



Management Report Corporación América Airports S.A.

The board of directors of Corporación América Airports S.A. (the "Company") submits the Consolidated Financial Statements for the fiscal year ended December 31, 2021 in accordance with Luxembourg applicable laws and regulations.

General Overview

Corporación América Airports S.A. was incorporated under the laws of the Grand Duchy of Luxembourg ("Luxembourg") on December 14, 2012. The Company owns no assets other than its direct and indirect ownership of the issued share capital of other intermediate holding companies for all of our operating subsidiaries. A list of the principal Company's subsidiaries is included in Note 2 to Consolidated Financial Statements.

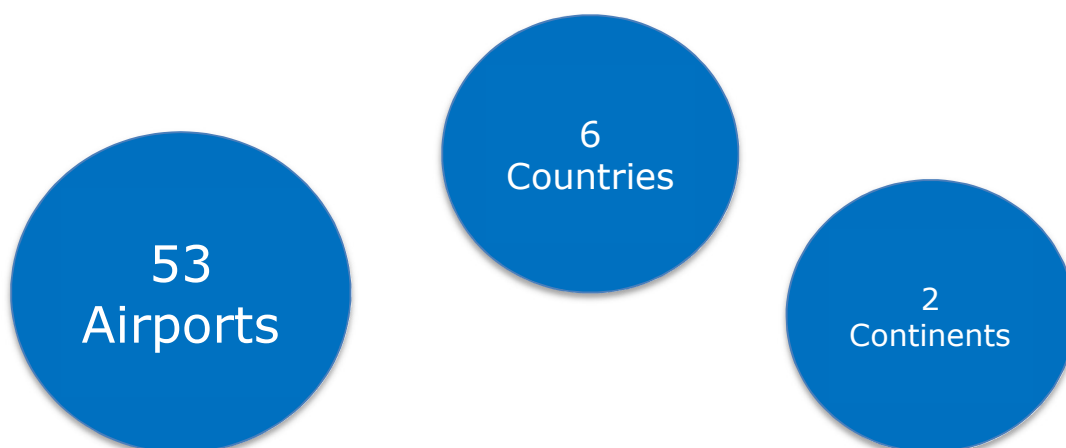
WHO WE ARE - CORPORATE PROFILE

Corporación América Airports S.A group is the largest private sector airport concession operator in the world based on the number of airports under management. From our beginnings in 1998 when we acquired the concession rights to operate 33 airports in Argentina, we have expanded geographically and currently operate 53 airports globally; in Latin America, our largest market, as well as in Europe and Eurasia. We operate some of the largest and most important airports in the countries where we are conduct operations; including large international airports, such as Ezeiza Airport in Argentina, domestic airports, such as Brasilia Airport in Brazil, airports in tourist destinations, such as Galapagos Ecological Airport in Ecuador and Florence Airport in Italy, as well as mid-sized domestic airports. We acquired most of our airport concessions through a public tender process and we, generally, improved the infrastructure significantly through large capital investments.

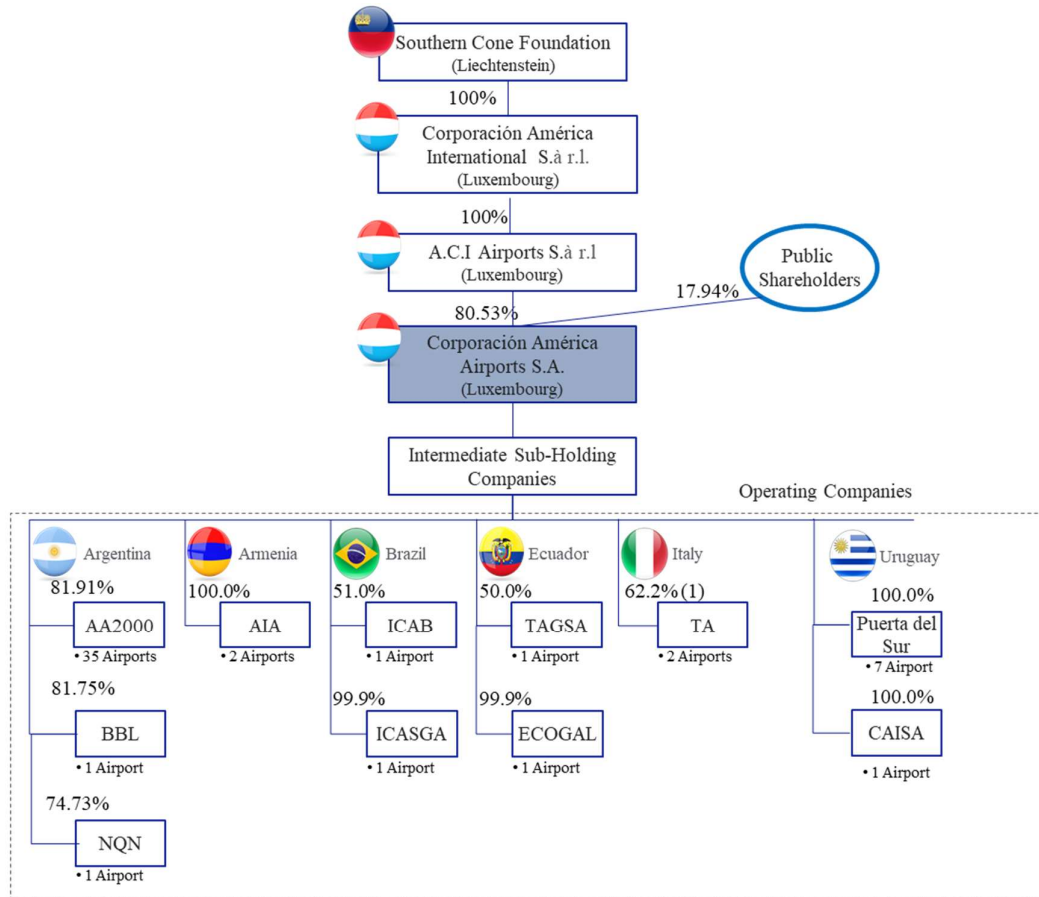
We derive revenue from aeronautical and commercial services. The key driver of revenue is passenger traffic, as increased passenger traffic allows us to generate both aeronautical and commercial revenue. We derive the majority of our revenue from fees charged to departing passengers and landing and parking fees charged to aircraft operators for the use of our premises and for certain aeronautical services. We also earn revenue from commercial services, including warehouse usage, duty free, retail and food and beverage shops, advertising and parking fees.

In 2021, our airports served 35.7 million passengers (2020: 25.2 million) of which approximately 23.1% (2020: 28.2%) were international, approximately 63.1% (2020: 57.1%) were domestic and approximately 13.8% (2020: 14.7%) were transit passengers. The airports we operate are located in countries with compelling macro-economic trends and in key cities within those countries. From 2020 to 2021, air traffic increased 41.5% in terms of number of passengers.

We have created a global platform with operational expertise and resources to support our organic growth plan and our global expansion strategy.



The following diagram reflects a simplified summary of our current organizational structure:



(1) We Own 75% of our Italian intermediate holding company Corporacion America Italia S.p.A.

History and development of the Company's business

We have been operating since 1998 and have become a leading global airport concession operator.

- In 1998, as part of the AA2000 consortium, we were awarded the national and international public bid conducted by the Argentine Government for the concession rights related to the operation of 33 airports in Argentina, including the two largest airports, the Ministro Pistarini International Airport ("Ezeiza Airport"), located at Ezeiza, Buenos Aires, and the Jorge Newbery Aeroparque Airport ("Aeroparque Airport"), located in Buenos Aires.
- In 2001, as part of the Aeropuertos del Neuquén S.A. ("NQN") consortium, we were awarded the concession to operate Aeropuerto de Neuquén ("Neuquén Airport"), our 34th airport in Argentina.
- In 2002, our subsidiary Armenia International Airports CJSC ("AIA") was awarded the concession to operate the Zvartnots International Airport ("Zvartnots Airport"), located 12 kilometers from downtown Yerevan, Armenia's capital.
- In 2003, in a public auction conducted by the Uruguayan Government, we purchased the shares of Puerta del Sur S.A. ("Puerta del Sur"), owner of the concession that operates the General Cesáreo Berisso International Airport ("Carrasco Airport") in Carrasco, Uruguay, located 19 kilometers from downtown Montevideo, Uruguay's capital.
- In 2004, as part of the Terminal Aeroportuaria de Guayaquil S.A. ("TAGSA") consortium, we were awarded the concession to operate the José Joaquín de Olmedo International Airport ("Guayaquil Airport"), located five kilometers from downtown Guayaquil, Ecuador.
- In 2007, we executed an amendment to the Zvartnots Airport concession agreement to include Shirak Airport in Gyumri ("Shirak Airport"), the second largest civil airport in Armenia.
- In 2008, in a private transaction, we acquired all of the equity interests of Consorcio Aeropuertos Internacionales S.A. ("CAISA"), which owns the concession that operates the Carlos A. Curbelo Airport ("Punta del Este Airport") located in Maldonado, Punta del Este, Uruguay.
- In 2008, as part of the consortium Aeropuerto de Bahía Blanca S.A. ("BBL"), we were awarded the concession to operate Aeropuerto de Bahía Blanca ("Bahía Blanca Airport"), our 35th airport in Argentina.
- In 2011, as part of the consortium Aeropuertos Andinos del Perú S.A. ("AAP"), we were awarded the concession to operate six principal airports in southern Peru (the "AAP Airports").

- In 2011, as part of the consortium Aeropuertos Ecológicos de Galápagos S.A. ("ECOGAL"), we were awarded the concession to operate the Seymour Airport ("Galapagos Airport"), located in Baltra Island, Galapagos Archipelago, our second airport in Ecuador.
- In 2011, as part of the consortium ICASGA, we were awarded the concession to operate the International Airport of São Gonçalo do Amarante ("Natal Airport"), located in Natal, Brazil.
- In 2012, pursuant to an agreement between AA2000 and the Argentine province of Santiago del Estero, we began operating the Termas de Río Hondo Airport, our 36th airport in Argentina, which pursuant to ORSNA's Resolution No. 27/2021 has also been incorporated into the AA2000 Concession Agreement.
- In 2012, as part of the consortium ICAB, we were awarded the concession to operate the Presidente Juscelino Kubitschek International Airport ("Brasilia Airport"), located 11 kilometers from downtown Brasilia, Brazil's capital.
- In 2012, we formed A.C.I. Airports International S.à r.l. to hold, either directly or indirectly, our interests in various companies that own our airport concessions.
- In 2014, we acquired controlling interests in the companies that own the Aeroporto Galileo Galilei di Pisa ("Pisa Airport") located in Pisa, Italy, and the Aeroporto di Firenze ("Florence Airport," and together with Pisa Airport, the "Italian Airports") located in Florence, Italy, through a number of private acquisitions with former shareholders as well as the consummation of two public tender offers. In 2015, we merged the two companies that operated the Italian Airports to form Toscana Aeroporti S.p.A. ("TA"), a company publicly listed on the Milan Stock Exchange (Borsa Italiana) and of which we own 51.1% of the issued and outstanding common stock. The concessions for the Pisa Airport and the Florence Airport have been transferred to TA.
- In 2014, we executed an amendment to the concession agreement of the Carrasco Airport extending the term by 10 years to 2033.
- In 2015, we completed the corporate consolidation through which we acquired direct interest in ICASGA and indirect interest in ICAB through Inframerica.
- In 2017, as part of the AA2000 consortium, we were awarded the concession rights related to the operation of the El Palomar Airport ("El Palomar Airport"), located in the province of Buenos Aires, our 37th airport in Argentina.
- On February 1, 2018, we completed our initial public offering, in which we and the controlling shareholder sold an aggregate of 28,571,429 common shares to the public.
- In 2018 we acquired an additional 11.08% in TA, increasing our ownership to 62.28% of its issued and outstanding common stock.

- In 2018 we sold and transferred 25% of CA Italy's issued and outstanding common stock to Investment Corporation of Dubai, reducing our ownership in CA Italy to 75%.
- In 2018 we executed an amendment to the Guayaquil Concession Agreement extending the concession term for additional five years. Thus, the current expiration date is set to be in 2029.
- In June 2019, we executed an amendment to the Punta del Este Concession Agreement extending the concession term for additional 14 years, until March 31, 2033.
- In July 2020, the Italian Government passed a law in relation with Covid-19 emergency measures, granting a two-year concession extension for airport operators.
- In November 2020, we executed irrevocable amendment for the termination of the Natal Airport concession.
- In December 2020 we executed an amendment to the AA2000 Concession Agreement extending the concession term for additional ten years. Thus, the current expiration date is set to be in February 13, 2038.
- In July 2021, the terms of the Guayaquil Concession Agreement were extended by two additional years. Thus, the current expiration date is set to be on July 27, 2031.
- In October 2021, the amendment of the Neuquén Airport Concession Agreement with the Argentinian Government was approved, extending the concession through 2026.
- In November 2021 we executed an amendment to the Carrasco Concession Agreement extending the concession term for additional 20 years, until 2053 and incorporating the following six new airports to the scope of the concession agreement (the "Uruguay New Airports"): Aeropuerto Internacional de Rivera, the Aeropuerto Internacional de Salto, the Aeropuerto Internacional de Carmelo, the Aeropuerto Internacional de Durazno, the Aeropuerto Internacional de Melo and the Aeropuerto Internacional de Paysandú.
- In December 2021 we transferred our 50% ownership in AAP to Andino Investment Holding S.A. Following this transaction, Andino Investment Holding S.A. now owns 100% of AAP. Therefore, as of the date of this annual report, we no longer operate the airports under the AAP Concession Agreement.

The following table lists our concessions by country, together with their commencement date and extension details (if any):

Country	Concession	CAAP Effective Ownership	Number of Airports	Concession Start Date	Current Concession End Date	Extension Details
Argentina	AA2000	81.9%	35	1998	2038	—
	NQN	74.7%	1	2001	2026	—
	BBL	81.8%	1	2008	2033	Extendable for 10 years ⁽¹⁾
Italy	TA (SAT) ⁽²⁾	46.7%	1	2014 ⁽³⁾	2048	—
	TA (ADF) ⁽²⁾	46.7%	1	2014 ⁽⁴⁾	2045	—
Brazil	ICASGA	99.9% ⁽⁵⁾	1	2012 ⁽⁶⁾	2040	5 years ⁽⁷⁾
	ICAB	51.0%	1	2012	2037	5 years
Uruguay	Puerta del Sur ⁽⁸⁾	100%	7	2003	2053	—
	CAISA ⁽⁹⁾	100%	1	2008	2033 ⁽¹⁰⁾	—
Ecuador	TAGSA	50.0%	1	2004	2031	—
	ECOGAL	99.9%	1	2011	2026	—
Armenia	AIA	100%	2	2002	2032	Option to renew every 5 years ⁽¹¹⁾
Total			53			

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- (1) Subject to certain terms and conditions, including governmental approval.
(2) Both SAT and ADF have been merged into TA, of which CA Italy currently owns a 62.28% equity interest. We own 75% of CA Italy's equity interest.
(3) We began operating the Pisa Airport in 2014.
(4) We began operating the Florence Airport in 2014.
(5) Our effective ownership is 99.98%.
(6) The concession for the Natal Airport was awarded in August 2011, which became effective in January 2012. The Natal Airport began operating in June 2014.
(7) In November 2020, we executed irrevocable amendment for the termination Natal Airport concession.
(8) Includes the Uruguay New Airports, which were incorporated to the Carrasco Concession Agreement by means of the amendment executed in November 2021.
(9) We acquired the shares of CAISA in 2008.
(10) We began operating the Punta del Este Airport in 2008., the amendment to the concession agreement approving the extension of the Punta del Este Concession Agreement was executed on June 28, 2019.
(11) Renewable at our sole discretion for an indefinite number of 5-year extension periods.

Business overview

We acquire, develop and operate airport concessions. We are the largest private sector airport concession operator in the world based on the number of airports under management and the tenth largest private sector airport operator in the world based on passenger traffic. Currently, we operate 53 airports globally in Latin America, Europe and Eurasia. Since 1998, when we acquired the AA2000 Concession Agreement, we have expanded the environments and geographies in which we operate airports by acquiring concessions in Armenia, Uruguay, Ecuador, Brazil, Italy and additional concessions in Argentina.

We operate some of the largest and most important airports in the countries where we conduct operations, including a large international airport, such as Ezeiza Airport in Argentina, domestic airports, such as Brasilia Airport in Brazil and Aeroparque Airport in Argentina, airports in tourist destinations, such as Bariloche and Iguazu in Argentina, Galapagos Ecological Airport in Ecuador and Florence Airport in Italy, as well as mid-sized domestic and tourist destination airports.

Argentina is our largest and longest established market where we operate and manage 37 of the 55 airports in Argentina's national airport system, including the Argentina's two largest airports, Ezeiza and Aeroparque. In each year since we acquired the rights under the AA2000 Concession Agreement, our airports in Argentina have handled over 90.8% of Argentina's total passenger traffic.

For the year ended December 31, 2021, we had total consolidated revenue of USD 0.7 billion, consolidated loss from continuing operations of USD (159.8) million, Adjusted EBITDA of USD 149.3 million and Adjusted EBITDA excluding Construction Services of USD 147 million, and our airports handled 497,189 total aircraft movements and served 35.7 million total passengers (of which approximately 23.1% were international, approximately 63.1% were domestic and approximately 13.8% were transit passengers). During 2021, the Company's operations were significantly affected due to the impact of the Covid-19 pandemic and the measures that affected and continue to affect passenger traffic. The significant decrease in our results of operations due to Covid-19 pandemic, affected the comparability of the figures reports for the year ended December 31, 2020 with the corresponding period in 2019. For the year ended December 31, 2019, we had total consolidated revenue of USD 1.6 billion, consolidated loss of USD (5.8) million, Adjusted EBITDA of USD 380.7 million, and Adjusted EBITDA excluding Construction Services of USD 378.5 million and our airports handled 857,913 total aircraft movements and served 84.2 million total passengers (of which approximately 33.5% were international, approximately 56.5% were domestic and approximately 9.9% were transit passengers). For the year ended December 31, 2018, we had total consolidated revenue of USD 1.4 billion, consolidated loss of USD (10.6) million, Adjusted EBITDA of USD 445.9 million, and Adjusted EBITDA excluding Construction Services of USD 443.8 million and our airports handled 880,579 total aircraft movements and served 81.8 million total passengers (of which approximately 34.2% were international, approximately 54.8% were domestic and approximately 11.0% were transit passengers).

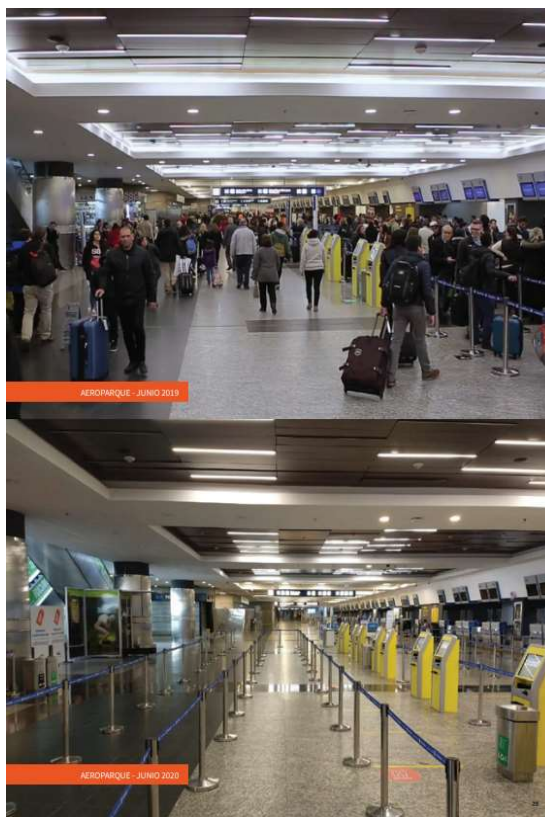
Covid-19 Impact

Although Covid-19 virus disrupted the global economy and in particular the aviation industry during 2020 and 2021, there has been an increase in traffic across most countries in 2021 compared with the previous year as travel restrictions have been lifted mainly during the second semester of 2021.

In 2021, our passenger traffic was up 41.5% compared to the same period in 2020 with 35.7 million passengers served (25.2 passengers served in 2020) and decreased 57.6% compared to 2019 (84.2 passengers served in 2019).

The decrease in activity has significant impacts on our Consolidated Financial Statements as of December 31, 2021. Several measures to mitigate the effect of the pandemic implemented in 2020 continue to be in force.

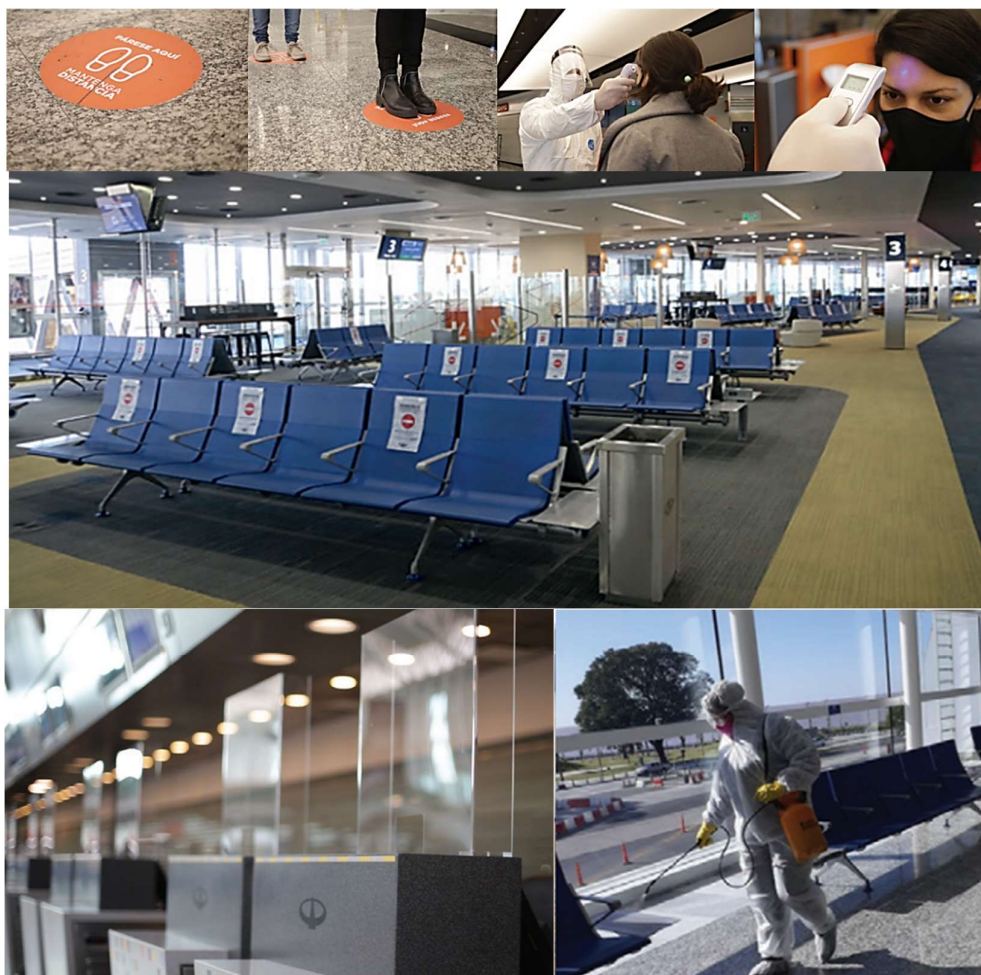
We formed a crisis committee composed of the Company's CEO and operating CEOs of each subsidiary to assess its operations, including reductions in operating costs while maintaining quality and safety standards. We have been and continue to be involved in conversations with the relevant regulatory agencies and aviation and transportation authorities, in each of its countries of operations, to review mitigation measures as it navigates this unprecedented environment.



Our actions taken and response to Covid-19 crisis

Employees and Passengers

We have further enhanced safety and hygiene protocols across our airports to protect the well-being of passengers and operating personnel. As travel bans are lifted and commercial flights resume across all countries, we developed and established customized protocols to ensure the maximum health standards across the Company's airport network. These protocols were approved by the respective regulatory agencies and health authorities. These include sanitization and social distance measures, screening and biocontrol procedures for all passengers travelling through our airports. Ezeiza airport in Argentina, along with Brasilia, Guayaquil, Carrasco, Arequipa and Galapagos airports obtained ACI's "Airport Health Accreditation". In addition, Pisa and Florence airports were the first in Italy to receive independent certification of health protocols in July 2020.



Cost Controls and Cash Preservation Measures

We introduced reductions in operating costs by:

- Reducing personnel expenses including salary reductions, suspension of salary increases and freezing new hiring, mandatory use of pending vacations and/or advancing vacations to employees when possible, placing operating employees on furlough in certain geographies and personnel layoffs due to downsizing of operations. Reducing personnel expenses in Brazil, Uruguay, Italy and Armenia, including lay-off, salary reductions, placing operating employees on furlough and/or reduction of working hours.
- Reducing maintenance and other operating expenses while maintaining the quality and safety standards, required to support the minimum level of operations.

Beginning on April 2020 and during 2020, we also aggressively managed working capital by negotiating with our suppliers the extension of payment terms and reducing our capex program.

Negotiations with Regulatory Bodies and Government Support

We have been involved in discussions with regulatory agencies to renegotiate concession fees payments to align to the current environment (see Note 23 of our Consolidated Financial Statements) and obtaining financial re-equilibrium through, for instance, the extension of the concession terms (see Note 26.b of our Consolidated Financial Statements). On September 2, 2021 AA2000 reached an agreement with Organismo Regulador del Sistema Nacional de Aeropuertos ("ORSNA") in relation with past due payments of concession fees and development trusts suspended during 2021, for approximately USD 38 million that will be paid in installments between December 2022 and November 2023. As of December 31, 2021, discussions with regulatory agencies are still ongoing related to the Brazilian concessions (see Note 26.b of our Consolidated Financial Statements).

Concession Agreements compensations

Under the concession contracts framework, the amounts and mechanisms for compensation have been and are being negotiated with authorities and include generally a reduction in the concession fee amount and/or mandatory capex, increasing tariffs, extending the tenor of the concession or a combination thereof. We are engaged in these processes that require going through administrative regulatory channels. Please refer to Note 8, 22, 26.b) and 33 of our Consolidated Financial Statements for additional information.

Financial position and liquidity:

In addition to the payroll measures mentioned above, we took the following measures during 2021 and 2020:

- Reducing non-mandatory capital investments and deferring non-priority projects.
- Implemented a set of cost control measures to reduce operating expenses and negotiate payment terms with our suppliers to limit or defer cash outflows.
- Obtaining a deferral of principal and interest payments of debt and obtaining additional funding, waivers and other measures when is needed to provide guarantees to financial institutions and other suppliers.

Management continuously monitors the Group's performance through passenger and cargo traffic indicators, revenue and cost evolution, liquidity projections and scenario planning. The result of this continued review determines the Group's response strategy. These processes require the use of various internal and external reference points to build projections, including estimates from industry associations such as the Airport Council International ("ACI") and the International Air Transport Association ("IATA"), which following Covid-19 vaccination campaigns both are expecting traffic to continue to improve during 2022.

Our airports by country in which we operate

Argentina

Our largest operations are in Argentina, where we operate a total of 37 of the 55 airports in the Argentine national airport system, including the two largest airports in Argentina, Ezeiza Airport and Aeroparque Airport.

Our airports are located in 22 of the 23 Argentine provinces and in the City of Buenos Aires and currently serve major metropolitan areas in several Argentine provinces (such as Buenos Aires, Córdoba and Mendoza) and the City of Buenos Aires, tourist destinations (such as Bariloche, Mar del Plata and Iguazú), regional centers (such as Córdoba, Santa Rosa, San Luis, San Juan, La Rioja, Santiago del Estero and Catamarca) and border province cities (such as Mendoza, Iguazú, Salta and Bariloche).

Of the 37 airports we operate in Argentina, 19 have been designated as “international airports” under applicable local law, meaning that they are or may potentially be equipped to receive international flights.

Airport	International or national designation	Passenger traffic		
		Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019
		(In Thousands)		
Aeroparque Internacional, "Jorge Newbery"	International	4,524.2	2,293.0	12,311.3
Aeropuerto Internacional de Ezeiza, "Ministro Pistarini"	International	3,196.9	3,474.4	12,484.9
Aeropuerto Internacional de Córdoba, "Ing. A. Taravella"	International	717.3	739.3	3,529.0
Aeropuerto de San Carlos de Bariloche "Teniente Luis Candelaria"	International	1,128.9	474.0	1,857.7
Aeropuerto Internacional de Mendoza, "El Plumerillo"	International	667.9	471.5	2,311.4
Aeropuerto Internacional de Salta, "Martín Miguel de Güemes"	International	545.3	356.1	1,478.6
Aeropuerto de Misiones Cataratas del Iguazú, "Mayor D. Carlos Eduardo Krause"	International	422.7	357.6	1,575.5
Aeropuerto de Neuquén, "Presidente Perón"	International	389.4	251.6	1,217.3
Aeropuerto de Tucumán, "Tte. Benjamín Matienzo"	International	318.3	199.6	969.5
Aeropuerto de Comodoro Rivadavia, "Gral. Enrique Mosconi"	International	188.2	137.5	649.5
Aeropuerto de San Juan, "Domingo Faustino Sarmiento"	National	79	37.4	148.9
Aeropuerto de Bahía Blanca, "Comandante Espora"	National	61.7	64.0	354.6
Aeropuerto de Río Gallegos, "Piloto Civil Norberto Fernández"	International	93.7	69.1	263.0
Aeropuerto de Jujuy, Gobernador Horacio Guzmán	International	203.8	92.8	397.9
Aeropuerto de Resistencia, "José de San Martín"	International	72.4	59.5	310.3
Aeropuerto Internacional de Mar del Plata, "Astor Piazzolla"	International	88.6	117.7	399.5
Aeropuerto de Posadas, "Libertador General D. José de San Martín"	International	142.8	65.9	325.7
Aeropuerto de Río Grande "Gobernador Ramon Trejo Noel"	International	67.6	35.3	147.8
Aeropuerto Internacional de Formosa, "El Pucu"	International	12.5	18.8	105.3
Aeropuerto de San Luis, "Brigadier Mayor César R Ojeda"	National	24.6	14.3	73.2
Aeropuerto de Santiago del Estero, "Vcom. Ángel de la Paz Aragonés"	National	75.4	30.1	149.4
Aeropuerto de La Rioja, "Capitán Vicente Almandos Almonacid"	National	23.8	12.7	65.7
Aeropuerto de San Rafael, "S.A. Santiago Germano"	National	24.3	13.4	54.6
Aeropuerto de Puerto Madryn, "El Tehuelche"	National	23.5	13.00	80.2
Aeropuerto de Catamarca, "Coronel Felipe Varela"	National	27.9	14.6	63.3
Aeropuerto de Esquel "Brigadier General Antonio Parodi"	National	38.8	13.9	53.5
Aeropuerto de Entre Ríos, "General Urquiza"	National	11.4	8.8	60.2
Aeropuerto de Santa Rosa	National	19.4	8.5	49.4
Aeropuerto de San Fernando	International	34.4	19.3	26.4
Aeropuerto de Viedma, "Gobernador Castello"	National	18.3	10.5	39.8
Aeropuerto Termas de Río Hondo	National	13.8	0.5	13.8
Aeropuerto de Río Cuarto, "Área de Material"	National	13.6	4.6	37.3
Aeropuerto de General Pico	National	0.2	0.5	2.1
Aeropuerto de Reconquista "Teniente Daniel Jukic"	National	0.5	0.2	4.3
Aeropuerto de Malargüe, "Comodoro D Ricardo Salomón"	National	0.1	0.1	0.8
Aeropuerto de Villa Reynolds	National	0.9	0.5	0.4
Aeropuerto El Palomar	International	2.5	480.0	1,793.6

(1) Note that preliminary passenger traffic figures for January 2019 for Ezeiza Airport, in Argentina, were adjusted to include additional inbound passengers not accounted for in the initial count, for an average of approximately 5% of total passenger traffic at Ezeiza Airport and 1% of total traffic at CAAP, during that period. Importantly, inbound traffic does not affect revenues as tariffs are applicable on departure passengers.

In Argentina, our main concession is the AA2000 Concession Agreement, which accounted for approximately 12.8 million passengers, or 96.6% of the total 13.2 million total passengers we served during the year ended December 31, 2021. Approximately 3.2 million of our passengers were at Ezeiza Airport and 4.5 million at Aeroparque Airport. For the year ended December 31, 2020, the airports under the AA2000 Concession Agreement accounted for approximately 9.6 million passengers, or 96.8% of the total 10.0 million total passengers we served during the year ended December 31, 2020. Approximately 3.5 million of our passengers were at Ezeiza Airport and 2.3 million at Aeroparque Airport.

For the year ended December 31, 2019, the airports under the AA2000 Concession Agreement accounted 41.8 million passengers, or 96.4% of the total 43.4 million total passengers we served during the year ended December 31, 2019. Approximately 12.5 million of our passengers were at Ezeiza Airport and 12.3 million at Aeroparque Airport.

In our Argentina segment, AA2000 represented over 99.8% of our total revenues, 96.6% of our passengers and 96.2% of our air traffic movements in each of these periods. In a consolidated basis, AA2000 represented over 51.2% of our consolidated revenues, 35.9% of our total passengers and 44% of our air traffic movements during the year ended December 31, 2021.

In 2011, Cedikor, the controlling shareholder of CASA, acquired 9.35% of AA2000's ordinary capital and voting stock. As of September 22, 2020, the ORSNA approved the aforementioned transaction.

The Argentine Government owns 15.0% of AA2000's ordinary share capital and voting stock through its ownership of AA2000's common shares. In addition, the Argentine Government owns all of AA2000's preferred shares. Beginning in 2020, the Argentine Government may convert each year preferred shares into common shares up to a maximum of 12.5% of the total initial amount of preferred shares issued to the Argentine Government. In order to exercise its conversion right, the Argentine Government must notify AA2000 of its intention to convert preferred shares and AA2000 will have 30 days from delivery of such notification to redeem those preferred shares before conversion occurs. In addition, AA2000 has the option, but not the obligation, to redeem the preferred shares held by the Argentine Government at any time. The redemption price will be the nominal value plus a variable interest rate to be determined on the last day of the month immediately before the redemption date considering (i) inflation rate, plus (ii) 2% of the total amount to paid. If AA2000's common shares are listed on the Buenos Aires Stock Exchange, then the price to convert the preferred shares into ordinary shares will be established based on the average traded value of such common shares on the Buenos Aires Stock Exchange during the five trading days prior to the notice of conversion delivered by the Argentine Government to AA2000. If AA2000's shares are not listed on the Buenos Aires Stock Exchange, the price of such common shares will be established by a third party appointed by the Argentine Government but paid by AA2000. AA2000 has no current plan to list its common shares on the Buenos Aires Stock Exchange. As of December 31, 2021, there were 910,978,625 preferred shares of AA2000 outstanding.

In March 2022, AA2000's board of directors and the shareholders, by means of an extraordinary shareholders meetings, decided to exercise AA2000's option to redeem such preferred shares held by the Argentine Government. The price will be paid in part upon redemption, and the outstanding amounts will be paid before December 2024. As of the date of this annual report, AA2000 made the required publications for the capital reduction and the filings before the Argentine authorities required for the redemption (see section "Subsequent events").

The following table provides summary data for our operations in Argentina for the periods indicated:

For the Year Ended December 31,⁽¹⁾						
	2021		2020		2019	
		% of Total		% of Total		% of Total
Revenue (in millions of USD)	362.9	51.3%	350.0	57.6%	934.8	60.0%
Number of passengers (in millions)	13.3	37.2%	10.0	39.5%	43.4	51.6%
Air traffic movements (in thousands)	227.3	45.7%	155.6	44.1%	447.2	(52.1)%

(1) We have included information for our three concessions in Argentina: AA2000, Bahía Blanca and Neuquén. We currently own 81.9% of the share capital of AA2000, 81.8% of the share capital of Bahía Blanca, and 74.7% of the share capital of Neuquén.

Our Argentina segment had Adjusted EBITDA of USD 65.6 million, USD 50.7 million and USD 241.3 million, for the years ended December 31, 2021, 2020 and 2019, respectively, and had Adjusted EBITDA excluding Construction Service of USD 65.4 million, USD 50.6 million and USD 241.1 million, for the years ended December 31, 2021, 2020 and 2019, respectively.

Italy

In Italy, we operate and manage the Florence Airport and the Pisa Airport through our indirect 46.71% share ownership of TA. TA is the result of the merger of Società Aeroporto Toscano ("SAT"), Galileo Galilei S.p.A. and Aeroporto di Firenze S.p.A. ("ADF") on June 1, 2015, and is headquartered in Florence

The following table provides summary data for our operations in Italy for the periods indicated:

	For the Year Ended December 31,					
	2021		2020		2019	
		% of Total		% of Total		% of Total
Revenue (in millions of USD)	70.5	10.0%	58.3	9.6%	145.6	9.3%
Number of passengers (in millions)	2.8	7.9%	2.0	7.8%	8.2	9.8%
Air traffic movements (in thousands)	39.6	8.0%	30.2	8.5%	79.0	9.2%

Of the approximately 2.8 million total passengers in the TA airports during the year ended December 31, 2021, approximately 2.0 million were in Pisa Airport and 0.8 million were in the Florence Airport. Our Italy segment had Adjusted Segment EBITDA of USD 0.2 million and Adjusted EBITDA excluding Construction Services of USD (1.8) million for the year ended December 31, 2021. Of the approximately 2.0 million total passengers in the TA airports during the year ended December 31, 2020, approximately 1.3 million were in Pisa Airport and 0.7 million were in the Florence Airport. Our Italy segment had Adjusted Segment EBITDA of USD (4.3) million and Adjusted EBITDA excluding Construction Services of USD (5.5) million for the year ended December 31, 2020. Of the approximately 8.2 million total passengers in the TA airports during the year ended December 31, 2019, approximately 5.4 million were in Pisa Airport and 2.9 million were in the Florence Airport. Our Italy segment had Adjusted Segment EBITDA of USD 38.5 million and Adjusted EBITDA excluding Construction Services of USD 36.8 million for the year ended December 31, 2019.

Brazil

In Brazil, we operate the Brasilia Airport through our 50.99% indirect ownership of ICAB, a subsidiary of Inframerica. As of the date of this annual report, we own 99.97% of the equity interests of Inframerica, which in turn holds 51.0% of the equity interests of ICAB. Empresa Brasileira de Infraestrutura Aeroportuaria ("Infraero") is the owner of the remaining 49.0% interest in ICAB.

We also operate the Natal Airport through our 99.98% ownership of ICASGA and the Majority Shareholder owns the remaining 0.02%.

In relation with Natal Airport, in November 2020, we executed an irrevocable amendment for the termination of the Natal Concession Agreement. Upon transfer to a new operator, an indemnification payment will be made to ICASGA, which will be determined by authorities, primarily based on non-amortized capital expenditure investments.

The following table provides summary data for our operations in Brazil for the periods indicated:

	For the Year Ended December 31,					
	2021		2020		2019	
		% of Total		% of Total		% of Total
Revenue (in millions of USD)	58.4	8.3%	51.4	8.5%	116.6	7.5%
Number of passengers (in millions)	12.3	34.5%	9.1	36.1%	19.1	22.6%
Air traffic movements (in thousands)	117.9	23.7%	89.4	25.3%	161.8	18.9%

For the year ended December 31, 2021, of the approximately 12.3 million total passengers in Brazil, approximately 10.5 million were in the Brasilia Airport and 1.8 million were in the Natal Airport. For the year ended December 31, 2021, our Brazil segment had Adjusted EBITDA of USD 19 million and Adjusted EBITDA excluding Construction Services of USD 19 million. For the year ended December 31, 2020, of the approximately 9.1 million total passengers in Brazil, approximately 7.9 million were in the Brasilia Airport and 1.2 million were in the Natal Airport. For the year ended December 31, 2020, our Brazil segment had Adjusted EBITDA of USD (6.5) million and Adjusted EBITDA excluding Construction Services of USD (6.5) million. For the year ended December 31, 2019, of the approximately 19.1 million total passengers in Brazil, approximately 16.7 million were in the Brasilia Airport and 2.3 million were in the Natal Airport. For the year ended December 31, 2019, our Brazil segment had Adjusted EBITDA of USD (22.3) million and Adjusted EBITDA excluding Construction Services of USD (22.3) million.

Uruguay

Our operations in Uruguay consist of the operation and maintenance of the two main Uruguayan airports that receive commercial flights, the Carrasco Airport and the Punta del Este Airport, and the Uruguay New Airports, which were incorporated into the scope of the Carrasco Concession Agreement. We own 100% of Puerta del Sur S.A. ("PDS"), the holder of the concession agreement through the execution of a comprehensive management agreement with the Uruguayan Ministry of Defense ("Carrasco Concession Agreement") to operate the Carrasco Airport. Following the execution of the Amended Concession Agreement, PDS will also operate, develop and maintain the following new airports: the Rivera International Airport, the Salto International Airport, the Carmelo International Airport, the Durazno International Airport, the Melo International Airport and the Paysandú International Airport. Additionally, we own 100% of Consorcio Aeropuertos Internacionales S.A. ("CAISA") the holder of the concession agreement ("Punta del Este Concession Agreement," and together with the Carrasco Concession Agreement, the "Uruguayan Concession Agreements") with the Uruguayan Ministry of Defense to operate the Punta del Este Airport. The Carrasco Airport, located near Montevideo, is Uruguay's largest airport in terms of passenger traffic and serves as the country's primary gateway for international travel. We also own TCU S.A. ("TCU") through which we operate the cargo terminal at the Carrasco Airport.

The following table provides summary data for our operations in Uruguay for the periods indicated:

	For the Year Ended December 31,					
	2021⁽¹⁾	% of Total	2020⁽²⁾	% of Total	2019⁽³⁾	% of Total
Revenue (in millions of USD)	51.3	7.3%	58.3	9.6%	117.8	7.6%
Number of passengers (in millions)	0.5	1.4%	0.6	2.4%	2.2	2.6%
Air traffic movements (in thousands)	17.8	3.6%	13.0	3.7%	29.7	3.5%

(1) Includes revenues for TCU and reflects intersegment adjustments of USD 6.8 million.

(2) Includes revenues for TCU and reflects intersegment adjustments of USD 6.1 million.

(3) Includes revenues for TCU and reflects intersegment adjustments of USD 6.8 million.

For the year ended December 31, 2021, of the approximately 0.5 million total passengers in Uruguay, approximately 0.5 million were in the Carrasco Airport and 25.4 thousand were in the Punta del Este Airport. Our Uruguay segment had Adjusted EBITDA of USD 13.7 million and Adjusted EBITDA excluding Construction Services of USD 13.7 million for the year ended December 31, 2021. For the year ended December 31, 2020, of the approximately 0.6 million total passengers in Uruguay, approximately 0.5 million were in the Carrasco Airport and 0.1 million were in the Punta del Este Airport. Our Uruguay segment had Adjusted EBITDA of USD 16.3 million and Adjusted EBITDA excluding Construction Services of USD 16.3 million for the year ended December 31, 2020. For the year ended December 31, 2019, of the approximately 2.2 million total passengers in Uruguay, approximately 2.0 million were in the Carrasco Airport and 0.2 million were in the Punta del Este Airport. Our Uruguay segment had Adjusted EBITDA of USD 56.4 million and Adjusted EBITDA excluding Construction Services of USD 56.4 million for the year ended December 31, 2019.

Ecuador

Our operations in Ecuador consist of the operation and maintenance of the Guayaquil Airport and the Galapagos Airport.

We indirectly own 49.9% of TAGSA, which operates and maintains the Guayaquil Airport in the City of Guayaquil, pursuant to the terms and conditions of a concession agreement ("Guayaquil Concession Agreement") among TAGSA, Autoridad Aeroportuaria de Guayaquil ("AAG"), and the *M.I. Municipalidad de Guayaquil* ("Municipality of Guayaquil"). The Guayaquil Concession Agreement was originally scheduled to expire in July 2024; however, the expiration term was extended until 2029 as agreed in the fourth amendment to the Guayaquil Concession Agreement.

We own 99.9% of ECOGAL, which operates and maintains the Galapagos Airport located at the Galapagos Islands which is an Ecuadorian province located 605 miles west of the Ecuadorian coast, and which were declared a National Park in 1959. The Galapagos Airport is located in the Baltra Island, within a short distance from Santa Cruz Island, which holds the most populous city of the province and the city with the best tourist infrastructure in the province (the city of Puerto Ayora). The duration of the Galapagos Concession Agreement is 15 years as from the compliance of the conditions precedent set forth therein; such conditions were satisfied on July 15, 2011.

The following table provides summary data for our operations in Ecuador for the periods indicated:

	For the Year Ended December 31, ⁽¹⁾					
	2021		2020		2019	
		% of Total		% of Total		% of Total
Revenue (in millions of USD)	65.2	9.2%	49.7	8.2%	109.6	7.0%
Number of passengers (in millions)	2.5	7.0%	1.5	6.1%	4.5	5.3%
Air traffic movements (in thousands)	55.9	11.2%	41.6	11.8%	82.4	9.6%

(1) We have included 100% of operational information of ECOGAL, with respect to number of passengers and air traffic movements, for the years ended December 31, 2021, 2020 and 2019. The revenue information for the years ended December 31, 2021, 2020 and 2019 includes only the consolidated revenue of TAGSA, our other concession in the Ecuador segment.

For the years ended December 31, 2021, 2020 and 2019, our Ecuador segment had Adjusted EBITDA of USD 16.1 million, USD 1.3 million and USD 25.3 million, respectively and Adjusted EBITDA excluding Construction Services of USD 16.1 million, USD 1.3 million and USD 25.3 million, respectively.

The Galapagos Airport has been recognized as the first ecological and sustainable airport in the world by the U.S. Green Building Council. The airport terminal was entirely planned, designed and built taking into account its relationship with the surrounding environment to reduce its environmental impact. The terminal also received Leadership in Energy and Environmental Design (LEED) certification, GOLD level.

Additionally, on June 23, 2015, the Galapagos Airport received the Carbon Footprint Reduction accreditation from the Airport Carbon Accreditation program. The program, implemented by Airports Council International Europe, is aimed at evaluating and recognizing airports that make outstanding efforts to reduce and compensate for greenhouse gas emissions. The Galapagos Airport is the first airport in South America and the second one in Latin America to receive a carbon footprint reduction accreditation. Currently, we are in level 3+, "Compensation" and we are working towards moving to the next level, "Reduction."

Armenia

We own 100% of Armenia International Airport C.J.S.C ("AIA"), which owns the concession from the Armenian Government (the "Armenian Concession Agreement") to operate and maintain the only two operating airports for scheduled commercial flights in Armenia: Zvartnots Airport and Shirak Airport.

The following table provides summary data for our operations in Armenia for the periods indicated:

	For the Year Ended December 31,					
	2021	% of Total	2020	% of Total	2019	% of Total
Revenue (in millions of USD)	98.4	13.9%	39.4	6.5%	133.5	8.6%
Number of passengers (in millions)	2.4	6.7%	0.8	3.3%	3.2	3.8%
Air traffic movements (in thousands)	21.3	4.3%	10.2	2.9%	27.4	3.2%

For the years ended December 31, 2021, 2020 and 2019, our Armenia segment had Adjusted EBITDA of USD 44.3 million, USD 5.5 million and USD 51.8 million, respectively, and Adjusted EBITDA excluding Construction Services of USD 44.1 million, USD 5.5 million and USD 51.5 million, respectively.

For the year ended December 31, 2021, of the approximately 2.4 million total passengers in Armenia, approximately 2.3 million were in Zvartnots Airport and 0.1 million were in Shirak Airport. For the year ended December 31, 2020, of the approximately 0.8 million total passengers in Armenia, approximately 0.8 million were in Zvartnots Airport and 0.04 million were in Shirak Airport. For the year ended December 31, 2019, of the approximately 3.2 million total passengers in Armenia, approximately 3.0 million were in Zvartnots Airport and 0.1 million were in Shirak Airport.

Our Airports - Our strategically most important airports

Ezeiza Airport (EZE)



Ezeiza Airport is our largest airport in terms of contribution to revenue and Argentina's second largest airport in terms of passenger traffic. During the year ended December 31, 2021, Ezeiza Airport served 3.2 million total passengers, representing approximately 9.0% of our total passenger traffic. During the year ended December 31, 2020, Ezeiza Airport served 3.5 million total passengers, representing approximately 13.9% of our total passenger traffic. During the year ended December 31, 2019, Ezeiza Airport served 12.5 million total passengers, representing approximately 14.8% of our total passenger traffic.

Ezeiza Airport operates 24 hours a day. The total area of the airport's premises is approximately 3,475 hectares (374.0 million square feet). The airport has two operating runways, one with a length of 3,300 meters (10,824 feet) and the other with a length of 3,105 meters (10,170 feet). The airport's approximate runway capacity is 60 air traffic movements per hour.

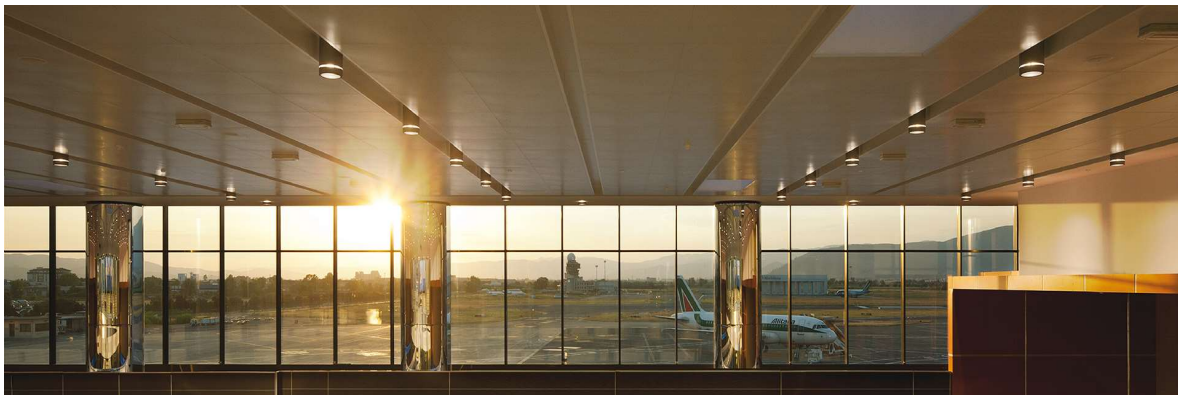
Aeroparque Airport (AEP)



Aeroparque Airport is Argentina's largest airport in terms of passenger traffic. During the year ended December 31, 2021, Aeroparque Airport served a total of 4.5 million passengers, which accounted for approximately 12.6% of all passengers served by our airports. During the year ended December 31, 2020, Aeroparque Airport served a total of 2.3 million passengers, which accounted for approximately 9.1% of all passengers served by our airports. During the year ended December 31, 2019, Aeroparque Airport served a total of 12.3 million passengers, which accounted for approximately 14.6% of all passengers served by our airports.

During 2021 and 2020, we made some improvements in the Aeroparque terminal which mainly include the readjustment of International Arrivals, New South Taxing System and Adaptation of the South Strip, Sanitary and Sewer Network in South Head and outside improvements such as sidewalks, landscaping; coastal filling and underground parking, new beacon substations and control systems.

Florence Airport (FLR)



During the year ended December 31, 2021, Florence Airport served a total of 0.8 million passengers, which accounted for approximately 2.2% of all passengers served by our airports. During the year ended December 31, 2020, Florence Airport served a total of 0.7 million passengers, which accounted for approximately 2.8% of all passengers served by our airports. During the year ended December 31, 2019, Florence Airport served a total of 2.9 million passengers, which accounted for approximately 3.4% of all passengers served by our airports.

Florence Airport cannot service long-haul flights given the short length of its runway. Additionally, since the runway was built in the direction of the prevailing wind, Florence Airport has a relatively high number of flight cancellations due to adverse weather conditions that are rerouted to Pisa Airport when possible to avoid passenger loss. Passengers can also be rerouted to Bologna Airport, if needed. Plans are underway to build a new terminal and runway. The new infrastructure should allow Florence Airport to reach its full potential and complement Pisa Airport's offerings.

On November 3, 2015, we received the technical approval by ENAC of our 2014-2029 master plan for Florence Airport. However, on May 27, 2019, upon request of the Environmental Association (Associazione VAS Vita Ambiente) and other authorities, such approval was repealed through judgment No. 793. On July 25, 2019, TA, jointly with the Ministry of Environment, ENAC and other authorities, appealed such judgement. On February 14, 2020, TA has been notified by the Council of State that the appeal has been rejected. Therefore, we must undertake a new procedure regarding the environmental compliance of the works performed.

Pisa Airport (PSA)



During the year ended December 31, 2021, Pisa Airport served a total of 2.0 million passengers, which accounted for approximately 5.6% of all passengers served by our airports. During the year ended December 31, 2020, Pisa Airport served a total of 1.3 million passengers, which accounted for approximately 5.2% of all passengers served by our airports. During the year ended December 31, 2019, Pisa Airport served a total of 5.4 million passengers, which accounted for approximately 6.4% of all passengers served by our airports.

Low-cost carriers dominate in terms of passengers and aircraft movements at the Pisa Airport.

On October 24, 2017, ENAC approved and signed our 2015-2028 master plan for Pisa Airport. Further investments in capex will allow the airport to reach six million passengers capacity in the short term.

Brasilia Airport (BSB)



During the year ended December 31, 2021, the Brasilia Airport served a total of 10.5 million passengers, which accounted for approximately 29.4% of all passengers served by our airports. During the year ended December 31, 2020, the Brasilia Airport served a total of 7.9 million passengers, which accounted for approximately 31.3% of all passengers served by our airports. During the year ended December 31, 2019, the Brasilia Airport served a total of 16.7 million passengers, which accounted for approximately 19.9% of all passengers served by our airports.

The Brasilia Airport is located in the Brazilian capital city of Brasilia. The concession for the Brasilia Airport is owned by ICAB, a subsidiary of Inframerica. The Brasilia Airport is Brazil's third largest airport in terms of passenger traffic. Because of its geographic location in the central region of the country and its location in the federal capital of Brazil, the Brasilia Airport is one of the only airports with direct and daily flights to all 26 Brazilian state capitals.

The Brasilia Airport is the only airport in South America capable of operating two runways simultaneously, which provides the largest runway capacity in Brazil.

The Brasilia Airport is located 12 kilometers (8.5 miles) from downtown Brasilia. The Brasilia Airport operates twenty-four hours a day. The total area of the airport premises is approximately 4.4 hectares (473,612 square feet). The two runways have a length of 3,300 meters (approximately 10,826 feet). The airport's terminal covers approximately 110,000 square meters (1,184,300 square feet), of which 14,290 square meters (approximately 153,816 square feet) is commercial area. The parking lot is 100,000 square meters (1,076,931 square feet), with the capacity to accommodate 3,216 vehicles.

Carrasco (MVD) and Punta del Este (PDP)



Carrasco Airport, located near Montevideo, is Uruguay's largest airport in terms of passenger traffic and serves as the country's primary gateway for international travel. Carrasco Airport has the capacity to handle up to 4.5 million passengers annually. It currently serves regional centers, tourist destinations and certain major cities throughout the Americas and Europe.

During the year ended December 31, 2021, the Carrasco Airport served a total of 0.5 million passengers, which accounted for approximately 1.4% of all passengers served by our airports. During the year ended December 31, 2020, the Carrasco Airport served a total of 0.5 million passengers, which accounted for approximately 2.0% of all passengers served by our airports. During the year ended December 31, 2019, the Carrasco Airport served a total of 2.0 million passengers, which accounted for approximately 2.4% of all passengers served by our airports.

In the year ended December 31, 2021, we spent USD 5.4 million on capital expenditures at the Punta del Este Airport, primarily for the acquisition of fire trucks, construction of three new hangars, security equipment and improvement in passengers terminal-.



Regulatory and concessions framework

Introduction

As of December 31, 2021, we hold concessions in Argentina, Italy, Brazil, Uruguay, Ecuador and Armenia and are subject to regulations in each one of these countries.

The following table sets out aspects of our concession agreements, along with their respective term and extension provisions, and the corresponding regulatory governmental authority.

	Concession agreement	Governmental authority	Term and extension provisions
Argentina	AA2000 Concession Agreement	Argentine Government; ORSNA	30-year original term. It was extended for additional 10 years on December 17, 2020 (ending February 13, 2038).
	NQN Concession Agreement	Government of the Province of Neuquén; ORSNA	20-year term (ending October 24, 2021). Concession has been extended for 5 years (ending October 23, 2026).
	BBL Concession Agreement	Municipality of Bahía Blanca; ORSNA	25-year term (ending May 22, 2033). Concession may be extended for 10 years upon governmental approval.
Italy	Pisa Concession Agreement	ENAC	40-year term (ending December 7, 2046). A two-year extension was granted by the Government in July 2020 (ending December 7, 2048).
	Florence Concession Agreement	ENAC	40-year term (ending February 10, 2043). A two-year extension was granted by the Government in July 2020 (ending February 10, 2045).
Brazil	Natal Concession Agreement	Brazilian ANAC	28-year term (ending January 24, 2040). An amendment to terminate the was signed on August 2020 to be executed on 2022.
	Brasilia Concession Agreement	Brazilian ANAC	25-year term (ending July 24, 2037); may be extended for an additional 5 years if necessary to reestablish economic equilibrium.
Uruguay	Carrasco, Rivera, Salto, Carmelo, Durazno, Melo, Paysandú Concession Agreement hereinafter "SINAI Concession Agreement	Defense Ministry	20-year term with 10-year extension and extended recently with an additional 20-year extension already approved (50-year total, ending November 20, 2053).
	Punta del Este Concession Agreement	Defense Ministry	40-year term (ending March 31, 2033).
Ecuador	Guayaquil Concession Agreement	AAG; Municipality of Guayaquil	27-year and 5-month term (ending July 27, 2031). The Eighth Amendment of the Concession Agreement of Guayaquil was signed in July 20, 2021, which reestablished the economic-financial equilibrium due to the Covid-19 pandemic, and extended the term of the Concession Agreement for two additional years for the economic losses of 2020, as from July 27, 2029.
	Galapagos Concession Agreement	DGAC; STAC	15-year term (ending July 6, 2026).
Armenia	Armenian Concession Agreement	Armenian Ministry of Territorial Administration and Infrastructure; CAC	30-year term (ending June 8, 2032), with option to extend the term of the agreement by 5-year periods if in good standing.

Additionally to the extension of the concession terms aforementioned, the following table sets out aspects of the concession agreements that have been modified as well as grants or financial re-equilibriums received due to the impact of the Covid-19 pandemic.

	Modification to concession agreement
Argentina	On December 17, 2020 AA2000 reached an agreement with ORSNA in relation with past due payments of concession fees and development trusts suspended during 2020, postponing the payments in installments between October 2021 and September 2022. On September 2, 2021, AA2000 and ORSNA agreed to postpone again the past due payments that will be paid in installments between December 2022 and November 2023.
Italy	<p>On April 23, 2020, the Italian Ente Nazionale per l'Aviazione Civile ("ENAC"), in agreement with the Ministry of Infrastructure and Transport, ordered the suspension of the payment of airports concession fees, due in July. For 2020, the payment was commensurate with the traffic actually recorded during the year and was paid in 2021.</p> <p>In 2020 a contribution of € 10 million (approximately USD 12 million) was allocated by the Regional Administration of Tuscany in favor of Toscana Aeroporti S.p.A. in order to contribute to the strengthening of the Tuscan airport system, facilitate the regional economy and address the critical market issues resulting from the Covid-19 pandemic. On August 16, 2021 the contribution was collected.</p> <p>On July 26, 2021, the European Commission approved, under the terms of the European Union law, an Italian grant of € 800 million to compensate airports and handling operators for losses caused by travel restrictions that Italy and other countries implemented in order to contain Covid 19 infections. As of December 31, 2021 the amount referring to this compensation to Toscana Aeroporti S.p.A. has been determined and recognized as an Other operating income in approximately € 9.5 million (equivalent to approximately USD 10.9 million). On March 8, 2022, TA collected € 3.6 million (equivalent to approximately USD 3.9 million) as a partial payment.</p>
Brazil	<p>Due to the impact generated by the pandemic, the Brazilian subsidiaries filed a claim for economic-financial re-equilibrium of its concession contracts. This was possible due to the Brazilian Government recognition that the Covid-19 pandemic is a case of "force majeure" or "fortuitous event" concluding that the loss from the impact of the pandemic is not part of the risks assumed by the private initiative and must be compensated by the Federal Government. In view of this, the Agência Nacional de Aviação Civil ("ANAC") defined as a condition for this re-equilibrium the compensation according to the companies projected operational result in the scenario without pandemic.</p> <p>The amount referring to the reconstitution for the year 2021 and 2020 for Brasilia were estimated in USD 22.6 million and USD 26.8 million net of tax respectively, and the form of this reconstitution is through the compensation of the concession fee payable.</p> <p>The amount referring to the reconstitution for the year 2021 and 2020 for Natal were estimated in USD 2.8 million and USD 2.9 million net of tax respectively, which is being received through the compensation of the monthly contribution and the readjustment of the Control Tower tariffs.</p>
Ecuador	On July 20, 2021, it was agreed a reduction of the annual concession fee to be paid in 2021 from 55.25% to 53.66%. In addition, from 2022 and until the economic and financial equilibrium is met, the concession fee to be paid will be 50.25%.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Our discussion and analysis of our results of operations and financial condition are based upon our Audited Consolidated Financial Statements, which have been prepared in accordance with IFRS. Our operating and financial review and prospects should be read in conjunction with our Audited Consolidated Financial Statements, the accompanying notes thereto and other financial information appearing elsewhere in this management report

Operating results

Factors affecting our results of operations

A number of factors have a significant impact on our business and results of operations, the most important of which are regulations, passenger traffic levels and air traffic operations, fluctuations in exchange rates in the currencies in which we operate, and our capital investment plans.

Regulations

Fees for aeronautical services are established under the terms of the relevant concession agreement and the regulatory framework of the governmental authority in each jurisdiction where we operate. Our concession agreements establish or otherwise regulate the rates that we may charge to aircraft operators and passengers for aeronautical services, including fees for landing and transit of aircraft, departing passenger fees, and fees for aircraft parking. Some of our concession agreements also allow us to charge additional fees to passengers for services such as security and reduced mobility assistance, among others. These fees are invoiced to users of our airport infrastructure, principally airlines using our airports, either from their general revenue or as collected directly from airline passengers.

Passenger traffic levels and air traffic operations

A significant portion of our revenue depends directly or indirectly on the level of passenger traffic at our airports and the number of aircraft movements (takeoffs and landings) conducted in the airports we operate. Aeronautical revenue within our airports is directly dependent on aircraft movements. In addition, our commercial revenues depend significantly on the number of passengers passing through terminals, as well as on the nature of the traffic. For example, international passenger traffic generates more commercial revenue than domestic traffic.

From 2020 to 2021, air traffic increased 41.5% in terms of number of passengers, increased 40.9% in terms of aircraft movements and increased 26.6% in terms of cargo volume handled. From 2019 to 2020, air traffic decreased 70% in terms of number of passengers, decreased 58.9% in terms of aircraft movements and increased 39.8% in terms of cargo volume handled.

Fluctuations in exchange rates in the currencies in which we operate

Our primary foreign currency exposure gives rise to market risks associated with exchange rate movements of the Argentine peso, the Brazilian real, the euro, the Uruguayan peso and the Armenian dram against the U.S. dollar; and the Euro against the Armenian dram. We have liabilities in U.S. dollars that are exposed to foreign currency exchange rate risk. Because we borrow in the international markets to support our operations and investments, we are exposed to market risks from changes in foreign exchange rates.

Our capital investment plans

Our capital investments plans have been affected by the Covid-19-pandemic, to mitigate the impact of such pandemic, beginning in April 2020, the Company has reduced its capital expenditure programs under our concession agreements and deferred non-prioritized projects.

Our segments

We have identified six reportable segments: Argentina, Italy, Brazil, Uruguay, Ecuador and Armenia. See Note 4 to our Audited Consolidated Financial Statements.

In December 2021, we transferred our 50% participation in Aeropuertos Andinos del Perú S.A. ("AAP") to Andino Investment Holding S.A. Our decision to no longer operate in Peru is part of a long-term strategic plan that seeks to concentrate efforts and resources towards core and relevant assets in jurisdictions with long-term meaningful growth opportunities. As of the date of this annual report, we no longer operate the airports under the AAP Concession Agreement, classifying the results from AAP as a discontinued operation in the Income Statement, see Note 30 of our Consolidated Financial Statements.

Our associates

Under the terms of the concession agreement for the operation of the Galapagos Airport (the "Galapagos Concession Agreement"), the net profits generated by ECOGAL must be transferred entirely to the Dirección General de Aviación Civil. Because we are not entitled to receive dividends from the operations of ECOGAL, we record our percentage ownership interest in the shareholders' equity of ECOGAL in "Investments in associates" and we account for our results of operations for ECOGAL under the equity method as "share of loss in associates."

Certain of the operational information provided below with respect to passenger composition, cargo volume and aircraft movements includes results of AAP (until December 2021) and ECOGAL. Revenue and expense information on a per segment basis for Ecuador includes the results of TAGSA, but does not include the results of ECOGAL.

Our passenger traffic, cargo volume and aircraft movements

Our revenue is highly dependent on levels of air traffic. Passenger traffic in our airports is composed of international, domestic and transit passengers. During the years ended December 31, 2021, 2020 and 2019, approximately 63.1%, 57.3% and 56.5%, respectively, of the passengers were domestic passengers, approximately 23.1%, 28.0% and 33.5%, respectively, of our passengers were international passengers, and approximately 13.8%, 14.7% and 9.9%, respectively, of our passengers were transit passengers. The majority of our aircraft movements consist of commercial airline traffic, which drives a substantial portion of our passenger traffic. General aviation, which includes private jets, is the second largest category of aircraft movements, but does not significantly contribute to passenger traffic. Cargo is generally transported through commercial aircraft movements, and to a lesser extent, through cargo flights. The principal factor affecting our cargo volume is macroeconomic conditions in the local and regional markets.

The following table sets forth certain statistical data relating to our total passenger traffic, cargo volume and aircraft movements for the periods indicated:

	For the Year Ended December 31,					
	2021	% change against prior year	2020	% change against prior year¹	2019	% change against prior year¹
Domestic Passengers (in millions)	22.5	56.0%	14.4	(69.6)%	47.6	6.1%
International Passengers (in millions)	8.2	16.5%	7.1	(74.9)%	28.2	0.8%
Transit passengers (in millions)	4.9	33.0%	3.7	(55.7)%	8.4	(7.4)%
Total passengers (in millions)	35.7	41.5%	25.2	(70.0)%	84.2	2.8%
Cargo volumes (in thousands of tons)	323.5	26.6%	255.6	(39.8)%	424.8	3.6%
Total aircraft movements (in thousands)	497.2	40.9%	352.9	(58.9)%	857.9	(2.6)%

Our passenger traffic, cargo volume and aircraft movements, per segment

Set forth below is a summary (including our unconsolidated operations) of the passenger composition, cargo volume and aircraft movements for each of our segments:

For the Year Ended December 31,								
	2021	% of Total	% Change Against Prior Year	2020	% of Total	% Change Against Prior Year	2019	% of Total
Argentina								
Domestic Passengers (in millions)	10.8	48.1%	72.3%	6.3	43.5%	(77.8)%	28.3	59.5%
International Passengers (in millions)	2.0	24.1%	40.0%	3.3	46.8%	(75.6)%	13.6	48.1%
Transit passengers (in millions)	0.5	9.3%	24.7%	0.4	9.9%	(75.6)%	1.5	18.0%
Total passengers (in millions)	13.3	37.2%	33.3%	10.0	39.5%	(77.1)%	43.4	51.6%
Cargo volume (in thousands of tons)	174.4	53.9%	21.2%	143.9	56.3%	(36.9)%	228.0	53.7%
Aircraft movements (in thousands)	227.3	45.7%	46.1%	155.6	44.1%	(65.2)%	447.2	52.1%
Italy								
Domestic Passengers (in millions)	1.0	4.3%	46.7%	0.7	4.6%	(63.0)%	1.8	3.8%
International Passengers (in millions)	1.8	22.4%	40.7%	1.3	18.5%	(79.7)%	6.4	22.8%
Transit passengers (in millions)	0.0	0.0%	166.4%	0.0	0.0%	(92.2)%	0.0	0.1%
Total passengers (in millions)	2.8	7.9%	42.7%	2.0	7.8%	(76.0)%	8.2	9.8%
Cargo volume (in thousands of tons)	15.3	4.7%	15.6%	13.3	5.2%	0.5%	13.2	3.1%
Aircraft movements (in thousands)	39.6	8.0%	31.2%	30.2	8.5%	(61.8)%	79.0	9.2%
Brazil								
Domestic Passengers (in millions)	7.8	34.6%	39.0%	5.6	38.8%	(51.7)%	11.6	24.4%
International Passengers (in millions)	0.1	1.2%	(50.4)%	0.2	2.8%	(72.1)%	0.7	2.5%
Transit passengers (in millions)	4.4	89.9%	34.4%	3.3	89.0%	(51.3)%	6.8	81.0%
Total passengers (in millions)	12.3	34.0%	35.5%	9.1	36.1%	(52.3)%	19.1	22.6%
Cargo volume (in thousands of tons)	60.0	18.5%	72.2%	34.9	13.6%	(61.8)%	91.2	21.5%
Aircraft movements (in thousands)	117.9	23.7%	31.8%	89.4	25.3%	(44.7)%	161.8	18.9%
Uruguay⁽¹⁾								
Domestic Passengers (in millions)	0.0	0.0%	207.4%	0.0	0.0%	(35.4)%	0.0	0.0%
International Passengers (in millions)	0.5	5.9%	(20.2)%	0.6	8.6%	(72.0)%	2.2	7.7%
Transit passengers (in millions)	0.0	0.1%	14.3%	0.0	0.1%	(79.4)%	0.0	0.1%
Total passengers (in millions)	0.5	1.4%	(19.9)%	0.6	2.4%	(72.1)%	2.2	2.6%
Cargo volume (in thousands of tons)	30.4	9.4%	5.3%	28.9	11.3%	(0.7)%	29.1 ⁽²⁾	6.9%
Aircraft movements (in thousands)	17.8	3.6%	36.2%	13.0	3.7%	(56.0)%	29.7	3.5%

For the Year Ended December 31,

	2021	% of Total	% Change Against Prior Year	2020	% of Total	% Change Against Prior Year	2019	% of Total
Armenia								
Domestic Passengers (in millions)	-	0.0%	-%	0.0	0.0%	0.0%	0.0	0.0%
International Passengers (in millions)	2.4	29.1%	190.5%	0.8	11.7%	(74.1)%	3.2	11.3%
Transit passengers (in millions)	-	0.0%	-%	0.0	0.0%	0.0%	-	0.0%
Total passengers (in millions)	2.4	6.7%	190.5%	0.8	3.3%	(74.1)%	3.2	3.8%
Cargo volume (in thousands of tons)	17.3	5.4%	10.1%	15.7	6.2%	(21.6)%	20.1	4.7%
Aircraft movements (in thousands)	21.3	4.3%	109.3%	10.2	2.9%	(62.9)%	27.4	3.2%
Ecuador⁽²⁾								
Domestic Passengers (in millions)	1.1	4.7%	51.3%	0.7	4.8%	(69.9)%	2.3	4.9%
International Passengers (in millions)	1.4	17.3%	74.8%	0.8	11.5%	(61.5)%	2.1	7.5%
Transit passengers (in millions)	0.0	0.7%	(5.6)%	0.0	1.1%	(47.3)%	0.1	0.9%
Total passengers (in millions)	2.5	7.0%	62.2%	1.5	6.1%	(65.6)%	4.5	5.3%
Cargo volume (in thousands of tons)	23.0	7.1%	36.5%	16.8	6.6%	(55.7)%	38.0	8.9%
Aircraft movements (in thousands)	55.9	11.2%	34.4%	41.6	11.8%	(49.5)%	82.4	9.6%

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- (1) Cargo volumes in Uruguay were rectified from January 2019 to June 2020, to reflect all cargo passing through the cargo terminal, instead of air cargo only.
- (2) We have included ECOGAL's operational data, although its results of operations are not consolidated.

Our revenue from Continuing Operations

We classify our revenue in the following categories: aeronautical revenue, commercial revenue, construction service revenue and other revenue. Our consolidated revenue does not include revenue of ECOGAL (Galapagos Airport) operations for the years ended December 31, 2021, 2020 and 2019, as it was accounted for under the equity method.

Our total consolidated revenue for the years ended December 31, 2021, 2020 and 2019 is summarized below:

	For the Year Ended December 31					
	2021		2020		2019	
	(in millions of USD)	% of Total Revenue	(in millions of USD)	% of Total Revenue	(in millions of USD)	% of Total Revenue
Aeronautical revenue	262.8	37.2%	220.0	36.2%	724.0	46.5%
Non-aeronautical Revenue						
Commercial revenue	362.1	51.2%	259.7	42.8%	481.9	30.9%
Construction service revenue	79.8	11.3%	125.8	20.7%	350.3	22.5%
Other Revenue	2.3	0.3%	1.9	0.3%	2.5	0.2%
Total consolidated revenue	706.9	100.0%	607.4	100.0%	1,558.6	100.0%

Aeronautical revenue

Aeronautical revenue is derived from the use of our airport facilities by aircrafts and passengers.

Our concession agreements establish or otherwise regulate the rates that we may charge to aircraft operators and passengers for aeronautical services. We charge each departing passenger a fee for the use of our airports which varies depending upon whether the passenger's flight is an international, regional, or domestic flight, and whether the passenger is in transit. Some of our concession agreements also allow us to charge additional fees to passengers for services such as security and reduced mobility assistance, among others. We charge our aeronautical customers fees for aircraft landing and parking, which depend on whether the flight is international or domestic, the maximum take-off weight of the aircraft, the time slot and take-off time, among other factors. International fees are generally higher than domestic or transit fees.

Non-aeronautical revenue

Our Non-Aeronautical Revenue is comprised of commercial revenue, construction service revenue and other revenue.

Commercial revenue

The majority of our commercial revenue is derived from fees resulting from warehouse usage (which includes cargo storage, storage and warehouse services and related international cargo services), services and retail stores, duty free shops, car parking facilities, catering, hangar services, food and beverage services, retail stores, including royalties collected from retailers' revenue, and rent of space, advertising, fuel, airport counters, VIP lounges and fees collected from other miscellaneous sources, such as telecommunications, car rentals and passenger services.

Construction service revenue

We treat our investments related to improvements and upgrades to be performed in connection with our concession agreements under the intangible asset model established by IFRIC 12. As a result, we define all expenditures associated with investments required by the concession agreements as revenue generating activities given that they ultimately provide future benefits, and subsequent improvements and upgrades made to the concession are recognized as intangible assets based on the principles of IFRIC 12.

Therefore, we recognize revenue and the associated costs of improvements to concession assets in relation with the concessions' obligations to perform improvements as established in the respective concession agreements. Revenue represents the value of the exchange between ourselves and the respective governmental authorities with respect to the improvements, given that we construct or provide improvements to the airports as obligated under the respective concession agreements, and in exchange, the governmental authorities grant us the right to obtain benefits for services provided using those assets, which are recognized as intangible assets. We recognize the revenue and expense in profit or loss when the expenditures are performed. The cost for such additions and improvements to concession assets is based on actual costs incurred by us in the execution of the additions or improvements, considering the investment requirements in the concession agreements. Through bidding processes, we contract third parties to carry out such construction or improvement services. The amount of revenues for these services is equal to the amount of costs incurred plus a reasonable margin, which is estimated at an average of 3.0% to 5.0%. The amounts paid are set at market value.

Other revenue

Other revenue includes revenue that is not otherwise classified as aeronautical revenue, commercial revenue, or construction service revenue.

Our revenue by segment

Set forth below is a summary of the aeronautical revenue and non-aeronautical revenue, including commercial services revenue, construction service revenue and other revenue from continuing operations, for each of our segments, which have intrasegment adjustments allocated to each corresponding segment:

	For the Year Ended December 31,		
	2021	2020	2019
	(in millions of USD)	(in millions of USD)	(in millions of USD)
Argentina			
Aeronautical revenue	94.9	106.7	387.3
Non-aeronautical revenue			
Commercial revenue	214.5	147.5	239.2
Construction service revenue	53.5	95.8	308.3
Other revenue	-	-	-
Total revenue	362.9	350.0	934.8
Italy			
Aeronautical revenue	37.5	29.4	94.7
Non-aeronautical revenue			
Commercial revenue	17.1	16.8	39.1
Construction service revenue	13.7	10.4	9.4
Other revenue	2.2	1.8	2.4
Total revenue	70.5	58.3	145.6
Brazil			
Aeronautical revenue	24.1	20.9	56.1
Non-aeronautical revenue			
Commercial revenue	34.3	30.5	60.4
Construction service revenue	-	-	-
Other revenue	-	-	-
Total revenue	58.4	51.4	116.6
Uruguay			
Aeronautical revenue	14.6	19.6	62.2
Non-aeronautical revenue			
Commercial revenue	31.4	29.4	49.5
Construction service revenue	5.3	9.3	6.1
Other revenue	0.0	0.1	0.1
Total revenue	51.3	58.3	117.8
Ecuador			
Aeronautical revenue	46.5	28.1	71.1
Non-aeronautical revenue			
Commercial revenue	17.9	13.0	23.7
Construction service revenue	0.8	8.6	14.9
Other revenue	-	-	-
Total revenue	65.2	49.7	109.6
Armenia			
Aeronautical revenue	45.3	15.3	52.6
Non-aeronautical revenue			
Commercial revenue	46.5	22.4	69.3
Construction service revenue	6.6	1.7	11.6
Other revenue	-	-	0.0
Total revenue	98.4	39.4	133.5
Unallocated			
Aeronautical revenue	-	-	-
Non-aeronautical revenue			
Commercial revenue	0.3	0.2	0.8
Construction service revenue	-	-	-
Other revenue	0.0	0.0	(0.0)
Total revenue	0.3	0.2	0.7
Total consolidated revenue for all segments	706.9	607.4	1,558.6

(1) We account for the results of operations of ECOGAL using the equity method.

Our expenses

Our expenses are cost of services, selling, general and administrative expenses, financial loss, other operating expenses and income tax expense. Other expenses consist of impairment loss and other operating expenses.

	For the Year Ended December 31,					
	2021		2020		2019	
	(in millions of USD)	% of Total Expenses	(in millions of USD)	% of Total Expenses	(in millions of USD)	% of Total Expenses
Cost of services	622.4	66.4%	653.6	62.1%	1,138.4	71.8%
Selling, general and administrative expenses	102.1	10.9%	101.8	9.7%	168.3	10.6%
Financial loss	131.3	14.0%	215.5	20.5%	233.5	14.7%
Inflation adjustment	(6.7)	(0.7)%	26.5	2.5%	25.4	1.6%
Other expense	18.8	2.0%	69.8	6.6%	45.5	2.8%
Income tax expense	69.1	7.4%	(14.3)	(1.4)%	17.1	1.1%
Total expenses	936.9	100.0%	1,052.9	100%	1,628.3	100.0%

Cost of services

Our cost of services is composed primarily of salaries and social security contributions, construction service cost, maintenance, airport concession fees, the amortization of intangible assets, service fees, cost of fuel, royalties, fees and easements, airport operation costs and other miscellaneous items.

Selling, general and administrative expenses

Our selling, general and administrative expenses consist primarily of taxes, salaries and social contributions, amortization and depreciation, utility services, office expenses, repair and replacement provisions, maintenance costs, advertising expenses, insurance costs, aircraft charter service costs, costs related to security, healthcare and firefighters, bad debt charges and other miscellaneous items.

Financial loss

Our financial loss consists primarily of interest expense, net foreign exchange loss, adjustments with respect to our Brazilian operations and other expenses.

Our expenses by segment

Set forth below is a summary of our expenses by segment:

For the Year Ended December 31,						
	2021		2020		2019	
	(in millions of USD)	% of Total Expenses (1)	(in millions of USD)	% of Total Expenses (1)	(in millions of USD)	% of Total Expenses (1)
Argentina	380.2	51.2%	420.9	55.2%	800.1	61.1%
Italy	96.2	13.0%	86.6	11.3%	119.7	9.1%
Brazil	69.8	9.4%	75.5	9.9%	109.2	8.3%
Uruguay	49.1	6.6%	54.1	7.1%	72.6	5.5%
Armenia	68.7	9.2%	49.0	6.4%	95.5	7.3%
Ecuador	54.1	7.3%	52.5	6.9%	86.2	6.6%
Unallocated	24.8	3.3%	24.4	3.2%	26.2	2.0%
Total segment expenses	742.9	100.0%	762.9	100%	1,309.5	100.0%

(1) Excludes income tax, financial loss, impairment loss.

Summary consolidated results of operations

The following table sets forth a summary of our consolidated results of operations, as well as the percentage change of each category from the prior year for the periods indicated:

For the Year Ended December 31,						
	2021		2020		2019	
	(in millions of USD)	% of Change against prior year	(in millions of USD)	% of Change against prior year	(in millions of USD)	% of Change against prior year
Aeronautical revenue	262.8	19.5%	220.0	(69.6)%	724.0	1.1%
Non-aeronautical Revenue						
Commercial revenue	362.1	39.4%	259.7	(46.1)%	481.9	(5.0)%
Construction service revenue	79.8	(36.6)%	125.8	(64.1)%	350.3	76.5%
Other Revenue	2.3	20.7%	1.9	(23.5)%	2.5	(45.4)%
Total consolidated revenue	706.9	16.4%	607.4	(61.0)%	1,558.6	9.3%

For the Year Ended December 31,						
	2021		2020		2019	
	(in millions of USD)	% of Change against prior year	(in millions of USD)	% of Change against prior year	(in millions of USD)	% of Change against prior year
Cost of services						
Concession fees	94.5	24.1%	76.2	(53.5)%	163.9	(4.4)%
Amortization and depreciation	135.1	(22.3)%	174.0	(14.1)%	152.5	7.5%
Cost of fuel	24.9	90.3%	13.1	(69.9)%	43.5	11.9%
Salaries and social security contributions	141.0	13.3%	124.5	(34.9)%	191	0.0%
Taxes	2.9	(50.1)%	5.9	(65.4)%	17	(4.0)%
Maintenance expenses	83.9	2.2%	82.1	(36.3)%	128.9	(1.6)%
Construction service costs	77.5	(37.8)%	124.4	(64.2)%	348	77.2%
Services and fees	44.8	10.8%	40.5	(38.2)%	65.5	11.3%
Provision for maintenance cost	4.7	159.6%	1.8	(17.6)%	2.2	3.9%
Office expense	5.2	40.1%	3.7	(73.6)%	14.1	22.2%
Others	7.8	3.5%	7.5	(36.2)%	11.8	10.5%
Total cost of services	622.4	(4.8)%	653.6	(42.6)%	1,138.4	17.2%

For the Year Ended December 31,

	2021		2020		2019	
	(in millions of USD)	% of Change against prior year	(in millions of USD)	% of Change against prior year	(in millions of USD)	% of Change against prior year
Selling, general and administrative expenses						
Salaries and Social Security contributions	21.2	3.9%	20.4	(29.5)%	28.9	(11.0)%
Amortization and depreciation	8.4	(11.6)%	9.5	(4.2)%	9.9	(7.7)%
Services and fees	30.9	9.6%	28.2	(25.7)%	37.9	(14.1)%
Taxes	24.8	31.1%	18.9	(51.6)%	39	(14.4)%
Maintenance expenses	0.9	(21.1)%	1.1	(32.4)%	1.7	(44.6)%
Advertising	0.9	(41.7)%	1.6	(54.0)%	3.4	(28.7)%
Office expenses	1.5	20.7%	1.2	(76.5)%	5.2	(49.2)%
Insurances	2.1	5.9%	2.0	19.2%	1.7	(17.1)%
Charter service	-	(100.0)%	0.1	(83.2)%	0.8	(3.7)%
Bad debts recovery	(8.3)	184.7%	(2.9)	0.7%	(2.9)	8.8%
Bad debts	14.7	(10.2)%	16.4	(51.6)%	33.9	165.7%
Others	5.0	(5.4)%	5.3	(40.6)%	8.9	(12.2)%
Total selling, general and administrative expenses	102.1	0.3%	101.8	(39.5)%	168.3	(2.1)%

	2021		2020		2019	
	(in millions of USD)	% of Change against prior year	(in millions of USD)	% of Change against prior year	(in millions of USD)	% of Change against prior year
(Impairment loss)	(0.4)	(99.4)%	(62.3)	45.5%	(42.8)	100.00%
Other operating income	42.8	(21.0)%	54.1	213.5%	17.3	(14.6)%
Other operating expense	(18.4)	144.5%	(7.5)	174.3%	(2.7)	(32.2)%
Operating income	6.5	(103.9)%	(163.7)	(173.2)%	223.6	(25.2)%
Share of loss in associates	(0.6)	(89.8)%	(1.7)	(17.8)%	(1.4)	193.7%
Income before financial results and income tax	5.8	(103.5)%	(165.4)	(174.4)%	222.2	(25.6)%
Financial income	28.1	(21.3)%	35.7	(31.2)%	51.9	(32.0)%
Financial loss	(131.3)	(39.1)%	(215.5)	(7.7)%	(233.5)	(29.5)%
Inflation adjustment	6.7	(125.2)%	(26.5)	4.5%	(25.4)	(30.4)%
(Loss)/ income before income tax expense	(90.7)	(75.6)%	(371.7)	(2,545.7)%	15.2	112.1%
Income tax expense	(69.1)	(589.5)%	14.3	(183.7)%	(17.1)	21.10%
Loss for continuing operations	(159.8)	(55.6)%	(357.4)	18,688.4%	(1.9)	(72.9)%
Discontinued operations						
Loss from discontinued operations	(21.2)	100.0%	(4.5)	14.1%	(3.9)	7.5%
Loss for the year	(181.0)	(49.8)%	(361.9)	6,139.5%	(5.8)	(45.1)%
Loss for the year	(181.0)	(49.8)%	(361.9)	6,139.5%	(5.8)	(45.1)%
Attributable to Owners of the parent	(117.8)	(53.2)%	(253.1)	(2881.1)%	9.1	27.70%
Non-controlling interest	(63.2)	(41.9)%	(108.8)	629.5%	(14.9)	(15.8)%

Year Ended December 31, 2021 Compared with Year Ended December 31, 2020

Revenue

Our revenue was USD 706.9 million for the year ended December 31, 2021, a 16.4% increase from USD 607.4 million for the year ended December 31, 2020. This increase in revenue of USD 99.6 million was principally due to the increase of USD 58.9 million in Armenia and, to a lesser extent, the increase of USD 15.4 million in Ecuador, the increase of USD 12.9 million in Argentina and USD 12.2 million in Italy.

The sum of the revenues reported for each of our segments equals the total amount of consolidated revenues as per the statement of income.

Argentina

Revenue from our Argentina segment was USD 362.9 million for the year ended December 31, 2021, a 3.7%, or USD 12.9 million increases as compared to USD 350.0 million for the year ended December 31, 2020. This increase in revenues was mainly the outcome of:

- a decrease of USD 11.8 million, or 11.1%, in aeronautical revenue due to a decrease in international passenger traffic derived from the impact of the COVID-19 pandemic and a decrease in demand for air travel due to government travel restrictions lifted in November 2021 which was partially offset by the increase in tariffs that we charge under the concessions and the increase in domestic passenger traffic;
- An increase of USD 67.0 million, or 45.4%, in commercial revenue due to: (i) increase in warehouse use fees as a result of increase in cargo volumes and increase in tariff, (ii) increase in revenue related to passenger traffic principally in parking facilities, duty free shop, Vip Lounge, among others, (iv) increase in rental of space due to discount granted to customers in 2020, (iv) offset by a decrease in revenues recorded in local currency, due to the Argentinian Peso's devaluation against the U.S. dollar; and
- a decrease of USD 42.3 million, or 44.1%, in construction services revenue due to the decrease in capital expenditures primarily for the reduction of capital expenditures in connection with the capital expenditures incurred mostly in 2020 and to a lesser extent in 2021 for works for the construction of the new departure terminal building and the refurbishment of the platform at Ezeiza Airport and remodeling Aeroparque Airport.

Italy

Revenue from our Italy segment was USD 70.5 million for the year ended December 31, 2021, a 20.8% or USD 12.2 million increase as compared to USD 58.3 million for the year ended December 31, 2020. This increase in revenue was mainly the result of: (i) an increase of USD 8.1 million, or 27.6%, in aeronautical revenue due to an increase in passenger traffic, and (ii) an increase of USD 3.3 million, or 31.9%, in construction service revenue mainly due to the increase in capital expenditures in Flight infrastructure of Florence and the new Baggage Handling System both in Pisa and Florence airports.

Brazil

Revenue from our Brazil segment was USD 58.4 million for the year ended December 31, 2021 a 13.7% or USD 7.1 million increase as compared to USD 51.4 million for the year ended December 31, 2020. This increase was mainly due to an increase of (i) USD 3.2 million, or 15.5%, in aeronautical revenue due to an increase in passenger traffic and the increase in tariffs that we charge under the concessions which was partially offset by the depreciation of the Real against the U.S. dollar, and (ii) an increase of USD 3.8 million, or 12.5%, in commercial revenue mainly due to the increase in revenues related to passenger traffic mainly in food and beverage and VIP lounge, which was partially offset by the depreciation of the Real against the U.S. dollar.

Uruguay

Revenue from our Uruguay segment was USD 51.3 million for the year ended December 31, 2021, a 12.0% or USD 7.0 million decrease compared to USD 58.3 million for the year ended December 31, 2020. This decrease was mainly derived from a decrease of (i) USD 5.1 million, or 25.8%, in aeronautical revenue due to a decrease in passenger traffic derived from the impact of the COVID-19 pandemic and government restrictions to air travel lifted in November 2021, and (ii) a decrease of USD 4.0 million, or 43.1%, in construction service revenue due to the decrease in capital expenditures primarily due to the mandatory works in Punta del Este Airport incurred in 2020 in connection with the extension of concession, which was partially offset by an increase of USD 2.8 million, or 7.9% in commercial revenue mainly due to the increase in warehouse use fees as a result of increase in cargo volumes.

Ecuador

Revenue from our Ecuador segment was USD 65.2 million for the year ended December 31, 2021, a 31.0% or USD 15.4 million increase as compared to USD 49.7 million for the year ended December 31, 2020. This increase was mainly due to: an increase of (i) USD 18.3 million, or 65.2%, in aeronautical revenue due to an increase in passenger traffic, and (ii) an increase of USD 4.9 million, or 38.0%, in commercial revenue mainly due to the increase in revenues related to passenger traffic principally duty free shop and rental of space and the increase in walkway services and increase in fuel partially offset by (iii) a decrease of USD 7.9 million, or 91.3%, in construction services revenue in connection with decrease in capital expenditures primarily for the capital expenditures incurred in 2020 for works related with Addendum No. 07 in connection with the extension of concession.

Armenia

Revenue from our Armenia segment was USD 98.4 million for the year ended December 31, 2021, a 149.5% or USD 58.9 million increase as compared to USD 39.4 million for the year ended December 31, 2020. This increase in revenue was mainly derived from: an increase of (i) USD 30.0 million, or 196.0%, in aeronautical revenue due to an increase in passenger traffic derived which was partially offset by the depreciation of the Euro against the U.S. dollar, considering that aeronautical revenues are link to euro, and (ii) an increase of USD 24.1 million, or 107.6%, in commercial revenue mainly due to the increase in the sale of fuel at our Armenian airports, an increase in revenues related to passenger traffic principally in duty free and Vip lounge, and an increase in revenues from rental of spaces, due to the laboratory testing points during 2021 and discounts granted to customers in 2020 and (iii) an increase of USD 4.8 million, or 279.2%, in construction services revenue in connection with increase in capital expenditures primarily for works in renovations works in Shirak Airport.

Unallocated

Our unallocated revenue comprised a non-significant amount of commercial revenue for the years ended December 31, 2021 and 2020.

Cost of services

Cost of services decrease 4.8% to USD 622.4 million for the year ended December 31, 2021 compared to USD 653.6 million for the year ended December 31, 2020. This decrease in cost of services of USD 31.2 million was derived from the decrease of USD 53.3 million in Argentina and the USD 4.5 million in Uruguay, offset by the increase of USD 17.3 million in Armenia and USD 11.0 in Italy.

Selling, general and administrative expenses

Selling, general and administrative expenses increased by 0.3% to USD 102.1 million for the year ended December 31, 2021 compared to USD 101.8 million for the year ended December 31, 2020. This increase of USD 0.3 million primarily derived from the increase of USD 2.6 million in Armenia and USD 1.4 million in Unallocated, partially offset by the decrease of USD 3.0 million in Brazil, USD 1.8 million in Italy and USD 0.4 million in Uruguay.

Impairment loss

In the year ended December 31, 2021, we recorded an impairment loss of USD 0.4 million. In the year ended December 31, 2020, we recorded an impairment loss of USD 62.3 million in Brazil due to the write down of the Natal Concession Agreement intangible asset and in CAAP due to the write down of the goodwill related to CAAP's Brazilian subsidiaries (see Note 12 to our Audited Consolidated Financial Statements).

Other operating income

Our other operating income decreased by 21.0% or USD 11.3 million to USD 42.8 million for the year ended December 31, 2021 compared to USD 54.1 million for the year ended December 31, 2020. This decrease was mainly due to a decrease of the USD 14.5 million in re-equilibrium requested under the Brazilian Concession Agreements in connection with the COVID-19 pandemic effects (see Note 8 to our Consolidated Financial Statements). This variation was partially offset by our Italian subsidiary, TA, which recognized an income for the terminal value, which are assets that for regulatory cost accounting purposes will not be fully amortized at the end expiration date of the concession. Additionally, an increase in the grants in Argentina subsidiary AA2000 of USD 1.6 million for the development of airport infrastructure derived from the increase in revenues

Other Operating Expenses

Other operating expenses increased by 99.4% or USD 10.9 million to USD 18.4 million for the year ended December 31, 2021 compared to USD 7.5 million for the year ended December 31, 2020. This increase was mainly due to the increase of USD 12.2 million in Argentina subsidiary AA2000, mainly due to professional and technical fees in connection with the settlement of an environmental legal proceeding against AA2000.

Adjusted segment EBITDA and Adjusted Segment EBITDA excluding Construction Services

We evaluate the performance of each of our segments based on Adjusted EBITDA, defined, with respect to each segment, as net income before financial income, financial loss, inflation adjustment, income tax expense, depreciation and amortization for such segment. The Adjusted EBITDA does not exclude the amortization of the intangible asset related to the fixed fee payable to the corresponding governments for the operation of the airports concessions.

In addition, the CODM considers each reportable segment's Adjusted EBITDA before Construction Services margin as a relevant performance measure.

Adjusted EBITDA excluding Construction Services is defined, with respect to each segment, as net income before construction services revenue, financial income, construction services cost, financial loss, inflation adjustment, income tax expense, depreciation and amortization for such segment. The Adjusted EBITDA excluding construction services revenue and construction services cost does not exclude the amortization of the intangible asset related to the fixed fee payable to the corresponding governments for the operation of airports concessions

The sum of each segment's Adjusted EBITDA and Adjusted EBITDA excluding Construction Services equals the total consolidated Adjusted EBITDA and Adjusted EBITDA excluding Construction Services.

For the Year Ended December 31,

	2021				2020	
	(in millions of USD)	% of Total Adjusted EBITDA	Change against prior year (in millions of USD)	% Change against prior year	(in millions of USD)	% of Total Adjusted EBITDA
Argentina	65.6	43.9%	14.8	29.2%	50.7	373.3%
Italy	0.2	0.1%	4.5	(104.7)%	(4.3)	(31.5)%
Brazil	19.0	12.7%	25.5	(390.5)%	(6.5)	(48.1)%
Uruguay	13.7	9.2%	(2.6)	(16.1)%	16.3	120.3%
Armenia	44.3	29.7%	38.8	710.9%	5.5	40.2%
Ecuador	16.1	10.8%	14.8	1097.7%	1.3	9.9%
Unallocated	(9.5)	(6.4)%	35.4	(78.8)%	(45.0)	(248.9)%
Total segment EBITDA	149.3	100%	131.2	725.8%	11.2	100%

For the Year Ended December 31,

	2021				2020	
	(in millions of USD)	% of Total Adjusted EBITDA	Change against prior year (in millions of USD)	% Change against prior year	(in millions of USD)	% of Total Adjusted EBITDA
Argentina	65.4	44.5%	14.8	29.3%	50.6	413.2%
Italy	(1.8)	(1.2)%	3.7	(67.2)%	(5.5)	(44.5)%
Brazil	19.0	12.9%	25.5	(390.5)%	(6.5)	(53.3)%
Uruguay	13.7	9.3%	(2.6)	(16.1)%	16.3	113.4%
Armenia	44.1	30.0%	38.7	715.0%	5.4	44.2%
Ecuador	16.1	11.0%	14.8	1097.7%	1.3	11.0%
Unallocated	(9.5)	(6.5)%	35.4	(78.8)%	(45.0)	(248.9)%
Total segment EBITDA excluding Construction Services	147.0	100%	130.3	778.1%	16.7	100%

Financial income

Our financial income decreased by 21.3% to USD 28.1 million for the year ended December 31, 2021, compared to financial income of USD 35.7 million for the year ended December 31, 2020. This decrease of USD 7.6 million in financial income was primarily due the decrease in foreign exchange income in Armenia due to the appreciation of the euro.

Financial loss

Our financial loss decreased by 39.1% to USD 131.3 million for the year ended December 31, 2021, compared to financial loss of USD 215.5 million for the year ended December 31, 2020. This decrease of USD 84.2 million in financial loss was primarily due to a decrease of USD 145.5 million in foreign exchange expenses, mostly incurred by AA2000 due to lower Argentine peso's devaluation against the U.S. dollar during 2021 as compared with 2020 and a higher inflation than devaluation. This decrease was partially offset by (i) the increase of USD 39.4 million in changes in liabilities of our subsidiaries in Brazil as a result of an increase in Brazilian index used to adjust the concession fee payable under the Brazilian Concession Agreements, partially offset by the Real's depreciation against the U.S. dollar and (ii) the increase of USD 26.5 million primarily due to an increase in interest

expense, mainly due to an increase in our Argentina subsidiaries affected by the refinancing of the debt.

Income tax expense

Income taxes were USD 69.1 million for the year ended December 31, 2021, a 589.5% variation from the income tax expenses of USD 14.3 million recorded for the year ended December 31, 2020. This USD 83.4 million increase in income tax expense was primarily due to increase in current tax as a consequence of dividend distribution received by Corporacion America S.A. and to a lesser extent driven by higher income mainly in Ecuador and Armenia with respect to 2020, and the increase in deferred tax loss primarily due to a change in the corporate income tax rate in Argentina, established in 2Q21, coupled with an increase in 2020 in deferred income tax in our subsidiary in Argentina due to fiscal losses, offset by a write-off of deferred tax assets made in 2020 in our Brazilian subsidiary, ICAB, as a consequence of a decrease in projections due to the COVID-19 pandemic, which ultimately generated non recoverable fiscal credit.

Cash Flows

Years ended December 31, 2021 and 2020

Operating activities

The net cash provided by operating activities was USD 108.0 million for the year ended December 31, 2021, a USD 107.1 million increase in net cash from operating activities as compared to USD 0.8 million in net cash used in operating activities for the year ended December 31, 2020, as a result of cash preservation measures, including cost control implemented to mitigate the impact of the COVID-19 pandemic and the increase in our airports activity. This increase was principally the result of: (i) the decrease of USD 45.2 million in capital expenditures mainly related to an decrease in infrastructure investments made in Argentina and most of other segments derived from the reduction of non-mandatory capital expenditures in connection with the cash preservation measures implemented to mitigate the negative impact of the COVID-19 pandemic, (ii) decrease of USD 8.9 million in income tax paid during year ended December 31, 2021 in most of the segments due to the decrease in net income, and (iii) increase of USD 11.8 million in government grants which were allocated by the Regional Administration of Tuscany in favor of TA and (iv) the increase of USD 39.8 million in cash provided by operating activities as a consequence of the impact of the COVID-19 pandemic in 2020.

Investing activities

The net cash provided by investing activities from continuing operations was USD 9.6 million for the year ended December 31, 2021, a USD 7.9 million increase as compared to USD 1.7 million in net cash provided by investing activities for the year ended December 31, 2020. The increase in the net cash provided by investing activities was primarily due to (i) the decrease of USD 17.4 million in acquisition of other financial assets mainly for less acquisition of financial asset by AA2000 and CAS Panamá partially offset by more acquisition of financial assets by TAGSA, (ii) the decrease of USD 1.3 million in PPE investments derived from the cash preservation measure implemented to mitigate the negative impact of the COVID-19 pandemic, (iii) the decrease of USD 1.3 million in cash contributions in our associate company

Kuntur Wasi. Such increase was partially offset by the decrease of USD 12.5 million in disposals of other financial assets, primarily due to less disposal of other financial assets in ACI Sudamerica, Corporación Aeroportuaria S.A and Cedikor S.A., partially offset by more disposal of other financial assets in Argentina and CAS Panamá.

Financing activities

The net cash used in financing activities was USD 3.7 million for the year ended December 31, 2021, a 104.1% or USD 94.2 million decrease as compared to USD 90.5 million in net cash provided by financing activities for the year ended December 31, 2020 as a result of (i) the increase of USD 195.4 million in loans paid due to the increase of USD 113.1 million derived from the payment made in AA2000; as a result of an exchange of the Argentine Notes and borrowing refinancing in 2020, USD 17.4 million due to prepaid of local bond in Uruguay, and USD 68.8 million in Italy mainly due to the short-term loans, and (ii) the increase of USD 45.0 million in interest paid mainly derived from: (a) USD 29.0 derived from the payment made in AA2000 in connection with the exchange of the Notes and borrowing refinancing in 2020, (b) USD 7.5 million derived from the payment made in ICAB in connection with the deferral of interest payment in 2020, and (c) USD 6.9 million interest payment made by ACI Sudamérica in connection with the exchange of the notes in 2020. This variation was partially offset by the increase of USD 142.2 million in proceeds from borrowings mainly in Argentina due to the issuing of new notes.

Future developments

Our capital investment plans have been affected by the Covid-19-pandemic, but since the increase in the number of passengers during the last months of 2021, we have started to resume our capital expenditure programs under our concession agreements.

Employees

As of December 31, 2021, 2020 and 2019, we employed 5,786, 5,822 and 6,299, respectively, of whom 5,173, 5,201 and 5,591, respectively, worked on activities such as operations, maintenance, security, customer services, parking and fees collection sector; and 613, 621 and 707, respectively, worked in sales and marketing, the finance sector, administration, human resources, legal department and other activities.

The following table provides information regarding the number of our employees as of December 31, 2021, 2020 and 2019:

	Number of Employees		
	As of December 31,		
	2021	2020	2019
Operations and infrastructure	5,173	5,201	5,591
Administration	613	621	707
Total	5,786	5,822	6,299

Activities of research and development

There were no research and development expenses incurred.

Existence of branches of the Company

We do not have any branch offices.

Shares ownership

On August 20, 2020, the Company approved a management share compensation plan for a period beginning on such date and ending on December 31, 2025, extendable thereafter upon approval from the Board of Directors. The purpose of the plan is to permit executives and key employees of either the Company, or any of its subsidiaries or its affiliates acting as employers (together the "Company Group") who are eligible to receive an annual incentive compensation consisting either of (i) a certain number of shares in the share capital of the Company or of (ii) contractual rights to receive, at a certain point in time, a certain number of shares, thereby encouraging the employees to focus on the long term growth and its contribution to the success of the Company Group.

As part of the aforementioned plan as of December 31, 2021, the Company holds 2,485,445 own shares for a total amount of USD 4,772,954.40 (3,200,445 own shares for a total amount of USD 6,144,854.40 as of December 31, 2020).

None of our directors, officers or members of our senior management owns any of our common shares.

Financial risk management

We are exposed to market risks arising from our normal business activities. These market risks principally involve the possibility that changes in exchange rates will adversely affect the value of our financial assets and liabilities, or future cash flows and earnings. Market risk is the potential loss arising from adverse changes in market rates and prices.

Exchange rate risk

We operate in a number of countries throughout the world and consequently is exposed to foreign exchange rate risk. In addition, we have certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

In order to manage foreign exchange risk, our strategy is based on minimizing net positions of assets and liabilities denominated in foreign currencies together with the use of derivative financial instruments.

The value of our financial assets and liabilities is subject to changes arising out of the variation of foreign currency exchange rates. A significant majority of our business activities is conducted in the respective functional currencies of the subsidiaries. However, we transacts in currencies other than the respective functional

currencies of our subsidiaries. There are significant monetary balances held by our companies at each period-end that are denominated in others currencies (non-functional currency).

The following table sets forth a breakdown of our main monetary net assets and liabilities which may impact our profit and loss:

Currency exposure/functional currency

Currency Exposure / Functional currency	As of December 31, 2021	As of December 31, 2020
U.S. dollar / Argentine Peso	(466,240)	(507,684)
Euro / Armenian dram	9,267	(16,671)
U.S. dollar / Armenian dram	(16,565)	(18,053)
Euro / Argentine Peso	(11,932)	(5,829)

The relevant exposure by currency pair is set forth below in thousands of U.S. dollars:

U.S. dollar—Argentine peso: As of December 31, 2021 and 2020 consisting primarily of U.S. dollar -denominated net monetary assets and liabilities at certain Argentine subsidiaries which functional currency is the Argentine Peso. A change of 3% in the ARS/ USD exchange rate in real (inflation-adjusted) terms would have generated a pre-tax gain / loss of USD 13,897.2 as of December 31, 2021 (USD 15,230.5 as of December 31, 2020).

U.S. dollar —Armenian dram: As of December 31, 2021 and 2020 consisting primarily of U.S. dollar -denominated net monetary assets and liabilities at the Armenian subsidiaries which functional currency is the Armenian Dram. A change of 1% in the Dram/ USD exchange rate would have generated a pre-tax gain / loss of USD 165.7 as of December 31, 2021 (USD 180.5 as of December 31, 2020).

Euro—Armenian dram: As of December 31, 2021 and 2020 consisting primarily of Euro -denominated net monetary assets and liabilities at the Armenian subsidiaries which functional currency is the Armenian Dram. A change of 1% in the Dram / Euro exchange rate would have generated a pre-tax gain / loss of USD 92.7 as of December 31, 2021 (USD 166.7 as of December 31, 2020).

Euro - Argentine Peso: As of December 31, 2021 and 2020 consisting primarily of Euro -denominated net monetary assets and liabilities at the Argentine subsidiaries which functional currency is the Argentine Peso. A change of 3% in the ARS / Euro exchange rate would have generated a pre-tax gain / loss of USD 358 as of December 31, 2021 (USD 174.9 as of December 31, 2020).

Interest rate risk

Our interest rate risk principally arises from long-term borrowings. Borrowings issued at variable rates expose us to increases in interest expense when market interest rates increase, while the borrowings issued at a fixed rate expose us to fair value interest rate risk. We manages this risk by maintaining an appropriate mix between fixed and floating rate interest bearing liabilities.

These activities are evaluated regularly to determine that we are not exposed to interest rate movements that could adversely impact its ability to meet our financial obligations and to comply with our borrowing covenants.

Our total borrowings with a variable rate amounted to USD 483.6 million (33.6% of total borrowings) in the aggregate at December 31, 2021 and to USD 526.0 million (39.1% of total borrowings) in the aggregate at December 31, 2020.

We estimate that, other factors being constant, a 10% increase in floating rates at year-end would decrease income before income tax expense for the years ended December 31, 2021 and 2020 by USD 4.9 million and USD 3.4 million respectively. A 10% decrease in the floating interest rate would have an equal and opposite effect.

Corporate governance

We have adopted a Corporate Governance Code and Code of Conduct and related integrity policies applicable to all of our directors, officers and employees. We have also adopted an additional code of ethics applicable to our Chief Executive Officer, Chief Financial Officer, Controller and other persons performing similar functions. Our articles of association require any director to refrain from voting on or approving of any related-party agreement with such director or party related to such director. Our Corporate Governance Code, Code of Conduct and related integrity policies and Code of Ethics for senior financial officers provide additional procedures for the audit committee and the board of directors to identify, report, review and approve any related-party agreements with directors or senior management (or any affiliate other than us). A copy of these documents is available on our website at <http://www.caap.aero/>. We expect that any significant amendments to such codes, or any waivers of their requirements, will be disclosed on our website

Audit Committee

Each member of the Audit Committee is required to meet the requirements of independence, experience and financial experience. The Audit Committee will perform the duties set forth in our corporate governance code, which is available on our website. The primary responsibilities of the Audit Committee include the following:

- overseeing management's establishment and maintenance of adequate systems of internal accounting, auditing and financial controls;
- reviewing the effectiveness of our legal, regulatory compliance, ethical standards and risk-management programs;
- reviewing certain related-party transactions in accordance with our corporate governance code;
- overseeing our financial reporting process, including the filing of financial reports; and

- selecting our independent auditors, evaluating their independence and performance and approving audit fees and the services provided by them.

Executive Committee

The Executive Committee performs the duties set forth in our corporate governance code. The primary responsibilities of the Executive Committee include the following:

- assessing and proposing business strategies, and implementing strategies and policies approved by the board of directors;
- developing processes for the identification, evaluation, monitoring and mitigation of risks;
- implementing appropriate internal control systems and follow-up of such system's effectiveness, and reporting compliance with its goals to the board of directors;
- analyzing and proposing the full year budget following-up its evolution, and assessing mitigation of internal and market variables;
- identifying and implementing business synergies among Group companies; and
- proposing the delegation of powers to officers and supervising managers, which are consistent with the policies and procedures established by the board of directors.

Acquisitions and Business Development Committee

The Acquisitions and Business Development Committee currently consists of five members: our Chief Executive Officer, our Head of Business Development, our Head of European Business Development, our Head of Accounting and Tax and our Head of Financial and M&A, as the regular members. The Acquisitions and Business Development Committee performs the duties set forth in our corporate governance code. The primary responsibilities of the Acquisitions and Business Development Committee include the following:

- evaluating and reporting on our acquisition and business development plans, in collaboration with the board of directors;
- assisting the board of directors with recommendations on acquisitions and business development agenda of the group;
- evaluating, reporting and recommending to the board of directors specific acquisitions or business opportunities; and
- approving new acquisitions or development opportunities within the powers delegated to the Acquisitions and Business Development Committee by the board of directors.

Disclosure Committee

The Disclosure Committee currently consists of four members: our Chief Executive Officer, our Chief Financial Officer, our Head of Legal, and our Investor Relations Manager. This Committee oversees and reviews all materials for which there is a disclosure requirement. This committee meets at regular intervals in order to review all data.

Compensation Committee

The Compensation Committee currently consists of three members: our Chief Executive Officer, the Chairman of the Board of Directors, and an Independent Director. This Committee oversees and reviews the specific awards to be granted, based on the proposal to be submitted by the plan administrator.

Subsequent events

Inframerica Concessionária do Aeroporto de Brasília S.A. ("ICAB")

In connection with the writ of mandamus granted by the Federal judge in February 2022, see Note 22 of our Consolidated Financial Statements.

Puerta del Sur S.A. ("PDS") – Guarantees

In January 2022, two new guarantees have been constituted:

- Contract performance guarantee with Banco Itaú, increasing from USD 6,000 to USD 7,608, as required by the Integrated management contract.
- Investment performance guarantee with Scotiabank for USD 600 corresponding to the first group of works.

Puerta del Sur S.A. ("PDS") – Concession agreement

On January 11, 2022, the International Airport of Carmelo "Balneario Zargazazú" was taken over by PDS according to the conditions established in the concession agreement amended on November 8, 2021.

Aeropuerto de Neuquén S.A. ("ANSA") – indebtedness

On January 25, 2022, ANSA agreed to reschedule the loan extending its term to November 2024, subject to an initial payment on January 2022. The remaining debt will be cancelled with quarterly payments starting on May 2022. Additionally, the outstanding debt was switched from USD to ARS and the interest rate from Libor plus a spread to BADLAR plus a spread.

Aeropuertos Argentina 2000 S.A. ("AA2000") – indebtedness

On February 2, 2022, AA2000 agreed with Citibank N.A. to modify the amortization schedule of the principal installments of the Offshore Loan corresponding to the months of February, May and August 2022 for a total of USD 11,666,667, the latter amount being payable in 6 equal installments maturing in February, March, May, June, August and September 2022. Additionally, the interest

rate of the loan was switched from Libor plus spread to SOFR plus spread, without a significant impact.

On February 21, 2022, AA2000 issued USD 174 million of dollar-linked notes, in the local market, in two tranches:

- USD 138 million, with an annual interest rate of 5.5%, five-year grace period and quarterly amortization, starting May 2027. AA2000 will use these proceeds to fund infrastructure works in the Group "A" airports, within the National Airports System;
- USD 36 million, with an interest rate of 2%, maturing in February 2025.

On February 22, 2022, disbursements of the bimonetary loan were to repay the installments due on February 2022 of the onshore and offshore loans, amounting ARS 803.9 million (equivalent to USD 7.5 million) and USD 3.9 million.

On March 2, 2022 Citibank disbursed ARS 210 million (equivalent to USD 1.9 millions) in order to offset the installments of the offshore loan due on March 2022.

Aeropuertos Argentina 2000 S.A. ("AA2000") – preferred shares

On February 25, 2022, the Board of Directors of AA2000 resolved:

(i) to redeem all of the outstanding preferred shares, i.e., 910,978,514 preferred shares;

(ii) that the redemption price shall be the equivalent of: (a) the par value (ARS 910,978,514) adjusted for inflation as of the redemption date, i.e., as of the date of the board meeting, which amounts to ARS 16,506,174.484; plus b) the value of the preferred stock dividend accrued for the year 2020, which was not timely paid due to the non-existence of earnings, but which according to the issuance conditions is cumulative, which adjusted for inflation at the redemption date amounts to (ARS 330,123,490); plus c) the value of the preferred stock dividend accrued for the year 2021 and the proportional amount for the year 2022 adjusted for inflation up to the redemption date (ARS 389,421,266). Consequently, the total redemption value will amount to ARS 17,225,719,240 (equivalent to approximately USD 167.7 million);

(iii) that the price be paid as follows: a) the sum of ARS 11,100,000,000 (equivalent to approximately USD 108.1 million) once the capital reduction procedure has been completed and the period for oppositions provided for in the General Corporations Law has elapsed; and b) the balance, before December 31, 2024, with the possibility of partial payments. Such balance will accrue interest equivalent to the corresponding adjustment for inflation plus two percent per annum of the value of the debt; and

(iv) that, upon redemption of the preferred shares, although the preferred shares will participate in the stockholders' meeting that resolves their cancellation, the amount to be redeemed will be recorded in other liabilities.

The adjustment of the preferred shares to be redeemed was made in compliance with the provisions of General Resolution No. 777/18 of the National Securities Commission.

Additionally, on March 10, 2022 an extraordinary general meeting, approved the redemption of the preferred shares, the reduction of the capital stock and the amendment of Article 2.01 of the Company's bylaws.

The redemption of the preferred shares constitutes a commitment assumed by Aeropuertos Argentina 2000 S.A. with the Argentine Government, which is formally set forth in Decree No. 1009/20.

Toscana Aeroporti S.p.A. ("TA") – collection of grant

On March 8, 2022, TA collected € 3.6 million (equivalent to approximately USD 3.9 million) as a partial payment related to the contribution granted by the European Commission to airport operators in 2021 (Note 8.1).

Inframérica Concessionária do Aeroporto de São Gonçalo do Amarante S.A. ("ICASGA") - Concession assets

On March 1, 2022, the operations of the Aeronautical and Air Traffic Telecommunications Service Provider Station and the Airport Control Tower of ICASGA were transferred to the Airspace Control Department, which belongs to the Ministry of Defense of Brazil.

Impact of conflict between Russia and Ukraine

The recent escalation of conflicts between Russia and Ukraine is disrupting international travel from and to Russia and Ukraine. It is possible that such conflict could disrupt supply chains, cause instability in the global economy and disrupt international travel from and to Russia affecting the countries generally served by the Company, mainly Armenia.

In addition, following Russia's invasion of Ukraine, several sanctions have been announced against Russia, including, among others, travel bans and asset freezes impacting business and financial organizations in connection with Russia. Wider sanctions and other actions could be imposed if the conflict further escalate.

As a result of the above and considering the uncertainty of the extension of the war and the additional measures and sanctions that could be imposed, the full extent to which the war will impact the Company's business, results of operations, financial position and liquidity is unknown. The Company is closely monitoring the situation.

Luxembourg, March 23th, 2022