

SUMMARY NOTE

To the Fourth Quarter 2020
FINANCIAL STATEMENTS

This report was prepared on the basis of Construcciones El Cóndor S.A. financial statements, and in accordance with the International Financial Reporting Standards (IFRS) and their respective interpretations (CANIFF) published by the International Accounting Standards Board (IASB).

Executive Summary

Construcciones El Cóndor S.A. has continued its implementation of biosafety protocols and its on-going training on the importance of these protocols during the fourth quarter of 2020, which in turn has ensured the execution of its works at a sound pace and the protection of the communities in the area of influence where the projects take place.

Concession Cesar Guajira received \$14.539 million pesos from the conciliation made to liquidate the concession contract, while El Cóndor received \$63.394 million pesos from the ruling imposed by the arbitration court against ANI.

On November 13, 2020, Construcciones El Cóndor S.A. signed Addendum No 2 to the Construction Contract entered with Concesión Santa Marta Paraguachón S.A.S., for the execution of all activities related to the construction of pavements, maintenance work, traffic management in addition to activities related to the placing and compacting asphalt mix. This Addition amounts to \$24.122 million pesos.

On December 15, 2020, the final decision of the Arbitration Court was ruled for the Vías de las Américas S.A.S. and ANI case, aimed to reimburse the higher costs which the concession incurred to execute the works in the sections of San Marcos — Majagual — Achi — Guaranda and Bodega — Mompox as a result of the heavy rainy season of 2011. In accordance with the ruling of the award, ANI was ordered to pay Vías de las Américas the sum of \$44.218.131.486 – of which 66.67% corresponds to Construcciones El Cóndor S.A. The IAS, within the legal terms, filed an extraordinary petition to void the award and, for this reason, the Arbitration Court, according to the provisions of Law 1563, will submit the process to be decided by the Council of State.

On December 28, 2020 Consortium Mag 2 - consisting of Construcciones El Cóndor S.A. and Constructora MECO S.A. Sucursal Colombia - with 50% share each, signed an EPC Contract with Sociedad Autopista Rio Magdalena S.A.S. for the construction, development, maintenance, completion and warranty of the activities contracted for Functional Units 1 and 2 of Autopista al Rio Magdalena 2 Project, at an estimated price of \$1.551.134.174.572.

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Performance of the Infrastructure Sector

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The GDP for the fourth quarter of 2020 dropped 6.8% compared to the same period in 2019 as a result of the COVID-19 pandemic. Likewise, the construction sector decreased 27.7% compared to the year before while the subsector of roads and railroad tracks, public utilities projects and other civil engineering works decreased 28.9% in this time span. The response from the Colombian Central Bank (Banco de la Republica) to face the effects of the pandemic is worth underscoring. The Bank launched a program to reduce of the intervention rates from 4.25% (rate set in the year 2018) to 1.75% for the last quarter of 2020. Meanwhile, inflation remained under control and relatively low, ending in 2020 at 1.61%.

Separate Accumulated Reports as of December 2020

■ Income Statement

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Operating results are expressed according to the IFRS, and comparisons are made for January – December 2020 versus January – December 2019 periods, based on provisions of IAS— 1 and IAS— 34.

- As of December 2020, revenue from ordinary activities amounted to \$794.995 million, sliding 9.12% compared to the same period in 2019. It is worth noting that revenue cannot be compared with the year before due to the standstill experienced from the mandatory quarantine caused by the COVID-19 pandemic, which led to the non-execution of works from the end of March to May as well as the re-initiation of activities at levels lower-than-normal during May, June and July. In addition, effects of La Niña phenomenon issued by IDEAM led to rainfall levels way above average in the second half of 2020, impacting the execution of the works compared to the curves budgeted.
- The Company covered during the months of standstill all idle costs as well as machinery and equipment stand-by costs and production facilities. In addition, the Company paid 100% of its employees in the works and corporate, and benefitted from the compensation mechanisms granted by the National Government. Likewise, the Company reached an agreement with ANI through the CCI for the reimbursement of the idle costs of physical resources used for production in the concessions in which we are constructors. By the end of the quarter, most of these costs were caused as revenue, leaving 34% of the total amount for approval (\$10.000 million, approximately), figure reflected in the year 2021.
- Operating costs as of December 2020 were \$717.826 million, representing 90.29% of revenues from ordinary activities, while administrative expenses reached 3.53% of revenue. This cost – expense percentage confirms what was explained above.
- The operating margin as of December 2020 is 7.99% of revenue. Just as in revenues from ordinary activities, this impact is from the standstill experienced due to the COVID-19 pandemic.

- The EBITDA reached \$100.342 million equivalent to an EBITDA Margin of 12.62%, decreasing compared to the EBITDA for construction in 2019 (18.5%). As mentioned in the revenue analysis, the EBITDA Margin cannot be compared since the Company in 2020 could not execute works at its usual pace and assumed all costs. Excluding this standstill, the EBITDA margin would have ranged from 17% to 18%.
- Net profit was \$31.441 million, equivalent to 4% of the revenue from ordinary activities of the period. Compared with December 2019, a 57% decrease is observed since 2019 displayed in its income statement earnings from the sale of our share in the Concesión Tunel Miura Oriente S.A.S. for \$40.702 million. If this effect is subtracted in the net profit analysis and we keep in mind that no investment was sold in 2020, a 3% decrease is displayed of this item compared to the 2019 period.

■ Financial Situation Statement

Figures of the financial situation statement are expressed in IFRS and comparisons were made between the months of December 2020 and December 2019, in accordance with IAS 1 and IAS 34.

- As of December 2020, total assets added up to **\$2.14** billion pesos, of which 41% are current assets and 59% are non-current assets.
- Liabilities closed at **\$1.05** billion pesos; 65% are current liabilities and 35% are non-current liabilities. The increased currently liabilities is the result of the maturity of the bonds issued in the market changes from long-term to short-term.
- The Company's indebtedness remains at the same levels observed at the end of December 2019. This item is distributed as of December 31, 2020 as follows (figures in pesos): Financial obligations **\$261.417**, Bonds **\$318.000** and Leasing **\$142.661**.
- The equity of Construcciones El Cóndor S.A. as of December 2020 was \$1.09 billion pesos.
- As of December 2020 the Company's current ratio was 1.3x, decreasing when compared to December 2019, when the indicator was 1.6x, as a result of the change in current liabilities.

Consolidated Accumulated Reports as of December 2020

Operating results are expressed using IFRS and the comparisons are for the periods January-December 2020 and January – December 2019 as established in IAS— 1 and IAS— 34.

• **Statement of Results**

- As of December 2020 ordinary revenue came to \$ 825.330 million pesos, divided as follows:

REVENUE	As of Dec. 2020
Construcciones El Condor S.A.	\$ 794.995
Concesión Cesar Guajira S.A.S.	\$ 0
Concesión Vias de las Americas S.A.S.	\$ 16.444
Condor Investments USA Inc.	\$ 17.677
Elimination of revenue invoiced by Condor Vias De Las Americas	\$ 3.786
Consolidated construction services provided	\$825.330

Figures in millions of pesos

The difference in net profit between the separate and the consolidated financial statements on December 31, 2020 of \$349 million, is the loss that must be taken by the minority participations in Concesión Vies de las Americas S.A.S.

• **Statement of Financial Status**

The figures in the statement of financial status are expressed using IFRS and the comparisons are for the periods January-December 2020 vis-à-vis January – December 2019 as established in IAS— 1 and IAS— 34.

- As of December 2020 total assets amounted to \$2.19 billion, 43% of which are current assets and 57% are non-current assets.
- Total liabilities were \$1.10 billion, 66% of which are current liabilities and 34% are noncurrent assets.
- Consolidated financial debt for the fourth quarter 2020 was \$724.110 million pesos. Those obligations consisted of \$318.000 in bonds, \$263.449 in bank credits, and \$ 142.661 in leasing.

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Consolidated financial debt is divided as follows:

Financial Liabilities	As of Dec. 2020
CONSTRUCCIONES EL CONDOR S.A.	\$ 722.078
CONCESION VIAS DE LAS AMERICAS S.A.S.	\$ 2.032
CONCESION CESAR GUAJIRA S.A.S.	\$ 0
CONDOR INVESTMENTS USA, Inc.	\$ 0
Total Financial Liabilities	\$ 724.110

Figures in millions of pesos

- In December 2020, equity attributable to the controllers amounted to \$1.09 billion pesos.
- At the end of the fourth quarter, our working capital index, determined by subtracting current liabilities from current assets, was \$ 224.719 million pesos. The current ratio for the consolidated figures is 1.31x.

Backlog

In December 2020, the Backlog, defined as the balance between contracted work and work pending execution, was **\$1.125.984** million pesos. This calculation includes **\$226.181** million pesos of work invoiced during the quarter and the addition to of Addendum No 2 to the Construction Contract signed Concesión Santa Marta Paraguachón S.A.S. and 50% of the estimated price of the EPC contract signed with Sociedad Autopista Rio Magdalena S.A.S by Consorcio Mag 2:

BACKLOG	As of December 2020
Backlog (3Q of 2020)	552.476
Contract cancellations or terminations	0
Backlog adjustments	0
Service provision	(226.181)
New Contracts	799.689
Total Backlog	1.125.984

Figures in millions of pesos

Construcciones El Condor S.A. would like to invite you to the Teleconference of Results which will take place this coming Thursday, March 4, 2021 at 3:00 PM COT. Instructions to join the conference will be posted in the following web site: www.elcondor.com