

This report was prepared on the basis of Construcciones El Cóndor S.A. financial statements, and according to the International Financial Reporting Standards – IFRS and the corresponding interpretations (CINIFF) published by the International Accounting Standards Board - IASB.

Executive Summary

On July 12, 2021, a work contract based on unit prices was signed by Sociedad Concesión Ruta al Sur S.A.S., (the “Contractor”) and Construcciones El Cóndor S.A. The purpose of the contract is the construction of works and the preparation of studies and designs for the normalization period as convened by the Contractor and ANI (Agencia Nacional de Infraestructura) – ANI. The foregoing is done under Addendum No. 9 of the Concession Contract under APP No. 012 of 2015 (Santana – Mocoa – Neiva project), for \$53.706.146.955. The term of the contract is 12 months as of the date of the Initiation Minute.

On August 4, 2021, an EPC Contract based on a fixed lump sum was signed by CONSORCIO C&M SAN AGUSTÍN, which comprises CONSTRUCCIONES EL CONDOR S.A. (60%), MINCIVIL S.A. (40%), and Sociedad Concesionaria Ruta al Sur S.A.S. The purpose is the execution of the works established in the Concession Contract under APP No. 012 of 2015 (Santana – Mocoa – Neiva project). The amount of this contract is \$1.642.224.161.361 with a maximum term of execution of 43.2 months as of the completion of the normalization stage which is 12 months. In addition, bank guarantees were issued on September 20 related to the contract, which reaffirms the joint work and trust held by El Cóndor and the financial and insurance sector.

In September 2021, Construcciones El Cóndor made a timely payment of the series of bonds issued on September 5, 2019, under the Issuance and Placement Program of ordinary bonds and commercial papers in the second market of the Issuer. The sum of payments made for capital and interests totaled COP \$ 85,510,742,238.

Infrastructure Sector Performance

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Market analysts estimate that the variation of the Gross Domestic Product in Q3 2021 compared to Q3 2020 would be 14.1%. This growth is mainly driven by the sectors of agriculture, power and financial. It is projected that the construction sector will have a stable performance during this quarter. To date, DANE has not published information over the economic growth of Q3 2021; said information will be presented in our next teleconference of results.

Separate accumulated reports as of September 2021

■ Income Statement

Operating results are expressed according to the IFRS, and comparisons are for the periods January – September 2021 vis-à-vis January – September 2020, as defined by IAS – 1 and IAS – 34.

- As of September 2021, revenue from ordinary activities amounted to \$372.698 million, a decrease of 34.04% compared to the same period in 2020. This result reflects the completion of the projects that were carried out during previous years with significant amounts invoiced, the suspension of some projects that are pending environmental and real estate decisions, and the fact that the implementation of public works contracts with Invias has not started. In addition, the national strike that began in late April also impacted the pace of the works to protect the safety of our employees in some areas, and led to a lack of some of the main inputs for the projects. As we have been reporting during each quarter, the Company 2021 is completing the 4G contracts and starting new contracts. Due to the simultaneous occurrence of the end of some projects and the beginning of others, this fiscal year combines lower invoicing and lower profitability for the projects, which is a completely natural cycle for companies in this sector.
- Operating costs as of September 2021 were \$379.326 million, which led to a gross loss of \$6.628 million. The loss was the result of increases of prices of several raw materials and inputs used for construction which cannot be passed on to clients because of the total fixed price of EPC contracts, and the lower profit margins during the end of some projects and the beginning of others. Administrative expenses represented 5.25% of the revenue.
- Operating losses amounted to \$4.748 million, that is, -1.27% of the revenue. The EBITDA is \$24.216 million, which represents EBITDA Margin of 6.50%, lower compared to the EBITDA for 2020 which was 12.06%. As indicated during the cost and revenue analysis, the impact on the EBITDA is due to the transition the company is going through due to the completion of the EPC 4G contracts, the start of new construction contracts, and the increase in the prices of materials and inputs. Furthermore, there are external effects which impact these results, such as the effect of the national strike mentioned in this note, as well as the consequences of the La Niña phenomenon declared by IDEAM.
- Net profits were \$16.014 million which represent 4.30% of the revenue, a stable behavior compared to the same period in 2020. These profits were produced specifically by the results of the Concesión Ruta al Mar which were included using the participation method. The profits from this concession were a result of the release for compensation from the delivery of functional units 2, 6, 7 and 8 so far this year. This shows that Cónдор has complied with the timely implementation of the works as a EPC provider and produced a significant cash release which is very important for the concession and makes it possible to meet its obligations towards the stakeholders.

■ Financial situation

The figures for the statement of financial results are exposed according to IFRS, and the comparisons are for the periods of September 2021 and December 2020 as provided by IAS 1 and IAS 34.

- As of September 2021, total assets were \$2.34 billion pesos, and our investment portfolio, at book value, was \$ 1.07 billion. The ratio of current to noncurrent assets is 36% and 64% respectively.
- Liabilities closed at \$1.26 billion pesos. 53% of the liabilities are current and 47% are noncurrent liabilities. With the payment on the series of bonds issued in September 2019 for the sum of \$81.500 million and the new funding of structured credit granted by Bancolombia and Davivienda with a 24-month maturity, the current liability structure is kept at close 50%.
- The company's debt increased compared to the end of December 2020, closing at 11% as a result of the working capital needed for the new projects. At the end of September, the debt is structured as follows (figures in millions of pesos): debt backed by the investment portfolio \$341.800, debt for working capital for construction, \$281.275, financial obligations of the joint operations, \$50.108, machinery and equipment leasing \$127.659.
- Construcciones El Cóndor S.A. shareholders' equity as of September 2021 was \$ 1.08 billion pesos.
- As of September 2021, the company's current ratio is 1.27x, keeping the same levels compared to December 2020, when the indicator was 1.3x.

Consolidated accumulated reports as of September 2021

Operating results are expressed according to the IFRS, and the comparisons are for the periods January – September 2021 vis-à-vis January – September 2020, as defined by IAS – 1 and IAS – 34

■ Statement of results

- As of September 2021, revenue from ordinary activities amounted to \$386.572 million pesos.
- At the end of the quarter, the investment in Concesión Vías de las Américas was not consolidated because that company is being reorganized under the superintendence of corporations (Superintendencia de Sociedades). In addition, the contract for Concession 008 of 2010 is being liquidated because it is a single purpose contract and the contractual restrictions on the availability of resources for the project imply a loss of control by Construcciones El Cóndor S.A. for the following reasons: (i) the credit obligations before the bankruptcy process is admitted depend on the approval of the restructuring by the superintendence of corporations (Superintendencia de Sociedades) and (ii) the payment obligations after the bankruptcy process is admitted, according to the concession agreement, depends on approval by ANI. Thus, it can be concluded that Construcciones El Cóndor S.A., as the majority shareholder, does not have the control to order or guarantee normal operations or the ordinary course of business. According

to IFRS, Construcciones El Cóndor S.A. does not have the ability to determine any guarantee, not even the ordinary course of business. Therefore, the consolidated net results are identical to the results of the separate financial statements.

■ Statement of financial situation

The figures in the statement of financial situation are expressed under IFRS and the comparisons are between the months of September 2021 and December 2020, as provided in IAS – 1 and IAS – 34.

- As of September 2021, total assets amounted to \$2.34 billion, 39% of which are current assets and 61% are noncurrent assets.
- Total liabilities were \$1.26 billion, 53% of which are current liabilities and 47% are noncurrent liabilities.
- Consolidated financial debt for the third quarter 2021 came to \$800.842 million, which is the same debt level as the separate financial statements.
- The consolidated financial debt is distributed as follows:

| Financial liabilities | As of September 2021 |
|----------------------------------|-----------------------------|
| CONSTRUCCIONES EL CÓNDOR S.A. | \$ 800.842 |
| CONCESIÓN CESAR GUAJIRA S.A.S. | \$ 0 |
| CONDOR INVESTMENTS USA, Inc. | \$ 0 |
| Total financial liability | \$ 800.842 |

Figures in millions of pesos

- As of September 2021, equity attributable to the controlling entities was \$1.08 billion pesos.
- At the close of the third quarter our working capital index, determined by subtracting current liabilities from current assets, was \$248.873 million pesos. The current ratio for the consolidated figures is 1.37x.

The company's activities over the past 5 years have produced accumulated net profits for \$590.532 million and, in keeping with the policy of capitalizing most of those profits, capitalization has been \$473.929 million. This capitalization strengthens our equity and, because we cannot measure the projects' profits by fiscal year, we are able to operate during fiscal years when profits decrease due to the business cycle. For the reasons indicated in this note, the company's profits for 2021 will be below the average for the past several years, which is completely normal for infrastructure projects. However, we have a renovated backlog that will let us recover our profitability starting in 2022.

Backlog

As of September 2021, the backlog, defined as the balance of works that have been contracted and are pending execution, is \$2.798.794 million. This figure includes \$109.632 million from the invoices completed during the quarter:

| BACKLOG | As of September 2021 |
|--------------------------------------|-----------------------------|
| Backlog (2T 2021) | 1.869.385 |
| Contract cancellation or termination | 0 |
| Backlog adjustments | 0 |
| Services provided | (109.632) |
| New contracts | 1.039.041 |
| Total Backlog | 2.798.794 |

Figures in millions of pesos

Construcciones El Cóndor S.A. would like to invite you to the teleconference on results which will be held this coming Thursday, November 18, 2021, at **3:00 PM COT**. Instructions to join at the teleconference will be published in the webpage www.elcondor.com