

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 interpretations thereof (CINIFF) published by the International Accounting Standards Board (IASB).

Executive Summary

Addendums 2 and 3 were signed on November 25 to the EPC Contract entered on December 15, 2017 by and between Concesión Ruta al Mar S.A.S. (the “Contracting Party”) and Construcciones El Cóndor S.A., (the “Contractor”). In this case, the amount of the EPC Contract increased to COP\$23.539.393.228, derived from the longer Functional Units 7.2 (Variante Coveñas) and 7.3 (Variante Tolú) of the Antioquia – Bolívar Project as well as the new works of the Functional Unit 6 that cover the longer intervention made to improve Functional Unit 6.3 (Coveñas - Tolú).

The formal process to sell the share of Construcciones El Cóndor in Concesión Pacífico Tres was launched in December.

Concesión P3 determined the Remedial Plan for the Meco effect, which in turn led in December to reactivate disbursements from local financiers and to the FDN liquidity line.

At the end of December, the Company decided to amend the manner in which it presents revenue derived from its Investments. Hence, REVENUE RELATED TO THE SUBORDINATE DEBT will be part of the total revenue derived from Ordinary Activities on the Income Statement. The foregoing reclassification was made to present information to different stakeholders in a clearer way. Consequently, it should be understood that revenue from ordinary activities gathers revenue derived from the two business areas of El Cóndor: Constructions and Investments, while operating revenue shows the result of the Company’s total operation. The analysis of the items on the income statement includes said reclassification in this Note.

Performance of the Infrastructure Sector

The Gross Domestic Product of 2021 climbed 10.6% compared to 2020, as a result of the recovery of the demand after the restrictions of the pandemic were loosened; overall, the different sectors of the economy displayed positive results. The construction sector grew 5.7% during the same period mentioned above but the subsector of road and railroad constructions decreased 4.6%. On the other hand, Inflation in 2021 was 5.62%, higher than the 1.61% displayed in 2020.

Reports – Separate Accrued at December 2021

■ Income Statement

Operating results are expressed under IFRS and comparisons are made for the period of January – December 2021 versus January – December 2020, in accordance with IAS – 1 and IAS – 34.

- Revenue from ordinary activities reached \$566.393 million, sliding 32.64% compared to December 2020 figures. This result is related to the period in which the projects executed in previous years with major invoicing were completed, the suspension of several projects that waited for environmental and land property decisions (Ruta al Mar and Pacifico 3), and the execution of public work contracts made with Invias that were delayed until early 2022 (Toyo and Putumayo). In addition, the effects of the Niña weather pattern declared by IDEAM plus the National Strike that began late April also hit the pace of the works due to the physical safety of our personnel in several zones, and to the supply shortages of major items in the projects. As we have announced in each quarter, the Company in 2021 completed the profitable execution of 4G contracts and began new ones. When having the completion and beginning of projects at once, the fiscal year displays the lowest invoicing and profitability levels of projects – an entirely natural cycle for businesses of this sector.
- Operating costs at December 2021 were \$525.870 million, dropping 27.41% compared to the same period of 2020. Gross profit was \$40.522 million, equivalent to a gross margin of 7.15%. Administrative expenses reached 4.65% of revenue.
- Operating profit climbed to \$30.892 million, equivalent to 5.45% of revenue. The EBITDA reached \$70.797 million, equivalent to an EBITDA margin of 12.50%, decreasing compared to the same margin of 2020 (16.60%). As mentioned in the analysis of revenue, the impact on the EBITDA margin results from the transition experienced by the Company in 2021 when it completed the EPC 4G contracts – activities related to the pre-operational phase of new construction contracts. Moreover, external effects on this result include the impacts from the National Strike described above and the consequences of the Niña declared by the IDEAM.
- Net profit was \$8.875 million, equivalent to 1.57% of revenue, sliding 71.8% compared with the same period of 2020. Despite the lower net profit, the Company again displays its solvency and capacity to generate Backlog.

■ Financial Situation Statement

Figures of the financial situation statement are expressed in IFRS and comparisons were made between the months of December 2021 and December 2020, in accordance with IAS 1 and IAS 34.

- As of December 2021, total assets reached \$2.34 billion pesos, of which our investments portfolio in books amounts to \$1.05 billion. The current and non-current asset ratio is 42% and 58%, respectively.

- Cash and Cash equivalent increased to \$23.576 million, up 331% compared to December 2020 – displaying the Company’s improved liquidity and capacity to make timely payments of its obligations.
- Liabilities closed at \$1.28 billion pesos; 55% are current liabilities while 45% are non-current. With the structured credit granted by Bancolombia and Davivienda for a 24-month term, structure of the current liability remains close to 50%.
- The Company’s debt increased 11% compared to the end of December 2020 due to the needs of working capital for new projects. By the end of December, the debt was distributed as follows (figures in millions of pesos): Debt held as a source to pay revenue related to the Investments Portfolio \$341.800; Debt of working capital for constructions \$287.523; Leasing of machinery and equipment \$106.590; and financial obligations and leasing of joint operations \$65.238.
- Equity of Construcciones El Cóndor S.A. as of December 2021 was \$1.06 billion pesos.
- As of December 2021, the current reason of the Company was 1.37x, increasing compared to December 2020 when the indicator was 1.22x.

Reports – Consolidated Accumulated as of December 2021

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Operating results are expressed using IFRS and the comparisons are for the periods January-December 2021 and January – December 2020 as established in IAS— 1 and IAS— 34.

■ Income Statement

- As of December 2021, revenue from ordinary activities totaled \$583.072 million pesos.
- At the end of the quarter, the investment made in Concesión Vías de las Américas lacked consolidation since this corporation is undergoing a reorganization process before the Superintendence of Corporations of Colombia. In addition, this corporation is under a liquidation phase in Concession Contract 008 of 2010 given that its sole purpose and the restrictions over project resources led to a loss of control of Construcciones El Cóndor S.A, as a result of: (i) the credit obligations prior to the insolvency process, which depends of the approval of the restructuring agreement given by the Superintendence of Corporations; and (ii) the obligations to pay subsequent to the admission of the insolvency process in accordance with the Concession Control, which depends of the approval of ANI. Consequently, it may be concluded that Construcciones El Cóndor S.A., as the majority shareholder, has no control to order or guarantee the normal operations of the business. Per IFRS standards, Construcciones El Cóndor S.A has no capacity to determine or even guarantee the normal course of the business. Hence, the net consolidated result is identical to the result displayed in the separate financial statements.

■ Financial Status Statement

Figures in the financial status statement are expressed using IFRS and the comparisons are for the periods December 2021 vis-à-vis December 2020 as established in IAS— 1 and IAS— 34.

- As of December 2021, total assets reached \$2.34 billion, of which 44% are current assets and 56% are non-current.
- Total liabilities reached \$1.28 billion pesos, of which 55% are current liabilities and 45% are non-current.
- The consolidated financial debt of Q4 – 2021 matches the debt displayed in the separate financial statements.
- As of December 2021, the equity of controllers was \$1.08 billion pesos.
- By the end of the quarter, our working capital indicator – calculated by subtracting current liabilities from current assets - was \$331.859 million pesos. The current reason of the consolidated is 1.47x.

The Company's execution in the past 5 years has generated accrued net profits of 590.532 million pesos. Following the policy to capitalize most of these profits, the Company has capitalized 473.929 million (80% has been capitalized). Said capitalization increases our equity and since the profitability of projects cannot be measured by fiscal years, we can assume fiscal years when the profitability drops due to the cycle of the projects. For the reasons provided in this Note, profitability of the Company in 2021 was below the average exhibited in past years, normal when executing infrastructure projects. However, we are renewing the backlog to recover our profitability as of 2022.

Backlog

As of December 2021, our Backlog (understood as the balance of works hired and to be executed) was \$2.674.563 million. This calculation keeps in mind the \$147.770 million of invoicing executed during the quarter:

BACKLOG	As of December 2021
Backlog (4Q 2021)	2.798.794
Cancellation or Completion of Contracts	0
Backlog Adjustments	0
Services Provided	(147.770)
New Contracts	23.539
Total Backlog	2.674.563

Figures in millions of pesos

Construcciones El Cóndor S.A. invites you to the Teleconference of Results which will take place this coming Thursday, March 3, 2022 at 3:00 PM COT. Instructions to join the conference will be posted in the following web site: www.elcondor.com