.