

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR
DE ZONA FRANCA AND SUBORDINATE**
Condensed Interim Consolidated Financial Statements

For the periods ended on June 30 ,2019 and December 31, 2018

Report of the Statutory Auditor on the Review of the Interim Financial Statements

To the Shareholders
Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca

Introduction

I have reviewed consolidated condensed interim statements of financial information that is attached as of June 30, 2019 of Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca and subordinate, which comprise:

- The consolidated condensed interim statements of financial position at June a 30, 2019;
- The consolidated condensed interim statements of comprehensive income, six- and three-months period ended June 30, 2019;
- The consolidated condensed interim statements of changes in equity for the period of six months ended June 30, 2019;
- The condensed interim consolidated cash flow statement for the period of six months ending on June 30, 2019; and
- The notes to the interim financial statements.

The management of Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca is responsible for the adequate preparation and presentation of these consolidated condensed interim statements of financial information, in accordance with the International Accounting Standard 34 (IAS 34) - Interim Financial Information contained in financial information accounting standards accepted in Colombia. My responsibility consists of expressing a conclusion of these interim consolidated financial statements based on my review.

Scope of the review

I have made my review in accordance with the International Standard on Review Engagements 2410 "Review of financial information performed by the independent auditor of the entity", included in the standards for Information Assurance accepted in Colombia. A review of interim financial information consists of making enquiries, with persons responsible for financial and accounting matters, and the application of analytical procedures and other review procedures. A review of interim financial information is substantially smaller in scope than an audit made in accordance with international standards, and therefore, does not allow me to obtain the certainty of having had knowledge of all significant matters which could have been identified by an audit. I therefore do not express an audit opinion.

Conclusion

Based on my review, nothing has called my attention to make me suppose that the interim consolidated financial information does not present, in all material aspects, its financial situation June 30, 2019, which is attached, in accordance with the International Standard of Accounting 34 (IAS 34) - Intermediate Financial Information contained in the Accounting and Financial Information Standards accepted in Colombia.

(Original in spanish signed)

Diego Alejandro Corredor Ortiz

Deputy Statutory Auditor

Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca

License TP 199078-T

Member of KPMG S.A.S

August 14, 2019

**Report of the Statutory Auditor of Reporting in Extensible Business Reporting Language
(XBRL)**

To the Shareholders
Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca

Introduction

I have reviewed the report in consolidated Extensible Business Reporting Language (XBRL) as of June 30, 2019, which include the condensed interim statements of financial information of Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca and subordinate, which comprise:

- The consolidated condensed interim statements of financial position at June a 30, 2019;
- The consolidated condensed interim statements of comprehensive income, six- and three-months period ended June 30, 2019;
- The consolidated condensed interim statements of changes in equity for the period of six months ended June 30, 2019;
- The condensed interim consolidated cash flow statement for the period of six months ending on June 30, 2019; and
- The notes to the interim financial statements.

The management is responsible for the adequate preparation and presentation of these in Extensible Business Reporting Language (XBRL) that incorporates interim consolidated statements of financial information, in accordance with the International Accounting Standard 34 (IAS 34) - Interim Financial Information contained in financial information and accounting standards accepted in Colombia and presentation the Extensible Business Reporting Language (XBRL) as instructed by the Colombian Financial Superintendency (Superintendencia Financiera de Colombia) . My responsibility consists of expressing a conclusion of Extensible Business Reporting Language (XBRL) that incorporates financial information interim consolidate, based on my review.

Scope of the review

I have made my review in accordance with the International Standard on Review Engagements 2410 "Review of financial information performed by the independent auditor of the entity", in included in the standards for Information Assurance accepted in Colombia. A review of interim financial information consists of making enquiries, with persons responsible for financial and accounting matters, and the application of analytical procedures and other review procedures. A review of interim financial information is substantially smaller in scope than an audit made in accordance with international standards, and therefore, does not allow me to obtain the certainty of having had knowledge of all significant matters which could have been identified by an audit. I therefore do not express an audit opinion.

Conclusion

Based on my review, nothing has called my attention to make me suppose that Extensible Business Reporting Language (XBRL), that incorporate report of the interim consolidated financial information of Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca and subordinate, does not present, in all material aspects, its financial situation June 30, 2019, in accordance with the International Accounting Standard 34 (IAS 34) - Interim Financial Information contained in financial information accounting standards accepted in Colombia and as instructed by the Colombian Financial Superintendency (Superintendencia Financiera de Colombia).

(Original in spanish signed)

Diego Alejandro Corredor Ortiz

Deputy Statutory Auditor

Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca

License TP 199078-T

Member of KPMG S.A.S

August 14, 2019

CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND SUBSIDIARIES
Consolidated Interim Condensed Statements of Financial Position
 At June 30, 2019
 (Figures in thousands of Colombian pesos)

	<u>Note</u>	<u>June 30, 2019</u>	<u>December 31, 2018</u>
ASSETS			
Current assets			
Cash and cash equivalent	3	\$ 24.471.841	10.987.417
Accounts receivable	4 and 20	39.152.703	28.604.391
Tax assets		2.360.655	310.202
Inventories	5	650.857	577.655
Other non-financial assets	6 and 20	<u>2.312.017</u>	<u>1.112.283</u>
Total current assets		<u>68.948.073</u>	<u>41.591.948</u>
Non-current assets			
Other financial assets	7	15.141.416	15.134.980
Investments in associates	7	65.028.809	64.933.159
Intangibles	8	15.371.712	16.468.129
Property and equipment	9	500.985.322	497.147.864
Investment properties	10	250.941.297	233.891.941
Deferred Tax Assets		<u>136.042</u>	<u>268.164</u>
Total non-current assets		<u>847.604.598</u>	<u>827.844.237</u>
Total assets		\$ <u>916.552.671</u>	<u>869.436.185</u>
LIABILITIES			
Current liabilities			
Financial debt	11	18.940.240	16.563.504
Accounts payable	12 and 20	49.985.379	42.153.304
Tax liabilities	13	-	1.466.075
Income received in advance	15	<u>33.774.273</u>	<u>14.620.819</u>
Total current liabilities		<u>102.699.892</u>	<u>74.803.702</u>
Non-current liabilities			
Financial debt	11	106.260.415	85.351.606
Employee benefits	14	2.046.168	2.028.167
Other provisions	14	3.343.010	3.348.573
Other non-financial liabilities	16	173.646.764	161.737.822
Deferred tax liability, net		<u>42.190.318</u>	<u>41.865.374</u>
Total non-current liabilities		<u>327.486.675</u>	<u>294.331.542</u>
Total liabilities		\$ <u>430.186.567</u>	<u>369.135.244</u>
EQUITY			
Capital		1.673.920	1.673.920
Share Placement Premium		43.451.721	43.451.721
Reserves	17	111.915.850	98.641.172
Accumulated profit		328.909.463	328.909.463
Other equity interests in equity		1.075.700	1.075.700
Result for the period		<u>(660.550)</u>	<u>26.548.965</u>
Total equity		\$ <u>486.366.104</u>	<u>500.300.941</u>
Total liabilities and equity		\$ <u>916.552.671</u>	<u>869.436.185</u>

See the Notes that form part of the Condensed Interim Consolidated Financial Statements.

(Original in spanish signed)
 Andrés López Valderrama
 Legal Representative

(Original in spanish signed)
 Juan Carlos Sánchez
 Chief Accountant
 T.P. 102419 - T

(Original in spanish signed)
 Diego Alejandro Corredor Ortiz
 Statutory Auditor
 Corporación de Ferias y Exposiciones S.A.
 Usuario Operador de Zona Franca
 T.P. 199078 - T
 Member of KPMG S.A.S.
 (See my Report of August 14, 2019)

CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND SUBSIDIARIES
Consolidated condensed interim statements of comprehensive income
For six and three months period ended June 30, 2019
(Figures in thousands of Colombian pesos)

	<u>Note</u>		1 January to June 30, 2019	1 January to June 30, 2018	1 April to June 30, 2019	1 April to June 30, 2018
Income from ordinary activities	18 and 20	\$	61.161.439	55.414.389	50.505.011	38.982.681
Overhead	19a) and 20		34.671.230	27.999.733	20.989.523	13.694.248
Selling expenses	19b) and 20		26.722.325	23.798.386	22.247.412	19.014.098
Other income	18b)		3.503.236	2.575.776	2.738.422	2.056.700
Cost of sales			1.352.552	936.871	1.039.927	683.831
Other expenses	19c)		522.951	330.651	122.109	63.716
Profit on operating activities			1.395.617	4.924.524	8.844.462	7.583.488
Financial income	18c)		1.084.986	789.810	656.308	491.584
Financial expenses	19d)		2.112.703	1.057.538	1.451.281	474.632
Entity Profit (loss) for the Period	19f)		(716.642)	504.827	(530.721)	560.130
Profit before tax			(348.742)	5.161.623	7.518.768	8.160.570
Income tax expense	19e)		311.808	920.949	21.169	414.071
Result for the period		\$	(660.550)	4.240.674	7.497.599	7.746.499
Other Comprehensive Income			-	-	-	-
Result for the period and other comprehensive income		\$	(660.550)	4.240.674	7.497.599	7.746.499

See the Notes that form part of the Condensed Interim Consolidated Financial Statements.

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CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND SUBSIDIARIES

Consolidated condensed interim statements of changes in equity

For six months period ended June 30, 2019

(Figures in thousands of Colombian pesos)

<u>Note</u>	<u>Subscribed and paid Capital</u>	<u>Share Placement Premium</u>	<u>Reserves</u>	<u>Accumulated profits</u>	<u>Other equity interests in equity</u>	<u>Result for the period</u>	<u>Total equity</u>
Balance as of December 31, 2017	\$ 1.673.920	43.451.721	87.249.566	328.909.463	344.694	22.767.176	484.396.540
Cash dividend declared of \$68 per share, on 167.287.797 subscribed and paid shares; paid in April and October 2018	-	-	-	-	-	(11.375.570)	(11.375.570)
Appropriated to mandatory and occasional reserves	-	-	11.391.606	-	-	(11.391.606)	-
Result for the period	-	-	-	-	-	4.240.674	4.240.674
Balance as of June 30, 2018	\$ 1.673.920	43.451.721	98.641.172	328.909.463	344.694	4.240.674	477.261.644
Balance as of December 31, 2018	\$ 1.673.920	43.451.721	98.641.172	328.909.463	1.075.700	26.548.965	500.300.941
Cash dividend declared of \$79,35 per share, on 167.287.797 subscribed and paid shares; paid in April and October 2019	-	-	-	-	-	(13.274.287)	(13.274.287)
Appropriated to mandatory and occasional reserves 17	-	-	13.274.678	-	-	(13.274.678)	-
Result for the period	-	-	-	-	-	(660.550)	(660.550)
Balance as of June 30, 2019	\$ 1.673.920	43.451.721	111.915.850	328.909.463	1.075.700	(660.550)	486.366.104

See the Notes that form part of the Condensed Interim Consolidated Financial Statements.

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CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND SUBSIDIARIES
Consolidated condensed interim statements of cash flows
For six months period ended June 30, 2019
(Figures expressed in thousands of Colombian pesos)

	<u>Note</u>	<u>1 January to June 30, 2019</u>	<u>1 January to June 30, 2018</u>
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the period		\$ (660.550)	4.240.674
Adjustments to reconciliation between the profit for the period and net cash provided by operating activities:			
Depreciations	9 and 19	3.688.833	3.158.319
Amortization	8 and 19	1.344.615	876.809
Impairment accounts receivable, net	4, 18b) and 19a)	491.829	668.588
Loss on sale and withdrawals of property and equipment	9, 18b) and 19c)	595	3.186
Recovery of provision for accounts payable	18b)	(210.017)	(188.141)
Loss (Profit) equity method	19f)	716.642	(504.827)
Income tax		311.808	920.949
		<u>5.683.755</u>	<u>9.175.557</u>
Changes in assets and liabilities:			
Accounts receivable		(11.040.141)	(14.598.359)
Inventories		(73.202)	392.885
Other non-financial assets		(1.199.734)	(25.445.270)
Net tax		(2.534.312)	(2.561.703)
Accounts payable		1.000.146	7.010.675
Employee benefits		18.001	18.000
Other provisions		(5.563)	-
Income received in advance		19.153.454	18.435.200
Other non-financial liabilities		11.908.942	24.817.513
Deferred taxes, net		457.066	741.851
Payment of income tax		(1.294.024)	(2.045.400)
NET CASH PROVIDED BY OPERATING ACTIVITIES		<u>22.074.388</u>	<u>15.940.949</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Investments	7	(3.003.206)	(1.868.615)
Dividends received from investments in other financial assets	18b)	2.184.478	1.868.015
Purchase of intangibles	8	(248.198)	(2.363.850)
Investment properties	10	(17.049.356)	(19.371.156)
Purchase of property and equipment	9	(7.526.886)	(14.860.813)
NET CASH USED IN INVESTING ACTIVITIES		<u>(25.643.168)</u>	<u>(36.596.419)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Financial Obligations	11	23.285.545	24.201.585
Interest paid	11	(4.238.096)	(5.208.932)
Cash dividends paid	12	(1.994.245)	(1.199.459)
NET CASH PROVIDED IN FINANCING ACTIVITIES		<u>17.053.204</u>	<u>17.793.194</u>
NET INCREASE (DECREASE) IN CASH		13.484.424	(2.862.276)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIODO		<u>10.987.417</u>	<u>13.440.928</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD		<u>\$ 24.471.841</u>	<u>10.578.652</u>

See the notes that form an integral part of the consolidated condensed interim financial statements.

(Original in spanish signed)
Andrés López Valderrama
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**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND
SUBSIDIARIES**

Notes to the Condensed Interim Consolidated Financial Statements

At June 30, 2019

(Figures expressed in thousands of Colombian pesos)

1. Reporting Entity

CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA ("the Parent", or "CORFERIAS") is a stock corporation incorporated by Public Deed 3640 of July 18, 1955, Notary 2, Bogota, its Articles expire in July 2099. The consolidated financial statements at June 30, 2019 includes the Parent and its subsidiary. The corporate business of the Parent is to foster industrial and commercial development at regional, national and international levels, and to form closer ties of friendship and cooperation between Colombia and friendly nations; to organize national and international fairs and exhibitions for industry, commerce, agriculture and livestock breeding and science, on its own premises or elsewhere, in Colombia or abroad, and to promote and organize Colombia's participation in fairs and exhibitions held abroad, directly or through its subsidiary Corferias Inversiones S.A.S.

The Parent was declared a Permanent Special Free Zone User-Operator in Resolution 5425 of September 20, 2008. According to Public Deed 2931 of July 25, 2008, Notary 48, Bogota, registered on July 28, 2008 as. No. 1231243 Book IX, the company changed its name from Corporación de Ferias y Exposiciones S.A., to **Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca** with registered offices in Bogota at Cra 37 No., 24-67.

The Parent is a subsidiary of the Bogotá Chamber of Commerce, which owns 79.74% of the shares.

The consolidated financial statements include Corporación de Ferias y Exposiciones S.A. Usuario Operador de Zona Franca and Corferias Inversiones S.A.S.

2. Basis of preparation of the condensed interim consolidated financial statements

(a) Framework of technical standards

The consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (IAS 34) - Interim Financial Information, contained in financial information accounting standards accepted in Colombia (NCIF), established in Law 1314/2009, regulated by Regulatory Degree 2420/2015, amended by Decree 2496/2015, Decree 2131/2016, 2170/2017 and 2483/2018. COL-IFRS is based on International Financial Reporting Standards (IFRS) together with the interpretations issued by the International Accounting Standards Board IASB. The basic standards correspond to those officially translated into Spanish and issued by IASB on December 31, 2017.

The condensed interim consolidated financial statements for an interim period do not contain the full information and disclosures required for annual financial statements. They must therefore be read in conjunction with the consolidated financial statements at December 31, 2018 published in the webpage www.corferias.com in the section for Shareholders. Following IAS 34, the accounting policies used for interim periods are the same as those applied to the annual financial statements, except for policy changes in leases (See note 2d).

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND
SUBORDINATE**

Notes to the Condensed Interim Consolidated Financial Statements

Seasonality of transactions: During the second quarter of the year the fairs were developed Expoconstrucción y Diseño, Feria Internacional del Libro, VIMO, and the events Congreso Nacional de Contabilidad Pública, Macrorueda Procolombia, Campus Party and South Summit; the fairs that generate the highest income for the parent company and its subordinate Corferias Inversiones S.A.S.

For legal purposes in Colombia, the principal financial statements are the separate financial statements.

(b) Basis of measurement

The condensed interim consolidated financial statements have been prepared on a historic cost basis, except for the following major items included in the Statement of Financial Position:

- Financial instruments at fair value with changes in Results are measured at fair value;
- In relation to employee benefits, the assets for benefits defined are recognized as the total assets of the plan, plus past unrecognized service costs and unrecognized actuarial losses; less unrecognized actuarial gains, and the present value of the obligations for defined benefits.

(c) Functional currency and currency of presentation

The items included in the financial statements are expressed in the currency of the primary economic environment where the entity operates (Colombian pesos).

The performance of the Parent and subsidiary is measured and reported to the public in pesos. Therefore, management considers that the Colombian peso is the currency that represents the economic effects of operations, events and underlying conditions most faithfully, and therefore the condensed interim consolidated financial statements are presented in Colombia pesos as the functional currency.

All the information presented in thousands of colombian pesos has been rounded to the nearest unit.

(d) Changes in accounting policy

IFRS 16. Leases

IFRS 16 – Leases – replaces existing guides on the subject including IAS 17 – Leases – SIC 15 – Operating leases – incentives and SIC 27 - Evaluating the substance of transactions involving the legal form of a lease- IFRIC 4- Determination of whether an agreement contains a lease.

The standard is effective for years, starting January 1, 2019. IFRS 16 introduces a single model of accounting for lessees. The lessee recognizes an asset by rights of use, representing the right to use an underlying asset, and a liability for lease payments representing his obligation to make the lease-payments.

There are exemptions for the recognition of short-term leases (less than one year) and the leases of low value items. The lessor's accounting remains similar to that of the current standard, that is, the lessor continues to classify lease payments as financial or operational.

The application of this policy did not cause impacts on the measurement because the parent and its subordinate, both as lessors and as lessees, do not have contracts for longer periods of time.

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND
SUBORDINATE**

Notes to the Condensed Interim Consolidated Financial Statements

(e) Significant Accounting Estimates and Judgement

The preparation of the condensed interim consolidated financial statements using COL-IFRS requires management to use judgment, estimates and suppositions that affect the application of accounting policies and the amounts of assets, liabilities and contingent liabilities on the closing date, and the income and expenses of the year. The real results may differ from these estimates.

The relevant estimates and assumptions are regularly reviewed. The reviews of accounting estimates are recognized in the period in which the estimate is reviewed, and in any future period affected.

Information on critical judgement in the application of accounting policies which have the most important effect on the consolidated financial statements is to be found in:

- Notes 4 - Estimates of impairment of accounts receivable.
- Notes 6 - The fair value of investments in other financial assets
- Note 10 - Classification of investment properties.
- Note 14 - Estimates of provisions.
-

(f) Operating segments

An operating segment is a component of the Parent and its subsidiaries that engages in a business earning ordinary income and incurring expenses; its results are regularly reviewed by the Company's Board in decision-making for Parent and subsidiary operations, in order to decide on resources to be allotted to it and to evaluate its performance, and in relation which there is differentiated financial information available.

The factors that serve to identify segments in Corferias take account of infrastructure and management only for the rendering of services that define the generation of ordinary income. Therefore, and given that the business lines generate income have similar economic characteristics, the Group applies the criterion of aggregation, after analysing:

- a. The nature of the products and services;
- b. The nature of processes involved in the service;
- c. The type or category of customer targeted by the products and services;
- d. The methods used to render the services.

With this, it can be considered that all income, costs, assets and liabilities form a single segment of operation to be reported, taking account of the following products:

- Entertainment and leisure; includes the rental of space and the rendering of services in the organization and the holding of fair events;
- Property, business and rental activities correspond to space rentals and the rendering of services related directly to non-fair events;
- Food and beverages (offered during fair events); and
- Parking management (offered to visitors at fairs and exhibitions)

The results of operations are reviewed regularly by the Board of Corferias as the senior organ of management.

Determination of fair value

The fair value of a financial asset or liability trading active market is based on quoted market prices at the close of business on the closing date.

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND
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Notes to the Condensed Interim Consolidated Financial Statements

The further of financial assets and liabilities not traded active market is determined using valuation techniques; the Parent uses methods and assumes that they are based on market conditions at the close of each period. Valuation techniques used for non-standardized financial instruments, include the use of similar transactions in similar circumstances, and references to other instruments with are substantially the same, and the analysis of the discounted dividend methodology.

Hierarchy of fair value

The fair value hierarchy has the following levels

- Level 1. Unadjusted quoted prices in active markets for identical assets or liabilities of which the entity may have access on the date of measurement. The Parent applies this level to its investment in Acerías Paz del Rio
- Level 2 Data other than quoted prices included in Level 1, observable for the asset or liability whether directly (as a price), or indirectly (as derived from prices)
- Level 3. Data from the asset or liability not based on observable market data (non-observable variables).

If the variables used to measure fair value of an asset or liability can be classified in other levels other than the hierarchy of fair value, then the measurement of their value is classified entirely at the same level of hierarchy of fair value as the lowest- level variable significant to the overall measurement.

The table below uses the fair value hierarchy to show financial assets and liabilities (by class), measured at fair value March 31, 2019 and December 31, 2018, on a recurring basis:

June 30, 2019

Asset/liability type	Level 1	Level 2	Level 3	Evaluation technique Level 2 and 3	Principial entry data
Other financial assets- shares Acerías Paz del Rio	\$ 16	-	-	-	Market/share price
Other financial assets (Alpopular and La Previsora).	-	\$ 14,490,376 (*)	-	Gordon discounted dividends model.	Dividends paid, EMBI Colombia, Beta and Devaluation.
Property private capital fund	-	\$467,092	-	Valuation of underlying assets	Unit value supplied by the fund manager

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND
SUBORDINATE**

Notes to the Condensed Interim Consolidated Financial Statements

December 31, 2018

Asset/liability type	Level 1	Level 2	Level 3	Evaluation technique Level 2 and 3	Principial entry data
Other financial assets- shares Acerías Paz del Rio	\$ 16	-	-	-	Market/share price
Other financial assets (Alpopular and La Previsora).	-	\$ 14,490,376	-	Gordon discounted dividends model.	Dividends paid, EMBI Colombia, Beta and Devaluation.
Property private capital fund	-	\$470,140	-	Valuation of underlying assets	Unit value supplied by the fund manager

(*) As of June 30, 2019, the Parent Company analyzed these investments, without finding any elements that would change their fair value, determined at a court date of December 31, 2018.

The Parent recognizes transfers between fair-value hierarchy levels at the end of the period reported during which the change occurred.

The Parent made no hierarchy level transfers in investments between June 30, 2019 and December 31, 2018.

OPERATING SEGMENTS

The following is the information related to assets, liabilities and results by operating segment identified by the parent for the period ended June 30, 2019 and December 31, 2018:

	June 2019	December 2018
Assets	916.552.671	869.436.185
Cash and cash equivalent	24.471.841	10.987.417
Accounts receivable	39.152.703	28.604.391
Tax assets	2.360.655	310.202
Inventories	650.857	577.655
Other non-financial assets	2.312.017	1.112.283
Other financial assets	15.141.416	15.134.980
Investments in associates	65.028.809	64.933.159
Intangibles	15.371.712	16.468.129
Property and equipment	500.985.322	497.147.864
Investment property	250.941.297	233.891.941
Deferred tax assets	136.042	268.164

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Liabilities	430.186.567	369.135.244
Financial debt	125.200.655	101.915.110
Accounts payable	49.985.379	42.153.304
Tax liabilities	-	1.466.075
Income received in advance	33.774.273	14.620.819
Employee benefits	2.046.168	2.028.167
Other provisions	3.343.010	3.348.573
Other non-financial liabilities	173.646.764	161.737.822
Deferred tax liability	42.190.318	41.865.374
Equity	486.366.104	500.300.941
Revenues from ordinary activities	61.161.439	55.414.389
Activities in entertainment and leisure	49.960.730	42.310.122
Activities in real property, business and rentals	5.581.411	9.949.455
Food and beverages	5.619.298	3.154.812
Selling expenses	26.722.325	23.798.386
Overhead	34.671.230	27.999.733
Other income	3.503.236	2.575.776
Cost of sales	1.352.552	936.871
Other expenses	522.951	330.651
Profit from operating activities	1.395.617	4.924.524
Financial income	1.084.986	789.810
Financial expense	2.112.703	1.057.538
Loss from equity method	(716.642)	504.827
Profit before tax	348.742	5.161.623
Income tax expense	311.808	920.949
Result for the period	(660.550)	4.240.674

3. Cash and Cash Equivalents

The following is the detail of cash and cash equivalents

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Cash	69.546	19.247
Banks (1)	2.226.737	449.808
Savings accounts (1)	8.038.012	6.538.036
Trust rights (2)	14.137.546	3.980.326
	<u>\$ 24.471.841</u>	<u>\$ 10.987.417</u>

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(1) The increase corresponds to the collection of the portfolio of the fairs and events carried out mainly in the F-AIR Aeronautical Fair 2019. As well as the disbursements for bank loans granted to meet the investment projects of offices, Active Edge and other projects to improve the fairgrounds. Finally, a decrease in the subordinate Corferias Inversiones S.A.S., due to disbursements to meet obligations with suppliers and contractors.

(2) The increase corresponds mainly in the parent company to the largest investment in the Collective Investment Fund Interest Participation A for \$ 2,275,323 managed by Davivienda Corredores. Finally, in the subordinate Corferias Inversiones S.A.S. an increase due to higher investments mainly in the Open Interest Fund for \$ 1,765,385.

At June 30, 2019 and December 31, 2018, there are no restrictions on cash and cash equivalents, and there is no impairment.

4. Accounts Receivable

The following is the detail of current accounts receivable:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Customers (1)	21.666.794	19.842.962
Income receivable (2)	17.874.684	8.522.871
Receivable from employees	514.801	450.478
Doubtful accounts	2.013.406	2.213.233
Impairment (3)	(2.916.982)	(2.425.153)
	<u>\$ 39.152.703</u>	<u>28.604.391</u>

(1) Corresponds to accounts receivable, mainly to the invoices generated in the Parent to customers for participation in events held at the Ágora International Convention Center \$2.776.504 and the fairs Andinapack by \$1.272.265, Agroexpo by \$1.244.407, among others. And in the subordinate Corferias Inversiones S.A.S. mainly for the events National Congress of Public Accounting for \$ 1,421,284, Expoagrofuturo Medellín for \$ 688,964, among others. As well as the collection of portfolios mainly from the Expocundinamarca Fair held in December 2018 for \$5,540,742, among others.

(2) The increase corresponds mainly to the account receivable from Operador Hotelero Pactia Corferias S.A.S. for reimbursement of expenses for \$ 2,127,343, to Ticket Factory Express S.A.S. for \$ 1,289,495 for the administration of the ticket office of the Comic Con Bogotá event and Alpopular Almacén General de Depósito S.A. for \$ 1,145,148 for dividends decreed. Likewise, the income generated by the degree of progress of the expenses associated with fairs executed in subsequent periods.

(3) The impairment of accounts receivable is calculated in accordance with accounting policy taking into account current accounts receivable and hard-to-collect debts, based on the expected loss model.

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The movement in the provision for impairment with respect to accounts receivable during the period was as follows:

		<u>2019</u>	<u>2018</u>
Balance at December 31, 2018	\$	2.425.153	2.215.512
Impairment of receivables		1.125.428	591.851
Recoveries		(633.599)	(333.289)
Balance at June 30, 2019	\$	<u>2.916.982</u>	<u>2.474.074</u>

5. Inventories

The following is the detail of inventories:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Raw materials	68.156	51.290
Goods not made by the business	30.468	43.621
Materials, spares and accessories	456.943	387.894
Packaging and filling	92.351	94.850
Inventories in transit (1)	2.939	-
	<u>\$ 650.857</u>	<u>577.655</u>

Inventories held by the Parent and Subsidiary Corferias Inversiones S.A.S. are high-rotation items and are part of the finished product at point of sale such as raw materials, disposables, packaging, materials, spares and accessories and working clothing and implements; they are measured at cost and therefore, not the object of impairment.

(1) Corresponds in the matrix to the necessary expenses for the import of mat, which is part of the inventories.

At June 30, 2019 and December 31, 2018, no constrains exist over the inventory.

6. Other non-financial assets

The following is the detail of other financial assets:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Interest on employee loans	185.775	151.087
Prepaid expenses (1)	2.126.242	961.196
	<u>\$ 2.312.017</u>	<u>1.112.283</u>

(1) The main increase corresponds to the turn of advances of profits of fairs to strategic allies for \$ 679,533. Likewise, advance payment of VAT and ICA taxes for \$ 63,939. Finally advances to suppliers and contractors for \$ 421,574, among others.

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7. Other financial assets and investments in associates

The following is the detail of other financial assets and investments in associates:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Investments in : (1)		
Alpopular Almacén General de Depósitos S.A.	14.106.244	14.106.244
La Previsora S.A. Compañía de Seguros	384.132	384.132
Centro de Ferias y Exposiciones de Bucaramanga	174.448	174.448
Acerías Paz del Río S.A.	16	16
Fondo de Capital Privado (2)	476.576	470.140
	<u>\$ 15.141.416</u>	<u>15.134.980</u>

(1) These are financial instruments in entities in which the Parent has no control or significant influence.

The investment in the Fairs and Exhibitions Center of Bucaramanga is measured at cost. As of June 30, 2019, and December 31, 2018, there is no evidence of impairment for this investment, since the company has not historically shown loss rates.

(2) Corresponds to the Parent's investment in Fondo de Capital Privado Nexus Inmobiliario managed by Fiduciaria de Occidente S.A.; that generates daily yields.

At June 30, 201 and December 31, 2018, there were no restrictions on these investments.

Investments in associates

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Investments in associates-CICB	<u>65.028.809</u>	<u>64.933.159</u>

At June 30, 2019, the Parent had an investment in associates, given the influence it exercises over Patrimonio Autónomo Centro Internacional CICB. The escrow was formed to manage funds provided by the Bogotá Chamber of Commerce, Fontur and the Parent, for development of the AGORA international convention center. To date, the Parent has an interest of 17.34% in the escrow.

The following is a summary of the financial information of investments accounted for using the equity method, June 30, 2019 and December 31, 2018:

2019

Entity	% interest	Registered offices	Assets	Liabilities	Income	Expenses	Net profit
Patrimonio Autónomo Centro de Convenciones CICB	17.34%	Calle 67 7 - 37, Bogotá, Colombia	381.397.105	6.455.908	1.384.551	799.419	585.132

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2018

Entity	% interest	Registered offices	Assets	Liabilities	Income	Expenses	Net profit
Patrimonio Autónomo Centro de Convenciones CICB	19%	Calle 67 7 - 37, Bogotá, Colombia	376.278.435	10.902.076	8.534.490	3.297.662	5.236.828

8. Intangibles

The following is the detail of intangibles:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Intangibles-trademarks acquired	15.483.593	15.483.593
Software	5.281.800	5.033.603
Accumulated amortization	<u>(5.393.681)</u>	<u>(4.049.067)</u>
	<u>\$ 15.371.712</u>	<u>16.468.129</u>

The following is the movement of intangibles in the first half of 2019:

Intangibles	Balance at 31/12/2018	Purchases	Amortization in period	Balance at 30/06/2019
Software licenses	4.139.913	248.198	(834.262)	3.553.849
Trademarks acquired	12.328.216	-	(510.353)	11.817.863
Total Intangibles	16.468.129	248.198	(1.344.615)	15.371.712

The following is the movement of intangibles in the first half of 2018:

Intangibles	Balance at 31/12/2017	Purchases	Amortization in period	Balance at 30/06/2018
Software licenses	3.221.062	36.250	(699.863)	2.557.449
Trademarks acquired	10.175.094	2.327.600	(176.946)	12.325.748
Total Intangibles	13.396.156	2.363.850	(876.809)	14.883.197

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9. Property and Equipment

The following is the detail of property and equipment:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Land	234.003.546	234.003.546
Construction in progress (1)	79.457.826	72.602.486
Buildings	183.829.705	183.829.705
Machinery and equipment	12.569.591	12.234.570
Office equipment	9.812.007	9.563.103
Computer and communications equipment	10.164.846	10.077.516
Transport fleet and equipment	265.804	265.804
Accumulated depreciation	(29.108.075)	(25.418.938)
Impairment	(9.928)	(9.928)
	<u>\$ 500.985.322</u>	<u>\$ 497.147.864</u>

During 2019 there is no evidence of impairment for these assets. During 2018 there was evidence of impairment in the parent company for assets classified as office equipment for \$ 9,928 as a result of the evaluation of the recoverable amount measured by an external entity.

(1) The constructions in progress have an increase mainly in the Offices projects for \$ 2,045,105 and Active Edge \$ 3,042,193. Likewise, it records other improvement projects for \$ 1,751,284. And in the subordinate Corferias Inversiones S.A.S. for investments in the parking lot of the Hilton Hotel for \$ 16,757.

The following is the detail of the movement of property and equipment in the first half of 2019:

Property and equipment	Balance at 31/12/2018	Purchases	Withdrawn	Depreciation in period	Balance at 30/06/2019
Land	234.003.546	-	-	-	234.003.546
Improvement to third party property	312.325	-	-	(8.159)	304.166
Construction in progress	72.602.486	6.855.340	-	-	79.457.826
Construction and buildings	170.085.537	-	-	(1.523.245)	168.562.292
Machinery and equipment	5.992.828	87.521	(595)	(940.990)	5.138.764
Office equipment	6.344.442	249.003	-	(574.404)	6.019.041
Computers and communications	7.724.746	335.022	-	(633.839)	7.425.929
Transport fleet and equipment	81.954	-	-	(8.196)	73.758
Total Property and equipment	497.147.864	7.526.886	(595)	(3.688.833)	500.985.322

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The following is the detail of the movement of property and equipment in the first half of 2018:

Property and equipment	Balance at 31/12/2017	Purchases	Withdrawn	Depreciation in period	Balance at 30/06/2018
Land	234.003.546	-	-	-	234.003.546
Improvement to third party property	144.822	-	-	-	144.822
Construction in progress	52.072.639	11.863.832	-	-	63.936.471
Construction and buildings	157.702.944	51.499	-	(1.405.841)	156.348.602
Machinery and	8.188.360	221.324	-	(440.436)	7.969.248
Office equipment	4.599.685	700.362	(3.186)	(612.886)	4.683.975
Computers and communications	3.770.055	2.023.796	-	(680.771)	5.113.080
Transport fleet and equipment	118.724	-	-	(18.385)	100.339
Total Property and equipment	460.600.775	14.860.813	(3.186)	(3.158.319)	472.300.083

At June 30, 2019 and December 31, 2018 there were no restrictions on these assets.

10. Investment properties

The following is the detail of investment property:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Investment property - land	27.000.000	\$ 27.000.000
Investment property - construction in progress (1)	210.174.140	195.887.467
Investment property - hotel equipment (1)	13.767.157	11.004.474
	<u>\$ 250.941.297</u>	<u>\$ 233.891.941</u>

(1) During 2019 and as part of commitments in the investors' agreement in the parent company the Hotel project had an increase in construction valued at \$ 14,286,673 and in the endowment worth \$ 2,762,683.

The following is the detail of the movement of investment properties in the second quarter of 2019:

Investment property	Balance at 31/12/2018	Purchases	Withdrawn	Fair value adjustment	Balance at 30/06/2019
Land	27.000.000	-	-	-	27.000.000
Construction in progress	195.887.467	14.826.673	-	-	210.714.140
Hotel equipment	11.004.474	2.222.683	-	-	13.227.157
Investment property	233.891.941	17.049.356	-	-	250.941.297

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The following is the detail of the movement of investment properties in the second quarter of 2019:

Investment property	Balance at 31/12/2017	Purchases	Withdrawn	Fair value adjustment	Balance at 30/06/2018
Land	27.000.000	-	-	-	27.000.000
Construction in progress	119.716.158	19.371.156	-	-	139.087.314
Hotel equipment	-	-	-	-	-
Investment property	146.716.158	19.371.156	-	-	166.087.314

11. Financial debt

The following is the detail of financial debt:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Short term, financial debt	18.940.240	16.563.504
Long-term financial debt	106.260.415	85.351.606
	<u>\$ 125.200.655</u>	<u>101.915.110</u>

The parent company included its financial obligations, due to the execution of the Active Edge, Hotel and Hotel offices projects with Banco Popular SA for \$ 19,000,000 IBR + 3.0% TV for a term of 3 years, Banco de Bogotá for \$ 13,965. 553 IBR + 4.40 EA and with the AV Villas Bank for \$ 10,616,274 IBR + 4.40 E.A., agreed to a term of 11 years. The subordinate Corferias Inversiones S.A.S. He obtained credit with Banco Davivienda for \$ 1,500,000 IBR + 3.50 MV for a term of 5 years.

As of June 30, 2019, and December 31, 2018, the obligations guaranteed in the parent company amount to \$ 30,026,718 and 15,308,273, respectively. There are no guaranteed obligations on subordinates.

The following is the detail of the interest paid to each entity:

	<u>June 30, 2019</u>		<u>31 de Diciembre de 2018</u>	
	<u>Capitalization</u>	<u>Expense</u>	<u>Capitalization</u>	<u>Expense</u>
Banco Comercial AV Villas S.A	\$ 837.129	321.241	1.320.666	45.933
Banco Davivienda S.A.	75.086	224.067	130.015	121.436
Banco Popular S.A.	836.853	295.973	1.598.744	108.944
Cámara de Comercio de Bogotá	702.790	267.565	1.309.755	407.592
Banco de Bogotá	394.105	294.869	41.983	-
	<u>\$ 2.845.963</u>	<u>1.403.715</u>	<u>4.401.163</u>	<u>683.905</u>

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12. Accounts payable

The following is the detail of accounts payable:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Local	922.555	1.115.500
Foreing (1)	64.906	2.885.378
To Contractors (2)	4.709.390	11.194.118
Costs and Account Payables (3)	23.571.807	19.720.757
Dividends or Interests Payable (4)	11.497.168	264.885
Final Tax Withheld at the Source	690.624	2.209.082
Withheld Sales Tax	86.569	744.178
Withheld Industry and Business Tax	66.382	153.394
Withholding and Payroll Contributions	404.205	735.848
Other Creditors (5)	5.837.174	790.079
Accrued Wages	7.533	12.130
Consolidated Unemployment Fund	608	972.600
Unemployment Fund Interests	921	113.114
Consolidated Vacations	305.007	381.383
Extra-Legal Benefits	126.908	164.762
Laboral Obligation (6)	1.296.602	-
Third-Party Retentions on Contracts	397.020	696.096
	<u>\$ 49.985.379</u>	<u>42.153.304</u>

(1) The decrease corresponds mainly in the parent to the payment in 2019 of the fairs profits made in 2018 in association with foreign allies such as Alimentec, Mueble y Madera and Addinapack.

(2) The decrease corresponds mainly in the parent to the payment in 2019 of accounts payable to contractors for services mainly of advertising provided in December 2018, as well as liquidations of fairs.

(3) The increase corresponds mainly to the costs and expenses payable in the matrix of the Expoconstruction, International Book Fair, Comic Con Bogotá, among others for \$ 5,226,134. In the subordinate Corferias Inversiones S.A.S. It corresponds mainly to the costs and expenses of the VIMO Fair for \$ 106,079.

(4) The increase corresponds to the accrual of dividends to be paid for \$ 13,274,287 originated in the profits of 2018, decreed according to the minutes of the General Shareholders Meeting of March 28, 2019, of which \$ 1,994,245 was paid in the first half of the year 2019.

(5) The increase corresponds mainly to the account payable in favor of Patrimonios Autónomos Fiduciaria Bogotá S.A. for the profits of the International Convention Center - ÁGORA of the first half of 2019 for \$ 4,405,675. In the subordinate Corferias Inversiones S.A.S. corresponds to the recognition of the loss in the participation method for the investment in the Operator Hotelero Pactia Corferias S.A.S. for \$ 812,293.

(6) Corresponds to the provision of social benefits derived from labor obligations.

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13. Tax liabilities

The following is the detail of tax liabilities:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Current Income Tax (1)	-	1.466.075
	<u>\$ -</u>	<u>1.466.075</u>

(1) Corresponds in 2018 to the balance payable for income tax and complementary tax for the respective taxable year, canceled in June 2019.

14. Employee benefits and other provisions

The following is the detail of employee benefits and other provisions:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Retirement pension (1)	<u>\$ 2.046.168</u>	<u>2.028.167</u>

(1) The variation corresponds to the recognition of the provision in the first half for \$ 18,000.

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Estimated Liabilities and Provisions (2)	<u>\$ 3.343.010</u>	<u>3.348.573</u>

(2) Corresponds mainly to contingencies due to labor processes.

15. Income received in advance

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Deposits received for fairs and events (1)	33.774.273	14.620.819
	<u>\$ 33.774.273</u>	<u>\$ 14.620.819</u>

(1) Corresponds to deposits received from customers during the period for participation in the different fairs; These monies are received up to a year in advance, which are applied once the participation of the fair's exhibitor is billed. The increase from one period to another is caused by advances received in the matrix for the fairs: Home for \$ 1,329,247, Beauty and Health for \$ 677,607 and Agroexpo for \$ 526,981, among others. In the subordinate Corferias Inversiones S.A.S. corresponds to advances received for the fairs: Expoagrofuturo Medellín for \$ 509,643, Expoprobarranquilla for \$ 53,104, among others.

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16. Ohter non fianncial liabilities

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Deposits received for project management (1)	<u>173.646.764</u>	<u>161.737.822</u>

(1) The increase of the deposits received for the management of projects corresponds to the resources received in the parent by P.A. Pactia as hotel project investors for \$11.908.942 during the 2019 year.

17. Reserves

The following is the detail of reserves:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Legal Reserve	839.830	839.830
Occasional Reserves	111.076.020	97.801.342
	<u>\$ 111.915.850</u>	<u>98.641.172</u>

In the Shareholders meeting of the parent and subordinates celebrated on March 28 ,2019, an increase in the occasional reserve was approved for \$13.274.678.

18. Revenue

a) Ordinary incomes

The following is the detail of revenues from ordinary activities for the six- and three-month periods ended on:

	<u>January 1 June 30,</u> <u>2019</u>	<u>January 1 June 30,</u> <u>2018</u>	<u>April 1 June 30,</u> <u>2019</u>	<u>April 1 June 30,</u> <u>2018</u>
Food and Beverages	5.619.298	3.154.812	4.372.164	2.583.620
Real Estate, Corporate and Leasing Activities (1)	5.581.411	9.949.455	4.079.669	4.969.074
Entertainment and leisure (2)	49.960.730	42.310.122	42.053.178	31.429.987
	<u>\$ 61.161.439</u>	<u>55.414.389</u>	<u>50.505.011</u>	<u>38.982.681</u>

(1) Duranting of the year 2019, the main events that generated the variation correspond in the parent to MAcrorueta Procolombia for \$ 837.803, Campus Party for \$805.698, South Summit for \$369.448, among others. The decrease corresponds to the execution in the parent in 2018 of the Congress of the Republic and Lego Fun Fest, which were not held in 2019.

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(2) During the year 2019, the highest revenues were generated in the matrix mainly by the Expoconstrucción y diseño Fair for \$ 10,856,235, International Book Fair for \$ 10,029,499. As well as the income generated by the Agora Convention Center for \$ 8,225,504. In the subordinate Corferias Inversiones S.A.S. for the National Public Accounting Congress event for \$ 1,198,490, parking administration for \$ 1,104,416, the VIMO Fair for \$ 619,902, among others

b) Other incomes

The following is the detail of other income for the six- and three-month periods ended on:

	January 1 June 30, 2019	January 1 June 30, 2018	April 1 June 30, 2019	April 1 June 30, 2018
Dividends and Participations (1)	2.184.478	1.868.015	2.184.478	1.868.015
Commissions	15.258	18.014	7.289	8.412
Recoveries (2)	843.616	574.527	110.440	94.004
Compensations (3)	25.847	16.335	25.847	12.196
utility for sale popiety plant and equipment	101	-	101	-
Others revenues	433.936	98.885	410.267	74.073
	<u>\$ 3.503.236</u>	<u>2.575.776</u>	<u>2.738.422</u>	<u>2.056.700</u>

- 1) Corresponds in the matrix to dividends obtained by the Corporation, derived from the investment registered in Alpopular Almacén General de Depósito S.A. for \$ 2,184,478.
- 2) During 2019-year, income was recognized for a reversal of receivables impairment for 2019 by \$633.599; and for 2018 by \$386.386. As well recoveries for account payable of \$210.017 and for 2019 and for 2018 by \$188.141.
- 3) Corresponds in the matrix to the reimbursement for disability for \$ 25,847.

c) Financial Incomes

The following is the detail of financial income for the six- and three-month periods ended on:

	January 1 June 30, 2019	January 1 June 30, 2018	April 1 June 30, 2019	April 1 June 30, 2018
Interest (1)	135.003	52.808	128.338	40.926
Savings account interest	286.047	268.583	182.040	106.358
Exchange difference	559.826	409.637	320.522	304.352
Discounts	78.930	58.782	9.764	39.948
Valuation gain on shares (2)	25.180	-	15.644	-
	<u>\$ 1.084.986</u>	<u>\$ 789.810</u>	<u>\$ 656.308</u>	<u>\$ 491.584</u>

(1) Corresponds primarily to the financial returns obtained from Constructora Conconcreto S.A. for \$ 113,117 for the managed funds of the delegated administration, as well as the returns obtained by the liquidation of the Fiduciaria Colombiana de Comercio Exterior S.A. for \$ 7,156. Finally, it corresponds to the calculation of interest on housing and vehicle loans to employees of the Corporation.

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(2) Corresponds in the matrix to the returns generated by the investment in the Nexus Real Estate Private Capital Fund for \$ 25,180.

19. Expenses

a) Overhead

The following is the detail of overhead for the six- and three-month periods ended on:

	January 1 June 30, <u>2019</u>	January 1 June 30, <u>2018</u>	April 1 June 30, <u>2019</u>	April 1 June 30, <u>2018</u>
Payroll	11.747.545	10.207.230	6.647.475	5.576.083
Fees	543.851	772.434	382.365	517.803
Taxes (1)	4.424.583	4.240.098	3.983.521	997.392
Leases (2)	198.928	361.867	142.240	305.081
Contributions and affiliations	618.012	228.131	224.120	134.868
Insurances	197.016	213.992	98.973	110.875
Services (3)	2.876.105	3.524.318	1.705.665	2.421.776
Legal Expenses	49.677	44.409	16.647	18.023
Maintenance and repairs	1.257.310	783.736	728.413	441.937
Compliance and Installation	930.966	849.633	675.970	486.869
Travels expenses	165.545	103.970	115.650	63.273
Depreciations	3.688.833	3.158.319	1.840.633	1.635.603
Amortizations	1.344.615	876.809	688.424	451.728
Sundry	635.243	919.472	351.977	515.905
impairment of accounts receivable	1.125.428	1.054.974	(1.480.123)	(643.309)
Other (4)	4.867.573	660.341	4.867.573	660.341
	<u>\$ 34.671.230</u>	<u>27.999.733</u>	<u>20.989.523</u>	<u>13.694.248</u>

(1) Corresponds mainly in the matrix to the payment of property tax of the taxable year 2019 of each of the properties for \$ 2,199,206 of the fairgrounds and parking lots.

(2) Corresponds to the leases of sound and audiovisual equipment necessary for the execution of the different events carried out in the matrix.

(3) Corresponds mainly to the expenses of cleaning and surveillance for \$ 1,786,535. As well as expenses for public services for \$ 732,023. The decrease is due in the matrix to the events Lego Fun Fest Bogotá and Congress elections of the Republic of the year 2018, which were not carried out in the year 2019.

(4) Corresponds mainly in the matrix to expenses of the operation of the Agora International Convention Center for \$ 4,405,675.

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b) Selling expenses

The following is the detail of selling expense for the six- and three-month periods ended on:

	January 1 June 30, 2019	January 1 June 30, 2018	April 1 June 30, 2019	April 1 June 30, 2018
Payroll	2.945.376	2.530.360	1.602.835	1.431.273
Taxes	5.316	41.775	5.092	41.773
Fees	677.301	646.390	492.533	567.870
Leases (1)	2.262.998	1.287.795	1.586.803	980.465
Contributions and affiliations (2)	2.105.143	948.162	2.105.143	948.162
Insurances	3.983	16.577	3.332	11.335
Services (3)	5.956.791	5.799.976	4.930.503	4.944.004
Legal Expenses	43.952	72.344	43.952	70.100
Maintenance and repairs	98.625	79.062	82.988	65.855
Compliance and Installation (1)	2.511.669	1.314.314	2.217.430	1.045.237
Travels expenses	505.648	348.643	420.587	279.277
Sundry	1.530.292	1.451.863	974.528	1.080.902
Other (3)	8.075.231	9.261.125	7.781.686	7.547.845
	<u>\$ 26.722.325</u>	<u>23.798.386</u>	<u>22.247.412</u>	<u>19.014.098</u>

(1) It corresponds mainly in the matrix to the rental of equipment, advertising services and auxiliary personnel of accesses and informants and adjustments of electrical installations for the fairs: Bogotá International Book Fair for \$ 3,240,737, Agroexpo for \$ 1,705,006, Expoconstrucción y Diseño for \$ 1,017,573, among others. In the subordinate Corferias Inversiones S.A.S. It corresponds mainly to the expenses necessary for the operation of the parking lots for \$ 354,960 and the execution of the VIMO Fair for \$ 159,663, among others.

(2) Corresponds mainly to the payment of profits to strategic allies for the execution of the International Book Fair for \$ 1,125,051, among others.

(3) Corresponds to the services provided by suppliers and contractors that have not been billed mainly for Expoconstrucción y Diseño, Comic con Bogotá, International Book Fair, VIMO and operation of the Food and Beverage units, among others.

c) Other expenses

The detail of other expenses is as follows for the six- and three-month periods ended on:

	January 1 June 30, 2019	January 1 June 30, 2018	April 1 June 30, 2019	April 1 June 30, 2018
Loss on sale and withdrawal of property and equipment	696	3.186	696	-
Costs and expenses of previous years	196.624	101.164	64.306	48.404
Sundry (1)	325.631	226.301	57.107	15.312
	<u>\$ 522.951</u>	<u>330.651</u>	<u>122.109</u>	<u>63.716</u>

(1) Corresponds mainly in the matrix to the donation made for \$ 250,000 to Fenalco Nacional on February 4, 2019 for new product development project

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d) Financial expense

The following is the detail of financial expense for the six- and three-month periods ended on:

	January 1 June 30, 2019	January 1 June 30, 2018	April 1 June 30, 2019	April 1 June 30, 2018
Bank charges	1.409	473	1.409	3
Commissions	147.403	170.274	118.897	122.730
Interest (1)	1.409.243	437.142	1.014.484	218.324
Exchange difference	547.534	438.800	311.905	127.237
Others	7.114	10.849	4.586	6.338
	<u>\$ 2.112.703</u>	<u>1.057.538</u>	<u>1.451.281</u>	<u>474.632</u>

(1) Corresponds to the payment of interest on bank loans for \$ 1.403.715 and for consumption by credit cards for \$ 5.528. The increase corresponds to obtaining new financial obligations to meet the main investment projects.

e) Income tax expense

Income tax expense as of June 30, 2019 and 2018 includes the following:

	<u>2019</u>	<u>2018</u>
Current income tax (1)	\$ 5.730	320.041
Recovery of current taxes from previous periods	(150.988)	(140.943)
Current Tax Subtotal	<u>(145.258)</u>	<u>179.098</u>
Deferred tax net for the period	457.066	741.851
Total income tax expense	<u>\$ 311.808</u>	<u>920.949</u>

(1) As of June 30, the parent company and the subordinate Corferias Inversiones S.A.S. present accounting and tax loss. The balance corresponds to the income tax of the subordinate calculated by the presumptive income system. The matrix is excluded from calculating the income tax by the presumptive income system, because it belongs to the free zone regime.

f) Entities result for the period

The following is the detail of entities result for the period for the six- and three-month periods ended on:

	January 1 June 30, 2019	January 1 June 30, 2018	April 1 June 30, 2019	April 1 June 30, 2018
Loss participation method	<u>\$ (716.642)</u>	<u>504.827</u>	<u>(530.721)</u>	<u>560.130</u>

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The balance of the first half of 2019 is represented by the usefulness of the application of the participation method in the CICB International Center Autonomous Heritage for \$ 95,651; as well as the loss recognized in the Subordinate Corferias Inversiones SAS in the Operator Hotelero Pactia Corferias S.A.S for \$ 812,292.

20. Related parties

The following is the detail of accounts receivable from related parties:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Controlling interest	\$ 757.369	363.268
Key management personnel	167.366	161.775
Associate (1)	2.562.745	2.264.342
Capital interest	1.456.174	311.024
Shareholders	144.331	483.529
Other related parties (2)	<u>4.514.410</u>	<u>2.929.212</u>
	<u>\$ 9.602.395</u>	<u>\$ 6.513.150</u>

(1) The balance and the variation correspond to the withholdings declared by the parent as the agent of the Patrimony. As well as the account receivable for the operation of the Agora International Convention Center of 2018 and the urban delineation tax of the property built by this same Heritage.

(2) Corresponds mainly to the account receivable from Operador Hotelero Pactia Corferias S.A.S. by concept of loan to be linked economically.

The following is the details of the accounts payable to related parties:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Controlling interest (1)	\$ 37.898.214	36.254.084
Associate (2)	4.066.882	5.718.725
Capital interest	1.374	-
Key management personnel	90.500	341.739
Directors	21.347	229
Shareholders	485.790	192.051
Other related parties	<u>1.970</u>	<u>-</u>
	<u>\$ 42.566.077</u>	<u>42.506.828</u>

(1) The balance at June 30, 2019 mainly corresponds to \$ 36,000,000 in the parent company for the loan of the Chamber of Commerce of Bogotá.

(2) Represents in the parent company the remuneration to shareholders as a result of the Ágora exercise. The decrease corresponds to the payment of the remuneration according to the assembly of investors of the Agora International Convention Center for \$ 1,651,843.

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Services received, operations with related parties:

	January 1 June 30, 2019	January 1 June 30, 2018	April 1 June 30, 2019	April 1 June 30, 2018
Controlling interest	\$ 271.691	231.543	151.155	227.829
Key management personnel	1.482.280	1.418.803	787.660	758.823
Capital interest	6.930	6.716	3.465	3.357
Directors	112.882	224.574	86.073	115.968
Shareholders (1)	1.087.793	460.556	898.746	352.271
Other related parties	11.119	-	11.119	-
	<u>\$ 2.972.695</u>	<u>2.342.192</u>	<u>1.938.218</u>	<u>1.458.248</u>

(1) The increase corresponds mainly to the payment of profits from related firms such as the National Union of Colombian Livestock Associations -UNAGA- and air ticket expenses provided by the Travel and Tourism Agency Aviatur S.A.S.

Incomes from ordinary activities by services and parties' transactions related:

	January 1 June 30, 2019	January 1 June 30, 2018	April 1 June 30, 2019	April 1 June 30, 2018
Controlling interest	\$ 621.158	630.347	621.158	582.284
Associate	95.650	-	54.204	-
Key management personnel	5.618	7.616	3.417	6.337
Capital interest	2.184.478	1.869.294	2.184.478	1.868.384
Shareholders	2.450.280	2.258.031	2.420.005	1.305.079
Other related parties (1)	574.720	-	574.720	-
	<u>\$ 5.931.904</u>	<u>4.765.288</u>	<u>5.857.982</u>	<u>3.762.084</u>

(1) In the matrix corresponds to the income for the recovery of expenses to Operator Hotelero Pactia Corferias S.A.S.

Investments, operations with related parties:

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
Associate	\$ 65.028.809	64.933.159
Capital interest	14.106.244	14.106.244
	<u>\$ 79.135.053</u>	<u>79.039.403</u>

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21. Contingencies

During the year 2019 there were no changes in the contingencies.

The parent company has the following contingencies as of June 30, 2019:

- By processes of trademark registrations, such as Agroexpo, International Book Fair and Meditech.
- For legal and tax processes with the Tax and Customs National Directorate for Income Tax and Supplementary taxable year 2009.
- For labor processes that currently take place in the judicial offices, through which the plaintiffs claim that the link that existed between each of them and Corferias was governed by an employment contract and that, because of the foregoing, it is ordered to Corferias the payment of the claims.

The subordinates do not have contingencies as of June 30, 2018.

22. Subsequent events

There were no events after June 30, 2019 and the date of the Statutory Auditor's Report that could have an impact on the condensed interim consolidated financial statements.

23. Approval of the Condensed Interim Consolidated Financial Statements

The condensed interim consolidated financial statements at June 30, 2019, attached, were approved by the Legal Representative and the Chief Accountant on August 14, 2019.