

Results Quarter



Buró 4.0 
Medellín, Antioquia

2020

November 10, 2020

 Constructora
Concreto

DEFINITE CLOSING OF THE SIC PROCESS FOR ALLEGED COLLUSION

On October 1, 2020, through Resolution 61737, the Superintendent of Industry and Commerce confirmed the decision to file the Investigation for alleged collusion in the Private-Initiative Tender process for the Bogotá – Girardot Third Lane Project. The decision ratifies Conconcreto's proven, transparent and competitive Behavior, and, especially, its commitment to the Infrastructure development in our country.



The Bogotá – Girardot, Cundinamarca, Vía 40 Express Concession

ADJUDICATIONS (BACKLOG) for COP 99,000 million

During the 3Q 2020, the Contracts of CicloRuta 116, for COP 41,000 million; Comfandi, for COP 47,000 million; and the Stabilization of the PORCE III Warehouse for COP 11,000 million, were adjudicated and activated as Backlog.

CASA COLOMBIA Certification

The Colombian Council for Sustainable Construction and Bureau Veritas have granted the CASA COLOMBIA Certification in DESIGN PHASE to the ELE 16 Project, highlighting the architectural design, water and energy savings, the implementation of native landscaping and all the collaborative work of the team under the BIM methodology. Today, this is the first Stratum 6 Project nationwide – and the second project in Antioquia – to receive this Certification.



Construverde 2020

In the framework of the XI Edition of the International Forum & Expo – Sustainable Design and Construction – CONSTRUVERDE 2020, ELE 16 was nominated in the Sustainable Projects 2020 Competition, achieving third place with 2,503 votes, standing out among 26 projects in industry, Offices and housing. Within the ranking of the three winners, it stands out as the only Stratum 6 housing project with sustainability attributes.



Relevant corporate events

The Ituango Hydroelectric Project

The Colombian Attorney General's Office installed preliminary working groups with the entities involved in the HidroItuango Project, as a space prior to the request for extra-judicial conciliation, presented by Empresas Públicas de Medellín (EPM).

The Contract between CCC Ituango and EPM is in force and in execution.



Via 40 Express

The Project is advancing with the mobilization efforts of the Construction Consortium and financial closure, to start the works in early 2021.



The Bogotá - Girardot, Cundinamarca, Via 40 Express Concession

Transmilenio (TM) Projects

The TM 68 G5, G8 Lines and Transmilenio Soacha Projects are advancing in the pre-construction stage to start the works in early 2021.

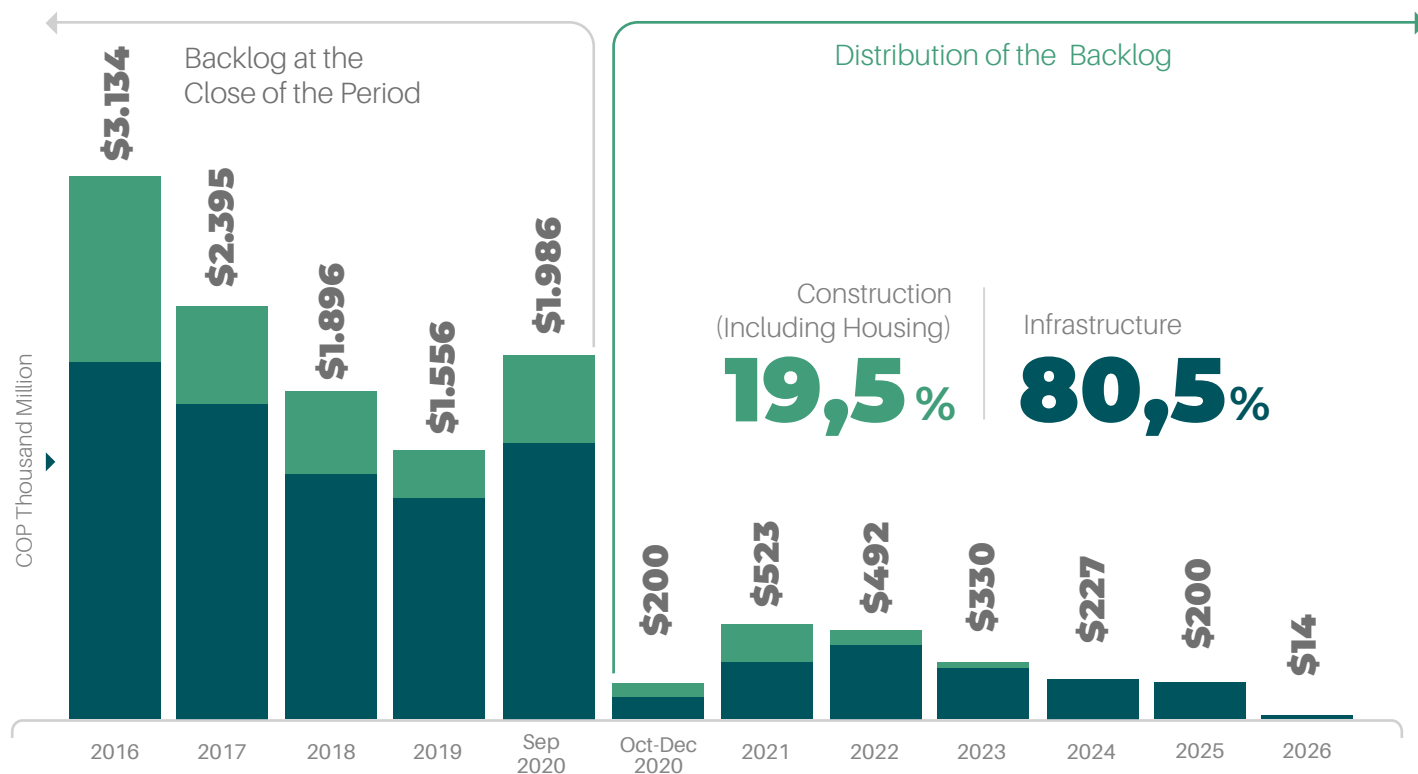


Construction businesses



BACKLOG – Septiembre 2020

The Company's Backlog as of September 2020 is COP 2.0 billion, corresponding to around three (3) years of operation. Of this Backlog, 80.5% corresponds to Infrastructure projects and 19.5% corresponds to Building, including Housing projects.



NOTES: Information consolidated with Concreto International.
Years of operation = Backlog Balance / Accumulated Income in the last 12 months.

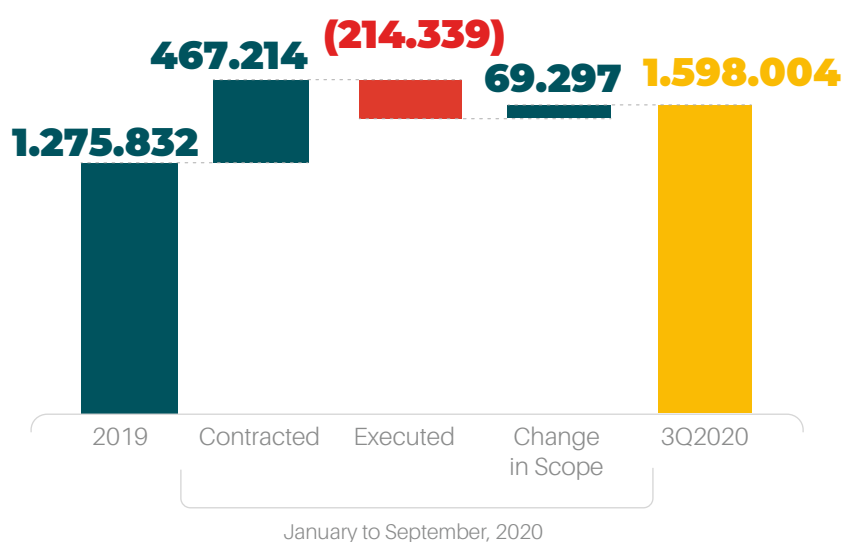
CONSTRUCTION SERVICES:

Infrastructure:

- For the close of 3Q2020, Infrastructure had a Backlog of COP 1,598,004 million, primarily concentrated in the Ruta 40, the El Enlace Patio Portal (Transmilenio Soacha), Hidroituango, and Transmilenio Carrera 68 Group 5 and Group 8.
- Standing out in the Contract are the entry of the Transmilenio Carrera 68 Group 5 and Group 8 for COP 416,000 million and the CicloRuta 116 for COP 41,000 million.
- The execution of the period was concentrated in Hidroituango, Ruta del Sol and Vía 40 Express.
- The Change in Scope corresponds to the Hidroituango Project (execution of emergency works), the loading and hauling of materials in Cerromatoso and Ruta del Sol.

Infrastructure Backlog

Figures in COP millones

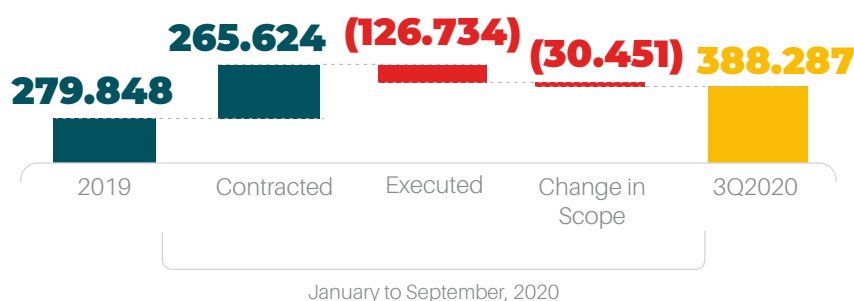


Construcción:

- For the close of 3Q2020, Construction had a Backlog of COP 388,287 million, concentrated in projects, such as Comfandi Las Vegas, Universidad Javeriana, Hotel Guayabero, Zanetti Apartments, Stage 2
- The amount contracted during the period amounts to COP 265,624 million, mainly for contracts for the execution of Comfandi Las Vegas, the Bancolombia Atrium, Con-Tree Housing, Sunset and Porto Rosso.
- As for the main works executed in the Third Quarter of the year, noteworthy are Supercade Manitas, Ciudad Educadora Espiritu Santo, and Lógica II Phase 3 Warehouses 1 and 2.
- The Change in Scope corresponds to the Edificio 1B Zonamérica and the Hotel Tequendama reconversion.

Construction Backlog (Including Housing)

Figures in COP million

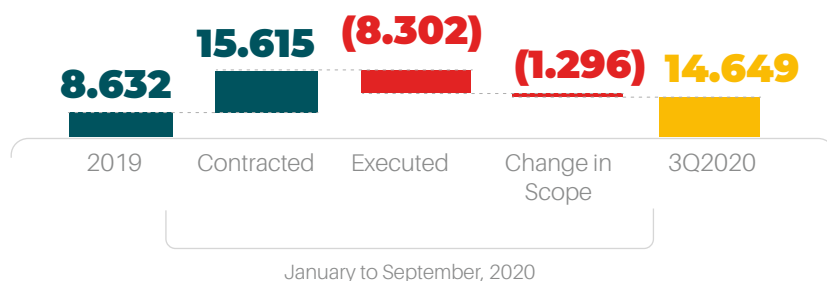


Engineering and Digital Design:

- For the close of 3Q2020, Engineering and Digital Design had a Backlog of COP 14,649 million, concentrated in projects, such as Rubicon Plaza, Contree Housing, Con-Tree Castropol, Transmilenio Soacha and Transmilenio Cra. 68, Lines 5 and 8.
- The value contracted during the period amounts to COP 15,615 million, mainly due to the increase in designs in Rubicon Plaza, Transmilenio Soacha, Transmilenio Cra. 68 Lines 5 and 8, Torre Zentrico, Gran Plaza Conservatorio and Adina Circle Residences.
- As for what was executed in the Third Quarter, noteworthy are projects, such as Wayabero Design, Planta Pdc Canopy Design, Transmilenio Soacha, Transmilenio Cra. 68 Groups 5 and 8.
- The Change in Scope corresponds to the projects Canopy Growth Production Plant Design and Decamerón Serena Del Mar.

Engineering and Digital Design

Figures in COP million



Concession businesses

Concessions in Operation:

Vía 40 Express (Bogotá - Girardot):

Beginning of Operations: December 1, 2016.

- In August 2020, Amendment (Otro sí) Number 3 and Minutes of Suspension Number 2 were signed with the ANI, making the construction period previously affected by the SIC Investigation viable.
- On October 1, 2020, the SIC confirmed the filing of the Investigation on the bidding process. This fact, added to the agreements signed with the ANI, have allowed the Concessionaire to continue in the process of achieving the financial closure of the project.
- In October, the remobilization activities of the Ruta 40 Construction Consortium also began, with the aim of starting the construction of Functional Units One (1) to Seven (7).

Vía 40 Express Concession

Bogotá - Girardot

Beginning Date	Ending Date:	Concreto Stake (%)
December 2016	December 2046	50%

Average Daily Traffic						
Toll Station	Accumulated			Quarter		
	sep. 2019	sep. 2020	Var. %	3Q2019	3Q2020	Var. %
Chusacá	25.692	15.751	-38,7%	25.307	16.092	-36,4%
Chinauta	20.487	12.721	-37,9%	20.167	12.890	-36,1%
Total	46.179	28.472	-76,6%	45.474	28.982	-36,3%

Devimed (Medellín - Santuario y malla vial de Oriente):

Inicio de operaciones junio 1996.

Obras Doble Calzada Llanogrande:

- Ejecución para completar doble-calzada de 9 km en los sectores Haras Santa Lucía, Complex Llanogrande, Mall Llanogrande y Andalucía.
- A la fecha las obras tienen un avance del 28%, y se espera finalicen en marzo de 2022.

IMG: En el mes de agosto se suscribió otro sí al contrato de concesión para adelantar la compensación del IMG (Ingreso Mínimo Garantizado) durante la vigencia 2020.

DEVIMED:

Medellín - Santuario and the Oriente Road Network

Beginning Date:	Ending Date:	Concreto Stake (%)
June, 1996	June, 2026	25%

Average Daily Traffic						
Toll Station	Accumulated			Quarter		
	sep. 2019	sep. 2020	Var. %	3Q2019	3Q2020	Var. %
Guarne	22.221	12.365	-44,4%	21.871	14.923	-31,8%
Palmas	10.139	5.684	-43,9%	10.216	6.921	-32,3%
Total	32.360	18.049	-88,3%	32.087	21.844	-31,9%



NOI (Accumulated)

Figures in COP million

142.034 140.795



■ 3Q 2020

■ 3Q 2019

GLA m²

883.147 924.930



■ 3Q 2020

■ 3Q 2019

Value of Concreto's stake in the PACTIA PCF

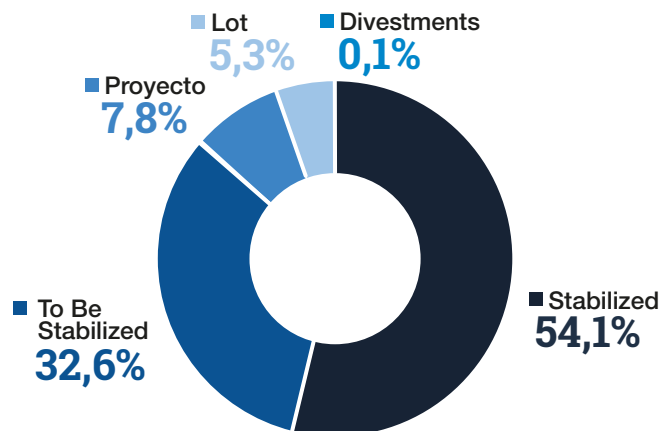
Figures in COP million

870.538 892.728



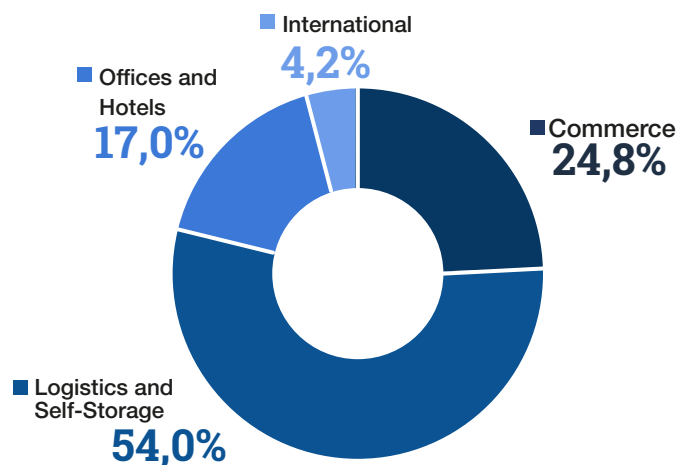
NOTE: The value of Concreto's investment as of Dec 2019 was COP 870,132 million

Distribution by Condition



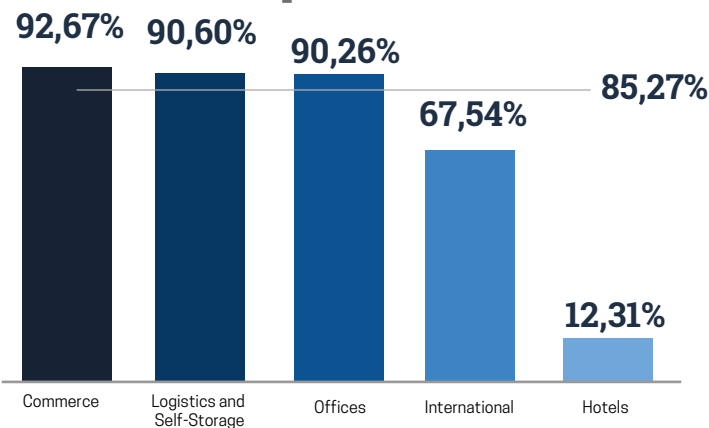
AUM COP 4.06 Billion

GLA 3Q2020



883.147 m² in operation

Occupation 3Q2020



NOTE: In calculating average Occupancy, Hotels were not taken into account.

Housing businesses

CONSTRUCTION PROJECTS	PRE-SALE PROJECTS	TOTAL PROJECTS
6	6	12
Value Available Units COP \$47,501 Million Value of Works to be Executed COP \$58,426 Million	Value Available Units COP \$132,103 Million Value of Works to be Executed COP \$112,761 Million	Value Available Units COP \$179,604 Million Value of Works to be Executed COP \$171,187 Million

Accumulated Sales

Figures in COP Million

144.302 **114.954**



■ sep. 2020 ■ sep. 2019

Sales of the Quarter

Figures in COP Million

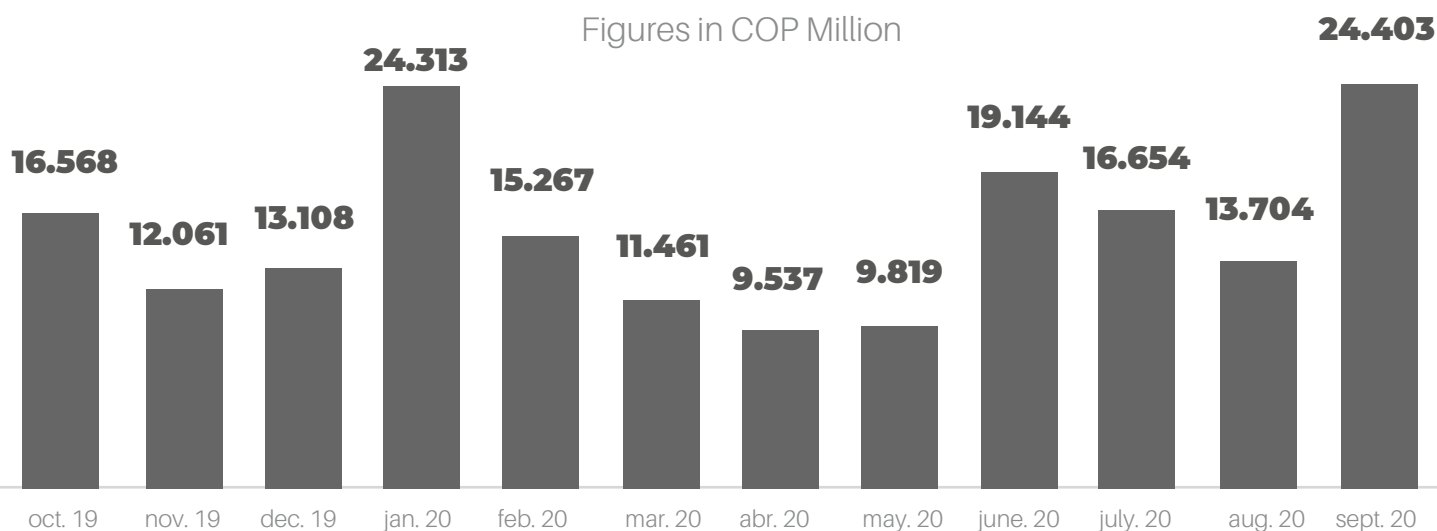
54.761 **42.458**



■ 3Q 2020 ■ 3Q 2019

Sales in the Last 12 Months

Figures in COP Million



Financial results

CONSOLIDATED STATEMENT OF RESULTS BY FUNCTION

(in COP million)	sept. 2020	sept. 2019	Variation
Income from Ordinary Activities	374.070	659.164	-43%
Sales Costs	(320.315)	(564.703)	-43%
Gross Profit	53.755	94.460	-43%
Other Income	12.441	34.305	-64%
Administration and Sales Expenses	(24.809)	(27.098)	-8%
Employee-Benefit Expenses	(29.827)	(30.693)	-3%
Other Expenses	(4.926)	(2.503)	97%
Profit by the Equity Method, Net	7.024	8.226	-15%
Other Profits (Losses)	414	29.267	-99%
Operational Profit	14.073	105.964	-87%
Profits derived from the Monetary Position, Net	425	8	5256%
Financial Income	33.847	40.258	-16%
Financial Costs	(47.511)	(53.759)	-12%
Before-Tax Profit	833	92.471	-99%
Expenses (Income) for Taxes	(5.072)	(18.299)	-72%
Minority Interest	(158)	(1.353)	-88%
Profit of the Period	(4.396)	72.819	-106%
EBITDA	43.610	140.661	-69%

Margins	sept. 2020	sept. 2019
Gross Margin	14,4%	14,3%
Operational Margin	3,8%	16,1%
Before-Tax Margin	0,2%	14,0%
Net Margin	-1,2%	11,0%
EBITDA Margin	11,7%	21,3%

1. The decrease in Gross Profit was due to lower dynamics in the Construction Business and the businesses of the Subsidiaries, as a consequence of COVID-19.

In the Construction Business, there was a displacement of approximately two (2) months of execution of the works, and in 2020 the contribution of works that had very good dynamics in 2019 and that - to date - have not been replaced in execution (but in Backlog).

2. In 2019, Other Income included the gain from the sale of the CCFC Shares, for approximately COP 21,000 million, a situation that will not be repeated in 2020.

3. The reduction in Employee-Benefit Expenses and GAV correspond to austerity measures and the reduction of Employee Expenses by the Company.

The increase in Other Expenses corresponds to the deterioration of the investment in Via Pacifico by around COP 1,700 million, as a consequence of the liquidation process and expectations regarding the arbitration process underway.

4. The decrease in Other Earnings is due to a lower valuation of the PACTIA PCF unit, as a consequence of the COVID-19 impact on the update of appraisals, UVR and the operation of the PCF.

5. The decrease in Financial Expenses and Income corresponds to lower balances and remuneration/interest rates.

6. Despite the reduction in Income, the Company maintained a positive Gross Margin, comparable to the performance of recent years.

Financial results

STATEMENT OF THE FINANCIAL SITUATION

(in COP million)

	sept. 2020	dec. 2019	Variation
Cash and Cash Equivalent	236.553	239.274	-1,1%
Commercial Accounts Receivable	303.055	352.437	-14,0% 1
Accounts Receivable from Related Party and Associates	78.246	78.757	-0,6%
Current Inventories	355.807	352.207	1,0%
Non-Current Assets for Sale	102.345	102.503	-0,2%
Other Current Assets	26.215	21.242	23,4%
Total Current Assets	1.102.222	1.146.420	-3,9%
Investment Properties	6.146	6.146	0,0%
Property, Plant and Equipment	309.835	315.656	-1,8%
Investments in Joint Ventures and Partners	1.405.363	1.358.961	3,4% 2
Other Non-Current Assets	42.098	45.975	-8,4%
Total Non-Current Assets	1.763.443	1.726.738	2,1%
Total Assets	2.865.665	2.873.158	-0,3%
Current Financial Obligations	173.511	202.451	-14,3% 3
Commercial Account Payable and Other Accounts Payable	196.614	249.695	-21,3%
Accounts Payable from Related Party and Associates	33.719	34.626	-2,6%
Lease Liabilities	32.648	39.987	-18,4%
Other Non-Financial Liabilities	43.820	64.254	-31,8%
Other Current Liabilities	21.862	14.312	52,8%
Current Liabilities Held for Sale	14.294	14.294	0,0%
Total Current Liabilities	516.467	619.620	-16,6%
Non-Current Financial Obligations	490.093	453.352	8,1%
Other Non-Current Liabilities	261.919	233.128	12,4%
Lease Liabilities	37.135	28.251	31,4%
Total Non-Current Liabilities	789.147	714.731	10,4%
Total Liabilities	1.305.615	1.334.351	-2,2%
Equity Attributable to Owners of the Parent Company	1.555.498	1.534.260	1,4%
Non-Controlling Participations	4.552	4.547	0,1%
Total Equity	1.560.050	1.538.807	1,4% 4

The variations and dynamics of the Statement of the Financial Situation (ESF, in Spanish) are due to the ordinary course of business; however, a minor variation in the Cash Balance stands out, mainly explained by:

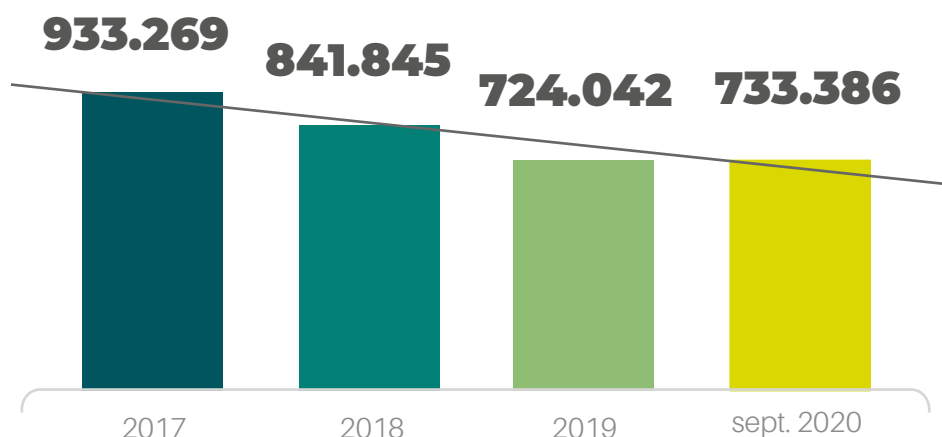
- 1.** A decrease in Current Commercial Accounts Receivable, due to the recovers of the Infrastructure and Construction portfolios, as well as that of the Housing Units with their clients.
- 2.** An Increase in Investments, due to the execution of the Investment Plan, the Equity Methods and the Exchange-Rate variations.
- 3.** The agreements reached with Banks and some creditors, which allowed the transfer from the short term to the long terms of Financial Obligations, Lease Liabilities and Accounts Payable by (SIC). The Company is up to date on the rest of its current obligations.

In addition to the foregoing, it is worth noting that:

- 4.** The variations in Equity correspond to results for the period and the impact of the Exchange Rate on foreign companies.

Financial results

FINANCIAL OBLIGATIONS



The variation vs. 2019 corresponds to an increase in the Housing Backlog, and the Construction loans related to the execution of these projects.

To date, the Company has not required loans to maintain its operation.

CONTRIBUTION BY BUSINESS LINE

STATEMENT OF RESULTS

COP millions	CONSTRUCTION	HOUSING	INVESTMENT	CORPORATE	ELIMINATIONS	TOTAL
Income from Ordinary Activities	276.816	44.445	52.160	6.280	-5.630	374.071
Gross Profit	29.881	5.092	13.759	5.152	(129)	53.755
Profit (Loss) for Operation Activities	20.508	1.341	8.225	(16.169)	166	14.071
Before-Tax Profit (Loss)	20.738	1.216	(12.606)	(8.515)	(1)	832
EBITDA	40.401	2.419	15.106	(14.482)	167	43.612

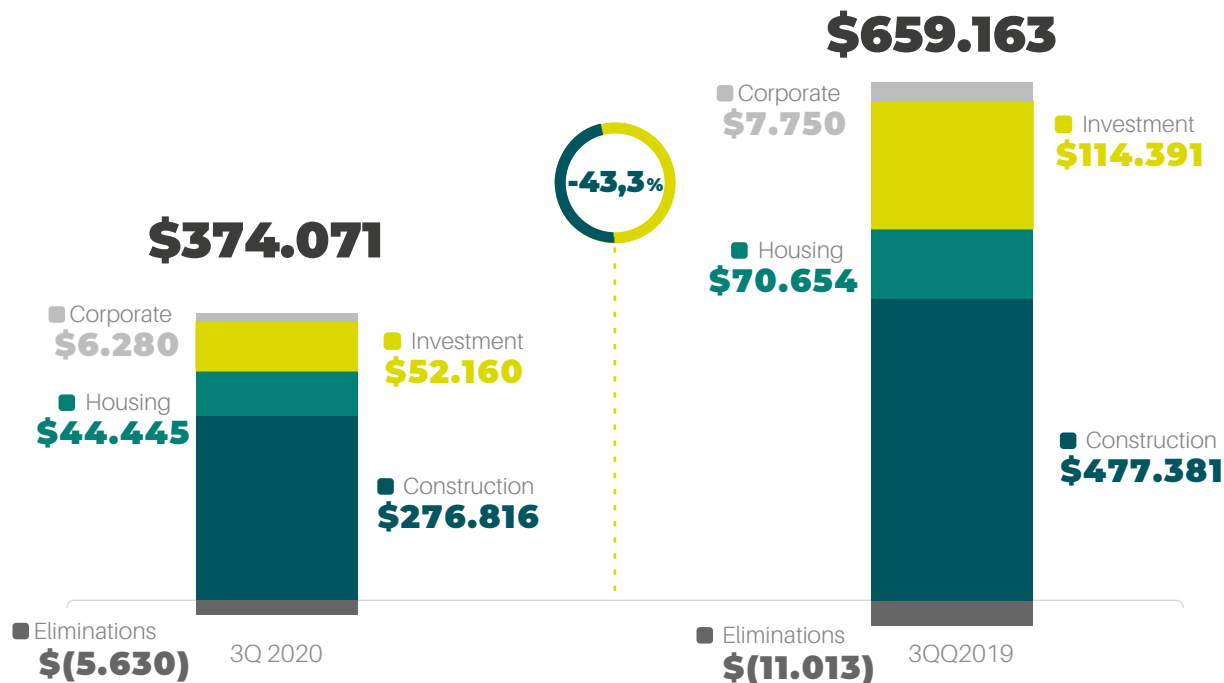
STATEMENT OF THE FINANCIAL SITUATION

COP millions	CONSTRUCTION	HOUSING	INVESTMENT	CORPORATE	ELIMINATIONS	TOTAL
Current Assets	305.879	651.729	397.237	119.751	(372.373)	1.102.222
Long-Term Assets	146.942	61.818	1.534.029	177.732	(157.077)	1.763.443
Total Assets	452.820	713.547	1.931.266	297.483	(529.451)	2.865.665
Current Liabilities	287.677	392.896	176.682	2.292	(343.080)	516.467
Long-Term Liabilities	61.758	132.551	716.253	64.957	(186.371)	789.147
Total Liabilities	349.434	525.447	892.935	67.249	(529.451)	1.305.615
Total Equity	103.386	188.100	1.038.330	230.234	-	1.560.050
Total Liabilities and Equity	452.820	713.547	1.931.266	297.483	(529.451)	2.865.665

Financial results

CONSOLIDATED INCOME

Figures in COP million



EBITDA consolidado

Cifras en COP millones

