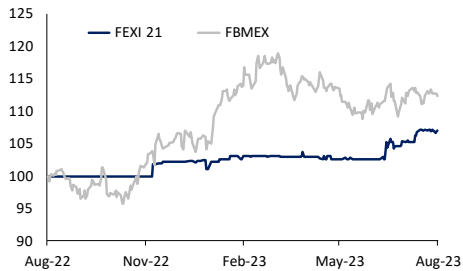


# FEXI 21: 1H23 Results

Historically high toll revenues and traffic

FEXI 21	BUY
Target Price (MXN\$)	\$ 24.50
Expected Dividend	\$ 0.78
Current Price (MXN\$)	\$ 20.33
Min / Max (L12M - MXN\$)	\$ 16.57 - 20.50
Total Return	24.3%
Mkt Cap (Mn of MXN)	23,710
CBFI's Outstanding (Mn)	1,166.3
Float	100.0%
ADTV (6M - MXN\$ Mn)	1.6



## Opinion and recommendation

FEXI21 reported favorable 1H23 results that showed historically high levels of traffic and toll revenues. Revenues were above our projections and EBITDA slightly below. We reiterate our BUY recommendation with a MXN\$24.50/CBFE target price. The valuation of the certificates continues to be attractive as they currently trade at a 25% discount to net asset value.

## Revenues / Profitability

FEXI21's consolidated toll revenues were MXN\$1.798 billion in the first half of 2023, up 19.3% YoY. This figure exceeded our MXN\$1.693 billion projection. MAYAB registered a 17.2% rise as it benefited from a higher volume of truck crossings. AQSA posted a 23.6% increase due to the implementation of urban traffic regulations on the Mexico-Querétaro Federal highway.

FEXI21's annual average daily traffic grew 13.1% YoY in 1H23 (36,403 vehicles), which was mainly due to the increases of 17.4% in AQSA, and 18.7% in LIPSA. The latter thanks to the restriction of cargo trucks in the city of La Piedad, Michoacán.

On the other hand, FEXI21's consolidated 1H23 EBITDA (excluding construction revenues) grew 8.2% YoY to MXN\$1.486 billion. The consolidated EBITDA margin contracted 5.7 percentage points to 74.0%, as a consequence of higher administrative expenses related to the MXN\$3.2 billion syndicated loan, with the participation of four banks.

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AQSA's, MAYAB's, and ICASAL's profitability fell due to higher maintenance expenses, while that of TUCA was impacted by higher administration services expenses. This was partially offset by an improvement of nearly 10 percentage points in LIPSA's margin, which benefited from economies of scale generated by high traffic growth.

### Financial structure

FEXI21's total consolidated debt remained practically unchanged at MXN\$20.5 billion at the end of 1H23, equivalent to an LTV of 45%, compared to 43% in 1H22. This indicator remained below the 55% maximum threshold. The Fibra raised a MXN\$3.2 billion syndicated loan in June, which is the first long-term loan granted to any Fibra E.

### Acquisitions

In accordance with the terms and conditions of the Put/Call Agreement Letter, on June 2<sup>nd</sup>, 2023, FEXI21 notified the Seller it would exercise the option to acquire a 24.99% equity stake in the OVT Assets (MAYAB, ICASAL, LIPSA, and TUCA). However, the Seller filed a lawsuit to nullify such a transaction. FEXI's administrator is carrying out the necessary legal actions to defend the Trust's assets and rights.

### FEXI21 - Main Operating Indicators

(January 1st to June 30th of each year)	FEXI 21					
	Consolidated	AQSA	MAYAB	ICASAL	LIPSA	TUCA
2023 Traffic	Not available	14,248	3,730	3,515	7,964	6,946
2022 Traffic	Not available	12,139	3,628	3,209	6,712	6,487
Change	Not available	17.4%	2.8%	9.5%	18.7%	7.1%
2023 Rate	Not available	306.55	1,593.97	387.93	129.48	283.91
2022 Rate	Not available	288.45	1,501.21	352.76	103.28	245.40
Change	Not available	6.3%	6.2%	10.0%	25.4%	15.7%
2023 Revenues	2,035	589	768	396	162	120
2022 Revenues	1,833	565	654	387	120	107
Change	11.0%	4.2%	17.4%	2.3%	35.0%	12.1%
2023 EBITDA **	1,486	474	647	331	128	87
2022 EBITDA **	1,373	397	558	330	84	79
Change	8.2%	19.4%	15.9%	0.3%	52.4%	10.1%
2023 EBITDA Margin	74.0%	84.4%	84.1%	83.7%	79.3%	72.8%
2022 EBITDA Margin	79.7%	87.1%	85.4%	85.2%	69.6%	73.9%
2023 Total Debt *	20,508*	8,570	2,993	3,992	1,699	626
2022 Total Debt *	20,318*	8,231	3,553	4,101	1,672	690
Change	0.9%	4.1%	-15.8%	-2.7%	1.6%	-9.3%

Source: FEXI21; \* Includes Fair Value; \*\* Does not include construction revenues or costs

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