

AIRPORTS

Sectorial Note

January 7, 2022

Passengers exceed 2019 figures at year-end

- **Passengers at the airports operated in Mexico by Asur, Gap and Oma, continued with advances in December, in line with our estimates**
- **Regarding total operations (including those outside Mexico), Asur showed passenger traffic growth of 79.1%, Gap an increase of 58.8% and Oma a rise of 58.1%**
- **Despite the challenges in the environment, passenger demand remained solid exceeding pre-pandemic levels. In this way, we reiterate our positive opinion for the sector**

Total passenger traffic of the 3 airport groups in December recorded an annual increase of 58.8% (airports operated in Mexico). This was due to a demand that continued to be solid, while growth rates were lower compared to previous months on a more normalized comparative base. Thus, total passengers at Mexico's operated airports showed a 58.8% y/y growth, equivalent to 101.9% of December 2019 (vs. 101.1% in November), placing in line with our estimate of ~102.0%. Domestic passengers (61.7% of the total) posted a rise of 41.9% y/y, while international passengers had a higher growth of 96.5% y/y.

Individually, Asur recorded a 79.1% y/y increase, including a 67.7% y/y growth in passengers from Mexico. In San Juan Puerto Rico, traffic was 98.3% of 2019, while in Colombia it represented 111.2% of the same month of 2019. On the other hand, Gap presented an advance in total passengers in December of 58.8% y/y. Passenger traffic at the airports it operates in Mexico, i.e. excluding Montego Bay Airport in Jamaica (with traffic equivalent to 75.9% of the 2019 figure) and Kingston Airport (62.4% of 2019), had an annual increase of 52.8%. Finally, Oma showed a 58.1% y/y growth in total passengers.

Asur, Gap and Oma's LTM total passenger variations stood at 92.9%, 57.1% and 62.9% (January 2021 – December 2021), compared to LTM to November 2021 of 69.1%, 41.7% and 45.6% (December 2020 – November 2021), respectively.

Corporate news

- Gap mentioned 5 new routes were opened during the month and that the volume of seats offered grew 23.9% y/y, while the load factor stood at 76.4% vs. 67.5% in December 2020.

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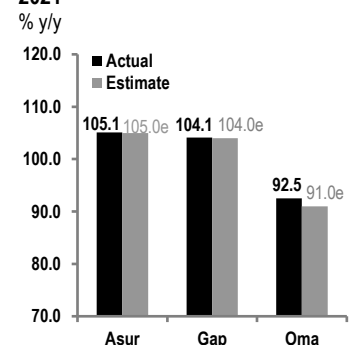
Airport Sector

Stock	Rating	PT	P. Return 22e*
Asur	Buy	\$483.50	13.3%
Gap	Buy	\$300.00	5.7%
Oma	Buy	\$158.00	23.3%

* Includes estimated dividend and/or capital reduction

Stock	FV/Ebitda LTM	FV/Ebitda 22e
Asur	17.0x	11.8x
Gap	18.0x	13.2x
Oma	14.0x	9.6x

Mexico passenger traffic – December 2021



Source: Banorte.

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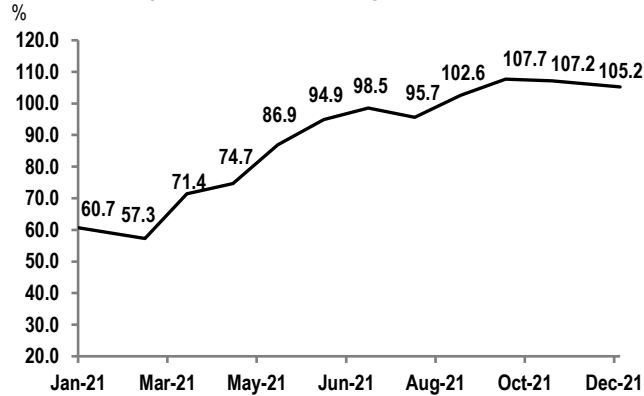
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Conclusion... December passenger traffic at airports operated by private groups in Mexico showed a solid performance, in line with expectations, exceeding pre-pandemic levels. Considering all operations, including those outside Mexico, Asur once again stood out for presenting the highest y/y increase, as well as for registering the highest positive variation vs. pre-pandemic figures, as did Gap. We believe that, despite the challenges in the environment, the outlook for the sector continues to be favorable, derived from a strong demand and as the vaccination process progresses, which should be reflected in interesting growths for companies' results this year. In our institutional portfolio we have exposure to Asur with a PT of MXN 483.50 per share and Gap with a PT of MXN 300.00, both with a Buy rating. On the other hand, for Oma our PT is MXN 158.00 per share, also with a Buy rating.

December passenger traffic

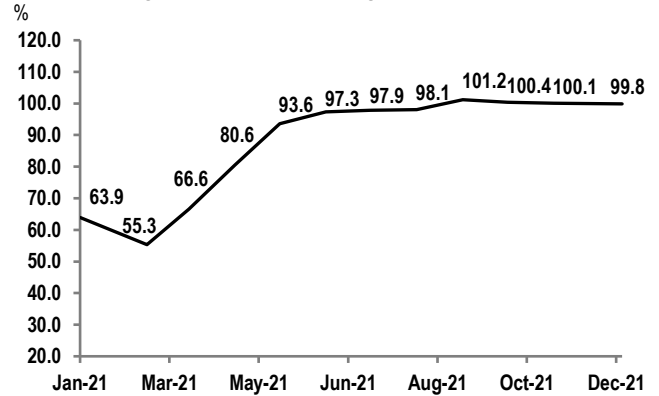
In the following graphs below, we can observe the evolution of the total passengers of the airport groups as a percentage of the 2019 figures in the last 12 months, and the performance of their shares vs. S&P/BMV IPC.

Asur – Passenger traffic as a percentage of 2019 – LTM



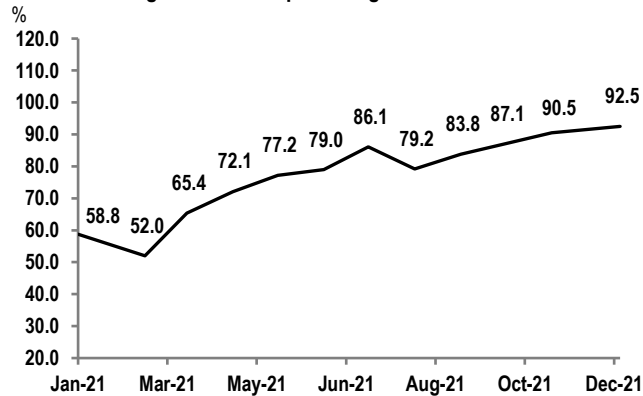
Source: Asur, Banorte / Variations include the LMM Airport and the airports in Colombia (Airplan)

Gap – Passenger traffic as a percentage of 2019 – LTM



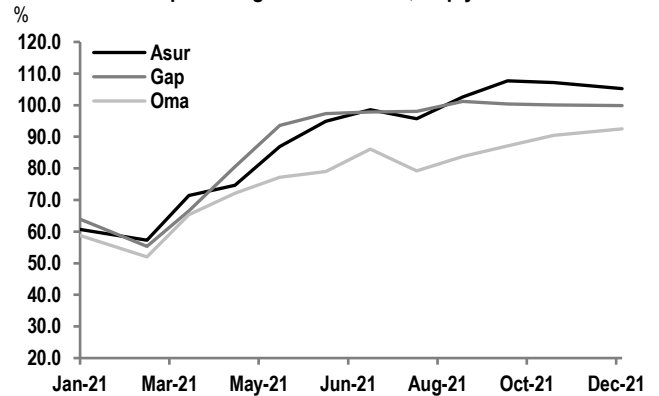
Source: Gap, Banorte / Variations include MBJ and Kingston airports

Oma – Passenger traffic as a percentage of 2019 – LTM



Source: Oma, Banorte

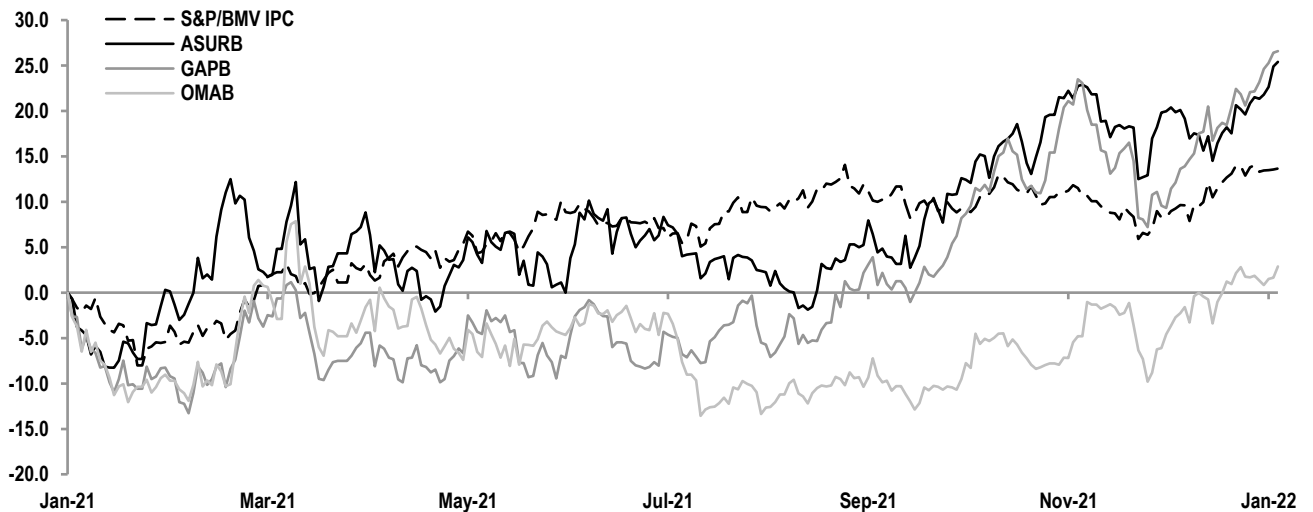
Total traffic as a percentage of 2019 –Asur, Gap y Oma– LTM



Source: Banorte / Asur variations include the LMM airport and the airports in Colombia (Airplan). Gap variations include MBJ and Kingston airports

MEXBOL and airports return

Last 12 months, %



Source: Banorte

Sector comparison – Figures at December 2021

MXN, Millions	Asur	Gap	Oma
Passengers LTM.	49.4	42.9	18.0
% y/y	92.9%	57.1%	62.9%
Sales LTM. (Ex IFRS 17)	\$13,314	\$13,671	\$6,126
% y/y	28.6%	27.4%	27.6%
Operating Income LTM.	\$6,973	\$7,382	\$3,367
% y/y	67.6%	64.3%	43.0%
EBITDA LTM.	\$8,339	\$9,419	\$3,839
% y/y	39.3%	45.4%	38.1%
Net Income LTM.	\$4,474	\$4,370	\$2,083
% y/y	64.2%	27.8%	29.1%
Operating Margin LTM.	52.4%	54.0%	55.0%
% y/y	12.2%	12.1%	6.0%
EBITDA Margin LTM.	62.6%	68.9%	62.7%
% y/y	4.8%	8.6%	4.8%
Net Margin LTM.	33.6%	32.0%	34.0%
% y/y	7.3%	0.1%	0.4%
Metrics per Passenger			
Sales/Pax	\$269.8	\$318.4	\$339.9
Operating Income/Pax	\$141.3	\$171.9	\$186.8
EBITDA/Pax	\$169.0	\$219.4	\$213.0
Net Income/Pax	\$90.6	\$101.8	\$115.6
Valuation			
FV/EBITDA LTM.	17.0x	18.0x	14.0x
FV/EBITDA 21e	11.8x	13.2x	9.6x
FV/EBITDA Av. 1y.	24.7x	22.9x	24.1x
FV/EBITDA Av. 3y.	15.4x	15.9x	14.5x
FV/EBITDA LTM Av. Sector (Domestic)	16.3x	16.3x	16.3x
FV/EBITDA 21e Av Sector (Domestic)	11.5x	11.5x	11.5x
Estimate vs. Sector (Domestic)	2.3%	14.3%	-16.6%
LTM. vs. Sector (Domestic)	4.3%	10.1%	-14.4%
21e vs. Av. 3y.	-23.3%	-16.9%	-33.8%
FV/EBITDA LTM Av. (International peers ¹)		64.6x	
FV/EBITDA 21e Av. (International peers ¹)		12.5x	
P/BV	3.0x	8.5x	4.4x
P/E	29.1x	35.1x	25.4x
Market			
Current Price	\$435	\$292	\$137
Return LTM.	25.4%	26.6%	2.9%
Return 2021	28.4%	27.0%	7.1%
Return 2022	2.8%	3.5%	-0.2%
Market Cap. (US\$ million)	\$6,358	\$7,485	\$2,584
Shares Outstanding	300	561	399
Float %	59%	85%	70%
Floating Market Cap. (US\$ million)	\$3,782	\$6,362	\$1,809

Source: Banorte / Bloomberg (01/06/22). *The operating results are gathered from the consolidated Financial Statements. It should be mentioned that Asur has a 60% share of the operations of Puerto Rico and Gap has 74.5% of MBJ.

¹ Aena SME, Aeroports de Paris, Flughafen Wien AG, Fraport AG, Hainan Meilan International.

Analyst Certification

We, Alejandro Padilla Santana, Juan Carlos Alderete Macal, Alejandro Cervantes Llamas, Manuel Jiménez Zaldívar, Marissa Garza Ostos, Francisco José Flores Serrano, Katia Celina Goya Ostos, José Itzamna Espitia Hernández, Víctor Hugo Cortes Castro, Hugo Armando Gómez Solís, Miguel Alejandro Calvo Domínguez, Luis Leopoldo López Salinas, Leslie Thalía Orozco Vélez and Gerardo Daniel Valle Trujillo, certify that the points of view expressed in this document are a faithful reflection of our personal opinion on the company (s) or firm (s) within this report, along with its affiliates and/or securities issued. Moreover, we also state that we have not received, nor receive, or will receive compensation other than that of Grupo Financiero Banorte S.A.B. of C.V for the provision of our services.

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