

Quarterly Results



Buró 4.0 
Medellín, Antioquia

August 6, 2020

2020

COMPANY REACTIVATION AND PROJECTS

With the opening of the construction sector in April, at the end of June 2020 96% of the company's projects have been reactivated.



SUPERINTENDENT OF INDUSTRY AND COMMERCE ORDERS ARCHIVING THE ALLEGED COLLUSION PROCESS

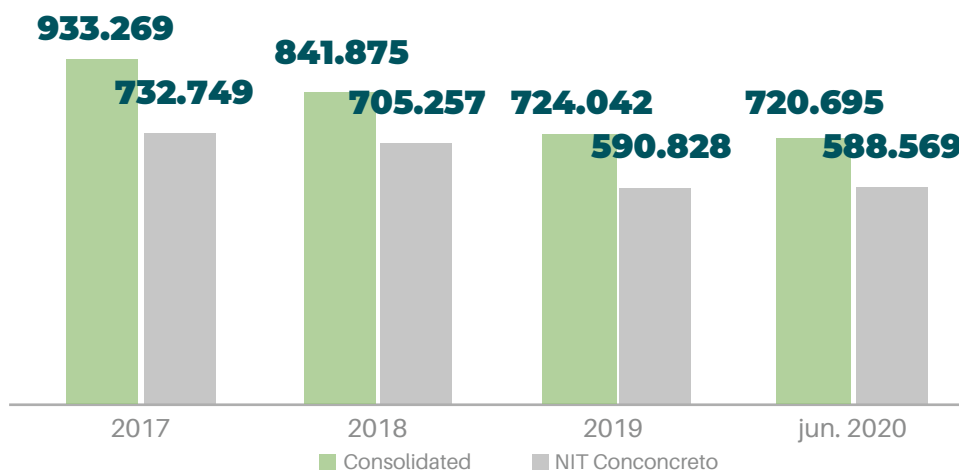
Through Resolution 28761, dated June 16, 2020, the Superintendent of Industry and Commerce made the decision to file the investigation for alleged collusion in the bidding process of the Third Lane Bogotá – Girardot Private Initiative Project. After an administrative action of nearly three years, the Superintendent received the Delegate Superintendent's recommendation, to proceed with the filing, as he had not found merits to sanction any of the Charges. The decision confirms Concreto's fair, transparent and competitive behavior and especially its commitment to the development of our country's Infrastructure.



SYNDICATED CREDIT WAIVER

On June 30, 2020, the waiver of the syndicated credit obligations was approved, among which a change in the Amortization profile, a change in the date of interest payments, and the non-application of some covenants during the 2020 year are highlighted.

Consolidated debt evolution



THE TERMINATION PROCESS ADVANCES BY MUTUAL AGREEMENT IN VIA PACIFICO

On May 29, the Minutes of the Bilateral Contract Liquidation was signed, which yielded a balance in favor amounting to COP 47.198 million for the Early termination of the Contract (Concreto received COP 14.765 million by paying the subordinated debt). The Company activated the dispute-settlement mechanisms in order to correct the difference between the Minutes of Liquidation and the claims of Via Pacifico S. A. S.



RENOVATION OF THE ITUANGO CONTRACT

Through Bilateral Modification Minutes Number 38, the Ituango Contract was modified, extending its period until December 31, 2020.



INNOVACIÓN

Through Resolution 36351, the Superintendency of Industry and Commerce has granted Constructors Concreto S. A. the intention Patent entitled **COLUMN AND RIGIDLY FRAMED STRUCTURAL SYSTEM**. The invention corresponds to a construction and connection system from precast beams and columns. This system allows improving the yields and productivity in the construction process of buildings, guaranteeing structural behavior.

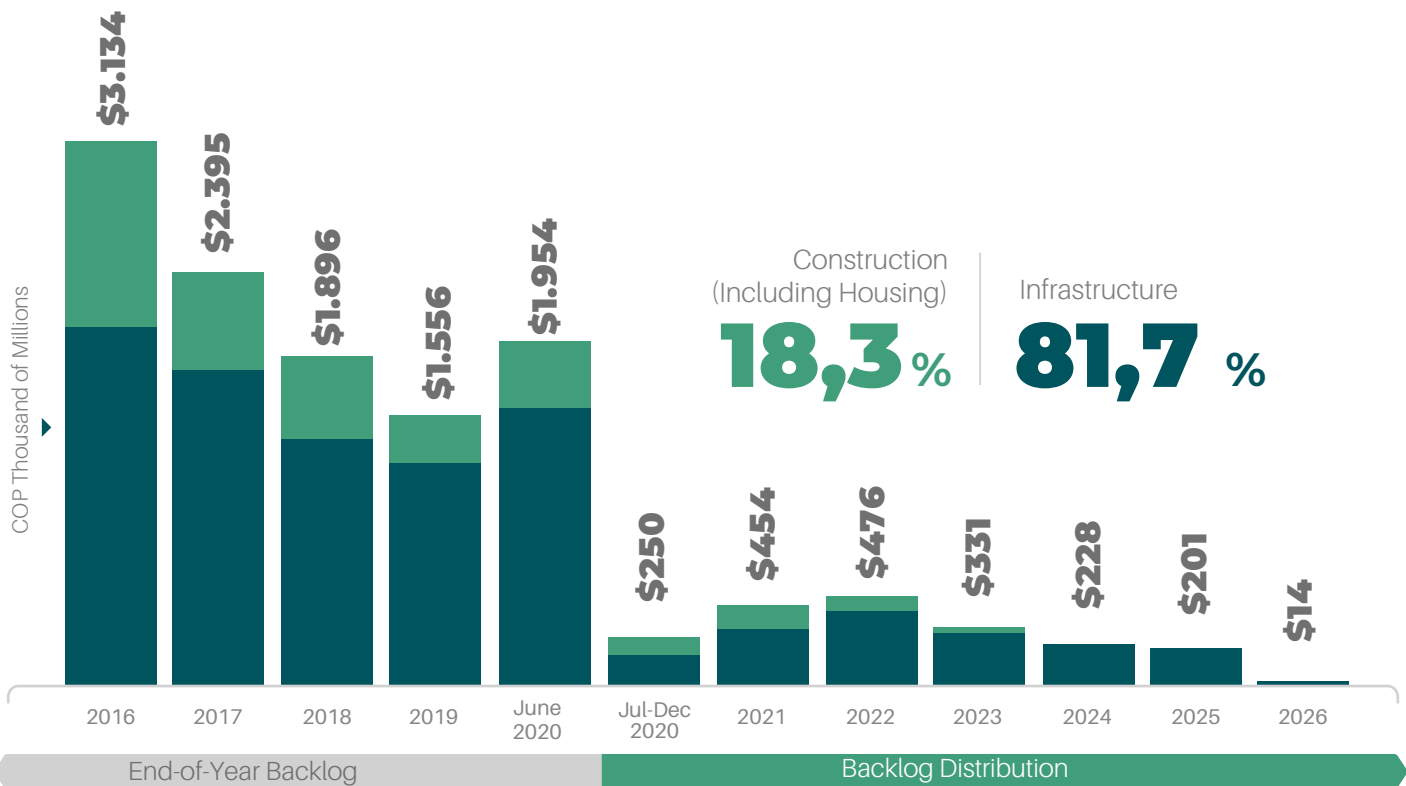


Businesses: CONSTRUCTION



BACKLOG – JUNE 2020

The Company's Backlog as of June 2020 is **COP 2.0 billion**, corresponding to about 2.6 years of operation. Of this Backlog, 81.7% corresponds to Infrastructure and 18.3%, to Buildings, including housing projects.



NOTES: Information Consolidated with Concreto Internacional

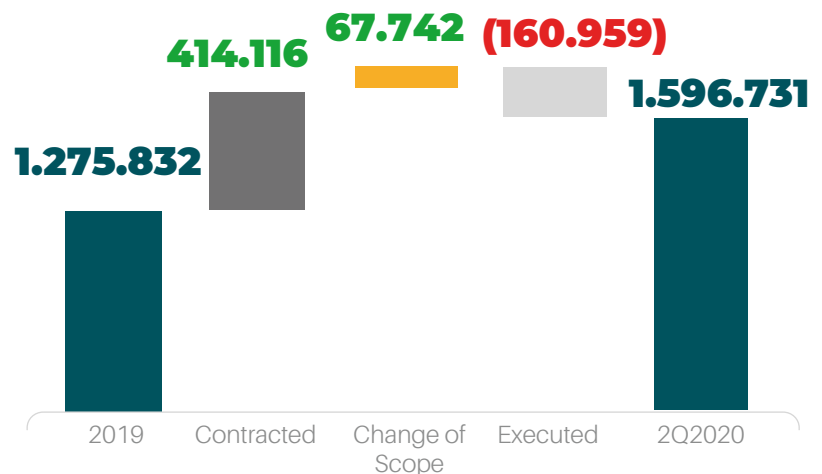
CONSTRUCTION SERVICES:

Infrastructure:

- For the Closing of 2Q2020, Infrastructure had a Backlog of COP 1,596,731 million, concentrated mainly on Ruta 40, Patio Portal el Enlace, Hidroituango, Transmilenio Cra. 68, Group 5 and Group 8 projects.
- Outstanding in that contracted is the income from the Transmilenio Cra. 68, Group 5 and Group 8 projects for COP 414.116 million.
- The execution of the period was centered in Hidroituango and Ruta del Sol.
- The change of scope corresponds mainly to the PH Ituango project.

Backlog Infrastructure

Figures in COP millions

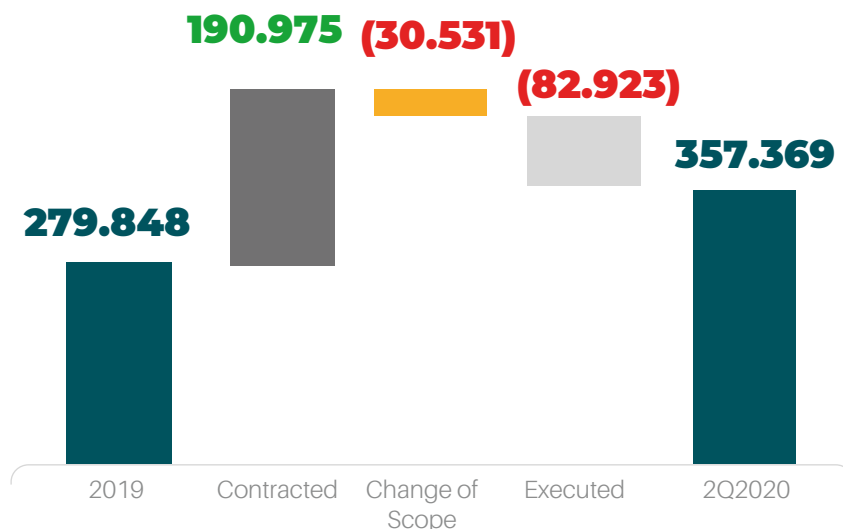


Construction:

- For the close of 2Q2020, Construction had a Backlog of COP 188.276 million, concentrated in projects, such as Zanetti Apartments Stage 2; Bancolombia Atrium; Sunset Boulevard; Universidad Javeriana; Ciudad Educadora; Espiritu Santo and Hotel Guayabero.
- That contracted during the period amounted to COP 21,883 million, mainly for contracts for the execution of the Bancolombia Atrium; Adaptation of Buró Floors 11 and 12; Adaptation of the IBM Buró 25 office; and ELE 16.
- As for that executed during the first half of 2020, noteworthy are mainly the works: Supercade Manitas, ELE 16, Puerto Azul Stage 2, Sunset Boulevard, Lógica Vía 40 Warehouses C6 to C8 and Zanetti Apartments Stage 2 Torre 3.
- The change of scope corresponds mainly to the Edificio 1B Zonamerica and the Hotel Tequendama Reconversion projects.

Construction (Including Housing)

Figures in COP millions

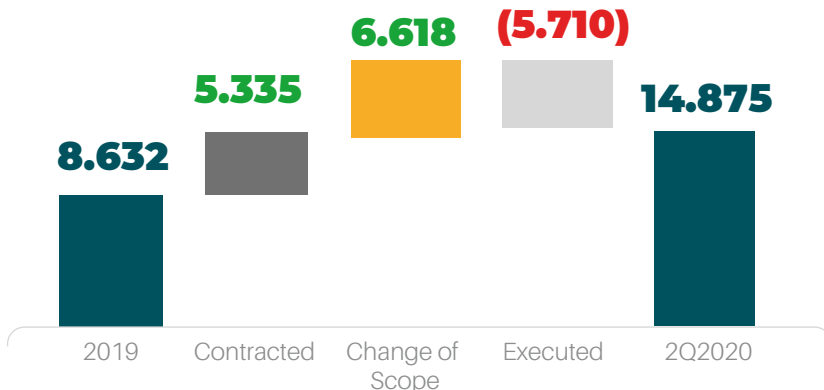


Engineering and Digital Design:

- For the close of 2Q2020, Engineering and Digital Design had a Backlog of COP 14.875 million, concentrated in projects such as Rubicon Plaza; Contree Housing; Contree Castropol; Transmilenio Soacha; and Transmilenio Troncal 68, Tranches 5 and 8.
- That contracted during the period amounted to COP 5.335 million, mainly due to the Increase in Designs of Contree Castropol; Transmilenio Soacha; Transmilenio Troncal 68 Tranche 8 and Transmilenio Troncal 68 Tranche 5.
- With regard to that executed during the First Semester, noteworthy are projects such as Wayabero Design; Planta Pdc Canopy Design; Contecar Edificio Autoridades; Logika Siberia II; Transmilenio Soacha, Transmilenio Troncal 6,8 Tranches 5 and 8.

Engineering and Digital Design

Figures in COP millions



CONCESSIONS IN OPERATION:

Vía 40 Express (Bogotá - Girardot):

Beginning of Operations: December 1, 2016

- Once the SIC Motivated Report was known, the work of the financial closure was a bridge loan to finance (i) the EPC remobilization activities; and (ii) construction activities for up to six months.
- Currently, the Concessionaire is negotiating the Amendment (Otroso) for the purchase of the period and a suspension of the execution period of the Functional Units (FUs).

Vía Pacífico (Buga - Buenaventura):

Beginning of Operations: August 17, 2016

Reversion of the Asset: March 28, 2019

- On May 29, the Bilateral Liquidation Minutes were signed. As a result of this Liquidation, the Company received COP 14.765 million through the repayment of interest and a payment to the balance of the subordinated debt of Shareholders held with the Concessionaire.
- Additionally, an Arbitration lawsuit was presented in order to grant Recognition to the Concessionaire of all the costs incurred in the project. With this lawsuit, the Company expects to recover an additional COP 23.5 million, according to the estimate of the legal advisor.



Vía 40 Express Concession: Bogotá- Girardot, Cundinamarca

Vía 40 Express Concession

Bogotá - Girardot

Beginning Date:	Concession Time:	% of Concreto Stake:
December, 2016	December, 2046	50%

Accumulated Financial Results (COP millions)

	1Q2019	2Q2019	1Q2020	2Q2020
Operational Income	15.658	16.152	16.117	7.817
EBITDA	53.073	61.657	18.318	-633

Average Daily Traffic (ADT)

Toll Station	1Q2019	2Q2019	1Q2020	2Q2020
Chusacá	25.774	26.038	23.121	8.335
Chinauta	20.578	20.772	18.664	6.835
Total	46.352	46.810	41.785	15.170

DEVIMED:

Medellín - Santuario y malla vial de Oriente

Beginning Date:	Finalization Date:	% of Concreto Stake:
June, 1996	December, 2026	25%

Accumulated Financial Results (COP millions)

	1Q2019	2Q2019	1Q2020	2Q2020
Operational Income	33.396	34.660	37.939	46.407
EBITDA	17.239	16.651	30.774	29.894

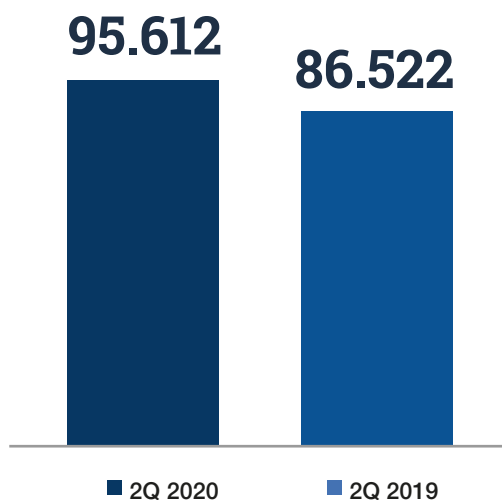
Average Daily Traffic (ADT)

Toll Station	1Q2019	2Q2019	1Q2020	2Q2020
Guarne	21.346	22.559	18.112	9.613
Palmas	9.893	10.264	8.356	3.681
Total	31.239	32.823	26.468	13.294

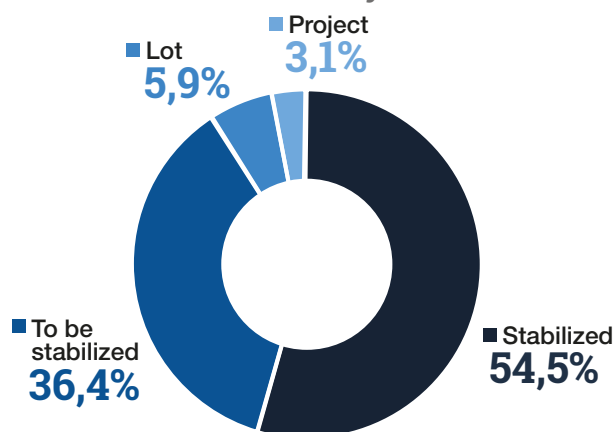


NOI (Accumulated)

Figures in COP millions

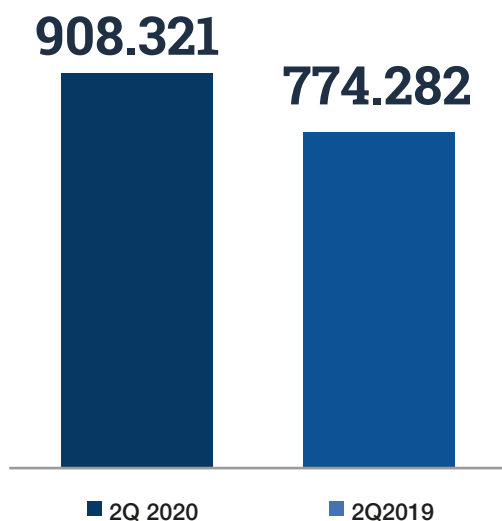


Distribution by Status

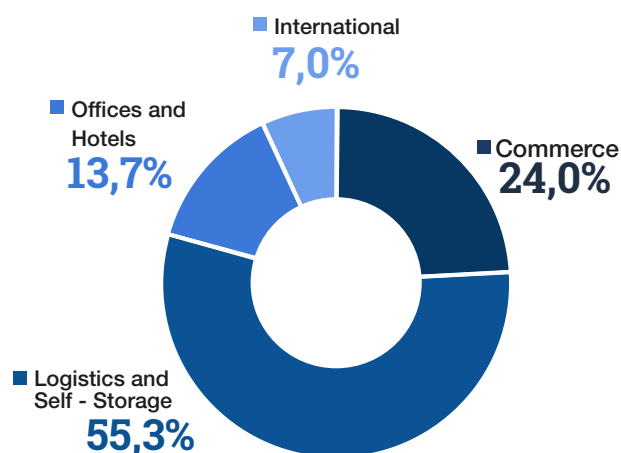


INCREASE
COP **4.10** Billion

GLA m²

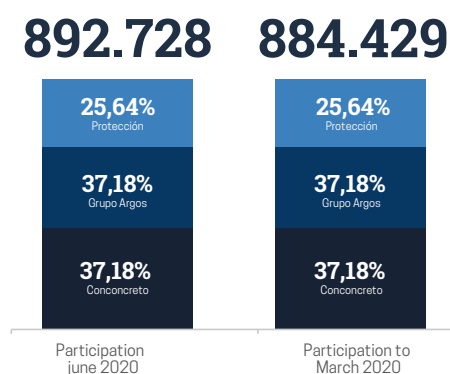


GLA 2Q2020

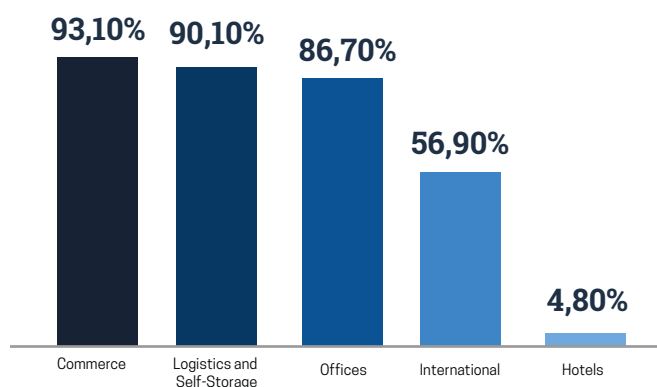


908.321 m² in operation

Accumulated Stake in the PACTIA Trust (%)



2Q2020 Occupation



Business HOUSING



7

Building

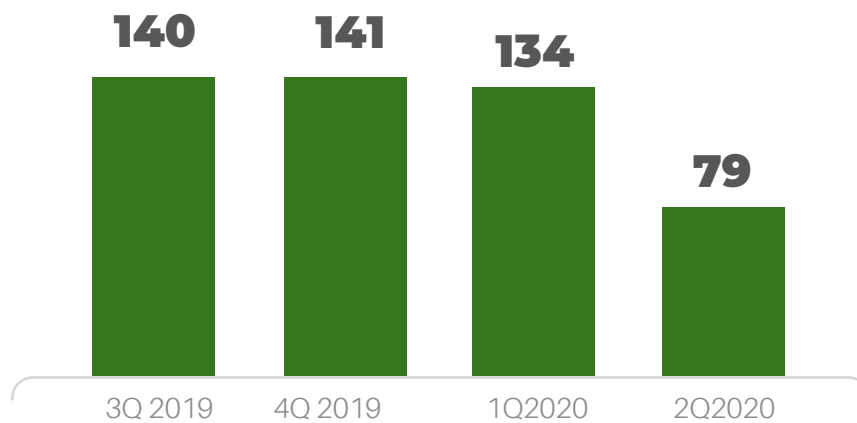
- Portal del Sol 2^{nda} Etapa
- Sunset Boulevard 1^{ra} Etapa
- Mint
- Park 68
- Puerto Azul
- Zanetti Torre 3
- Caminos de la Primavera

5

Pre-sales

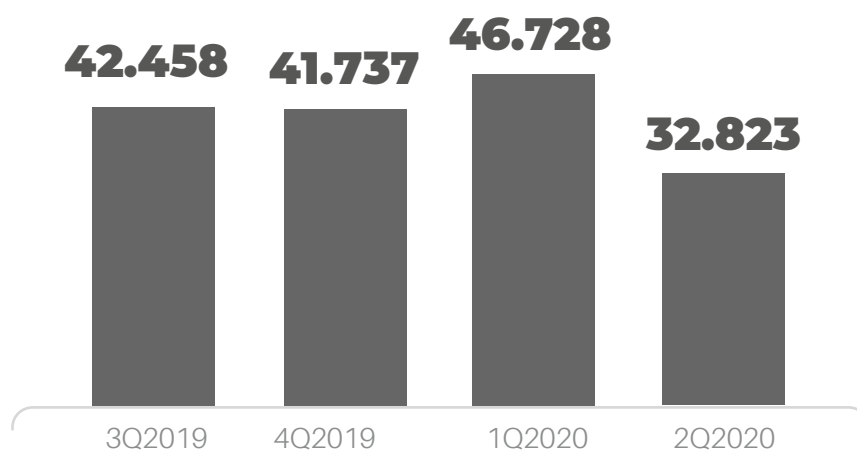
- Porto Rosso
- Sunset Boulevard 2^{nda} Etapa
- Ciudad del Bosque Torre 4
- Contree
- Primavera Verde

Units sold per quarter



Value of units sold per quarter

Figures in COP millions



Financial Results

NET PROFIT

Variation 2020 vs 2019: COP -34.863 million
(% Var. -61.1).

- As of June 2020, despite the COVID-19 contingency occurring in the world, the Company maintained positive profits and margins.
- Compared to 2019, there is a decrease at the level of Income and Gross Profit, due to the affectation of the volume of work and the behavior of Investments, due to the affectations of COVID-19. This decrease was partially offset by lower expense and a lower financial cost.

CONSOLIDATED STATEMENT OF RESULTS BY FUNCTION

(In millions of Colombian Pesos, COP)

	jun. 2020	jun. 2019	var.
Income from Ordinary Activities	264.443	417.095	-37%
Sales Costs	-223.228	-345.315	-35%
Gross Profit	41.215	71.780	-43%
Other Income	7.376	28.326	-74%
Administration and Sales Expenses	-14.762	-16.872	-13%
Employee-Benefit Expenses	-18.002	-20.768	-13%
Other Expenses	-3.284	-2.379	38%
Profit through the Equity Method	4.915	3.322	48%
Other Profits (Losses)	22.605	20.136	12%
Operational Profit	40.062	83.545	-52%
Profits Derived from the Monetary Position, Net	415	-74	-659%
Financial Income	25.011	24.527	2%
Financial Costs	-33.200	-37.099	-11%
Before-Tax Profit	32.289	70.899	-54%
Expenses (Income) for Taxes	-9.491	-12.975	-27%
Minority Interest	-609	-873	-30%
Profit of the Period	22.189	57.052	-61%
EBITDA	59.754	105.102	-43%

Margins	jun. 2020	jun. 2019
Gross margin	15,6%	17,2%
Operating margin	15,1%	20,0%
Margin before tax	12,2%	17,0%
Net margin	8,4%	13,7%
EBITDA margin	22,6%	25,2%

SUMMARY SEPARATE STATEMENT OF INCOME BY FUNCTION

(In millions of Colombian pesos)

	jun. 2020	jun. 2019	var.
Ordinary activities income	226.862	348.614	-35%
Gross profit	44.385	56.356	-21%
Operational Profit	47.943	90.848	-47%
Before-Tax Profit	41.315	78.756	-48%
Profit of the Period	32.828	69.438	-53%

Financial Results

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In millions of Colombian pesos)

	jun. 2020	dic. 2019	Variación	
ASSETS				
Cash and cash equivalents	254.813	239.274	15.538	6,5%
Trade accounts receivable and other current accounts receivable	307.704	353.632	(45.928)	-13,0%
Current accounts receivable from related and associated parties	83.654	78.757	4.897	6,2%
Current inventories	324.555	352.207	(27.652)	-7,9%
Other current assets	133.023	122.550	10.473	8,5%
Current assets	1.103.749	1.146.420	(42.671)	-3,7%
Investment property	6.146	6.146	0	0,0%
Property, plant and equipment	311.313	315.656	(4.343)	-1,4%
Investments accounted for using the equity method	1.405.444	1.358.961	46.483	3,4%
Other non-current assets	41.920	45.975	(4.056)	-8,8%
Non-current assets	1.764.822	1.726.738	38.084	2,2%
Assets	2.868.571	2.873.158	(4.587)	-0,2%
LIABILITIES				
Current financial obligations	182.300	202.451	(20.151)	-10,0%
Trade accounts payable and other accounts payable	186.181	249.695	(63.514)	-25,4%
Current accounts payable to related and associated parties	34.102	34.626	(524)	-1,5%
Liabilities for leases	38.795	39.987	(1.192)	-3,0%
Other current non-financial liabilities	49.162	64.254	(15.092)	-23,5%
Other current liabilities	23.220	14.312	8.908	62,2%
Current liabilities held for sale	14.294	14.294	-	0,0%
Current liabilities	528.055	619.620	(91.565)	-14,8%
Non-current financial obligations	470.818	453.352	17.465	3,9%
Other non-current liabilities	259.334	233.128	26.207	11,2%
Lease liability	28.782	28.251	530	1,9%
Non-current liabilities	758.934	714.731	44.202	6,2%
Liabilities	1.286.988	1.334.351	(47.363)	-3,5%
EQUITY				
Equity attributable to owners of the parent	1.576.539	1.534.260	42.278	2,8%
Non-controlling interest	5.044	4.547	497	10,9%
Equity	1.581.583	1.538.807	42.776	2,8%

Asset Variation 2020 vs 2019: COP -4.587 million (% Var. -0.2%)

The variations correspond to the ordinary course of the business, where a higher balance in Cash and Banks stands out as a result of good performance of the operation and the Increase in Investments, due to the execution of the investment plan and the valuation of the PACTIA PCF.

Liability Variation 2020 vs 2019: COP -47.363 million (% Var. -3.5%)

The variations corresponds to the ordinary course of the business, where the transfer

from short term to long term of the Financial Obligations and Accounts Payable (SIC) stand out, thanks to the agreements achieved with creditors, due to the COVID-19 contingency.

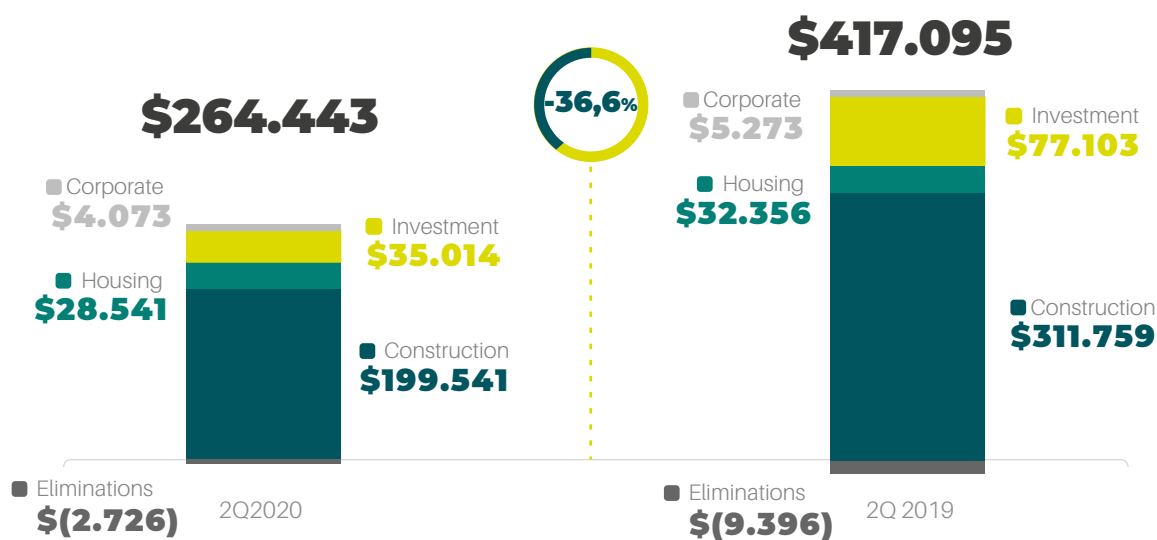
Liability Variation 2020 vs 2019: COP 42.776 million (% Var. 2.8%)

The variations correspond to the Profits generated in the period and to the impact of the exchange rate in the foreign companies.

Financial Results

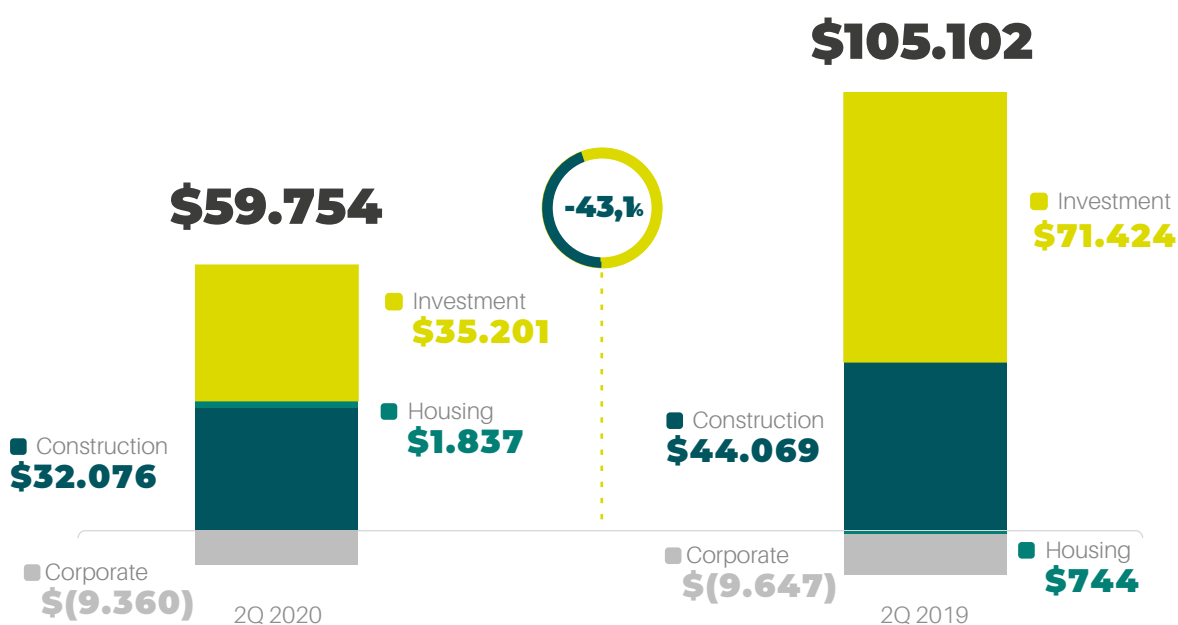
Consolidated INCOME

Figures in COP millions



Consolidated EBITDA

Figures in COP millions



Financial Results

CONTRIBUTION BY BUSINESS LINE

STATEMENT OF RESULTS

COP million	CONSTRUCTION	HOUSING	INVESTMENT	CORPORATE	ELIMINATIONS	TOTAL
Income from Ordinary Activities	199.541	28.541	35.014	4.073	-2.726	264.443
Gross Profit	23.061	3.428	10.935	3.356	435	41.215
Profit (Loss) for Operation Activities	17.844	1.654	31.006	(10.788)	345	40.061
Before-Tax Profit (Loss)	18.402	1.526	16.851	(4.493)	1	32.287
EBITDA	32.076	1.837	35.201	(9.705)	344	59.754

STATEMENT OF THE FINANCIAL SITUATION

COP million	CONSTRUCTION	HOUSING	INVESTMENT	CORPORATE	ELIMINATIONS	TOTAL
Current Assets	312.546	319.146	421.111	110.296	(59.350)	1.103.749
Long-Term Assets	151.300	60.730	1.534.466	165.102	(146.775)	1.764.822
Total Assets	463.845	379.876	1.955.577	275.398	(206.125)	2.868.571
Current Liabilities	303.130	71.658	189.794	750	(37.276)	528.055
Long-Term Liabilities	57.325	116.045	687.936	66.476	(168.849)	758.934
Total Liabilities	360.455	187.703	877.730	67.226	(206.125)	1.286.988
Total Equity	103.390	192.173	1.077.847	208.172	(0)	1.581.583
Total Liabilities and Equity	463.845	379.876	1.955.577	275.398	(206.125)	2.868.571