Aleatica, S. A. B. de C. V. and Subsidiaries (Subsidiary of Magenta Infraestructura, S.L.)

Consolidated Financial Statements for the Years Ended December 31, 2020, 2019 and 2018, and Independent Auditors' Report Dated April 21, 2021

Aleatica, S. A. B. de C. V. and Subsidiaries
(Subsidiary of Magenta Infraestructura, S.L.)

Independent Auditors' Report and Consolidated Financial Statements as of December 31 2020, 2019 and 2018

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Independent auditors' report to the Board of Directors and Stockholders of Aleatica, S.A.B. de C.V.

Opinion

We have audited the consolidated financial statements of Aleatica, S.A.B. de C.V (the Issuer or Company) which comprise the consolidated statements of financial position as of December 31, 2020, 2019 and 2018, the consolidated statements of income and other comprehensive income, the consolidated statements of changes in stockholders' equity and the consolidated statements of cash flows for the years ended December 31, 2020, 2019 and 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2020, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years ended on those dates, in accordance with International Financial Reporting Standards (IFRS) as interpreted by the National Banking and Securities Commission (the "Commission") (see Note 0).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Responsibilities of Independent Auditors' for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the Ethics Code issued by the Mexican Institute of Public Accountants, A.C. (IMCP Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA and IMCP Codes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis-of-matter paragraphs

As discussed in Note 23, the Issuer filed a federal administrative lawsuit (proceeding for annulment), which seeks to overturn the document referred to in the section on the *Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements*. Our report has not been modified in this regard.

As mentioned in Note 1 of the consolidated financial statements, the Issuer has described the effects of the coronavirus pandemic (COVID-19) on business operations. Our report is unchanged on this matter.

Key Audit Matters

The Key Audit Matters are those matters that, according to our professional judgment, have been of the greatest significance in our audit of the consolidated financial statements for fiscal year 2020. These matters have been addressed in the context of our audit of the consolidated financial statements taken as a whole and in forming our opinion on these, and we do not express a separate opinion on these matters. We have determined that the issue described below is the Key Audit Issue to be communicated in our report.

Indications of impairment of the intangible asset derived from the investment in concessions

The Investment in Concessions is the main asset of the Issuer and represents 82.98% of the total assets as of December 31, 2020, thus we have identified the evaluation of impairment indicators, as well as the recovery of the investment through future cash flows, as a key audit matter.

Our procedures included the following, among others:

a) We assessed the existence of possible indications of impairment in the Investment in Concessions which could require the modification of the investment amount recorded in the consolidated financial statements.

b) The Issuer prepared, with the support of specialized independent experts, future cash flow projections that support the recovery of its investment within the term of the Concessions. We confirmed the independence of the specialists in relation to the Issuer.

c) We tested the financial projections prepared by the Issuer's specialists, including the assumptions used for this purpose. With the support of our audit team's specialists, we tested the financial model, including the future cash flow projections, the applied discount rate and the assumptions used as the basis for determining the financial projections.

d) We verified that period used to determine amortization is reasonable according to the term of the Concessions.

The results of our tests were satisfactory.

Other information

The Company´s Management is responsible for the other information. The other information will comprise the information that will be included in the Annual Report that the Company is obliged to prepare in accordance with Article 33, Section I, subsection b) of Title Four, Chapter One of the General Provisions Applicable to Issuers and Other Participants of the Stock Market in Mexico and the Instructions that accompany those provisions (the Provisions). The Annual Report is expected to be available for our reading after the date of this audit report.

Our opinion of the consolidated financial statements does not cover the other information and we do not express any form of assurance about it.

In relation to our audit of the consolidated financial statements, our responsibility will be to read the other information, when available, and when we do, to consider whether the other information contained therein is materially inconsistent with the consolidated financial statements or our knowledge obtained during audit, or appears to contain a material error. When we read the Annual Report, we will issue the legend on the reading of the annual report, required in Article 33, Section I, subsection b), numeral 1.2. of the Provisions. If, based on the work we have done, we conclude that there is a material error in the Other Information, we would have to report that fact.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the accompanying consolidated financial statements in accordance with the International Financial Reporting Standards, as interpreted by the National Banking and Securities Commission (the "Commission") through document number 153/10026231/2021 dated February 24, 2021 (the "Official Letter") (see Note 0), in which the Commission instructed the Issuer to implement certain actions and corrective measures on its financial information, and on the internal control which Management considers necessary to permit the preparation of consolidated financial statements free from material misstatement, due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the Independent Auditors' for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance that the consolidated financial statements as a whole are free from material misstatements, due to fraud or error, and to issue an audit report containing our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with the ISAs will always detect a material error where it exists. Errors may be due to fraud or error and are considered material if, individually or in the aggregate, they can reasonably be expected to influence the economic decisions that users make based on the consolidated financial statements.

As part of an audit performed in accordance with the ISAs, we exercise professional judgment and maintain an attitude of professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Company's internal control.

- We assessed the suitability of the accounting policies applied and the fairness of the accounting estimates and respective information disclosed by Management, while adopting the necessary corrective actions and measures related to the financial information of the Issuer in accordance with the Official Letter.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

The accompanying consolidated financial statements have been translated into English for the convenience of readers.

Galaz, Yamazaki, Ruiz Urquiza, S.C.
Affiliated to a Member Firm of Deloitte Touche Tohmatsu Limited

C.P.C. Erik Padilla Curiel
April 21, 2021

Aleatica, S. A. B. de C. V. and Subsidiaries
(Subsidiary of Magenta Infraestructura, S.L.)

Consolidated Statements of Financial Position

As of December 31, 2020, 2019 y 2018 (Note 0.)
(In thousands of Mexican pesos)

Assets	Notes	31/12/2020	31/12/2019	31/12/2018
Current assets:				
Cash, cash equivalents and trust funds	5	$ 7,650,536	$ 8,157,549	$ 10,422,538
Accounts receivable for services	6	271,923	376,093	287,097
Due from related parties	19	17,800	303,720	294,673
Recoverable taxes	7	562,943	434,493	425,740
Derivative financial instruments	17	-	715	-
Other accounts receivable and other assets	8	306,238	240,932	260,442
Non-current assets held for sale	10	1,400,000	1,400,000	-
Total current assets		10,209,440	10,913,502	11,690,490
Non-current assets:				
Long-term trust funds and cash restricted	5	3,702,364	3,573,544	3,424,967
Intangible asset from investment in concessions	9	102,772,963	102,126,527	100,546,690
Amortization of intangible asset from investment in concessions		(17,070,539)	(15,806,914)	(13,803,887)
Intangible asset from investment in concessions, net		85,702,424	86,319,613	86,742,803
Advances to suppliers for work		49,961	60,141	1,012,849
Accounts receivable from related parties	19	896,328	801,167	746,838
Furniture, equipment and other assets, net		75,262	83,753	41,768
Rights of use for leases, net	11	185,842	213,941	-
Derivative financial instruments	17	-	-	631,685
Investment in shares in joint ventures	10	2,246,206	2,531,779	4,407,014
Other assets, net		205,170	138,143	140,663
Total long-term assets		93,063,557	93,722,081	97,148,587
Total assets		$ 103,272,997	$ 104,635,583	$ 108,839,077

Liabilities and stockholders' equity	Notes	31/12/2020	31/12/2019	31/12/2018
Current liabilities:				
Current portion of long-term debt	14	$ 1,647,541	$ 1,753,519	$ 1,895,874
Leases, short-term	12	39,371	55,622	-
Trade accounts payable to suppliers, taxes payable and accrued expenses	13	1,572,712	1,892,521	1,906,718
Provision for major maintenance	15	886,308	556,313	704,386
Accounts and notes payable to related parties	19	275	38,739	562,383
Total current liabilities		4,146,207	4,296,714	5,069,361
Non-current liabilities:				
Leases, long-term	12	156,741	166,119	-
Long-term debt	14	37,545,832	36,221,654	35,929,381
Derivative financial instruments	17	1,051,936	346,215	-
Provision for major maintenance	15	436,495	511,081	461,435
Employee benefits	16	108,552	90,544	63,653
Income tax on integration regime		252,943	339,276	487,785
Deferred income taxes	21	4,871,145	5,837,522	6,724,912
Total non-current liabilities		44,423,644	43,512,411	43,667,166
Total liabilities		48,569,851	47,809,125	48,736,527
Stockholders' equity:	18			
Capital stock		15,334,502	15,334,502	15,334,502
Additional paid-in capital and repurchase of shares		10,270,547	10,270,547	10,270,547
Retained earnings		15,507,852	17,277,119	20,298,367
Effect on the valuation of derivative financial instruments		(258,834)	(72,954)	249,566
Effect for employee retirement benefits		(20,493)	(12,694)	(1,440)
Controlling interest		40,833,574	42,796,520	46,151,542
Non-controlling interest		13,869,572	14,029,938	13,951,008
Total stockholders' equity		54,703,146	56,826,458	60,102,550
Total liabilities and stockholders' equity		$ 103,272,997	$ 104,635,583	$ 108,839,077

The accompanying notes are part of these consolidated financial statements.

Aleatica, S. A. B. de C. V. and Subsidiaries
(Subsidiary of Magenta Infraestructura, S.L.)

Consolidated Statements of Income and Other Comprehensive Income

For the years ended December 2020, 2019 and 2018 (Note 0.)
(In thousands of Mexican pesos, except earnings per common share)

	Notes	2020	2019	2018
Revenues:				
Tolls		$ 6,004,389	$ 7,683,223	$ 7,076,389
Construction		634,609	1,579,838	1,028,254
Services and others		110,552	152,229	140,424
Total income		6,749,550	9,415,290	8,245,067
Costs and expenses:				
Construction costs		634,609	1,579,838	1,028,254
Costs and operating expenses	20a	1,645,647	1,648,297	1,863,223
Amortization of investment in concessions, right-of-use asset and depreciation		1,370,867	2,106,010	2,073,533
General and administrative expenses	20b	415,429	362,549	539,967
Other expenses, net		14,935	153,060	23,776
		4,081,487	5,849,754	5,528,753
Financing cost		4,539,730	4,468,432	4,925,363
Financing interest		(652,846)	(1,050,594)	(1,100,776)
Foreign exchange loss (gain), net		2,364	(37,439)	(24,725)
Effect on valuation of derivative financial instruments	17	1	6,008	302
		3,889,249	3,386,407	3,800,164
Participation in the results of joint ventures	10	(250,438)	(54,181)	(229,177)
Consolidated (loss) income before income taxes from continuing operations		(1,471,624)	124,948	(1,313,027)
Income taxes	21	(583,770)	(192,138)	(661,350)
Consolidated net (loss) income for the year from continuing operations		(887,854)	317,086	(651,677)
Discontinued operation:				
(Loss) gain from discontinued operation	10	-	(415,433)	25,095
Consolidated net loss for the year		(887,854)	(98,347)	(626,582)

	Notes	2020	2019	2018
Other components of comprehensive income, net of income taxes:				
Items that will be reclassified subsequently to profit or loss:				
Effect from the valuation of derivative financial instruments		(397,271)	(634,461)	177,042
Effect from deferred tax of derivative financial instruments		119,181	190,338	(53,113)
		(278,090)	(444,123)	123,929
Items that will not be reclassified subsequently to profit or loss:				
Actuarial (profit) loss on defined benefit plans		(13,356)	(19,176)	8,182
Effect of deferred tax on actuarial losses on defined benefit plans		4,007	5,753	(2,455)
		(9,349)	(13,423)	5,727
Consolidated comprehensive loss		$ (1,175,293)	$ (555,893)	$ (496,926)
Net consolidated comprehensive loss for the year attributable to:				
Controlling interest		$ (932,327)	$ (421,233)	$ (553,007)
Non-controlling interest		44,473	322,886	(73,575)
		$ (887,854)	$ (98,347)	$ (626,582)
Net consolidated comprehensive loss for the year attributable to:				
Controlling interest		$ (1,125,871)	$ (755,007)	$ (454,422)
Non-controlling interest		(49,422)	199,114	(42,504)
		$ (1,175,293)	$ (555,893)	$ (496,926)
Basic earnings per common share				
Net loss of controlling interest from continuing operations and discontinued operations		$ (0.5382)	$ (0.2432)	$ (0.3193)
Net loss of controlling interest from continuing operations		$ (0.5382)	$ (0.0033)	$ (0.3337)
Net loss of controlling interest without repurchase actions from continuing operations and discontinued operations		$ (0.5451)	$ (0.2460)	$ (0.3230)
Weighted average number of shares outstanding		1,732,185,269	1,732,185,269	1,732,185,269
Weighted average number of shares outstanding without repurchase shares		1,710,248,323	1,712,338,896	1,712,338,896

(Concluded)

The accompanying notes are part of these consolidated financial statements.

Aleatica, S. A. B. de C. V. and Subsidiaries
(Subsidiary of Magenta Infraestructura, S.L.)

Consolidated Statements of Changes in Stockholders' Equity

For the years ended December 2020, 2019 and 2018 (Note 0.)
(In thousands of Mexican pesos)

	Notes		Additional paid-in capital							
		Capital Stock	From sale of shares	Resale of repurchased shares	Retained earnings	Effect of valuation of financial instruments derivatives	Effect for employee retirement benefits	Stockholder´s equity attributable to controlling interest	Non-controlling interest	Total stockholders´equity
Beginning balances as of January 1, 2018		$ 15,334,502	$ 10,270,165	$ 382	$ 21,631,551	$ 155,200	$ (12,583)	$ 47,379,217	$ 14,093,440	$ 61,472,657
Dividends decreed to the non-controlling interest	18.g.h.i.	-	-	-	-	-	-	-	(99,869)	(99,869)
Dividends decreed	18.j	-	-	-	(770,552)	-	-	(770,552)	-	(770,552)
Reserve employees for retirement benefits		-	-	-	(9,625)	-	6,924	(2,701)	(59)	(2,760)
Consolidated comprehensive loss:										
Consolidated loss for the year		-	-	-	(553,007)	-	-	(553,007)	(73,575)	(626,582)
Effect of defined benefits to employees		-	-	-	-	-	4,219	4,219	1,508	5,727
Effect of valuation of derivative financial instruments, net of tax		-	-	-	-	94,366	-	94,366	29,563	123,929
Consolidated comprehensive loss for the year		-	-	-	(553,007)	94,366	4,219	(454,422)	(42,504)	(496,926)
Balances as of December 31, 2018		15,334,502	10,270,165	382	20,298,367	249,566	(1,440)	46,151,542	13,951,008	60,102,550
Dividends paid to non-controlling interest	18.b	-	-	-	-	-	-	-	(70,881)	(70,881)
Dividends decreed to the non-controlling interest	18.c	-	-	-	-	-	-	-	(49,303)	(49,303)
Dividends decreed and paid	18.a	-	-	-	(2,600,015)	-	-	(2,600,015)	-	(2,600,015)
Consolidated comprehensive loss:										
Consolidated loss for the year		-	-	-	(421,233)	-	-	(421,233)	322,886	(98,347)
Effect of defined benefits to employees		-	-	-	-	-	(11,254)	(11,254)	(2,169)	(13,423)
Effect of valuation of derivative financial instruments, net of tax		-	-	-	-	(322,520)	-	(322,520)	(121,603)	(444,123)
Consolidated comprehensive loss for the year		-	-	-	(421,233)	(322,520)	(11,254)	(755,007)	199,114	(555,893)
Balances as of December 31, 2019		15,334,502	10,270,165	382	17,277,119	(72,954)	(12,694)	42,796,520	14,029,938	56,826,458
Dividends paid to non-controlling interest	18.b	-	-	-	-	-	-	-	(110,944)	(110,944)
Dividends decreed and paid	18.a	-	-	-	(769,427)	-	-	(769,427)	-	(769,427)
Repurchase of own shares		-	-	-	(67,513)	-	-	(67,513)	-	(67,513)
Effect of benefits to joint ventures employees		-	-	-	-	-	(135)	(135)	-	(135)
Consolidated comprehensive loss:										
Consolidated loss for the year		-	-	-	(932,327)	-	-	(932,327)	44,473	(887,854)
Effect of defined benefits to employees		-	-	-	-	-	(7,664)	(7,664)	(1,685)	(9,349)
Effect of valuation of derivative financial instruments, net of tax		-	-	-	-	(185,880)	-	(185,880)	(92,210)	(278,090)
Consolidated comprehensive loss for the year		-	-	-	(932,327)	(185,880)	(7,664)	(1,125,871)	(49,422)	(1,175,293)
Balances as of December 31, 2020		$ 15,334,502	$ 10,270,165	$ 382	$ 15,507,852	$ (258,834)	$ (20,493)	$ 40,833,574	$ 13,869,572	$ 54,703,146

The accompanying notes are part of these consolidated financial statements.

Aleatica, S. A. B. de C. V. and Subsidiaries
(Subsidiary of Magenta Infraestructura, S.L.)

Consolidated statements of cash flows

For the years ended de 2020, 2019 y 2018 (Note 0.)
(In thousands of Mexican pesos)
(Indirect Method)

	2020	2019	2018
Cash flows from operating activities:			
Consolidated (loss) income before income taxes from continuing operations	$ (1,471,624)	$ 124,948	$ (1,313,027)
Participation in the results of joint ventures	250,438	54,181	229,177
Amortization of intangible assets from investment in concession, depreciation and amortization	1,299,599	2,040,993	2,073,533
Amortization of right-of- use assets	71,268	65,017	-
Provision for major maintenance	582,853	355,485	538,031
Interest accrued in favor of joint ventures	(51,256)	(81,833)	(132,838)
Interest accrued in favor	-	-	(6,793)
Unrealized accrued exchange rate fluctuation	-	(25,140)	(2,176)
Accrued interest charge	4,539,730	4,468,432	4,925,363
Valuation effect of financial instruments	1	6,008	300
	5,221,009	7,008,091	6,311,570
Changes in working capital:			
(Increase) decrease in accounts receivable and payable with related parties, net	(20,297)	(36,950)	104,439
Increase in taxes to be recovered	(128,450)	(8,751)	(15,345)
Decrease (increase) in other accounts receivable and other assets	38,862	(69,485)	(7,884)
(Decrease) increase in accounts payable, taxes and other expenses	(258,807)	(131,871)	391,206
Decrease in major maintenance	(327,444)	(453,912)	(339,355)
Increase (decrease) in employee benefits	8,524	13,467	(8,251)
Income taxes paid	(431,940)	(548,482)	(2,026,225)
Net cash flows generated from operating activities	4,101,457	5,772,107	4,410,155
Cash flows from investing activities:			
Acquisition of furniture and equipment and other assets	(95,787)	(86,607)	(64,902)
Repayment of capital contributions in joint ventures	-	-	1,020,000
Investment in bonds issued by joint ventures			(250,000)
Repayment of bonds issued by joint ventures	-	3,006	-
Dividends collected in joint ventures	35,000	-	135,150
Investment in concessions and advance payment to work subcontractors	(320,714)	(265,065)	(1,020,913)
Loans granted to joint ventures			(83,640)
Interest charged to joint ventures	-	-	38,331
Collection of loans granted to joint ventures	-	-	991,224
Sale of the Investment in Fiduciary Stock Certificates "LEPCB 18	246,994	-	-
Interest on Trust Stock Certificates "LEPCB 18"	4,107	22,615	13,117
Net cash flows used in investing activities	(130,400)	(326,051)	778,367
	3,971,057	5,446,056	5,188,522

	2020	2019	2018
Cash flows from financing activities:			
Reduction of Contributions for Future Capital Increases of the non-controlling interest	-	(523,968)	(803,649)
Lease payments	(71,309)	(59,821)	-
Dividends paid to non-controlling interest	(110,944)	(70,881)	(99,869)
Dividends paid	(769,427)	(2,600,015)	(770,552)
Repurchase of shares	(67,513)	-	-
Payment of derivative financial instruments (forwards)			(62,733)
COFIDES debt contract settlement	-	(578,441)	-
Financing paid by stock certificates	(101,061)	-	-
Financing paid by fiduciary stock certificates	(103,440)	(88,404)	(81,040)
Bank financing paid	(6,950,743)	(1,055,831)	(818,953)
Bank financing obtained	6,623,381	-	291,823
Debt expenses	(264,939)	-	(13,497)
Interest paid	(2,533,255)	(2,585,107)	(2,615,553)
Net cash flows used in financing activities	(4,349,250)	(7,562,468)	(4,974,023)
Net decrease in cash, cash equivalents and funds in Trusts, short and long term	(378,193)	(2,116,412)	214,499
Cash, cash equivalents and funds in Trusts at the beginning of the year, short and long term	11,731,093	13,847,505	13,633,006
Cash, cash equivalents and funds in Trusts at the end of the year, short and long term	$ 11,352,900	$ 11,731,093	$ 13,847,505

The accompanying notes are part of the consolidated financial statements.

(Concluded)

0. Note to the company's financial statements

During the years from 2014 through 2016, the National Banking and Securities Commission ("CNBV") requested information and issued a series of documents related to the accounting treatment which Aleatica, S.A.B. de C.V. and Subsidiaries ("Aleatica" or the "Entity") was applying to the investment recognition signed by the entities granting some of its assets, which included clauses pursuant to the right to recover the total investment or invested capital, plus an internal rate of return, as established in each of the Concession Titles. All this information has been published by the Entity in its financial statements and in subsequent Relevant Events that were adequately published, including the temporary regime during which supplemental information was disclosed for public knowledge. In February 2017, the Entity filed a more explanatory information presentation with the CNBV including the aforementioned recognitions. The Commission took note of this information and the Entity subsequently published it through the respective Relevant Event.

Since then, the Entity has utilized this mechanism and has made quarterly and annual disclosures based on its presented financial information. In 2017 and 2018, it made different share acquisition offerings. Furthermore, as an exercise in transparency, the Entity published its Concession titles at http://www.transparencia-aleatica.com.mx/.

On February 24, 2021, the CNBV instructed the Entity to implement certain corrective actions and measures that imply the modification in the recognition of the "Recoverable investment in infrastructure through future toll cash flows", the "Recoverable portion of the intangible asset through future toll cash flows" and the "Deficit payable by the grantor". This modification was based on the interpretation made by the CNBV regarding the unconditionality of the right to recover the investment plus the return agreed in the credit titles of Concesionaria Mexiquense, S. A. de C. V. ("CONMEX"), Viaducto Bicentenario, S. A. de C. V. ("VIADUCTO") and Autopista Urbana Norte, S. A. de C. V. ("AUNORTE") following the conclusion of the concession period (original period plus extensions).

Based on the opinion of external legal advisors, the Entity's Management, its Board of Directors and stockholders do not share the current legal interpretation of the CNBV and, accordingly, have filed different legal proceedings to protect and preserve their rights, including the filing of a federal administrative lawsuit (proceeding for annulment), which seeks to overturn the document of February 24, 2021 issued by the CNBV.

Notwithstanding the foregoing, the Entity is willing to clarify this issue with the CNBV and, given its obligation to fulfill the instructions and actions received from this Regulatory Entity until such time as it obtains a definitive administrative or legal ruling suspending the effects of the aforementioned corrective actions and measures, the financial statements have been prepared according to the instructions issued by the CNBV. In this regard, on April 12, 2021, the Entity informed the CNBV of its compliance with the instructions it had received from that authority.

It is important to note that the mere form of disclosure instructed by the CNBV does not have an adverse economic effect on the Entity because it does not affect its cash flows, does not generate any additional payment obligations and does not affect the Entity's ability to fulfill all its financing obligations. Furthermore, this recording format does not affect the Entity' contractual rights under the respective concession titles.

1. Activities, significant events and outstanding operations

Activities - Aleatica, S. A. B. de C. V. ("Aleatica" or the "Entity"), subsidiary of Magenta Infraestructura, S.L., was incorporated in Mexico on March 31, 2005. Its main activity is to invest in shares of companies engaged in the design, operation and construction of road infrastructure projects, airports and ports, as well as to enter into contracts related to the above activities (Notes 9 and 10).

The Entity with domicile in Boulevard Manuel Ávila Camacho No. 5, Toreo Parque Central, Torre A, 12th floor, Colonia Lomas de Sotelo, C.P. 53390, Naucalpan de Juárez, State of Mexico, is a public stock corporation, whose shares are listed on the Mexican Stock Exchange ("BMV"), representing on December 31, 2020 13.84% excluding the Entity's treasury shares.

Significant events
Impact of COVID-19

On March 11, 2020, the coronavirus disease outbreak "COVID-19" was declared a pandemic by the World Health Organization ("WHO"). In response to this situation, the WHO recommended social distancing as one of the preventive measures. Additionally, on March 31, 2020, the Ministry of Health of the Mexican Federal Government published a decree suspending all non-essential activities in Mexico until April 30, 2020. On April 21, said suspension was extended until May 30. Subsequently, the determination of the opening of activities and lifting of the mobility restriction was delegated to the state governments.

The Government of Mexico applied various measures to control the spread of COVID-19 in the country. These measures included extraordinary actions such as limiting assistance to sources of work, the temporary suspension of non-essential activities in the public, social and private sectors. This caused a significant decrease in the mobility of people as a side effect.

The Entity will continue to be affected as the sanitary restrictions issued by the State and Federal Government continue and their duration continues to be extended. So far, the greatest impact has been concentrated in light vehicle traffic, while heavy vehicle traffic shows a lesser impact since the distribution chains of essential products continue their activities.

The reduction in the use of toll roads resulted in a loss of toll revenue of approximately 21.9% as of December 2020, compared to 2019. As a consequence of these restrictions and other conditions beyond the Entity's control, the operating results of the Entity are volatile and subject to unexpected changes. The full effect of the notices and activity restrictions is not yet known, which could continue to affect the levels of users of the Entity's concessions even after they have been eliminated.

Likewise, between April 23 and June 15, 2020, the "Hoy No Circula" (No Driving Day) program was established in Mexico City and the Metropolitan Area for all vehicles regardless of the verification hologram. The objective of this was to reduce mobility more and avoid a greater number of infections. As a result, there was a further decrease in the use of toll roads. Consequently, generating an additional decrease in Toll Income.

The reopening of activities will depend on a regional traffic light system decreed by the Ministry of Health of Mexico in which the epidemiological risk of COVID-19 is evaluated weekly. This determines what type of activities can be done in each region of the country. This traffic light works as a monitoring system that allows moving towards a new normal while avoiding further infections. It officially began its role on June 1, 2020, and has four colors: red "maximum risk", orange "high risk", yellow "medium risk" and green "low risk". Each one implies different mobility restrictions for the population.

According to the decree of May 14, 2020, the reopening of social, educational and economic activities will depend as of June 1 on the situation of the municipality and entity. Therefore, the provisions of the traffic light by region must be followed.

As of December 31, 2020, the main States in which the Company's concessionary roads are located are at the following traffic lights: Mexico City "red", State of Mexico "red" and State of Puebla "red".

The average daily traffic for the period from January 1 to December 31, 2020 is 374,413 vehicles per day, which represents a decrease of 23.3% compared to the same period of the immediately previous year in which an average daily traffic of 488,464 vehicles was recorded.

The variation in average daily traffic on the Entity's main concession roads for the years ended December 31, 2020 and 2019, expressed in vehicles per day, is integrated as follows:

Concession road	2020	2019	Variation %
Circuito Exterior Mexiquense[(1)]	289,829	350,559	(17.3)%
Viaducto Bicentenario	17,052	33,291	(48.8)%
Amozoc-Perote Highway [(1)]	39,614	46,511	(14.8)%
Autopista Urbana Norte [(1)]	27,919	58,103	(52.0)%

(1) There was a rate increase in the period January-March 2020.

The impact of COVID-19 on the Entity's operational and financial performance for 2021 will depend on future events, including the duration and spread of the outbreak and the impact of COVID-19 on the use of toll roads. These factors are still highly uncertain and cannot be predicted. The Entity expects that the use of the roads will increase as the circulation restrictions and stay-at-home restrictions are lifted. However, as of the date of this report, the Entity cannot quantify whether COVID-19 will continue to have a material adverse effect on the Entity's results or financial performance for fiscal year 2021.

In accordance with the evolution of the aforementioned, the Entity could make adjustments in its operation and investment projects in order to limit them only to essential activities for the operation, maintenance of the asset, and the security of the clients, as well as cash flow optimization. Additionally, as of the date of issuance of these consolidated financial statements, the Operating Trust maintains reserve funds to cover, where appropriate, the payment of certain short-term commitments.

As of the date of issuance of these consolidated financial statements, the Entity has an action protocol and is implementing the necessary sanitary measures to safeguard the safety of its clients, employees and contractors. Likewise, it is in a continuous evaluation process to identify and define the necessary measures to mitigate the financial and operational risks derived from this contingency.

It is expected that the Entity will continue to be affected in its financial information and operations derived from the current health contingency.

Execution of a new Engineering, Procurement and Construction Contract "EPC Contract" for the Atizapán-Atlacomulco highway with the construction company Latina México.

On September 15, 2020, in follow-up to the Relevant Event published on April 8, 2019 in relation to: (i) the termination of the Engineering, Procurement and Construction Contract of the High Specifications Atizapán - Atlacomulco Highway, in the State of Mexico (the "AT-AT Highway"); (ii) construction works on the AT-AT Highway in terms of the Concession Title; and (iii) the communications with the Ministry of Communications and Transportation ("SCT") for the continuity of said construction works, Aleatica informed the market that: Concesionaria AT-AT, S.A. de C.V. ("AT-AT"), a subsidiary of Aleatica, has entered into a new Engineering, Procurement and Construction Agreement for the AT-AT Highway ("EPC Agreement") with the construction company Latina México, S.A. de C.V. ("Latina México").

Latina México is also a subsidiary company of Aleatica with experience in construction and will carry out the works of the AT-AT Highway based on the construction program authorized by the SCT. With the execution of the EPC Contract, AT-AT will continue with the construction works of the AT-AT Highway, through Latina México, and those additional subcontractors that participate in the project.

Celebration of the seventh modification to the Concession Title for the construction, exploitation, operation, conservation and maintenance of the Eastern Highway System of the State of Mexico.

In relation to the Concession Title, granted by the Secretariat of Communications of the State of Mexico (the "Secretariat") in favor of the Entity, the Entity, on July 31, 2020, celebrated with the Secretariat, the Seventh Modification to the Concession Title (the "Seventh Modification"), with the participation of the System of Highways, Airports, Related and Auxiliary Services of the State of Mexico ("SAASCAEM").

Considering the current operating conditions and the level of maturity of the project, the Seventh Modification modernizes the Concession Title, and establishes new standards in terms of safety, quality of service for users and sustainability.

Specifically, the main changes to the Concession Title agreed under the Seventh Amendment include the following:

(i) ***Recognition of investment and tariff regime***: The Secretariat, SAASCAEM and the Entity, with the support of external advisors, determined the amount of the total investment pending recovery by the Concessionaire as of July 1, 2020; the new financial terms allow the investment to be recovered under the terms provided in the Concession Title.

As of the date of signing of the Seventh Modification, said amount serves as the basis for calculating and including the amount of investments that have been or are made by the Concessionaire, in accordance with the methodology and procedure for the recognition of investment pending recovery agreed in the Seventh Amendment.

The Secretariat and the Entity agreed on a modification to the tariff regime established in the Concession Title, adapting it to the traffic structure of the project, agreeing on a new balance between the rates for light vehicles and heavy vehicles.

(ii) ***Performance standards and infrastructure improvement***: New performance standards were agreed to provide greater safety and better service to the user, greater care for the environment and better conditions for the communities that the Concessionaire serves. These criteria represent up-to-date physical and maintenance conditions for the operation of the highway and the terms for the provision of related and apron services, with which the conditions are in accordance with the best practices and international standards.

Similarly, as part of the improvement of the highway, some new investments and additional works were approved. The execution of said works is subject to obtaining the necessary authorizations and consents from third parties.

The changes included in the Seventh Modification will allow the Entity to continue with the operation of the project under modern conditions, to maintain the service to its long-term financing structure and to carry out the necessary actions to satisfy the growing demand for cargo transportation and of passengers on the highway, which will allow the Entity to consider the potential development of connections with highways / airports.

In line with the Entity's commitment to the communities surrounding the highway, the multi-year sustainability program that has been developed by the Entity will be reinforced.

Signing of a letter of intent (the "Letter of Intent") with Grupo Aeroportuario de la Ciudad de México, S.A. de C.V. ("GACM") to sell the equity interest it owns in the Toluca International Airport.

On August 14, 2019, Aleatica informed that its subsidiary Administradora de Actions de Toluca, S.A. de C.V. ("AAToluca") subscribed with Grupo Aeroportuario de la Ciudad de México, S.A. de C.V. ("GACM"), in agreement with the Ministry of Communications and Transportation ("SCT") and the appearance of the Government of the State of Mexico and Airports and Auxiliary Services ("ASA"), a letter of intent in which the indicative criteria according to which AAToluca and GACM will conduct the negotiation on the sale of the shares owned by AAToluca representing 49% of the capital stock of Administradora Mexiquense del Aeropuerto Internacional de Toluca, SA de C.V. ("AMAIT"). AMAIT is the holder of the Concession for the administration, operation and exploitation of the Toluca International Airport (the "Potential Transaction").

The Potential Transaction is subject, among other things, to an audit process, to which the parties agree on the sale price of the shares and to the negotiation, signing and implementation of the final documents necessary to carry out the Potential Transaction, including the corresponding acquisition contract.

On February 25, 2020, the Entity received a formal purchase proposal from GACM, which it subsequently accepted. As of the date of issuance of these consolidated financial statements, the transaction is subject to the agreement, signing and implementation of the definitive documents necessary to carry it out, including the corresponding purchase agreement. Likewise, the transaction is subject to obtaining the necessary corporate, governmental and third-party authorizations, see Note 10.

As of the date of this report, the Entity reported that said process will suffer delays due to the difficulties implied by the existing contingency of COVID-19, therefore, once the necessary conditions are in place, negotiations with the Federal Government will resume finalizing the Potential Transaction.

Payment of certain existing credits contracted by its subsidiary, Autopista Urbana Norte, S.A. de C.V. ("AUNORTE").

On April 2, 2020, Aleatica informed the investing public that its subsidiary, AUNORTE, carried out the prepayment of all the credits granted by certain financial entities during the construction phase of the project.

The prepayment of said credits for an amount of $5,946,083 was made mainly with the resources derived from a new credit agreement signed in March 2020 by AUNORTE with various financial entities for an amount of up to $7,050,000 ("Credit Agreement").

As is common in this type of infrastructure projects, the Credit Agreement is guaranteed, among other things, by (a) the rights to collect tolls and (b) the representative shares of AUNORTE's capital stock. This new loan enables the financing profile to be adjusted to the level of AUNORTE's current development.

Supervision of the National Banking and Securities Commission (the "Commission" or "CNBV")

During the years from 2014 to 2016, the National Banking and Securities Commission ("CNBV") requested information and issued a series of notices related to the accounting treatment which Aleatica, S.A.B. de C.V. and Subsidiaries ("Entity") was applying to the investment recognitions signed by the entities granting certain assets, which included clauses pursuant to the right to recover the total investment or invested capital, plus an internal rate of return, as established in each of the respective Concession Titles. All this information has been disclosed by the Entity in its financial statements and in subsequent Relevant Events that were adequately published, including the temporary regime during which supplemental information was disclosed for public knowledge. In February 2017, the Entity filed a more explanatory information presentation with the CNBV including the aforementioned recognitions. The Commission took note of this information and the Entity subsequently published it through the respective Relevant Event.

Since then, the Entity has utilized this mechanism and has made quarterly and annual publications based on its presented financial information. In 2017 and 2018, it made different share acquisition offerings. Furthermore, as an exercise in transparency, the Entity published its Concession titles at http://www.transparencia-aleatica.com.mx/.

On November 13, 2020, the Entity and its subsidiaries CONMEX and OPI received three letters, including the letter addressed to the Entity, through which the CNBV made a series of observations and granted a period of twenty business days to submit declarations and provide documentation and information to challenge the observations contained in these documents.

On January 12, 2021, the Requirements were fulfilled in time and form by the Companies through documents and exhibits filed electronically.

On February 24, 2021, the Entity and its subsidiaries CONMEX and OPI received documents issued by the CNBV requesting the implementation of certain measures (see Note 0).

The actions and measures requested by the CNBV and which affect the issuance of these financial statements are as follows:

According to IAS1, prepare the consolidated financial statements of the Issuer for 2019, 2020 and subsequent years by considering the following: (i) record the "Investment in infrastructure recoverable through future toll flows" and the "Portion of assets intangible recoverable through future toll flows "as intangible assets; (ii) do not record the "Deficit payable by the grantor" as a financial asset; and (iii) perform the necessary adjustments, according to IFRS, in the statements of income and other comprehensive income prepared as part of the consolidated financial statements, by considering the terms of IFRS 15 and IAS 36; more specifically, do not record the "Adjustment for valuation of intangible assets" and "Adjustment for valuation of the deficit payable by the grantor".

2. Basis of presentation

1) *Adoption of new and modified International Financial Reporting Standards*

a. *Application of new and modified International Financial Reporting Standards ("IFRS" or "IAS") that are mandatory for the current year*

In the current year, the Entity implemented a series of new and modified IFRSs, issued by the International Accounting Standards Board ("IASB") which are mandatory and entered into force as of the years that started on or after January 1, 2020.

Initial impact of concessions applied to Income under IFRS 16 due to issues related to COVID-19

In May 2020, the IASB issued the amendment to IFRS 16, COVID-19 Related Rent Concessions that provides practical resources for tenant rental concessions that occurred as a direct consequence of COVID-19, thus introducing a practical expedient for IFRS 16. The practical expedient allows a lessee the choice to assess whether a COVID-19 related rental concession is a lease modification. The lessee making this choice must account for any change in rent payments resulting from the COVID-19 rental concession applying IFRS 16 as if the change were not a modification to the lease.

The practical expedient applies only to rental concessions that occur as a direct consequence related to COVID-19 and only if the following conditions are met:

a) The change in lease payments results in a consideration that is substantially the same as, or less than, the lease consideration immediately prior to the change.

b) Any reduction in lease payments only affects payments due on or before June 30, 2021 (a rental concession meets this condition if it results in a reduction in payments before June 30, 2021 or increases payments lease after June 30, 2021); and

c) There is no substantive change in any other clause or condition of the lease.

The adoption of the aforementioned considerations did not have an impact on the consolidated financial statements because the Entity did not have income concessions due to a direct consequence related to COVID-19.

Initial impact of the application of other new and modified IFRSs that are effective for fiscal years and reporting periods beginning on or after January 1, 2020

In this year, the Entity has applied the modifications and interpretations to IFRS mentioned below issued by the Committee that are effective for the reporting period beginning on January 1, 2020. The adoption has not had any material impact on the disclosures or amounts in these consolidated financial statements.

Amendments to the Conceptual Framework references in IFRS	The Entity has adopted the amendments included in Amendments to the Conceptual Framework references in IFRS for the first time this year. The amendments include derivative amendments to the affected standards that now refer to the new Conceptual Framework. Not all amendments, however, update such pronouncements with respect to Conceptual Framework references and phrases that refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Conceptual Framework they refer to (the IASC Conceptual Framework adopted by the IASB in 2001, the IASB Conceptual Framework of 2010, or the new and revised Conceptual Framework of 2018) or to indicate the definitions of the standards that have not been updated with the new definitions developed in the revised Conceptual Framework. The standards that have had modifications are IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32.

Amendments to IFRS 3 Definition of a business	The Entity has adopted the amendments to IFRS 3 for the first time in the year. The amendments clarify that while businesses usually have exits, exits are not required for an integrated set of activities or assets to qualify as a business. To be considered a business, a set of activities or assets must include, at a minimum, inputs and a substantive process that together contribute to the creation of outputs. The modification eliminates the evaluation of whether market participants are capable of replacing some input or process and continuing with the exits. The amendments also introduced additional guidance that helps determine whether a substantive process has been acquired. The amendments introduced an optional concentration test that allows a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all the fair values of the acquired assets are concentrated in the same identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations or asset acquisitions for which the acquisition date is on or after January 1, 2020.
Amendments to IAS 1 and IAS 8 Definition of materiality	The Entity has adopted the amendments to IAS 1 and IAS 8 in the year. The amendments made the definition of "material" in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS. The concept of "obscuring" material information with immaterial information has been included as part of the new definition. The threshold of materiality that influences users has been changed from, 'could influence' to 'reasonably expected to influence'. The definition of "material" in IAS 8 has been replaced by a reference to the definition in IAS 1. In addition, the IASB modified other standards and the Conceptual Framework to contain a definition of "material" to ensure consistency.

New and Amended IFRS Standards Not Yet Effective

As of the authorization date of these consolidated financial statements, the Entity has not applied the following new and modified IFRS Standards that have been issued but are not yet in force:

IFRS 10 and IAS 28 (modifications)	*Sale or contribution of assets between an investor and its associate or joint venture*
Amendments to IAS 1	*Classification of liabilities as current or non-current.*
Amendments to IFRS 3	References to the conceptual framework
Annual improvements to IFRS 2018-2020 cycle	*Amendments to IFRS 1 First adoption of the Standards International Financial Information, IFRS 9 Instruments Financial, IFRS 16 Leases and IAS 41 Agriculture*

Management does not expect the adoption of the aforementioned standards to have a significant impact on the Entity's consolidated financial statements in future periods, except as indicated below:

Amendments to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and its associate or joint venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments establish that the gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in profit or loss of the parent only to the extent that the unrelated investors' participation in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of retained investments in any former subsidiary (which has become an associate or a joint venture that is accounted for using the equity method) at fair value are recognized in profit or loss of the previous parent, only to the extent of the participation of unrelated investors in the new associate or joint venture.

The effective date of the amendments has not yet been set by the IASB; however, early application is allowed. The Entity's Management foresees that the application of these modifications may have an impact on the Entity's consolidated financial statements in future periods should such transactions arise.

Amendments to IAS Classification of Liabilities as Current and Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current and non-current in the statement of financial position and not for the amount or time in which any asset, liability, income or expense is recognized, or the information disclosed about of those games.

The amendments clarify that the classification of liabilities as current and non-current is based on the rights of existence at the end of the reporting period, specifying that the classification is not affected by expectations about whether the entity will exercise the right to defer the cancellation of the liability, explain that there are rights if there are agreements that must be fulfilled at the end of the reporting period, and introduce a definition of the 'agreement' to make it clear that the agreement refers to the transfer of cash from the counterparty , equity instruments, other assets or services.

The modifications are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.

Amendments to IFRS 3 – Conceptual Framework

The amendments update IFRS 3 so that it can refer to the 2018 Conceptual Framework rather than the 1989 Framework. They also added a requirement that, for obligations within the scope of IAS 37, a buyer applies IAS 37 to determine whether the acquisition date is a present obligation or exists as a result of a past event. For liens that are within the scope of IFRIC 21 Liens, the buyer applies IFRIC 21 to determine whether the obligation gives rise to a liability to pay the levy that occurred on the acquisition date.

Finally, the amendments add an explicit statement that the buyer will not recognize a contingent asset acquired from a business combination.

The amendments are effective for business combinations whose acquisition date is on or after the initial period of the first annual period beginning on or after January 1, 2022. With the option of early application if the entity also applies all other updated references (published together with the Conceptual Framework) at the same time or in advance.

Annual Amendments to IFRS 2018-2020 standards

The Annual Modifications include the following modifications:

IFRS 9 Financial Instruments

The amendment clarifies that when applying the '10%' test to evaluate whether to write off a financial liability, an entity includes only the installments paid or received between the entity (the borrower) and the provider, including installments paid or received by the entity or the provider.

Amendments are applied prospectively to modifications or changes that occur on or after the date the entity first applies the amendment.

The modification is effective for annual periods beginning on or after January 1, 2022, with the option of early application.

IFRS 16 *Leases*

The modifications eliminate the figure of reimbursement for improvements to leases.

Management does not expect that the adoption of the aforementioned modifications will have a significant impact on the Entity's consolidated financial statements in future periods.

3. Significant accounting policies

a. ***Statement of compliance***

The consolidated financial statements of the Entity have been prepared in accordance with IFRS as interpreted by the CNBV (see Note 0).

b. ***Basis of preparation***

The Entity's consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments, which are valued at fair value at the end of each period, as explained in the accounting policies included below.

i. Historical cost

Historical cost is generally base don the fair value of the considertion given in Exchange for goods and services.

ii. Fair value

Fair value is defined as the price that would be received to sell an asset or that would be paid to transfer a liability in an orderly transaction between market participants at the valuation date, regardless of whether that price is directly observable or estimated using another technique valuation. When estimating the fair value of an asset or a liability, the Entity takes into account the characteristics of the asset or liability, if the market participants would take those characteristics when setting the price of the asset or liability on the measurement date. The fair value for measurement and / or disclosure purposes of these consolidated financial statements is determined in such a way, the leasing operations that are within the scope of IFRS 16, and the valuations that have some similarities with fair value, but are not a fair value, such as value in use in IAS 36.

Going concern

The consolidated financial statements have been prepared by Management assuming that the Entity will continue to operate as a going concern.

During the first months of 2020, the infectious disease COVID-19 caused by the coronavirus appeared, which was declared by the WHO as a Global Pandemic on March 11, 2020. Its recent global expansion has motivated a series of containment measures in different geographies where the Entity operates and certain sanitary measures have been taken both by the Mexican authorities and by the different governments where the Entity operates to stop the spread of this virus. Derived from the uncertainty and duration of this pandemic, the Entity analyzed the financial projections to determine if the assumption of continuing as a going concern is applicable.

Translation into English

The consolidated financial statements have been translated into English for the convenience of readers.

c. ***Basis of consolidation of financial statements***

The consolidated financial statements incorporate the financial statements of the Entity and entities (including structured entities) controlled by the Entity and its subsidiaries. Control is achieved when the Entity:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and;
- Has the ability to use its power to affect its returns.

The Entity reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Entity has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Entity considers all relevant facts and circumstances in assessing whether or not the Entity’s voting rights in an investee are sufficient to give it power, including:

- The size of the Entity’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Entity, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Entity has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Entity obtains control over the subsidiary and ceases when the Entity loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of income and other comprehensive income from the date the Entity gains control until the date when the Entity ceases to control the subsidiary.

Profit and each component of other comprehensive income are attributed to controlling and non-controlling interests. The comprehensive income of the subsidiaries is attributed to the controlling and non-controlling interests even if it gives rise to a deficit in the latter.

When necessary, adjustments are made to the financial statements of the subsidiaries to align their accounting policies in accordance with the Entity's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Entity are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Entity's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Entity's ownership interests in existing subsidiaries

Changes in the Entity's ownership interests in subsidiaries that do not result in the Entity losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Entity's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Entity.

When the Entity loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Entity had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

As of December 31, 2020, 2019 and 2018, the equity in the capital stock of the principal subsidiaries are shown below:

Subsidiaries	**Activity**	**Direct and Indirect Ownership Equity % 2020, 2019 y 2018**	
Organización de Proyectos de Infraestructura, S.A.P.I. de C.V. y subsidiaria ("OPI and subsidiary") (1) (3)	Holder of 99.99% shares of Concesionaria Mexiquense, S.A. de C.V. ("Conmex")	51.00	51.00
Grupo Autopistas Nacionales, S.A. ("GANA")	Owner of the Amozoc-Perote Highway concession	69.18	69.18
Viaducto Bicentenario, S.A. de C.V. ("VIADUCTO BICENTENARIO")	Owner of the Viaducto Elevado concession in the State of Mexico.	99.99	99.99
Autovías Concesionadas, S.A. de C.V. ("AUTOVIAS") (6)	Ceded the Concession of the Viaducto Elevado de Puebla to Libramiento Elevado de Puebla, S.A. de C.V.	99.99	99.99

Subsidiaries	Activity	Direct and Indirect Ownership Equity % 2020, 2019 y 2018	
Administradora de Acciones Toluca, S.A. de C.V. ("AATOLUCA") (7)	Investment of the Toluca Airport concession	99.99	99.99
Construcciones Amozoc Perote, S.A. de C.V. ("CAPSA")	Constructor	69.18	69.18
Operadora Concesionaria Mexiquense, S.A. de C.V. ("OPCOM")	Operating services provider to the toll road concessions	99.99	99.99
Autopista Urbana Norte, S.A. de C.V. ("AUNORTE")	Owner of the Vía Periferia Elevada concession	99.99	99.99
Latina México, S.A. de C.V. ("LATINA")	Constructor	99.99	99.99
Seconmex Administración, S.A. de C.V. ("SECONMEX")	Professional, technical and administrative services	98.00	98.00
Concesionaria AT-AT, S.A. de C.V.	Owner of the North Bypass Atizapán- Atlacomulco concession	99.99	99.99
OPCEM, S.A.P.I. de C.V. (3)	Service provider operating the Circuito Exterior Mexiquense	51.00	51.00
Conservación MM, S.A. de C.V. (4)	Operating services provider to VIADUCTO BICENTENARIO and AUNORTE	99.99	99.99
Manop, S.A. de C.V.	Service provider to GANA	69.18	69.18
OTM Servicios de Pago, S.A. de C.V. (5)	Service provider to Televía	99.99	99.99
Aleatica Administración, S.A. de C.V. (2)	Participates as a shareholder in all kinds of legal entities	99.99	99.99

(1) Direct and indirect equity of the Entity in the concession for the Circuito Exterior Mexiquense ("CEM").

(2) Incorporated on December 4, 2019.

(3) On May 9 and 10, 2018 IFM GIF, through its subsidiaries, transferred its 49% stake in the capital of OPI and OPCEM to Caisse de Dépôt et Placement du Québec ("CDPQ") and its Assignee Trust 2893 "Trust 2893". CDPQ and the investors of Trust 2893 are institutional investors with long-term investments

(4) Incorporated on April 23, 2018.

(5) Incorporated on October 24, 2018.

(6) On January 14, 2019, its company name was changed to Autovías Concesionadas, S.A. de C.V.

(7) On March 26, 2019, its company name was changed to Administradora de Actions Toluca, S.A. de C.V.

A summary of the consolidated financial information of OPI with its subsidiary CONMEX, which has a significant non-controlling interest, is detailed below.

OPI and Subsidiary	**2020**	**2019**	**2018**
Current assets	$ 2,750,743	$ 2,017,703	$ 1,378,479
Non-current assets	$ 52,487,015	$ 52,997,386	$ 54,087,184
Current liabilities	$ 1,643,152	$ 1,742,534	$ 2,493,980
Non-current liabilities	$ 31,054,295	$ 30,370,432	$ 30,155,607
Stockholders' equity attributable to controlling interest	$ 22,540,311	$ 22,902,123	$ 22,816,076
Revenues	$ 3,972,972	$ 4,554,218	$ 4,345,615
Expenses	$ 1,762,910	$ 1,907,275	$ 2,169,400
Financing cost	$ 2,588,398	$ 2,410,834	$ 2,975,011
Income taxes	$ (204,726)	$ (98,233)	$ (414,737)
Net (loss) income for the year	$ (173,610)	$ 334,342	$ (384,059)
Other comprehensive income	$ (188,202)	$ (248,295)	$ 60,363
Comprehensive (loss) income for the year	$ (361,812)	$ 86,047	$ (323,696)
Cash flows from operating activities, net	$ 2,841,363	$ 3,656,902	$ 3,605,296
Cash flows from investing activities, net	$ (19,241)	$ (4,988)	$ (102,357)
Cash flows from financing activities, net	$ (1,945,398)	$ (2,983,543)	$ (3,454,390)
Cash flows, net	$ 4,600,555	$ 3,723,831	$ 3,055,460

The reconciliation of the financial information above summarized, of the book value of the non-controlling interest in OPI, was recognized in the consolidated financial statements:

	2020	**2019**	**2018**
OPI's net assets	$ 22,540,311	$ 22,902,123	$ 22,816,076
Attributable to OPI´s non-controlling interest	11,044,752	11,222,040	11,179,877
OPI's controlling interest book value	$ 11,495,559	$ 11,680,083	$ 11,636,199

Subsidiaries

Subsidiaries are companies over which the Entity exercises control. The existence and effects of the potential voting rights which are currently exercisable or convertible are considered when the Entity evaluates if it controls the investee. Subsidiaries are consolidated from the date on which their control is transferred to Entity, and they cease to consolidate from the date on which control is lost.

The accounting policies of the subsidiaries have been modified to conform to the policies adopted by the Entity.

Investments in associates and joint ventures

An associate is an entity over which the Entity has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results, assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Entity's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Entity's share of losses of an associate or a joint venture exceeds the Entity's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Entity's net investment in the associate or joint venture), the Entity discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Entity has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Entity's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Entity's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Entity's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Entity discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Entity retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Entity measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Entity accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Entity reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate or joint venture is disposed of.

The Entity continues to utilize the equity method when an investment in an associated entity becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associated entity. The fair value of these equity changes is not revalued.

When the Entity reduces its ownership interest in an associate or a joint venture but the Entity continues to use the equity method, the Entity reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Entity, profits and losses resulting from the transactions with the associate or joint venture are recognized in the Entity's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Entity.

d. ***Trusts Funds -*** The Entity presents as long-term in the consolidated statement of financial position, the cash deposited in the Funds as reserves to service the debt, which will not be used within the 12 months following the end of the period reported. Those funds that will be used in the following year or whose dispositions are unrestricted, are classified as short-term.

e. ***Other financial assets -*** The investments in debt instruments managed under a business model whose purpose is to collect the contractual cash flows, which are exclusively payments of principal and interest on the unpaid balance, are generally measured at amortized cost at the end of the subsequent accounting periods.

They are initially valued and recorded at fair value. The transaction costs, which are directly attributable to the acquisition of the investments, are added to or subtracted from the fair value of the financial assets, as the case may be, in the initial recognition.

Investments of debt bonds, which the Entity has contracted, are subsequently valued at amortized cost using the effective interest method, less impairment. Interest income is recognized by applying the effective interest rate. The yields generated are recognized in results as they are accrued, as part of interest income.

f. ***Investment in concession agreements -*** The Entity recognizes for accounting purposes the investments made in infrastructure projects in accordance with IFRIC 12 *" Concession Agreements*" ("IFRIC 12") and the instruction issued by the Commission (see Note 0).

IFRIC 12 refers to the accounting records prepared by public sector operators involved in the provision of infrastructure assets and services to the public sector based on concession arrangements, whereby assets are classified as financial assets, intangible assets or a combination of both.

In conformity with IFRIC 12, the Entity records the investment in concessions under two headings based on the economic nature and characteristics of the Concession Titles, as follows:

1 Concession Titles with guaranteed return clause: are recorded as intangible assets, while establishing that the investment in infrastructure and the return detailed in the respective Concession Titles will be recovered through future toll cash flows. These concession titles are valued at cost and amortized by applying the proportion of vehicle capacity for the period. The proportion of vehicle capacity is determined based on the net value of the investment, divided by the expected vehicle capacity according to the number of years for which each concession is granted. Concession Titles recorded as intangible assets are subject to impairment tests annually.

In order to determine the amount identified as an intangible asset, according to IAS 38 "Intangible Assets", the recoverable cost of the investment in infrastructure through toll cash flows and the recoverable portion of the intangible asset through toll cash flows were considered at January 1, 2017.

2 Concession titles without guaranteed return clause: are recorded as intangible assets and establish that the recovery of the investment in infrastructure will be recovered only through future toll cash flows. It is valued at cost and amortized according to the straight-line method, based on the remaining years of the concession granted in the respective concession titles. The residual value of the assets is considered, and these are subject to impairment tests annually.

IFRIC 12 establishes that in the concession titles the infrastructure assets should not be recognized as property, plant and equipment by the operator.

The revenues and costs related to the construction or improvements are recognized in revenues and costs during the construction phase. The interest cost accrued during the construction period is capitalized in the case of concessions classified as intangible assets.

Construction revenues are recognized by the percentage of completion method, whereby the revenue is matched with the costs incurred to reach the stage of progress required to terminate the concession, resulting in the recording of revenues and costs attributable to the percentage of work finished at the close of each year. To construct the highways for which it holds concessions, in general the Entity and its subsidiaries subcontract related parties or independent construction companies; as a result of the construction subcontracts signed, the builders are responsible for the performance, termination and quality of the work. The contracting prices with the subcontracting companies are at fair market values, for which reason the Entity does not recognize a profit margin in its consolidated statements of income and other comprehensive income for the performance of such construction work. The construction subcontracts do not release the Entity from its obligations acquired in relation to the concession titles. For those works that are carried out directly by the Entity, utility margins are recognized in its construction.

g. ***Advances to suppliers for construction work -*** Advances to suppliers correspond to payments made for specific works that will be carried out in the near future for the construction of infrastructure under the concessions. Amounts are recorded as advances given that the risks and rewards of the assets or services to be acquired or received have not yet been transferred to the Entity.

h. ***Government grants and government assistance s -*** Government grants are not recognized until there is reasonable assurance that the Entity will comply with the conditions corresponding IAS 20, "Government grants" and that the grants will be received.

Based on the application of IAS 20, such government assistance is deducted systematically from the value of the related investment in infrastructure asset.

Grants for the acquisition of assets are presented net against the related asset, and are applied to results over the same period and using the same amortization criteria as that of the related asset.

i. ***Office furniture, equipment and other assests -*** They are recognized at acquisition cost less depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Depreciation is calculated under the straight-line method based on useful life, as follows:

	Annual percentage %
Computer equipment	30
Transportation equipment	25
Office equipment	10
Machinery	10
Signaling equipment	10
Electrical power equipment	10
Installation expenditures in leased facilities	10

Residual values, useful lives and depreciation methods are reviewed at the end of each year, and the effect of any change in the estimate is recognized on a prospective basis.

An element of furniture and equipment and other assets is derecognized when sold or when no future economic benefits are expected to arise from the continued use of the asset. Gain or loss arising from the sale or retirement of an item of furniture and equipment, is calculated as the difference between the resources received from sales and the carrying amount of the asset and is recognized in the consolidated statement of income and other comprehensive income.

j. ***Leases***

<u>The Entity as lessee</u>

The Entity assesses whether a contract initially contains a lease. The Entity recognizes a right-of-use asset and the respective lease liability for all the lease contracts in which impacts it acts as lessee, albeit with the exception of short-term leases (executed for periods of 12 months or less) and those involving low-value assets (like electronic tablets, personal computers and small items of office furniture and telephones). For these leases, the Entity records rental payments as an operating expense according to the straight-line method throughout the lease period, unless another method is more representative of the time pattern in which economic gains result from the consumption of the leased assets.

The lease liability is initially measured at the present value of the rental payments that are not settled at the starting date, discounted according to the implied contractual rate. If this rate cannot be easily determined, the Entity utilizes incremental rates.

Lease payments included in the lease liability measurement comprise:

- Fixed rental payments (including substantially fixed payments), less any received lease incentive;
- Variable rental payments that depend on an index or rate, which are initially measured by utilizing the index or rate in effect at the starting date;
- The amount expected to be paid by the lessee under residual value guarantees;

- The purchase option exercise price, if it is reasonably certain that the lessee will exercise these options; and
- Penalty payments resulting from the termination of the lease, if the lease period reflects the exercise of a lease termination option.

The lease liability is presented as a separate item in the consolidated statement of changes in financial position.

The lease liability is subsequently measured based on the book value increase to reflect the interest accrued by the lease liability (using the effective interest method) and reducing the book value to reflect the rental payments made.

The Entity revalues the lease liability (and makes the respective adjustments to the related right-of-use asset) as long as:

- The lease period is modified or an event or significant change takes place with regard to the circumstances of the lease, thereby resulting in a change to the assessment of the purchase option exercise, in which case, the lease liability is measured by discounting restated rental payments and utilizing a restated discount rate.
- Rental payments are modified as a result of changes to indexes or rates, or a change in the payment expected under a guaranteed residual value, in which case, the lease liability is revalued by discounting restated rental payments by using the same discount rate (unless the change in rental payments is due to a change of variable interest rate, in which case a restated discount rate is used).
- A lease contract is amended and the lease amendment is not accounted for as a separate lease, in which case the lease liability is revalued according to the amended lease period by discounting restated rental payments using a discount rate restated at the date on which the amendment took effect.

The Entity did not make any of these adjustments.

Right-of-use asset is composed by the initial measurement of the respective lease liability, the rental payments made on or prior to the starting date, less any received lease incentive and any initial direct costs. The subsequent valuation is the cost less accumulated depreciation and impairment losses.

If the Entity assumes an obligation derived from the cost of dismantling and removing a leased asset, to restore the place where it is located or restore the underlying asset to the condition required by lease terms and conditions, a provision measured according to IAS 37 must be recognized. To the extent that costs are related to a right-of-use asset, they are included in the related right-of-use asset unless they are incurred to generate inventories.

Right-of-use asset is depreciated during the shorter of the lease period and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset indicates that the Entity plans to exercise the purchase option, the right-of-use asset is depreciated according to its useful life. Depreciation begins at the lease starting date.

Right-of-use asset is presented as a separate item in the consolidated statement of financial position.

The Entity applies IAS 36 to determine whether a right-of-use asset is impaired and to account for any identified impairment loss, as described in the ‘Furniture, fixtures and other assets’ policy.

Variable leases that do not depend on index or rate are not included in the measurement of the lease liability and right-of-use asset. The related payments are recognized as an expense of the period in which the event or condition leading to the payments arises and are included under the “Operating costs and expenses” heading in the consolidated statement of income. (Notes 11 and 12).

k. ***Borrowing costs -*** Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

l. ***Impairment of long-lived assets in use -*** Management periodically evaluates the impairment of long-lived assets in order to determine whether there is evidence that those assets have suffered an impairment loss. If impairment indicators exist, the recoverable amount of assets is determined, with the help of independent experts, to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

m. ***Other assets -*** Other assets mainly includes costs incurred on the electronic toll project and other development costs. Costs incurred with respect to these assets, which give rise to future economic benefits and meet certain requirements for recognition are capitalized and amortized over their useful lives. Costs that do not comply with the criteria to be capitalized are recognized directly in the consolidated statements of income and other comprehensive income.

n. ***Provisions -*** Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation, at the end of the reporting period. When a provision is valued using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the value of money over time is material).

o. ***Provision for major maintenance -*** The Entity records the provision of major maintenance of road sections based on its best estimate of the cost of major maintenance, on a straight-line basis, from the last maintenance incurred, in order to comply with contractual obligations that require the Entity to return the infrastructure assets to the government in optimal working conditions at the end of the concession term.

The Entity performs an analysis of the major maintenance work it will carry out in the 12-month period following the financial statements date, quantifying the estimated accounts to be incurred, which are presented as short-term.

The amount recognized in this provision is the best estimate of the disbursement required to settle the present obligation, at the end of the reporting period, bearing in mind the risks and uncertainties surrounding the obligation. When a provision is valued using the estimated cash flows to settle the present obligation, its book value represents the present value of such cash flows (when the effect of the value of money over time is material).

p. ***Employee benefits***

<u>Employee benefits from termination and retirement</u>

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income.
- Remeasurement.

The Entity presents the first two components of defined benefit costs in profit or loss in the line item employee benefits expense within other operating costs and expenses. Gains and losses for reduction of service are accounted for as past service costs.

The retirement benefit obligation recognized in the consolidated statements of financial position represents the actual deficit or surplus in the Entity's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term employee benefits

A liability is recognized for employee benefits in relation to wages and salaries, annual vacations, paid leave, vacations and vacation premium.

The liabilities recognized for short-term employee benefits are valued at the amount not discounted for the benefits expected to be paid for this service.

Statutory employee profit sharing (PTU)

PTU is recorded in the results of the year in which it is incurred and is presented in operating expenses and cost line item in the consolidated statement of income and other comprehensive income.

Based on the 2014 Income Tax Law, as of December 31, 2020, 2019 and 2018, PTU is determined based on taxable income, according to Section I of Article 9 of the same Law.

q. ***Income taxes -*** The Entity is subject to the provisions of the Income Tax Law (ISR).

The expense for income taxes represents the sum of current income taxes and deferred income taxes.

On March 14, 2014, Aleatica, S.A.B. de C.V. filed a letter reporting that it elects to be taxed under this new Optional Regime for Groups of Companies referred to in Chapter VI of Title II of the Income Tax Law, for which reason as of this date the Entity is taxed under this new regime.

1. *Current tax*

Current income tax ("ISR") is recognized in the results of the year in which is incurred.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Entity's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Entity supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

2. *Deferred income tax*

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Entity is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. *Current and deferred tax*

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

r. ***Fund for repurchase and sale of own shares -*** Shares acquired are shown as a decrease in the fund for repurchase of shares included in the consolidated statement of financial position in the line of retained earnings and are valued at acquisition cost.

In the case of a resale of shares from the fund for repurchase of shares, the amount received in excess or deficit of the historical cost is recognized in the premium on sale of repurchased shares.

s. ***Recognition of toll revenues and service fees -*** Toll revenues are recognized at the time the service is provided to the customer, which is when the user enters the Concessioned Highway. The Entity satisfies the performance obligation by allowing the crossing of the highway.

The basis of the charge (collection) is determined according to the toll rate in effect at the time of entry, whether in cash or by interoperability within the next 24/48 hours by electronic transfer.

A part of the toll rates from vehicle flows earned at the GANA and CONMEX concessions, belongs to Caminos y Puentes Federales ("CAPUFE"), and are not recognized as the Entity's own revenues. Such charges, which belong to CAPUFE for the years ended December 31, 2020, 2019 and 2018 were $372,652, $594,231 and $551,508, respectively.

- Revenues from TAG placement

  Revenues derived from the placement of TAG devices for highway crossings.

  The revenues derived from the placement of TAG include the fulfillment of a single performance obligation, which must be recognized when the Entity grants use of the TAG device to the user.

- Revenues from TAG usage

  The revenues derived from the collection of a toll from customers at each highway crossing through the use of the electronic device known as TAG.

  The Entity, acts as an agent in this transaction, because it acts as an intermediary between the user and the highway, for which reason it only recognizes the respective commission at a given moment in time; i.e., when the user utilizes the highway by means of the TAG device.

t. ***Earnings per share -*** Basic and diluted earnings per share is computed by dividing consolidated net income of the controlling interest available to common stockholders by the weighted average number of common shares outstanding during the year. The Entity has repurchased shares, therefore diluted earnings per share is not equal to basic earnings per ordinary share.

u. ***Financial instruments -*** Financial assets and liabilities are recognized when the Entity becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets and liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are recognized immediately in profit or loss.

v. ***Financial assets***

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at FVTOCI:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at FVTPL.

Despite the foregoing, the Entity may make the following irrevocable election/designation at initial recognition of a financial asset:

- The Entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- The Entity may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) *Amortized cost and effective interest method*

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Entity recognizes interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognized in profit or loss and is included in the "finance income" line item.

(ii) *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see (i)) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Entity designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria (see (i)) are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Entity has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'foreign exchange (gain) loss' line item.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically;

- For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the 'foreign exchange (gain) loss' line item;

- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortized cost of the debt instrument are recognized in profit or loss in the 'foreign exchange (gain) loss' line item.

- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the 'foreign exchange (gain) loss' line item; and

- For equity instruments measured at FVTOCI, exchange differences are recognized in other comprehensive income in the investments revaluation reserve.

Impairment of financial assets

The Entity always recognizes lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Entity's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Entity recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Entity measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Entity compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Entity considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Entity's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Entity's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost;

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- An actual or expected significant deterioration in the operating results of the debtor;

- Significant increases in credit risk on other financial instruments of the same debtor;

- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Entity presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Entity has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Entity assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(1) The financial instrument has a low risk of default,

(2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and

(3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Entity considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

For financial guarantee contracts, the date that the Entity becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Entity considers the changes in the risk that the specified debtor will default on the contract.

The Entity regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) *Definition of default*

The Entity considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or

- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Entity, in full (without taking into account any collateral held by the Entity).

Irrespective of the above analysis, the Entity considers that default has occurred when a financial asset is more than 90 days past due unless the Entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower;
b) a breach of contract, such as a default or past due event;
c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) *Write-off policy*

The Entity writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Entity's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(v) *Measurement and recognition of expected credit losses*

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Entity's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Entity in accordance with the contract and all the cash flows that the Entity expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Entity is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Entity expects to receive from the holder, the debtor or any other party.

If the Entity has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Entity measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.
The Entity recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Entity derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Entity recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the Entity continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument, which the Entity has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

w. ***Financial liabilities and equity***

Classification as debt or equityl

Debt and capital instruments are classified as financial liabilities or capital based on the content of contractual agreements and the definitions of a financial liability and capital instrument.

Equity instruments

An equity instrument is any contract that indicates a residual interest in an entity’s assets after deducting all its liabilities. Received income, net of direct issuance costs, is recognized for the capital instruments issued by the Entity.

The repurchase of the Entity’s own capital instruments is recognized and directly deducted in capital. A gain or loss is not recognized in the profit or loss related to the purchase, sale, issuance or cancellation of the Entity’s own capital instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Entity, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been acquired principally for the purpose of repurchasing it in the near term; or

- On initial recognition it is part of a portfolio of identified financial instruments that the Entity manages together and has a recent actual pattern of short-term profit-taking; or

- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- The financial liability forms part of an Entity of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Entity’s documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability’s credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments. These foreign exchange gains and losses are recognized in the 'foreign exchange (gain) loss' line item in profit or loss for financial liabilities that are not part of a designated hedging relationship. For those, which are designated as a hedging instrument for a hedge of foreign currency risk foreign exchange gains and losses are recognized in other comprehensive income and accumulated in a separate component of equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Entity derecognizes financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Entity exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Entity accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

x. ***Derivative financial instruments***

The Entity obtains financing under different conditions. When financing is obtained under a variable interest rate, the Entity attempts to minimize the potential negative effects of the risk of fluctuations in the interest rate by entering into interest rate "SWAPS" and/or CAPS, which convert the variable profile of interest payments from variable to fixed, and attempts to minimize the potential negative effects of the risk of security exchange by entering into "FORWARD" which convert the variable profile of interest payments from variable to fixed. The Entity only enters into derivative transactions with institutions of recognized solvency and limits have been established for each institution. The Entity's policy is not to enter into derivative transactions for speculative purposes.

The Entity recognizes all assets or liabilities arising from derivative transactions in the consolidated statement of financial position at fair value, regardless of the purpose for which they are held. Fair value is determined based on recognized market prices, when the instrument is not traded in an active market, fair value is determined based on valuation techniques accepted in the financial community.

When derivatives are entered into to hedge certain risks and the derivative instrument complies with all accounting hedge requirements, their designation as a hedging instrument is documented at the start of the hedge transaction, documenting the objective, characteristics, accounting recognition and how the effectiveness will be measured for such transaction.

Accounting for the changes in the fair value of derivatives designated as hedges depends on the type of hedge transaction: (1) for fair value hedges, fluctuations in the fair value of both the derivative and the hedged item are recognized in current earnings; (2) for cash flow hedges, the effective portion is recognized temporarily in other comprehensive income within stockholders' equity and is reclassified to current earnings when affected by the hedged item; the ineffective portion is recognized immediately in current earnings.

For interest rate CAPS that are designated as hedges and which establish a ceiling, the effective portion of the CAP is determined by the intrinsic value of the CAP or the amount that exceeds the ceiling. With respect to measuring effectiveness, the Entity opted to exclude the time value of money (extrinsic value), which such effect is recognized directly in results.

The Entity suspends accounting for hedges when the derivative has matured, has been sold, is canceled or exercised, when the derivative does not reach a sufficiently high effectiveness to offset the changes in fair value or cash flows of the hedged item, or when the Entity decides to cancel the hedge designation.

When discontinuing hedge accounting for cash flow hedges, any amounts recorded in stockholders' equity as part of other comprehensive income remain in equity until the effects of the forecasted transaction or firm commitment affect the current earnings. If it is no longer probable that the firm commitment or forecasted transaction will occur, the gains or losses that were accumulated in other comprehensive income are recognized immediately in results. If the forecasted transaction will occur but subsequently it becomes ineffective, the gains or losses that were accumulated in other comprehensive income are recognized proportionally in results.

Even though certain derivatives are contracted for hedging purposes from an economic standpoint, because they do not comply with all the requirements for hedge accounting established in financial reporting standards, they have been designated as trading derivatives for accounting purposes. The fluctuation in fair value of these derivatives is recognized in interest expense or income.

y. ***Foreign currency transactions -*** In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

- Exchange differences on transactions entered into in order to hedge certain foreign currency risks; and

- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Entity's foreign operations are translated into Mexican pesos, using exchange rates prevailing at the end of each reporting period.

z. ***Financial assets and liabilities denominated in UDIS*** - The Entity presents in the consolidated statements of income and other comprehensive income, as part of the financial costs or revenues, the valuation effect of the UDI on its financial assets and liabilities denominated in this value unit.

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Entity's accounting policies, which are described in Note 3, the management of the Entity is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments, apart from those involving estimations, that the management of the Entity has made in the process of applying the Entity's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

- Management has decided not to recognize a profit margin on the construction revenues and costs in its concessionaire subsidiaries, because the amount of such revenues and costs is substantially the same and has no effect on the Entity's net income.

- Management has decided to recognize the asset generated on the investments in concessions and the return stipulated in the concession titles whose recovery is through the operation of the concessions themselves, during the concession term and the extensions granted, by considering the future toll flows when so established in the Concession Titles themselves and applicable laws.

The sources of key uncertainty in the estimates made at the date of the consolidated statement of financial position, and which have a significant risk of resulting in an adjustment in the carrying values of assets and liabilities during the following financial period, are as follows:

- The Entity has accumulated recoverable tax losses, whose recoverability has been assessed, and has concluded that it is appropriate to recognize a deferred income tax asset.

- The Entity prepares valuations of its financial derivatives, which are contracted to mitigate the risk of interest rate fluctuations. The transactions which comply with the requirements for using hedge accounting have been designated as cash flow hedges. Note 17 describes the valuation techniques and methods of the financial derivatives.

- The Entity revises the estimate of the useful life and amortization method of its assets due to investment in concessions at the end of each reporting period and the effect of any change in the estimate is recognized prospectively. Furthermore, at the end of each period, the Entity revises the book values of its investment in concessions in order to determine whether there is an indication that they have suffered any loss from impairment.

- Management prepares an estimate to determine and recognize the provision to cover the major maintenance expenses of the concessioned routes, which affect the results of the periods from the time the concessioned highways are available for use until the major maintenance works are performed.

- The Entity reviews the book values of its investment in the shares of its associate to determine whether there are indications to suggest that these shares have suffered an impairment loss.

5. **Cash, cash equivalents and trust funds**

For the purposes of the consolidated statements of cash flows, cash, cash equivalents and funds in Trusts include cash and banks and investments in money market instruments. Cash and cash equivalents at the end of the period as shown in the consolidated statements of cash flows, can be reconciled with the related items in the consolidated statements of financial position as of December 31, 2020, 2019 and 2018 as follows:

	2020	2019	2018
Cash and bank deposits	$ 2,200,452	$ 3,382,942	$ 1,371,173
Cash equivalents (overnight investments)	680,134	658,421	5,438,838
Cash for prepayments and post-payment (7)	200,818	167,841	246,035
Trust funds (additional revenues) (1A)	5,732	6,734	6,461
Cash restricted (letter of credit) and cash guarantees (8)	1,352,104	1,352,104	1,350,000
Trust funds (1) (2) (3)(4)(5)(6)	6,913,660	6,163,051	5,434,998
	11,352,900	11,731,093	13,847,505
Less: Long-term portion of trust funds	(3,702,364)	(3,573,544)	(3,424,967)
Current portion of cash, cash equivalents and trust funds	$ 7,650,536	$ 8,157,549	$ 10,422,538

Trust funds are as follows:

(1) **CONMEX:**

The balances of the trust were as follows:

	2020	2019	2018
Reserve fund for debt service	$ 1,546,220	$ 1,632,155	$ 1,561,084
Fund for major maintenance	232,443	183,627	149,387
Hub fund (Invex 429)	1,250,245	672,172	602,614
Hub fund (Additional revenues) **(A)**	5,732	6,734	6,461
Fund for release of right-of-way	113	107	343
Hub fund for debt service of the Notes Zero Coupon (Invex 15580)	53,430	53,977	51,631
Hub fund for of excessive cash (Invex 15575)	6,864	6,602	5,964
Total trust funds	3,095,047	2,555,374	2,377,484
Trust CPac (Concesionaria Pac, S.A. de C.V.)	9,200	9,200	9,200
Total trust funds	3,104,247	2,564,574	2,386,684
Total long-term trust funds	(1,546,332)	(1,632,264)	(1,561,427)
Total funds in short-term trust funds	$ 1,557,915	$ 932,310	$ 825,257

(2) **VIADUCTO BICENTENARIO:**

The fund balances in those trusts are as follows:

	2020	2019	2018
Invex Bank Trust	$ 169,313	$ 373,657	$ 335,591
Fund for release of right of way	26	26	26
Total trust funds	$ 169,339	$ 373,683	$ 335,617

(3) **GANA:**

The fund balances in those trusts are as follows:

	2020	2019	2018
Operation fund	$ 947,499	$ 1,033,130	$ 764,108
Maintenance fund	252,991	244,251	226,954
INVEX Restricted trust funds (Trust Stock Certificates)	191,235	178,638	168,169
Concentra tor			
Concentrator bank	655	855	20,307
Fund for release of right of way	15	14	11
Total trust funds	1,392,395	1,456,888	1,179,549
HSBC long-term trust fund	(191,235)	(178,638)	(168,169)
Total short-term trust funds	$ 1,201,160	$ 1,278,250	$ 1,011,380

(4) **AUNORTE:**

The fund balances in those trusts are as follows:

	2020	2019	2018
INVEX Concentrating Fund	$ 40,378	$ 207,050	$ 83,162
INVEX Trust Fund	325,240	86,928	85,229
INVEX Major Maintenance Fund	74,184	9,760	15,359
INVEX Generated VAT Fund	32,360	14,308	35
IXE Trust Fund	4	4	4
Total short-term trust funds	$ 472,166	$ 318,050	$ 183,789

(5) **OPI:**

The trust balance is composed as follows:

	2020	2019	2018
INVEX Concentrating Trust	$ 387,200	$ 166,621	$ 166,621
2001 Invex Trust - Debt service reserve fund	557,816	357,645	357,645
	945,016	524,266	524,266
Long-term debt service reserve fund	(557,816)	(357,645)	(357,645)
Total short-them trust funds	$ 387,200	$ 166,621	$ 166,621

(6) **AT-AT:**

The trust balance is composed as follows:

	2020	2019	2018
Right of way release fund	$ 833,229	$ 932,324	$ 932,324
Long-term right-of-way release fund	(54,877)	(52,894)	(52,894)
Total short-term trust funds	$ 778,352	$ 879,430	$ 879,430

(7) **OPCOM:** Includes cash received for prepayments by the users for use of the concession routes, which will be paid by OPCOM to the concessionaires when the users actually utilize such routes for $62,213, $16,278 and $33,013 as of December 31, 2020, 2019 and 2018, respectively.

(8) Includes restricted cash related to the issuance of a letter of credit to guarantee the venture capital in the Atizapán-Atlacomulco project for $1,350,000 and cash guarantees.

6. Accounts receivable from services

	2020	2019	2018
For interoperability	$ 300,299	$ 336,356	$ 258,830
For toll services	48,933	125,473	112,349
Third parties	7,723	196	-
	356,955	462,025	371,179
Allowance for bad debts from interoperability	(85,032)	(85,932)	(84,082)
	$ 271,923	$ 376,093	$ 287,097

Aging of accounts receivable for interoperability:

	2020	2019	2018
0-90 days	$ 146,132	$ 179,194	$ 121,187
91-120 days	2,814	2,695	2,730
More than 121 days	151,353	154,467	134,913
Total	$ 300,299	$ 336,356	$ 258,830

Aging of accounts receivable for toll services:

	2020	2019	2018
0-90 days	$ 48,933	$ 59,410	$ 63,631
91-120 days	-	6,736	5,818
More than 121 days	-	59,327	42,900
Total	$ 48,933	$ 125,473	$ 112,349

Recognition of the allowance for doubtful accounts from interoperability was:

	2020	2019	2018
Balance at the beginning of the year	$ 85,932	$ 84,082	$ 16,801
Charge to results	2,950	10,359	73,218
Application	(3,850)	(8,509)	(5,937)
Balance at the end of the year	$ 85,032	$ 85,932	$ 84,082

7. Recoverable taxes

	2020	2019	2018
Income tax	$ 332,563	$ 294,515	$ 263,268
Value added tax (VAT)	230,380	139,978	162,472
	$ 562,943	$ 434,493	$ 425,740

8. Other accounts receivable and other assets

	2020	2019	2018
Prepaid expenses	$ 256,081	$ 186,327	$ 122,682
Guarantee deposits	9,821	10,000	9,984
Sundry debtors	3,024	11,947	5,805
Account receivable to Constructora de Proyectos Viales de México, S.A. de C.V.	-	1,648	89,973
Others	37,312	31,010	31,998
	$ 306,238	$ 240,932	$ 260,442

9. Intangible assets from investment in concessions

Intangible assets from concessions	2020	2019	2018
Civil works completed	$ 47,032,940	$ 47,005,217	$ 45,244,654
Construction in progress	4,383,393	3,772,406	4,043,044
Initial contribution	1,827,949	1,827,949	1,827,949
Capitalized loan cost	3,333,607	3,325,881	3,235,969
Other investment assets	310,462	310,462	310,462
Other intangible assets	47,044,024	47,044,024	47,044,024
	103,932,375	103,285,939	101,706,102
Federal Infrastructure Fund (“FINFRA” for its acronym in Spanish) contribution received	(1,159,412)	(1,159,412)	(1,159,412)
Intangible asset for concessions	102,772,963	102,126,527	100,546,690
Amortization of intangible assets from investment in concessions	(17,070,539)	(15,806,914)	(13,803,887)
Intangible assets from investment in concessions, net	$ 85,702,424	$ 86,319,613	$ 86,742,803

Below is a composition of the total investment by concession:

As of December 31, 2020	CONMEX	VIADUCTO	AUNORTE	GANA	AT-AT	Total
Intangible asset by concessions	$ 60,339,751	$ 15,904,062	$ 19,107,763	$ 1,911,130	$ 5,510,257	$ 102,772,963
Amortization of intangible assets from investment in concessions	(10,043,126)	(3,687,830)	(2,771,145)	(568,438)	-	(17,070,539)
Total investment in concessions, net	$ 50,296,625	$ 12,216,232	$ 16,336,618	$ 1,342,692	$ 5,510,257	$ 85,702,424

As of December 31, 2019	CONMEX	VIADUCTO	AUNORTE	GANA	AT-AT	Total
Intangible asset by concessions	$ 60,320,510	$ 15,895,579	$ 19,101,214	$ 1,899,304	$ 4,909,920	$ 102,126,527
Amortization of intangible assets from investment in concessions	(9,353,375)	(3,403,501)	(2,512,611)	(537,427)	-	(15,806,914)
Total investment in concessions, net	$ 50,967,135	$ 12,492,078	$ 16,588,603	$ 1,361,877	$ 4,909,920	$ 86,319,613

As of December 31, 2018	CONMEX	VIADUCTO	AUNORTE	GANA	AT-AT	Total
Intangible asset by concessions	$ 60,315,522	$ 15,875,799	$ 19,094,058	$ 1,899,304	$ 3,362,007	$ 100,546,690
Amortization of intangible assets from investment in concessions	(8,473,899)	(2,848,802)	(1,974,769)	(506,417)	-	(13,803,887)
Total investment in concessions, net	$ 51,841,623	$ 13,026,997	$ 17,119,289	$ 1,392,887	$ 3,362,007	$ 86,742,803

(1) With the Seventh Modification to the CONMEX Concession Title, the rate regime was updated. As a result of the foregoing, the Entity estimates that, with the implementation of the new tariff scheme, the investment in infrastructure and investment return established in the Concession Title itself, will be practically recovered through the collection of the toll (see Note 1). The effects of said modification are subject to reaching levels of traffic based on various factors that as of the date of this report are being validated by an independent third party.

Below is a description of the concessions of the Entity's subsidiaries:

I. CONMEX - Sistema Carretero del Oriente del Estado de México

On February 25, 2003, the Government of the State of Mexico ("GEM"), as a grantor, granted a concession to CONMEX, for the construction, operation, conservation and maintenance of the Sistema Carretero del Oriente del Estado de México (the Highway System in the Eastern Portion of the State of Mexico or "El Sistema Carretero" for its name in Spanish).

The original concession period according to the Concession Title was 30 years. On December 14, 2012, a Fifth Amendment to the Concession Title was signed, extending the Concession's term up to December 31, 2051.

In accordance with Article 17.42 of the Administrative Code of the State of Mexico, the useful life of the concession may only be extended for a maximum of one additional period equal to the term originally granted. The Concession Title establishes that the minimum proprietary financing that the concessionaire will have to contribute in the project is equal to 20% of its own funds, and the concessionaire may make combinations of resources at its discretion, as long as the aforementioned percentages are fulfilled. This means that the concessionaire may become indebted and reduce its own resources until they reach the minimum required under the concession title.

Pursuant to clauses third and eighth of the Concession Title, if as part of the highway operation the vehicle flows were less than that established in the projected vehicle flows, CONMEX will be entitled to request the extension of the concession term in order to obtain the total recovery of the investment made, plus the return stipulated in the concession title itself. For such purpose, it must submit to the Infrastructure Department of the State of Mexico ("SAASCAEM") the respective studies to support such circumstance or, if the concessionaire is unable to operate the system partially or totally for a period of one year for reasons not attributable thereto, the deadline will be extended so that the damage may be redressed.

Pursuant to nineteenth clause of the concession title, in its sixth amendment, the maximum authorized rate will be increased automatically based on the Mexican National Consumer Price ("INPC") each year or when it reflects an increase greater than 5% as of the last adjustment.

On July 31, 2020, CONMEX celebrated the Seventh Modification to the Concession Title (the "Seventh Modification"), with the participation of the System of Highways, Airports, Related and Auxiliary Services of the State of Mexico ("SAASCAEM").

Considering the current operating conditions and the level of maturity of the project, the Seventh Modification modernizes the Concession Title, and establishes new standards in terms of safety, quality of service for users and sustainability.

Specifically, the main changes to the Concession Title agreed under the Seventh Amendment include the following:

(i) Recognition of investment and rate regime: The Secretariat, SAASCAEM and the Entity, with the support of external advisers, determined the amount of the total investment pending recovery by the Concessionaire as of July 1, 2020, the new Financial terms allow the investment to be recovered under the terms provided in the Concession Title.

As of the date of signing of the Seventh Modification, said amount serves as the basis for calculating and including the amount of investments that have been or are made by the Concessionaire, in accordance with the methodology and procedure for the recognition of investment pending recovery agreed in the Seventh Modification.

The Secretariat and the Entity agreed to an update to the rate regime provided for in the Concession Title, adapting it to the traffic structure of the project, agreeing on a new balance between the rates for light vehicles and heavy vehicles.

(ii) Performance standards and infrastructure improvement: New performance standards were agreed to provide greater security and better service to the user, greater care for the environment and better conditions for the communities that the Concessionaire serves. These criteria represent up-to-date physical and maintenance conditions for the operation of the highway and the terms for the provision of related services and on the apron, with which the conditions are adjusted to best practices and international standards.

Similarly, as part of the improvement of the highway, some new investments and additional works were approved. The execution of said works is subject to obtaining the necessary authorizations and consents from third parties.

The changes included in the Seventh Modification will allow the Entity to continue with the operation of the project in modern conditions, to maintain the service to its long-term financing structure and to carry out the necessary actions to satisfy the growing demand for cargo transportation and of passengers on the highway, which will allow the Entity to consider the potential development of connections with highways / airports.

In line with the Entity's commitment to the communities surrounding the highway, the multi-year sustainability program that has been developed by the Entity will be reinforced.

II. VIADUCTO BICENTENARIO - Viaducto Elevado

On April 21, 2008, the GEM, through the SAASCAEM as the grantor, awarded the concession for the VIADUCTO BICENTENARIO to the Entity as concessionaire, which related to the construction, operation, conservation and maintenance of the Viaducto Elevado in the following sections: from the Periférico Manuel Ávila Camacho, beginning in the Toreo de Cuatro Caminos in Naucalpan to Valle Dorado in Tlalnepantla (km. 23+000 of the Mexico-Querétaro Highway) and from km. 23+000 to km. 44+000 of the Mexico-Querétaro Highway, in Tepotzotlán.

The duration of the concession is for 30 years.

In accordance with Article 17.42 of the Administrative Code for the State of Mexico, the concession term may only be extended for one maximum additional term equal to the period originally granted. The concession title establishes that the minimum proprietary financing that the concessionaire will have to contribute to the project will be equivalent to 20% of its own resources, and the concessionaire may make combinations of resources at its discretion, as long as the aforementioned percentages are fulfilled. This means that the concessionaire may possibly become indebted and reduce its own resources until they reach the minimum required under the concession title.

As established in the eleventh clause of the Concession Title, toll fees that do not exceed the maximum authorized rates may apply in the operation of the concession. The maximum authorized rates will be increased based on the INPC annually in the month of January according to a formula pre-established in the Concession Title itself.

If the increase in the INPC exceeds 5% before one year elapses since the last restatement, the concessionaire will present to SAACAEM an analysis to justify the advance application of rates with the accumulated inflation percentage, which is subject to the approval of the SAACAEM.

III. GANA - Carretera de altas especificaciones Amozoc-Perote

On November 24, 2003, the Mexican Federal Government, through the Ministry of Communication and Transportation ("SCT" for its acronym in Spanish) as the grantor, awarded to GANA, as concessionaire, the concession for the construction, operation, conservation and maintenance of the Carretera de Altas Especificaciones de Jurisdicción Federal (the High-Specification Federal Highway) with a length of 104.9 kms. from the Amozoc III Junction, located at kilometer 137+455 of the Mexico-Orizaba Highway, ending at the Perote III Junction, located at kilometer 104+971 of the Amozoc-Perote Highway, in the states of Puebla, Tlaxcala and Veracruz. ("Carretero System or Via Concesionada") and operate, conserve, exploit and maintain the Perote Bypass, with a length of 17.6 kilometers, starting at kilometer 94+000 of the Acatzingo-Zacatepec-Perote-Jalapa federal highway and ending at kilometer 111+581 of that same highway in Veracruz state ("Perote Highway Loop"). Construction of the entire Toll Road concluded in October 2008.

On May 20, 2016, the SCT granted the second modification to the Concession Title received by GANA on June 24, 2016. The term of the Concession is: i) for the Concession Road of 30 years, which expires in 2063 and, ii) for the 20-year Perote Bypass, which expires in 2043.

The Entity undertakes to carry out the necessary work for the installation and operation of the electronic toll and video surveillance systems under the technical specifications determined by the SCT. On June 2018, the first phase related to electronic toll systems was concluded; the second phase is under construction corresponding to the control center, fiber optic installation and video surveillance.

The terms established in the Concession are as follows:

a. Purpose - The concession grants the right to build, operate, exploit, conserve, and maintain the Concession Road; as well as the right to operate, exploit, conserve and maintain the Perote Bypass and establishes the conditions for such activities to be carried out.

b. Duration - The current duration will be 60 years for the Amozoc III junction, ending at the Perote III junction, and 40 years for the Perote Highway Loop on the Acatzingo-Zacatepec-Perote-Jalapa Federal Highway, as of the date on which the Concession Title was granted, which were extended for a period equal to the duration of the original concession (Amozoc III 30 years for the Amozoc junction and 20 years for the Perote Highway Loop

c. Tolls - The Entity must exploit the concession according to the toll regulation bases contained in the Concession Title and apply the maximum average toll (TPM) in such a way that specifically established tolls result in an observed average toll that is equal to or less than the TPM.

d. Venture capital - On November 22, 2010, the SCT with official letter No. 3.4.105.665 of the General Directorate of Road Development approved the protocols for the UDIS valuation of risk capital and the application of the IRR of the proposal and of the recovery of risk capital and its returns. Said amount will be updated monthly in accordance with the provisions of the Concession Title and the procedures authorized by the SCT.

"Venture Capital" refers to the amount established in condition Fifth of the Concession Title, which was contributed for works construction, or other amounts contributed to fulfill the Entity's obligations, the delivery, utilization, application and payment of which takes place in conformity with the terms and conditions detailed in the Concession Title.

IV. AUTOVIAS - Viaducto Elevado de Puebla

On August 18, 2014, the Puebla State Government granted a concession to AUTOVIAS for the construction, operation, conservation and maintenance of an Elevated Roadway Viaduct on the Mexico City-Puebla Highway, from kilometer 114+000 to kilometer 129+300 in the Puebla metropolitan zone.

Subsequently, authorization was requested to assign the concession title granted by the State Government of Puebla through the decentralized government agency "Carreteras de Cuota-Puebla, to Libramiento Elevado de Puebla, S.A. de C.V. ("LEP").

The State of Puebla authorized Autovías Concesionadas, S.A. de C.V. to grant the concession title to LEP.

Aleatica has executed an agreement with Promotora y Operadora de Infraestructura, S.A.B. de C.V. to establish the terms and conditions applicable to the development of this alternative project, in which Aleatica will hold 51% equity, while Promotora y Operadora de Infraestructura, S.A.B. de C.V. will hold the remaining 49%, share control of the operation of concession.

V. AUNORTE - Vía Periferia Elevada

On July 16, 2010, the GDF, granted a concession to AUNORTE for the construction, use, exploitation, operation, and administration of the infrastructure of public domain of the Vía Periferia Elevada in the upper of the Periférico Manuel Ávila Camacho (Anillo Periférico), in the section between the Distribuidor Vial San Antonio which ends at the boundary between the State of Mexico and the Federal District, on Manuel Ávila Camacho at Parque de Chapultepec Avenue ("Concessioned route") of 9.8 kilometers.

The duration of the concession is for 30 years.

In conformity with thirteenth clause of the concession title, to maintain the balance and financial viability of the concession, every calendar year the base average rates will be adjusted automatically in accordance with the INPC, so that inflation will not decrease the value of the base average rates in real terms over the term of the concession. For such purposes, on January 15 each year the amount of rates in effect at that time will be multiplied by the restatement factor obtained from dividing the INPC in effect at the time by the INPC in effect on January 15 of the immediately previous year.

The support agency may authorize adjustments before the established dates for such purpose if 1) at least three months have elapsed since the last adjustment, and 2) the INPC has registered an increase of more than 5% compared to the INPC used in the previous restatement, provided there is justified cause evidenced in a study prepared by the concessionaire.

The concession title establishes a minimum of 20% of its own financing which the concessionaire will have to contribute to the project.

VI. AT-AT - Autopista de altas especificaciones Atizapán-Atlacomulco

On April 25, 2014, through the SCT, the Federal Government, in its capacity as the grantor, awarded a concession to AT-AT (the "concession holder") for the construction, conservation and maintenance of a high-specification, 77 kilometers section of the Atizapán - Atlacomulco federal highway, starting at kilometer 19+620 of the Chiluca junction, located at kilometer 14+500 of the Chamapa - Lechería highway, and ending at kilometer 100+046 of the Atlacomulco junction, located at the intersection of the Atlacomulco - Maravatío highway, the Mexico City Bypass and the Atlacomulco - Palmillas highway in the State of Mexico ("Concessioned Route").

On March 31, 2016, the SCT, through the Highway Development Agency, granted the Entity: "Authorization to Begin Construction" for the work on the Atizapán-Atlacomulco Highway in the State of Mexico, with construction due to begin on April 1, 2016, on the Ixtlahuaca Junction of Section 3, located at approximately kilometer 76+200, in accordance with fifth clause of the Concession Title.

The effective term will be 30 years computed as of the date on which the Concession Title is delivered, and may be extended when, for reasons not attributable to the Entity, delays are generated in the delivery of the scheduled easement works, such as the impossibility of operating the highway, or modifications are made to the project and/or delays arise due to natural disasters which could not have been prevented in accordance with prudent industry practices, armed conflict or trade barriers which limit the availability of materials and inputs for construction of the highway. The extension term will be computed provided that it exceeds 10 consecutive days; for such purpose the SCT and the Concessionaire will issue a fact-finding report for each event with the aim of counting the days which, in the judgment of the SCT, will not be considered in the computation of 30 years effective duration of the concession.

Due to delays in the delivery of the scheduled easement works by the SCT, on September 11, 2017 the SCT authorized the new highway construction program for the Entity, which considers a new scheduled construction termination date of June 30, 2019, since at the end of 2018 there was still easements to liberate, a new date programing was authorized by the SCT for July 31, 2021 and the operation beginning on August 1 of such year.

As of December 31, 2020, 75.68 kms. have been released by way of delivery/reception of easement, equivalent to 98.03% of the total 77.209 kms. leaving 1.52 kms. (1.97%) still pending. The delivery/reception certificates form part of an administrative procedure independent from the legal and administrative possession, which are obtained when the promise of purchase and sale agreements and pre-occupancy agreements are signed.

Due to delays in delivery of the easement and the definition of social projects with the communities adjacent to the project, the respective section was rerouted to avoid crossing through a zone of freshwater springs, which required a change in the length, leaving it at 77.209 kilometers, as a result, the Concessionaire conducted a new revaluation, based on completion of the project and authorization by the SCT of the Executive Project, and the possible impacts of the changes.

On July 1, 2020, the Entity requested an updated construction program from the SCT for October 31, 2022 and the start of operations on November 1 of the same year, as a mitigation measure to unforeseeable circumstances or force majeure that makes it impossible to The Entity will comply with the execution of the works, consisting of the omission by the SCT of the release of the Right of Way that corresponds to it in accordance with the Concession Title.

On February 25, 2020, the Concessionaire received from the General Directorate of Highway Development, a letter authorizing the modification of the highway construction program, in order to complete all of the project works, within a period of no more than 24 months from when the Concessionaire physically receives the surface of the Right of Way.

10. Investment in shares of joint ventures and non-current assets held for sale / discontinued operation

a. As of December 31, 2020, 2019 and 2018, investment in shares of joint ventures is comprised as follows:

	December 31, 2020			
Entities	**Activities**	**Percentage of equity %**	**Investment in shares**	**Equity in results**
POETAS [(2)]	Concession of the Viaduct starting at Av. Centenario and termination at Av. Luis Cabrera.	50.00	1,439,030	$ (198,537)
PONIENTE	Construction company.	50.00	12,752	(964)
PSVRP	Provider of professional, technical and administrative services.	50.00	4,680	705
OVRP	Provider of operating services for the concessioned highways.	50.00	28,262	5,349
LEP [(3)]	Concession of the Elevated Viaduct of the Mexico-Puebla highway.	51.00	674,292	(59,971)
CLEP	Construction company of Elevated Viaduct of the Mexico-Puebla highway	51.00	77,372	326
OLEP	Operator of the Elevated Viaduct of the Mexico-Puebla highway.	51.00	9,818	2,654
			2,246,206	$(250,438)

	December 31, 2019			
Entities	**Activities**	**Percentage of equity %**	**Investment in shares**	**Equity in results**
POETAS [(2)]	Concession of the Viaduct starting at Av. Centenario and termination at Av. Luis Cabrera.	50.00	1,637,567	(111,442)
PONIENTE	Construction company	50.00	13,716	(501)
PSVRP	Provider of professional, technical and administrative services.	50.00	3,974	1,124
OVRP	Provider of operating services for the concessioned highways.	50.00	57,913	18,828

Entities	Activities	December 31, 2019 Percentage of equity %	Investment in shares	Equity in results
LEP [3]	Concession for the Elevated Viaducto of the Mexico-Puebla highway.	51.00	734,263	35,253
CLEP	Construction company of the Elevated Viaduct of the Mexico-Puebla highway.	51.00	74,854	(3,342)
OLEP	Operator of the Elevated Viaduct of the Mexico-Puebla highway.	51.00	9,492	5,899
			2,531,779	$ (54,181)

Entities	Activities	December 31, 2018 Percentage of equity %	Investment in shares	Equity in results
AMAIT [1]	Administer, operate, construct and/or operate the International Airport "Adolfo López Mateos".	49.00	1,821,055	$ -
POETAS [2]	Concession of the Viaduct starting at Av. Centenario and termination at Av. Luis Cabrera.	50.00	1,749,009	(189,344)
PONIENTE	Construction company	50.00	14,216	(27,545)
PSVRP	Provider of professional, technical and administrative services.	50.00	2,850	510
OVRP	Provider of operating services for the concessioned highways.	50.00	39,085	9,705
LEP [3] [4]	Concession for the Elevated Viaducto of the Mexico-Puebla highway.	51.00	699,009	(27,986)
CLEP [5]	Construction company of the Elevated Viaduct of the Mexico-Puebla highway.	51.00	78,196	3,469
OLEP	Operator of the Elevated Viaduct of the Mexico-Puebla highway.	51.00	3,594	2,014
			4,407,014	$ (229,177)

1) Non-current assets held for sale / discontinued operation

AMAIT was incorporated on December 19, 2003 as a majority-owned entity by the Government of the State of Mexico, whose primary activity is to construct, administer and operate the International Airport “Adolfo López Mateos” located in the city of Toluca (the “Airport”) and to provide airport, complementary and commercial services for the exploitation of such Airport. Accordingly, in September 2005, the SCT granted AMAIT the concession to administer and operate, and, as the case may be, construct the Airport for a term of 50 years.

The investment in AMAIT includes intangible assets, which as of December 31, 2018 was $264,147, less accumulated amortization as of December 31, 2018 was $62,290.

As mentioned in Note 1, on August 14, 2019, through its subsidiary AAToluca, Aleatica signed a Letter of Intent with GACM, in agreement with the SCT and with the appearance of GEM and ASA, which establishes the indicative criteria that AAToluca and GACM will utilize to negotiate the sale of shares held by AAToluca representing 49% of the common stock of AMAIT, the Concession holder, to administer, operate and exploit Toluca International Airport.

At December 31, de 2019, the Entity recognized an adjustment to the value of its investment in its associate in the Toluca International Airport based on the most reasonable estimate included in the analysis performed by its external advisors. This estimate was prepared according to IFRS 5. The sale did not adversely affect the Entity’s cash flows in 2019 and is not a strategic asset that could jeopardize its business continuity. The investment value adjustment recorded was $421,055.

On February 25, 2020, the Entity received a formal purchase proposal from GACM, which it subsequently accepted. At the date of issuance of these consolidated financial statements, the transaction is subject to the agreement, execution and implementation of the required definitive documents, including the respective purchase-sale contract. As of December 31, 2020, the transaction is subject to obtaining the necessary corporate, government and third-party authorizations.

	December 31, 2020			
Entities	**Activities**	**Percentage of equity %**	**Investment in shares**	**Equity in results**
AMAIT “Non current assets held for sale” (1)	Administer, operate, construct and/or operate the International Airport “Adolfo López Mateos”.	49.00	$1,400,000	$ -

	December 31, 2019			
Entities	**Activities**	**Percentage of equity %**	**Investment in shares**	**Equity in results**
AMAIT (1)	Administer, operate, construct and/or operate the International Airport “Adolfo López Mateos”.	49.00	$1,400,000	$ (415,433)

	December 31, 2018			
Entities	**Activities**	**Percentage of equity %**	**Investment in shares**	**Equity in results**
AMAIT (1)	Administer, operate, construct and/or operate the International Airport “Adolfo López Mateos”.	49.00	$1,821,055	$ 25,095

2) On April 6, 2010, the GDF, granted a concession to POETAS for the construction of the infrastructure project related to the use, operation and management of the state-owned asset identified as the urban toll route, with a length of 5 kms. starting at the junction with Avenida Centenario in the Álvaro Obregón Alcaldía, and ending at the junction with Avenida Luis Cabrera, in the Magdalena Contreras Alcaldía in Mexico City, and the junctions with the following avenues, Luis Cabrera, Las Torres, Las Águilas and Centenario ("the Concessioned Route"). The term of the concession is 30 years.

3) On August 18, 2014, LEP was established for the construction, exploitation, conservation, and maintenance of the Elevated Viaducto over the Mexico City-Puebla federal highway, from kilometer 115 to kilometer 128+300 in the metropolitan area of Puebla.

   Aleatica executed an agreement with Promotora y Operadora de Infraestructura, S.A.B. de C.V., to establish the terms and conditions for the performance of the LEP alternate project, in which Aleatica has 51% of the equity and Promotora y Operadora de Infraestructura, S.A.B. de C.V. has 49%, having shared control of the operation of the concession.

4) On May 28, 2018, the Entity received a reimbursement of its holding in the equity of LEP for $1,020,000.

5) On December 20, 2018, CLEP distributed $135,150 of dividends to the Entity.

b. The financial information related to the Entity's associated companies is summarized below:

POETAS, PONIENTE, PSVRP, OVRP	2020	2019	2018
Current assets	$ 923,503	$ 1,036,881	$ 926,709
Non-current assets	$ 9,888,716	$ 10,076,187	$ 10,426,579
Current liabilities	$ 424,701	$ 160,139	$ 931,703
Non-current liabilities	$ 7,418,070	$ 7,526,586	$ 6,811,261
Stockholders' equity attributable to the Entity´s shareholders	$ 2,969,448	$ 3,426,343	$ 3,610,324
Revenues	$ 775,805	$ 1,248,594	$ 1,118,143
Costs and expenses	$ 740,691	$ 888,607	$ 966,093
Financing cost	$ 553,531	$ 578,493	$ 623,145
Income taxes	$ (137,301)	$ (34,400)	$ (88,280)
Net loss for the year	$ (381,116)	$ (184,106)	$ (382,815)

The reconciliation of financial information that was previously summarized of the book value of the participation in POETAS, PONIENTE, PSVRP and OVRP, was recognized in consolidated financial statements:

	2020	2019	2018
Net assets of joint ventures	$ 2,969,448	$ 3,426,343	$ 3,610,324
Proportion of the Entity's equity in POETAS, PONIENTE, PSVRP and OVRP	1,484,724	1,713,171	1,805,162
Book value of the Entity's equity in POETAS, PONIENTE, PSVRP y OVRP	$ 1,484,724	$ 1,713,172	$ 1,805,162

	2020	2019	2018
LEP, CLEP y OLEP			
Current assets	$ 1,413,040	$ 1,472,241	$ 1,509,500
Non-current assets	$ 9,148,739	$ 9,323,710	$ 9,366,369
Current liabilities	$ 4,699,630	$ 4,814,699	$ 4,917,236
Non-current liabilities	$ 4,369,045	$ 4,376,136	$ 4,427,654
Stockholders' equity	$ 1,493,104	$ 1,605,116	$ 1,530,979
Revenues	$ 607,393	$ 651,699	$ 1,790,970
Costs and expenses	$ 389,673	$ 387,167	$ 1,414,840
Financing cost	$ 483,739	$ 483,442	$ 319,212
Income taxes	$ (150,266)	$ (143,924)	$ 17,422
Net (loss) income for the year	$ (115,753)	$ (74,986)	$ 39,496

The reconciliation of financial information that was previously summarized from the carrying amount of the interest in LEP, CLEP and OLEP, was recognized in the consolidated financial statements:

	2020	2019	2019
Net assets of joint ventures	$ 1,493,104	$ 1,605,116	$ 1,530,979
Proportion of the Entity's equity in LEP, CLEP y OLEP	731,621	786,507	780,799
Book value of the Entity's equity in LEP, CLEP y OLEP	$ 761,483	$ 818,609	$ 780,799

11. The Entity as lessee

The Entity leases different assets, including buildings, vehicles and electronic toll equipment.

Right-of-use asset	Buildings	Vehicles	Electronic toll equipment and other assets	Total
Cost				
At the beginning of 2019	$ 126,350	$ 28,886	$ 113,389	$ 268,625
Additions	4,568	-	8,368	12,936
At December 31, 2019	130,918	28,886	121,757	281,561
Additions	4,436	33,659	7,587	45,682
At December 31, 2020	$ 135,354	$ 62,545	$ 129,344	$ 327,243

Right-of-use asset		Buildings		Vehicles		Electronic toll equipment and other assets		Total
Accumulated depreciation								
At the beginning of 2019	$	-	$	-	$	-	$	-
Change for the period		38,418		11,345		17,857		67,620
At December 31, 2019		38,418		11,345		17,857		67,620
Change for the period		38,278		16,405		19,098		73,781
At December 31, 2020	$	76,696	$	27,750	$	36,955	$	141,401

Right-of-use asset		Buildings		Vehicles		Electronic toll equipment and other assets		Total
Book value								
At December 31, 2019	$	92,500	$	17,541	$	103,900	$	213,941
At December 31, 2020	$	58,658	$	34,795	$	92,389	$	185,842

Amounts recognized in the consolidated statement of income		2020		2019
Depreciation expense of the right-of-use asset	$	71,268	$	65,107
Capitalized depreciation expense of the right-of-use asset		2,513		2,513
Financial expense incurred for lease liability		18,474		18,289
Capitalized financial expense incurred for lease liability		136		342
Expense related to leases involving low-value assets		11,934		5,071

The Entity has commitments for $ 39,371 and $ 55,622 as of December 31, 2020 and 2019, respectively, for short-term leases.

The total cash outflow from leases amounts to $ 71,309 and $ 59,821 for 2020 and 2019 respectively.

12. Lease liability

		2020		2019
Maturity analysis:				
Year 1	$	43,968	$	71,712
Year 2		42,085		41,766
Year 3		35,310		35,876
Year 4		31,397		34,445
Year 5		30,680		30,896
Subsequent		28,567		59,228
		212,007		273,923
Less: Unaccrued interest		(15,895)		(52,182)
	$	196,112	$	221,741

	2020	2019
Analyzed as:		
Short-term	$ 39,371	$ 55,622
Long-term	156,741	166,119
	$ 196,112	$ 221,741

The Entity does not have a significant liquidity risk derived from its lease liability, which is monitored

13. Trade accounts payable to suppliers, taxes payable and accrued expenses

	2020	2019	2018
Suppliers and creditors	$ 1,018,128	$ 1,279,362	$ 1,323,660
Creditors (Additional revenues)	5,732	6,734	6,461
Taxes payable	250,330	294,866	278,831
Income taxes	226,963	235,072	271,048
Accrued expenses	57,986	51,979	25,607
Statutory employee profit sharing	13,573	24,508	1,111
	$ 1,572,712	$ 1,892,521	$ 1,906,718

14. Long-term debt

a. The long-term debt is as follows:

	2020	2019	2018
CONMEX-			
On August 29, 2014, UDI denominated securitized certificates were issued for the amount of $7,546,435, equal to (1,464,078,000 UDIS), with maturity in 2046, which were placed with a discount as they will not pay a coupon or interest during their term. At December 31, 2020, 2019 and 2018 the value of the senior secured notes was $9,671,099 $9,368,650 and $9,116,272 respectively equal to (1,464,078,000 UDIS), with a discount of $5,766,853 (873,025,222 UDIS) and $5,886,830 (919,959,485 UDIS) and $5,998,230 (963,318,853 UDIS), respectively.	$ 3,904,246	$ 3,481,820	$ 3,118,042
On December 18, 2013, senior secured notes ("UDI senior secured notes") were placed for a historical $ 8,250,669 (equivalent to 1,633,624,000 UDIS), maturing in 2035, at a fixed interest rate of 5.95%. As of December 31, 2020, 2019 and 2018, the revalued notes amounted to $ 10,791,050, $ 10,453,576 and $ 9,694,823 respectively, (equivalent to 1,633,624,000 UDIS), and their discount was $ 1,069,288 (161,876,365 UDIS) $ 1,154,410 (180,404,467 UDIS) and $ 1,238,294 (198,404,467 UDIS), respectively.	9,721,762	9,299,165	8,933,678

	2020	2019	2018
On December 18, 2013, zero coupon senior secured notes were placed ("Zero coupon UDI senior secured notes") for a historical $ 10,541,862 (equivalent to 2,087,278,000 UDIS) maturing in 2046, which will not pay interest during their term. On August 29, 2014, a part of these notes were refinanced with the issuance of guaranteed zero coupon stock certificates denominated in UDIS. As of December 31, 2020, 2019 and 2018 the revalued notes amounted to $ 4,116,604, $ 3,987,863 and $ 3,880,436, respectively, (equivalent to 623,200,000 UDIS) and their discount amounted to $ 2,884,708 (436,706,407 UDIS), $ 2,922,630 (456,731,650 UDIS) and $2,956,696 (474,846,891 UDIS), respectively.	1,231,896	1,065,233	923,740
On December 18, 2013, CONMEX entered into a credit agreement with Goldman Sachs Bank USA, for $ 6,465,000. This line of credit must be paid within a period of 14 years (maturing in 2027) accruing interest on the unpaid balance of the credit in a first stage based on the Interbank Equilibrium Interest Rate ("TIIE") at 91 days plus 2.10 percentage points (from December 18, 2013 to December 15, 2027). As of January 2019, monthly payments are made to the principal for $ 287,692, so the balance as of December 31, 2020, 2019 and 2018 is $ 5,341,384, $ 5,791,994 and 6,177,308, respectively. As of December 31, 2020, 2019 and 2018 the discount amounts to $ 169,063, $ 218,145 and $ 270,471 respectively.	5,172,321	5,573,849	5,906,837
OPI			
On March 31, 2015, the Entity through IPO issued stock certificates denominated in UDIS for 773,908,000 UDIS, equivalent to $ 4,100,000, at an interest rate of 6.95% and maturing in 2035. As of December 31, 2020, 2019 and 2018, the stock certificates amounted to $ 5,009,874, $ 4,952,242 and $ 4,818,836 equivalent to (773,907,526 UDIS), respectively.	5,009,874	4,952,242	4,818,836

	2020	2019	2018
VIADUCTO BICENTENARIO			
On November 27, 2009, it entered into simple credit opening agreements with BANOBRAS and FONADIN.			
BANOBRAS (Preferential credit A)			
The amount of $ 2,000,000 of the loan was used to pay the initial consideration to the GEM, the payment of the investments made and to be made in relation to the construction of the project. This line of credit must be paid over a period of 15 years through 60 installments and accrues interest at 8.2550% plus annual basis points (2.75% -4.5%). As of December 31, 2020, 2019 and 2018 there have been amortizations for $ 854,600, $ 577,600 and $ 372,400 respectively.	1,145,400	1,422,400	1,627,600
FONADIN (subordinated credit)			
The maximum amount of credit granted is $ 1,500,000. The amount of $ 1,200,000 of the loan was used to partially cover the payment of principal and interests of the Preferred Credits, the payment of the costs of the derivative contract, the payment of the commissions of the subordinated loan, the capitalization of the interests of the subordinated loan accrued and unpaid and the structuring expenses of this contract, including without limitation, the fees and expenses of FONADIN's advisers. The amount of $ 300,000 of the loan will be used to pay the costs of the work, studies, permits, escalations, control equipment, as well as other expenses associated with the construction of the project.	-	-	-

	2020	2019	2018
This credit line must be paid within a 15-year term through 60 installments as of March 2014 in accordance with the sixth clause of the contract, and accruing interest based on the 91-day TIIE plus certain percentage points (in a range of 2.75 % to 4.5%) additional that vary during the term of the financing. The balance payable as of December 31, 2020, 2019 and 2018 includes capitalized interest for $ 2,001,160, $ 1,546,814 and $ 1,096,603, respectively. As of the date of this report, no amortizations have been made.	3,501,161	3,046,815	2,596,603
On March 16, 2010, a simple credit agreement was entered into with Banco Inbursa, S. A. (Inbursa), for which a credit line of up to $ 2,000,000 was granted. This line of credit must be paid over a period of 15 years through 60 installments, taking the unpaid balance of the credit available on the date of payments, and accruing interest based on the 91-day TIIE rate, plus certain additional percentage points (in a range from 2.75% to 4.5%), which vary during the term of the financing. As of December 31, 2020, 2019 and 2018 amortizations have been made for $ 854,600, $ 577,600 respectively.	1,145,400	1,422,400	1,627,600
AUNORTE			
On August 11, 2011, a simple credit opening agreement was signed with BBVA Bancomer, S.A. and BANOBRAS for which they granted him a line of credit of up to $ 5,300,000.	-	-	-

	2020	2019	2018
Once the grace period is over, the credit line must be paid (unpaid principal amount) through 58 consecutive quarterly amortizations, starting from March 15, 2014 and until September 15, 2028, and accruing interest based on the TIIE at 91 days, plus the financial margin (in a range of 2.75% to 4%) that vary during the term of the financing. As of December 31, 2019 and 2018, amortizations were made for \$ 1,217,000 and \$ 967,000, respectively. With the credit received on March 27, 2020, this credit was liquidated.	-	4,083,000	4,333,000
On August 11, 2011, it entered into simple credit opening contracts in which BANOBRAS participates as creditor in its capacity as trust institution in Trust number “1936” called FONADIN and as agent bank BBVA Bancomer, SA, this credit is divided into two tranches, (i) tranche "A" for a maximum amount of \$ 690,000 and (ii) tranche "B", up to a maximum amount of \$ 1,450,000. The term of the loan will be up to 20 years from the first drawdown, and accruing interest based on the 91-day TIIE, plus 1.75% basis points plus the financial margin (in a range of 2.75% to 4%) that vary during the term of the financing. As of December 31, 2019, tranche “A” has been disposed of in full, plus commissions and interest for \$1,091,299. The part corresponding to tranche "B" is intended for the payment of debt service and was not drawn down. On March 27, 2020, the loan was liquidated.	-	1,781,299	1,511,930

	2020	2019	2018
On March 27, 2020, the Entity has signed a contract to refinance the debt with Banco Santander México, Banco Nacional de Obras y Servicios Públicos and Banco Mercantil del Norte, S.A. for the amount of $ 7,050,000,000. With these resources, the previous debt has been prepaid, which as of that date amounted to the amount of $ 6,024,203,268. With this new financing, monetary resources have been obtained and interest rate conditions have been improved, and the principal settlement term has been modified with respect to credit conditions. With the surplus of resources in the amount of $ 1,025,796,732, what is necessary has been provided to reach the target balance of the restricted reserve fund for debt service during the 2020 financial year for $ 267,776,511, as well as having the necessary funds to carry out the major maintenance . The refinancing obtained has a maturity of 5 years that would be sought to refinance. It is a simple credit contract made up of a tranche in pesos and another in UDIS with reference rate coverage. The guarantee of this credit is for (a) the tolls collection rights and (b) the representative shares of the Entity's capital stock.	6,659,362	-	-
GANA			
On April 19, 2011, issued Fiduciary Securitized Certificates ("Securitized Certificates") in the Mexican debt market for the amount of $1,700 million or its equivalent in UDIS (370,225,400 UDIS) with a maximum term of 20 years and an interest rate of 6.64%. The resources from the Securitized Certificates were used to refinance the existing debt in relation to its toll road concession of the Autopista Amozoc-Perote and the Libramiento de Perote, mainly. The balance as of December 31, 2020, 2019 and 2018 is 276,172,554 UDIS 292,108,154 UDIS and 306,176,375 UDIS, respectively.	1,824,388	1,869,203	1,906,447

	2020	2019	2018
ALEATICA			
On March 6, 2012, entered into an investment agreement with COFIDES, in which the latter agrees to invest a maximum of €25 million euros, funds that were disbursed as needed for the development of concession, representing an approximate percentage of 11% of AUNORTE's equity.	-	-	-
Aleatica contributed the equivalent to the amount paid by COFIDES, in accordance with certain fixed ratios in the investment contract referenced to the behavior of the traffic volumes of AUNORTE. The payment term is 5 years from the date of the first withdrawal (on April 27, 2012, the first withdrawal was made). As of December 31, 2013, COFIDES had made the total payments of $425,445 historical, (€25 million euros). On April 26, 2017, this term expired.			
On April 27, 2017, an amendment novation was made to the investment contract with COFIDES, bearing in mind that the investment project had been significantly extended in relation to the existing provisions, for which reason the parties agreed to renew up to a term of two more years with an expiration date of April 26, 2019, using a variable rate of the EURIBOR Index plus 4 percentage points. The balance was settled on April 26, 2019.	-	-	586,728

	2020	2019	2018
AT-AT			
(1) Syndicated Loan for the investment project (excluding VAT). On September 25, 2017, a simple credit opening agreement was signed with Santander, Inbursa and BANOBRAS, for a line of credit of up to $5,310 million pesos, in order to finance any cost or expense related to the highway startup (Construction of the Investment Project). The credit term will be up to 20 years computed as of the first drawdown, and will earn interest based on the 28 days TIIE rate, (within a range of between 2.75 % and 4%) that varies over the term of the financing. As of December 31, 2020, 2019 and 2018, provisions have been made for $ 245,096 and $ 245,145 respectively.	245,096	245,145	245,145
VAT Credit On September 25, 2017, an unsecured loan agreement was signed with Inbursa and BANOBRAS, for a line of credit of up to $1,165,000, in order to finance VAT generated during the construction of the Investment Project. The loan term will be up to 20 years computed as of the first drawdown and will earn interest based on the 28 days TIIE rate (within a range of between 2.75% and 4%), that varies over the term of the financing. As of December 31, 2019 and 2018, $ 46,678 has been disposed of, of which $ 46,678 and $ 36,560 were paid in the same year, respectively.	-	-	10,118
Interest on bank debt and stock market certificates	221,458	246,294	261,045
Debt formalization expenses - net	(589,021)	(513,692)	(582,094)
	39,193,373	37,975,173	37,825,255
Current portion of long-term debt	(1,712,114)	(1,764,861)	(1,141,858)
Current portion of interest for long-term debt and stock market certificates	(223,050)	(246,294)	(246,517)
Current portion of COFIDES	-	-	(602,815)
Current portion of debt formalization expenses and discounts	287,623	257,636	95,316
	$ 37,545,832	$ 36,221,654	$ 35,929,381

(1) **AT-AT**; The debt is guaranteed by a) the beneficiary rights under Trust F/1760, b) Stock collateral contract, c) pledge contract without transfer of possession d) if applicable, the letter of credit for the debt service reserve, e) the letter of credit and f) support contract.

Due to certain breaches of the credit agreements, on June 9 and October 22, 2020, the Entity presented Banco Santander a request for a waiver until April 2021 to conclude negotiations with the SCT and start the process of rescheduling the credit payments where it states: 1) the right of way pending release by the SCT, 2) approval by the SCT of the new work program and 3) the financial rebalancing of the project. At the date of issuance of this report, the banks are in the process of internal authorization, so the long-term balance pending payment is classified as short-term.

By means of a letter dated March 6, 2020, Banco Santander notified the Entity regarding certain breaches of obligations established in the credit agreement and requested information related to them. On March 24, 2020, the Entity sent a response to the notification in which it was reported, among other things, that the construction works are suspended for different causes beyond the Entity's control, mainly derived from delays in the delivery of the right of way and delay in the approval of the new contractor responsible for the execution of the construction works, an activity in charge of the SCT.

On June 9, 2020, the Entity submitted to Banco Santander a request for a general waiver regarding breaches of the credit contract, including, among others, the early termination of the construction contract and the status of the project for causes beyond the control of the Entity; a temporary suspension of certain obligations due to the current situation and status of the project, for the period from the date of the waiver request to October 31, 2020, the date on which the Entity considered that the SCT would have concluded the release of the right of way and granted the applicable authorizations. On October 2, 2020, Banco Santander sent the Entity a response to the waiver request, exempting it from certain breaches of the obligations of the credit agreement, subject to the fact that the breaches were rectified no later than October 31, 2020.

On October 22, 2020, the Entity requested Banco Santander an extension of 6 additional months with respect to the period provided for in the waiver to correct and / or comply with the different conditions indicated therein, in order for the Entity to conclude the negotiations that They are pending with the SCT and start with the creditor institutions the process of rescheduling the credit agreement.

To date, the Creditor institutions have approved the Waiver requested by the Concessionaire and it is in the process of being formalized.

On February 4, 2021, the Concessionaire entered into a mandate contract with Santander to begin the process of restructuring the financing contracts, consisting mainly of advising as structuring bank and coordinator of the necessary adjustments to the financing contracts to reflect the current situation of the project and that the Concessionaire can have all the credit that will be used to conclude the project works. The credit restructuring is scheduled to be completed no later than June 2021.

Long-term loans obtained by some subsidiaries included restrictive clauses, which prohibit any merger or spin-off without prior authorization from creditor institutions, changes in the shareholding structure and bylaws without their express consent, changes in the line of business, dissolution, guaranteeing additional financing with their assets, tax payment obligations, selling assets, limitations on dividend distribution, while also maintaining certain financial ratios. As of December 31, 2020, 2019 and 2018, these restrictions were met.

b. The rates and exchange rates in effect on the date of the consolidated financial statements were as follows:

	2018	2019	2020	April 13, 2021
28 days TIIE	8.5956%	7.5555%	4.4842%	4.2885%
91 days TIIE	8.6347%	7.4465%	4.4660%	4.2515%
UDI	6.22663	6.39901	6.605597	6.774896
EURO	22.4921	21.2202	24.4160	23.8704
DOLLAR	19.6566	18.8642	19.8973	20.0735

c. The maturities of the long-term debt principal, at nominal value as of December 31, 2020, are as follows:

Expiration year	Nominal Value Amount
2022	$ 2,104,941
2023	2,400,083
2024	4,649,168
2025	7,189,578
Thereafter	31,392,824
Total long-term liabilities	$ 47,736,594

d. As of December 31, 2020, 2019 and 2018, the Entity has lines of credit, for which amounts available to be withdrawn are $5,376,209, $5,293,313 and $5,562,182, respectively.

e. Reconciliation of obligations derived from financing activities.

	01/01/2020	Loans paid	Loans obtained	Interest paid	Interest accrued / update of principal and interest in UDIS	Other changes	31/12/2020
Bank loans	$ 17,313,615	$ (6,950,743)	$ 6,623,381	$ (1,368,188)	$ 1,981,657	$ (105,999)	$ 17,493,723
Securitized certificates	20,661,558	(204,501)	-	(1,165,067)	2,407,660	-	21,699,650
	$ 37,975,173	$ (7,155,244)	$ 6,623,381	$ (2,533,255)	$ 4,389,317	$ (105,999)	$ 39,193,373

	01/01/2019	Loans paid	Loans obtained	Interest accrued / update of principal and interest in UDIS	31/12/2019
Bank loans	$ 17,542,382	$ (1,055,831)	$ (1,455,719)	$ 2,282,783	$ 17,313,615
Securitized certificates	19,680,061	(88,404)	(1,129,388)	2,199,289	20,661,558
Notes payable (COFIDES)	602,812	(578,441)	-	(24,371)	-
	$ 37,825,255	$ (1,722,676)	$ (2,585,107)	$ 4,457,701	$ 37,975,173

	01/01/2018	Formalization expenses	Loans paid	Loans obtained	Interest paid	Interest accrued / update of principal and interest in UDIS	31/12/2018
Bank loans	$ 17,569,685	$ (178,617)	$ (818,953)	$ 291,823	$ (1,518,758)	$ 2,197,202	$ 17,542,382
Securitized certificates	18,124,835	-	(81,040)	-	(1,096,795)	2,733,061	19,680,061
Notes payable (COFIDES)	603,972	-	-	-	-	(1,160)	602,812
	$ 36,298,492	$ (178,617)	$ (899,993)	$ 291,823	$ (2,615,553)	$ 4,929,103	$ 37,825,255

15. Provision for major maintenance

As of December 31, 2020, 2019 and 2018, the long-term provisions for major maintenance to concessioned assets, are as follows:

	OPI/CONMEX	VIADUCTO BICENTENARIO	GANA	AUNORTE	Eliminations	Total
Balance at January 1, 2018	$ 330,340	$ 343,485	$ 22,337	$ 270,983	$ -	$ 967,145
Additions	423,339	3,764	200,300	29,747	(119,119)	538,031
Applications	(302,342)	(46,423)	(89,531)	(20,178)	119,119	(339,355)
Balance at December 31, 2018	451,337	300,826	133,106	280,552	-	1,165,821
Additions	261,602	3,764	194,232	23,388	(127,501)	355,485
Applications	(399,954)	(32,001)	(109,048)	(40,410)	127,501	(453,912)
Balance at December 31, 2019	312,985	272,589	218,290	263,530	-	1,067,394
Additions	477,781	3,765	160,000	-	(58,693)	582,853
Applications	(192,952)	(29,477)	(109,191)	(54,517)	58,693	(327,444)
Balance at December 31, 2020	$ 597,814	$ 246,877	$ 269,099	$ 209,013	$ -	$ 1,322,803

As of December 31, 2020, 2019 and 2018, the classification of the short and long-term parts of the provision established by the Entity for maintenance is as follows:

	December 31, 2020				
	OPI/CONMEX	VIADUCTO BICENTENARIO	GANA	AUNORTE	Total
Short-term	$ 373,456	$ 180,164	$ 199,727	$ 132,961	$ 886,308
Long-term	$ 224,358	$ 66,713	$ 69,372	$ 76,052	$ 436,495
Total	$ 597,814	$ 246,877	$ 269,099	$ 209,013	$ 1,322,803

	December 31, 2019				
	OPI/CONMEX	VIADUCTO BICENTENARIO	GANA	AUNORTE	Total
Short-term	$ 160,364	$ 98,664	$ 148,919	$ 148,366	$ 556,313
Long-term	$ 152,621	$ 173,925	$ 69,371	$ 115,164	$ 511,081
Total	$ 312,985	$ 272,589	$ 218,290	$ 263,530	$ 1,067,394

	December 31, 2018				
	OPI/CONMEX	VIADUCTO BICENTENARIO	GANA	AUNORTE	Total
Short-term	$ 240,407	$ 236,063	$ 83,734	$ 144,182	$ 704,386
Long-term	$ 210,930	$ 64,763	$ 49,372	$ 136,370	$ 461,435
Total	$ 451,337	$ 300,826	$ 133,106	$ 280,552	$ 1,165,821

16. Employee benefits

The Entity recognizes obligations for defined benefits, which cover all employees who complete 65 years of age.

These obligations also cover seniority premium, which consists of a one-time payment of 12 days for each year worked based on the last wage, and cannot exceed twice the minimum wage established by law. The liability and the annual cost of benefits are calculated by an independent actuary in accordance with the bases defined in the plans, using the projected unit credit method.

Rate used in actuarial calculations are:

	Valuation as of		
	2020	2019	2018
	%	%	%
Discount rate	8.50	9.00	11.25
Inflation rate in the long-term	3.50	3.50	3.50
Wage increase	4.75	4.75	4.75

The amounts recognized in results related to these defined benefit plans are:

	2020		
	Retirement Benefits	Seniority Premium	Total
Service cost	$ 12,531	$ 967	$ 13,498
Interest cost	7,238	536	7,774
	$ 19,769	$ 1,503	$ 21,272

	2019		
	Retirement Benefits	Seniority Premium	Total
Service cost	$ 5,248	$ 700	$ 5,948
Interest cost	6,212	463	6,675
	$ 11,460	$ 1,163	$ 12,623

	2018		
	Retirement Benefits	Seniority Premium	Total
Service cost	$ 6,542	$ 766	$ 7,308
Interest cost	6,161	411	6,572
	$ 12,703	$ 1,177	$ 13,880

The expense of the year is included in operation costs and expenses in the consolidated statements of income and other comprehensive income.

The amounts included in the consolidated statements of financial position arising from the Entity's obligation with respect to defined benefit plans is as follows:

	2020		
	Retirement Benefits	Seniority Premium	Total
Present value of defined benefit obligation	$ 99,406	$ 9,146	$ 108,552

	2019		
	Retirement Benefits	Seniority Premium	Total
Present value of defined benefit obligation	$ 84,398	$ 6,146	$ 90,544

	2018		
	Retirement Benefits	Seniority Premium	Total
Present value of defined benefit obligation	$ 59,315	$ 4,338	$ 63,653

Other disclosures required by IFRS are not considered material.

17. Financial instruments

Entity	Instrument	Item hedged	Beginning	Maturity	Notional amount 2020	Notional amount 2019	Notional amount 2018	Asset fair value 2020	Asset fair value 2019	Asset fair value 2018
Asset										
AUNORTE	CAP	Interest rate	June 17, 2013	September 15, 2020	-	937,297	978,443	$ -	$ 1	$ 6,010
AUNORTE	SWAP	Interest rate	September 15, 2011	September 15, 2026	-	1,633,200	1,733,200	-	-	97,421
AUNORTE	SWAP	Interest rate	September 15, 2011	September 15, 2026	-	1,633,200	1,733,200	-	-	94,425
CONMEX	SWAP	Interest rate	February 18, 2014	December 15, 2025	-	2,027,198	2,162,058	-	-	144,277
CONMEX	SWAP	Interest rate	February 18, 2014	December 15, 2025	-	1,158,399	1,235,461	-	-	87,133
CONMEX	SWAP	Interest rate	February 18, 2014	December 15, 2025	-	1,158,399	1,235,461	-	-	91,480
AT-AT	CAP	Interest rate	July 27, 2018	December 31, 2020	-	3,641,599	2,791,637	-	714	62,733
AT-AT	SWAP	Interest rate	July 27, 2018	September 30, 2027	-	1,792,612	1,792,612	-	-	25,578
AT-AT	SWAP	Interest rate	July 27, 2018	September 30, 2027	-	1,792,612	1,792,612	-	-	22,628
								$ -	$ 715	$ 631,685

Entity	Instrument	Item hedged	Beginning	Maturity	Notional amount 2020	Notional amount 2019	Notional amount 2018	Liabilty fair value 2020	Liabilty fair value 2019	Liabilty fair value 2018
Liability										
AUNORTE	SWAP	Interest rate	April 2, 2020	March 18, 2025	1,410,000	-	-	$ 108,265	$ -	$ -
AUNORTE	SWAP	Interest rate	April 2, 2020	March 18, 2025	1,410,000	-	-	108,265	-	-
AUNORTE	SWAP	Interest rate	September 15, 2011	September 15, 2026	-	1,633,200	1,733,200	-	42,444	-
AUNORTE	SWAP	Interest rate	September 15, 2011	September 15, 2026	-	1,633,200	1,733,200	-	45,643	-
CONMEX	SWAP	Interest rate	February 18, 2014	December 15, 2025	1,869,484	2,027,198	2,162,058	145,927	20,296	-
CONMEX	SWAP	Interest rate	February 18, 2014	December 15, 2025	1,068,277	1,158,399	1,235,461	78,771	7,451	-
CONMEX	SWAP	Interest rate	February 18, 2014	December 15, 2025	1,068,277	1,158,399	1,235,461	75,767	3,891	-
AT-AT	SWAP	Interest rate	July 27, 2018	September 30, 2027	1,792,612	1,792,612	1,792,612	267,446	113,092	-
AT-AT	SWAP	Interest rate	July 27, 2018	September 30, 2027	1,792,612	1,792,612	1,792,612	267,495	113,398	-
								$ 1,051,936	$ 346,215	$ -

a. ***Capital Risk Management***

The Entity’s ability to commence operations at current and new concessions depends on its ability to contribute equity and obtain financing, as required under the terms of its concessions.

The increases in construction costs or delays, including delays in the release of rights-of-way, could adversely affect the Entity's ability to meet the schedules established in its concessions and have a negative effect on its activities, its financial position and its results of operations.

The Entity is exposed to the risks related to the construction, operation and maintenance of its projects.

The Entity's management reviews its capital structure routinely. As part of such review, it considers the cost of equity and the risks associated with each class of equity. The net debt equity ratio as of December 31, 2020, 2019 and 2018 is as follows:

- Net debt to equity ratio

The debt ratio for the reporting period is as follows:

	2020	2019	2018
Debt (i)	$ 39,193,373	$ 37,975,173	$ 37,825,255
Cash, cash equivalents and trust funds	(11,352,900)	(11,731,093)	(13,847,505)
Net debt	$ 27,840,473	$ 26,244,080	$ 23,977,750
Equity (ii)	$ 54,703,146	$ 56,826,458	$ 60,102,550
Net debt to equity ratio	50.89%	46.18%	39.89%

(i) Debt is defined as short and long-term borrowings (excluding derivatives), as described in Notes 14 and 17.

(ii) Equity includes all capital and reserves of the Entity that are managed as capital.

b. ***Significant accounting polices***

The details of the significant accounting policies and methods adopted (including recognition criteria, valuation bases and the bases for recognition of revenues and expenses) for each class of financial asset, financial liability and equity instruments are disclosed in Note 3.

c. ***Categories of financial instruments***

	2020	2019	2018
Financial assets:			
Cash, cash equivalents and trust funds	$ 11,352,900	$ 11,731,093	$ 13,847,505
Loans and accounts receivables:			
Accounts receivable for services	271,923	376,093	287,097
Accounts receivable to related parties short and long-term	914,128	1,104,887	1,041,511
Short and long-term derivative financial instruments	-	715	631,685

	2020	2019	2018
Financial liabilities:			
Financial liabilities at amortized cost:			
Short-term debt	$ 1,647,541	$ 1,753,519	$ 1,895,874
Long-term debt	37,545,832	36,221,654	35,929,381
Accounts payable to suppliers and creditors	1,023,873	1,286,096	1,330,121
Accounts and notes payable to related parties	275	38,739	562,383
Short and long-term derivative financial instruments	1,051,936	346,215	-
Leases, short-term and long-term	196,112	221,741	-

The assets and liabilities of the Entity are exposed to various financial risks, including market risks, credit risk and liquidity risk.

d. ***Financial risk management objectives***

The Entity's finance department handles and supervises financial risks through internal risk reports, which analyze the exposures by degree and size of the risks. These risks include market risk (including pricing risk, interest rate risk and exchange rate risk), credit risk and liquidity risk.

The Entity's internal control policy establishes that the issuance of debt and the risks involved in projects requires a comprehensive analysis by the representatives from the finance, legal and administration and operation areas prior to their authorization. Such analysis also evaluates the use of derivatives to hedge financial risks. The internal control policy establishes that entering into derivative financial instrument transactions is the responsibility of the Entity's finance and administrative areas, once the aforementioned analysis has been concluded.

The Entity seeks to minimize the potential negative effects of the aforementioned risks in its financial performance through different strategies. Financial derivatives are used to hedge certain exposures to the financial risks of transactions recognized in the consolidated statement of financial position (recognized assets and liabilities). The financial derivatives, which are contracted, may be designated as hedges for accounting purposes or for trading purposes, without affecting the objective of mitigating the risks to which the Entity is exposed in its projects.

e. ***Market risk***

The Entity's activities expose it primarily to interest rate, exchange rate and pricing risk.

Sensitivity analyses in the following paragraph, consider that all variables are held constant, except for those in which the sensitivity is displayed.

Price risk management

The Entity is exposed to price risks, mainly due to the maintenance costs of the highways which are linked to international oil prices.

On the other hand, the tolls which the Entity collects are regulated and adjusted based on the INPC in Mexico.

The Entity considers that its exposure to price risk is immaterial, because if the Entity's investment in a concession is not recovered through the toll rates established, it may be possible to renegotiate both the concession term and the rates in question.

Management of currency exchange risk

The Entity is exposed to currency exchange risk as a result of placing securitized certificates on the Mexican debt market in 2011 for the amount of $1,700 million or its equivalent in UDIS (370,225,400 UDIS) of GANA. As of December 31, 2019, the balance is $1,824 million or its equivalent in UDIS (276,172,554 UDIS).

On August 29, 2014, CONMEX placed zero coupon UDI denominated securitized certificates for the amount of $7,546 million or the equivalent in UDIS (1,464,078,000 UDIS). At December 31, 2020, the balance is $9,671 million, which is equal to 1,464,078,000 UDIS.

On December 18, 2013, CONMEX carried out the placement of guaranteed senior notes, denominated in UDIS for the amount of $18,792 million or its equivalent in UDIS (3,720,902,000 UDIS). As of December 31, 2020, the balance is $ 14,907 million, equivalent to 2,256,824,000 UDIS.

On March 31, 2015, OPI issued securitized certificates denominated in UDIS for the amount of 773,908,000 UDIS, equivalent to $4,100 million, at an interest rate of 6.95%, maturing in 2035. As of December 31, 2020, the revalued securitized certificates amounted to $5,010 million, (equivalent to 773,907,526 UDIS).

This debt represents the maximum exposure to exchange risk. For the remaining debt, the Entity contracts its financing in the same currency as the repayment source. Management believes that the positions in UDIS and Euros do not expose the Entity to significant exchange risk for its financial position, performance or flows, because the increases in the rates of the concessions, the main source of payment for the financing, are closely related to inflation and therefore with the value of the UDI.

- Foreign currency sensitivity analysis.

  The following table details the Entity's sensitivity to a 10% increase and decrease in the UDI and Euro. This fluctuation represents management's evaluation of the possible reasonable change in the value of the UDI and Euro. The sensitivity analysis includes only the monetary position as of December 31, 2020. When the peso appreciates by 10% against the UDI and Euro, it would result in an increase in results and in stockholders' equity. When the peso depreciates by 10% against the UDI and Euro, it would result in a decrease in results and stockholders' equity.

	2020
Results and stockholders' equity	$ 3,365,679

  This effect would represent an increase/decrease in the consolidated result for the 2020 annual period.

  The sensitivity analysis may not be representative of the foreign exchange risk during the period due to variances in the net position denominated in UDIS.

Interest rate risk management

The Entity is exposed to interest rate risks because its subsidiaries obtain loans at variable interest rates.

The exposure to interest rates mainly arises due to the long-term debts, which are contracted at variable rates (TIIE).

The contracts related to the current debt of the Entity's subsidiaries could impose restrictions on the latter's capacity to operate.

To mitigate the risk of interest rate fluctuations, the Entity uses SWAP, as well as CAP options, to fix variable rates or establish a ceiling and link it to the generation of cash flows derived from the revenue sources.

– ***Sensitivity analyses for interest rates***

The following sensitivity analyses have been determined based on the exposure to interest rates both for derivatives and for non-derivatives at the end of the reporting period. For variable rate liabilities, an analysis is prepared on the assumption that the amount of the liability in effect at the end of the reporting period was the liability in effect throughout the year. When key management personnel are internally informed of the interest rate risk, an increase or decrease of 100 basis points is used, which represents management's assessment of the reasonable possible change in interest rates.

If the interest rates were 100 basis points above/below and all other variables, remain constant:

The income for the periods ended December 31, 2020, 2019 and 2018 would decrease by $ 159,787, $ 166,286 and $ 169,296 respectively, mainly attributable to the Entity's exposure to interest rates on its variable rate loans.

– *Current interest rate hedge transactions.*

The transactions, which comply with hedging requirements, have been designated as cash flow hedged.

The following tables detail the amounts of notional equity and the remaining terms of the financial derivatives contracted by the Entity through its subsidiaries.

i. Financial derivatives, interest rate SWAP.

AUNORTE

On March 27, 2020 Autopista Urbana Norte, S.A. de C.V. ("AUNORTE") carried out the prepayment of all the credits granted by BBVA Bancomer and BANOBRAS up to the amount of $ 7,440,000, said operation resulted in the cancellation of the linked SWAPs for a total of $ 109,737. The prepayment of said credits was made mainly with the resources derived from a new credit agreement signed by AUNORTE on that same date with various financial entities for an amount of up to MXN $ 7,050,000 ("Credit Agreement"). The credit obtained was distributed with the following institutions.

Banco Mercantil del Norte, S.A. (BANORTE) and Banco Nacional de Obras y Servicios Públicos (BANOBRAS) contribute the amount of $ 4,700,000, the contract establishes the payment of interest at the 28-day TIIE rate plus margin. Similarly, Banco Santander México S.A. (SANTANDER) contributed the amount of $ 2,350,000 in Investment Units (UDIs) to the simple credit. In order to cover the risk of interest at variable rates, AUNORTE contracted on April 2, 2020, an interest rate exchange "SWAP". As of December 31, 2020, the debt is 42% hedged.

As of December 31, 2020, 2019 and 2018, a liability of $ 216,530 and $ 88,087 and an asset for $ 191,846 respectively were recognized, with an effect on comprehensive income of $ 128,443, ($ 279,933) and $ 90,845 respectively, and net accumulated deferred tax of ($ 64,959), ($ 26,426) and $ 57,553 respectively. The amount included in comprehensive income, within stockholders' equity, will be recycled to results simultaneously when the hedged item affects them; said amount is subject to changes due to market conditions.

As of December 31, 2020, 2019 and 2018 there was no ineffectiveness in its operations.
The following table indicates the financial instruments to hedge fluctuations through interest rate SWAP that AUNORTE has contracted to date.

Instrument	Counterparty	Notional (Current)	Notional (Liquidated)	Underlying 28 days TIIE 12/31/2020	Underlying 91 days TIIE 12/31/2019	Fixed rate	Maturity	Liability fair value 2020	Liability fair value 2019
IRS 1	BBVA BANCOMER	$ 1,410,000		4.466%		6.67%	18/03/2025	$ 108,265	
IRS 2	BANOBRAS	1,410,000		4.466%		6.67%	18/03/2025	108,265	
IRS 1	BBVA BANCOMER	-	$ 1,633,200		7.4465%	7.39%	30/03/2020	-	$ 42,444
IRS 2	BANOBRAS	-	1,633,200		7.4465%	7.34%	30/03/2020	-	45,643
		$ 2,820,000	$ 3,266,400					$ 216,530	$ 88,087

Instrument	Counterparty	Notional	Underlying 91 days TIIE 12/31/2018	Fixed rate	Maturity	Asset fair value 2018
IRS 1	BBVA BANCOMER	$ 1,733,200	8.6347%	7.39%	15/09/2026	$ 94,425
IRS 2	BANOBRAS	1,733,200	8.6347%	7.34%	15/09/2026	97,421
		$ 3,466,400				$ 191,846

CONMEX

As discussed in Note 14, on December 18, 2013, executed a credit contract with Goldman Sachs Bank USA, which establishes the payment of interest at the 91 days TIIE rate plus a spread (interest plus 2.10% percentage), an interest rate “SWAP” was also contracted to hedge against the variable interest rate risk. At December 31, 2020, 75% of the debt has been hedged.

As of December 31, 2020, 2019 and 2018, a liability of $ 300,465 and $ 31,638 was recognized, and an asset for $ 322,890 respectively, with an effect on comprehensive income of $ 268,827, $ (354,528) and $ 86,198 respectively, and deferred tax for $ (80,648), $ (9,491) and $ 96,867 respectively. The amount included in comprehensive income, within stockholders' equity, will be recycled to results simultaneously when the hedged item affects them, said amount is subject to changes due to market conditions.

As of December 31, 2020, 2019 and 2018 there was no ineffectiveness related to the hedge.

The following table shows the interest rate SWAP entered into by CONMEX.

Instrument	Counterparty	Notional (Current)	Notional 12/31/19	Underlying 91 days TIIE 12/31/2020	Underlying 91 days TIIE 12/31/2019	Fixed rate	Maturity	Liability fair value 2020	Liability fair value 2019
IRS 1	GOLDM SACHS USA	$ 1,869,484	$ 2,027,198	4.4660%	7.4465%	6.915%	15/12/2025	$ 145,927	$ 20,296
IRS 2	GOLDMAN SACHS USA	1,068,277	1,158,399	4.4660%	7.4465%	6.818%	15/12/2025	78,771	7,451
IRS 3	GOLDMAN SACHS USA	1,068,277	1,158,399	4.4660%	7.4465%	6.735%	15/12/2025	75,767	3,891
		$ 4,006,038	$ 4,343,996					$ 300,465	$ 31,638

IFD	Counterparty	Notional	Underlying 91 days TIIE 12/31/2028	Fixed rate	Maturity	Asset fair value 2018
IRS 1	GOLDM SACHS USA	$ 2,162,058	8.6347%	6.915%	15/12/2025	$ 144,277
IRS 2	GOLDMAN SACHS USA	1,235,461	8.6347%	6.8175%	15/12/2025	87,133
IRS 3	GOLDMAN SACHS USA	1,235,461	8.6347%	6.7350%	15/12/2025	91,480
		$ 4,632,980				$ 322,890

AT-AT

As discussed in Note 14, on September 25, 2017 financing was obtained with payment of interest at the 28 days TIIE rate (within a range of 2.75% to 4%), which varies over the financing term, with an interest rate SWAP contracted to meet the obligation to pay 68% of the credit balance established on each date, beginning December 31, 2020.

As of December 31, 2020, 2019 and 2018, a liability of $ 534,940 and $ 226,489 was recognized, and an asset of $ 48,206, respectively, with a capitalization effect on the investment in concession of $ (308,450) and $ (274,695), only for 2020 and 2019.

As of December 31, 2020, there was ineffectiveness in its operations.

The following table shows the detail of the interest rate swaps entered into by AT-AT.

Instrument	Counterparty	Counterparty	Notional (Current)	Underlying 28 days TIIE 12/31/2020	Underlying 28 days TIIE 12/31/2019	Fixed rate	Maturity	Liabilty fair value 2020	Liabilty fair value 2019
IRS 1	BANCO SANTANDER	BANCO SANTANDER	$ 1,792,612	4.4842%	7.5555%	8.33%	30/09/2027	$ 267,446	$ 113,092
IRS 2	BANCO SANTANDER	BANCO SANTANDER	1,792,612	4.4842%	7.5555%	8.33%	30/09/2027	267,494	113,397
			$ 3,585,224					$ 534,940	$ 226,489

Instrument	Counterparty	Notional	Underlying 28 days TIIE 12/31/2018	Fixed rate	Maturity	Asset fair value 2018
IRS 1	BANCO SANTANDER	$ 1,792,612	8.5956%	8.33%	30/09/2027	$ 25,578
IRS 2	BANCO SANTANDER	1,792,612	8.5956%	8.33%	30/09/2027	22,628
		$ 3,585,224				$ 48,206

ii. *Financial derivatives, interest rate CAP options:*

AUNORTE

As mentioned in Note 14, in September 2011 an option (CAP) was contracted to cover fluctuations in interest rates for the financing obtained, and to comply with the obligation to cover 72% of the interest on the bank loan. To obtain this CAP AUNORTE paid a premium of $ 68,500. As of March 30, 2020, AUNORTE's debt with BBVA Bancomer and BANOBRAS, as well as its respective CAP, was settled in advance, on the date of cancellation the fixed ceiling of 9% was not exceeded, so the option did not reach a value intrinsic and there was no recovery flow.

As of March 31, 2020 and December 31, 2019 and 2018, the notional amount of derivative instruments amounted to $ 937,297 and their fair value amounted to $ 0, $ 1 and $ 6,010 respectively.

Instrument	Counterparty	Notional as of 03/30/30	Underlying 91-day TIIE 12/31/2019	Fixed rate	Maturity	Fair value 30/03/2020	Fair value 2019	Fair value 2018
CAP	BBVA BANCOMER	$ 937,297	7.4465%	9.00%	30/03/2020	$ -	$ 1	$ 6,010

AT-AT

As mentioned in Note 14, in July 2018 it contracted options (CAP), to cover fluctuations in interest rates for the financing obtained, and to comply with the obligation to cover 68% of the loan balance. As of December 31, 2020, the CAP was settled in advance, as of the cancellation date the fixed ceiling of 8% was not exceeded, so the option did not reach an intrinsic value and there was no recovery flow. The CAP was designated as an instrument in a cash flow hedge relationship, describing the objective of the hedge, the measurement of effectiveness based on its intrinsic value and other requirements established in the accounting regulations. As of December 31, 2020, there was ineffectiveness in its operations.

The following table shows the financial instruments to hedge fluctuations through interest rate CAPs that AT-AT has contracted to date.

Instrument	Counterparty	Notional	Underlying 28 days TIIE 12/31/2019	Fixed rate	Maturity	Asset fair value 2020	Asset fair value 2019	Asset fair value 2018
CAP	BANOBRAS	$ 3,641,599	4.4842%	8.00%	12/31/2020	$ -	$ 714	$ 62,733

f. ***Credti risk management***

Credit risk refers to the risk that one of the parties will default on its contractual obligations, thus resulting in a financial loss for the Entity. The Entity has adopted a policy of only becoming involved with solvent parties and obtaining sufficient collateral, when appropriate, as a way to mitigate the risk of financial loss from default. The Entity only performs transactions with entities, which have a risk rating equivalent to investment grade or above.

This information is provided by independent ratings agencies and, if it is not available, the Entity uses other available public financial information and its own commercial records to rate its principal customers. The maximum exposure to credit risk as of December 31, 2020 is approximately $1,186,051, as shown in subsection c) which describes the principal financial assets subject to credit risk.

g. ***Liquidity risk management***

The Entity manages liquidity risk by establishing an appropriate framework to administer its short, medium and long-term financing, and the requirements of liquidity management. The Entity manages liquidity risk by maintaining adequate reserves, banking facilities and to obtain loans, through constant oversight of projected and real cash flows. Note 14 specifies the details of the financing contracted by the Entity, as well as the respective maturities. The Entity maintains reserves based on its contractual obligations, whose funds are intended for the payment of debt, maintenance and highway expansion work, among others.

The following tables detail the Entity's remaining contractual expirations for its current non-derivative liabilities with payment periods agreed. The tables have been designed based on the undiscounted cash flows of the financial liabilities, using the most recent date on which the Entity has to make payments. The tables include both cash flows from interest and principal. As long as the interest is variable-rate, the undiscounted amount derives from curves in the interest rate at the end of the reporting period. Contractual maturity is based on the minimum date on which the Entity has to make the payments:

2020	Less than 1 year	1 to 5 years	5 years +	Total
Bank loans	$ 2,523,418	$ 18,462,718	$ 2,336,692	$ 23,322,828
Notes payable and securitized certificates	1,475,163	6,349,967	55,184,497	63,009,627
Accounts payable to related parties	275	-	-	275
Leases	43,968	139,472	28,567	212,007
Accounts and notes payable to suppliers	1,025,278	-	-	1,025,278
Total	$ 5,068,102	$ 24,952,157	$ 57,549,756	$ 87,570,015

2019	Less than 1 year	1 to 5 years	5 years +	Total
Bank loans	$ 3,430,423	$ 14,276,931	$ 7,127,998	$ 24,835,352
Notes payable and securitized certificates	1,328,771	6,177,688	56,962,558	64,469,017
Accounts payable to related parties	38,739	-	-	38,739
Leases	71,712	142,983	59,228	273,923
Accounts and notes payable to suppliers	1,286,097	-	-	1,286,097
Total	$ 6,155,742	$ 20,597,602	$ 64,149,784	$ 90,903,128

2018	Less than 1 year	1 to 5 years	5 years +	Total
Bank loans	$ 3,038,139	$ 13,507,513	$ 10,306,483	$ 26,852,135
Notes payable and securitized certificates	1,190,289	5,907,211	59,003,630	66,101,130
Notes payable under investment agreement	602,815	-	-	602,815
Accounts payable to related parties	12,823	-	-	12,823
Accounts and notes payable to suppliers	1,319,053	-	-	1,319,053
Total	$ 6,163,119	$ 19,414,724	$ 69,310,113	$ 94,887,956

h. ***Fair value of financial instruments***

– ***Fair value of financial instruments carried at amortized cost***

Management considers that the carrying values of financial assets and liabilities recognized at their amortized cost in the consolidated financial statements does not differ significantly from their fair value:

	2020		2019		2018	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:						
Cash, cash equivalents and trust funds	$ 11,352,900	$ 11,352,900	$ 11,731,093	$ 11,731,093	$ 13,847,505	$ 13,847,505
Accounts and Notes receivable:						
Accounts receivable from related parties	914,128	914,128	1,104,887	1,104,887	1,041,511	1,041,511
Accounts receivable for services	271,923	271,923	376,093	376,093	287,097	287,097

	2020		2019		2018	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities:						
Financial liabilities at amortized cost:						
Bank loans and notes payable	$ 39,193,373	$ 40,420,388	$ 37,975,173	$ 38,313,309	$ 37,825,255	$ 38,063,234
Accounts and notes payable to related parties	275	275	38,739	38,739	562,383	562,383
Accounts and notes payable to suppliers	1,023,873	1,023,873	1,286,096	1,286,096	1,330,121	1,330,121
Leases	196,112	196,112	221,741	221,741	-	-
Derivative financial instruments	1,051,936	1,051,936	346,215	346,215	-	-

– ***Fair value measurements recognized in the consolidated statements of financial position***

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2020	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through comprehensive income:				
Derivative financial instruments (SWAP)	$ -	$ 1,051,935	$ -	$ 1,051,935

2019	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Derivative financial instruments (CAP)	$ -	$ 715	$ -	$ 715
Financial liabilities at fair value through comprehensive income				
Derivative financial instruments (SWAP)	$ -	$ 346,214	$ -	$ 346,214

2018	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Derivative financial instruments (CAP)	$ -	$ 68,743	$ -	$ 68,743
Financial assets at fair value through comprehensive income				
Derivative financial instruments (SWAP)	$ -	$ 562,942	$ -	$ 562,942

To determine the fair value of the other financial instruments, valuation techniques are used such as discounted cash flows, considering the respective dates of cash flows and the related market interest rates, discounting such cash flows with rates that reflect the counterparty's risk and the Entity's risk for the period in question. During 2020, there was no change in the classification of the level of financial asset type with respect to 2019.

The fair value of interest rate SWAP is determined by discounting future cash flows using the curves at the end of the reporting and the credit risk inherent in the contract.

European CAP options are evaluated using the Black-Scholes model which measures the probability that the ceiling will be exceeded based on market inputs.

18. Stockholders´ equity

Par value common stock as of December 31, 2020 and 2019 is composed as follows:

	2020 y 2019	
	Number of shares	Amount
Fixed capital	5,648	$ 50
Variable capital	1,732,179,621	15,334,452
Total	1,732,185,269	$ 15,334,502

a. The Ordinary General Stockholders´ Meeting on June 29, 2020, resolved to pay a dividend at the rate of $ 0.45 (forty-five cents of peso, national currency) per share, equivalent to the total amount of $ 769,427, payable to each of the ordinary shares representing the subscribed, paid, outstanding and voting capital. The dividend was paid on July 14, 2020.

On May 20, 2019, cash dividends of $2,600,015 were paid at a rate of $1.5184 pesos for each outstanding share. This dividend was declared on April 30, 2019 by the Entity´s Annual Ordinary General Stockholders´ Meeting

b. In the Ordinary General Shareholders' Meeting, held on April 15, 2020, the subsidiaries GANA and CAPSA agreed to decree dividends in favor of their shareholders, from the results of the 2019 fiscal year, for an amount of $ 300,000 and $ 60,000 respectively, of which $ 92,453 and $ 18,491 respectively, correspond to the non-controlling interest

In April, October and December 2019, the Entity paid dividends of $70,881 to the non-controlling interest through its subsidiaries GANA and CAPSA.

c. The Ordinary General Stockholders´ Meeting of April 30, 2019 of the subsidiary OPCEM resolved to declare dividends payable to its stockholders derived from the results of 2018, for the amount of $80,200, of which the amount of $39,298 relate to the non-controlling interest. At that same date, a complement to the dividends of $10,005 declared by the Stockholders’ Ordinary General Meeting of April 27, 2018 for the non-controlling interest was recognized. As of December 31, 2019 both amounts of $49,303 have not been paid.

d. In March 2020, the Entity repurchased 2,500,489 shares, at an average cost of $ 27.00 pesos per share. As of December 31, 2020 and 2019; the Entity has 22,346,862 and 19,846,373, respectively, repurchased shares in its possession.

Non-controlling interest

	2020	2019	2018
Beginning balance	$ 14,029,938	$ 13,951,008	$ 14,093,440
Dividends paid	(110,944)	(70,881)	-
Dividends decreed	-	(49,303)	(99,869)
Participation in profit or loss	44,473	322,886	(73,575)
Reserve for employee retirement benefits, net of taxes	(1,685)	(2,169)	1,449
Effect on the valuation of subsidiary derivative financial instruments, net of taxes	(92,210)	(121,603)	29,563
Ending balance	$ 13,869,572	$ 14,029,938	$ 13,951,008

e. In accordance with the General Law of Mercantile Companies, a minimum of 5% must be separated from the net profits for the year to form the reserve fund, until its amount rises to 20% of the capital stock at nominal value. The reserve fund can be capitalized, but must not be distributed unless the Entity is dissolved, and must be reconstituted when it decreases for any reason.

f. The distribution of stockholders' equity, except for tax-retained earnings, will cause the ISR payable by the Entity at the rate in effect at the time of distribution. The tax paid for such distribution may be credited against the ISR of the year in which the tax on dividends is paid and in the two following immediate fiscal years, against the tax for the year and the provisional payments of the same.

g. In the Ordinary General Shareholders' Meeting, held on April 27, 2018, OPCEM agrees to decree dividends in favor of its shareholders, from the results of the 2017 fiscal year, for an amount of $ 59,180 of which $ 29,008 correspond to the non-controlling party.

h. On April 5, and October 26, 2018, the Entity paid dividends to the non-controlling party through CAPSA in the amount of $ 15,389.

i. On April 5 and May 17, 2018, the Entity paid dividends to the non-controlling party through GANA in the amount of $ 55,472.

j. On August 20, 2018, the payment of dividends was made for $ 770,552 in cash for 0.45 peso cents for each outstanding share. Said dividend was decreed on April 26, 2018 at the General Annual Ordinary Shareholders' Meeting of the Entity, empowering the Entity's Board of Directors to determine the payment date.

19. Transactions and balances with related parties

a. Transactions with related parties performed in the regular course of the Entity's business for the year ended December 31, 2020, 2019 and 2018 were as follows

	2020	2019	2018
Construction services received, includes capitalized			
Services provided	$ (20,387)	$ (22,653)	$ 3,375
Other expenses	4,981	15,084	(106,566)
Other income	(1,285)	(1,104)	(1,104)
Accrued interest income	(51,256)	(77,664)	(139,631)
Interest paid	-	-	10,080
Interest received	-	(22,615)	(13,117)
Loans received	-	-	83,640
Loans received	-	-	(991,224)
Dividend received	-	-	(135,150)
Dividend paid	769,427	2,600,015	770,552
Dividends declared to non-controlling interest	110,944	120,184	99,869
AFAC'S paid	-	523,968	803,649
(Reimbursement) investment in "LEPCB 18" Senior Trust Bonds	-	(3,006)	250,000
Reimbursement of common stock contributions in joint ventures	-	-	(1,020,000)

b. Balances with related parties are as follows:

	2020	2019	2018
Receivable:			
Controladora Vía Rápida Poetas, S.A.P.I. de C.V. (2)	$ -	$ 282,700	$ 274,290
Libramiento Elevado de Puebla, S.A. de C.V.	3,228	5,547	4,312
Libramiento Elevado de Puebla, S.A. de C.V. Investment in CEBURES "LEPCB 18" (4)	-	4,107	4,423
Operadora Vía Rápida Poetas, S.A.P.I. de C.V.	864	3,652	7,283
Aleatica Labs, S.A. de C.V.	13,180	7,714	3,550
AMAIT, S.A. de C.V.	-	-	815
Other related parties	528	-	-
	$ 17,800	$ 303,720	$ 294,673

	2020	2019	2018
Long-term receivables:			
Libramiento Elevado de Puebla, S.A. de C.V. (1)	$ 613,628	$ 554,173	$ 496,838
Controladora Vía Rápida Poetas, S.A.P.I. de C.V.	282,700	-	-
Libramiento Elevado de Puebla, S.A. de C.V. Investment in CEBURES “LEPCB 18” (3)	-	246,994	250,000
	$ 896,328	$ 801,167	$ 746,838
Payable:			
Aleatica, S.A.U.	$ -	$ 72	$ 36,780
Aleatica Labs, S.A.	275	5,118	1,635
Aleatica Labs, S.A. de C.V.	-	6,296	-
Dividends declared to Caisse de Dépét et Placement du Québec ("CDPQ") and Trust No. 2893	-	27,253	523,968
	$ 275	$ 38,739	$ 562,383

1. On August 19, 2014, the Government of the State of Puebla granted the concession to AUTOVÍAS, for the construction, exploitation, conservation and maintenance of the Elevated Viaduct above the Mexico-Puebla federal highway. On January 8, 2015, the First Amendment agreement was made to the concession title assignment agreement dated August 20, 2014, whereby the Entity assigned to Libramiento Elevado de Puebla, S.A. de C.V. the work of construction, exploitation, operation, conservation and maintenance of the Bypass. The amount of the consideration for the assignment of the concession title, which at the date of this report has not been collected, generates interest on the unpaid balance of 10% annually, plus any inflation registered in the period of the respective calculation. At December 31, 2020, 2019 and 2018, the balance is composed by the principal amount of $463,679 (including VAT), plus accrued interest for $59,455 (including VAT), $57,335 (including VAT) and $33,159 in 2020, 2019 and 2018, respectively.

2. On July 16, 2012, the Entity, acting as borrower, entered into an unsecured credit contract with POETAS for up to $400,000, payable as of December 31, 2012, earning interest at two percentage points above the TIIE rate. At December 31, 2019, seven amendatory agreements have been executed to extend maturity dates until December 31, 2019, while the fourth amendatory agreement extends the credit line by up to $550,000. On April 24, 2019, the meeting of the stockholders of POETAS resolved to recognize this credit balance, plus interest of $282,700, as contributions for future capital increases.

3. Investment in Stock Market Certificates “LEPCB 18”, with the aim of holding them to obtain contractual cash flows of principal and interest until maturity.

	2020
Stock Market Certificates (1)	$ 250,000
Capital amortization	(3,006)
Interest	4,107
	251,101
Less, current portion	(4,107)
Total investment in long-term Stock Market Certificates	$ 246,994

Main characteristics of the investment in Stock Market Certificates “LEPCB 18”:

Date of transaction:	April 25, 2018
Date of maturity:	October 19, 2046
Currency:	Mexican pesos
Instrument:	CERTIBUR
Certificates:	2,500,000
Face value:	$100.00 (One hundred pesos for each Stock Market Certificates)
Term:	10,404 days (October 19, 2046)
Current coupon rate:	9.96% payable semiannually

(1) In January 2020, the Entity sold in advance the investment in “LEPCB 18” Stock Certificates, whose expiration date was October 19, 2046

4. The total compensation of the relevant executives includes base salary, performance bonuses and cash benefits and other benefits which as of December 31, 2020,2019 and 2018 amounted to $ 124.7, $ 96.3 and 126 million pesos, respectively

20. Cost and expenses by nature

a. Costs and operating expenses

	2020	2019	2019
Operating expenses	$ 790,924	$ 811,212	$ 855,138
Major maintenance	582,853	355,485	538,031
Administrative expenses and others	127,321	352,418	344,966
Insurance and sureties	140,638	126,471	124,272
PTU	3,911	2,711	816
	$ 1,645,647	$ 1,648,297	$ 1,863,223

b. General and administrative expenses

	2020	2019	2018
Management services	$ 182,138	$ 151,320	$ 227,079
Fees and Consulting	45,526	58,392	46,916
Propaganda and advertising	23,648	14,008	16,277
Consulting and other non-recurring expenses	114,453	73,733	167,417
Other expenses	49,664	65,096	82,278
	$ 415,429	$ 362,549	$ 539,967

21. Income taxes

The Entity is subject to ISR, which rate is 30%. The Entity incurred ISR on a consolidated basis until 2013 with its Mexican subsidiaries. As a result of the 2014 Tax Law, the tax consolidation regime was eliminated, and the Entity and its subsidiaries have the obligation to pay the deferred income tax benefit calculated as of that date over a 10 year-period beginning in 2014, as illustrated below.

In accordance with current tax provisions, this ISR will be due and payable as follows:

	2011	2012	2013	Accumulated
2021	$ 31,562	$ 85,740	$ 53,098	$ 170,400
2022	-	85,740	39,823	125,563
2023	-	-	42,221	42,221
	$ 31,562	$ 171,480	$ 135,142	$ 338,184

While the 2014 Tax Law repealed the tax consolidation regime, an option was established, which allows groups of companies to determine a joint calculation of ISR (tax integration regime). The new regime allows groups of consolidated companies that share common direct or indirect ownership of more than 80%, certain benefits in the tax payment (when the group of companies include both profit and loss entities in the same period), which can be deferred over three years and reported, as updated, at the filing date of the income tax return corresponding to the tax year following the completion of the abovementioned three year period.

On March 14, 2014, Aleatica filed a notice to confirm its intention to pay income tax according to the new Optional Regime for Company Groups referred to by Chapter VI of Title II of the Income Tax Law.

In accordance with the Mexican Miscellaneous Tax Resolution in 2014, entities that at December 31, 2013 have tax loss carryforwards to be amortized at the subsidiary level cannot include such losses in the determination of the taxable income of the consolidated entity until such losses have been amortized at the individual subsidiary level, corresponding to tax years prior to 2014.

Subsidiaries of the Entity that do not meet the characteristics to be included in the regime mentioned above are GANA, CAPSA and MANOP, as the Entity does not hold more than 80% of their shares.

Due to capital transactions in different entities, neither OPI, CONMEX and OPCEM are currently included.

a. Income tax expense for the years ended December 31, 2020, 2019 and 2018 are as follows::

	2020	2019	2018
Deferred income tax	$ (829,085)	$ (526,039)	$ (897,005)
Current income tax	245,315	333,901	235,655
	$ (583,770)	$ (192,138)	$ (661,350)

b. As of December 31, 2020, 2019 and 2018, the main items comprising the liability balance of deferred ISR are as follows:

	2020	2019	2018
Deferred ISR asset:			
Effect of unconsolidated tax loss carryforwards of subsidiaries	$ 6,303,849	$ 6,021,491	$ 6,152,308
Derivative financial instruments	155,099	35,917	-

	2020	2019	2018
Customer advances	33,066	12,823	20,912
Accounts payable to suppliers, subcontractors, accrued expenses and labor obligations	1,131,667	1,078,329	198,180
	7,623,681	7,148,560	6,371,400
Deferred ISR liabilities:			
Derivative financial instruments	-	-	154,421
FINFRA	-	-	3,044
Investment in concession	12,461,886	12,971,284	12,886,732
Other assets	32,940	14,798	52,115
	12,494,826	12,986,082	13,096,312
Total liability, net	$ 4,871,145	$ 5,837,522	$ 6,724,912

c. The reconciliation of the statutory ISR rate and the effective rate expressed as a percentage of income before taxes on income is:

	2020 %	2019 %	2018 %
Statutory rate	30.00	30.00	30.00
Add (less) the effect of permanent differences:			
Tax effect of inflation, net	3.24	(174.34)	13.76
Effect of change in estimate for valuation allowance	1.32	3.58	1.37
Share on the results of joint ventures	5.11	(13.01)	5.24
Effective rate	39.67	(153.77)	50.37

According to rule I.3.4.31 of the Omnibus Tax Ruling in effect on April 29, 2009, effective as of December 31, 2019, taxpayers engaged in the exploitation of a concession, authorization or permit granted by the Federal Government may apply their tax losses until they are depleted, the concession, authorization or permit ends or the Entity is liquidated, whichever occurs first. The benefits of restated individual tax loss carryforwards are $24,814,897, for which a deferred income tax asset of $7,444,469 has been recognized, of which $1,140,620 have been reserved as deferred ISR tax losses.

22. Operating segment information

For management purposes, the Entity is organized into five reportable segments, corresponding to the concession projects, and these represent strategic divisions of the Entity. The divisions offer different services and are administrated separately by a General Director, who is in charge of the operating decisions and the review of the internal administrative reports.

A summary of segment information is as follows, as of December 31, 2020, 2019 and 2018:

2020	**CONMEX**	**VIADUCTO**	**AUNORTE**	**GANA**	**AT-AT**	**Other and eliminations**	**Total consolidated**
Toll revenues	$ 3,949,022	$ 535,852	$ 547,890	$ 971,625	$ -	$ -	$ 6,004,389
Revenues for construction	19,241	8,482	6,548	-	600,338	-	634,609
Revenues for services and other	4,691	-	-	3,913	-	101,948	110,552
Total income	3,972,954	544,334	554,438	975,538	600,338	101,948	6,749,550
Amortization of investments in concessions, right of use assets and depreciation	695,212	285,868	260,420	31,414	-	97,953	1,370,867
Financing cost	2,115,868	662,180	827,264	93,943	-	189,994	3,889,249
Participation in the results of joint ventures	-	-	-	-	-	(250,438)	(250,438)
Income taxes	(204,726)	(297,260)	(319,778)	101,280	-	136,714	(583,770)
Total assets	53,709,614	12,450,459	16,872,718	2,923,202	6,435,541	10,881,463	103,272,997
Long-term debt and current portion	19,998,325	5,800,447	6,446,372	1,828,198	77,089	5,042,942	39,193,373
Total liabilities	27,694,494	4,915,729	8,108,224	2,180,079	639,518	5,031,807	48,569,851

2019	**CONMEX**	**VIADUCTO**	**AUNORTE**	**GANA**	**AT-AT**	**Other and eliminations**	**Total consolidated**
Toll revenues	$ 4,530,414	$ 1,037,687	$ 1,068,816	$ 1,046,306	$ -	$ -	$ 7,683,223
Revenues for construction	4,988	19,780	7,156	-	1,547,914	-	1,579,838
Revenues for services and other	-	-	-	-	-	152,229	152,229
Total income	4,535,402	1,057,467	1,075,972	1,046,306	1,547,914	152,229	9,415,290
Amortization of investments in concessions, right of use assets and depreciation	885,489	555,057	539,109	31,307	-	95,048	2,106,010
Financing cost	1,981,687	756,321	721,017	68,123	-	(140,741)	3,386,407
Participation in the results of joint ventures	-	-	-	-	-	(54,181)	(54,181)
Income taxes	(98,232)	(286,721)	(291,198)	148,151	-	335,862	(192,138)
Total assets	53,972,701	12,936,328	16,975,886	2,970,029	5,946,436	11,834,203	104,635,583
Long-term debt and current portion	19,387,487	5,895,334	5,768,736	1,870,271	74,684	4,978,661	37,975,173
Total liabilities	28,127,709	5,073,060	7,702,834	2,186,923	330,412	4,388,187	47,809,125

2018	**CONMEX**	**VIADUCTO**	**AUNORTE**	**GANA**	**AT-AT**	**Other and eliminations**	**Total consolidated**
Toll revenues	$ 4,229,197	$ 990,713	$ 975,390	$ 881,089	$ -	$ -	$ 7,076,389
Revenues for construction	102,357	18,951	92	-	906,854	-	1,028,254
Revenues for services and other	-	-	-	-	-	140,424	140,424
	4,331,554	1,009,664	975,482	881,089	906,854	140,424	8,245,067
Amortization of investments in concessions and depreciation	911,526	556,099	540,019	31,342	-	34,547	2,073,533
Financing cost	2,453,083	721,969	752,195	138,634	-	(265,717)	3,800,164
Participation in the results of joint ventures	-	-	-	-	-	(229,177)	(229,177)
Income taxes	(414,736)	(275,802)	(172,828)	102,952	-	99,064	(661,350)
Total assets	54,845,666	13,503,285	17,557,087	2,844,814	5,402,469	14,685,756	108,839,077
Long-term debt and current portion	18,850,725	5,842,359	5,725,637	1,905,021	63,153	5,438,360	37,825,255
Total liabilities	29,517,235	5,443,282	7,920,735	2,184,358	136,445	3,534,472	48,736,527

23. Subsequent events

CNBV OFFICIAL COMMUNICATION LETTER REQUIRING THE IMPLEMENTATION OF CERTAIN MEASURES

February 25, 2021.- On February 24, at 22:14, the Entity and its subsidiaries OPI and Conmex were notified of a document issued by the CNBV requesting the implementation of the following measures:

First: in conformity with IAS1, prepare the consolidated financial statements of the Issuers for 2019, 2020 and subsequent years, considering the following: (i) record the “Investment in infrastructure recoverable through future toll cash flows” and the “Portion of the intangible asset recoverable through future toll cash flows ”as intangible assets; (ii) do not record the “Deficit payable by the grantor” as a financial asset; and (iii) perform the necessary adjustments, according to IFRS, in the statements of income and other comprehensive income prepared as part of the consolidated financial statements, while considering the terms of IFRS 15 and IAS 36.

Second: file the following with the CNBV: (i) annual financial information for 2019 including the modified financial statements modified in conformity with the above requirement for 2019, 2018 and 2017 solely for comparative purposes; and (ii) quarterly financial information for 2019 and 2020.

Third: prepare consolidated financial statements in adherence to the aforementioned accounting principles, IFRS, in terms of the first requirement; the audited financial statements for 2020 must reflect the requested modifications.

However, in stark contrast, the Company's external auditor and ten leading independent legal and accounting experts have concluded that the Issuers' financial information is in conformity with applicable accounting standards, including IFRS.

The recognition of investments in concessions is also consistent with the disclosure format filed by the Issuers with the CNBV on February 17, 2017 and reported to the investing public through a relevant event on February 23, 2017. This recording format was submitted in response to similar measures issued by the CNBV in 2016. Since then, the Issuers have filed their annual and quarterly financial information in accordance with this recording format.

The Issuers will file all the legal proceedings needed to protect their rights and maintain the current recording format in conformity with IFRS. The Company considers that it has sufficient elements to prevail in its position.

The information contained herein is exclusively published in compliance with the Company’s information disclosure obligations pursuant to the Stock Market Law and its regulations, and for informative purposes. Accordingly, the information should not be considered as a declaration of consent, admission, adoption or any other of any other nature by the Issuers in relation to the Measures.

PROCEEDING FOR ANNULMENT FILED AGAINST THE DOCUMENT CONTAINING THE MEASURES REQUESTED BY THE CNBV

April 9, 2021.- As follow-up to the relevant event published by the Entity on February 25, 2021 (“RE of February 25”), the Entity announced that, following an exhaustive analysis of the document through which the CNBV requested the implementation of measures related to the accounting record prepared for the recovery right embodied in certain Concession Titles (measures which were described in the RE of February 25) (the “Official Letter”), on April 9, 2021, the Entity filed a legal proceeding to initiate a federal administrative lawsuit (proceeding for annulment), which seeks to overturn the Official Letter.

The Company considers that it has sufficient elements to uphold its position.

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COMPLIANCE WITH THE DOCUMENT CONTAINING THE MEASURES ISSUED BY THE CNBV

On April 12, 2021.- As follow-up to the relevant events published by the Entity on February 25, 2021 (“RE of February 25”) and April 9, 2021, the Entity announced that, on April 12, 2021, it complied with instructions detailed in the Document in which the CNBV requested the implementation of the measures described in the RE of February 25, (the “Official Letter”).

The aforementioned compliance will be maintained until such time as the effects resulting from the Official Letter are suspended or revoked.

As part of its compliance with the instructions in the Official Letter, the Entity once again filed annual information for the year ended December 31, 2019 together with quarterly reports for the years 2019 and 2020. It is important to note that the annual information and quarterly reports only contain the information available at the date of their issuance and were only modified to ensure compliance with the instructions detailed in the Official Letter.

Furthermore, the Company announced that the mere form of disclosure required by the CNBV does not have an adverse economic effect on the Company's performance, since it does not affect the Company's generation of cash flow, does not result in additional payment obligations and it does not affect the Entity's capacity to fulfill its financial obligations. Furthermore, the recording format does not affect the contractual rights of the Company under the respective Concession Titles.

The information contained herein is exclusively published in compliance with the Company’s information disclosure obligations pursuant to the Stock Market Law and its regulations. Accordingly, this information must not be considered as a declaration of consent, admission, adoption or of any other nature by the Issuers in relation to the Official Letter.

24. Approval of the issuance of the consolidated financial statements

The consolidated financial statements as of December 31, 2020 were authorized for issuance on April 21, 2021, by Eng. Rubén López Barrera, Chief Executive Officer, consequently these do not reflect the events that occurred after that date, and are subject to the approval of the ordinary shareholders' meeting of the Entity, who may decide to modify it in accordance with the provisions of the Securities Market Law. The consolidated financial statements for fiscal year 2019, 2018, 2017 and January 1, 2017 were authorized for issuance on April 8, 2021.

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