



CORFERIAS S.A.
Generadores de Oportunidades y Progreso

First Quarter Results Presentation.

Welcome and presentation of the agenda.

DIARY:

1. Relevant Facts.
2. First quarter fairs and events.
3. Financial situation.

1) RELEVANT FACTS.

After the declaration of a state of economic, social and ecological emergency due to Covid-19, a situation that led the Corporation to bear certain risks, which inescapably had to be analyzed in the study of this quarterly report.

As a consequence of said emergency declaration, the capacity of events open to the public was restricted, initially limiting itself to a capacity of up to 500 people, which later, given the complexity of the pandemic, the National Government reduced it to 50 people, and which later, ordered the prohibition of any public event in the national territory, confining everyone to a mandatory quarantine, a fact that finally caused damages for the Corporation, on the one hand, that the scheduled fair activities were not carried out until the month of May, and on the other, not being able to rent the spaces to third parties to carry out public or private events or meetings.

Given these circumstances, Corferias has not been able to develop its corporate purpose, and as a result, the four fairs that were scheduled for the first half of the year, as well as the events that were scheduled, could not be held, both on the premises. Corferias fair, in Ágora and in Puerta de Oro (Barranquilla), these last two Corferias play the role of operator. For the Corporation, this represents a direct impact on its income, since these come mainly from the organization of fairs and the rental of spaces.

On the other hand, the uncertainty generated as to whether or not the fairs and events would be held, meant that no income was generated, reducing the cash flow, money that is necessary to meet the fixed expenses and the indebtedness acquired by the Corporation, as well as carry out all the projects that were planned to be carried out in 2020.

To face this panorama, Corferias had measures such as, first, developing a very judicious process of calendar revision, it is important to remember that most of the fairs that take place in Corferias are owned or in association, which allows giving flexibility to the agenda. For the reprogramming, variables such as, if they are international fairs, which impact the amount of capacity in the country, in the sector, among others, were taken into account. For the analysis of these variables, he set out to work jointly with the unions, the sectors, and with the exhibitors themselves who are the protagonists of the fairs, managing together with them to reprogram the calendar, in some cases reaching the change of dates in 2020 and in others, definitely postponing its

completion until 2021, is the case of international fairs. With the schedule adjusted, and once circumstances allow, we will proceed to reactivate our work for this second semester.

Transversely, the Corporation had to make some decisions regarding the face-to-face work of its enablers, in compliance with the mandatory confinement declared by the National Government, arranging the development of the work from the modality of work at home, providing all electronic means and tools, and thus guarantee that the activity continues to be carried out.

It is important to note that in the company of the Bogota Chamber of Commerce, talks began with the Mayor of Bogotá and the National Government so that the Corferias fairgrounds could be integrated into the plan to expand the country's hospital capacity to serve patients of low complexity from conditions other than Covid, which allowed the city's hospital network to expand its intensive care units, hence Corferias has been a facilitator providing solutions to the complexity of the city's hospitals to face the pandemic.

This situation has not been alien to the shareholders of the Corporation, who, in order to reduce the impact caused by the declared emergency, decided not to distribute the profits for the year 2019. Likewise, within the Corporation, They took austerity measures, so a shock plan was adopted to reduce spending, actions such as: reducing staff spending through the suspension of salary increases, not hiring vacant positions, likewise, vacations were granted to the personnel who were entitled to them with the aim of concentrating the entire team towards the second semester. It was also used to carry out negotiations with contractors and suppliers given the non-use of the facilities and the non-operation.

As for the projected investments, except those that are in progress, they were suspended, due to the shock plan to reduce spending and which is accompanied by the reduction in income.

Another item that is used as an expense is debt, which is why, taking advantage of the excellent credit behavior of the Corporation, a meeting was held with the different financial entities with which there is indebtedness and renegotiation processes began, which They have been truly beneficial, since they were agreed upon under better conditions such as the granting of grace periods, and the extension of loan times, in order to alleviate the Corporation's cash flow.

Now, due to the closure of the physical spaces the Corporation has seen the need to accelerate the development processes of digital platforms, it should be noted that this initiative in the case of the book fair, was developed in collaboration with the partners, in which a pilot set-up was made where the exhibitor was allowed to exhibit their products and services, using the website that the Corporation has for the promotion of its fairs. The purpose, in addition to offering new business opportunities to exhibitors, is to allow the public who visits the book in a virtual way, in the particular case of the book fair, to continue maintaining the book culture, also offering the viewing of author conferences. and writers. This leads to structuring a complete agenda from the virtual point of view, which, as has been pointed out, was being carried out and is part of the strategic planning.

There are other products such as home fair, which are being developed in the same way, and these platforms will serve as a complement in the development of the fair itself, we know the acceptance and reception that the fair has in person, however, the transformation to digital media and reinvention is consistent with the strategic plan adopted by the Corporation to evolve in the trade fair business.

2) FIRST QUARTER FAIRS AND EVENTS.

In the first quarter of the year, two third-party fairs were held, these were, the leather and footwear fair, and the tourism fair known as Anato, which were held in full normality and in accordance with the expectations set forth in the budget.

On the other hand, during the analysis period, events such as the Tattoo Music Fest, an opera night, a play, among others, took place, with a total of eleven events, most of which took place in February.

In the Ágora facilities where Corferias is an operator, a total of twenty-one events were held, including the annual Mary Kay seminar, several Fecode Boards of Directors, EnelDay Country 2020, the M2020 Forum, PKOM 2020.

3) FINANCIAL SITUATION.

As background, in the month of March when the declaration of emergency was given by Covid, a situation that caused the events scheduled especially in that month, which in their majority were assemblies, had to be canceled, it is worth indicating that only until that time, two fair events had been held, which, compared to the results of the immediately previous year, were maintained.

Despite the reduction in operating income, compared to selling expenses and administrative expenses, these remained in line with what was carried out in the first quarter of the immediately previous year.

Regarding non-operating income, they performed well mainly due to the fluctuation of the dollar and the euro, which marked a considerable rise for this time, which represented an increase in income compared to international events. Likewise, in relation to the collections and recoveries of the portfolio, there was a good performance, improving the non-operating income conditions.

In non-operating expenses, remember that most infrastructure projects were being finalized at the end of 2019, beginning of 2020, which is why the interests of the indebtedness, many of them were remaining with the value of greater investment. In the case of 2020, we are seeing the total interest expenses of indebtedness in the income statement and that is why we see that great growth in the non-operating expense line, and it is the recognition of those interests that are not capitalized but are they lead to spending, and there we are seeing \$ 4,433 million that

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