VISTA OIL & GAS, S.A.B. DE C.V.

Special non-consolidated financial statements as of September 30, 2021, and December 31, 2020 and for the nine-month periods ended September 30, 2021, and 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders of
Vista Oil & Gas, S.A.B. de C.V.

Opinion

We have audited the accompanying unconsolidated financial statements of Vista Oil & Gas, S.A.B. de C.V. ("the Company"), which comprise the unconsolidated statement of financial position as at 30 September 2021, and the unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity and unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of Vista Oil & Gas, S.A.B. de C.V. as at 30 September 2021 and their unconsolidated financial performance and their unconsolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are described in the *Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code") and the ethical requirements that are relevant to our audit of the unconsolidated financial statements in Mexico in accordance with the *Código de Ética Profesional del Instituto Mexicano de Contadores Públicos* ("IMCP Code"), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the unconsolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying unconsolidated financial statements.

Description of the key audit matter

We have determined there are no key audit matters to be communicated in this audit report.

Other information

The other information comprises the information included in the annual report filed with the National Banking and Securities Commission ("the CNBV") and the annual report submitted to the shareholders but does not include the financial statements and our auditor's report thereon. Management is responsible for the other information. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report presented to the CNBV and the annual report presented to stockholders, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and issuing the declaratory on annual report requested by CNBV which will describe the matter.

Responsibilities of Management and the Audit Committee for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the accompanying unconsolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

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

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

The partner in charge of the audit resulting in this independent auditor's report is the undersigned.

Mancera, S.C.
A Member Practice of
Ernst & Young Global Limited

Juan Carlos Castellanos López
Mexico City, Mexico
26 October 2021

Special non-consolidated financial statements as of September 30, 2021, and December 31, 2020 and for the nine-month periods ended September 30, 2021, and 2020

TABLE OF CONTENTS

Non-consolidated statements of profit or loss and other comprehensive income for the nine-month periods ended September 30, 2021, and 2020.

(Amounts expressed in thousands of US Dollars)

	Notes	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
General and administrative expenses	**4**	(16,077)	(12,211)
Other operating income	**5**	-	102
Operating (loss)		**(16,077)**	**(12,109)**
Interest income	**6.1**	1,863	2,258
Interest expenses	**6.2**	(1,989)	(1,335)
Other financial results	**6.3**	(1,611)	12,419
Financial results, net		**(1,737)**	**13,342**
(Loss)/ profit before income tax		**(17,814)**	**1,233**
Deferred income tax (expense)	**8**	-	30
Income tax (expense)		**-**	**30**
Net (loss)/profit for the period		**(17,814)**	**1,263**
Other comprehensive income			
Other comprehensive income		**-**	-
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		**-**	**-**
Total comprehensive (loss)/profit for the period		**(17,814)**	**1,263**
Consolidated profit/(loss) per share			
Basic share (in US dollars per share)	**7**	**0.171**	**(1.018)**
Diluted share (in US dollars per share)	**7**	**0.163**	**(1.018)**

Notes 1 through 19 are an integral part of these special non-consolidated financial statements.

Non-consolidated statements of financial position as of September 30, 2021, and December 31, 2020.

(Amounts expressed in thousands of US Dollars)

	Notes	As of September 30, 2021	As of December 31, 2020
Assets			
Non-current assets			
Investments in subsidiaries	**9**	493,868	493,003
Investments in associates		2,077	-
Trade and other receivables	**10**	38,744	29,161
Restricted cash	**12**	3,955	**-**
Total non-current assets		**538,644**	**522,164**
Current assets			
Trade and other receivables	**10**	1,170	796
Cash, bank balances and other short-term investments	**12**	89,730	130,687
Total current assets		**90,900**	**131,483**
Total assets		**629,544**	**653,647**
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	**13.1**	659,400	659,400
Share-based payments	**17**	29,579	23,044
Other accumulated comprehensive losses		(27,852)	(27,852)
Accumulated losses		(72,695)	(54,881)
Total shareholders' equity		**588,432**	**599,711**
Liabilities			
Non-current liabilities			
Borrowings	**11.1**	25,866	48,452
Warrants	**11.2**	9,640	362
Total non-current liabilities		**35,506**	**48,814**
Current liabilities			
Salaries and social security payable	**15**	5,245	4,757
Other taxes and royalties payable		23	8
Accounts payable and accrued liabilities	**14**	338	357
Total current liabilities		**5,606**	**5,122**
Total liabilities		**41,112**	**53,936**
Total shareholders' equity and liabilities		**629,544**	**653,647**

Notes 1 through 19 are an integral part of these special non-consolidated financial statements.

Non-consolidated statements of changes in shareholders' equity for the nine-month periods ended September 30, 2021.

(Amounts expressed in thousands of US Dollars)

	Share Capital	Share-based payments	Accumulated losses	Other accumulated comprehensive losses	Total shareholders' equity
Amounts as of December 31, 2020	**659,400**	**23,044**	**(54,881)**	**(27,852)**	**599,711**
Loss for the period	-	-	(17,814)	-	(17,814)
Total comprehensive income	**-**	**-**	**(17,814)**	**-**	**(17,814)**
- Share-based payments [1]	-	6,535	-	-	6,535
Amounts as of September 30, 2021	**659,400**	**29,579**	**(72,695)**	**(27,852)**	**588,432**

(1) Including 6,435 share-based payment expenses (Note 4).

Notes 1 through 19 are an integral part of these special non-consolidated financial statements.

Non-consolidated statements of changes in shareholders' equity for the nine-month periods ended September 30, 2020.

(Amounts expressed in thousands of US Dollars)

	Share Capital	Share-based payments	Accumulated losses	Other accumulated comprehensive losses	Total shareholders' equity
Amounts as of December 31, 2019	**659,399**	**14,676**	**(53,836)**	**(27,852)**	**592,387**
Profit of the period	-	-	1,263	-	1,263
Total comprehensive income	**-**	**-**	**1,263**	**-**	**1,263**
- Share-based payments [(1)]	-	5,786	-	-	5,786
Amounts as of September 30, 2020	**659,399**	**20,462**	**(52,573)**	**(27,852)**	**599,436**

(1) Including 5,829 share-based payment expenses (Note 4), net of tax charges.

Notes 1 through 19 are an integral part of these special non-consolidated financial statements.

Non-consolidated statements of cash flows for the nine-month periods ended September 30, 2021 and 2020.

(Amounts expressed in thousands of US Dollars)

	Notes	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
Cash flows provided by operating activities			
Net (loss)/profit for the period		(17,814)	1,263
Adjustments to reconcile net cash flows			
Items related to operating activities:			
Net changes in foreign exchange rate	**6.3**	521	4,186
Share-based payments	**4**	6,435	5,829
Income tax expense	**8**	-	(30)
Items related to investing activities:			
Interest income	**6.1**	(1,863)	(2,258)
Changes in the fair value of financial assets	**6.3**	(8,188)	-
Items related to financing activities:			
Interest expenses	**6.2**	1,989	1,335
Changes in the fair value of warrants	**6.3**	9,278	(16,605)
Changes in working capital:			
Trade and other receivables		222	(620)
Accounts payable and accrued liabilities		(15)	(449)
Salaries and social security payable		576	(1,317)
Other taxes and royalties payable		15	10
Net cash flows (used in) operating activities		**(8,844)**	**(8,656)**
Cash flows from investing activities:			
Payments for investments in subsidiaries		-	(38,852)
Payments for investments in associates		(2,077)	-
Borrowings granted to related parties	**16**	(8,000)	-
Proceeds from borrowing granted - principal	**16**	2,119	-
Proceeds from borrowing granted - interest	**6.1**	33	792
Prepaid expenses	**10**	(3,830)	**-**
Net cash flows (used in) investing activities		**(11,755)**	**(38,060)**
Cash flows from financing activities:			
Proceeds from borrowing with related parties	**11.1**	-	46,000
Payment of borrowing´s interests	**11.1**	(3,129)	-
Payment of borrowing´s principal	**11.1**	(13,258)	-
Net cash flows generated (used in) by financing activities		**(16,387)**	**46,000**
Net (decrease) in cash and cash equivalents		**(36,986)**	**(716)**
Cash and cash equivalents at beginning of period		**130,687**	**135,714**
Effect of exposure to changes in the foreign currency rate of cash and cash equivalents		(16)	4
Restricted cash	**12**	(3,955)	-
Net (decrease) in cash and cash equivalents		(36,986)	(716)
Cash and cash equivalents at end of period	**12**	**89,730**	**135,002**

Notes 1 through 19 are an integral part of these special non-consolidated financial statements.

Notes to the special non-consolidated financial statements as of September 30, 2021, and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020

(Amounts expressed in thousands of US Dollars)

Note 1. Corporate and Company information

1.1 General information and Company structure and activities

Vista Oil & Gas, S.A.B. de C.V. ("VISTA", the "Company" or the "Group") is a corporation with variable capital stock organized under the laws of the United Mexican States ("Mexico") on March 22, 2017. The Company adopted the public corporation or "*Sociedad Anónima Bursátil*" ("S.A.B.") form, on July 28, 2017.

On July 25, 2019 the Company made a global offering on the New York Stock Exchange ("NYSE") and began trading the following day under the ticker "VIST". At the same day, the Company issued additional Serie A shares on the BMV.

The Company´s main purposes are to:
(i) acquire, by any legal means, all kinds of assets, shares, equity interests or interests participation in any kind of commercial companies or civil, associations, firms, trust agreements or other entities within the energy sector, in Mexico or in another country, or any other industry;
(ii) participate as a partner, shareholder or investor in all businesses or commercial or civil companies, associations, trust agreements in Mexico or in another country or any other nature;
(iii) issue and place shares representative of its social capital, either through public or private offerings, in national or foreign stock exchange markets;
(iv) issue or place warrants, either through public or private offerings, with respect to shares representing their capital stock or any other type of securities, in domestic or foreign stock exchange markets; and
(v) issue or place negotiable instruments, debt instruments or any other security, either through public or private offerings, in domestic or foreign stock exchange markets.

From its inception until April 4, 2018, all the Company´s activities have been related to its constitution, the Initial Public Offering ("IPO"), in the Mexican Stock Exchange ("BMV"), and the efforts aimed at identifying and consummating the Initial Business Combination. As of that date, the Company's main activity is the exploration and production of oil and gas ("Upstream") through its subsidiaries.

The upstream operations owned by the Company are the following:

Argentina

In the Neuquén basin:
(i) 100% in the conventional concessions for exploitation 25 de Mayo- Medanito SE; Jagüel de los Machos; Entre Lomas Neuquén; Entre Lomas Rio Negro; and Jarilla Quemada y Charco del Palenque (in the Agua Amarga area) (as operator);
(ii) 100% in the unconventional operating concessions for exploitation Baja del Palo Oeste and Bajada del Palo Este (as operator);
(iii) 84.62% in the Coirón Amargo Norte exploitation concessions (as operator);
(iv) 90% in the unconventional operating concessions for exploitation Aguila Mora (as operator);
(v) 50% in the unconventional operating concessions for exploitation Aguada Federal y Bandurria Norte (not operated);

In the Northwest basin:
(i) 1.5% in the concession for exploitation in Acambuco (not operated).

México

(i) 100% of blocks CS-01 (as operator).

The address of the Company´s main office is located in Mexico City. (Mexico) at Volcán 150. Floor 5. Lomas de Chapultepec. Miguel Hidalgo. Zip Code.11000.

Note 2. Basis of preparation and significant accounting policies

2.1 Basis of preparation and presentation

These special non-consolidated financial statements as of September 31, 2021, and December 31, 2020, and for the nine-month periods ended September 31, 2021, and 2020, have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The special non-consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and contingent consideration that have been measured at fair value. The financial statements are presented in US. Dollars ("US") and all values are rounded to thousand (US. 000), except when otherwise indicated.

The normal course of the Company's operations is based on a calendar year corresponding to the period from January 1 to December 31; however, in accordance with IAS 1 "Presentation of financial statements", the Company has chosen to prepare these special non-consolidated financial statements as of September 30, 2021 and 2020 with the purpose of being approved by the General Assembly of Shareholders in order to review their equity situation, including accumulated losses and capital stock, in accordance with the provisions of the Call for the Company's Shareholders' Meeting.

These special non-consolidated financial statements have been approved for issue by the Board of Directors on October 26, 2021 and considers subsequent events up to that date. These special non-consolidated financial statements will be presented to the Shareholders Meeting. The Company´s Shareholders Meeting have the authority to approve or modify the Company´s special non-consolidated financial statements.

2.2 New accounting standards, amendments and interpretations issued by the IASB adopted by the Company

The Company did not opt for the early adoption of any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 7, IFRS 9, IFRS 16 and IAS 39: Interest Rate Benchmark Reform

The amendments provide temporary reliefs which address the financial reporting effects when an Interbank Offered Rate ("IBOR") is replaced with an alternative nearly risk-free interest rate ("RFR").

The amendments include the following practical expedients:
(i) A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
(ii) Permit changes required by IBOR reform to be made to hedge designations;
(iii) Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on these special non-consolidated financial statements as of September 30, 2021 because the Company does not have borrowing with financial institutions under these conditions.

2.3 Subsidiaries

Subsidiaries are all entities over which the Company has control, and this happens if and only if it has:

• Power over the entity;
• Exposure or rights to variable returns from their involvement in the entity; and
• The ability to use its power over the entity to affect its returns.

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

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Notes to the special non-consolidated financial statements as of September 30, 2021 and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020
(Amounts expressed in thousands of US Dollars)

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power including:

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

The relevant activities are those that significantly affect the performance of the subsidiary. The ability to approve the operating and capital budget of a subsidiary; as well as the power to appoint the key personnel of the management, are decisions that demonstrate that the Company has present rights to direct the relevant activities of a subsidiary.

Subsidiaries are consolidated from the date when the Company acquires control over them until the date when such control ceases. Specifically, income and expenses of a subsidiary acquired or disposed during the year are included in the non-consolidated statements of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset and when is necessary, adjustments are made to the special non-consolidated financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies.

In these special non-consolidated financial statements, the accounting method applied to the investment in subsidiaries is the acquisition method at the cost of the investment in them. Dividend income is recognized when such dividends are transferred from the subsidiaries to the Company.

The subsidiaries of the Company are detailed below:

Name of subsidiary	Direct proportion of ownership interest the Company		Place of operation	Main activity
	As of September 30, 2021	As of December 31, 2020		
Vista Holding I S.A. de C.V. ("Vista Holding I")	100%	100%	Mexico	Holding
Vista Holding II S.A. de C.V. ("Vista Holding II")	100%	100%	Mexico	Exploration and production (1)
Vista Holding III S.A. de C.V. ("Vista Holding III")	100%	100%	Mexico	Services
Vista Holding IV S.A. de C.V. ("Vista Holding IV")	100%	100%	Mexico	Services
Vista Holding V S.A. de C.V.	100%	100%	Holland	Holding
Vista Complemento S.A. de C.V. ("Vista Complemento")	100%	100%	Mexico	Services

(1) Refers to the exploration and production of oil and gas.

The participation of the company in the votes of the subsidiaries companies is the same participation as in the share capital.

2.3.1. Changes in ownership interests

Changes in the Company's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted as a decrease in the value of investments in subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in is recognized directly in other comprehensive income for the period.

2.4 Summary of significant accounting policies

2.4.1 Impairment of investments in subsidiaries

Investments in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset´s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of (i) an asset´s fair value less costs of disposal and (ii) value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows, which are largely independent of the cash inflows from other assets or groups of assets.

For more details about impairment of non-financial assets, please refer to Note 3.2.3.

2.4.2 Foreign currency translation

2.4.2.1 Functional and presentation currency

Functional currency for the Company and each of its current subsidiaries is the currency of the primary economic environment in which each entity operates. Functional and presentation currency of all entities is the US. Determination of functional currency may involve certain judgements to identify the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions, which determined the primary economic environment.

2.4.2.2 Transaction and balances

Transactions in currencies other than the functional currency ("foreign currency") are recorded at the exchange rate on the date of each transaction. Foreign exchange profit and loss resulting from the settlement of any transaction and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the non-consolidated statements of profit or loss and other comprehensive income unless they have been capitalized.

Monetary balances in foreign currency are converted at the end of each year at the official exchange rate of each country.

2.4.3 Financial instruments

2.4.3.1 Other financial assets

2.4.3.1.1 Classification

2.4.3.1.1.1 Financial assets at amortized cost

Financial assets are classified and measured at amortized cost only if the following criteria have been met:
(i) the objective of the Company's business model is to hold the asset to collect the contractual cash flows;
(ii) the contractual terms, on specified dates, have cash flows that are solely payments of principal and interest on the outstanding principal.

2.4.3.1.1.2 Financial assets at fair value

If any of the above-mentioned criteria has not been met, the financial asset is classified and measured at fair value ("FVTPL"). through non-consolidated statements of profit or loss and other comprehensive income.

All investments in equity instruments are measured at fair value. As of September 30, 2021, and December 31, 2020, the Company does not have any equity instrument.

2.4.3.1.2 Recognition and measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

A profit or loss on a debt investment that is subsequently measured at fair value and is not part of a hedging relationship is recognized in profit or loss and other comprehensive income. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in consolidated statements of profit or loss and other comprehensive income when the financial asset is derecognized or impaired and through the amortization process using the effective interest rate method.

The Company reclassifies financial assets if and only if its business model to manage financial assets is changed.

Trade receivables and other receivables are recognized at fair value and, subsequently, measured at amortized cost, using the effective interest method, less allowance for expected credit losses, if applicable.

Likewise, the trade receivables arising from services rendered and/or hydrocarbons delivered, but unbilled at the closing date of each reporting period are recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

2.4.3.1.3 Impairment of financial assets

The Company recognizes an allowance for Expected Credit Losses ("ECL") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and other receivables, the Company applies a simplified approach in calculating ECL. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on ECLs at each reporting date. The Company analyzes each of its clients considering its historical credit loss experience, adjusted for forward-looking factors specific to the debtor and the economic environment.

2.4.3.1.4 Offsetting of financial instruments

Financial assets and financial liabilities are presented gross in the consolidated statements of financial position unless both of the following criteria are met: (i) the Company currently has a legally enforceable right to set off the recognized amounts; (ii) and the Company intends to either settle on a net basis or realize the asset and settle the liability simultaneously. A right of set off is the Company's legal right to settle an amount payable to a creditor by applying against it an amount receivable from the same counterparty.

The relevant legal jurisdiction and laws applicable to the relationships between the parties are considered when assessing whether a current legally enforceable right to set off exists.

2.4.4 Financial liabilities and equity instruments

2.4.4.1 Classification as debt or equity

Debt and equity instruments issued by a Company are classified either as financial liabilities or as equity in accordance with the substance of the contractual and the definitions of a financial liability and an equity instrument.
A contractual agreement to issue a variable number of shares is classified as a financial liability and measured at fair value. The changes in fair value recognized in the consolidated statements of profit or loss and other comprehensive income.

2.4.4.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity, and recognized at the proceeds received, net of direct issue costs.

2.4.4.3 Compound instruments

The component parts of compound instruments (negotiable obligations) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

The fair value of the liability component, if any, is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other equity account. Where the conversion option remains unexercised at the maturity date of the negotiable obligations, the balance recognized in equity will be transferred to retained earnings. No profit or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the negotiable obligations are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the negotiable obligations using the effective interest method.

2.4.4.4 Financial liabilities

All financial liabilities are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest method or at FVTPL. Borrowings are recognized initially at fair value, net of transaction costs incurred.

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

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

The loans are classified as current and non-current according to the period of cancellation of the obligation according to the contractual agreement. Those whose settlement operates within 12 months after closing are classified as current.

2.4.4.5 De-recognition of financial liabilities

The Company derecognizes financial liabilities when their obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid, is recognized in profit or loss and other comprehensive income.

When an existing financial liability is replaced with another from the same lender in substantially different terms, or the terms of an existing liability are significantly modified, such exchange or modification is treated as a de-recognition of the original liability and recognition of a new liability. The difference in the respective book values is recognized in profit or loss and other comprehensive income.

2.4.5 Cash and cash equivalents

For the purpose of presentation in the non-consolidated statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

If any bank overdrafts are shown within borrowings in current liabilities in the non-consolidated statements of financial position and there are not disclosed under Cash and cash equivalents in the non-consolidated statements of cash flows since they are not part of the Company's cash management.

2.4.6 Shareholders´ equity

Equity’s movements have been accounted for in accordance with the decisions of shareholders' meetings and legal or regulatory standards.
a. Share capital

Share capital represents the share capital issued, composed of the contributions that were committed and or made by the shareholders. It is represented by shares that comprise outstanding shares at nominal value. Common shares are classified as equity.

b. Legal reserve

In accordance with the Mexican Commercial Companies Law, at least 5% of the net profit for the year must be allocated by the Company to increase the legal reserve until it reaches 20% of the share capital. As of September 30, 2021, and December 31, 2020, the Company has not created this reserve, because it had no net profit in the mentioned years.

c. Accumulated results

Accumulated results comprise accumulated profits or losses without a specific appropriation. Accumulated results can be distributed by the decision of the Company as dividends, as long as they are not subject to legal restrictions.

These accumulated results comprise prior years' profit that were not distributed or losses, the amounts transferred from other comprehensive income and prior years' adjustments.

For the Company, similarly, to the effects of capital reductions, these distributions will be subject to the determination of income taxes according to the applicable income tax rate, except for the re-measured contributed capital stock or if these distributions come from the net fiscal profit account ("CUFIN").

d. Other comprehensive income

Other comprehensive income includes translation losses related to the acquisition of subsidiaries abroad.

e. Dividends distribution

Dividends distribution to Company shareholders is recognized as a liability in the financial statements in the year in which the dividends are approved by the Shareholders' Meeting. The distribution of dividends is made based on the Company’s stand-alone financial statements.

The Company will not be able to pay dividends until future profits absorb the retained losses.

2.4.7 Employee benefits

2.4.7.1 Short-term obligations

Liabilities for contributions and salaries that are expected to be settled wholly within 12 months after the end of the period are recognized the amounts expected to be paid when the liabilities are settled and are presented as “Salaries and other social security contributions” in the special non-consolidated statements of financial position.

The costs related to compensated absences, such as vacation, are recognized as they are accrued.

In Mexico, participation of the workers in the Company's profits (“PTU”) is paid to its qualified employees; which is calculated using the same taxable as for income tax, except for the following:
(i) Neither the tax losses of previous years nor the participation in benefits paid to employees during the year are deductible.
(ii) Tax-exempt payments for employees are fully deductible in the calculation of employee benefit sharing.

2.4.7.2 Share-based payments

Employees (including senior executives) of the Company may receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model (See Note 17).

That cost is recognized in employee benefits expense, together with a corresponding increase in equity ("Shared-based payments"), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the non-consolidated statements of profit or loss and other comprehensive income for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. When an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The possible dilutive effect of outstanding options is reflected, as applicable; in the computation of diluted earnings per share (further details are given in Note 7).

On March 22, 2018, the Company approved a Long-Term Incentive Plan ("LTIP") consisting of a plan to provide for the Company and its subsidiaries to attract and retain talented persons as officers, directors, employees and consultants. The LTIP include the following mechanisms for rewarding and retaining key personal (i) Stock Option Plan; (ii) Restricted Stock Units and; (iii) Performance Restricted Stock and therefore accounted under IFRS 2 Shared based payments as detailed above.

a) Stock Option ("SOP") (equity-settled)

The stock option plan gives the participant the right to buy a quantity of shares over certain period of time. The cost of the equity-settled share purchase plan is measured at grant date, taking into account the terms and conditions on which the share options were granted. The equity-settled compensation cost is recognized in the non-consolidated statements of profit or loss and other comprehensive income under the caption of share-based payments, over the requisite service period.

b) Restricted Stock (equity-settled)

Certain key employees of the Company receive additional benefits for free or at a minimum value once the conditions are achieved through a share purchase plan denominated in Restricted Stock ("RSs), which has been classified as an equity-settled share-based payment. The cost of the equity-settled share purchase plan is measured at grant date, taking into account the terms and conditions on which the share options were granted. The equity-settled compensation cost is recognized in the non-consolidated statements of profit or loss and other comprehensive income under the caption of share-based payments over the requisite service period.

c) Performance Restricted Stock (equity settled)

The Company grants Performance Restricted Stock ("PRSs") to key employees, which entitle them to receive PRSs after having attained certain performance goals over a service period. PRS is classified as an equity-settled share-based payment. The cost of the equity-settled share purchase plan is measured at grant date, taking into account the terms and conditions on which the share options were granted. The equity-settled compensation cost is recognized in the non-consolidated statements of profit or loss and other comprehensive income under the caption of share-based payments, over the requisite service period. As of September 30, 2021, and December 31, 2020, the Company has not granted any PRSs.

2.4.8 Borrowing costs

General and specific borrowing costs which are directly attributable to the acquisition, construction or production are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. They are included as part of the acquisition cost of said assets until such time as they are ready for the expected use or in the conditions necessary for their sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

For the periods ended on September 30, 2021, and December 31, 2020, the Company did not capitalize any borrowing cost as it does not have qualifying assets.

2.4.9 Provisions and contingent liabilities

Provisions are recognized when the Company meet the following conditions: (i) has a present legal or constructive obligation as a result of a past event; (ii) it is probable that an outflow of resources will be required to settle that obligation; and (iii) the amount can be reliably estimated. Provisions are not recognized for future operating losses.

In the case of provisions where the effect of the time value of money is significant, such as those corresponding to the provisions of assets retirement obligation and for environmental remediation, the amounts of the provisions are determined as the present value of the expected of resources to pay the obligation. Provisions are discounted using a pre-tax rate that reflects current market conditions at the date of the statements of financial position and, where appropriate, the specific risks of the liability. When the discount is used, the increase in the provision due to the passage of time is recognized as financial costs.

Provisions are measured at the present value of the expenditures expected to be required to settle the present obligation, taking into account the best available information as of the date of the financial statements based on assumptions and methods considered appropriate and taking into account the opinion of each Company's legal advisors. As additional information becomes available to the Company, estimates are revised and adjusted periodically. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

When the Company expects a part or all the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Contingent liabilities are: (i) possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the entity; or (ii) present obligations that arise from past events, but it is not probable that an outflow of resources will be required to its settlement; or whose amount cannot be measured with sufficient reliability.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

2.4.10 Income tax and minimum presumed income tax

The tax expenses for the year include current and deferred tax. Tax is recognized in the non-consolidated statements of profit or loss and other comprehensive income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, based on amounts expected to be paid to the tax authorities. Where tax treatments are uncertain, if it is considered probable that a taxation authority will accept the Company's proposed tax treatment, income taxes are recognized consistent with the Company's income tax filings. If it is not considered probable, the uncertainty is reflected using either the most likely amount or an expected value, depending on which method better predicts the resolution of the uncertainty.

Deferred income tax is recognized, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are generally recognized for all taxable temporary differences, unless they arise from recognition of a goodwill.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available and can be used against temporary differences. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that enough taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred income tax is provided on temporary differences from investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset the recognized amounts and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Current and deferred tax assets and liabilities have not been discounted and are stated at their nominal values.

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

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

Income tax rates prevailing as of September 30, 2021, and 2020 in Mexico are 30%.

2.4.11 Going concern

The Board oversees the Group’s cash position regularly and liquidity risk throughout the year to ensure that there are sufficient funds to expected financing, operating and investing requirements. Sensitivity tests are conducted to disclose the latest expense expectations, oil and gas prices and other factors so that the Group may manage the risk.

Considering the macroeconomic context, the results of operations and the Group’s cash position, as of September 30, 2021, the Directors asserted, upon approving the financial statements, that the Group may reasonably be expected to fulfill its obligations in the foreseeable future. Therefore, these special non-consolidated financial statements were prepared on a going concern basis.

2.5 Regulatory framework

Consistent with recommendations that the WHO urged to be taken by all countries affected by the COVID-19 pandemic, the Mexican government, by means of Decrees dated March 30, 2020, declared the epidemic of the disease generated by the COVID-19 virus a "sanitary emergency for reasons of force majeure".

On March 31, 2020 the Mexican Federal Ministry of Health issued a decree that establishes as part of the measures to mitigate the spread and transmission of the virus, the immediate suspension of non-essential activities in the public, private and social sectors from March 30 to April 30, 2020. This Decree, among other things, provides a list of essential activities that can continue functioning, including gas and oil activities, because they are considered as fundamental sector of the economy and an indispensable service. It also considers the distribution and sale of energy as an essential activity.

During 2021, this measure has been extended, and this period may continue to be extended for the time considered necessary for the epidemiological situation, determined by competent health authorities of the Federal Government and Mexico City.

Note 3. Significant accounting judgements estimates and assumptions

The preparation of the special non-consolidated financial statements requires the Company's management to make future estimates and assessments, to apply critical judgment and to establish assumptions affecting the application of accounting policies and the amounts of disclosed assets and liabilities, income and expenses.

The estimates and accounting judgments used in the preparation of these special non-consolidated financial statements are evaluated on a continuous basis and are based on past experiences and other reasonable factors under the existing circumstances. Actual future results might differ from the estimates and evaluations made at the date of preparation of these non-consolidated financial statements

3.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see Note 3.2), that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the non-consolidated financial statements.

3.1.1 Contingencies

The Company is subject to various claims, lawsuits and other legal proceedings that arise during the ordinary course of its business. The Company's liabilities with respect to such claims, lawsuits and other legal proceedings cannot be estimated with certainty. Periodically, the Company reviews the status of each contingency and assesses potential financial liability, applying the criteria indicated in Note 22.3, for which management elaborates the estimates mainly with the assistance of legal advisors, based on information available at the non-consolidated financial statements date, and taking into account the litigation and resolution/settlement strategies.

Contingencies include outstanding lawsuits or claims for possible damages to third parties in the ordinary course of the Company's business, as well as third party claims arising from disputes concerning the interpretation of legislation.

The Company evaluates whether there would be additional expenses directly associated to the ultimate resolution of each contingency, which will be included in the provision if they may be reasonably estimated.

3.1.2 Functional currency

Functional currency for the parent entity and each of its subsidiaries is the currency of the primary economic environment in which the entity operates. Functional currency of each entity in the Company is the US. Determination of functional currency may involve certain judgements to identify the primary economic environment. The Company reconsiders functional currency of its entities if there is a change in events and conditions, which determined the primary economic environment.

3.2 Key sources of estimation uncertainty

Estimates, which have a significant risk of producing adjustments on the Company´s amounts of assets and liabilities during the following period/year, are detailed below:

3.2.1 Current and deferred Income tax

The Company´s management has to assess regularly the positions stated in the tax returns as regards those situations where the applicable tax regulations and, if necessary, establish provisions according to the estimated amount that the Company will have to pay to the tax authorities. When the final tax result of these items differs from the amounts initially recognized, those differences will have an effect on the income tax and on the deferred tax provisions in the fiscal year when such determination is made.

There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for eventual tax claims based on estimates of whether additional taxes will be due in the future.

Deferred tax assets are reviewed at each reporting date and reduced in accordance with the probability that the sufficient taxable base will be available to allow for the total or partial recovery of these assets.

Deferred tax assets and liabilities are not discounted. In assessing the realization of deferred tax assets, management considers that it is likely that a portion or all deferred tax assets will not be realized. The ultimate realization of deferred tax assets depends on the generation of future taxable income in the periods in which these temporary differences become deductible. To make this assessment, management takes into consideration the scheduled reversal of deferred tax liabilities, the projections of future taxable profits and tax planning strategies.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These estimates of future taxable profits are based on forecast cash flows from operations (which are impacted by production and sales volumes, oil and gas prices, reserves, operating costs, decommissioning costs, capital expenditure, dividends and other capital management transactions) and judgement about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realize the net deferred tax assets recorded at the reporting date could be impacted. In addition, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Company to obtain tax deductions in future periods.

3.2.2 Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including expected life of the share option, volatility and dividend yield and making assumptions about them.

For measurement of the fair value of SOP with employees at the grant date, the Company uses a Black & Sholes model. The carrying amount, assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 17.

3.2.3 Impairment of investments in subsidiaries

Investments in subsidiaries are tested for impairment in the lowest level at which there are separately identifiable cash flows. For these purposes, the Company has carried out its impairment assessment for each of its subsidiaries for which it identified impairment indicators.

The Company performs its annual impairment test in December of each year or when circumstances indicate that the book value could be affected. The Company's impairment test for investments in subsidiaries is based on the calculation of value in use; and the relationship between the recoverable value and the book value of the investments is reviewed.

As of December 31, 2020, the Company identified impairment indicators in some investments in subsidiaries derived from the drop in international oil prices and carried out an impairment test on such subsidiaries. Likewise, the Company did not record impairment charges associated with investments in subsidiaries.

As of September 30, 2021, the Company did not identify impairment indicators.

Notes to the special non-consolidated financial statements as of September 30, 2021 and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020
(Amounts expressed in thousands of US Dollars)

Note 4. General and administrative expenses

	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
Share-based payments	6,435	5,829
Employee benefits	4,122	2,974
Salaries and social security	4,192	2,291
Fees and compensation for services	1,175	959
Tax, rates and contributions	2	50
Others	151	108
Total general and administrative expenses	**16,077**	**12,211**

Note 5. Other operating income

	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
Others	-	102
Total other operating income	**-**	**102**

Note 6. Financial results

6.1 Interest income

	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
Financial interest with related parties (Note 16)	1,830	1,466
Financial interests	33	792
Total interest income	**1,863**	**2,258**

6.2 Interest expenses

	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
Financial interest with related parties (Note 16)	(1,989)	(1,335)
Total interest expenses	**(1,989)**	**(1,335)**

6.3 Other financial results

	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
Changes in the fair value of warrants	(9,278)	16,605
Changes in the fair value of financial assets [(1)]	8,188	-
Net changes in foreign exchange rate	(521)	(4,186)
Total other financial results	**(1,611)**	**12,419**

(1) Originated by the partial cancellation of the loan with Vista Argentina through the purchase / sale of bonds in Argentina. See Note 16

Note 7. Profit /(Loss) per share

a) Basic

Basic profit (loss) per share is calculated by dividing the Company's profit or loss by the weighted average number of ordinary shares outstanding during the period.

Notes to the special non-consolidated financial statements as of September 30, 2021 and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020
(Amounts expressed in thousands of US Dollars)

b) Diluted

Diluted profit (loss) per share is calculated by dividing the Company's profit or loss by the weighted average number of ordinary shares outstanding during the period, plus the weighted average of dilutive potential ordinary shares.

Dilutive potential ordinary shares will be considered dilutive when their conversion to ordinary shares may reduce earnings per share or increase losses per share. They will be considered antidilutive when their conversion to ordinary shares may result in an increase in earnings per share or a reduction in loss per share.

The calculation of diluted profit (loss) per share does not involve a conversion; the exercise or other issue of shares that may have an antidilutive effect on loss per share, or when the exercise price is higher than the average price of ordinary shares during the period, no dilution effect is booked, as diluted profit (loss) per share is equal to basic profit (loss) per share.

	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
Consolidated profit/(loss) for the period, net	15,095	(88,937)
Weighted average number of ordinary shares	88,164,915	87,394,852
Basic profit/(loss) per share (in US dollars per share)	**0.171**	**(1.018)**

	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
Consolidated profit/(Loss) for the period, net	15,095	(88,937)
Weighted average number of ordinary shares	92,499,359	87,394,852
Diluted profit/(loss) per share (in US dollars per share)	**0.163**	**(1.018)**

As of September 30, 2021, the Company holds the following ordinary shares that, on the date of these special non-consolidated financial statements, are currently out of the money. Consequently, they are not included in the weighted average number of ordinary shares to calculate diluted profit/(loss) per share:

i. 21,666,667 Series A shares related to 65,000,000 Series A warrants;
ii. 9,893,333 Series A shares related to 29,680,000 warrants;
iii. 1,666,667 Series A shares related to 5,000,000 securities (Forward Purchase Agreement ("FPA") and;
iv. 3,957,518 Series A shares that will be used in the Long-Term Incentive Plan ("LTIP").

There were no other transactions involving ordinary shares or dilutive potential ordinary shares between the reporting date and the date of approval of these non-consolidated financial statements.

Note 8. Deferred income tax assets and liabilities and income tax expense

The composition as of September 30, 2021 and December 31, 2020 of the deferred tax assets and liabilities is as follows:

	As of January 1, 2021	Benefit	As of September 30,2021
Prepaid expenses	-	-	-
Deferred income tax liabilities	-	-	-
Deferred income tax liabilities	-	-	-

	As of January 1, 2020	Benefit	As of December 31,2021
Prepaid expenses	(30)	30	-
Deferred income tax liabilities	(30)	30	-
Deferred income tax liabilities	(30)	30	-

Notes to the special non-consolidated financial statements as of September 30, 2021 and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020

(Amounts expressed in thousands of US Dollars)

The breakdown of income tax charge is as follows:

	Period from January 1 through September 30, 2021	Period from January 1 through September 30, 2020
Current income tax		
Current income tax (expense)	-	-
Deferred income tax		
Relating to origination and reversal of temporary differences	-	(30)
Income tax reported in non-consolidated statements of profit or loss	**-**	**(30)**

As of September 30, 2021, and December 30, 2020 Vista has unused tax loss carryforwards, for which a deferred income tax asset has not been recognized, and that may be recovered provided certain requirements are fulfilled.

The tax losses carryforwards for which deferred tax asset has been recorded and their corresponding years of expiration are as follows:

	As of September 30, 2021	As of December 31, 2021
2027	4,410	4,308
2028	50,598	49,422
2029	22,067	22,147
2030 Onward	1,742	1,702
Total tax loss	**78,817**	**77,579**

Note 9. Investments in subsidiaries

The composition as of September 30, 2021 and December 31, 2020 of the investments in subsidiaries is as follows:

Company	Direct proportion of ownership interest the Company	Investments in subsidiaries		Main activity	Place of operation
		As of September 30, 2021	As of December 31, 2021		
Vista Holding I [1] [2]	100%	477,039	476,276	Holding	Mexico
Vista Holding II [1]	100%	16,829	16,576	Exploration and production	Mexico
Vista Complemento [1]	100%	-	151	Services	Mexico
		493,868	**493,003**		

(1) Includes share-based payments of employees of its subsidiaries.
(2) On March 31, April 27 and May 11, 2020, the Company made cash capital contributions to Vista Holding I for 38,439; 522 and 132, respectively.

Note 10. Trade and other receivables

	As of September 30, 2021	As of December 31, 2021
Non-current		
Other receivables:		
Prepaid expenses	3,830	1,458
	3,830	**1,458**
Financial assets:		
Related parties (Note 16)	34,914	27,703
	34,914	**27,703**
Total non-current trade and other receivables	**38,744**	**29,161**

Notes to the special non-consolidated financial statements as of September 30, 2021 and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020

(Amounts expressed in thousands of US Dollars)

	As of September 30, 2021	As of December 31, 2021
Current		
Other receivables:		
Prepayments, tax credits and other:		
Prepaid expenses	20	178
Value Added Tax ("VAT")	61	6
Income tax	1	1
	82	**185**
Financial assets:		
Related parties (Note 16)	1,055	611
Others	33	-
	1,088	**611**
Total current trade and other receivables	**1,170**	**796**

Note 11. Financial assets and liabilities

11.1 Changes in liabilities arising from financing activities

Changes in the borrowings were as follows:

	As of September 30, 2021	As of December 31, 2020
Amounts at beginning of period/year	**48,452**	**-**
Proceeds from borrowing with related parties	-	46,000
Borrowing interest [(1)]	1,989	2,452
Payment of borrowing´s interests	(3,129)	-
Payment of borrowing´s principal [(2)]	(21,446)	-
Amounts at end of period/year	**25,866**	**48,452**

(2) Transactions that do not generate cash flows.

(3) Including 8,188 related to the acquisition and sale of Argentine bonds. Ver Note 6.3

11.2 Warrants

Along with the issuance of the Series A common shares at the IPO, the Company placed 65,000,000 warrants to purchase one-third of a Series A common shares at a strike price of 11.50 US per share (the "Series A Warrants"). These Series A Warrants expire on April 4, 2023 or earlier if, after exercisability, the closing price for a class A common share for any 20 trading days within an applicable 30-trading day period shall equal or exceed the peso equivalent of 18.00 US and the Company decides to early terminate the exercise period of the warrants. In the event the Company declares an early termination, will have the right to declare that the exercise of the Series A Warrants to be made on a "cashless basis". If the Company elects the cashless exercise, holders of Series A Warrants electing to exercise such warrants shall do so by surrendering warrants and receiving a variable number of Series A shares resulting from the formula set forth in the Warrant indenture, which captures the average of the US equivalent of the closing price of the class A shares during a 10-day period.

Substantially at the same time, the Company's sponsors purchased a total of 29,680,000 warrants to purchase one-third of a Series A common share at a strike price of 11.50 US per share (the "Warrants") for 14,840 in a private placement that was made simultaneously with the closing of the IPO in Mexico. The Warrants are identical to and fungible with the Series A Warrants; however, the Warrants may be exercised for cash or on a cashless basis for a variable number of Series A shares at the discretion of the Company's sponsors or their permitted transferees. If the Warrants are held by other persons, then they will be exercisable by on the same basis as the other warrants.

On August 15, 2018, the exercise period of the Warrants commenced.

On February 13, 2019, the Company completed sale of 5,000,000 of warrants to purchase one-third of a Series A common shares pursuant to a "Forward Purchase Agreement" and certain subscription commitment, at a price of 11.50 US/per share.

As of September 30, 2021, and December 31, 2020, warrant´s holders have not exercised their right.

Notes to the special non-consolidated financial statements as of September 30, 2021 and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020
(Amounts expressed in thousands of US Dollars)

The liability associated with the warrant will eventually be converted to the Company's equity (Series A common shares) when the warrants are exercised or will be extinguished upon the expiry of the outstanding warrants and will not result in the payment of any cash by the Company.

	As of September 30, 2021	As of December 31, 2020
Non-current		
Warrants	9,640	362
Total non-current	**9,640**	**362**

11.3 Financial instruments by category

The following chart includes the financial instruments broken down by category:

As of September 30, 2021	Financial assets/liabilities at amortized cost	Financial assets/liabilities FVTPL	Total financial assets/liabilities
Assets			
Trade and other receivables (Note 10)	34,914	-	34,914
Total non-current financial assets	**34,914**	**-**	**34,914**
Cash, banks balances and short-term investments (Note 12)	89,730	-	89,730
Trade and other receivables (Note 10)	1,055	-	1,055
Others (Note 10)	33	-	33
Total current financial assets	**90,818**	**-**	**90,818**
Liabilities			
Borrowings (Note 11.1)	25,866	-	25,866
Warrants (Note 11.2)	-	9,640	9,640
Total non-current financial liabilities	**25,866**	**9,640**	**35,506**
Accounts payable and accrued liabilities (Note 14)	340	-	340
Total current financial liabilities	**340**	**-**	**340**

As of December 31, 2020	Financial assets/liabilities at amortized cost	Financial assets/liabilities FVTPL	Total financial assets/liabilities
Assets			
Trade and other receivables (Note 10)	27,703	-	27,703
Total non-current financial assets	**27,703**	**-**	**27,703**
Cash, banks balances and Short-term investments (Note 12)	130,687	-	130,687
Trade and other receivables (Note 10)	611	-	611
Total current financial assets	**131,298**	**-**	**131,298**
Liabilities			
Borrowings (Note 11.1)	48,452	-	48,452
Warrants (Note 11.2)	-	362	362
Total non-current financial liabilities	**48,452**	**362**	**48,814**
Accounts payable and accrued liabilities (Note 14)	357	-	357
Total current financial liabilities	**357**	**-**	**357**

Notes to the special non-consolidated financial statements as of September 30, 2021 and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020

(Amounts expressed in thousands of US Dollars)

Below are income, expenses, profit or loss from each financial instrument:

For the nine-month period ended September 30, 2021:

	Financial assets/liabilities at amortized cost	Financial assets/liabilities at FVTPL	Total
Interest income (Note 6.1)	1,863	-	1,863
Interest expenses (Note 6.2)	(1,989)	-	(1,989)
Net changes in foreign exchange rate (Note 6.3)	(521)	-	(521)
Changes in the fair value of financial assets (Note 6.3)	8,188	-	8,188
Changes in the fair value of warrants (Note 6.3)	-	(9,278)	(9,278)
Total	**7,541**	**(9,278)**	**1,737**

For the nine-month period ended September 30, 2020:

	Financial assets/liabilities at amortized cost	Financial assets/liabilities at FVTPL	Total
Interest income (Note 6.1)	2,258	-	2,258
Interest expenses (Note 6.2)	(1,335)	-	(1,335)
Net changes in foreign exchange rate (Note 6.3)	(4,186)	-	(4,186)
Changes in the fair value of warrants (Note 6.3)	-	16,605	16,605
Total	**(3,263)**	**16,605**	**13,342**

11.4 Fair value

This note includes information on the Company's method for assessing the fair value of sits financial assets and liabilities.

11.4.1 Fair value of the Company's financial assets and liabilities measured at fair value on a recurring basis

The Company classifies the measurements at fair value of financial instruments using a fair value hierarchy, which shows the relevance of the variables applied to carry out these measurements. The hierarchy categorizes the inputs into three levels:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: data other than the quoted prices included in Level 1 that are observable for assets or liabilities, either directly (that is prices) or indirectly (that is derived from prices).
- Level 3: data on the asset or liability that are based on non-observable market data (that is, non-observable information).

The following chart shows the Company's financial assets and liabilities measured at fair value as of September 30, 2021 and December 31, 2020:

As of September 30, 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Liabilities				
Financial liabilities at fair value through profit or loss				
Warrants	-	-	9,640	9,640
Total liabilities	**-**	**-**	**9,640**	**9,640**

(Amounts expressed in thousands of US Dollars)

As of December 31, 2021	Level 1	Level 2	Level 3	Total
Liabilities				
Financial liabilities at fair value through profit or loss				
Warrants	-	-	362	362
Total liabilities	**-**	**-**	**362**	**362**

The value of financial instruments traded in active markets is based on quoted market prices as of the date of these accompanying non-consolidated financial statements. A market is considered active when quoted prices are available regularly through a stock exchange, a broker, a specific sector entity or regulatory agency, and these prices reflect regular and current market transactions between parties at arm's length. The quoted market price used for financial assets held by the Company is the current offer price. These instruments are included in Level 1.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques.

These valuation techniques maximize the use of observable market data, when available, and minimize the use of Company's specific estimates. Should all significant variables used to establish the fair value of a financial instrument be observable, the instrument is included in Level 2.

Should one or more variables used in determining the fair value not be observable in the market, the financial instrument is included in Level 3.

There were no transfers between Level 1 and Level 2 from December 31, 2020 through September 30, 2021 or from December 31,2019 through December 31, 2020.

The fair value of warrants is determined using the Black & Scholes model considering the expected volatility of the Company's ordinary shares upon estimating the future volatility of Company share price. The risk-free interest rate for the expected useful life of the sponsor's warrants is based on the available return of benchmark government bonds with an equivalent remainder term upon the grant. The expected life is based on the contractual terms.

The following assumptions were used in estimating the fair value of warrants as of September 30, 2021 and December 31, 2020:

	As of September, 30,2021	As of December 31, 2020
Annualized volatility	40.06%	40.21%
Risk free domestic interest rate	6.06%	4.34%
Risk free foreign interest rate	0.20%	0.13%
Remainder useful life in years	1.53 years	2.29 years

It is a recurring Level 3 fair value measurement. The key Level 3 inputs used by Management to assess fair value are market price and expected volatility. As of September 30, 2021: (i) should market price increase by 0.10 it would increase the obligation by about 628; (ii) should market price decrease by 0.10 it would drop the obligation by about 607; (iii) should volatility increase by 50 basis points, it would rise the obligation by about 272 and; (iv) should volatility slip by 50 basis points, it would reduce the obligation by about 273.

Reconciliation of level 3 measurements at fair value:

	As of September 30, 2021	As of December 31, 2020
Warrant liability amount at beginning of period/year:	**362**	**16,860**
Loss/(Profit) changes in the fair value of warrants	9,278	(16,498)
Amount at end of period/year	**9,640**	**362**

Notes to the special non-consolidated financial statements as of September 30, 2021 and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020

(Amounts expressed in thousands of US Dollars)

Note 12. Cash, bank balances and short-term investments

	As of September 30, 2021	As of December 31, 2020
Money market funds	87,947	129,658
Cash in banks	1,783	1,029
Total	**89,730**	**130,687**

As of September 30, 2021, the Company has 3,955 as restricted cash.

Note 13. Share Capital and Capital Risk Management

13.1 Share Capital

The following chart shows a reconciliation of the movements in equity of the Company for the period/year ended September 30, 2021 and December 31, 2020:

	Series A Publicly traded shares	Series A Private Offering	Series B	Series C	Total
Balances as of December 31, 2019	**569,160**	**90,239**	**-**	**-**	**659,399**
Number of shares	**77,315,572**	**9,817,932**	**-**	**2**	**87,133,506**
Shares Series A shares granted for the LTIP	-	1	-	-	1
Number of shares	-	717,782	-	-	717,782
Balances as of December 31, 2020	**569,160**	**90,240**	**-**	**-**	**659,400**
Number of shares	**77,315,572**	**10,535.714**	**-**	**2**	**87,851,288**
Shares Series A shares granted for the LTIP	-	-	-	-	-
Number of shares	-	578,314	-	-	578,314
Balances as of September 31, 2021	**569,160**	**90,240**	**-**	**-**	**659,400**
Number of shares	**77,315,572**	**11,114,028**	**-**	**2**	**88,429,602**

1) Series A Publicly traded shares

On August 15, 2017, the Company concluded its IPO in the BMV, and as a result, the Company issued on that date 65,000,000 Series A common shares for an amount of 650,017 minus the offering fees of 9,988. This Series A common shares were redeemable during the first 24 months of the IPO or at the shareholders election once the Initial Business Combination were approved.

On April 4, 2018, the Company consummated its Initial Business Combination for an amount of 653,781 minus the offering fees of 26,199, the funds accumulated in the Escrow Account.

On February 13, 2019 the Company completed the sale of 5,500,000 of series A shares and 5,000,000 of warrants to purchase series A shares for an aggregate amount of 55,000 to Kensington Investments B.V., pursuant to a Forward Purchase Agreement and certain subscription commitment.
On July 25, 2019, the Company made a global offering in Mexico and United States, as a result of both transactions the Company issued a total of 10,906,257 new Serie A shares. The global offering consisted of:

(i) an international offering in the United States and other countries outside of Mexico of 10,091,257 American Depositary Shares "ADS", each one representing one Series A share, at a price of 9.25 US/ADS. The ADS are listed on the NYSE under the ticker "VIST"; and

(ii) a concurrent public offering in Mexico of 815,000 Series A shares at a price equivalent to US 9.25 in Mexican pesos per Series A share.

For the global offering, the Company obtained net resources of offering expenses for 91,143.

2) Series A Private Offering

As disclosed in Note 17, on March 22, 2018, the Company's shareholders approved 8,750,000 common shares to be held in treasury to be used to implement the LTIP, at the discretion of the Administrator of the Plan, based on the opinion of independent experts.

For the nine-months period ended September 30, 2021, and for the year ended December 31,2020, the Company issued 578,314 and 717,782 Serie A shares that were in treasury to be used to implement the LTIP.

As of September 30, 2021, and December 31,2020, the Company's capital stock amounts to 88,429,600 and 87,851,286 fully subscribed and paid Series A shares with no face value, respectively, each entitled to one vote, issued and fully paid. As of September 30, 2021, and December 31, 2020, the Company's authorized capital includes 40,362,639 and 40,940,953 Series A ordinary shares held in Treasury that may be used with warrants, forward purchase agreements and LTIP.

3) Series B

Prior to the initial global offering of the Company, through unanimous resolutions of the shareholders on May 30,2017, it was resolved, among other matters, to increase the variable part of the Company's capital stock by an amount of 25,000 to through the issuance of ordinary, nominative shares, without expression of their nominal value.

On April 4, 2018, these shares were converted to Series A shares.

4) Series C

The variable portion of the capital stock is of unlimited amount pursuant to the bylaws and the applicable laws, whereas the fixed portion of the Company's capital stock is divided into 2 class C shares.

13.2 Capital risk management

On managing capital, the Company aims to safeguard its capacity to continue operating as an on-going business with the purpose of generating return for its shareholders and benefits to other stakeholders and keeping an optimal capital structure.

The Company to maintain or adjust the capital structure, may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares, conduct stock purchase programs or sell assets to reduce its debt. The Company monitors its capital based on the leverage ratio. This ratio is calculated by dividing: (i) the net debt (the borrowings and leases liabilities minus cash, bank balances and short-term investments) by, (ii) the total capital (the shareholders' equity as shown in the consolidated statements of financial position including all reserve).

13.3 Liquidity risk

The liquidity risk is associated with the Company's capacity to finance its commitments and conduct its business plans with stable financial sources, as well as with the indebtedness level and the financial debt maturities profile. The cash flow projection is made by the financial department.

The Company´s management supervises updated projections on liquidity requirements to guarantee the sufficiency of cash and liquid financial instruments to meet operating needs. In this way, the aim is that the Company does not breach indebtedness levels or the covenants, if applicable, of any credit facility. Those projections take into consideration the Company's debt financing plans, the compliance of the covenants and, if applicable, the external regulatory or legal requirements such as, for example, restrictions on the use of foreign currency.

Excess cash and balances above working capital management requirements are managed by the Company's financial department, which invests them in term deposits, money market funds and mutual funds, selecting instruments having proper currencies and maturities, and an adequate credit quality and liquidity to provide a sufficient margin as determined in the previously mentioned projections.

Notes to the special non-consolidated financial statements as of September 30, 2021 and December 31, 2020 and for the nine-month periods ended September 30, 2021 and 2020
(Amounts expressed in thousands of US Dollars)

The Company keeps its sources of financing diversified between banks and the capital market, and it is exposed to the refinancing risk at maturity.

Note 14. Accounts payable and accrued liabilities

	As of September 30, 2021	As of December 31, 2020
Current		
Accounts payable:		
Suppliers	328	347
Total current accounts payable	**328**	**347**
Accrued liabilities:		
Other liabilities	10	10
Total current accrued liabilities	**10**	**10**
Total current	**338**	**357**

Note 15. Salaries and social security payable

	As of September 30, 2021	As of December 31, 2020
Current		
Provision for gratifications and bonus	4,282	3,958
Salaries and social security contributions	963	799
Total current	**5,245**	**4,757**

Note 16. Related parties' transactions and balances

The following table provides the total amount of balances that have been entered into with related parties for each period/year:

	As of September 30, 2021	As of December 31, 2021
Other receivables		
Non-current		
Vista Holding II (Note 10)	34,914	27,703
Total non-current	**34,914**	**27,703**
Current		
Vista Argentina	850	418
Vista Holding I	108	108
Vista Complemento	59	59
Vista Holding III	18	14
Vista Holding IV	20	12
Total current	**1,055**	**611**

	As of September 30, 2021	As of December 31, 2021
Borrowings		
Non-current		
Vista Argentina (Note 11.1)	25,866	48,452
Total non-current	**25,866**	**48,452**

(Amounts expressed in thousands of US Dollars)

The following are the borrowing granted by the Company as of September 30, 2021 and December 31, 2020:

Instrument	Company	Execution date	Currency	Credit Line	Interest	Annual rate	Maturity date	As of September 30, 2021	As of December 31, 2021
Borrowing	Vista Holding II	October, 2018	Mexican Pesos	11,000	Fixed	9.02%	October, 2023	632	610
			Mexican Pesos	600,000	Fixed	10.03%	October, 2023	34,282	27,093
								34,914	**27,703**

The outstanding balances at the end of the period/year are not guaranteed and settlement is made in cash. There have been no guarantees provided or received by any party related to accounts receivable or payable for the period / year ended September 30, 2021 and December 31, 2020, the Company has not recorded any impairment of accounts for collect related to amounts owed by related parties. This evaluation is carried out at each year-end by examining the financial situation of the related party and the market in which it operates.

The book value of the borrowing received as of September 30, 2021 and December 31, 2020 is detailed below:

Instrument	Company	Execution date	Currency	Credit Line	Interest	Annual rate	Maturity date	As of September 30, 2021	As of December 31, 2021
Borrowing	Vista Argentina	June, 2020	US	46,000	Fixed	9.50%	June, 2030	25,866	48,452

Note 17. Share-based payments

On March 22, 2018 the Shareholders of the Company authorized the existence of a LTIP to retain key employees and vested the Board of Directors with authority to administer such plan. On the same Shareholder´s Meeting, the Shareholders resolved to reserve 8,750,000 Series A shares to be used thereunder.

As per the LTIP approved by the Board, such plan started on April 4, 2018 and as part of the LTIP the Company manages the plan through an Administrative Trust.

The plan has the following benefits paid to certain executives and employees that are considered share-based payments:

17.1 Stock Options (Equity Settled)

The stock option gives the participant the right to buy a quantity of shares over certain period of time at a defined strike price. Stock options will be vested as follows: (i) 33% the first year; (ii) 33% the second year; and (iii) 34% the third year with respect to the date on which the stock options are provided to the participants. Stock Options are exercisable up to 5 or 10 years from the date they are granted. The plan establishes that the number of options to be granted will be determined using a Black & Sholes Model.

17.1.1 Movements during the period/year of Series A shares

The following table illustrates the number of rights to buy and weighted average exercise prices ("WAEP") of, and movements in, share options during the year:

	For the nine-month periods ended September 30, 2021		For the year ended December 31, 2020	
	Number of rights to buy	**WAEP**	**Number of rights to buy**	**WAEP**
Outstanding as of beginning of the period/year	**5,668,825**	**6.0**	3,994,004	7.8
Granted during the period/year	3,455,284	2.85	1,711,307	2.1
Cancelled during the period/year	-	-	(36,486)	10.0
At the end of the period/year	**9,124,199**	**4.85**	**5,668,825**	**6.0**

(Amounts expressed in thousands of US Dollars)

The following table list the inputs to the models used for the plan for the period/year:

	2021	**2020**
Dividend yield (%)	0.0%	0.0%
Expected volatility (%)	34%	34%
Risk–free interest rate (%)	1.38%	0.7%
Expected life of share options (years)	10	10
Weighted average exercise price (US)	2.85	2.10
Model used	Black-Scholes	Black-Scholes

Expected life of the stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Expected volatility reflects the assumption that historical volatility over a similar period to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

The weighted average fair value of options granted for the nine-month periods ended September 30, 2021and for the year ended December 31, 2020, was 1.2 y 0.9, respectively.

In accordance with IFRS 2, share purchase plans are classified as equity-settled transactions on the grant date. This valuation is the result of multiplying the total number of Series A shares that will be deposited in the Administrative Trust and the price per share.

For the nine-month periods ended September 30, 2021and for the year ended December 31, 2020, the compensation expense recorded in the consolidated statements of operations amounted to 3,016 and 3,754, respectively.

17.2 Restricted Stock (Equity Settled)

One or more shares that are given to the participants of the plan for free or a minimum value once the conditions are achieved. Restricted Stock is vested as follows: (i) 33% the first year; (ii) 33% the second year; and (iii) 34% the third year with respect to the date in which the Restricted Stock are granted to the participants.

17.2.1 Movements during the period/year

The following table illustrates the number and WAEP of Serie A shares, and movements during the year:

	For the nine-month periods ended September 30, 2021		**For the year ended December 31, 2020**	
	Number of rights to buy	**WAEP**	**Number of rights to buy**	**WAEP**
Outstanding as of beginning of the period/year	**3,769,299**	**5.4**	2,207,012	7.8
Granted during the period/year	1,983,039	2.85	1,581,037	2.1
Cancelled during the period/year	-	-	(18,750)	6.7
At the end of the period/year	**5,752,338**	**4.5**	**3,769,299**	**5.4**

In accordance with IFRS 2, the share purchase plans are classified as equity-settled transactions on the grant date. This valuation is the result of multiplying the total number of Series A shares that will be deposited in the Administrative Trust and the price per share.

For the nine-month periods ended September 30, 2021and for the year ended December 31, 2020, the compensation expense recorded in the consolidated statements of operations amounted to 3,419 y 4,145, respectively. The restricted Series A shares issued in the year are revealed in Note 13.1.

All shares are considered outstanding for both basic and diluted (loss) earnings per share purposes since the shares are entitled to dividend if declared by the Company.

Note 18. Tax framework

On October 31, 2019, the Mexican government approved 2020 fiscal reform, which is effective as from January 1, 2020, and among other aspects this reform includes:

(i) established a limitation on the deduction of the net interest for the year, equivalent to the amount resulting from multiplying the taxpayer's adjusted fiscal profit by 30%. There is an exception with a limit of 20 million Mexican pesos for deductible interest at the group level in Mexico.

(ii) the Fiscal Code of the Federation ("CFF") was modified to add new circumstances to attribute joint and several liability to partners, shareholders, directors, managers or any other responsible for the administration of the business. These new circumstances are applicable when operating with companies or individuals included in the blacklist of taxpayers who issue electronic invoices considered non-existent operations due to lack of assets, personnel, infrastructure or material capacity; or when it is considered that it is not in the Federal Taxpayers Registry ("RFC") or when there is a change of fiscal address without having submitted the corresponding notification to the tax authorities in due time.

The Tax Reform includes the mandatory disclosure "reportable schemes" by tax advisers or taxpayers. These schemes are defined as those that could generate the obtention of a tax benefit and includes: (i) restructuring; (ii) transmission of tax losses; (iii) transfer of depreciated assets that can also be depreciated by the acquirer; (iv) the use of tax losses that are about to expire; (v) abuse in the application of tax treaties with foreign residents and others.

The Tax Reform proposes to consider tax evasion as organized crime with the corresponding criminal sanctions.

Likewise, the management evaluated the impact of the reform on financial statements as of September 30, 2021, and December 31, 2020, and concluded that there are no significant impacts on it.

Note 19. Subsequent event

The Company assessed events subsequent to September 30, 2021, to determine the need of a potential recognition or disclosure in these special non-consolidated financial statements. The Company assessed such events through October 26, 2021, date in which these special non-consolidated financial statements were made available for issue; and conclude that there are no events or transactions between the closing date and the date of issuance of these special non-consolidated financial statements that could significantly affect the Company's financial position or profit or loss.