

# Consolidated Financial Statements

December 31, 2019  
(Comparative figures as of December 31, 2018)



Construcciones  
**EL CONDOR S.A.**  
Ingeniería de Infraestructura e Inversiones

## STATUTORY AUDITOR'S REPORT

### To the Shareholders of CONSTRUCCIONES EL CÓNDROR S.A. Audit Report of Separate Financial Statements Report

#### Opinión

I have audited the financial statements of CONSTRUCCIONES EL CONDOR S.A. and its subsidiaries at December 31, 2019, which comprise the separate financial situation statement, the results per duty and other integrated results, the changes in separate equity, and the separate cash flow statement ended on that date and the corresponding notes, including a summary of the significant accounting policies

In my opinion, the separate financial statements I audited were truthfully taken from the books, exhibit, in all significant and reasonable manner, the separate financial situation of CONSTRUCCIONES EL CONDOR S.A. and its subsidiaries at December 31, 2019, the results of their operations and separate cash flows for the year ended on that date, in accordance with the Accounting and Financial Information Standards accepted in Colombia.

#### Basis for My Opinion

I have conducted the audit in accordance with the International Audit Standards (IAS) accepted in Colombia. My responsibility, according to these standards, is described ahead in the section of responsibilities of the Statutory Auditor in terms of auditing separate financial statements. I am independent from the Company and its subsidiaries pursuant to the Code of Ethics for Accounting Professionals through the International Auditing and Assurance Standards Board (Code of Ethics of the IAASB) and I have met the other ethic responsibilities in accordance with the Code of Ethics of the IAASB and with Law 43 of 1990. I deem that the evidence from the audit I have gathered provided a sufficient and proper basis for my opinion.

#### Key Matters of the Audit

The key matters of the audit comprise those which, in my professional opinion, have been highly significant during the audit I conducted of the separate financial statements of the period aforementioned. These matters have been addressed in the context of my audit of the separate financial statements in their entirety and to provide my opinion thereof, and I do not state an opinion separate from those matters.

Key Matters	Reply From the Statutory Auditor
<p><b>1. Acknowledgement of joint operations</b></p> <p>The financial statements of the holding acknowledge - in addition to its assets, liabilities, revenues and expenditures – the items that rise from the contractual agreements of its joint operations, presenting on the separate financial statements its share in the joint assets, liabilities, revenues, costs and expenses.</p> <p>I have considered the joint operations of the separate financial statements as a key matter of the audit given the material effect there is from integrating the items from these operations.</p>	<p>My audit procedures pertaining to the joint operations included:</p> <ul style="list-style-type: none"> <li>• Conduct a financial audit of the consortiums with the largest share in the result, based on the material level of the balance sheets incorporated in the accounting system of the holding company.</li> <li>• Verify the proper incorporation of the balance sheets of the consortiums in which there is a share and their timely accounting.</li> <li>• Review the proper acknowledgement of the consortium certificates.</li> </ul>
<p><b>2. Acknowledgement of revenue in contracts</b></p> <p>Revenue from construction contracts is recognized in accordance with the performance obligations set forth by Management, keeping in mind the processes established in the contracts and the application of further stages of IFRS-15.</p> <p>Acknowledging the revenue from constructions contracts generates material financial assets (accounts receivable). Therefore, I have considered that the revenue from contracts with clients is a key matter of the audit.</p>	<p>My audit procedures pertaining to revenue from contracts included:</p> <ul style="list-style-type: none"> <li>• Verify the proper accounting acknowledgement of the revenue base don every performance obligation set forth by the Company and further stages established in IFR- 15.</li> <li>• Review the existence and term of the contracts and their corresponding extensions.</li> <li>• Verify the existing invoicing and control procedures.</li> <li>• Verify that the sales are recorded in the proper period and the completion of operations is accordingly made.</li> <li>• Conduct balance sheet confirmation procedures with clients, and analytical proceedings.</li> <li>• Validate the integrity of the accounts receivable acknowledged and their valuation based on work progress made.</li> <li>• Verify the misstatement analysis acknowledged of the accounts receivable</li> </ul>

**Key Matters**

**Reply From the Statutory Auditor**

**3. Property, Plant and Equipment**

The Group owns different types of significant productive goods on the financial statements. Certain types of goods used are presented with a reasonable market price.

This represents a key audit matter due to the judgements, significant opinions and estimates made of calculations used to determine the life, depreciation and depletion methods, residual value of certain type of Property, plant and equipment.

My audit procedures related to Property, plant and equipment included:

- Verify compliance with regulations of the Company's management over managing property, plant and equipment.
- Calculate again the expenditure-cost for depreciation of property, plant and equipment (including equipment leased) based on the policies and estimated life of each.

**Responsibility of Management pertaining to separate financial statements**

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with the Accounting and Financial Information Standards generally accepted in Colombia; this includes the design, implementation and maintenance of internal control relevant to the preparation of separate financial statements free from material misstatement, whether due to fraud or error.

To prepare the separate financial statements, Management is responsible for the assessment of the Group's capacity to continue disclosing, properly, the matters related to the business in operation, following the accounting principle of business in operation except if Management's intent is to liquidate the Group or cease its operations, or there is no other realistic alternative.

Those responsible for the entity's governance are responsible for the supervision of the financial information process thereof.

**Responsibility of the Statutory Auditor pertaining to auditing the consolidating financial statements**

My purpose is to obtain reasonable assurance about whether the separate financial statements are free of misstatements, due to fraud or error, and to issue an audit report with my opinion. Reasonable assurance is a high degree of certainty but does not guarantee that the audit made in accordance with IAS always detects misstatements. Misstatements may be due to fraud or error, and considered material if, individually or collectively, they may be foreseen to influence the economic decisions made by the users based on the separate financial statements.

As part of the audit conducted in accordance with IAS, I used by professional judgement and maintained an attitude of professional skepticism during the entire process. I also:

- Identified and assessed the risks of material misstatement in the separate financial statements whether due to fraud or error, designed and implemented audited procedures to meet those risks, and obtained evidence sufficient and proper to provide my opinion. The risk of not detecting a material misstatement whether due to fraud is higher than in the case of a material misstatement due to error, since the fraud may imply collusion, forgery, deliberate omissions, statements intentionally erroneous or evasion of the internal control.
- Obtained knowledge of the internal control relevant for the audit with the purpose of designing audit procedures proper in view of the circumstances.
- Assessed the appropriateness of the accounting policies used and the reasonable accounting estimates made, and the applicable information disclosed by Management.
- Concluded that Management properly uses the accounting principle of the business in operation, and based on the evidenced obtained from the audit, the existence or not of a material misstatement related to events or conditions that may lead to significant doubts about the corporation's capability to continue as a business in operation. If I conclude that there is a material uncertainty, attention must be drawn in my audit report to

the information disclosed on the separate financial statement or, if said disclosures are not proper, a modified opinion should be given. My conclusions are based on the evidence obtained from the audit up to the date of my report. However, future events or conditions may be causes for the corporation to stop being a business in operation.

- Assessed the overall presentation, structure and contents of the separate financial statements, including the information disclosed, and if the separate financial statements represent the transactions and underlying facts in a manner the reaches reasonable assurance.

I contacted Management pertaining to, among other matters, the scope and timing of the planned audit, and the significant findings of the audit alongside any significant impairment of the internal control I identified during the course of the audit.

I also handed to Management a statement in which I have met the ethical requirements applicable pertaining to my independence; and stated as well to this body every relation and matters which can reasonably be expected to affect my independence, and if any, the respective safeguards implemented.

Among the matters object of discussion with Management, I determined those which have been of most significance in auditing the financial statements of the current period, which are, consequently, key matters of the audit. I described these matters in my audit report except when the legal or regulatory provisions prohibit the public disclosure of a matter or, though extremely unfrequently, I determined that a matter should not be disclosed in my report because it is reasonable to expect that the adverse consequences if so may surpass the benefits of the public interest in it.

#### **Other matters**

The separate financial statements of CONSTRUCCIONES EL CONDOR S.A., at December 31, 2018, which are part of the information on the financial statements attached, were audited by another public accountant assigned to Crowe Horwath, in accordance with the international audit standards accepted in Colombia. The foregoing unqualified opinion was provided on February 25, 2019.



JAVIER EMILIO TÁMARA TORRES  
Statutory Auditor  
Professional Card No. 208.595-T  
Appointed by Crowe Co. S.A.S.

February 24, 2020

24 de febrero de 2020

**CONSTRUCCIONES EL CÓNDOR S.A.  
CERTIFICATION OF FINANCIAL STATEMENTS**

Medellín, February 24, 2020

**Gentlemen  
SHAREHOLDERS  
CONSTRUCCIONES EL CÓNDOR S.A.  
Medellín**

Greetings,

Pursuant to article 47 of Law 964 of 2005, the Legal Representative of Construcciones El Cóndor S.A. informs the shareholders that the operational efficiency of the controls established by the Company were been verified by the undersigned, and that the existing systems have been satisfactorily assessed in terms of financial information disclosure and control. All controls and systems above mentioned were found in proper operation.

Sincerely,



**ANA MARÍA JAILLIER CORRE A**  
Legal Representative  
C.C. 42.895.563

**CONSTRUCCIONES EL CÓNDOR S.A.  
CERTIFICATION OF FINANCIAL STATEMENTS**

Medellín, February 24, 2020

**Gentlemen  
SHAREHOLDERS  
CONSTRUCCIONES EL CÓNDOR S.A.  
Medellín**

The undersigned Legal Representative and the Accountant of  
CONSTRUCCIONES EL CÓNDOR S.A.

CERTIFY

That the Consolidated Financial Statements and other reports relevant to the public and the operations of the Company as of December 31, 2019, do not contain any inaccuracies or errors which restrain from knowing its true equity condition.

The above is to comply with Article 46 of Law 964 of 2005.



**ANA MARÍA JAILLIER CORRE A**  
Legal Representative  
C.C. 42.895.563



**ANA ISABEL GONZÁLEZ VAHOS**  
Accountant  
Professional Card No. 47345-T

**CERTIFICATION OF FINANCIAL STATEMENTS**

We, ANA MARIA JAILLIER CORREA, acting as the Legal Representative, and ANA ISABEL GONZALEZ VAHOS, acting as the Accountant, hereby state that we have prepared the consolidated statements of financial position, comprehensive income, changes in consolidated equity and cash flows as of December 31, 2019 of CONSTRUCCIONES EL CÓNDOR S.A. with Tax I.D. No. 890.922.447- 4. This task was prepared applying the International Financial Reporting Standards applicable in Colombia affirming that they reasonably present the financial standing as of December 31, 2019, and furthermore:

1. We are responsible for the reasonable preparation and presentation of the financial statements of the Corporation, and hereby state that the figures were truly taken from the official accounting books and their corresponding complementary documents.
2. We are not aware in any way of:
  - Irregularities involving members of the administration or employees, which may hinder the financial statements of the Corporation.
  - Communications from regulators which by law should exercise control over the corporation, due to the breach of legal provisions in force or to the improper presentation of the information requested.
  - Possible breach of laws or regulations that may create lawsuits or taxes, with effects that should be deemed worth disclosing on the financial statements or taken as a foundation to estimate contingent liabilities.
  - Assets or liabilities other than those registered in the books, or revenues or costs that hurt the results and that should be disclosed in accordance with the International Financial Reporting Standards of Colombia.
3. The Corporation has satisfactorily protected all of the assets it owns as well as those of third parties in its power; there are no pledges or liens on said assets.
4. The Corporation has fully met all contractual agreements which if breached could have an effect on its financial information.
5. No events subsequent to the statement of financial position have taken place that could require an adjustment or disclosure on the financial statements as of December 31, 2019.



**ANA MARÍA JAILLIER CORREA**  
Legal Representative  
C.C. 42.895.563



**ANA ISABEL GONZÁLEZ VAHOS**  
Accountant  
Professional Card No. 47345-T

**Financial situation statement - consolidated**

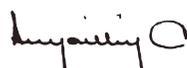
Figures in thousands of Colombian pesos

As of Dec 31

As of Dec 31

<b>ASSETS</b>	<b>Note</b>	<b>2019</b>	<b>2018</b>
Cash and cash equivalents	3	43.094.638	35.939.247
Current investments	4	43.938.769	11.791.043
Commercial accounts receivable and other accounts receivable	5	741.450.361	1.002.794.058
Accounts receivable, related parties	5	255.087.707	198.573.067
Asset for current taxes	5	5.726.767	5.892.539
Inventory	6	104.307.222	122.702.729
Prepaid expenses	7	4.692.925	5.581.356
Non-current assets maintained for sale	8	2.530.363	879.172
<b>CURRENT ASSET</b>		<b>1.200.828.751</b>	<b>1.384.153.211</b>
Investments in financial instruments	4	947.224	947.224
Investments in associates and joint businesses	4	142.532.902	123.866.022
Commercial accounts receivable and other accounts receivable	5	5.958.629	89.246.904
Accounts receivable, related parties	5	575.104.918	501.958.026
Prepaid expenses	7	31.848	628.196
Intangible assets other than capital gain	7	4.862.892	20.415.936
Assets for deferred taxes	7	14.801.477	26.841.945
Properties, plant and equipment	9	410.616.395	410.285.782
Investment properties	10	5.735.876	6.408.048
<b>NON-CURRENT ASSETS</b>		<b>1.160.592.161</b>	<b>1.180.598.083</b>
<b>TOTAL ASSETS</b>		<b>2.361.420.912</b>	<b>2.564.751.294</b>
<b>LIABILITIES</b>			
Financial obligations	11	259.612.867	470.143.602
Commercial financing companies	11	42.378.237	65.121.669
Commercial accounts receivable and other accounts receivable	12	232.925.717	373.901.476
Accounts payable with current related parties	12	387.454	3.861.082
Current taxes	13	5.376.076	11.129.883
Labor obligations		13.819.891	12.547.098
Other liabilities	14	93.398.351	126.912.580
Prepayments and advances received	15	46.968.088	76.439.440
Prepaid revenues received	16	43.315.534	71.802.521
Income received for third parties		386.928	0
<b>CURRENT LIABILITY</b>		<b>738.569.143</b>	<b>1.211.859.351</b>
Financial obligations	11	284.366.667	35.515.637
Commercial financing companies	11	131.379.220	122.923.330
Commercial Accounts payable and accounts payable	12	1.522.759	4.893.617
Accounts payable with non current related parties	12	12.441.878	-
Other accounts payable	14	3.253.678	1.176.349
Prepayments and advances received	15	20.500.750	12.497.693
Liabilities for deferred taxes	17	80.609.592	88.624.346
<b>NON-CURRENT LIABILITY</b>		<b>534.074.544</b>	<b>265.630.973</b>
<b>TOTAL LIABILITY</b>		<b>1.272.643.687</b>	<b>1.477.490.324</b>
<b>EQUITY</b>			
Stock capital		15.701.606	15.701.606
Premium in share placement		159.711.695	159.711.695
Reserves		718.587.481	632.794.173
Result of the period		73.103.484	115.155.365
Other integral result		80.623.149	98.929.177
Retained earnings		34.518.301	21.291.412
<b>EQUITY ATTRIBUTED TO CONTROLLERS</b>	<b>18</b>	<b>1.082.245.717</b>	<b>1.043.583.428</b>
<b>NON-CONTROLLING INTERESTS</b>		<b>6.531.508</b>	<b>43.677.542</b>
<b>TOTAL EQUITY</b>		<b>1.088.777.225</b>	<b>1.087.260.970</b>
<b>TOTAL LIABILITY AND EQUITY</b>		<b>2.361.420.912</b>	<b>2.564.751.294</b>

The notes attached are an integral part of the financial statements



ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563  
See certification attached



ANA ISABEL GONZÁLEZ VAHOS  
Accountant  
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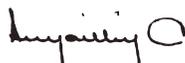
JAVIER EMILIO TÁMARA TORRES  
External Auditor (Crowe)  
Professional Card No. 208595 – T  
See opinion attached

**Income per function statement - consolidated**

Figures in thousands of Colombian pesos,

	Note	From January 1 to December 31		From October 1 to December 31	
		2019	2018	2019	2018
<b>REVENUES FROM NORMAL ACTIVITIES</b>					
Sale of good		4.103.950	11.410.725	71.000	5.446.070
Services provided		882.184.784	1.056.069.779	236.288.195	278.305.529
<b>TOTAL REVENUES FROM NORMAL ACTIVITIES</b>	<b>19</b>	<b>886.288.734</b>	<b>1.067.480.504</b>	<b>236.359.195</b>	<b>283.751.599</b>
Operating costs	20	(827.895.643)	(894.382.178)	(177.075.375)	(244.395.231)
<b>GROSS PROFIT</b>		<b>58.393.092</b>	<b>173.098.326</b>	<b>59.283.820</b>	<b>39.356.368</b>
Administration expenses	21	(38.520.246)	(43.522.798)	(10.367.170)	(15.333.022)
Other revenues	22	6.760.945	9.770.525	975.960	2.332.533
Other expenses	23	(5.663.559)	(8.418.297)	(646.710)	4.162.938
Other gains or losses	24	40.605.697	(1.671.005)	40.772.198	(76.401)
<b>OPERATING PROFIT</b>		<b>61.575.929</b>	<b>129.256.751</b>	<b>90.018.098</b>	<b>30.442.416</b>
Financial revenues	25	43.377.214	35.395.564	10.850.391	7.435.262
Financial expenses	26	(79.689.426)	(64.994.156)	(21.542.146)	(19.758.126)
Net participation in results of subsidiaries, associates and joint business	27	57.887.976	50.755.571	20.694.888	16.398.666
<b>PROFIT BEFORE TAXES</b>		<b>83.151.693</b>	<b>150.413.730</b>	<b>100.021.231</b>	<b>34.518.218</b>
Income tax	28	(47.194.242)	(37.836.817)	(22.614.949)	(4.617.772)
<b>ET PROFIT OF THE PERIOD</b>		<b>35.957.451</b>	<b>112.576.913</b>	<b>77.406.283</b>	<b>29.900.446</b>
Attributed to:					
Owners of the controlling company		73.103.484	115.155.365	78.170.316	31.371.758
Non-controlling interests		(37.146.033)	(2.578.452)	(764.033)	(1.471.312)
		<b>35.957.451</b>	<b>112.576.913</b>	<b>77.406.283</b>	<b>29.900.446</b>

The notes attached are an integral part of the financial statements



ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563  
See certification attached



ANA ISABEL GONZÁLEZ VAHOS  
Accountant  
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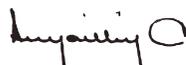
JAVIER EMILIO TÁMARA TORRES  
External Auditor (Crowe)  
Professional Card No. 208595 – T  
See opinion attached

**Other integral results of the period consolidated statement**

Figures in thousands of Colombian pesos

	From January 1 to December 31		From October 1 to December 31	
	2019	2018	2019	2018
<b>NET PROFIT OF THE PERIOD</b>	<b>35.957.451</b>	<b>112.576.913</b>	<b>77.406.283</b>	<b>29.900.446</b>
<b>OTHER INTEGRAL RESULT</b>				
<b>Items that will not be reclassified after the period result:</b>				
Gain (loss) from valuations in investments and properties, plant and equipment	(12.979.165)	55.484.051	(3.740.800)	57.455.262
Effect of tax on gains	3.921.676	(10.946.359)	1.097.410	(14.438.017)
Gain (loss) for actuaries for employee benefit plans	(20.819)	14.785	(20.819)	14.785
<b>Items that will be reclassified after the period result:</b>				
Gain (loss) from exchange difference from investment conversion overseas	535.294	0	0	0
Participation in associates and joint business	(10.966.209)	(30.844.847)	(1.919.283)	(20.531.533)
Effect of tax on gains	1.203.196	4.665.045	275.430	1.920.633
<b>OTHER INTEGRAL RESULT OF THE PERIOD</b>	<b>(18.306.028)</b>	<b>18.372.675</b>	<b>(4.308.062)</b>	<b>24.421.130</b>
<b>TOTAL INTEGRAL RESULT OF THE PERIOD</b>	<b>17.651.423</b>	<b>130.949.588</b>	<b>73.098.220</b>	<b>54.321.576</b>
Attributed to:				
Owners of the controlling company	54.797.456	133.528.040	73.862.255	55.792.890
Non-controlling interests	(37.146.033)	(2.578.452)	(764.034)	(1.471.312)
	<b>17.651.423</b>	<b>130.949.588</b>	<b>73.098.220</b>	<b>54.321.578</b>

The notes attached are an integral part of the financial statements



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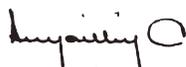
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**Cash flow consolidated statement**

Figures in thousands of Colombian pesos

	As of Dec 31	As of Dec 31
	2019	2018
<b>OPERATING ACTIVITIES</b>		
Profit attributed to:		
Owners of the controlling company	73.103.484	115.155.365
Non-controlling interest	(37.146.033)	(2.578.452)
<b>Items not affecting cash:</b>		
Depreciation and impairment of properties, plant and equipment and inventories	33.561.724	29.645.650
Amortizations and impairment	6.869.420	17.045.084
Exchange difference (net)	28.514	1.161.840
Provision for costs (works, dismantling, accounts receivable, investments, contingencies)	(33.869.700)	(1.861.177)
Recovery from reimbursement of costs and expenses	(288.278)	(1.863.322)
Net loss (gain) on sale of property, plant and equipment	(133.505)	1.730.291
Net loss (gain) on sale of investments	(40.702.233)	0
Net participation in the loss (Gain) of subsidiaries, associates and joint business	(57.887.976)	(50.755.571)
Income tax	47.194.242	37.836.815
<b>CASH GENERATED IN OPERATION</b>	<b>(9.270.340)</b>	<b>145.516.523</b>
<b>CHANGE IN OPERATING ITEMS</b>		
<b>Plus: increased liabilities and decreased operating assets</b>	<b>241.630.092</b>	<b>408.749.151</b>
Decrease of inventories	18.395.507	2.592.063
Decrease of rights - intangibles	0	321.899.087
Decrease of assets for deferred taxes	165.773	0
Increase in deferred tax liabilities	4.025.715	4.846.613
Increase in labor obligations	1.272.792	2.755.486
Decrease of commercial accounts receivable and other accounts	214.480.421	0
Increase of other liabilities	2.902.955	9.266.054
Increase of revenues received in advance	386.928	46.311.488
Increase of prepayments and advances received	0	21.078.360
<b>Minus: increased assets and decreased operating liabilities</b>	<b>243.367.745</b>	<b>555.329.343</b>
Increase of commercial accounts receivable and other accounts receivable	0	469.024.893
Increase of prepaid expenses	5.374.325	573.595
Decrease of accounts payable	135.090.088	13.579.951
Decrease of accounts payable and other accounts	28.486.987	0
Decrease of payment of tax	52.948.050	72.150.904
Decrease of of prepayments and advances received	21.468.295	0
<b>NET CASH FOR OPERATING ACTIVITIES</b>	<b>(11.007.993)</b>	<b>(1.063.669)</b>
<b>CASH FLOWS IN INVESTMENT ACTIVITIES</b>		
<b>Plus: decrease in investment activities</b>	<b>63.981.850</b>	<b>803.177</b>
Non-current assets maintained for sale	0	803.177
Investment properties	672.172	0
Investments	47.766.950	0
Intangible assets other than appreciation	15.542.728	0
<b>Minus: increases in investment activities</b>	<b>35.410.023</b>	<b>114.524.592</b>
Current assets maintained for sale	1.651.191	0
Investments	0	1.371.923
Properties, plant and equipment	33.758.832	111.234.995
Investment properties	0	1.917.674
<b>NET CASH FOR INVESTMENT ACTIVITIES</b>	<b>28.571.827</b>	<b>(113.721.415)</b>
<b>NET CASH FOR FINANCING ACTIVITIES</b>		
<b>Plus: increase for financing activities</b>	<b>38.051.791</b>	<b>60.462.136</b>
Reserves	792.149	7.851
Financial obligations	24.032.753	0
Increase of retained earnings	13.226.889	17.866.079
Surplus from revaluations	0	42.588.206
<b>Minus: decreases in financing activities</b>	<b>48.460.234</b>	<b>337.958.288</b>
Financial obligations	0	282.343.336
Other integral result	6.200.629	24.215.528
Surplus from revaluations	12.105.399	0
Dividends decreed	30.154.206	29.292.657
Non-controlling participation	0	2.106.767
<b>NET CASH FOR FINANCING ACTIVITIES</b>	<b>(10.408.442)</b>	<b>(277.496.152)</b>
Cash increase-decrease	7.155.391	(392.281.236)
Cash beginning the period	35.939.247	428.220.483
<b>CASH AND CASH EQUIVALENTS AS OF DECEMBER 31</b>	<b>43.094.638</b>	<b>35.939.247</b>

The notes attached are an integral part of the financial statements



ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563  
See certification attached



ANA ISABEL GONZÁLEZ VAHOS  
Accountant  
Professional Card No. 47345-T  
See certification attached



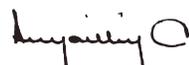
JAVIER EMILIO TÁMARA TORRES  
External Auditor (Crowe)  
Professional Card No. 208595 - T  
See opinion attached

## Changes in equity consolidated statement

Figures in thousands of Colombian pesos

	Subscribed and paid capital	Capital Surplus	Earnings retained	Results of the period	Result of previous periods	Other integral result	Revaluation surplus	Changes in equity
<b>Balance at december 31, 2017</b>	<b>15.701.606</b>	<b>159.711.695</b>	<b>477.170.240</b>	<b>184.908.738</b>	<b>3.425.333</b>	<b>33.512.663</b>	<b>47.043.837</b>	<b>921.474.112</b>
Reserves	0	0	155.623.933	(155.616.081)	0	0	0	7.852
For transfer to results of previous periods	0	0	0	0	35.787.078	0	0	35.787.078
Adjustments and reclassifications	0	0	0	0	0	(24.215.531)	0	(24.215.531)
Results of the period	0	0	0	115.155.365	0	0	0	115.155.365
Revaluation reclassification	0	0	0	0	3.313.773	0	0	3.313.773
Dividends	0	0	0	(29.292.657)	0	0	0	(29.292.657)
Effects of application of IFRS 15-Concessions	0	0	0	0	(21.234.772)	0	0	(21.234.772)
Revaluation surplus	0	0	0	0	0	0	42.588.206	42.588.206
<b>Balance at december 31, 2018</b>	<b>15.701.606</b>	<b>159.711.695</b>	<b>632.794.173</b>	<b>115.155.365</b>	<b>21.291.412</b>	<b>9.297.132</b>	<b>89.632.043</b>	<b>1.043.583.426</b>
<b>Balance at december 31, 2018</b>	<b>15.701.606</b>	<b>159.711.695</b>	<b>632.794.173</b>	<b>115.155.365</b>	<b>21.291.412</b>	<b>9.297.132</b>	<b>89.632.043</b>	<b>1.043.583.426</b>
Reserves	0	0	115.947.514	(115.155.365)	0	0	0	792.149
Accumulated profits or / and surplus	0	0	0	0	13.226.889	0	0	13.226.889
Adjust investments in associates and subsidiaries	0	0	0	0	0	(6.200.629)	0	(6.200.629)
Results of the period	0	0	0	73.103.484	0	0	0	73.103.484
Dividends	0	0	(30.154.206)	0	0	0	0	(30.154.206)
Revaluation surplus	0	0	0	0	0	0	(12.105.396)	(12.105.396)
<b>Balance at december 31, 2019</b>	<b>15.701.606</b>	<b>159.711.695</b>	<b>718.587.481</b>	<b>73.103.484</b>	<b>34.518.301</b>	<b>3.096.503</b>	<b>77.526.647</b>	<b>1.082.245.717</b>

The notes attached are an integral part of the financial statements



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See opinion attached

## **NOTES TO THE FINANCIAL STATEMENTS As of December 31, 2019, and 2018**

### **Note 1. General information**

#### **1.1 Entity and corporate objective**

CONSTRUCCIONES EL CÓNDOR S.A. was initially incorporated through Public Deed No. 510 filed at 11th Notary Public of Medellín, on March 6, 1979. The corporation has undergone several changes the public deeds for which have been filed with the Medellín Chamber of Commerce. The Corporation changed from Limited Liability to stock corporation through Public Deed No. 944 filed with the 7th Notary Public of Medellín on April 8, 1994.

Public deed 3385 dated December 12, 2008 officialized the merger by absorption agreement between the Corporation Construcciones El Cóndor S.A., which absorbed the Corporation Grupo Cóndor Inversiones S.A.

Public deed 2868 dated November 30, 2009 filed with the 7th Notary Public of Medellín officialized the merger by absorption agreement between the Corporation Construcciones El Cóndor S.A., which absorbed the Corporation AGREGADOS SAN JAVIER S.A.

The Corporation's objective is the study, design, planning, contracting, implementation, construction, financing, exploitation, and administration of infrastructure businesses, and the implementation of all activities and work involved in engineering and architecture in all their manifestations, modalities, and specialties, inside and outside the territory of Colombia. The corporate objective also includes mining, construction of all manner of civil works such as dams, overpasses, etc., and the investment and use of the Corporation's resources or availabilities in corporations established in any of the manners authorized by law.

In general, to achieve its corporate objective, the Corporation may perform all the acts that are necessary or related to the implementation of said corporate objective.

Duration: The Corporation's duration extends to March 6, 2079.  
The Corporation's main place of business is the city of Medellín.

Because the Corporation issues shares and its capital is registered with the Colombian stock exchange (Bolsa de Valores de Colombia), the Colombian Financial Superintendence (Superintendencia Financiera de Colombia) wields exclusive control over the company.

The financial statements were authorized by the Board of Directors on February 26, 2020. The shareholders assembly has the power to modify the financial statements before they are published; the shareholders assembly will authorize the publication of the financial statements on March 31, 2020.

#### **Concesión Cesar - Guajira S.A.S**

The affiliate corporation Concesión Cesar - Guajira S.A.S was established through a private document on June 12, 2015 by the sole shareholder and filed with the Valledupar Chamber of Commerce on November 30, 2015, in book 9, number 00029631.

The sole corporate objective is to enter into and implement the concession agreement in the modality of public-private association (PPA), according to the terms established in law 1508 of 2012, derived from the award of process N. VJ-VE-APP-IPV-003-2015, published by the National Infrastructure Agency (Agencia Nacional de Infraestructura) through resolution number 823 dated May 19, 2015, and whose purpose is the construction, rehabilitation, operation, maintenance, and reversion of the road system to connect the Departments of Cesar and La Guajira, according to the concession contract, its attachments, addenda, and other documents that are part of the project.

As of the date on which these financial statements were prepared, the Corporation's management has concluded that the hypothesis of an ongoing concern is not met for the following reasons:

1. The concessionary company was established in June 17, 2015 with the sole purpose of entering into and implementing concession agreement number 006 for the construction, rehabilitation, operation, maintenance, and reversion of the road system to connect the departments of Cesar and La Guajira.
2. On June 10, 2017, the National Infrastructure Agency (Agencia Nacional de Infraestructura - ANI) and the concessionary company signed a document declaring the occurrence of early termination due to the materialization of the risk consisting of lower total revenue collection, because it was impossible to operate the Río Seco toll station, and the start of the reversion stage;
3. On February 18, 2018, the ANI and the concessionary Corporation signed the document for reversion and early termination of the concession agreement
4. On December 26, 2018, ANI and the concessionary Corporation signed the document for the liquidation of the concession agreement in the PPA modality number 006 of 2015 between the ANI and Concesión Cesar Guajira S.A.S. for COP 85,235,649.
5. Since the concessionary Corporation's sole objective was to implement the concession agreement, and that said agreement was liquidated, the Assembly must declare that the concessionary Corporation no longer meets the definition of ongoing concern.

Therefore, the financial statements have been prepared according to the technical framework that regulates financial information for companies that do not meet the definition of an ongoing concern as established by decree 2101 of 2016. These standards use net liquidation value as the accounting basis.

#### **Concesión Vías de las Américas S.A.S.**

The affiliate corporation Vías de las Américas S.A.S was established through private document 0000001 by the Bogotá DC Shareholders Assembly held on August 5, 2010, filed on March 27, 2012 under number 00027547 in book IX, with the Bogotá D.C. Chamber of Commerce of

Through minutes number 0000004 of the General Extraordinary Assembly held in Bogotá DC on October 4, 2011, filed on February 17, 2012 under number 00027276, book IX, the Corporation's main place of business was changed from Bogotá D.C. to Montería.

The Corporation's main objective will be the design, study, planning, financing, exploitation, and administration of infrastructure businesses, and the performance of any and all activities and works inherent to engineering and architecture in all their modalities and specialties, inside or outside the territory of Colombia and under any modality.

#### **Condor Investments USA INC**

Condor Investments USA INC is a company incorporated in 2015 according to the laws of the State of Delaware. The affiliate Condor Construction Corp. is a company incorporated in 2015 according to the laws of the State of Florida. Condor Investments USA INC. is an investment company, and the affiliate is a general contractor for participating in commercial, industrial, and municipal construction projects in the State of Florida.

Construction contracts are based on cost plus margin, fixed cost contracts, fixed cost contracts modified by the provisions on incentives, penalties, times, and materials. The duration of the company's contracts is variable but is usually less than one year.

## **Note 2. Main accounting policies and practices.**

### **2.1 Summary of the Corporation's main accounting policies**

The accounting principles used by the Corporation are based on the assumption of continuity of the accounting entity, ongoing concern, unless otherwise indicated. The corporation is an entity with a history as an ongoing concern due to the economic movement of its operations and to the time available to continue operating in the future, according to its incorporation documents.

### **2.2 Bases for consolidation**

The consolidated financial statements include the financial statements for the Corporation, which consists of the controlling entity and its subsidiaries as of December 31, 2019. Control is achieved when the investor is exposed or is entitled to variable revenue from its participation in the receiving entity and has the capability to affect said revenue through its power over the receiving entity.

Specifically, the investor controls the entity that receives the investment if and only if the investor has:

- Power over the entity that receives the investment (i.e., there are rights that grant it the current ability to direct the receiving entity's relevant activities).
- Exposure to or rights over variable revenue from its participation in the entity that receives the investment.
- Ability to use its power over the entity that receives the investment to significantly affect its revenue.

When the investor holds less than a majority of the voting or similar rights of the entity that receives the investment, the investor takes into consideration all relevant events and circumstances when evaluating whether it holds power over that entity, including:

- The existence of a contractual agreement between the investor and the other holders of voting rights in the entity that receives the investment.
- The rights that arise from other contractual agreements.
- The investor's voting rights, potential voting rights, or a combination thereof.

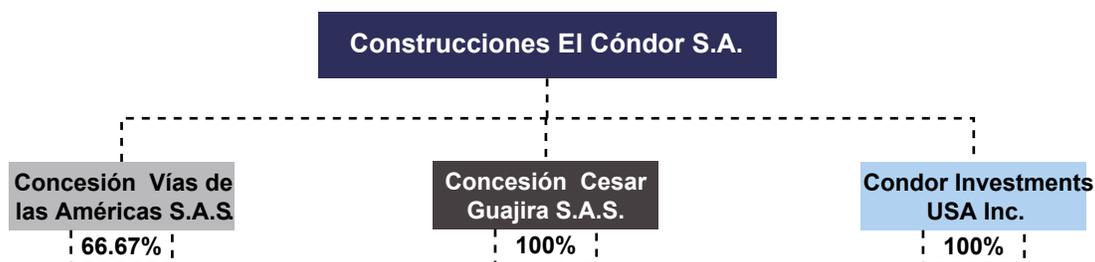
The consolidation of a subsidiary ends when the controlling entity loses control over the subsidiary. The assets, liabilities, revenue, and expenses of a subsidiary purchased or sold during the period are included in the consolidated financial statements from the date on which the controlling entity acquires control over the subsidiary until the date on which the controlling entity stops controlling the subsidiary.

### **Consolidation procedure**

When preparing the consolidated financial statements, the Corporation combines the financial statements for the parent company, line by line, adding the items that represent assets, liabilities, net equity, income, and expenses having a similar content. The following procedure will be applied for the consolidated financial statements to present the group's financial information as if it were a single economic entity:

- The book value of the investment made by the parent company in its affiliate shall be eliminated together with the part of the affiliate's net equity.
- The non-controlled interest on the results of the consolidated parent company for the reporting period shall be identified.
- The non-controlled interest in the affiliate's net assets shall be identified, separately from the part of the net equity that belongs to the parent company.
- Then, the operations between corporations shall be eliminated.

The composition of the group of corporations subject to consolidation is shown below:



	CONCESIÓN VÍAS DE LAS AMÉRICAS S.A.S.		CONCESIÓN CESAR GUAJIRA S.A.S.		CONDOR INVESTMENTS USA, Inc.	
	2019	2018	2019	2018	2019	2018
<b>EQUITY COMPOSITION</b>						
Assets	130.927.064	319.210.212	143.098.613	132.473.048	7.554.404	6.110.979
Liabilities	111.330.580	188.164.482	135.347.000	120.656.884	1.479.911	838.587
Stock capital	26.000.000	26.000.000	700.000	700.000	7.768.723	6.596.373
Capital surplus	122.491.573	122.491.573				
Recovery Surplus	0	0				
Exchange difference from conversion	0	0	0	0	647.970	535.294
Results of previous periods	(17.445.842)	(9.709.708)	11.116.164	306.135	(1.859.276)	(1.383.977)
Results of the period	(111.449.247)	(7.736.134)	(4.064.551)	10.810.029	(482.924)	(475.298)
<b>TOTAL LIABILITY AND EQUITY</b>	<b>130.927.064</b>	<b>319.210.212</b>	<b>143.098.613</b>	<b>132.473.048</b>	<b>7.554.404</b>	<b>6.110.979</b>

## 2.3 Bases for preparation

### 2.3.1 Declaration of compliance

The financial statements have been prepared according to the Accounting and Financial Information Standards (AFIS) accepted in Colombia, as defined in Law 1314 of 2009, and regulated through the Sole Regulatory Decree 2420 of 2015, which are compiled and updated in Decree 2483 of 2018. The AFIS are based on the International Financial Information Standards (IFIS) published by the International Accounting Standards Board – IASB. The underlying standards are those translated into Spanish and published on January 1, 2018.

### 2.3.2 Bases for measurement

The financial statements have been prepared using reasonable value to measure the assets, liabilities, equity, and results accounts. The reasonable values were:

- Cost
- Sale or market value
- Net present value
- Reasonable value

This is the amount that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants.

### 2.3.3 Basis for causation accounting

The company prepares its financial statements, except the information about cash flows, using causation accounting.

### **2.3.4 Operating currency**

CONSTRUCCIONES EL CÓNDOR S.A. will indicate in the headings to the financial statements the use of its operating currency, which is the Colombian peso.

### **2.3.5 Relative importance and materiality**

Omissions or inaccuracies in the items are material (or have a relative importance) if they can, individually or as a whole, impact the economic decisions made by the users on the basis of the financial statements. Materiality shall depend on the magnitude and the nature of the omission or inaccuracy, judged according to the specific circumstances in which they have occurred.

The evaluations and decisions needed to prepare the financial statements must be based on what is relatively important, for which good professional judgement is needed. The concept of materiality is closely related to the concept of complete disclosure, which only refers to relatively important information.

The financial statements must disclose all relevant items that impact evaluations or decisions.

Materiality or relative importance for Construcciones El Cóndor S.A. in adopting the International Financial Information Standards was defined by management on the basis of profit before taxes, a critical component for the company, at a rate of 8%; this percentage is evaluated at the end of the reporting period.

### **2.3.6 Current and noncurrent assets and liabilities**

Construcciones el Cóndor S.A. shows its assets and liabilities in the statement of financial position as current and noncurrent. An asset is defined as current when the company expects to trade the asset or intends to sell it or use it in its normal operations; holds the asset mostly for trading purposes; expects to dispose of the asset within the 12 months following the reporting period; over the asset is cash or cash equivalent, unless it is restricted for a period of at least 12 months after the reporting period. All other assets are classified as noncurrent. A liability is defined as current when the company expects to sell the liability during its normal operations or holds it mostly for trading purposes.

### **2.3.7 Responsibility for the information, estimates, and accounting judgments used**

Preparation of the company's financial statements requires management to make certain judgments and estimates based on experience, historical events, and expectations about the results of future events. Although it is true that these hypotheses are posited with the greatest accuracy possible following the provisions of IFRS 8 – accounting policies, changes in accounting estimates, and errors – any changes to the estimates that might be required in the future will be applied prospectively as of that time, recognizing the fact of the change on the statement of results for the corresponding period.

The estimates carried out as of the date on which the financial statements are presented are shown below:

- Provision for inventory according to the realizable net value (RNV) and/or impairment.
- Impairment of financial assets
- Impairment of the value of nonfinancial assets
- Age premium
- Actuarial calculation
- Provisions and contingencies
- Realizable Net Value for Noncurrent Assets held for Sale
- Measurement of income and expenses related to construction contracts according to the percentage completed
- Deferred taxes

### **2.3.8 Changes in accounting policies**

Construcciones El Cóndor S.A., will make changes to its accounting policies only if the change is required by another IRFS or leads to the financial statements providing more reliable and relevant information about the facts of the transactions that affect financial position, financial yields, or cash flows.

A change to an accounting policy will be handled as follows:

- If the change to the policy is voluntary, the starting balances of each component will be adjusted, affecting the oldest previous period as if the policy had always been applied (retroactive application), unless its application is not possible.
- If the policy change is due to the initial application of an IRFS standard, the company will follow the temporary provisions specified in the IRFS if the new IRFS does not include any temporary provisions. Application will be retroactive unless it is impossible to do so. In that case, it will be applied prospectively with the appropriate disclosure.
- If the IRFS is applied early, it will be taken as if it were a change in policy due to the initial application of a new IRFS.
- Changes in accounting estimates will be recognized prospectively affecting the results for the current and future periods.
- Construcciones El Cóndor S.A. will correct material errors from previous periods retroactively in the first financial statements published after the errors are discovered, re-expressing the comparative information for the previous period or periods during which the error occurred, unless it is impossible to determine the resulting effect.

### **2.3.9 Events that took place after the period being reported**

Construcciones el Cóndor S.A. will take into account all favorable or unfavorable events that take place between the end of the reporting period and the date on which the financial statements are approved for publication.

Events indicating conditions that occurred after the reporting period do not require adjustments to the financial information for the reporting period. In that case the event will be disclosed.

### **2.3.10 Applicable standards**

The IFRS include the Standards and interpretations adopted by the IASB. The list of standards used to prepare these financial statements is shown below:

<b>Normas Internacionales de Contabilidad (NIC)</b>		<b>Construcciones El Cóndor S.A.</b>	<b>Concesión Vías de las Américas S.A.S.</b>	<b>Condor Investments USA INC.</b>
MC 1	Presentation of financial statements	X	X	X
MC 2	Inventory	X	X	
MC 7	Cash flow statement	X	X	X
MC 8	Accounting policies, changes in accounting estimates, and errors.	X	X	X
MC 10	Events occurred after the date of the Balance Sheet.	X	X	X
MC 12	Deferred taxes	X	X	X
MC 16	Property, plant and equipment	X	X	X
MC 19	Employee benefits	X	X	X
MC 21	Effects of fluctuation in foreign exchange rates	X	X	X
MC 23	Interest expense	X	X	X
MC 24	Information to be disclose about related parties.	X	X	
MC 27	Consolidated and separate financial statements.	X		X
MC 28	Investments in associated companies	X		
MC 32	Financial instruments: Presentation and information to be disclosed	X	X	
MC 33	Earnings per share	X		
MC 34	Intermediate financial information	X	X	X
MC 36	Asset impairment	X	X	X
MC 37	Provisions, Contingent assets and contingent liabilities	X	X	X
MC 38	Intangible assets	X	X	X
MC 39	Financial instruments: Recognition and measurement	X		
MC 40	Investment properties	X		

<b>International Financial Information Standards (IRFS)</b>		<b>Construcciones El Cóndor S.A.</b>	<b>Concesión Vías de las Américas S.A.S.</b>	<b>Condor Investments USA INC.</b>
IFRS 3	Combination of businesses	X		
IFRS 5	Noncurrent assets held for sale, and discontinued operations	X		
IFRS 7	Financial instruments: information to be disclosed	X	X	X
IFRS 8	Operation segments	X		
IFRS 9	Financial instruments	X	X	
IFRS 10	Consolidated financial statements	X		
IFRS 11	Joint agreements	X		
IFRS 12	Disclosure of interests in other entities.	X		
IFRS 13	Reasonable value	X	X	X
IFRS 15	Revenue from ordinary activities derived from contracts with clients	X	X	X
IFRS 16	Leases	X		

<b>IAS interpretations</b>		<b>Construcciones El Cóndor S.A.</b>	<b>Concesión Vías de las Américas S.A.S.</b>	<b>Condor Investments USA INC.</b>
SIC 29	Service concession agreements: information to be disclosed		X	

<b>CAS interpretations</b>		<b>Construcciones El Cóndor S.A.</b>	<b>Concesión Vías de las Américas S.A.S.</b>	<b>Condor Investments USA INC.</b>
CINIF1	Changes in existing liabilities due to dismantling, restoration, and the like.	X		
CINIF10	Intermediate financial information and value impairment.	X		
CINIF12	Service concession agreements		X	

## **2.4 Summary of the main accounting policies applied**

### **2.4.1 Cash and cash equivalents**

The cash and cash equivalents recognized in the financial statements consist of the cash at hand and in bank accounts, term deposits, and other liquid and on-demand investments that do not have any restrictions as to their use during the normal course of operations.

Foreign currency will be recognized at its equivalent value in the legal tender at the time the operations are performed, applying the current rate of exchange to the amount in foreign currency.

Cash, restricted cash, and cash equivalents will be measured subsequently according to their reasonable value. Variations in the reasonable value will be recognized in the statement of results.

## **2.4.2 Financial assets**

The company will recognize a financial asset or a financial liability in its statement of financial position when, and only when, it becomes part of the contractual clauses of the instrument.

The company will classify financial assets according to whether they are later valued at their amortized cost, reasonable value with changes in another integrated result, or at reasonable value with changes in results, based on the following two criteria:

- The business model used by the company to manage financial assets, and
- The characteristics of the financial asset's contractual cash flows.

A financial asset must be valued at its amortized cost if the following two conditions are met:

- The financial asset is held in a business model whose objective is to hold financial assets to obtain the contractual cash flows, and
- The financial asset's contractual terms give rise, on specific dates, to cash flows that are only payments for principal and interest on the outstanding principal balance.

A financial asset must be valued at its reasonable value with changes to another integrated result if the following two conditions are met:

- The financial asset is held under a business model whose objective is achieved by obtaining the contractual cash flows and selling financial assets, and
- The financial asset's contractual terms give rise, on specific dates, to cash flows that are only payments for the principal and interest on the outstanding principal balance.

A financial asset must be valued according to its reasonable value with changes in the results, unless it is valued at its amortized cost or reasonable value with changes in other integrated results. However, the company may make the irrevocable choice, at the time of initial recognition, to present subsequent changes to the reasonable value in another integrated result for specific investments in equity instruments which, otherwise, would be measured at their reasonable value with changes in the results.

The company will classify all financial assets as subsequently measured at their amortized cost.

Except for commercial accounts receivable, at the time of initial recognition, an entity will value a financial asset or a financial liability at its reasonable value, plus or minus, –in the case of a financial asset or a financial liability that is not accounted for at reasonable value with changes in results—, the transaction costs that are directly attributable to the acquisition or issue of the financial asset or the financial liability.

At the time of initial recognition, the company will measure commercial accounts receivable at their transaction price (as defined in IFRS 15), if such commercial accounts receivable do not have a significant financial component, as determined according to IFRS 15.

After their initial recognition, the company will measure a financial asset using:

- Amortized cost.
- Reasonable value with changes to another integrated result.
- Reasonable value with changes to results.

### **Impairment to the value of financial assets**

At the end of each reporting period, the Corporation determines whether there is any objective evidence to indicate that the value of a financial asset or a group of financial assets is impaired.

The company recognizes expected credit losses using a simplified approach. The expected credit losses from a financial instrument are measured in such a way as to reflect:

- A non-biased weighted probability that is determined by evaluating a range of possible results,
- The value of money over a period of time, and
- Reasonable and verifiable information that is available without disproportionate cost or effort on the date of presentation of past events, current conditions, and forecasts about future economic conditions.

#### **Account write-offs**

The company will write off the accounts a financial asset when, and only when:

- The contractual rights over the financial asset's cash flows expire, or
- The financial asset is transferred.

The company transfers a financial asset if, and only if:

- It transfers the contractual right to receive a financial asset's cash flows, or
- Retains the contractual right to receive the financial asset's cash flows but assumes the contractual obligation to pay them to one or more beneficiaries.

#### **2.4.3 Investments in associated companies and joint ventures**

An associated company is an entity over which the investor has a significant influence. Significant influence refers to the power to intervene in the financial policy and operating decisions of the entity that receives the investment, but without having control or joint control of the receiving entity.

A joint venture is a type of agreement in which the parties have joint control of the agreement and have rights over the net assets of the joint venture. These parties are called participants in the joint venture. Joint control requires the unanimous agreement of the parties that share control.

Construcciones el Cóndor, must use the participation method for later measurement of these investments, provided the company wields a significant influence.

According to the participation method, the investment in the associated company and the joint venture are initially recognized at cost. The book value of the investment is adjusted to recognize changes in the Corporation's participation in the net assets of the associated company or joint venture as of the date of acquisition. The commercial credit related to the associated company or the joint venture includes the book value of the investment. This credit is neither amortized nor subjected individually to value impairment tests.

The financial statement for the associated company and the joint venture are prepared for the same reporting period as the Corporation's. If necessary, appropriate adjustments are made to adapt their accounting policies to the Corporation's accounting policies.

After applying the participation method, the Corporation determines whether it is necessary to recognize a loss due to impairment of the value of the investment that the Corporation has in the associate or the joint venture. On each closing date for the reporting period, the Corporation determines whether there is objective evidence that the investment in the associated company or the joint venture has been impaired. Should such evidence exist, the Corporation determines the amount of impairment as the difference between the recoverable amount from the associated company or joint venture and their respective book values, and then recognizes the loss in the item "Participation in the associated company and joint venture's net profit", in the statement of results.

In the event of loss of significant influence over the associated company or joint venture, or of joint control over the joint venture, the Corporation measures and recognizes and remaining investment at its reasonable value.

#### **2.4.4 Joint operations**

A joint operation is an agreement through which the parties that hold joint control of the venture hold rights to the assets and to the obligations with respect to the liabilities related to the joint venture. These parties are called joint operators.

A joint operator will recognize its assets, liabilities, income, and the expenses incurred together.

A joint operator will account for the assets, liabilities, revenue from ordinary activities, and expenses related to its participation in a joint venture, according to the applicable IFRS, specifically with respect to assets, liabilities, income from ordinary activities, and expenses.

The financial information about the joint operation is prepared for the same period as the information for the Corporation. If needed, appropriate adjustments will be made to adapt its accounting policies to the Corporation's accounting policies.

#### **2.4.5 Investments in subsidiaries**

A subsidiary is an entity over which the investor has control. Control is attained when the investor is exposed or is entitled to variable profits from its participation in the entity that receives the investment and can affect those profits through its power over the receiving entity. Specifically, the investor controls an entity that receives the investment if, and only if, the investor has:

- Power over the entity that receives the investment (i.e., there are rights that grant the investor the current capability to direct the relevant activities of the entity that receives the investment).
- Exposure or right to variable profits from its participation in the entity that receives the investment.
- Ability to use its power over the entity that receives the investment to significantly affect its profits.

In the initial recognition, the Corporation uses cost to account for investments in subsidiaries. Subsequently, the Corporation applies the participation method to value those investments.

#### **2.4.6 Inventory**

The Company recognizes the inventory when it has control over it, expects to derive future economic benefits from the inventory, and the inventory's cost can be reliably determined.

Inventories are assets kept for sale during the normal course of operation, in the production process to be sold, or as supplies to be used for the production process or to provide services.

Inventories are valued at the lower between cost and the net sales cost. The cost of acquiring the inventories will include purchase price, import duties, and other taxes (that cannot be recovered later from the tax authorities), transportation, storage, and other costs that are directly attributable to the acquisition of inputs and parts. Commercial discounts, price reductions and other similar items will be deducted from the acquisition cost.

Inventories are valued using the weighted average method.

Net realizable value will be determined at least once a year.

#### **2.4.7 Intangible assets and prepaid expenses**

CONSTRUCCIONES EL CÓNDOR S.A. must recognize as an intangible asset all those assets that can be identified, of a nonmonetary nature, and without physical form, if and only if:

- It is likely that the future economic benefits attributed to the asset will go to the company.
- The cost of the asset can be reliably determined.
- Is separable, i.e., it can be separated or split from the company and sold, transferred, assigned for exploitation, leased, or traded, regardless of whether the company intends to perform said separation.
- Arises from contractual rights or from other legal rights, regardless of whether those rights are transferable or can be separated from other rights and obligations.

Intangible assets acquired separately are initially valued at cost. After the initial recognition, intangible assets are accounted for using the cost model, i.e., cost minus any accumulated amortization and minus any accumulated loss due to impairment of its value.

Internally produced intangible assets, excluding development expenses, are not capitalized and are shown in the statement of results for the period in which they are incurred.

The amortization methods used by CONSTRUCCIONES EL CÓNDOR S.A. will be straight line, production units, or revenue from ordinary activities produced by an activity that includes the use of an intangible asset. Amortization will begin when the asset is at the location and in the condition required to operate as intended by management. This amortization will stop on the earlier between the date on which the asset is classified as held for sale and the date on which the asset is taken off the books.

Category	Amortization method	Useful life
Insurance and bonds	Straight line	According to the life of the contract.
Software licenses	Straight line	1 year.
Mining rights	Production units	N/A
Operation rights	Based on the revenue from ordinary activities associated with the operation	Amortization is expected to end in June 2020.
Intangible assets in concession agreements	Straight line	Completed amortization in December 2018.

Useful lives and estimates of intangible assets will be reviewed at the end of each reporting period. Any changes will be treated as provided for in IFRS 8.

Profits or losses arising from taking an intangible asset off the books are measured as the difference between the net revenue from the sale and the asset's book value. Such profits or losses are recognized in the statement of results when the asset is taken off the books.

#### **2.4.8 Property, Plant, and Equipment**

Property, Plant, and Equipment is defined as the group of assets of CONSTRUCCIONES EL CÓNDOR S.A., which meet the following criteria:

- Physical or tangible items.
- Available for use by CONSTRUCCIONES EL CÓNDOR S.A. to create future benefits for the Corporation, either through its own use or by leasing them to third parties.
- Their useful life is equal to or greater than 12 months.

CONSTRUCCIONES EL CÓNDOR S.A. will recognize Property, Plant, and Equipment items as assets if, and only if:

- The future economic benefits associated with the asset will go to the Corporation.
- The cost of the asset can be reliably determined.

In addition, it has been decided that any items whose cost exceeds 50 Minimum Legal Monthly Salaries will be recognized as Property, Plant, and Equipment.

A Property, Plant, and Equipment item will be measured according to its cost

The cost will be the price equivalent to cash on the date on which it is recognized. The disbursements that make up the cost are:

- The price of acquisition, including import duties and non-recoverable direct taxes, after deducting any discounts or price reductions.
- All the costs directly involved in putting the asset in place and in the conditions required to operate as intended by management.

- Dismantling costs, according to NIC 37 — Provisions, contingent assets and liabilities.

### **Disbursements**

The company will recognize disbursements as Property, Plant, and Equipment:

- Additions or major maintenance: These disbursements will be recognized as Property, Plant, and Equipment if they have the effect of increasing the value and/or useful life of the asset or reduce the costs. When these criteria are not met, they will be amortized according to the time of association to the main asset.
- Replacements of Property, Plant, and Equipment: the replaced component will be written off the books.

### **Cost model**

After being recognized as an asset, a Property, Plant, and Equipment item will be accounted for at cost minus accumulated depreciation and accumulated losses due to impairment of its value.

### **Revaluation model**

After being recognized as an asset, a Property, Plant, and Equipment item whose reasonable value can be reliably determined will be accounted for at its revalued amount, which is its reasonable value at the time of revaluation, minus any loss due to impairment of its value. Revaluations will be carried out frequently enough to ensure that the book value at any time does not differ significantly from the value that could be determined using reasonable value at the end of the reporting period.

### **Depreciation**

The depreciation of a Property, Plant, and Equipment asset is carried out systematically during its useful life. It is recognized as of the time the asset becomes available for use (whether it is used or not) and will only stop when it is classified as an asset being held for sale and when the asset is taken off the books. The method used will be the straight-line method.

Leased assets will be depreciated using criteria similar to those applied to the set of owned assets.

<b>Class</b>	<b>Future valuation model</b>	<b>Useful life (years)</b>
Land	Revaluation model*	
Buildings and constructions**	Revaluation model*	100
Construction in process	Cost model	
Machinery	Revaluation model*	5 - 20
Office equipment	Cost model	10
Computer and communications equipment	Cost model	3
Fleet and transportation equipment	Revaluation model*	8 - 15
Mines and quarries***	Revaluation model*	250.000 mt3/Year
Property, Plant, and Equipment in transit	Cost model	

\* Valuations will be carried out every 3 to 5 years, and the resulting profits or losses will be recognized in the equity, in another integrated result.

\*\* The useful life of constructions and buildings will be determined using the estimated useful life (100 years) minus the time elapsed since the property was built.

\*\*\* For mines and quarries, a depletion method is used according to the number of cubic meters removed.

The Corporation will use the straight-line depreciation method.

In practice, the residual value of an asset is often insignificant and, therefore, irrelevant for calculating the depreciable amount. As an internal policy, the Corporation estimates 10% of the asset's value as the residual value, for the following classes of assets:

- Machinery and equipment
- Fleet and transportation equipment

If there is any indication that there has been a significant change in an asset's depreciation rate, useful life, or residual value, the depreciation of that asset is reviewed, and a prospective adjustment will be made to reflect the new expectations. That review will take place at least at the close of each period being reported.

#### **2.4.9 Leases**

The company may decide not to recognize:

- Short-term leases; and
- Leases in which the underlying asset is low value

If the company decides not to apply the requirements of short-term lease o leases in which the underlying asset is low value, the lessor will recognize lease payments as a linear expense during the term of the lease or according to any other systematic method.

##### Identification of a lease and duration of the lease

At the start of the contract, the company will determine whether the contract is or contains a lease. A contract is or contains a lease if it transfers the right to control the use of a specific asset for a specific period of time in exchange for some consideration.

The company will determine the term of the lease as the noncancelable period as well as:

- The periods covered by an option to extend the lease if the lessor is reasonably certain to exercise that option, and
- The periods covered by an option to terminate the lease if it is reasonably certain that the lessor is not going to exercise that option.

When evaluating whether it is reasonably certain that a lessor is going to exercise the option to extend the lease, or is not going to exercise the option of terminating the lease, an entity shall take into consideration all relevant facts and circumstances that give rise to an economic incentive for the lessor to exercise the option of extending the lease or to not exercise the option of terminating it.

A lessor shall again determine whether it is reasonable to exercise an option to extend or not to exercise the option to terminate the lease, when an event or significant change in circumstances occurs such that:

- Is under the lessor's control, and
- Reasonably impact the certainty that the lessor is going to exercise an option not included in the initial definition of the term of the lease or is not going to exercise an option included in the initial definition of the term of the lease.

##### Recognition

On the start date, a lessor will recognize an asset for the right of use and an asset for the lease.

##### Measurement

On the start date, the company will measure an asset by the right of use, at cost.

The cost of the asset for the right of use will include:

- The amount of the initial valuation of the lease liability.

- Lease payments made before or as of the start date minus any lease incentives received
- Direct initial costs incurred by the lessor, and
- An estimate of the costs to be incurred by the lessor to dismantle and eliminate the underlying asset, restoring the place where the asset is located, or restoring the underlying asset to the state required by the terms and conditions of the lease, unless these costs are incurred to produce inventory. The lessor acquires obligations as a result of these costs, either on the starting date or as a result of having used the underlying asset during a specific period.

On the start date, the company will measure the liability at the present value of the lease payments that have not been paid on that date. Lease payments will be discounted using the interest rate implicit in the lease if that rate can be easily determined. If that rate cannot be easily determined, the lessor will use the incremental rate for loans from the lessor.

On the start date, lease payments used in the determination of lease liabilities include the subsequent payments for the right to use the underlying asset during the term of the lease that are not paid on the start date:

- Payments minus any incentives for leases receivable
- Variable lease payments that depend on an index or a rate, measured initially using the index or rate on the start date
- Sums that the lessor expects to pay as guarantee for the residual value
- The price of exercising a purchase option if the lessor is reasonably sure to exercise that option, and
- Payments for penalties arising from the termination of the lease, if the term of the lease indicates that the lessor will exercise an option to terminate the lease.

The company, in keeping with its Property, Plant, and Equipment policy, has chosen to measure subsequently the rights of use for the following kinds of assets:

Class	Subsequent measurement model
Land	Revaluation model
Constructions and buildings	Revaluation model
Machinery	Revaluation model
Fleet and transportation equipment	Revaluation model

In turn, financial liabilities are subsequently measured as follows:

- Increasing the book value to reflect the interest on the liability for the lease
- Decreasing the book value to reflect lease payments made, and
- Measuring again the book value to reflect the new measurements or changes to the lease, and to reflect the essentially fixed lease payments that have been revised.

#### **2.4.10 Cost of loans**

The costs for loans that are directly attributable to the acquisition, construction, or production of an asset that requires a substantial amount of time to be available for its expected use or sale, are capitalized as part of the respective assets. Loan costs include interest and other costs incurred by the entity by entering the loan agreements.

An eligible asset is an asset that requires a substantial amount of time to be ready for use or sold. Construcciones El Cóndor S.A. considers a substantial period of time if it is greater than six months. The company believes that a substantial period is any time greater than six months. The Corporation believes that any agreements that involve an operating license (intangible assets model) meet the requirements to meet the specification of an eligible asset.

#### **2.4.11 Investment properties**

Investment properties will be recognized as assets when, and only when:

- It is probable that the future economic benefits associated with such investment properties will go to the entity, and
- The cost of the investment properties can be reliably measured.

Investment properties are initially measured at cost, including transaction costs, and excluding the regular investment property maintenance costs.

After the initial recognition, investment properties are measured using the cost model, taking into consideration the useful economic life for its straight-line depreciation. Any subsequent changes in the measurement model are accounted for when the period changes, as appropriate, and are treated as changes in accounting policies.

Investment properties are taken off the books either when they are sold or when they are permanently withdrawn from service and no economic benefit is expected to be recovered through its sale. The difference between the net revenue from the sale and the book value of the asset is recognized in the statement of results for the period in which the asset is taken off the books.

For a transfer of an investment property to a Property, Plant, and Equipment item, the cost used for subsequent accounting is its reasonable value on the date of the change in use. If a Property, Plant, and Equipment item becomes an investment property, the Corporation must account for it according to the policy defined for property, plant and equipment on the date when the use is changed.

#### **2.4.12 Noncurrent assets held for sale, and discontinued operations**

Noncurrent assets and groups of assets for disposal that are classified as being held for sale are measured at the lower of the book value and the net realizable value (reasonable value minus sale costs). Noncurrent assets are classified as being held for sale if their book value will be recovered mostly through a sale transaction instead of their continued use. This condition is deemed to have been met when the sale is highly probable and the asset or group of assets for disposal are available, in their current state, for immediate sale. Management must be committed to the sale and it should be expected that the sale meets the conditions to be recognized as a sale during the year following the classification.

Property, Plant, and Equipment, and intangible assets, after being classified as being held for sale, are not subject to depreciation or amortization.

#### **2.4.13 Impairment of the value of nonfinancial assets**

On the closing date for each reporting period, Construcciones El Cóndor S.A. checks whether there is any indication that an asset's value might have been impaired. If there is any indication, or when impairment tests are required for an asset, the Corporation must estimate the amount recoverable for that asset. The recoverable amount for an asset is the higher of its reasonable value minus the sales costs, and the value of using either an asset or a cash producing unit. It is estimated for an individual asset, unless the asset does not produce cash flows that are substantially independent from the remaining assets or groups of assets. When the book value of an asset or a cash generating unit exceeds its recoverable value, the asset will be considered impaired and its value is reduced to its recoverable value.

To determine the value in use, the estimated cash flows are discounted to their present value using a discount rate before taxes that reflect current market assessment of the value of money over a period of time and the asset's specific risks. To determine the reasonable value minus estimated cost of sale), recent market operations, if available, are used, if the most appropriate valuation model is not used.

Losses due to impairment of the assets' value are recognized in the statement of results in the expense categories that relate to the function of the impaired asset, except for previously revalued property in which the surplus from the appreciation was recorded in another integrated result (equity). In that case, the impairment of the value is also recognized in the other integrated result (equity) for up to the amount of any surplus due to appreciation previously recognized.

On the closing date for each reporting period, an evaluation is performed for assets in general to see if there are any indications that the losses due to value impairment that were previously recognized no longer exist or have decreased. If such indications exist, the Corporation estimates the amount that can be recovered from the asset or cash generation unit. A loss due to impairment that was previously recognized is only reversed if there has been a change in the assumptions used to determine the amount that can be recovered from an asset since the last time the value impairment was recognized. The reversal is limited so the book value will not exceed its recoverable value, or the book value that would have been determined, net of depreciation, if a loss due to impairment had not been recognized for the asset in previous periods. This reversal is recognized in the statement of results, unless the asset is accounted for using its revalued value. In that case, the reversal is treated as an increase in the revaluation.

#### **2.4.14 Current and deferred income tax**

The expense for income taxes for the period includes current income tax and deferred income tax. Deferred taxes are recognized in the results for the period, except for items that are recognized in the equity of another integrated result. In those cases, the taxes are also recognized respectively in the equity or in the integrated results.

Management does regular evaluation of the position taken in the tax returns about situations in which tax laws are subject to interpretation. When appropriate, the Company sets up provisions for the amounts it could expect to pay to the tax authorities.

The provision for deferred taxes is established in its entirety using the liability method based on any temporary differences between the tax bases for assets and liabilities. The deferred taxes are calculated according to the announced tax rates to be applied to the fiscal profits (losses, if any) for the periods in which the asset for deferred taxes is expected to be realized or the deferred tax liability is expected to be paid.

Deferred income tax assets are only recognized to the extent of the likelihood of having future tax benefits vis-a-vis which the temporary differences can be applied.

Asset or liability deferred taxes are offset when there are legally enforceable rights to offset current tax assets against current tax liabilities, and when the asset and liability deferred income taxes relate to the income tax imposed by the same tax authority.

#### **2.4.15 Financial liabilities**

##### Recognition and initial measurement

Financial liabilities are classified as loans, accounts payable to related parties, commercial accounts payable, and other accounts payable. The Corporation determines the classification of financial assets at the time they are initially recognized.

All financial liabilities are recognized initially at their reasonable value plus directly attributable transaction costs, for loans and accounts payable. The Corporation's financial liabilities include commercial accounts payable, loans, and other accounts payable.

##### Subsequent measurement

After the initial recognition, the company measures financial liabilities as the amortized cost using the real interest rate. Profits and losses are recognized in the statement of results.

##### Account write-offs

A financial liability is written off when the obligation specified in the respective agreement has been paid or cancelled or has expired.

When an existing financial liability is replaced with another from the same lender under substantially different conditions, or if the conditions of an existing liability are substantially modified, that modification is treated as a

write-off of the original liability and the recognition of a new liability, and the difference in their respective book values is recognized in the statement of results.

#### **2.4.16 Employee benefits**

On the date of this document, the Corporation has employee benefits that have short- and long-term characteristics.

Short-term employee benefits are those (other than termination) benefits whose payment will be made in full within the twelve months following the close of the period during which the employees have rendered their services. Those benefits are recognized by El Cóndor S.A. on a discounted basis and recognized as an expense as the service is received.

The employee seniority bonus is considered a long-term benefit.

Construcciones El Cóndor S.A. implements a plan defined benefits and uses actuarial assumptions to measure the obligations assumed and the expense for each period. In addition, the Corporation considers the possibility of getting actuarial profits or losses. In addition, obligations are measured according to their discounted values because there is the possibility that they will be met many years after the employees have rendered their services.

#### **2.4.17 Provisions, contingent liabilities, and contingent assets**

A contingent liability is created when there is a possible obligation arising from past events and the existence of which must be confirmed just by the future occurrence or not of one or more uncertain events that are not completely under the entity's control, or when there is a current obligation that arises from past events and for which it is not probable that an outflow of resources involving economic benefits will be needed to pay for the obligation, or the amount of which cannot be reliably measured.

When the contingencies are probable, the Corporation sets up a provision using the best estimate possible with the information available at the time. If the contingency is possible, this fact is disclosed in the notes to the financial statements.

##### Contingent assets

A contingent asset is an asset whose nature is possible nature that arises from past events, whose existence must be confirmed only by the occurrence or not of one or more future events that are not entirely under the entity's control. Contingent assets are not recognized in the Statement of Financial Situation. However, under certain circumstances, information about them is disclosed in the Notes.

The entity will not recognize a contingent asset in the statement of financial situation. It will only be disclosed in the Notes.

#### **2.4.18 Revenue from ordinary activities**

The basic principle of IFRS 15 is that an entity recognizes the revenue from ordinary activities in such a way that it represents the transfer of goods or services committed to the clients in exchange for a sum that represents the consideration to which the entity expects to have the right in exchange for those goods or services. Construcciones El Cóndor S.A recognizes the revenue from ordinary activities according to this basic principle by going through the following stages:

1. Identify the contract with the client
2. Identify the performance obligations in the contract
3. Determine the price of the transaction
4. Allocate the price of the transaction among the performance obligations
5. Recognize the revenue from ordinary activities as the entity meets its performance obligation

The company will recognize revenue from ordinary activities when (or as) it meets a performance obligation by transferring the committed goods or services (i.e., one or several assets) to the client. An asset is transferred when (or as) the client acquires control of that asset.

For each performance obligation that is identified, the company will determine, at the start of the contract, whether it will meet the performance obligation over a period of time or at a specific time. If an entity fails to meet a performance obligation over a period of time, that obligation is met at a specific time.

The company transfers control of a good or service over a period of time and, therefore, meets a performance obligation and recognized the revenue from ordinary activities over a period of time if one of the following criteria is met:

- The client simultaneously receives and uses the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or improves an asset (for example, work in progress) that the client controls as it is being created or improved.
- The entity's performance does not create an asset with an alternative use for the entity, and the entity has an enforceable right to be paid for the performance that has been completed until that date.

If a performance obligation is not met over a period of time, the company will meet it at a specific time. To determine the specific time when a client gets control of a committed asset and the company meets an obligation to perform, the company will consider indicators for transferring control including, without limitation:

- The company has a current right to receive payment for the asset —if a client is currently obligated to pay for an asset, that could be an indication that the client has received in exchange the ability to redirect the asset's use and to receive substantially all the remaining benefits.
- The client is legally entitled to the asset —the legal right might indicate what part of a contract can redirect the use of an asset and receive substantially all its remaining benefits, or to restrict access by other entities to those benefits. This is the reason why the transfer of the legal right to an asset might indicate that the client has obtained control of said asset. If an entity maintains the legal right only as protection against the client's failure to pay, the entity's rights will not prevent the client from getting control of an asset.
- The entity has transferred physical possession of the asset —a client's physical possession of an asset might indicate that the client has the ability to redirect the use of the asset and to receive substantially all its remaining benefits, or to restrict access to those benefits by other entities. However, physical possession might not indicate control over an asset.
- The client has the significant risks and rewards of ownership of the asset —transfer to a client of significant risks and rewards of ownership over an asset could mean that the client has acquired the ability to redirect the use of the asset and to receive substantially all the asset's remaining benefits. Nevertheless, when evaluating the risks and rewards of ownership over a committed asset, an entity will exclude any risk that gives rise to a separate performance obligation in addition to the obligation to transfer the asset.
- The client has accepted the asset —the client's acceptance of an asset might indicate that the client has acquired the ability to redirect the use of the asset and receive substantially all its remaining benefits. To evaluate the effect of a contractual clause on the client's acceptance as to when control over an asset is transferred.

For each performance obligation met over a period of time, the company will recognize the revenue from ordinary activities over a period of time, measuring progress towards the full performance of that obligation. The purpose of measuring progress is to represent an entity's performance in transferring control of the goods or services committed to the client (i.e., meeting an entity's performance obligation).

The company will apply a single method to measure progress in each performance obligation that is met over a period of time and will apply it consistently to similar performance obligations in similar circumstances. At the end of each presentation period, an entity will again measure its progress towards total fulfillment of a performance obligation met over a period of time.

Appropriate methods to measure progress include product and resources. To determine the appropriate method to measure progress, the company will consider the nature of the good or service that it is committed to transfer to the client.

#### **2.4.19 Measuring reasonable value**

Reasonable value is the price that would be received when selling an asset or paid for transferring a liability in an orderly transaction between market participants. This definition of reasonable value emphasizes that reasonable value is a market-based measurement and not a specific measurement by the company. When measuring reasonable value, a company uses the assumptions that market participants would use to determine the price of the asset or liability under current market conditions, including assumptions about risk. Therefore, the intention of a company to hold an asset or liquidate it, or otherwise meet a liability, is not relevant when measuring reasonable value.

For disclosure purposes, the standard requires that the input data for the techniques used to measure reasonable value be classified in three levels. The reasonable value hierarchy assigns the highest priority to the (unadjusted) prices quoted in active markets for identical assets and liabilities (Level 1 input data) and the lowest priority to non-observable input data (Level 3 input data).

Level 1 input data are (unadjusted) prices quoted in active markets for assets or liabilities that are identical to those the company can access on the date of measurement. Level 2 input data are different from the quoted prices included in Level 1 which can be directly or indirectly observed for the assets or liabilities. Level 3 input data are non-observable data for the asset or liability.

#### **2.4.20 Segmentos de operación**

An operating segment is a component in an entity that carries out business activities from which it can derive income from ordinary activities and incur in expenses, whose operating results are regularly reviewed by the highest authority that makes decisions about the entity's operations, the resources to be assigned to the segment, and evaluate its performance, and about which differentiated financial information is available.

The Corporation currently has two operating segments: construction and investments.

#### **2.4.21 Foreign currency conversion**

The financial statements for Construcciones El Cóndor S.A. are presented in Colombian pesos because that is the company's functional and presentation currency.

##### Transactions and balances

Foreign currency transactions are initially recorded at the respective rates of exchange for their functional currencies on the date of the transaction.

- Monetary assets and liabilities denominated in foreign currency are converted at the rate of exchange of the functional currency on the closing date for the period being reported. Any differences are recorded in the statement of results, except for those items that are recognized in equity. Any tax effects attributable to the differences in rate of exchange of those monetary items are also recorded under equity.
- Nonmonetary items that are measured at their historic cost in foreign currency are recorded using the rate of exchange applicable on the date of the original transaction.
- Nonmonetary items that are measured at their reasonable value in foreign currency are converted using the rate of exchange applicable on the date on which the reasonable value is determined.

##### Conversion of an overseas business

The conversion of results and financial situation of a business in a foreign country is as follows:

- Assets and liabilities in each statement of financial position presented (including comparative numbers), will be converted using the closing rate of exchange on the date of the respective statement of financial situation.
- Income and expenses for each statement in the results for the period and another integrated report will be converted using the rate of exchange applicable on the date of the transaction. For this purpose, the average rate of exchange during the period being reported will be used.
- All the resulting differences will be recognized in another integrated result.

#### **2.4.22 Service concession agreements**

Infrastructures that are part of the scope of this interpretation are not to be recognized as items in Property, Plant, and Equipment of the operator' because the service agreement does not grant the operator the right to use them. The operator has access to the operation of this infrastructure to provide the public service on behalf of the grantor, according to the terms set forth in the agreement.

If the operator provides construction or improvement services, the consideration received or to be received by the operator will be recognized at its reasonable value. The consideration may consist of rights over:

- A financial asset, or
- An intangible asset

The operator will recognize the financial asset to the extent that it has an unconditional contractual right to receive from the grantor, or from an entity under the supervision of the grantor, cash or other financial assets for the construction services; and that the grantor has little or no ability to avoid payment, usually because the agreement is legally enforceable. The operator has an unconditional right to receive cash when the grantor guarantees payment to the operator for (a) specific amounts, or amounts that can be determined or (b) the difference, if any, between the amounts received from the users of the public service and the specified or determinable amounts, even when payment is subject to the operator's guaranteeing that the infrastructure meets the specified quality or efficiency requirements.

The operator will recognize an intangible asset to the extent that it receives a right (a license) to charge the users of the public service. The right to make those charges is not an unconditional right to receive cash because the amounts are subject to the level of use of the service by the public.

The nature of the consideration given by the grantor to the operator will be determined by referring to the terms of the contract and to the appropriate contract legislation, should one exist.

#### **2.4.23 Financial risk management**

The company's financial instruments consist mainly of cash, investments, commercial accounts receivable and other accounts receivable, financial obligations, commercial paper, bonds, commercial accounts payable and other accounts payable, and the equity instruments that have been issued.

Through risk management, Construcciones El Cóndor S.A. identifies, evaluates, controls, and monitors the risks to which the organization is exposed and that affect the achievement of its objectives.

The treatment measures are implemented as part of the internal control system, which is a process carried out by the Board of Directors, Top Management, and the rest of the organization's personnel, and is designed to provide a reasonable level of certainty about:

- The effectiveness and efficiency of the operations, including financial and operational yields and the protection of assets against possible losses.
- The reliability, timeliness, and transparency of internal and external financial and nonfinancial information.
- Compliance with the laws, regulations, and policies to which the company is subject.
- Compliance with the requirements established by the company's corporate objective, and fulfillment of the commitments declared by the company in the performance of its corporate objectives, ensuring that the business is carried out in an appropriate manner, maintaining effective controls with respect to conflicts of interest, and fraud or loss situations, and ensuring that the risks are managed and remain at levels acceptable to the organization.

With respect to financial risks, the company is exposed to market risks, credit risk, and liquidity risk, and has evaluated the severity of these risks considering a probability and impact scale set up for the company.

The financial risks for Construcciones El Cóndor are detailed below:

### **Market risk**

Market risk is the risk that the reasonable value or future cash flows from a financial instrument vary because of changes in market prices. Market prices involve three types of risk: interest rate risk, rate of exchange risk, and other price risks.

### **Interest rate risk**

Interest rate risk is the risk that the reasonable value or future cash flows of the financial instrument vary because of changes in the rate of interest in the market. The company's exposure to market interest rate risk relates mainly to short- and long-term financial obligations that have variable rates of interest.

The company is exposed to variations in rates of interest and/or inflation, mainly due to the relevance of working capital financing, which is due to the high cost of the works implemented in this sector. Expectations about inflation as well as liquidity conditions can affect the rates of intervention. Should interest rates increase, the company's financial expenses and its investments in associated companies, joint ventures, and subsidiaries, could increase and affect the company's liquidity and profitability.

In addition, inflation also affects the company because a sustained increase in the price of goods and services forces an increase in rates of interest which makes the company's sources of funding more expensive and limits the company's investment plans.

The company manages interest rate risk by diversifying its fixed and variable interest rate debt. Variable interest financial obligations are indexed to the IBR and DTF plus the respective percentage points.

Interest rate risk sensitivity analysis consists of determining what would the impact of financial expenses on the statement of results be due to a variation (increase/decrease) of 1 percentage point in the indexed rates of interest (IBR or DTF plus percentage points). As of the date of these financial statements, the balance for financial obligations and leases is COP438.679.435 and the impact on the results from a variation of 1 percentage point in the rates of interest would be \$4.386.794.

### Rate of exchange risk

Rate of exchange risk is the risk that the reasonable value or future cash flows from a financial instrument change due to variations in the rates of exchange. They company's exposure to the rate of exchange risk refers, first, to commercial accounts payable and other accounts payable in foreign currency; and second, to the company's investments overseas.

The biggest risk to the company is the fact that construction machinery and equipment is purchased mostly from foreign suppliers and, therefore, the prices are mostly denominated in dollars. Therefore, a material devaluation of the peso vis-à-vis the dollar would significantly increase the funds that must be spent by the issuer for investments both for maintenance and for growth. This would have a negative impact on the profitability of its projects and would decrease the amount of free cash available for dividends. Notwithstanding the above, the effect of the devaluation would be short-term because the construction market passes this higher cost on to the prices of its offers and offsets the negative effect that an increase in the rate of exchange might have.

At the close of the period, the company has a net exposure in accounts receivable in US dollars of \$953.933. If the rate of exchange were to increase or decrease by 100 pesos, the impact on the results would be \$95.393.

### Other price risks

The company is not exposed to other price risks because it does not have other financial instruments such as quoted raw materials, investments in shares traded in the stock market, etc.

### **Credit risk**

Credit risk is the risk that a counterpart will not meet its obligations from a financial instrument or a commercial contract, and that leads to a financial loss. The company is exposed to credit risk because of its operations (specifically due to commercial debtors) and their financial activities, including their deposits in banks and financial institutions, and other financial instruments.

Cash and cash equivalents

The company's cash is held at AAA-rated financial institutions. The Auditing and Risk Management Committee ensures that the actions of the Treasury follow company policies.

Commercial accounts receivable and other accounts receivable

Construcciones El Cóndor S.A. carries out a financial evaluation of the counterpart and the credit risk. The results of that evaluation are brought to the negotiation process with the counterpart. In addition, the company carries out a conciliation of its operations and when any of these risks materializes, takes legal action according to the type of client or third party, and uses the insurance policies, depending on the exposure of the asset, service, or action

Commercial accounts receivable are concentrated mostly in the implementation of works that the company carries out directly or through consortiums whose clients are Concessions which are considered related parties (associates, joint ventures, or subsidiaries) to the company. Therefore, Construcciones El Cóndor S.A. is constantly managing the liquidity of these investments focusing on the following three main components: (i) getting the financial closing for which the company contributes its experience to the concessionary, (ii) getting the disbursement of the resources according to the financial closing, and (iii) the difficulty to determine the total contribution of the company's own capital (equity) to finance the works.

The other Accounts Receivable are mostly the equity contributions made to the concessions (related parties) as subordinates according to each concession contract. The subordinate debt contracts define the rate of interest (indexed to the DTF) to be paid by the resources, with the expectation that the cash flows for interest and principal will return to the company in over 5 years.

In addition, the company implements legal procedures to collect its receivables that are over 150 days past due. Accounts receivable and their due dates are reviewed each year and any necessary accounting and tax provisions are established, as determined by Financial Management and Works Management using all the legal tools and follow-up available.

The book value of commercial accounts receivable and other accounts receivable as of the date on which these financial statements are presented, will be paid according to the following time frames:

Item	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Commercial accounts receivable and other accounts receivable	741.450.361	5.958.629	0	747.408.990
Accounts receivable from related parties	255.087.707	111.477.028	463.627.890	830.192.625
<b>Total</b>	<b>996.538.068</b>	<b>117.435.657</b>	<b>463.627.890</b>	<b>1.577.601.615</b>

**Liquidity risk**

Liquidity risk is the risk that the company is unable to pay its financial obligations as they become due. The company's objective in managing liquidity is to guarantee, to the extent possible, that it will always have enough liquidity to meet its obligations under normal or unusual circumstances, without incurring in unacceptable losses or risking the company's reputation.

Working capital liquidity risk could become a reality should the company have to stop construction activities for lack of economic resources. As a contractor, the company has the necessary financial planning and the working capital credit availability required to provide liquidity to the various work fronts. As a requirement to finance 4G projects, financiers have established that the loans be disbursed as work progress is documented. This means that the company must perform the work without advances and invoices and receives payment for the work completed and received by the concessionary. The company has internal indicators to follow and control the accounts receivable cycle, the cash spent and accumulated, EBITDA margin, operational revenue, available credit, and needs for additional equity.

The main objective of managing the company's capital is to ensure that the capital maintains a solid credit rating and healthy capital ratios to support the business and maximize shareholder value.

The company manages its capital structure and makes the appropriate adjustments according to the changes in economic conditions. To maintain and adjust its capital structure, the company may issue new shares in the stock market or use other financial data.

The book value of commercial accounts payable and other accounts payable as of the date of presentation of these financial statements is expected to be paid within the following time frames:

	Less than 1 year	Between 1 and 5 years	More than 5 years	TOTAL
Financial obligations	242.652.867	26.666.667	0	269.319.534
Bonds	16.960.000	257.700.000	0	274.660.000
Leasing	42.378.237	131.379.220	0	173.757.458
Commercial accounts payable and other accounts payable	232.925.717	1.522.759	0	234.448.476
Accounts payable from related parties	387.454	12.441.878	0	12.829.332
Total	535.304.275	429.710.524	0	965.014.799

#### 2.4.24 Joint operations

Business collaboration contracts	Participation	agreement type	Agreement description	Duration	Consortium
Consortio Autosur	50%	consortium	Maintenance of the section between the Santander general school and the Villavicencio city avenue; to the Transmilenio system belonging to the SOUTH sector of the NQS trunk.	60 months	Construcciones el Cóndor S.A. 50%, Construcciones Civiles 50%
Consortio Hidroeléctrica de Tulúa	65%	consortium	Awarded by EPSA S.A. for the construction of civil works, the Alto Tulúa Hydroelectric Power Plant, the Bajo Tulúa Hydroelectric Power Plant, and the construction and improvement of access roads and bridges for both projects	Until the final settlement	Construcciones el Cóndor S.A. 65%, Estyma S.A. 35%
Consortio Grupo Ejecutor Hatovial	21,109%	consortium	The purpose of the consortium is to carry out all the design, construction and services activities included in the new object of the concession contract, and all those subsequently signed between the Department of Antioquia and Sociedad Hatovial SA. Set the rules, parameters and conditions that will govern it, and the conditions of participation of each of the members.	The agreement will be effective from the date of its subscription and until the end of the concession contract signed by Hatovial or until its members decide, the latter case in which unanimity will be required.	Mincivil S.A. 51.846%, S.P. Ingenieros S.A.S. 22.216%, Construcciones el Cóndor S.A. 21.109%, Latinco S.A. 1.107%, EDL 3.721%
Consortio Avenida Colón	70%	consortium	Execution of construction works for road infrastructure works Avenida Colón Manizales- Caldas.	The term of the contract duration and one more year.	Proyectos y Vías S.A. 15%, Mainco S.A. 15% y Construcciones el Cóndor S.A. 70%, SONACOL S.A. 20%, CASS CONSTRUCTORES & CIA. S.C.A. 20%, CSS CONSTRUCTORES 20%, CONSTRUCCIONES EL CONDÓR S.A. 27%, PUENTES Y TORONES S.A. 13%.
Consortio Vial del Sur	27%	consortium	“Southern cross road development. Module 2. Improvement and maintenance of the Tumaco-Pasto-Mocoa corridor Module 1. Construction of the San Francisco - Mocoa variant. “	The term of execution and settlement of the contract and five more years.	CONSTRUCCIONES EL CONDÓR S.A. 66.67%, VALORES Y CONTRATOS 33.33%
Consortio Constructor Américas	66,67%	consortium	The purpose of the Consortium is the celebration and execution of the EPC contract.	The term of execution and settlement of the contract.	CONSTRUCCIONES EL CONDÓR S.A. 66.67%, VALORES Y CONTRATOS 33.33%

Business collaboration contracts	Participation	agreement type	Agreement description	Duration	Consortium
Consortio Constructor Pacifico Tres	48%	consortium	Final studies and designs, financing and others of the project in accordance with the scope, qualities and specifications required in the concession contract	72 months	Consortiados: MHCI 26%, Construcciones el Cóndor S.A. 48%, MECO 26%
Consortio Farallones	50,000%	consortium	Final studies and designs, financing and others of the project in accordance with the scope, qualities and specifications required in the concession contract	72 months	Construcciones el Cóndor S.A. 50%, Grupo ODINSA S.A. 50%.
Consortio Vial los Llanos	11,000%	consortium	Final studies and designs, financing and others of the project in accordance with the scope, qualities and specifications required in the concession contract	72 months	Construcciones el Cóndor S.A. 11%, Grupo ODINSA S.A. 51%, Murcia y Murcia S.A. 30%, SARUGO S.A. 8%
Consortio Francisco Javier Cisneros	21,105%	consortium	The execution of all the works and activities and all those services required under the EPC contract.	Until December 31, 2021.	Mincivil S.A. 51.817%, S.P. Ingenieros S.A.S. 22.216%, Construcciones el Cóndor S.A. 21.105%, Latino S.A. 1.111%, EDL S.A.S. 3.721%

Construcciones El Cóndor S.A., in addition to its own assets, liabilities, income, and expenses, recognizes in its accounting those that arise from the contractual agreements, showing in its financial statements the company's share of the joint assets, liabilities, revenue, costs, and expenses. The inclusion of the balances for consortia and temporary unions can be seen in the notes to the financial statements identified with an asterisk (\*).

#### 2.4.25 New standards and interpretations for financial reports

IFRS 17 - Insurance Contracts becomes effective on January 1, 2021. The preliminary analysis of this standard carried out by the company has concluded that the scope of IFRS 17 does not include the operations carried out by the Company and, therefore, Construcciones El Cóndor will not apply the provisions of this standard.

### Note 3. Cash and cash equivalents

The total of these items was duly reconciled with the corresponding external information obtained from different financial entities.

	As of Dec 31 2019	As of Dec 31 2018
Cash	31.699	30.972
Banks	14.425.011	13.549.221
Joint banking operations (incorporation of consortiums)	3.190.360	11.345.877
Investment-fixed income joint operations	494.718	483.216
Restricted joint operations available (incorporation consortiums)	400.000	0
Negotiable investments	14.124.380	106.621
Savings accounts	164.828	587.548
Fiduciary rights	10.263.642	9.835.792
<b>TOTAL CASH AND CASH EQUIVALENT</b>	<b>43.094.638</b>	<b>35.939.247</b>

### Note 4. Investments

	As of Dec 31 2019	As of Dec 31 2018
Concesión Pacifico Tres S.A.S.	43.938.769	11.791.043
<b>TOTAL TEMPORARY INVESTMENTS (1)</b>	<b>43.938.769</b>	<b>11.791.043</b>

**Permanent investments**

Investments in associates and joint businesses

As of Dec 31

	Number of shares	Share (%)	2019	2018	Incorporation domicile	Corporate purpose
<b>FINANCIAL ASSETS</b>						
<b>FINANCIAL INSTRUMENTS</b>						
Empresa de Generación y Promoción de Energía de Antioquia S.A. E.S.P.	47.942		47.942	47.942	6 de Nov 2008	Public Service Company, Public Deed No. 13636
C.C.I. Marketplace S.A.	2.800.864	2,63%	35.787	35.787	Abr/2007 Bogotá	Website and/or webpage creation, maintenance
Hidroeléctrica del Río Aures	1.019.450	13,03%	863.495	863.495	Jul/1997 Medellín	Electric power generation and sale through a hydroelectric station in the municipality of Abejorral.
<b>TOTAL INVESTMENTS</b>			<b>947.224</b>	<b>947.224</b>		
<b>JOINT BUSINESSES</b>						
Constructora Túnel del Oriente S.A.S.	2.629.361.939	12,66%	12.535.778	8.702.032	Oct/2011 Medellín	To be a shareholder of Concesión Túnel de Aburrá Oriente S.A. and to develop the activities necessary to build the works.
Concesión Túnel Aburra Oriente S.A (1)	236.700	12,51%	0	23.297.915	dic/1997 Medellín	State concession contract for the design, construction, operation and maintenance of the road connection Aburrá Oriente.
Concesión Vial los Llanos S.A.S.	550.000	11,00%	19.596.214	19.902.192	abr/2015 Villavicencio	Construction of roads and railroads.
<b>ASSOCIATES</b>						
Concesión Aburra Norte S.A. 'Hatovial S.A..'	1.582.886	21,11%	19.294.573	15.162.533	oct/1997 Copacabana	Enter and execute a state concession contract of a road project called "Desarrollo Vial del Aburrá Norte" and its complementary road system.
Concesión Ruta al Mar S.A.S. ( CORUMAR)	350.000	50,00%	6.573.871	3.147.491	sep/ 2015 Medellín	Company with the sole corporate purpose of signing and executing the concession contract under the APP scheme. Construction, improvement, operation, maintenance and reversal of the road system for the connection of the Antioquia-Bolivar departments
Concesión Vías del Nus S.A.S.	25.326.000	21,11%	26.834.194	2.010.889	dec/ 2015 Medellín	Enter and execute a state concession contract established in article 32 of law 80 of 1993.
Concesión la Pintada S.A.S.	8.490.799	21,15%	24.329.118	18.050.317	jun/ 2014 Medellín	The company will have a single corporate purpose execution of a contract with the National Infrastructure Agency to carry out the studies, designs, financing, environmental, property and social management, construction, improvement, rehabilitation, operation, maintenance and reversal of the Connection Highway Concession. Pacific 2
Concesión Pacifico Tres S.A.S.	4.800	48,00%	31.389.139	31.745.113	ago/2014 Bogotá	Execute concession contract under the PPP scheme, consisting of studies, designs, financing, environmental, property and social management, construction, improvement, rehabilitation, operation, maintenance and reversal of the Pacific Connection 3 highway concession.
Transmilenio Carrera 7 SC S.A.S.			15.000	15.000		
Deterioro inversión Transmilenio carrera 7 SC S.A.S.			-15.000	-15.000		
Concesionaria Trans NQS Sur	24.990	50,00%	0	0	sep/2003 Bogotá	Execution of civil works design, construction and execution of civil works.
Concesionaria Transmilenio del Sur	25.000	50,00%	402.977	419.544	Dec/2003-Bogotá	Execution of civil works design, construction and execution of civil works.

	Number of shares	Share (%)	2019	2018	Incorporation domicile	Corporate purpose
Agregados Argos S.A.S.	1.512.000.000	24,00%	1.577.038	1.427.996	Jul/2017 Medellín	Exploration, exploitation, transformation, transportation and sale of stone materials from mines and quarries.
<b>INVESTMENTS OVERSEAS</b>						
Industrias Selma (2)	5.000	49,75%	0	0	Julio 2005 -Islas Vírgenes Británicas	Its corporate purpose is detailed on page of the by-laws: "(5. Capacity and powers)". Here it is stated that its object is not restricted (is indefinite) and the Company has full powers to carry out lawful activities which are not prohibited for commercial companies created under BVI standards in accordance with act of 2004 or any other BVI law.
<b>TOTAL INVESTMENTS IN ASSOCIATES AND JOINT BUSINESSES</b>			<b>142.532.902</b>	<b>123.866.022</b>		
<b>TOTAL INVESTMENT</b>			<b>143.480.125</b>	<b>124.813.246</b>		

(1) Disposal of the 12.51% interest equivalent to 236,700 ordinary shares that the Seller has in Concesión Túnel Aburrá Oriente S.A.S. For a value of COP \$ 80,454, payment will be made in two installments: 50% at the closing of the transaction and the remaining 50% in the following 18 months at a rate of 7% annual cash.

(2) Industria Selma: Corporation tied to the Company domiciled overseas.

## Note 5. Commercial accounts receivable and other accounts receivable

### a. Commercial accounts receivable and other current accounts receivable

CONCEPTO	As of Dec 31		DETAIL - RELATED PARTIES	As of Dec 31	
	2019	2018		2019	2018
Domestic clients	94.858.750	171.683.644	Domestic clients	31.605.148	22.136.622
Accounts receivable, consortiums	18.510.068	146.280.313	Income receivable, internal minutes	36.641.454	91.681.991
Prepayments and advances	45.086.878	50.531.321	Debtors	154.750.121	71.650.499
Claims	2.344.401	2.344.401	Withholding over contracts	32.090.985	13.103.954
Accounts receivable, workers	84.657	286.946	<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE RELATED PARTIES(**)</b>	<b>255.087.707</b>	<b>198.573.067</b>
Sundry debtors	87.086.021	66.365.442			
Withholding over contracts	49.769.967	35.440.272			
Income receivable	443.707.818	529.859.919			
Deposits	1.800	1.800			
<b>TOTAL</b>	<b>741.450.361</b>	<b>1.002.794.058</b>			

(\*\*) Details of accounts receivable with related parties are found on note 29

### Domestic clients

There are no restrictions or encumbrances, accounts receivable do not guarantee any type of obligation.

	As of Dec 31	As of Dec 31
	2019	2018
Constructora Kalamary S.A.S.(1)	251.835	251.835
Cientes Agregados San Javier	718.855	5.526.192
Fideicomiso BBVA Fiduciaria Santa Marta - Paraguachón	8.594.606	16.060.762
Servicios de Ingeniería Civil S.A.	0	283.417
Consorcio Constructor Américas (1)	38.328.451	131.396.930
Consorcio Constructor Pacífico 3. (2)	1.708.583	16.187.236
Sanchez C. Hermanos S.A.S.	195.709	0
Empresa Minera de Caldas S.A.S.	0	209.244
China Harbour Engineering Company Limited Colombia	2.768.202	0
Concesión Vías de las Américas S.A.S. (3)	285.709	369.955
Cóndor Investments USA INC (4)	1.328.294	892.053
ODINSA S.A.S. (5)	40.197.824	0
Consorcio Minero del Cesar S.A.S.	0	384.738
Consorcio Vial Urabá	371.512	0
Less than 50 million	109.170	121.281
<b>TOTAL CURRENT DOMESTIC CUSTOMERS</b>	<b>94.858.750</b>	<b>171.683.644</b>

- (1) These amounts correspond to works executed in the project Américas Cóndor Urabá, Montería, San Marcos, Santa Ana - La Gloria.
- (2) The amount corresponds to works executed in La Virginia and Irra.
- (3) The value corresponds to the accounts receivable from the Concession to the National Infrastructure Agency (ANI)
- (4) The value corresponds to the accounts receivable from Condor Investment for contracts
- (5) The balance corresponds to 50% of the sale of the 12.51% share equivalent to 236,700 ordinary shares that the Seller has in Concesión Túnel Aburrá Oriente S.A.S. for a value of COP \$ 80,454

**Accounts receivable of consortiums**

	As of Dec 31 2019	As of Dec 31 2018
Debtors, joint operations (incorporation of consortiums)	13.102.628	119.209.218
Accounts receivable, related companies in joint operations (incorporation of consortiums)	488.668	1.653.768
Commercial banking accounts, joint operations (incorporation of consortiums)	4.918.772	25.417.327
<b>TOTAL ACCOUNTS RECEIVABLE, CONSORTIUMS</b>	<b>18.510.068</b>	<b>146.280.313</b>

**Prepayments and advances**

These advances to contractors are considered financial instruments since, if the contract is not fulfilled, the money is reimbursed by the contractor, according to compliance policies signed between them.

	As of Dec 31 2019	As of Dec 31 2018
Prepayments, joint operations (incorporation of consortiums)	32.632.851	36.893.746
Concesión Ruta al Mar S.A.S.	249.360	124.961
Básculas Prometálicos S.A.	431.933	700.676
Internacional de Eléctricos S.A.S.	495.848	0
SIEMENS S.A.	3.631.325	5.167.367
G & R. Ingeniería y Desarrollo	298.727	0
CEI Enterprises INC.	0	77.639
Atención Social Integral S.A.S.	0	99.989
Serna Gutiérrez Jairo Rafael	80.000	0
Mejía Monroy Edgardo Enrique	0	199.316
MGM Ingeniería y Proyectos S.A.S	178.782	2.704.155
Stup de Colombia S.A.S	166.005	0
Inmaq Ltda.	281.666	0
Certión S.A.S.	1.469.597	862.825
Anticipo para gastos menores	56.445	0
Montajes y Estructuras Metálicas	52.336	67.067
Suministros, Ingeniería y Logística de San Pablo S.A.S	156.000	0
Corporación Lonja Inmobiliaria	0	93.524
Corporación de Acero CORPACERO S.A.	84.917	0
Ruiz & Ruiz Cnstrucciones Civiles S.A.S.	104.638	0
Agencia de Aduanas Aduanimex	233.459	0
J.C. Ingeniería Eléctrica	231.071	0
Reparaciones y Aplicaciones en Concreto	318.688	0
Construcivil ARL S.A.S.	100.415	0
V&S Comercial S.A.S	0	101.345
Arquitectura + Innovación S.A.S.	68.168	0
Eléctricos de Montería Integral S.A.S.	387.361	0
Civiltech Ingenieros Consultores S.A.S.	77.993	0
C2 Estudios S.A.S.	0	98.142
Instalcom S.A.S.	0	91.281
Concesión Cesar Guajira S.A.S.	1.821.504	0
Internacional de Eléctricos S.A.S.	0	1.251.164
J.C. Ingeniería Eléctrica S.A.S.	0	342.956
W.B. Ingeniería de Proyectos S.A.S.	0	70.765
Less than 50 million	1.477.790	1.584.403
<b>TOTAL PREPAYMENTS AND ADVANCES (1)</b>	<b>45.086.878</b>	<b>50.531.321</b>

(1) Variations among prepayments and short-term advances display the effect of the incorporation of the Consortiums' financial statement, which decreased by: (4.260.895)

<b>Claims</b>	As of Dec 31	As of Dec 31
	2019	2018
Claims (1)	2.344.401	2.344.401
<b>TOTAL CLAIMS</b>	<b>2.344.401</b>	<b>2.344.401</b>

(1) Award of Construcciones El Cóndor vs. Metroplús, for interests, overruns and costs; of total claims \$12.167 correspond to payment of inconsistencies.

<b>Accounts receivable, workers</b>	As of Dec 31	As of Dec 31
	2019	2018
Miscellaneous	84.657	280.510
Miscellaneous, joint operations (incorporation of consortiums)	0	6.436
<b>TOTAL ACCOUNTS RECEIVABLE, WORKERS</b>	<b>84.657</b>	<b>286.946</b>

<b>Miscellaneous accounts receivable</b>	As of Dec 31	As of Dec 31
	2019	2018
Miscellaneous accounts receivable, joint operations (incorporation of consortiums)	7.158.627	6.345.467
ITAÚ CorpBanca Colombia (mandato Farallones)	1.750.649	1.485.257
Cuenta por cobrar diferentes a leasing (mandato Farallones)	12.587.127	0
Mandato Farallones (pagos)	(12.587.127)	0
Concesión Ruta al Mar (Mandato)	237.465	196.914
Concesión Ruta al Mar (Mandato- pagos)	(236.726)	(160.982)
Consorcio APP Llanos	203.143	0
Consorcio Constructor Américas (1)	14.221.582	11.511.659
Consorcio Avenida Colón (1)	1.723.261	1.416.621
Consorcio Constructor Pacífico 3 (1)	(291.016)	104.007
Consorcio Farallones (1)	49.545.293	23.284.659
Consorcio Hidroeléctrica de Tuluá (1)	171.468	171.468
Consorcio Mantenimiento OPAIN (1)	419.198	419.198
Consorcio OMC (1)	100.918	100.918
Consorcio Vial del Sur (1)	2.698.526	2.794.933
Consorcio Grupo Ejecutor Hatovial (1)	3.549.848	4.024.039
Consorcio Constructor de Francisco Javier Cisneros (1)	4.081.427	2.693.368
Goimpro S.A.S.	44.051	218.111
Gutiérrez Marín Sor Maribel	88.300	88.300
Leasing Bancolombia S.A.	296.807	296.807
Concesión Cesar Guajira S.A.S. (2)	0	146.200
Vías de las Américas S.A.S. (3)	1.175.620	11.131.368
Less than 50 million	147.579	97.130
<b>TOTAL MISCELLANEOUS ACCOUNTS RECEIVABLE</b>	<b>87.086.021</b>	<b>66.365.442</b>

(1) Corresponds to consortium certificates and the services provided by Construcciones El Cóndor, as consortium in each of these contracts.

(2) Corresponds to the value to be received from the settlement of the Concession contract by ANI.

(3) Corresponds to Accounts Receivable from P.A. of the Vías da las Américas Concession.

### Withholding over contracts

These withholdings correspond to discounts made by the Company over partial payments to guarantee payment of salaries, work stability, warranties and other obligations arising from the contractual relation.

	As of Dec 31	As of Dec 31
	2019	2018
Joint operations (incorporation of consortiums)	21.493.386	13.718.289
Metroplús	1.408	1.408
China Harbour Engineering Company Limited	965.810	0
C.I. Prodeco	0	92.492
Carbones de la Jagua S.A.	4.185	1.321.454
Consortio Farallones	199.691	199.691
Consortio Grupo Ejecutor Hatovial	155.022	0
Consortio Nuestro Urabá	21.337	35.561
Consortio Constructor Pacífico 3	14.058.420	9.835.746
Agencia Nacional de Infraestructura	4.556.738	4.556.738
Consortio Constructor Américas	5.400.641	5.400.641
Fideicomiso BBVA Concesión Santa Marta Paraguachón	2.913.329	278.252
<b>TOTAL WITHHOLDING OVER CONTRACTS</b>	<b>49.769.967</b>	<b>35.440.272</b>

### Revenues receivable

	As of Dec 31	As of Dec 31
	2019	2018
Internal minutes (1)	155.419.353	139.781.414
Internal minutes, joint operations (incorporation of consortiums)	84.804.675	118.970.276
Concesión Vías de las Américas S.A.S.	62.425.375	221.177.070
Concesión Cesar Guajira	140.604.383	49.510.606
Others	454.032	420.553
<b>TOTAL REVENUES RECEIVABLE</b>	<b>443.707.818</b>	<b>529.859.919</b>

(1) Internal minutes correspond to works executed but pending invoicing at the end of the period. This balance is primarily represented in the works of Montería, Urabá, Irra, La Guajira and San Pablo Canta Gallo for \$153.867.050 which are in full execution of their construction phase.

### Deposits

	As of Dec 31	As of Dec 31
	2019	2018
Luisa Navarro Ballesteros	1.800	1.800
<b>TOTAL DEPOSITS</b>	<b>1.800</b>	<b>1.800</b>
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>741.450.361</b>	<b>1.002.794.058</b>

### Assets for current taxes

	As of Dec 31	As of Dec 31
	2019	2018
Balance in favor of ICA and prepayments to other municipalities	0	413.960
Self-retention of ICA	20.158	0
Pre-payment rent	1.000	56.044
Deductible taxes	2.631.429	0
Self-retention of ICA	376.375	0
Surplus of private liquidation	803.224	1.702.430
Contributions	581.188	581.188
Withholding ICA	768.454	503.157
Pre-payment ICA	405.659	645.497
Pre-paid surcharge CREE	77.266	1.301.781
Withholding tax	17.634	4.413
Withholdings Autonomous Patrimony	0	684.069
Withholding and claimins joint operations (*)	44.379	0
<b>TOTAL ASSETS FROM CURRENT TAXES</b>	<b>5.726.767</b>	<b>5.892.539</b>

	As of Dec 31 2019	As of Dec 31 2018		As of Dec 31 2019	As of Dec 31 2018
<b>DETAIL</b>			<b>DETAIL - RELATED PARTIES</b>		
Domestic clients	2.386.645	2.659.849	Domestic clients	111.477.029	72.826.189
Accounts receivable impairment	(3.725.133)	(3.998.338)	Debtors Related companies	11.912.797	11.777.228
Tax and contributions prepayments	23.750	23.750	Impairment trade accounts receivable related parties	(8.589.538)	(8.517.748)
Prepayments and advances	208.829	208.829	Debtors related parties	459.884.566	425.452.293
Debtors	7.064.538	90.352.814	Deposits	420.064	420.064
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>5.958.629</b>	<b>89.246.904</b>	<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE RELATED PARTIES (**)</b>	<b>575.104.918</b>	<b>501.958.026</b>

(\*\*) Details of accounts receivable with related parties are found in note21

**Commercial accounts receivable and other current accounts receivable**

	As of Dec 31 2019	As of Dec 31 2018
Departamento de Antioquia	665.930	665.930
Consortio Minero del Cesar S.A.S.	384.738	0
Clientes Agregados San Javier	1.003.230	1.470.548
Valores y Contratos	0	96.385
Metroplús	31.088	0
Castro Tcherassi S.A.	5.861	0
Hacienda Potreritos	7.524	0
Estyma S.A.	215.467	215.467
Consortio el Viajano	0	125.130
Less than 50 millions	72.807	86.389
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>2.386.645</b>	<b>2.659.849</b>
<b>TOTAL ACCOUNTS RECEIVABLE IMPAIRMENT</b>	<b>(3.725.133)</b>	<b>(3.998.338)</b>

Impairment represents balances on uncollectible accounts resulting from the pursuit of this corporate objective both contractual through work execution contracts and exploitation and sale of materials.

**Prepaid taxes and contributions**

	As of Dec 31 2019	As of Dec 31 2018
Others	23.750	23.750
<b>TOTAL PREPAID TAXES AND CONTRIBUTIONS</b>	<b>23.750</b>	<b>23.750</b>

**Prepayments and advances**

	As of Dec 31 2019	As of Dec 31 2018
Avales Ingeniería Inmobiliaria	208.829	208.829
<b>TOTAL PREPAYMENTS AND ADVANCES</b>	<b>208.829</b>	<b>208.829</b>

**Miscellaneous accounts receivable**

	As of Dec 31 2019	As of Dec 31 2018
Itaú CorpBanca (mandato Farallones)	2.114.623	3.825.572
Consortio Amaime	1.070.090	1.070.090
Masering	254.103	254.103
Agregados del Norte de Colombia	246.186	246.186
Concesión Cesar Guajira S.A.S.	0	81.260.186
S.P. Ingenieros	99.831	99.831
Condor Investment USA Inc	3.279.704	3.596.846
<b>TOTAL MISCELLANEOUS ACCOUNTS RECEIVABLE</b>	<b>7.064.538</b>	<b>90.352.814</b>
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>5.958.629</b>	<b>89.246.904</b>
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE</b>	<b>1.583.328.382</b>	<b>1.798.464.595</b>

## Note 6. Inventories

The Company does not have inventories pledged as collateral in the fulfillment of debts.

	As of Dec 31	As of Dec 31
	2019	2018
Contracts in execution	17.078.840	21.546.944
Contracts in execution of joint operations (incorporation of consortiums)	1.765.568	0
Materials, spare parts and accessories	32.317.228	21.813.188
Inventories of joint operations, net (incorporation of consortiums)	6.622.953	13.213.327
Impairment of net realizable value (1)	-899.746	-710.879
Advances	34.636.273	40.576.225
Promise of sale	12.786.105	26.263.925
<b>TOTAL INVENTORIES</b>	<b>104.307.222</b>	<b>122.702.729</b>

(1) Adjustments to the net realization value of inventories and the poor condition of some of these.

## Note 7. Prepaid expenses and intangible

### Short-term prepaid expenses

	As of Dec 31	As of Dec 31
	2019	2018
Insurance and bonds	3.840.100	4.684.416
Prepaid expenses, joint operations (incorporation of consortiums)	384.742	460.165
Other charges, joint operations (incorporation of consortiums)	55.551	39.358
Autonomous Equity	412.533	397.417
<b>TOTAL SHORT-TERM PREPAID EXPENSES</b>	<b>4.692.925</b>	<b>5.581.356</b>

### Long-term prepaid expenses

	As of Dec 31	As of Dec 31
	2019	2018
Insurance, bonds and deferred charges	28.714	368.413
Prepaid expenses, joint operations (incorporation of consortiums)	3.134	248.667
Other charges, joint operations (incorporation of consortiums)	0	11.115
<b>TOTAL LONG-TERM PREPAID EXPENSES</b>	<b>31.848</b>	<b>628.196</b>
<b>TOTAL DEFERRED</b>	<b>4.724.773</b>	<b>6.209.552</b>

### Long-term intangibles

	Derechos Mineros	Operating Rights	TOTAL 2018
Acquisitions operating rights	0	27.248.410	27.248.410
Acquisitions made business combination	4.926.533	0	4.926.533
Amortizations mining rights	(63.640)		(63.640)
Amortizations operating rights	0	(11.695.367)	(11.695.367)
<b>TOTAL LONG TERM INTANGIBLES - YEAR 2018</b>	<b>4.862.893</b>	<b>15.553.043</b>	<b>20.415.936</b>
	Mining Rights	Operating Rights	TOTAL 2019
Previous year balance	4.862.893	15.553.042	20.415.935
Mining rights amortizations	0	(15.553.043)	(15.553.043)
<b>TOTAL LONG TERM INTANGIBLES - YEAR 2019</b>	<b>4.862.893</b>	<b>15.553.042</b>	<b>4.862.892</b>
<b>TOTAL INTANGIBLES</b>			<b>4.862.892</b>

Mining rights were registered in the merger through absorption of Concesión Red Vial del Cesar, and correspond to mining rights to exploit the following sources of materials:

**Mining proceeding control**

Source	Type Of Contract	Title No	Beneficiary	Resolution	Authorized area (ha)	Type of exploitation	Mining registry			Stage	Effective terms of current stage	PTO approval	Polices		Total authorized volume (m3)	Concessioned minerals	Environmental license
							Code No.	Registration date	Completion date				Issued	Terms			
"Pailitas (La Floresta)"	Concession contract	0254 - 20	Construcciones El Cóndor S.A.	Concession contract No. 0254-20 Res. No. 003477 of August 27, 2014 ANM Cóndor-CRVC cession Registered at RMN	513,80	C/R	HGME-03	17-ago-06	17/08/2033	Exploitation	17-ago-33	Approved: Writ PARV-0856 of June 20, 2014	Yes	17-Aug-20	96.840	Gravel and sand rivers	Underway
Maracas	Concession contract	0260 - 20	Construcciones El Cóndor S.A.	Concession contract No. 0260-20 Resolution No. 00479 of January 29, 2016 Cóndor-CRVC cession Registered at RMN	122,35	C/R	HGCG-04	06-may-06	15/05/2036	Exploitation	15-may-36	Approved: Technical opinion 058-2007 of June 15, 2007 Amended: Writ 1110 of 2014	Yes	16-may-20	176.956	Sand and gravel from rivers and quarries	Resolution No. 0822 of September, 2008 – Environmental license granted. Resolution No. 1065 of August 25, 2015 – Environmental license amended. Repeal was filed. Resolution 0075 of February, 2016, settles repeal. L.A. amendment is firm. Cession of El Cóndor to CRVC underway. Last action: response to requirements from corprocesar was given
San Diego	Concession contract	0262 - 20	Construcciones El Cóndor S.A.	Concession contract No. 0262-20 Resolution 000086 of January 17, 2014 Cóndor-CRVC cession Registered at RMN	70,29	R/C	HGCG-02	13-jun-06	12/06/2034	Exploitation	13-jun-34	Approved: Technical opinion CT-059-2007 Amended: Writ PARV No. 0757 of July 28, 2015	Yes	13-jun-20	234.000	Sand and gravel from rivers and quarries	Resolution 822 of 2008, license amendment proceeding underway to include quarry materials
Chiraimo	Concession contract	LES-11081	CONCESIÓN RED VIAL DEL CESAR S.A.S.	Concession contract No. LES-11081 Resolution 001123 of March 31, 2016 Cóndor-CRVC cession Registered at RMN	39,75	R	LES-11081	22-sep-11	21/09/2031	Construction and assembly	21/09/2019	Writ PARV No. 0654 of May 14, 2014	Yes	22-sep-20	57.302	Sand and gravel from rivers and quarries	Underway
Caracolcito	Concession contract	IHT-16461	Construcciones El Cóndor S.A.	Concession contract No. IHT-16461 Resolution No.000098 January 22, 2014 Condor-CRVC cession Registered at RMN	335,85	R	IHT-16461	10/07/2008	09/07/2038	Exploitation	09-jul-38	Technical opinion PARV-0694 of August 1, 2014	Yes	10-jul-20	60.000	Sand and gravel from rivers	Writ 104 of 2015 – L.A. proceeding is begun. Visit was made. Minute of requirements. Response to requirements. Environmental feasibility opinion. Previous consultation underway. First pre-consultation meeting held on July 10, 2016, but no indigenous groups attended. Determination from Mininterior (Ministry of Justice) is expected

All intangible assets are measured after their initial recognition by the costs model. The methods used to amortize intangible assets are:

<b>Intangible asset</b>	<b>Amortization method</b>
Mining rights	Protection units
Operation rights	Based on revenues from normal activities

### Assets for deferred taxes

The deferred tax was found using the liability method and the tax rate to which the differences are expected to revert.

	As of Dec 31 <b>2019</b>	As of Dec 31 <b>2018</b>
Deferred taxes for provisions	365.190	1.571.608
Deferred taxes for financial obligations	8.781.141	17.763.667
Other deferred taxes	5.263.651	7.202.533
Deferred taxes	391.495	304.137
<b>TOTAL ASSETS FOR DEFERRED TAXES</b>	<b>14.801.477</b>	<b>26.841.945</b>
<b>TOTAL EXPENSES PAID IN ADVANCE, INTANGIBLES AND DEFERRED TAXES</b>	<b>24.389.142</b>	<b>53.467.433</b>

### Note 8. Non current assets held for sale

	As of Dec 31 <b>2019</b>	As of Dec 31 <b>2018</b>
Lands (1)	137.995	137.995
Machinery and equipment	8.091.460	4.941.406
Cars, vans and camperos	58.000	130.847
Others transportation equipment	198.455	96.538
Impairment	(5.955.547)	(4.427.613)
<b>TOTAL NON CURRENT ASSETS HELD FOR SALE</b>	<b>2.530.363</b>	<b>879.172</b>

(1) Corresponds to: Pailitas lot located in La Floresta village, which will be given as a donation; North America lot located in the Municipality of Bello, disused or unproductive machinery and transport equipment.

Note 9. Properties, plant and equipment

	OWN AND LEASING									Totales
	Lands	Construction and edification	Machinery and equipment	Equipo de oficina	Office Furniture	Transportation equipment	Mining Assets	concessions	Joint operations assets	
Balance as of Dec 31 2018	12.849.846	10.678.391	187.582.648	1.029.620	381.846	100.901.651	58.054.594	0	49.502.004	420.980.600
Balance depreciation and impairment as of Dec 31, 2018	0	(152.016)	(3.695.644)	(579.147)	(367.491)	(887.797)	0	0	(5.976.252)	(11.658.347)
Balance as of Dec 31 2018	0	0	0	0	0	0	0	963.530	0	963.530
Value in books as of Dec 31, 2018	12.849.846	10.526.375	183.887.004	450.473	14.355	100.013.853	58.054.594	963.530	43.525.752	410.285.782
Acquisitions	0	17.811.391	19.130.616	0	0	2.576.058	0	0	0	39.518.065
additions	0	0	0	0	0	0	69.212	0	0	69.212
Prepayments	(1.755.000)	0	0	0	0	0	0	0	0	(1.755.000)
Revaluation	0	0	(206.754)	0	0	0	0	0	0	(206.754)
Transfer to MPV	0	0	(4.084.663)	0	0	(201.469)	0	0	0	(4.286.132)
Withdrawals	0	0	(21.560)	0	(6.826)	(919.702)	0	0	0	(948.088)
Impairment	(137.995)	0	(448.646)	0	0	(33.719)	0	0	0	(620.360)
Depreciation	0	(515.798)	(13.968.641)	(94.405)	(8.203)	(9.728.953)	(1.177.747)	0	0	(25.493.747)
Depreciation, transfer, withdrawal and others	0	0	501.624	0	8.548	123.455	0	0	0	633.627
Sale	0	0	(2.420.261)	0	(1.722)	(391.800)	0	0	0	(2.813.783)
Other Changes	0	93.574	(1.865.810)	0	0	(334.400)	0	0	(1.753.366)	(3.860.002)
Concessions	0	0	0	0	0	0	0	93.575	0	93.575
Totales	10.956.851	27.915.542	180.502.909	356.068	6.152	91.103.323	56.946.059	1.057.105	41.772.386	410.616.395

On December 31, 2018 Construcciones El Cóndor S.A. value the following kinds of property, plant and equipment: land, constructions and buildings, machinery and equipment, transportation equipment and mining assets. The reasonable value such assets was determined by the following independent firms: AGS Gestión Contable S.A.S., Juan David Chavarría Avalúos and Avatec Ingeniería.

The reasonable value of land, constructions and buildings was determined by referring to market-based evidence. This means that the valuations carried out by the asset layers were based on active market prices. For the valuation, level 2 entry data were used.

The fair value of machinery and equipment and transport equipment was determined using the cost approach, in which the Ross Heidecke methodology was used, this method, part of the fact that a new good provides its services to satisfaction, but after certain time its deterioration becomes visible and intolerable; it is for this reason that initially the loss in value of the property is small and accelerates as its useful life elapses. Level 2 input data were used for the assessment.

The fair value of mining assets was determined by applying the income approach, which uses the discounted cash flow method to measure the ability of the asset to generate future wealth, cash flows are discounted at an interest rate determined by the CAPM methodology. Level 3 input data were used for the assessment.

The sums that would have been accounted by the costs model are:	Land	Edification	The revaluation surplus recognized in another integral result is:	Land	Edification
Historical cost	12.281.331	15.881.566	Revaluation surplus	\$2.568.515	\$1.050.177
Depreciation	0	(547.051)			
Value in books	12.281.331	15.334.515			

These values cannot be distributed to shareholders until the elements related to properties, plant and equipments are realized.

	2019		
	Cost	Depreciation	Net Cost
Lands	11.094.846	0	11.094.846
Quarries	56.946.060	0	56.946.060
Goods leased	204.746.257	(14.419.100)	190.327.157
Constructions and buildings	7.226.023	(341.892)	6.884.132
Machinery and equipment	71.989.059	(7.709.240)	64.281.660
Office equipment	1.029.620	(613.486)	1.152.222
Computers and communications equipment	371.532	(268.995)	100.443
Transportation equipment	43.919.060	(5.035.017)	39.024.936
Reversible asset	0	0	180.376
Accumulated impairment	(1.147.823)	0	(1.147.823)
Properties, plant and equipment - joint operations (incorporation of consortiums)	53.376.983	(11.604.597)	41.772.386
<b>TOTAL PROPERTIES, PLANT AND EQUIPMENT</b>	<b>449.551.618</b>	<b>(39.992.328)</b>	<b>410.616.395</b>
	2018		
	Cost	Depreciation	Net Cost
Lands	12.849.846	0	12.849.846
Quarries	58.054.594	0	58.054.594
Advance constructions and buildings	1.637.164	0	1.637.164
Goods leased	230.562.051	(4.133.682)	226.428.369
Constructions and buildings	5.478.179	125.506	5.603.685
Machinery and equipment	35.972.423	168.125	36.140.548
Office equipment	1.399.406	(519.081)	880.325
Computers and communications equipment	469.029	(354.934)	114.095
Reversible asset	2.095.193	(1.553.060)	542.133
Accumulated impairment	(546.676)	0	(546.676)
Transportation equipment	25.336.658	(280.711)	25.055.947
Properties, plant and equipment - joint operations (incorporation of consortiums)	49.502.004	(5.976.252)	43.525.752
<b>TOTAL PROPERTIES, PLANT AND EQUIPMENT</b>	<b>422.809.871</b>	<b>(12.524.089)</b>	<b>410.285.782</b>

The Company has established in its policy the following life of its assets, which was determined by homogenous group.

Fixed Assets	Life (years)
Constructions and buildings	40 a 100
Machinery and equipment	5 a 20
Office equipment	10
Computers and communications equipment	3
Fleet and transportation equipment	8 a 15
Mines and quarries	60

As an internal policy, the Company adopts a par value of zero for buildings, computers and office equipment. The par value for the fleet and transportation equipment is 10% of the asset's initial cost.

The Corporation has formalized the insurance policies to cover possible risks that are subject to different elements related to property and equipment.

The Company solely has title restrictions over the assets it acquires through financial leasing.

## Note 10. Investment properties

	Net cost	Net cost
Real estate investment properties	6.226.910	6.686.837
Impairment investment properties	(491.034)	(278.788)
<b>TOTAL INVESTMENT PROPERTIES</b>	<b>5.735.876</b>	<b>6.408.048</b>

Several assets of the Company: Two lands in the municipality of Copey meet the IAS 40 criteria to be recognised as investment properties.

The assets of Construcciones El Cóndor S.A. registered as properties, plant and equipment do not guarantee any type of obligation.

## Note 11. Financial obligations

As of December 31, 2019 and December 31, 2018, there were no delinquent financial obligations.

### Short-term financial obligations

	Maturity	Rate	2019	2018
Banco BBVA (1)	14-May-20	DTF+3.15% TA	0	44.592.236
Banco de Bogotá (2)	21-Dec-20	IBR+3.75%	6.000.000	0
Bancolombia (2)	28-Sep-20	IBR NATV+2.95%	8.962.650	0
Banco de Occidente	19-Nov-19	IBR+2.5%TV	0	15.000.000
Banco de Occidente (3)	22-Mar-20	IBR+3.25% TV	49.892.000	34.892.000
Banco de Bogotá (4)	17-Apr-20	DTF+2.35% TA	20.000.000	0
Banco de Bogotá (4)	2-Jan-20	IBR+2.95%MV	19.996.078	20.000.000
Banco Santander (4)	3-Jan-20	IBR+3.25%EA	10.000.000	0
Banco de Bogotá	13-Feb-20	IBRMV+2.22%	0	0
Bancolombia (5)	15-Oct-19	IBR +2.4% MV	0	34.000.000
Banco ITAU (6)	18-Mar-20	IBR+4.261%TV	13.000.000	0
Bancolombia (6)	18-Jul-20	IBR NAMV+3%	110.404.583	0
Commercial papers placement (7)			16.960.000	300.000.000
Financial Obligations Vías de las Américas			4.397.556	9.675.003
Obligations of joint operations (incorporation of consortiums)			0	11.984.363
<b>TOTAL FINANCIAL OBLIGATIONS</b>			<b>259.612.867</b>	<b>470.143.602</b>

New loans were made for: (1) cancellation of credits and working capital; (2) working capital; (3) equity contribution to Concesión Pacífico 3; (4) working capital; (5) loan renewal (6) repurchase of commercial papers (7) Issuance of commercial papers.

The issuance of commercial papers called series A358 have the following conditions:

Subserie	A358
Value awarded in the series	\$100.000.000.000
Nominal value of each commercial paper	\$1.000.000
Yield rate	% EA
Date of issue	27-mar-2019
Periodicity of interest payments	Expired period
Date payment of interest and capital (expiration date)	20-mar-2020

On December 9, 2019, a repurchase of commercial papers from sub-series A358 was made with a nominal value of \$ 33,040,000.

On December 11, 2019, a repurchase of commercial papers from sub-series A358 was made with a nominal value of \$ 50,000,000.

**Short - term commercial financing companies**

	As of Dec 31	
	2019	2018
Leasing joint operations (incorporation of consortiums)	7.263.963	19.606.528
Leasing de Occidente	853.994	213.268
Corpbanca	4.514.031	2.043.194
Banco de Bogotá	1.842.124	1.713.843
Banco Bilbao Vizcaya Argentaria	441.105	406.541
Bancolombia	27.463.020	41.138.295
<b>TOTAL SHORT-TERM COMMERCIAL FINANCING COMPANIES</b>	<b>42.378.237</b>	<b>65.121.669</b>
<b>TOTAL SHORT-TERM FINANCIAL OBLIGATIONS AND COMMERCIAL FINANCING COMPANIES</b>	<b>301.991.104</b>	<b>535.265.271</b>

**Long-term financial obligations**

	As of Dec 31	
	2019	2018
Banco de Bogotá	0	20.000.000
Obligaciones operaciones conjuntas(incorporación de consorcios)	0	15.515.637
Bancolombia (1)	16.666.667	0
Bancolombia (1)	3.333.333	0
Bancolombia (1)	6.666.667	0
Commercial papers placement (2)	257.700.000	0
<b>TOTAL LONG-TERM FINANCIAL OBLIGATIONS</b>	<b>284.366.667</b>	<b>35.515.637</b>

(1) Working capital.

(2) Issuance of commercial papers: ordinary bonds in the second market, for eighty-one thousand five hundred million pesos (\$ 81,500,000,000), under the following conditions:

<b>Serie</b>	<b>A</b>
Subserie	A2
Term	2 años
Date of issue	5-SEP-2019
Due date	5-SEP-2021
Rate of return	9,80% EA
Periodicity of interest payment	Expired semester
Capital repayment	To the expiration
Interest Payment Dates	5 MAR y 5 SEP echs year to the expiration
Base	365

(2) Issuance of commercial papers: ordinary bonds in the second market, for one hundred sixty-seven thousand two hundred million pesos (\$ 167,200,000,000), under the following conditions:

<b>Serie</b>	<b>A</b>
Subserie	A18
Term	18 meses
Date of issue	10-DIC-2019
Due date	10-JUN-2021
Rate of return	9,30% EA
Periodicity of interest payment	Expired Quarter
Capital repayment	To the expiration
Interest Payment Dates	10 MAR, 10 JUN, 10 SEP Y 10 DIC each year of the expiration
Base	365

(2) Issuance of commercial papers: ordinary bonds in the second market, for nine billion pesos (\$ 9,000,000,000), under the following conditions:

<b>Serie</b>	<b>A</b>
Subserie	A18
Term	18 meses
Date of issue	10-DIC-2019
Due date	10-JUN-2021
Rate of return	9,30% EA
Periodicity of interest payment	Expired quarter
Capital repayment	To the expiration
Interest Payment Dates	10 MAR, 10 JUN, 10 SEP Y 10 DIC each year of the expiration
Base	365

**Commercial finance companies**

As of Dec 31

	2019	2018
Leasing joint operations (incorporation of consortiums)	19.476.410	11.602.410
Banco de Bogotá	7.027.848	8.938.693
Banco Bilbao Vizcaya Argentaria	1.484.060	1.943.642
Leasing Banco de Occidente	3.681.228	900.964
Bancolombia	83.927.425	93.851.190
Banco CorpBanca de Colombia	15.782.249	5.686.431
<b>TOTAL LONG-TERM COMMERCIAL FINANCING COMPANIES</b>	<b>131.379.220</b>	<b>122.923.330</b>
<b>TOTAL LONG-TERM FINANCIAL OBLIGATIONS AND COMMERCIAL FINANCING COMPANIES</b>	<b>415.745.887</b>	<b>158.438.967</b>
<b>TOTAL FINANCIAL OBLIGATIONS</b>	<b>717.736.991</b>	<b>693.704.238</b>

**Note 12. Commercial accounts payable and other accounts payable**

Accounts payable to suppliers take 45 days.

As of Dec 31

	2019	2018
Domestic	21.073.259	25.977.449
From overseas	167.088	17.849
Suppliers, joint operations (incorporation of consortiums)	5.806.984	3.770.372
Costs and expenses payable (1)	20.903.843	38.192.572
Acreedores oficiales -impuestos	2.244.567	2.124.298
Other account payable	17.331	16.734
Account payable with shareholders	187.440	187.440
Contractors	9.128.164	24.402.126
Others (2)	56.434.505	37.030.554
Shareholder dividends	0	(133)
Payroll withholdings and contributions	2.628.967	2.559.519
Accounts payable, joint operations (incorporation of consortiums)	93.116.909	206.981.498
Patrimonio Autónomo	21.216.661	32.641.197
<b>TOTAL CUENTAS POR PAGAR COMERCIALES Y OTRAS CUENTAS POR PAGAR CORTO PLAZO</b>	<b>232.925.717</b>	<b>373.901.476</b>

(1) Financial liability was recognized for issuance of commercial papers

(2) This value includes accounts payable: to pension and severance funds, consortia.

**Accounts payable to current related parties**

As of Dec 31

	2019	2018
<b>TOTAL COMMERCIAL ACCOUNTS PAYABLE AND OTHER CURRENT ACCOUNTS PAYABLE</b>	<b>387.454</b>	<b>3.861.082</b>

(\*\*) Details of accounts payable of related parties are found in note 29.

**Commercial accounts payable and other non-current accounts payable**

As of Dec 31

	2019	2018
Costs and expenses payable	481.002	4.802.894
Accounts payable joint operations (incorporation of consortiums)	1.041.757	90.723
<b>TOTAL COMMERCIAL ACCOUNTS PAYABLE AND OTHER ACCOUNTS PAYABLE (**)</b>	<b>1.522.759</b>	<b>4.893.617</b>

(\*\*) Details of accounts payable are found in note 29.

**Note 13. Current taxes**

As of Dec 31

	2019	2018
Income tax	4.679.504	9.968.161
Industry & commerce tax and others	748	1.393
Industry & commerce tax, joint operations (incorporation of consortiums)	141	164
Tax on value-added	429.648	723.441
Other liabilities (2495)	0	644
Tax on value, joint operations (incorporation of consortiums)	266.034	436.079
<b>TOTAL CURRENT TAXES</b>	<b>5.376.076</b>	<b>11.129.883</b>
<b>TOTAL TAXEA</b>	<b>5.376.076</b>	<b>11.129.883</b>

**Note 14. Other liabilities**

As of Dec 31

**Short term**

	2019	2018
Costs and expenses	68.278.131	112.804.351
Costs and expenses, joint operations (incorporation of consortiums)	19.986.107	7.208.274
Industry & commerce tax	2.589.938	3.230.762
Income tax and tax on wealth CREE	499.387	488.604
Contingencies	556.852	1.479.224
For labor obligations	(1.452)	(1.334)
Dismantling of mines and quarries	221.473	221.473
Labor - retirement pension - actuary calculation	220.876	197.884
Other provisions, joint operations (incorporation of consortiums)	1.047.040	1.286.599
Autonomous equity	0	(3.256)
<b>TOTAL SHORT-TERM OTHER LIABILITIES AND PROVISIONS</b>	<b>93.398.351</b>	<b>126.912.580</b>

**Long term**

As of Dec 31

	2019	2018
Other liabilities and provisions for contingencies (autonomous equity)	3.253.678	1.176.349
<b>TOTAL LONG-TERM OTHER LIABILITIES AND PROVISIONS</b>	<b>3.253.678</b>	<b>1.176.349</b>
<b>TOTAL OTHER LIABILITIES AND PROVISIONS</b>	<b>96.652.029</b>	<b>128.088.930</b>

The processes qualified as possible are those whose probability of existence of the current obligation is between 20% and 50%.

Nature of the process	Office	Instance	% Share of Condor	Contract
Direct repair	Tribunal Administrativo De Antioquia	First	21%	Hatovial, Gehatovial Y Cocan
Direct repair	Tribunal Administrativo De Antioquia	First	100%	Agregados San Javier
Labor ordinary	Juzgado Octavo Laboral Del Circuito De Barranquilla	First	Condor is no longer part of the CMC	Consortio Minero Del Cesar
Labor ordinary	Juzgado Tercero Laboral Del Circuito De Barranquilla	First	Condor is no longer part of the CMC	Consortio Minero Del Cesar
Labor ordinary	Juzgado Laboral De Oralidad Del Circuito De Chiriguaná	First	Condor is no longer part of the CMC	Consortio Minero Del Cesar
Labor ordinary	Juzgado 13 Laboral De Circuito	Second	Condor is no longer part of the CMC	Consortio Minero Del Cesar

Nature of the process	Office	Instance	% Share of Condor	Contract
Labor ordinary	Juzgado Laboral De Oralidad Del Circuito De Chiriguana	First	Condor is no longer part of the CMC	Consorcio Minero Del Cesar
Direct repair	Juzgado Septimo Administrativo Del Circuito De Valledupar	First	100%	Concesion Red Vial Del Cesar
Labor ordinary	Juzgado Trece Laboral Del Circuito De Barranquilla	First	Condor is no longer part of the CMC	Consorcio Minero Del Cesar
Labor ordinary	Juzgado Octavo Laboral Del Circuito De Barranquilla	First	Condor is no longer part of the CMC	Consorcio Minero Del Cesar
Labor ordinary	Juzgado 13 Laboral Del Circuito De Barranquilla	First	Condor is no longer part of the CMC	Consorcio Minero Del Cesar
Labor ordinary	Juzgado Segundo Laboral Del Circuito De Monteria	First	100%	Vias De Las Americas
Labor ordinary	Juzgado Segundo Laboral Del Circuito De Pasto	First	33%	Consorcio Vial Del Sur
Direct repair	Tribunal Administrativo Del Cesar	First	100%	Concesion Red Vial Del Cesar
Extracontractual civil liability	Juzgado Civil Del Circuito De Apartado-Antioquia	First	100%	Vias De Las Americas
Labor ordinary	Juzgado 27 Laboral Del Circuito Bogota	First	Condor is no longer part of the CMC	Consorcio Minero Del Cesar
Labor ordinary	Juzgado Primero Laboral Del Circuito De Barranquilla		Condor is no longer part of the CMC	Consorcio Minero Del Cesar
Labor ordinary	Juzgado 8 Laboral Del Circuito	First	Condor is no longer part of the CMC	Consorcio Minero Del Cesar
Popular action	Tribunal Administrativo De Antioquia Oralidad	First	100%	Agregados San Javier
Labor ordinary	Juzgado 8 Laboral Del Circuito Barranquilla	First	Condor is no longer part of the CMC	Consorcio Minero Del Cesar

## Note 15. Prepayments and advances received

### Short term

As of Dec 31

	2019	2018
Consorcio Constructor Américas (1)	13.792.627	22.121.181
Inversiones Sistori y Sossa S.A.S.	120.000	100.000
Agregados Argos S.A.S.	436.876	0
Hernán Gómez Uribe y Cía.,	0	707.876
Consorcio Farallones	5.082.979	5.082.979
Consorcio Constructor Páccifico 3 (2)	2.815.658	0
Construmarca Ltda. ( anticipo contratos y otros)	0	320.101
Fideicomiso BBVA Fiduciaria Santa Marta Paraguachon	4.795.060	9.901.786
Other	2.344.447	294.207
Prepayments and advanced, joint operations (incorporation of consortiums)	563.138	504.686
Contract guarantee, joint operations (incorporation of consortiums)	10.235.494	12.371.650
Revenues received for third parties, joint operations (incorporation of consortiums)	6.781.809	25.034.974
<b>TOTAL SHORT-TERM PREPAYMENTS AND ADVANCES RECEIVED</b>	<b>46.968.088</b>	<b>76.439.440</b>

(1) EL anticipo corresponde a Transversal de las Américas Contrato de Concesión 008 de 2010-Corredor Vial del Caribe, para las obras en Montería, Urabá y San Marcos.

(2) El anticipo corresponde al Contrato EPC entre Concesión Pacífico 3 S.A.S. y Consorcio Constructor Pacífico3 (construcción)

**Long term**

As of Dec 31

	2019	2018
Withhold of contracts	4.775.679	3.313.704
Contract guarantee, joint operations (incorporation of consortiums)	15.725.071	9.183.990
<b>TOTAL LONG-TERM PREPAYMENTS AND ADVANCES</b>	<b>20.500.750</b>	<b>12.497.693</b>
<b>TOTAL PREPAYMENTS AND ADVANCES</b>	<b>67.468.838</b>	<b>88.937.133</b>

**Note 16. Income received in advance**

As of Dec 31

	2019	2018
Income received in advance joint operations (incorporation of consortiums)	43.315.534	71.802.521
<b>TOTAL INCOME RECEIVED BY ADVANCE</b>	<b>43.315.534</b>	<b>71.802.521</b>

**Note 17. Liability for deferred tax**

The deferred tax was found using the liability method and using the tax rate at which the differences are expected to be reversed.

As of Dec 31

	2019	2018
Deferred taxes for revaluation	62.033.898	73.387.332
Deferred taxes for investments	14.084.953	11.374.207
Diferred taxes fos properties, plant and equipments	4.490.741	3.862.806
<b>TOTAL LIABILITY FOR DEFERRED TAX</b>	<b>80.609.592</b>	<b>88.624.346</b>

**Note 18. Equity**

As of Dec 31

	2019	2018
Stock capital (1)	15.701.606	15.701.606
Premium from stock placement (2)	159.711.695	159.711.695
Reserves	718.587.481	632.794.173
Retained earnings	34.518.301	21.291.411
Other integral result	80.623.149	98.929.177
Profit before other integral result	73.103.484	115.155.366
<b>TOTAL EQUITY</b>	<b>1.082.245.717</b>	<b>1.043.583.428</b>

(1) The authorized capital of the Company is represented in 1,400,000,000 stocks with a par value of \$25 pesos each, of which to this date 628,064,220 stocks are subscribed and paid, and of these, 53,698,400 correspond to own stocks reacquired.

(2) In 2012, a total of 114,900,500 stocks were issued at a sales price per stock of \$1.415 pesos and a par value of \$25 pesos per stock. The amount of this issuance reached the sum of \$162.584.208 represented by a capital increase of \$2.872.513 and a premium from the stock placement of \$159.711.695.

**Note 19. Revenues from normal activities**

As of Dec 31

	2019	2018
Oficina Central	67.683	45.011
U.E.N Maquinaria y Equipo	152.829	363.599
Agregados San Javier (1)	6.515.036	9.178.105
Concesión Páccifico 3	403	0
Consortio Vial del Sur	0	4.707.992
Américas Cóndor (Montería) (2)	4.697.412	8.757.100
Américas Cóndor (Urabá) (2)	47.380.655	105.744.823
Américas Cóndor (San Marcos)	0	47.592
Consortio Constructor Américas	108.293	6.015.494
San Pablo Cantagallo (2)	27.104.844	1.514.151
Pavimentación Prodeco (3)	0	19.166.517
Caucheras	0	(590)
Consortio Farallones (4)	183.779.108	241.407.937
Consortio Constructor Pacífico 3 (4)	42.600.860	41.486.831
Consortio de Francisco Javier Cisneros (4)	25.198.889	10.517.698
Cesar Guajira-Obra (4)	0	33.694.905
Unidad de servicios transversales -UST-	3.273.865	569.738
Concesión Cesar Guajira	0	5.950
Concesión Ruta al Mar	29.995	20.786
Obra Antioquia Bolívar (4)	169.315.699	205.592.483
Consortio APP Llanos	510.890	490.752
La Virginia (4)	704.673	17.634.736
IRRA (4)	79.009.422	119.162.961
San Onofre (4)	163.181.278	55.805.496
Américas Cóndor Santa Ana la Gloria	0	280.317
Materials research and development	9.156	0
La Guajira (5)	59.483.960	23.398.998
Concesión Vías de las Américas (6)	(8.305.487)	140.356.772
Obra Vinus (7)	48.366.968	0
Autonomous Equity (8)	9.897.172	16.163.570
Condor Investment (8)	9.899.023	0
Consortio Grupo Ejecutor Hatovial (GEHATOVIAL) (9)	13.306.108	5.350.780
<b>TOTAL REVENUES FOR ORDINARY ACTIVITIES</b>	<b>886.288.734</b>	<b>1.067.480.504</b>

(1) Agregados San Javier: The most important revenues derived from the material sold to Argos, with an average monthly invoicing of \$541 millions, Eestructuras y Pavimentos with an average annual invoicing of \$147 millions.

(2) Revenues perceived from the San Pablo Cantagallo, Urabá and Montería works correspond to their execution in the construction phase of the Transversal Concession of the Americas.

(3) Corresponds to the execution of the contract with Carbones de La Jagua S.A. and C.I. Prodeco S.A., whose purpose is: pavement repair works on the internal roads of the La Jagua mine, the Calenturitas mine and the La Jagua de Ibirico - La Loma (Cesar) road to the entrance to the Calenturitas mine.

(4) These revenues correspond to the beginning of the Concessions' works in which the Company has a share: Irra and La Virginia are fronts of Concesión Pacífico 3; Antioquia- Bolívar corresponds to Concesión Ruta al Mar; Cesar - Guajira corresponds to the Concession with the same name; Consortio Francisco Javier Cisneros corresponds to the execution of works of the Concesión Vías del Nus and Consortio Farallones corresponds to Concesión La Pintada.

(5) These revenues correspond of the 011-2018 and 015-2018 contract's with Santa Marta Paraguachón Concession, for \$ 18,649,203,725 and \$ 140,677,146,837 respectively. The latter expires on the 25th. August 2021.

(6) Income from internal acts due to the progress of the Concesión Vías de las Américas S.A.S. who executes work according to the Concession Contract 008 of 2010 for the construction, rehabilitation, expansion, improvement and conservation of the Transversal Road Project of the Americas and the preparation of the definitive studies and

designs, the property, social and environmental management, obtaining and / or modification of environmental licenses, financing, operation and maintenance of the works, in the "Transversal of the Americas Sector 1" Road Corridor, called the Caribbean Road Corridor.

(7) VINUS; corresponds to the execution of contract 001 of 2016 signed between the Vías del Nus SAS Concession and the Francisco Javier Cisneros Consortium made up of Construcciones el Cóndor, EDL S.A.S, Latinco S.A., Mincivil S.A. and SP Ingenieros S.A.S, whose purpose is to carry out the studies, designs, supply, construction, rehabilitation and improvement of the road corridor called Vías del Nus. Where we have a 21,105% stake and execute functional units 1A and 1B.

(8) Income from the consolidation process.

(9)Gehatovial: These revenues correspond to the execution of contract 504 of 2019 whose purpose is the construction of the foundation piles of bridges 1 and 3 of the La Seca road interchange (Sector 15) for the Aburra Norte road development project, It is signed with the Consortium Grupo Executor Hatovial GEHATOVIAL.

## Note 20. Operating costs

As of Dec 31

	2019	2018
Sales cost and services provided	252.786.907	214.779.570
Production or operation costs	43.855.949	57.826.542
Direct labor	70.673.646	69.683.172
Indirect costs	363.180.454	464.886.878
Indirect Labor	51.353.220	49.473.872
Service contracts	37.428.265	28.896.167
Condor Investment USA	8.617.201	4.629.742
Autonomous Equity	0	4.206.235
<b>TOTAL OPERATING COSTS</b>	<b>827.895.643</b>	<b>894.382.178</b>

## Note 21. Administration expenses

As of Dec 31

	2019	2018
Employee benefits (1)	23.010.348	22.422.944
Fees	2.734.057	3.522.497
Taxes	575.723	978.999
Leases	914.331	103.875
Contributions, insurance, services, legal	1.385.727	1.023.938
Services	510.649	475.665
Insurance	0	6.023
Gastos legales	15.698	40.026
Maintenance, furnishings	139.102	163.003
Furnishings and facilities	96.205	4.448
Travel expenses	1.648.242	2.408.631
Depreciations	1.016.452	699.405
Impairment fleet and transport equipment	120.858	4.995.163
Construction cost	0	9.383
Direct Labor	0	9.140
Indirect costs	0	(198)
Amortizations	1.486.558	1.230.454
Impairment	862.100	1.667.126
Entertaining and public relations expenses	29.528	43.991
Miscellaneous	3.974.667	3.699.321
Autonomous equity and concessions	0	18.964
<b>TOTAL ADMINISTRATION EXPENSES</b>	<b>38.520.246</b>	<b>43.522.798</b>

### Employee benefits (1)

	2019	2018
Integral salary	6.053.193	5.852.194
Wages	6.771.449	7.020.413
Extralegal premium	0	115.107
Bonuses	2.525.094	2.445.738
Others (legal benefits, contributions to social security and others)	7.660.612	6.989.492
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>23.010.348</b>	<b>22.422.944</b>

## Note 22. Other revenues

As of Dec 31

	2019	2018
Leases	355.098	408.874
Recoveries	0	590
Reimbursement of other costs	1.617.831	3.738.552
Reimbursement of provisions	2.009.431	1.871.628
Indemnizations-disabilities	351.029	383.492
Revenues of previous periods	1.719.725	450.325
Devolución en ventas	0	(1.577)
Services	11.940	1.520.565
Other sales	4.145	4.019
Miscellaneous	1.815.669	1.025.752
Profit (loss) on sale of property, plant and equipment	(1.123.923)	368.305
<b>TOTAL OTHER REVENUES</b>	<b>6.760.945</b>	<b>9.770.525</b>

## Note 23. Other expenses

As of Dec 31

	2019	2018
Costs and expenses of previous periods	139.404	400.768
Lien on financial movements	13.182	8.387
Loss from sale of property, plant and equipment	300	9.415
Non-deductible expenses	2.769.562	51.097
Indemnizations and lawsuits	76.537	324.250
Fines, sanctions and litigations	683.637	86.714
Donations	946.060	948.559
Others	252.742	5.506.482
Other expenses	622.429	449.501
Taxes assumed	21.727	164.898
Losses	129.351	106.012
Asset impairment loss	8.627	8.241
Autonomous equity	0	353.973
<b>TOTAL OTHER EXPENSES</b>	<b>5.663.559</b>	<b>8.418.297</b>

## Note 24. Other gains and losses

As of Dec 31

	2019	2018
Profit from sale of property, plant and equipment	614.348	934.599
Profit from sale of investments	0	(975.997)
Loss from sale of property, plant and equipment	(710.884)	(1.994.212)
Removal of property, plant and equipment	0	(10.146)
Othera (1)	40.702.233	0
Miscellaneous	0	11.087.504
Autonomous equity	0	(10.712.753)
<b>TOTAL OTHER GAINS AND LOSSES</b>	<b>40.605.697</b>	<b>(1.671.005)</b>

(1) Profit on the sale of investment in the Abrurrá Oriente Tunnel Concession for \$ 80,454,613 costs attributable to the sale were \$ 39,752,380

As of Dec 31

**Note 25. Financial revenues**

	2019	2018
Concesión Vías de las Américas S.A.S	4.393	7.533
Exchange difference	298.539	349.220
Other banking expenses	291.333	408.617
Fideicomiso sociedad Fiduciaria de Occidente	1.263.738	1.388.087
Patrimonios Autónomos Fiduciaria Bancolombia S.A.	17.922.515	14.775.123
Patrimonios Autónomos Administrados por Davivienda	3.345.905	2.090.207
Concesión Pacífico Tres S.A.S.	19.011.499	12.998.882
Concesión Cesar Guajira S.A.S.	2.240	0
Patrimonios Autónomos Administrados por Davivienda- VINUS	0	51.009
Deceval	0	45.000
Agregados Argos S.A.S.	0	14.709
Odinsa S.A.S.	105.777	0
Industria Selma international	157.318	182.024
Banco Bilboa Vizcaya Argentaria	0	1.870.941
Valores Bancolombia	471.676	367.570
Others minor	140.320	79.051
Autonomous equity and concessions	361.962	767.591
<b>TOTAL FINANCIAL REVENUES</b>	<b>43.377.214</b>	<b>35.395.564</b>

**Note 26. Financial expenses**

As of Dec 31

	2019	2018
Lien on financial movements	5.349.693	4.181.799
Exchange difference	327.053	1.511.060
Bank fees	7.856.931	7.491.342
Banking expenses	22.354	-79.882
Commercial paper issuance expenses	0	1.775.105
Bank guarantees	0	7.433.244
Others	9.836.145	0
Banco BBVA	3.905.671	5.159.800
Bancolombia	26.433.994	16.843.446
Banco Santander de Negocios	846.264	648.461
Oleoducto Bicentenario de Colombia S.A.S.	242.130	0
ODINSA S.A.	498.610	1.548.401
Banco de Bogotá	3.950.953	2.476.106
Deceval	9.742.305	4.825.973
Cartera Colectiva Abierta	495.661	4.448.410
Fundación Sarmiento Palau	273.750	0
Fondo de Inversión Colectiva Abierta Occibonos	0	32.887
Fondo de Inversión Colectiva Abierta Occirenta	101.894	460.851
Fondo de Inversión Colectiva Abierta Renta liquidez	172.260	1.152.147
Sociedad Mutual Ser Empresa Solidaria	54.750	0
Billy 1182 S.A.S.	54.750	0
Comunidad Nuestra Señora de la Caridad	54.750	0
Inversiones Bibi S.A.S.	54.750	0
compañía Mundial de Seguros S.A.	96.852	0
Fundación Carulla AEIOTU	62.821	0
Inversiones P. Gaviria S.A.S.	265.578	0
W. Isaza S.A.S	265.578	0
Londoño Diaz Dinora	88.689	0
Industrias de Aluminio Arquitectónico	265.578	0
Davivienda	870.414	0
Old Mutual Compañía de Seguros de Vida S.A.	0	61.250
Old Mutual Compañía Fondo de Pensiones Obligatorias	0	56.875
Dirección de Impuestos y Aduanas Nacionales	0	51.692
Pensiones y cesantías Protección	1.120.277	1.087.917
Banco de Occidente	3.569.405	0
Itaú Corpbanca Colombia S.A.	1.446.446	332.931
Concesión Cesar Guajira	71.068	2.866
Concesión Vías de las Américas	55.727	162.251
Servicio Nacional de Aprendizaje SENA	52.276	0
Banco de Occidente	0	1.575.834
Others minor	244.906	124.298
Autonomous equity	939.143	1.629.092
<b>TOTAL FINANCIAL EXPENSES</b>	<b>79.689.426</b>	<b>64.994.156</b>

## Note 27. Equity method gain (loss)

As of Dec 31

	2019	2018
Concesión Aburrá Norte Hatovial	6.177.751	1.968.199
Concesión la Pintada S.A.S.	12.077.496	8.464.372
Concesión Pacífico Tres S.A.S.	31.791.752	42.051.274
Concesión Ruta al Mar S.A.S.	3.426.381	(5.041.304)
Constructora Túnel del Oriente S.A.S.	3.875.062	2.500.613
Concesión Túnel Aburrá Oriente S.A.	150.901	179.016
Concesión Transmilenio del Sur	(16.567)	(9.478)
Concesión Vial de los Llanos	(305.978)	(173.473)
Concesión Vías del Nus	562.133	312.897
Agregados Argos S.A.S	149.044	503.455
<b>TOTAL EQUITY METHOD GAIN (LOSS)</b>	<b>57.887.976</b>	<b>50.755.571</b>

## Note 28. Taxes

The following details the calculation of taxes, including fiscal obligations.

As of Dec 31

	2019	2018
Taxable liquid income	98.841.266	107.213.235
Presumptive income	12.627.744	29.978.948
Net income taxable	98.841.266	107.213.235
<b>TOTAL PROVISION FOR INCOME TAX</b>	<b>32.617.618</b>	<b>35.380.368</b>
<b>TOTAL TAX ON OCCASIONAL EARNING</b>	<b>6.391.608</b>	<b>0</b>
Environmental investment discount 255 art	-279.161	0
<b>TOTAL PROVISION FOR INCOME TAX, CONCESSIONS</b>	<b>458.153</b>	<b>392.481</b>
Surcharge income tax	0	4.256.529
Deferred tax	8.006.024	(2.192.561)
<b>TOTAL PROVISION FOR INCOME TAX</b>	<b>47.194.242</b>	<b>37.836.817</b>

## Note 29. Transactions with related parties

During 2019, operations with related companies have taken place, which have been reviewed and approved by the Audit Committee. The purpose is to verify if they meet the standards and are treated similar to the treatment given to independent third parties.

### Remuneration of key management personnel

The remuneration granted during the year to key management personnel is described below:

As of Dec 31

	2019	2018
Short-term employee benefits	4.075.024	3.178.962
<b>TOTAL REMUNERATION OF KEY MANAGEMENT PERSONNEL</b>	<b>4.075.024</b>	<b>3.178.962</b>

Amounts detailed correspond the values recognized as expenses during the period  
Transactions with other entities of interest (investments in corporations).

**Operations with related companies period January-December 2019 - values expressed in thousands of pesos**

Company	N° Shares	Dividends		Sales of supplies and services	Subordinary debt	Other loans	Accounts payable	Share purchased	Revenues from interest	Minutes of works and others	Expenses and costs	Internal Minutes
		Shares	Cash									
Concesión Aburra Norte Hatovial S.A	1.582.886		1.414.035				8.580.796					
Concesión La Pintada S.A.S	8.490.799				26.077.950							
Concesión Vial Los Llanos S.A.S	550.000								16.385			
Constructora Túnel del Oriente S.A.S	2.629.361.939			39.021			16.147.472					
Concesión Túnel Aburra Oriente S.A	0											
Concesión Pacifico Tres S.A.S	4.800								19.011.499			
Concesión Vías de las Américas S.A.S	173.342			71.560						8.233.927	1.501.706	6.556.506
Concesión Vías del Nus S.A.S	25.326.000				28.010.157	1.311						
Concesión Cesar Guajira S.A.S	700.000				(606.257)	4.340.046			12.824.649			
Concesión Ruta Al Mar S.A.S	350.000			55.633	62.795.006	642.523	(275.254)				2.131.807	
Industria Selma S.A	5.000								157.318			
Concesión Transmilenio del Sur	25.000											
Trans NQS Sur	24.990											
Condor Investment USA Inc.	2.621.000							1.172.350				
Agregados Argos S.A.S	1.512.000.000			6.490.312								52.107
P.A Fiduciaria Bancolombia Concesión Cesar Guajira #8127												
P.A Fiduciaria Bancolombia Concesión la Pintada #7102				988					6.301.736			
P.A Fiduciaria Bancolombia Concesión Pacifico Tres #7114				1.424.936						23.247		1.056.590
P.A Fiduciaria Bancolombia Concesión Ruta Al Mar #10134									11.620.780	385.460.933	103.574	(62.682.158)
P.A Fiduciaria Davivienda Concesión Ruta Al Mar #57864												
P.A Fiduciaria De Occidente Concesión Los Llanos #421759									1.263.738			
P.A Fiduciaria Bancolombia Concesión Vías del Nus #12201									3.345.905			

1. Disposal of the 12.51% interest equivalent to 236,700 ordinary shares that the Seller has in Concesión Túnel Aburrá Oriente S.A.S. for a value of COP \$ 80,454 the payment will be made in two cash: 50% with the closing of the transaction and the remaining 50% in the following 18 months at a rate of 7% Cash Annual.

**Accounts receivable current related parties**

As of Dec 31

	2019	2018
Domestic clients	31.605.148	22.136.622
Income receivable, internal minutes	36.641.454	91.681.991
Debtors, related parties	154.750.121	71.650.499
Withholding over contracts	32.090.985	13.103.954
<b>TOTAL COMMERCIAL ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE (**)</b>	<b>255.087.707</b>	<b>198.573.067</b>

**Domestic clients, related parties**

As of Dec 31

	2019	2018
Patrimonios Autónomos la Pintada	0	980.317
Patrimonio Autónomo Pacífico Tres (1)	190.080	885.943
Concesión Ruta al Mar S.A.S.	0	7.406
Patrimonios Autónomos Fiduciaria (Concesión Ruta al Mar)	30.990.180	20.262.956
Concesión Vías de las Américas S.A.S.	424.887	0
<b>TOTAL DOMESTIC CLIENTS, RELATED PARTIES</b>	<b>31.605.148</b>	<b>22.136.622</b>

(1) Collections corresponding to the provision of services, sale of supplies and execution of work.

**Income receivable, internal minutes, related parties**

As of Dec 31

	2019	2018
P.A. Concesión Pacífico Tres	1.056.590	0
P.A. Concesión Ruta al Mar S.A.S.	25.016.275	87.704.055
Concesión Vías de las Américas S.A.S.	10.568.589	3.977.936
<b>TOTAL INCOME RECEIVABLE, INTERNAL MINUTES, RELATED PARTIES</b>	<b>36.641.454</b>	<b>91.681.991</b>

**Debtors, related parties**

As of Dec 31

	2019	2018
Concesión Pacífico tres S.A.S.	154.047.699	71.596.861
Patrimonios Autónomos Ruta al Mar	648.720	6.197
Concesión Vías del Nus S.A.S.	48.752	47.441
Cóndor Construction Corp.	4.950	0
<b>TOTAL DEBTORS RELATED PARTIES</b>	<b>154.750.121</b>	<b>71.650.499</b>

**Withholding over contracts, related parties**

As of Dec 31

	2019	2018
Patrimonios Autónomos Concesión Ruta al Mar	32.090.985	13.103.954
<b>TOTAL WITHHOLDING OVER CONTRACTS, RELATED PARTIES</b>	<b>32.090.985</b>	<b>13.103.954</b>
<b>TOTAL ACCOUNTS RECEIVABLE, CURRENT RELATED PARTIES</b>	<b>255.087.707</b>	<b>198.573.067</b>

**Accounts receivable, non-current related parties**

As of Dec 31

	2019	2018
Domestic clients	111.477.029	72.826.189
Commercial banking accounts	11.912.797	11.777.228
Accounts receivable impairment	(8.589.538)	(8.517.748)
Accounts receivable	459.884.566	425.452.293
Deposits	420.064	420.064
<b>TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES (**)</b>	<b>575.104.918</b>	<b>501.958.026</b>

**Domestic clients, related parties**

As of Dec 31

	2019	2018
Patrimonio Autónomo La Pintada	10.795.015	4.934.401
Concesión Pacífico Tres S.A.S.	49.626.822	31.946.128
Patrimonio Autónomo Pacífico Tres S.A.S.	5.679.163	5.679.163
Patrimonio Autónomo( Concesión Ruta al Mar )	34.909.293	24.101.968
Concesión Vial los Llanos	23.961	8.723
Patrimonio Autónomo ( Concesión Vial los Llanos)	3.331.747	2.156.471
Patrimonio Autónomo( Concesión Vías del Nus )	7.088.814	3.977.122
Concesión Aburrá Norte Hatovial	22.214	22.213
<b>TOTAL DOMESTIC CLIENTS, RELATED PARTIES (1)</b>	<b>111.477.029</b>	<b>72.826.189</b>

(1) Corresponds to interest on subordinated debt.

**Commercial banking accounts, related parties - Industrias Selma (1)**

As of Dec 31

Industrias Selma (1)	2019	2018
Loans	8.452.685	8.382.038
Interests	3.460.112	3.395.190
<b>TOTAL COMMERCIAL BANKING ACCOUNTS, RELATED PARTIES</b>	<b>11.912.797</b>	<b>11.777.228</b>

**Accounts receivable impairment - Industrias Selma**

As of Dec 31

Industrias Selma Internacional	2019	2018
Loans	5.165.733	5.122.559
Interests	3.423.805	3.395.189
<b>TOTAL ACCOUNTS RECEIVABLE IMPAIRMENT</b>	<b>8.589.538</b>	<b>8.517.748</b>
<b>TOTAL IMPAIRMENT ACCOUNT RECEIVABLE</b>	<b>(8.589.538)</b>	<b>(8.517.748)</b>

(1) Industrias Selma, a company domiciled abroad, has balances for loans which are restated in Colombian pesos at the market representative rate and are detailed below.

Additional to these are loans for US \$415.

Type of transaction, operation, contract or business	Loan in foreign currency	Loan in foreign currency
Amount of operation	USD \$2.674.210.09	USD \$364.123.21
Date of operation	August 14, 2014	March 12, 2014
Balance of operation	USD \$2.173.583	USD \$364.123.21
Conditions of the operation	LIBOR +2	LIBOR +2
Date of payment	August 14, 2019	March 12, 2019
Accounts receivable I.D.	Industrias Selma COR	Industrias Selma COR
Creditor I.D.	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.
Obligations of parties: guarante granted or received	Promissory note	Promissory note

Type of transaction, operation, contract or business	Loan in foreign currency	Loan in foreign currency
Amount of operation	USD \$1.085	USD \$40.495.89
Date of operation	October 8, 2014	November 12, 2014
Balance of operation	USD \$1.085	USD \$40.495.89
Conditions of the operation	LIBOR +2	LIBOR +2
Date of payment	October 8, 2019	November 12, 2019
Accounts receivable I.D.	Industrias Selma COR	Industrias Selma COR
Creditor I.D.	Construcciones El Cóndor S.A.	Construcciones El Cóndor S.A.
Obligations of parties: guarante granted or received	Promissory note	Promissory note

**Debtors related parties and subordinated loans**

As of Dec 31

	2019	2018
Concesión la Pintada S.A.S.	78.407.029	52.329.083
Concesión pacifico Tres	110.049.162	192.500.000
Concesión Ruta al Mar	191.369.904	128.574.896
Concesión Vías del Nus	80.058.472	52.048.315
<b>TOTAL DEBTORS RELATED PARTIES AND SUBORDINATED LOANS</b>	<b>459.884.566</b>	<b>425.452.294</b>

Interest will be recognized on these securities as they correspond to debts with companies in which Construcciones El Cóndor S.A. is a shareholder.

**Deposits**

As of Dec 31

	2019	2018
Trans NQS Sur	420.064	420.064
<b>TOTAL DEPOSITS</b>	<b>420.064</b>	<b>420.064</b>
<b>TOTAL ACCOUNTS RECEIVABLE, RELATED PARTIES, NON-CURRENT</b>	<b>575.104.918</b>	<b>501.958.027</b>

Deposits correspond to payments made to corporations with the purpose of gaining a future capitalization, and correspond to equity contributions derived from the projects' cash flow needs.

The Company does not recognize implicit financing for miscellaneous accounts receivable and deposits due to the levels of uncertainty held pertaining to the time in which these accounts receivable shall be paid; this is the reason why no terms or interests are established thereof

The deposits correspond to payments made to the companies, with the objective of future capitalization and correspond to Equity contributions derived from the cash flow needs of the projects.

**Accounts payable, related parties, current**

As of Dec 31

	2019	2018
Concesión Aburrá Norte Hatovial	0	3.861.082
Concesión Vías del Nus	8.805	0
Concesión Ruta al Mar	378.650	0
<b>TOTAL ACCOUNTS PAYABLE, RELATED PARTIES, CURRENT</b>	<b>387.454</b>	<b>3.861.082</b>

**Accounts payable, related parties, non-current**

As of Dec 31

	2019	2018
Concesión Aburrá Norte Hatovial	12.441.878	0
<b>TOTAL ACCOUNTS PAYABLE, RELATED PARTIES, NON-CURRENT</b>	<b>12.441.878</b>	<b>0</b>
<b>TOTAL ACCOUNTS PAYABLE</b>	<b>12.829.332</b>	<b>3.861.082</b>

The company does not recognize implicit financing due to the levels of uncertainty that exist regarding the time in which this account payable will be canceled, therefore, no terms or interest are established for this account.

**Note 30. Reclasificaciones**

To compare this financial statements as of December 31, 2019, reclassification was performed in some figures of the financial information as of December 31, 2018.

**Note 31. Highlights**

(1) Claim presented to the Society Transmilenio NQS Sur S.A.S. for greater permanence in work and other cost overruns during the execution of the mercantile offers for the execution of the NQS Sur to the Transmilenio System, in the amount of \$ 20.280.131.

**Concesión Cesar Guajira S.A.S**

On December 26, 2018, ANI (Agencia Nacional de Infraestructura) and Concesión Cesar-Guajira S.A.S. signed a liquidation minute with reservations of Concession Contract No. 006 of 2005. In said minute, the ANI acknowledged the sum of \$85.235.649.395 for the liquidation; however, the Concessionaire claims \$147.050.560.353. According to the Liquidation Minute, ANI would pay the amount acknowledged with the resources available in the Autonomous Equity managed by Fiduciaria Bancolombia through the PA CESAR-GUAJIRA. On December 27 and 28, 2018 and on January 8 and 14, 2019, the Fiduciary, in compliance with the Liquidation Minute of Concession Contract No. 006 of 2015, made transfers in favor of the Concessionaire for \$70.113.783.646,88, \$461.996.308,00 and \$4.260.807,39 respectively, with the surplus of the subaccounts of the ANI Account and the Subaccounts of Property, Environmental Compensations and Networks.

On November 25, 2019, the ANI and the Concessionaire signed a new conciliation agreement for the payment of the amount of the bilateral liquidation act with qualifications and which was not covered with the resources of the Trust. The new conciliation agreement that includes the will to pay the amount of \$ 14,539,548,261.05 through TES treasury securities, was approved by the Arbitration Court by Order No. 42 of December 10, 2019. In the same act the Concession Cesar - Guajira gives up the claim for the lawsuit associated with the payment of the GMF in controversy for the amount of \$ 212,438,879.

By Order No. 43 of December 10, 2019, the Court declares the evidentiary stage of the arbitration process closed and sets the date for the presentation of closing arguments on January 31, 2020, later the hearing for the presentation of the allegations was modified for the February 14, 2020. By communication dated January 21, 2020, the National Infrastructure Agency presented terms of offering the TES Treasury Securities for the payment of the conciliation agreement approved by the Arbitration Court by Order No. 42 of December 10, 2019, the same communication was answered by the legal representative of the Concession and Constructions El Cóndor on January 31, 2019, the process is underway between the ANI and the Ministry of Finance for the deposit of the Titles, which will be used for the benefit of Construcciones El Cóndor SA, as the endorsement signed by the Cesar - Guajira SA Concession, and in the terms s approved by the Arbitration Court.

On October 4, 2018, the Cesar Guajira Concession presented before the Arbitration Court a written reform of the arbitration claim, in the sense of seeking recognition of the costs and the resulting value of the settlement formula of the Contract, in said claim it is intended: "That Concession Contract No. 006 of 2015 be liquidated ... as proven in this process and that the amounts owed to the Cesar Guajira SAS Concession be established by the Court and that, consequently, it be condemned to the National Infrastructure Agency to pay the sum of one hundred eighty-eight thousand four hundred and thirty-seven million nine hundred twenty-three thousand one hundred and seven pesos (\$ 188,437,923,107) for the month of August, as settlement of Concession Contract No. 006 of 2015 2018, or what is proven within this process; Additionally, the court was asked to order the National Infrastructure Agency to pay up-to-date or monetarily corrected (in order to avoid the effects of the loss of the purchasing power of money), of the sums resulting from its charge since the month of September 2018 to the date on which the Arbitration Award is issued. To date, the Arbitration Court has admitted the lawsuit and is going through each of its procedural stages and is pending to present final conclusion arguments for February 14, 2020, for which it is possible that an Arbitration Award will be held in the first semester. 2020.

### **Tax reform Law 2010 of 2019**

In order to correct the declaration of unconstitutionality of Law 1943 of 2018, the Government approved the Law of Economic Growth, the following are the most relevant aspects:

Taxes for legal entities.

\* Income tax rate: Gradual reduction is maintained

Year	Rate
2.020	32%
2.021	31%
2.022 en adelante	30%

\* Decrease of 1.5% in the presumptive income for the years 2019 and 2020; for 2021, it will be 0%.

\* Changes to the reduction of taxes paid, fees and contributions, because those will be 100% deductible as long as they have been actually paid and are causally related, except income tax, ICA will have a 50% tax discount for 2019 and 2020, and the \$X1000 is still 50% deductible

\* Deduction of contributions to employee education is maintained

\* The deduction benefit of the first job is included, consisting of a 120% deduction of the payments for salaries made to eligible employees.

\* The VAT discount is maintained for real productive fixed assets.

\* The dividend tax is still in force, but the applicable rates are modified via withholding.

\* The maximum percentage is maintained against discounted costs, deductions and taxes that can be borne without electronic invoices:

Year	Rate
2.020	30%
2.021	20%
2.022 ahead	10%

- \* They ratify the audit benefit for the taxable year 2020 and it extends for the taxable period 2021.
- \* They decrease the term of firmness for the declarations in which physical losses are determined or compensated and the declarations of the taxpayers subject to the transfer pricing regime of 6 to 5 years.
- \* The term to correct declarations that increase the tax or decrease the balance in favor is increased from 2 to 3 years.

## 32. Indicadores e Interpretación

### INDICATORS OF RESULTS

Operating Revenues:

Total revenues from normal activities:	886.288.734
Other revenues:	6.760.945
Other gains and losses:	0
	893.049.680

Operating margin	$\frac{\text{Operating profit}}{\text{Operating revenue}}$	=	$\frac{61.575.929}{933.655.377}$	0,0660	The Company generated an operating profit equivalent to 6.6%, with respect to total sales for the period.
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### LIQUIDITY INDICATORS

Working capital =	Current asset - Current liability	=	462.259.609		Represents the surplus of current assets ((once current liabilities have been paid) that remain for the Company as permanent funds, to meet permanent operating needs.
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Liquidity ratio or index =	$\frac{\text{Current asset}}{\text{Current liability}}$	=	$\frac{1.200.828.751}{738.569.143}$	1,6259	For every \$ 1 of current liabilities, the Company has \$ 1.62 of support in current assets.
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### DEBT INDICATORS

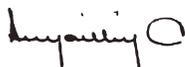
Total debt	$\frac{\text{Total liability}}{\text{Total asset}}$	=	$\frac{1.272.643.687}{2.361.420.912}$	0,5389	Reflects the participation of creditors on the assets of the Company. For each peso that the Company has in the asset, it owes \$ 53 cents.
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Financial debt	$\frac{\text{Financial liability}}{\text{Total asset}}$	=	$\frac{717.736.991}{2.361.420.912}$	0,3039	Reflects the participation of financial creditors in the assets of the Company. For each peso that the Company has in assets, it owes \$ 30.39 cents
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### PROFITABILITY INDICATORS

Return on Equity (ROE)	$\frac{\text{Net profit}}{\text{Equity}}$	=	$\frac{73.103.484}{1.082.245.717}$	6,7548%	Represents the return / loss generated by the capital investment.
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Net margin	$\frac{\text{Utilidad Neta}}{\text{Ingresos Operacionales}}$	=	$\frac{73.103.484}{933.655.377}$	7,8298%	For each peso sold, the Company generates a net profit of 7.83%
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ANA MARÍA JAILLIER CORREA  
Legal Representative  
C.C. 42.895.563  
See certification attached



ANA ISABEL GONZÁLEZ VAHOS  
Accountant  
Professional Card No. 47345-T  
See certification attached



JAVIER EMILIO TÁMARA TORRES  
External Auditor (Crowe)  
Professional Card No. 208595 – T  
See opinion attached