

For 2021, 2022, and 2023, PACKAL paid Ps.395.5 million, Ps.697.5 million, and Ps.733.6 million in concession fees, respectively.

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at our Mexican airports pursuant to the investment requirements under our Master Development Programs and could be superseded by new investments.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 2021, 2022, and 2023, these write-offs totaled Ps.10.3 million, Ps.15.5 million, and Ps.35.1 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. 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 2021, 2022, and 2023 were 22.8%, 25.2%, and 24.1%, respectively.

In 2023, our effective tax rate decreased 110 basis points compared to 2022, resulting from a Ps.233.0 million decrease in our current tax expense. This decrease was offset by a Ps.214.8 million decrease in deferred income tax benefits due to lower inflation. The inflation rate in Mexico decreased from 7.8% in 2022 to 4.7% in 2023.

In 2022, our effective tax rate increased 237 basis points 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 by 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 terms of cash flows, we paid Ps.1,017.1 million, Ps.4,356.8 million, and Ps.4,501.9 million in corporate taxes in 2021, 2022, and 2023, respectively, representing 13.0%, 35.5%, and 35.3% of our earnings before taxes.

Taxation in Mexico

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 to utilize tax amortization rates that are lower than the maximum allowable rates to modify their tax amortization rates every five years without exceeding the maximum permissible 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 2021, 2022, and 2023, our Jamaican airports incurred U.S.\$6.9 million (Ps.139.2 million), U.S.\$16.7 million (Ps.334.6 million), and U.S.\$16.8 million (Ps.299.1 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.9.7 million in 2021, Ps.12.5 million in 2022, and Ps.15.9 million in 2023.

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.1.6 million in 2021, Ps.2.8 million in 2022, and Ps.3.2 million in 2023.

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.1.0 million in 2021, Ps.1.9 million in 2022, and Ps.2.3 million in 2023.

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,		
	2021	2022	2023
Depreciation (appreciation) of the Mexican peso as compared to the U.S. dollar (1)	3.3%	(5.9)%	(12.7)%
Mexican inflation rate (2)	7.4%	7.8%	4.7%
U.S. inflation rate (3)	7.0%	6.5%	3.4%
Increase in Mexican GDP (4)	5.0%	3.0%	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.20.5835 per U.S.\$1.00 as of December 31, 2021; Ps.19.3615 per U.S.\$1.00 as of December 31, 2022; Ps.16.8935 per U.S.\$1.00 as of December 31, 2023.
- (2) Based on changes in the Mexican CPI from the previous period, as reported by INEGI, the Mexican CPI at year-end was 117.308 in 2021, 126.481 in 2022, and 132.373 in 2023.
- (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 decrease 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 2021, 2022, and 2023, we collected passenger charges from airlines for an average period of 62, 63, and 62 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 two 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. In 2021 and 2022, our Tijuana airport had the highest percentage increase in passenger traffic (an increase of 8.4%, and 38.1% compared to 2019). In 2023, our Guanajuato airport had the highest percentage increase in passenger traffic, with an increase of 23.7% compared to 2022.

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,					
	2021		2022		2023	
	(thousands of pesos, except percentages)					
Guadalajara:						
Revenues:						
Aeronautical services	Ps		Ps		Ps	
	.	3,296,419	.	4,562,120	.	5,266,036
Non-aeronautical services		783,252		877,101		1,041,913
		4,079,672		5,439,221		6,307,949
Improvements to concession assets (1)		1,463,854		2,474,815		4,271,867
Total revenues		5,543,525		7,914,036		10,579,816
Total costs		2,929,322		4,016,621		5,960,016
Costs of operations (2)		972,506		1,038,575		1,200,960
Cost of improvements to concession assets (1)		1,463,854		2,474,815		4,271,868
Depreciation and amortization		390,393		439,418		459,556
Other expense		102,569		63,813		27,632
Income from operations		2,614,203		3,897,415		4,619,800
Operating margin (3)		47.16%		49.25%		43.67%
Tijuana:						
Revenues:						
Aeronautical services	Ps		Ps		Ps	
	.	1,944,451	.	2,690,693	.	2,915,378
Non-aeronautical services		431,706		532,955		622,543
		2,376,156		3,223,648		3,537,921
Improvements to concession assets (1)		876,292		751,422		450,925
Total revenues		3,252,448		3,975,070		3,988,846
Total costs		1,756,191		1,747,712		1,694,275
Costs of operations (2)		550,855		652,611		789,261
Cost of improvements to concession assets (1)		876,292		751,422		450,925
Depreciation and amortization		255,470		341,674		421,742
Other expense		73,574		2,006		32,347
Income from operations		1,496,257		2,227,358		2,294,571
Operating margin (3)		46.00%		56.03%		57.52%
Los Cabos:						
Revenues:						
Aeronautical services	Ps		Ps		Ps	
	.	2,003,087	.	2,711,345	.	2,932,155
Non-aeronautical services		839,580		1,093,300		1,169,048
		2,842,667		3,804,645		4,101,203
Improvements to concession assets (1)		520,812		624,893		376,172
Total revenues		3,363,479		4,429,538		4,477,375
Total costs		1,401,722		1,689,683		1,625,390
Costs of operations (2)		577,543		729,687		885,630
Cost of improvements to concession assets (1)		520,812		624,893		376,172
Depreciation and amortization		261,466		302,052		326,768
Other expense		41,901		33,051		36,819
Income from operations		1,961,757		2,739,855		2,851,985
Operating margin (3)		58.33%		61.85%		63.70%

		Year ended December 31,			
		2021	2022		2023
		(thousands of pesos, except percentages)			
Puerto Vallarta:					
Revenues:					
Aeronautical services	Ps		Ps		Ps
	.	1,336,177	.	2,278,063	.
Non-aeronautical services		389,823		524,261	
		1,726,000		2,802,324	
Improvements to concession assets (1)		285,667		523,993	
Total revenues		2,011,667		3,326,317	
Total costs		929,510		1,333,748	
Costs of operations (2)		393,268		619,672	
Cost of improvements to concession assets (1)		285,667		523,993	
Depreciation and amortization		176,562		196,793	
Other expense (income)		74,012		(6,710)	
Income from operations		1,082,157		1,992,569	
Operating margin (3)		53.79%		59.90%	
Montego Bay:					
Revenues:					
Aeronautical services	Ps		Ps		Ps
	.	1,004,076	.	1,689,682	.
Non-aeronautical services		454,519		693,603	
		1,458,595		2,383,285	
Improvements to concession assets (1)		93,205		109,715	
Total revenues		1,551,800		2,493,000	
Total costs		1,145,544		1,370,728	
Costs of operations (2)		565,828		769,014	
Cost of improvements to concession assets (1)		93,205		109,715	
Depreciation and amortization		485,814		491,076	
Other expense		697		923	
Income from operations		406,256		1,122,272	
Operating margin (3)		26.18%		45.02%	
Guanajuato:					
Revenues:					
Aeronautical services	Ps		Ps		Ps
	.	570,402	.	760,779	.
Non-aeronautical services		131,977		154,845	
		702,379		915,624	
Improvements to concession assets (1)		8,947		33,868	
Total revenues		711,326		949,492	
Total costs		294,703		344,353	
Costs of operations (2)		188,934		232,591	
Cost of improvements to concession assets (1)		8,947		33,868	
Depreciation and amortization		75,962		80,874	
Other expense (income)		20,860		(2,980)	
Income from operations		416,623		605,139	
Operating margin (3)		58.57%		63.73%	

		Year ended December 31,			
		2021	2022		2023
		(thousands of pesos, except percentages)			
Hermosillo:					
Revenues:					
Aeronautical services	Ps		Ps		Ps
	.	341,493	.	457,013	525,222
Non-aeronautical services		70,135		79,181	98,269
		411,628		536,194	623,491
Improvements to concession assets (1)		17,148		74,231	37,558
Total revenues		428,776		610,425	661,049
Total costs		273,085		335,133	323,068
Costs of operations (2)		168,077		176,020	187,697
Cost of improvements to concession assets (1)		17,148		74,231	37,558
Depreciation and amortization		75,820		86,112	99,271
Other expense (income)		12,040		(1,231)	(1,458)
Income from operations		155,691		275,292	337,981
Operating margin (3)		36.31%		45.10%	51.13%
Other Airport Subsidiaries (4) :					
Revenues:					
Aeronautical services	Ps		Ps		Ps
	.	1,487,850	.	2,187,038	2,408,142
Non-aeronautical services		343,913		415,587	437,237
		1,831,763		2,602,625	2,845,379
Improvements to concession assets (1)		102,587		253,467	547,769
Total revenues		1,934,350		2,856,092	3,393,145
Total costs		1,629,097		2,164,046	2,606,287
Costs of operations (2)		1,199,842		1,644,987	1,733,728
Cost of improvements to concession assets (1)		102,587		253,467	547,767
Depreciation and amortization		269,678		284,653	340,128
Other expense (income)		56,990		(19,062)	(15,336)
Income from operations		305,253		692,047	786,858
Operating margin (3)		15.78%		24.23%	23.15%
Other Subsidiaries (5) :					
Revenues:					
Non-aeronautical services	Ps		Ps		Ps
	.	217,534	.	826,406	1,251,556
Total revenues		217,534		826,406	1,251,556
Total costs		(201,460)		564,159	798,426
Costs of operations (2)		130,041		569,727	819,713
Depreciation and amortization		59,373		90,669	112,202
Other (income)		(390,874)		(96,237)	(133,489)
Income from operations		418,995		262,248	453,130
Total:					
Revenues:					
Aeronautical services	Ps		Ps		Ps
	.	11,983,954	.	17,336,734	19,267,395
Non-aeronautical services		3,662,441		5,197,238	6,165,429
		15,646,395		22,533,972	25,432,824
Improvements to concession assets (1)		3,368,511		4,846,404	7,791,320
Total revenues		19,014,906		27,380,376	33,224,144
Total costs		10,157,714		13,566,182	18,085,431
Costs of operations (2)		4,746,895		6,432,884	7,764,285
Cost of improvements to concession assets (1)		3,368,511		4,846,404	7,791,320
Depreciation and amortization		2,050,539		2,313,321	2,545,702
Other (income)		(8,231)		(26,427)	(15,876)
Income from operations		8,857,192		13,814,194	15,138,713
Operating margin (3)		46.58%		50.45%	45.57%

(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		
	2021	2022	2023				
	(thousands of pesos, except percentages)						
Revenues:							
Aeronautical services	Ps .	11,983,954	Ps .	17,336,734	Ps .	19,267,395	11.1%
Non-aeronautical services		3,662,441		5,197,238		6,165,429	18.6%
		15,646,395		22,533,972		25,432,824	12.9%
Improvements to concession assets		3,368,511		4,846,404		7,791,320	60.8%
Total revenues		19,014,906		27,380,376		33,224,144	21.3%
Operating costs:							
Employee cost (1)		1,115,750		1,373,264		1,724,461	25.6%
Maintenance (1)		546,548		730,568		728,618	(0.3)%
Safety, security and insurance (1)		510,440		577,122		691,155	19.8%
Utilities (1)		391,836		474,032		485,265	2.4%
Allowance for expected credit loss (1)		15,487		41,444		29,395	(29.1)%
Other operating cost (1)		409,570		584,624		721,175	23.4%
Technical assistance fees		526,220		756,648		851,320	12.5%
Concession taxes		1,231,044		1,895,182		2,532,896	33.6%
Depreciation and amortization		2,050,539		2,313,321		2,545,702	10.0%
Other income		(8,232)		(26,428)		(15,876)	(39.9)%
Cost of improvements to concession assets		3,368,511		4,846,404		7,791,320	60.8%
Total costs		10,157,714		13,566,182		18,085,431	33.3%
Income from operations		8,857,192		13,814,194		15,138,713	9.6%
Finance cost - net							
Finance income		420,271		835,989		1,402,964	67.8%
Finance cost		(1,686,540)		(2,455,918)		(3,439,276)	40.0%
Exchange gain, net		238,339		81,420		(340,711)	(518.5)%
Net finance cost		(1,027,930)		(1,538,509)		(2,377,023)	54.5%
Income before income taxes		7,829,263		12,275,686		12,761,690	4.0%
Income tax expense		1,785,546		3,090,212		3,072,090	(0.6)%
Profit for the year		6,043,717		9,185,474		9,689,600	5.5%
Other comprehensive income							
Items that are or may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations		30,810		(488,316)		(893,709)	83.0%
Cash flow hedges, effective portion of changes in fair value, net of income tax		500,765		100,966		(69,905)	(169.2)%
Items that will not be reclassified to profit or loss:							
Remeasurements of employee benefit - net of income tax		15,263		8,802		(15,932)	(281.0)%
Total comprehensive income for the year		6,590,555		8,806,926		8,710,054	(1.1)%
Profit for the year attributable to:							
Controlling interest		5,997,492		9,013,147		9,542,912	5.9%
Non-controlling interesting		46,225		172,327		146,688	(14.9)%
Profit for the year		6,043,717		9,185,474		9,689,600	5.5%
Total comprehensive income for the year							
Controlling interest		6,510,307		8,664,216		8,641,234	(0.3)%
Non-controlling interesting		80,248		142,710		68,820	(51.8)%
Total comprehensive income for the year		6,590,555		8,806,926		8,710,054	(1.1)%
Other operating data (unaudited):							
Operating margin (2)		46.6%		50.5%		45.6%	(9.8)%
Net margin (3)		31.8%		33.5%		29.2%	(12.9)%

- (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, 2023 Compared to the Year Ended December 31, 2022

Revenues

Total revenues increased 21.3% from Ps.27,380.4 million in 2022 to Ps.33,224.1 million in 2023. This results from the rise in passenger traffic and the increase in the maximum tariffs applicable in 2023. The total revenue increase was comprised of an increase of Ps.1,930.7 million, or 11.1%, in aeronautical services revenues, an increase of Ps.968.2 million, or 18.6%, in non-aeronautical revenues, and an increase of Ps.2,944.9 million, or 60.8%, 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.1,930.6 million, or 11.1%, from Ps.17,336.7 million in 2022 to Ps.19,267.4 million in 2023.

Aeronautical services revenues at our Mexican airports increased Ps.1,768.9 million, or 12.0%, primarily as a result of an increase of in revenues from passenger charges of Ps.1,504.6 million, or 11.7%, due to the 11.3% increase in total passenger traffic. Revenues from aircraft landing and parking fees in our Mexican airports increased by Ps.173.8 million, or 13.5%, while revenues from the leasing of space to airlines for ticket counters, airport security, and complementary services increased by Ps.90.4 million, or 16.2%.

Aeronautical services revenues at our Jamaican airports increased by Ps.161.8 million, or 6.2%, compared to 2022. This was mainly due to the 17.6% increase in passenger traffic. This was offset by the appreciation of the peso against the U.S. dollar compared to 2022 of 11.7%, which went from an average exchange rate of Ps.20.1254 in 2022 to Ps.17.7665 in 2023, resulting in a decrease in revenues in pesos.

Non-Aeronautical Services Revenues

Non-aeronautical services revenues increased by Ps.968.2 million, or 18.6%, from Ps.5,197.2 million in 2022 to Ps.6,165.4 million in 2023, primarily as a result of passenger traffic increase and the opening of new commercial areas, as well as the renegotiation of current contracts with tenants.

Non-aeronautical services revenues at our Mexican airports increased by Ps.860.8 million, or 20.1%, compared to 2022, driven mainly by an increase in revenues from businesses operated by third parties of Ps.434.5 million, or 15.4%. The increase in revenues from businesses operated by third parties was primarily driven by revenues from food and beverage operations, retail, car rentals, leasing of space, which jointly increased by Ps.390.4 million, or 21.6%. Revenues from businesses operated directly by us in our Mexican airports increased by Ps.419.4 million, or 32.3%, mainly due to an increase in revenues from convenience stores and car parking, which jointly increased by Ps.318.3 million.

Non-aeronautical services revenues from the Jamaican airports increased by Ps.107.4 million, or 11.8%, compared to 2022. The business lines that increased the most were duty-free stores, car parking, retail and leasing of space, which jointly increased by Ps.93.9 million, or 15.7%.

Revenues from Improvements to Concession Assets

Revenues from improvements to concession assets increased by Ps.2,944.9 million, or 60.8%, from Ps.4,846.4 million in 2022 to Ps.7,791.3 million in 2023. 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 2023, 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 Bay airport terminal.

Revenues by Airport

Total revenues for Guadalajara airport increased by Ps.2,665.8 million, or 33.7%, from Ps.7,914.0 million in 2022 to Ps.10,579.8 million in 2023 (taking into account only revenues from aeronautical and non-aeronautical services, revenues increased by Ps.868.7 million, or 16.0%). Aeronautical services revenues increased by Ps.703.9 million, or 15.4%, from Ps.4,562.1 million in 2022 to Ps.5,266.0 million in 2023. This increase in aeronautical services revenues was mainly due to an increase in passenger charges of Ps.593.0 million, or 14.8%, driven by a 13.5% increase in passenger traffic, as well as by the increase in specific tariffs beginning in January 2023. Non-aeronautical services revenues increased by Ps.164.8 million, or 18.8%, from Ps.877.1 million in 2022 to Ps.1,041.9 million in 2023. This increase in non-aeronautical services revenues was primarily due to an increase in revenues from businesses operated directly by us of Ps.86.9 million. The increase was mainly derived from car parking and VIP lounges, which jointly increased Ps.75.6 million. Revenues from business lines operated by third

parties increased by Ps.77.8 million, or 9.4%, mainly due to an increase in food and beverage, retail, and car rentals. Revenues from improvements to concession assets increased by Ps.1,797.1 million, or 72.6%, in 2023 compared to 2022. Total revenues for Tijuana airport increased by Ps.13.7 million, or 0.3%, from Ps.3,975.1 million in 2022 to Ps.3,988.8 million in 2023 (taking into account only revenues from aeronautical and non-aeronautical services, revenues increased by Ps.314.2 million, or 9.7%). Aeronautical services revenues increased by Ps.224.7 million, or 8.4%, from Ps.2,690.7 million in 2022 to Ps.2,915.4 million in 2023. This increase in aeronautical services revenues was mainly due to an increase in passenger charges of Ps.184.7 million, or 7.7%, driven by a 7.1% increase in passenger traffic, as well as by the increase in specific tariffs beginning in January 2023. Non-aeronautical services revenues increased by Ps.89.5 million, or 16.8%, from Ps.533.0 million in 2022 to Ps.622.5 million in 2023. This increase in non-aeronautical services revenues was primarily due to an increase in revenues from business lines operated directly by us of Ps.71.4 million, or 38.9%. This increase was mainly car parking and VIP Lounges, which jointly increased Ps.57.5 million. Revenues from business lines operated by third parties increased by Ps.18.2 million, or 5.2%, mainly due to an increase in food and beverage, and car rentals revenues. Revenues from improvements to concession assets decreased by Ps.300.5 million, or 40.0%, in 2023 compared to 2022.

Total revenues for Los Cabos airport increased by Ps.47.9 million, or 1.1%, from Ps.4,429.5 million in 2022 to Ps.4,477.4 million in 2023 (taking into account only revenues from aeronautical and non-aeronautical services, revenues increased by Ps.296.6 million, or 7.8%). Aeronautical services revenues increased by Ps.220.9 million, or 8.1%, from Ps.2,711.3 million in 2022 to Ps.2,932.2 million in 2023. The increase in aeronautical services revenues was mainly due to an increase in passenger charges of Ps.209.5 million, or 8.9%, driven by a 9.9% increase in passenger traffic, as well as by the increase in specific tariffs beginning in January 2023. Non-aeronautical services revenues increased by Ps.75.7 million, or 6.9%, from Ps.1,093.3 million in 2022 to Ps.1,169.0 million in 2023. This increase in non-aeronautical services revenues was primarily due to an increase in revenues from business lines operated by third parties of Ps.59.1 million, or 5.8%. This increase was mainly from food and beverage, retail and car rental revenues, which jointly increased Ps.102.5 million. Revenues from business lines operated directly by us increased by Ps.16.6 million, or 22.6%, mainly due to an increase in VIP Lounges and car parking. Revenues from improvements to concession assets decreased by Ps.248.7 million, or 39.8%, in 2023 compared to 2022.

Total revenues for Puerto Vallarta airport increased by Ps.1,443.7 million, or 43.4%, from Ps.3,326.3 million in 2022 to Ps.4,770.0 million in 2023 (taking into account only revenues from aeronautical and non-aeronautical services, revenues increased by Ps.251.8 million, or 9.0%). Aeronautical services revenues increased by Ps.214.1 million, or 9.4%, from Ps.2,278.1 million in 2022 to Ps.2,492.2 million in 2023. The increase in aeronautical services revenues was mainly due to an increase in revenues from passenger charges of Ps.189.2 million or 9.7%, driven by a 9.4% increase in passenger traffic, as well as by the increase in specific tariffs as of January 1, 2023. Non-aeronautical services revenues increased by Ps.37.7 million, or 7.2%, from Ps.524.3 million in 2022 to Ps.562.0 million in 2023. This increase in non-aeronautical services revenues was primarily due to an increase in revenues from business lines operated directly by us of Ps.21.8 million, or 66.6%. This increase was mainly in VIP Lounges and conveniences stores, which jointly increased Ps.14.4 million. Revenues from business lines operated by third parties increased by Ps.15.8 million, or 3.2%. This increase was mainly from food and beverage and retail revenues. Revenues from improvements to concession assets increased by Ps.1,191.8 million, or 227.5%, in 2023 compared to 2022.

Total revenues for Montego Bay airport increased by Ps.318.2 million, or 12.8%, from Ps.2,493.0 million in 2022 to Ps.2,811.2 million in 2023 (taking into account only revenues from aeronautical and non-aeronautical services, revenues increased by Ps.221.8 million, or 9.3%). Aeronautical services revenues increased by Ps.115.3 million, or 6.8%, from Ps.1,689.7 million in 2022 to Ps.1,805.0 million in 2023. This increase in aeronautical services revenues was mainly due to an increase in revenues from passenger charges of Ps.83.8 million, or 7.5%, driven by a 19.6% increase in passenger traffic, as well as by the increase in specific tariffs as of January 1, 2023. Non-aeronautical services revenues increased by Ps.106.5 million, or 15.3%, from Ps.693.6 million in 2022 to Ps.800.1 million in 2023. This increase in non-aeronautical services revenues was primarily due to an increase in revenues from business lines operated by third parties of Ps.155.0 million, or 26.8%. This increase was mainly in retail and duty-free revenues, which jointly increased Ps.245.2 million. Revenues from business lines operated directly by us decreased by Ps.48.6 million, or 42.6%. This decrease was derived mainly from VIP Lounges. Revenues from improvements to concession assets increased by Ps.96.4 million, or 87.9%, in 2023 compared to 2022.

Total revenues for Guanajuato airport increased by Ps.341.7 million, or 36.0%, from Ps.949.5 million in 2022 to Ps.1,291.2 million in 2023 (taking into account only revenues from aeronautical and non-aeronautical services, revenues increased by Ps.190.5 million, or 20.8%). Aeronautical services revenues increased by Ps.162.5 million, or 21.4%, from Ps.760.8 million in 2022 to Ps.923.3 million in 2023. This increase in aeronautical services revenues was mainly due to an increase in revenues from passenger charges of Ps.145.1 million, or 21.8%, driven by a 23.7% increase in passenger traffic, as well as by the increase in specific tariffs as of January 1, 2023. Non-aeronautical services revenues increased by Ps.28.0 million, or 18.1%, from Ps.154.8 million in 2022 to Ps.182.8 million in 2023. This increase in non-aeronautical services was primarily due to an increase in revenues from businesses operated directly by us of Ps.22.9 million, or 225.9%. This increase was mainly in car parking and VIP Lounges, which jointly increased Ps.16.3 million. Revenues from business lines operated by third parties increased by Ps.5.1 million, or 3.5%. Revenues from improvements to concession assets increased by Ps.151.2 million, or 446.4%, in 2023 compared to 2022.

Total revenues for Hermosillo airport increased by Ps.50.6 million, or 8.3%, from Ps.610.4 million in 2022 to Ps.661.0 million in 2023 (taking into account only revenues from aeronautical and non-aeronautical services, revenues increased by Ps.87.3 million, or 16.3%).

Aeronautical services revenues increased by Ps.68.2 million, or 14.9%, from Ps.457.0 million in 2022 to Ps.525.2 million in 2023. This increase in aeronautical services revenues was mainly due to an increase in revenues from passenger charges of Ps.44.7 million, or 12.0%, driven by a 12.6% increase in passenger traffic, as well as by the increase in specific tariffs as of January 1, 2023. Non-aeronautical services revenues increased by Ps.19.1 million, or 24.1%, from Ps.79.2 million in 2022 to Ps.98.3 million in 2023. This increase in non-aeronautical services was primarily due to an increase in revenues from businesses operated by third parties of Ps.11.9 million, or 17.0%. This increase was mainly in car rentals and food and beverage revenues, which jointly increased by Ps.12.1 million. Revenues from business lines operated directly by us increased by Ps.7.2 million, or 77.4%. Revenues from improvements to concession assets decreased by Ps.36.7 million, or 49.4%, in 2023 compared to 2022.

Total revenues for our other seven airports increased by Ps.537.0 million, or 18.8%, from Ps.2,856.1 million in 2022 to Ps.3,393.1 million in 2023 (taking into account only revenues from aeronautical and non-aeronautical services, revenues increased by Ps.242.8 million, or 9.3%). Aeronautical services revenues at these airports increased by Ps.221.1 million, or 10.1%, from Ps.2,187.0 million in 2022 to Ps.2,408.1 million in 2023. This increase in aeronautical services revenues was mainly due to an increase in revenues from passenger charges of Ps.167.5 million, or 10.8%, driven by a 12.0% increase in passenger traffic, as well as by the increase in specific tariffs as of January 1, 2023. Non-aeronautical services revenues increased by Ps.21.6 million, or 5.2%, from Ps.415.6 million in 2022 to Ps.437.2 million in 2023. This increase in non-aeronautical services was primarily due an increase in revenues from businesses operated directly by us of Ps.39.4 million, or 33.1%. The increase was mainly in car parking and convenience stores. Revenues from business lines operated by third parties decreased by Ps.17.7 million, or 6.0%. Revenues from improvements to concession assets increased by Ps.294.3 million, or 116.1%, in 2023 compared to 2022.

Operating Costs

Total operating costs increased by Ps.4,519.2 million, or 33.3%, from Ps.13,566.2 million in 2022 to Ps.18,085.4 million in 2023, primarily due to an increase in operating costs for our Mexican airports of Ps.3,897.1 million, or 34.9%, from Ps.11,161.7 million in 2022 to Ps.15,058.8 million in 2023. Operating costs of Jamaica airports increased by Ps.622.1 million, or 25.9%, from Ps.2,404.5 million in 2022 to Ps.3,026.6 million in 2023.

Cost of Services

Cost of services, which comprises employee costs, maintenance, safety, security, and insurance, utilities, cost of business operated directly by us, expected credit loss, and other operating expenses, increased by Ps.599.0 million, or 15.8%, from Ps.3,781.1 million in 2022 to Ps.4,380.1 million in 2023.

Cost of services for our Mexican airports increased by Ps.637.1 million, or 21.3%, in 2023 compared to 2022. The change in cost of services for these airports was composed primarily of the following factors:

- Employee costs increased by Ps.355.6 million, or 30.6%, compared to 2022, mainly due to the hiring of additional personnel as well as the adjustments in salaries and changes in Labor Law.
- Safety, security, and insurance costs increased by Ps.101.4 million, or 23.9%, compared to 2022, mainly due to an increase in the number of security staff, an increase in minimum wages, changes in Labor Law, and the opening of additional operational areas.
- Utilities increased by Ps.46.0 million, or 16.1%, compared to 2022, mainly due to the increase in the consumption of energy derived from the opening of new operational areas, the rise in the fuel price, and the increase in water fees.
- The cost of business operated directly by us increased by Ps.83.7 million or 51.7%, compared to 2022, derived from increased operations and income in VIP lounges and convenience stores.
- Maintenance costs decreased by Ps.14.9 million, or 2.5%, compared to 2022.

Of our Mexican airports, Guadalajara airport contributed the most to our cost of services in 2023, representing 20.2% of our total cost of services. The cost of services at Guadalajara airport increased by Ps.119.0 million, or 15.5%, from Ps.767.3 million in 2022 to Ps.886.3 million in 2023. This increase was primarily due to an increase of Ps.69.6 million in other operating expenses and Ps.43.5 million in employee costs. This was partially offset by a decrease of Ps.23.4 million in maintenance expenses.

Costs of services at Montego Bay airport decreased by Ps.21.5 million, or 4.5%, in 2023 compared to 2022. The change in cost of services for this airport was primarily due to a decrease of Ps.22.2 million in utilities and a decrease of Ps.5.7 million in employee costs. This was partially offset by an increase in safety, security, and insurance of Ps.3.7 million, as well as an increase in maintenance of Ps.2.7 million.

Costs of services for PACKAL decreased by Ps.16.7 million, or 5.4%, in 2023 compared to 2022. The change in cost of services for this airport was primarily as a result of a decrease of Ps.25.0 million in other operating expenses and a decrease of Ps.12.6 million in utilities. This was partially offset by an increase in maintenance expenses of Ps.10.2 million, an increase in safety, security, and insurance of Ps.8.9 million, and an increase in employee costs of Ps.1.4 million.

Technical Assistance Fees

Technical assistance fees increased by Ps.94.7 million, or 12.5%, from Ps.756.6 million in 2022 to Ps.851.3 million in 2023. 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

Due to 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.637.7 million, or 33.6%, from Ps.1,895.2 million in 2022 to Ps.2,532.9 million in 2023.

Depreciation and Amortization

Depreciation and amortization increased by Ps.232.4 million, or 10.0%, from Ps.2,313.3 million in 2022 to Ps.2,545.7 million in 2023. This was mainly due to the growth in infrastructure resulting from the fulfillment of our Master Development Programs and Capital Development Programs.

Other (Income) expense - net

Other income decreased by Ps.10.6 million, or 39.9%, from income of Ps.26.4 million in 2022 to income of Ps.15.9 million in 2023.

Cost of Improvements to Concession Assets

Cost of improvements to concession assets increased by Ps.2,944.9 million, or 60.8%, from Ps.4,846.4 million in 2022 to Ps.7,791.3 million in 2023. In Mexico, the cost of improvements to concession assets increased by Ps.2,822.7 million, or 59.8%, in 2023, compared to 2022. In 2023, MBJA recognized Ps.206.1 million in cost of improvements to concession assets, an increase of Ps.96.4 million, or 87.9% compared to 2022. In 2023, PACKAL recognized Ps.45.8 million in cost of improvements to concession assets, an increase of Ps.19.8 million, compared to 2022.

Operating Costs by Airport

Operating costs for Guadalajara airport increased by Ps.1,943.4 million, or 48.4%, from Ps.4,016.6 million in 2022 to Ps.5,960.0 million in 2023. This was primarily due to the increase in the cost of improvements to concession assets by Ps.1,797.0 million, or 72.6%, from Ps.2,474.8 million in 2022 to Ps.4,271.9 million in 2023. In addition to an increase in the cost of operations of Ps.162.4 million, or 15.6%, from Ps.1,038.6 million in 2022 to Ps.1,201.0 million in 2023. Depreciation and amortization increased by Ps.20.1 million, or 4.6%, in 2023 compared to 2022. Excluding the cost of improvements to concession assets, operating costs increased by Ps.146.3 million, or 9.5%.

Operating costs for Tijuana airport decreased by Ps.53.4 million, or 3.1%, from Ps.1,747.7 million in 2022 to Ps.1,694.3 million in 2023. This was mainly due to a decrease in the cost of improvements to concession assets by Ps.300.5 million, or 40.0%, from Ps.751.4 million in 2022 to Ps.450.9 million in 2023. This was partially offset by an increase in the cost of operations of Ps.136.7 million, or 20.9%, from Ps.652.6 million in 2022 to Ps.789.3 million in 2023. Depreciation and amortization increased by Ps.80.1 million, or 23.4%, in 2023 compared to 2022. Excluding the cost of improvements to concession assets, operating costs increased by Ps.247.1 million, or 24.8%.

Operating costs for Los Cabos airport decreased by Ps.64.3 million, or 3.8%, from Ps.1,689.7 million in 2022 to Ps.1,625.4 million in 2023. This was mainly due to a decrease in the cost of improvements to concession assets by Ps.248.7 million, or 39.8%, from Ps.624.9 million in 2022 to Ps.376.2 million in 2023. This was partially offset by an increase in the cost of operations of Ps.155.9 million, or 21.4%, from Ps.729.7 million in 2022 to Ps.885.6 million in 2023. Depreciation and amortization increased by Ps.24.7 million, or 8.2%, in 2023 compared to 2022. Excluding the cost of improvements to concession assets, operating costs increased by Ps.184.4 million, or 17.3%.

Operating costs for Puerto Vallarta airport increased by Ps.1,298.9 million, or 97.4%, from Ps.1,333.7 million in 2022 to Ps.2,632.6 million in 2023. This was primarily due to an increase in the cost of improvements to concession assets by Ps.1,191.8 million, or 227.5%, from

Ps.524.0 million in 2022 to Ps.1,715.8 million in 2023, and an increase in the cost of operations of Ps.28.1 million, or 4.5%. Depreciation and amortization increased by Ps.33.4 million, or 17.0%, in 2023 compared to 2022. Excluding the cost of improvements to concession assets, operating costs increased by Ps.107.0 million, or 13.2%.

Operating costs for Montego Bay airport increased by Ps.545.1 million, or 39.8%, from Ps.1,370.7 million in 2022 to Ps.1,915.9 million in 2023. This was mainly due to an increase in costs of operations by Ps.471.9 million, or 61.4%, from Ps.769.0 million in 2022 to Ps.1,240.9 million in 2023. Cost of improvements to concession assets increased Ps.96.4 million, or 87.9%, from Ps.109.7 million in 2022 to Ps.206.1 million in 2023. Depreciation and amortization expenses decreased by Ps.23.1 million, or 4.7%, from Ps.491.1 million in 2022 to Ps.468.0 million in 2023. Excluding the cost of improvements to concession assets, operating costs increased by Ps.448.7 million, or 35.6%.

Operating costs for Guanajuato airport increased by Ps.185.1 million, or 53.8%, from Ps.344.4 million in 2022 to Ps.529.5 million in 2023. This was primarily due to an increase in the cost of improvements to concession assets by Ps.151.2 million, or 446.4%, from Ps.33.9 million in 2022 to Ps.185.1 million in 2023, and an increase in the in the cost of operations of Ps.26.0 million, or 11.2%. Depreciation and amortization increased by Ps.7.0 million, or 8.7%, in 2023 compared to 2022. Excluding the cost of improvements to concession assets, operating costs increased by Ps.33.9 million, or 10.9%.

Operating costs for Hermosillo airport decreased by Ps.12.1 million, or 3.6%, from Ps.335.1 million in 2022 to Ps.323.1 million in 2023. This was mainly due to a decrease in the cost of improvements to the concession of Ps.36.7 million, or 49.4%, from Ps.74.2 million in 2022 to Ps.37.6 million in 2023. This was partially offset by an increase in the cost of operations of Ps.11.7 million, or 6.6%. Depreciation and amortization increased by Ps.13.2 million, or 15.3%, in 2023 compared to 2022. Excluding the cost of improvements to concession assets, operating costs increased by Ps.24.6 million, or 9.4%.

Operating costs for our other seven airports increased by Ps.443.5 million, or 20.5%, from Ps.2,164.0 million in 2022 to Ps.2,607.5 million in 2023. This was primarily due to an increase in the cost of improvements to concession assets of Ps.294.3 million, or 116.1%, from Ps.253.5 million in 2022 to Ps.547.8 million in 2023, and an increase in the cost of operations of Ps.90.0 million, or 5.5%, from Ps.1,645.0 million in 2022 to Ps.1,735.0 million in 2023. Depreciation and amortization increased by Ps.55.5 million, or 19.5%, in 2023 compared to 2022. Excluding the cost of improvements to concession assets, operating costs increased by Ps.149.2 million, or 7.8%.

Income from Operations

Income from operations increased by Ps.1,324.5 million, or 9.6%, from Ps.13,814.2 million in 2022 to Ps.15,138.7 million in 2023. This was due to an increase in total revenues by Ps.5,843.7 million, or 21.3%, in 2023. This increase was partially offset by an increase in technical assistance fees and concession taxes, which jointly increased Ps.732.4 million, an increase in the cost of services of Ps.599.0 million, and an increase in depreciation and amortization of Ps.232.4 million. Our operating margin decreased by 489 basis points, from 50.5% in 2022 to 45.6% in 2023 (taking into account only the sum of aeronautical and non-aeronautical services revenues, our operating margin decreased by 180 basis points in 2023, from 61.3% in 2022 to 59.5% in 2023).

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 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 our third most profitable airport behind our Guadalajara and Los Cabos 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 our fourth most profitable airport behind our Guadalajara, Los Cabos, and Vallarta airports (taking into account only the sum of aeronautical and non-aeronautical services revenues). In 2023, Los Cabos was the most profitable airport, followed by Guadalajara and Puerto Vallarta 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.722.4 million, or 18.5%, from Ps.3,897.4 million in 2022 to Ps.4,619.8 million in 2023, mainly due to an increase in aeronautical and non-aeronautical services revenues by Ps.868.7 million. This was partially offset by an increase in operating expenses by Ps.146.3 million. The operating margin decreased by 560 basis points, from 49.2% in 2022 to 43.7% in 2023 (taking into account only the sum of aeronautical and non-aeronautical services revenues, operating margin increased by 160 basis points, from 71.7% in 2022 to 73.3% in 2023).

Income from operations for Tijuana airport increased by Ps.67.2 million, or 3.0%, from Ps.2,227.4 million in 2022 to Ps.2,294.6 million in 2023, mainly due to an increase in aeronautical and non-aeronautical services revenues by Ps.314.3 million. This was partially offset by an increase in operating expenses of Ps.247.1 million. The operating margin increased by 150 basis points from 56.0% in 2022 to 57.5% in 2023

(taking into account only the sum of aeronautical and non-aeronautical services revenues, operating margin decreased by 424 basis points from 69.1% in 2022 to 64.9% in 2023).

Income from operations for Los Cabos airport increased by Ps.112.1 million, or 4.1%, from Ps.2,739.9 million in 2022 to Ps.2,852.0 million in 2023, mainly due to an increase in aeronautical and non-aeronautical services revenues of Ps.296.6 million. This was partially offset by an increase in operating expenses of Ps.184.4 million. The operating margin increased by 184 basis points from 61.9% in 2022 to 63.7% in 2023 (taking into account only the sum of aeronautical and non-aeronautical services revenues, operating margin decreased by 247 basis points, from 72.0% in 2022 to 69.5% in 2023).

Income from operations for Puerto Vallarta airport increased by Ps.144.8 million, or 7.3%, from Ps.1,992.6 million in 2022 to Ps.2,137.3 million in 2023, mainly due to an increase in aeronautical and non-aeronautical services revenues of Ps.251.8 million. This was partially offset by an increase in operating expenses of Ps.107.0 million. The operating margin decreased by 1,510 basis points from 59.9% in 2022 to 44.8% in 2023 (taking into account only the sum of aeronautical and non-aeronautical services revenues, operating margin decreased by 112 basis points from 71.1% in 2022 to 70.0% in 2023).

Income from operations for Montego Bay airport decreased by Ps.227.1 million, or 20.2%, from Ps.1,122.3 million in 2022 to Ps.895.2 million in 2023, mainly due to an increase in operating expenses of Ps.448.7 million, which was partially offset by an increase of aeronautical and non-aeronautical services revenues of Ps.221.8 million. The operating margin decreased by 1,320 basis points from a margin of 45.0% in 2022 to 31.8% in 2023 (taking into account only the sum of aeronautical and non-aeronautical services revenues, operating margin decreased by 1,270 basis points from a margin of 47.1% in 2022 to 34.4% in 2023).

Income from operations for Guanajuato airport increased by Ps.156.6 million, or 25.9%, from Ps.605.1 million in 2022 to Ps.761.8 million in 2023, mainly due to an increase in aeronautical and non-aeronautical services revenues of Ps.190.5 million, partially offset by an increase in operating expenses of Ps.33.9 million. The operating margin decreased by 474 basis points from 63.7% in 2022 to 58.9% in 2023 (taking into account only the sum of aeronautical and non-aeronautical services revenues, operating margin increased by 277 basis points from 66.1% in 2022 to 68.9% in 2023).

Income from operations for the Hermosillo airport increased by Ps.62.7 million, or 22.8%, from Ps.275.3 million in 2022 to Ps.338.0 million in 2023, mainly due to an increase in aeronautical and non-aeronautical services revenues of Ps.87.3 million, partially offset by an increase in operating expenses of Ps.24.6 million. The operating margin increased by 603 basis points from 45.1% in 2022 to 51.1% in 2023 (taking into account only the sum of aeronautical and non-aeronautical services revenues, operating margin increased by 287 basis points from 51.3% in 2022 to 54.2% in 2023).

Income from operations for our seven other airports increased by Ps.93.6 million, or 13.5%, from Ps.692.0 million in 2022 to Ps.785.6 million in 2023, mainly due to an increase in aeronautical and non-aeronautical services revenues of Ps.242.8 million, partially offset by an increase in operating expenses of Ps.149.2 million. The operating margin decreased by 108 basis points from 24.2% in 2022 to 23.1% in 2023 (taking into account only the sum of aeronautical and non-aeronautical services revenues, operating margin increased by 102 basis points from 26.6% in 2022 to 27.6% in 2023).

Finance Cost - net

Finance cost in 2023 increased by Ps.838.5 million, or 54.5%, from a net expense of Ps.1,538.5 million in 2022 to a net expense of Ps.2,377.0 million in 2023. This increase was mainly due to a foreign exchange loss of Ps.422.1 million, as foreign exchange rate fluctuations went from an income of Ps.81.4 million in 2022 to an expense of Ps.340.7 million in 2023, as a result of the peso appreciation by 12.7%, which went from Ps.19.3615 per U.S. dollar on December 31, 2022 to Ps.16.8935 per U.S. dollar on December 31, 2023. In 2023, we recognized, within other comprehensive income, Ps.405.4 million in expense from exchange rate differences on translating foreign operations, in accordance with applicable norms. Interest expense increased by Ps.983.4 million, or 40.0%, in 2023 compared to 2022, mainly due to the increase in debt due to the issuance of bond certificates and the contracting of bank loans in 2023, as well as the substantial increase in interest rates.

Interest income increased by Ps.567.0 million, or 67.8%, in 2023 compared to 2022, mainly due to an increase in the reference interest rates in 2023.

Income Taxes

Income taxes decreased in 2023 by Ps.18.1 million, or 0.6%, from Ps.3,090.2 million in 2022 to Ps.3,072.1 million in 2023. The Mexican airports' current tax decreased by Ps.195.5 million. MBJA's current tax decreased by Ps.35.7 million, while DCA's current tax decreased by Ps.1.8 million. PACKAL current tax decreased by Ps.0.1 million. Our benefit from deferred tax decreased by Ps.214.8 million, due to a 4.7%

inflation rate in 2023 as compared to a 7.8% inflation rate in 2022. Our effective tax rate decreased from 25.2% in 2022 to 24.1% in 2023, primarily due to a decrease in benefit from deferred taxes, above mentioned.

Total Comprehensive Income for the Year Attributable to Controlling Interest

Total comprehensive income for the year decreased by Ps.23.0 million, or 0.3%, from Ps.8,664.2 million in 2022 to Ps.8,641.2 million in 2023. Income from operations increased by Ps.1,324.5 million, mainly as a result of an increase in total revenues of Ps.5,843.8 million, and partially offset by an increase in total operating costs of Ps.4,519.2 million. The cash flow hedge reserve decreased by Ps.170.9 million. In addition, there was a decrease in the currency translation effect of Ps.405.4 million, due to the exchange rate differences in translating foreign operations resulting from the peso appreciation in 2023. Our net margin decreased from 33.5% in 2022 to 29.2% in 2023 (taking into account only aeronautical and non-aeronautical services revenues, the net margin decreased from 40.8% in 2022 to 38.1% in 2023).

Statement of Financial Position

Our financial position as of December 31, 2023, increased by Ps.6,939.5 million, or 11.5%, compared to December 31, 2022, primarily due to: (i) a Ps.8,736.8 million increase in net improvements to concession assets, (ii) a Ps.631.0 million increase in other current assets, (iii) a Ps.527.6 million increase in deferred income taxes. This increase was partially offset by a decrease of (i) Ps.2,316.3 million in cash and cash equivalents, (ii) a Ps.889.7 million decrease in airport concessions, and (iii) a Ps.117.1 million decrease in account receivables, among others.

Total liabilities as of December 31, 2023, increased by Ps.5,822.9 million, or 14.3%, as compared to December 31, 2022, primarily due to: (i) issuance of Ps.4,798.0 million (net) in long-term debt securities, (ii) Ps.1,424.4 million in bank loans, and (iii) Ps.85.6 million in accounts payable. This increase was partially offset by a decrease of (i) Ps.153.6 million in income taxes payable, among others.

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

For a comparison of the results of operations for the year ended December 31, 2022, as compared to the year ended December 31, 2021, see "Item 5, Operating and Financial Review and Prospects - Results of Operations for the Year ended December 31, 2022 Compared to the Year Ended December 31, 2021" in our Fiscal Year 2022 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, 2021, 2022, and 2023 we had Ps.13,332.9 million, Ps.12,371.5 million, and Ps.10,055.2 million, respectively, of cash and cash equivalents. We recorded no financial investments held for trading purposes as of December 31, 2021, 2022, and 2023.

During 2024, we have debt securities under the ticker symbol "GAP-19" for Ps.3.0 billion due in March, which as the date of this report has been already paid, a loan with Citibanamex for US\$40.0 million due in September 2024, and a loan with Santander for Ps.1.5 billion due in November 2024. 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 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, 2023, as compared to cash flows for the year ended December 31, 2022

Cash and cash equivalents decreased by Ps.2,316.3 million, or 18.7%, from Ps.12,371.5 million in 2022 to Ps.10,055.2 million in 2023, mainly due to (i) increase of Ps.2,609.8 million in net cash used in investment activities and (ii) increase in the interests paid on financial loans of Ps.1,434.1 million, offset by (i) a (net) issuance of Ps.4,798.0 million of long-term debt securities in an aggregate principal amount of Ps.5,400.0 million; (ii) an increase of Ps.1,415.2 in net cash flows provided by operating activities in 2023 as compared to 2022 as a result of the increased of passenger traffic, an increase of Ps.504.1 million, or 5.5%, as compared to 2022, in profit for the year, an increase of Ps.50.8 million, or 107.2%, as compared to 2022, in trade accounts receivable and partially offset by an increase of Ps.145.1 million, or 3.3%, in income taxes paid and of Ps.262.8 million in interest expense for financing activity in 2023 as compared to 2022. Net cash flows used in investing activities increased by Ps.2,609.8 million, mainly to execute investment in the airports. This was partially offset by a decrease of Ps.135.9 million in net cash flows used in financing activities resulting from a decrease in the repayment of bank loans for a total of Ps.2,396.9 million, Ps.1,999.9 million in repurchasing shares, and by Ps.3,198.0 million in repayments of long-term debt securities, partially offset by Ps.1,434.1 million in interest paid, in bank loans of Ps.3,157.3 million, and Ps.2,357.6 million in issue in long-term debt securities.

Cash and cash equivalents were mainly used for (i) dividends declared and paid of Ps.7,498.3 million (Ps.1,874.6 million on May 18, 2023, Ps.1,874.6 million on July 13, 2023, Ps.1,874.6 million on October 12, 2023 and Ps.1,874.6 million on December 14, 2023); (ii) purchases of machinery and equipment, improvements to leased buildings and concession assets and advance payments to suppliers of Ps.10,444.3 million; (iii) Ps.3,662.0 million in payments to service the cost of debt.

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

For a comparison of the cash flows for the year ended December 31, 2022, as compared to the cash flows for the year ended December 31, 2021, see "Item 5, Operating and Financial Review and Prospects - Liquidity and Capital Resources - Cash Flows - Cash flows for the year ended December 31, 2022 as compared to cash flows for the year ended December 31, 2021" in our Fiscal Year 2022 Form 20-F.

Indebtedness

Indebtedness in Mexico

On May 7, 2021, we issued Ps.4.5 billion in long-term unsecured debt securities. The issuance was made in two tranches: i) Ps.2.5 billion under the ticker symbol "GAP 21" with a variable rate of TIEE-28 plus 60 basis points, with principal due at maturity on May 2, 2025, with an early payment option, and ii) Ps.2.0 billion under the ticker symbol "GAP 21-2" with interest payable every 182 days at a fixed annual rate of 7.91%, with the principal due at maturity on April 28, 2028. The proceeds of this issuance were allocated to the payment of the bond certificates under the ticker symbol "GAP 16" for Ps.1.5 billion, the principal payment of our credit with Scotiabank for Ps.1.0 billion, and the remainder was used for capital investments.

On October 15, 2021, we issued Ps.2.5 billion in long-term 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 was 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 two tranches: i) Ps.1.5 billion under the ticker symbol "GAP 21-V" with a variable rate of TIEE-28 plus 25 basis points, with principal due at maturity on October 9, 2026, with an early amortization option, and ii) Ps.1.0 billion under the ticker symbol "GAP21-2" with interest payable every 182 days at a fixed annual rate of 7.91%, with the principal due at maturity on April 28, 2028, with an early amortization option.

On March 17, 2022, we issued Ps.5.0 billion in long-term unsecured debt securities. The issuance was made in two tranches: i) Ps.2.0 billion under the ticker symbol "GAP 22" with a variable rate of TIEE-28 plus 18 basis points, with principal due at maturity on March 11, 2027, with an early payment option, and ii) Ps.3.0 billion under the ticker symbol "GAP22-2" with interest payable every 182 days at a fixed annual rate of 9.67%, with the principal due at maturity on March 4, 2032, with an early payment option. The proceeds of this issuance were allocated to the payment of the bond certificates under the ticker symbol "GAP 17" for Ps.1.5 billion, and the remainder was used for capital investments.

On March 18, 2022, we refinanced our 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 long-term unsecured debt securities for Ps.2,757.6 million under the ticker symbol "GAP 22L". Interest will be payable every at a variable rate of TIEE-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 the payment of the bond certificates under the ticker symbol "GAP 17-2" for Ps.2.3 billion and the remainder was used for the committed investments in Mexico for 2022.

On November 7, 2022, we entered into a 12-month loan agreement with Scotiabank for Ps.1.5 billion, with a possible extension of 6 months. The loan agreement has an interest rate of TIIE-28 plus 38 basis points. The principal will be paid upon maturity. We entered into this loan agreement for corporate and capital investment purposes in Mexico.

On December 9, 2022, we signed an 18- loan agreement with Banco Nacional de México, S.A. (Citibanamex) for Ps.1.5 billion, with a term of 18 months, an interest rate of TIIE-28 plus 38 basis points, the payment of the principal will be at maturity, resources were allocated for Mexico's capital investment.

On January 10, 2023, we signed an 18-month loan agreement with Citibanamex for Ps.1.0 billion. The loan agreement has a variable interest rate of TIIE-28 plus 30 basis points, with the principal to be paid upon maturity. The purpose of this loan agreement was to finance capital investments.

On March 27, 2023, we issued 54.0 million in long-term unsecured debt securities for Ps.5.4 billion. The issuance was made in two tranches: i) Ps.1,120.0 million under the ticker symbol "GAP23-L" with a variable rate of TIIE-28 plus 22 basis points, with principal due at maturity on March 23, 2026, and ii) Ps.4,280.0 million under the ticker symbol "GAP 23-2L" with interest payable every 182 days at a fixed annual rate of 9.65%, with the principal due at maturity on March 18, 2030. The proceeds of this issuance were allocated to the payment of the bond certificates under the ticker symbol "GAP 20-2" issued on June 25, 2020, and maturing on June 22, 2023, for an amount of Ps.602.0 million and the remainder was used for capital investments.

On September 27, 2023, we signed a 12-month loan agreement with Citibanamex for U.S.\$40.0 million. The loan agreement has a monthly interest rate of SOFR plus 25 basis points, with the principal to be paid upon maturity, without commissions. The purpose of this loan agreement was to acquire IEM.

On November 7, 2023, we signed a 12-month loan agreement with Banco Santander Mexico, S.A., ("Santander") for Ps.1.5 billion. The loan agreement has a variable interest rate of TIIE-28 plus 38 basis points, with the principal to be paid upon maturity, without commission. The proceeds of this loan were used to pay the bank loan with Scotiabank Inverlat for the same amount.

As of December 31, 2023, we were not party to any off-balance sheet arrangements and complied 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, 2023, the outstanding balance under these facilities amounted to U.S.\$11.4 million (Ps.193.4 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.\$40.0 million, with a monthly interest rate of SOFR plus 285 basis points. Payments will be made on a semi-annual basis after 24 months. As of December 31, 2023, the balance outstanding under these facilities amounted to U.S.\$12.0 million (Ps.202.7 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 SOFR 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 second drawdown of U.S.\$30.0 million was made on September 3, 2023. The loan proceeds were used to finance MBJA's Capital Development Program, as well as for general corporate purposes. As of December 31, 2023, the balance outstanding under this facility amounted to U.S.\$60.0 million (Ps.1,013.6 million).

As of December 31, 2023, 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, 2021, 2022, and 2023, we had total capital expenditures of Ps.4,946.8 million, Ps.8,431.1 million, and Ps.10,444.3 million, respectively. During 2021, 2022, and 2023, 1.3%, 2.5%, and 26.2%, 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 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 2021, 2022 and 2023, the total of our investments allocated but unpaid were Ps.1,428.0 million, Ps.853.5 million and Ps.901.5 million, respectively.

Capital Expenditures in Mexico

Year ended December 31,	Total Capital Expenditures (thousands of pesos) (1)
2021	Ps. 4,687,355
2022	8,094,099
2023	10,042,531

(1) Expressed in nominal pesos.

In 2021, we spent Ps.4,687.4 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.

In 2023, we spent Ps.10,042.5 million on capital expenditures in Mexico, primarily for the building of a new runway and taxiing, roads, hangar area, mixed-use building, parking lots and land purchasing at Guadalajara airport, the rehabilitation of taxiway and building the new terminal at Puerto Vallarta airport, the rehabilitation and expansion of the terminal building and the expansion of the general apron at Los Cabos airport, and the second phase of processing building at the Tijuana 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 2024.

Capital Expenditures in Jamaica

Year ended December 31,	Total Capital Expenditures (million of dollar) (1)
2021	U.S. 6.6
2022	6.5
2023	24.3

(1) Expressed in nominal dollars.

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. In 2023, MBJA made investments of U.S.\$18.6 million in capital expenditures primarily for the capital expenditures were allocated to the expansion and renovation of the terminal building, the modernization of equipment, such as the replacement of the airports' IT system, Jet Bridges, HVAC and air handling units, X-ray machines, fire detection and intrusion detection systems, among others, as well as the installation of an additional 2MW solar photovoltaic power plant.

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 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. In 2023, PACKAL made investments of U.S.\$5.7 million in capital expenditures, primarily for the total rehabilitation of all restrooms across the airport. This project is expected to be completed in 2024. PACKAL also procured a passenger loading bridge to replace one of the nine bridges and the other eight bridges were refurbished.

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.

On April 25, 2024, in the Annual Shareholders' Meeting, the shareholders approved the proposal of cancellation of the remaining of the repurchase fund reserve, approved in the Ordinary General Shareholders' Meeting held on April 13, 2023 for an amount of Ps.2.5 billion, as well as, approval a maximum amount of resources allocated for the repurchase of the Company's own shares of Ps.2.5 billion during the 12 months after April 25, 2024, in accordance with Article 56 of the Mexican Securities Market Law.

On April 13, 2023, in the Annual Shareholders' Meeting, the shareholders approved the proposal of cancellation of the remaining of the repurchase fund reserve, approved in the Ordinary General Shareholders' Meeting held on April 22, 2022 for an amount of Ps.499.5 million, as well as, approval a maximum amount of resources allocated for the repurchase of the Company's own shares of Ps.2.5 billion during the 12 months after April 13, 2023, in accordance with Article 56 of the Mexican Securities Market Law.

On April 13, 2023, the General Extraordinary Shareholders' Meeting approved to cancel of 7,024,113 stock shares of the Company that was in treasury.

In the aggregate, as of December 31, 2023, we do not held shares in our treasury.

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 the 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.2.0 billion 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 (i) the increase in the Company's Equity, through the capitalization of the account called "Restatement effect", as stated in the unconsolidated Financial Statements of the Company as of December 31, 2021, for Ps.8,027.2 million, and (ii) 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.3.0 billion. 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.2.0 billion in addition to the Ps.3.0 billion 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.

Tabular Disclosure of Contractual Obligations

The following table summarizes our contractual obligations as of December 31, 2023:

	Payments due by period				
	Total	Less than 1 year (4)	1-3 years	3-5 years	More than 5 years
(in millions of pesos)					
Contractual Obligations:					
Master Development Programs (1)(5)	Ps 2,527.9	Ps 2,527.9	Ps N/A	Ps N/A	Ps N/A
Capital Development Program (7)	234.5	234.5	N/A	N/A	N/A
Purchase Obligations (2)	88.0	88.0	N/A	N/A	N/A
Debt	40,567.7	7,830.3	16,666.0	8,598.0	7,473.4
Interest from Debt (6)	11,719.6	3,357.5	4,507.2	2,092.2	1,762.6
Operating Lease Obligations (3)	62.0	21.8	40.2	N/A	N/A
Total	Ps 55,199.7	Ps 14,060.0	Ps 21,213.4	Ps 10,690.2	Ps 9,236.0

(1) Peso figures are expressed in constant pesos as of December 31, 2017.

(2) Reflects a minimum fixed annual payment of U.S.\$4.0 million required to be paid under our technical assistance agreement. The agreement was automatically renewed for another five-year period on August 25, 2019. For the peso calculation, we assume an average exchange rate of Ps.18.10 per U.S.\$1.00 and an annual U.S. inflation rate of 3.0%. The amount ultimately to be paid in any year will depend on our profitability.

(3) Includes leasing of buildings.

(4) Amount for less than one year corresponds to obligations for 2024.

(5) Reflects the new Master Development Program commitments for the subsequent five-year period (2020-2024) as adjusted on November 30, 2020.

(6) For the interest calculations, we determined the interest payments using an average fixed interest rate of 8.21% and an average variable rate of 9.38% for the loans contracted. See "Item 5, Operating and Financial Review and Prospects - Liquidity and Capital Resources - Indebtedness."

(7) Reflects the new Capital Development Program commitments for the subsequent five-year period (2020-2024) by our Jamaican airports.