

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

*For the periods ended on March 31 ,2020 and December 31, 2019*

## **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 March 31, 2020 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 March a 31, 2020;
- The consolidated condensed interim statements of comprehensive income, three-months period ended March 31, 2020;
- The consolidated condensed interim statements of changes in equity for the period of three months ended March 31, 2020;
- The condensed interim consolidated cash flow statement for the period of three months ending on March 31, 2020; 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 March 31, 2020, 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

May 15, 2020

**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 March 31, 2020, 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 March a 31, 2020;
- The consolidated condensed interim statements of comprehensive income, three-months period ended March 31, 2020;
- The consolidated condensed interim statements of changes in equity for the period of three months ended March 31, 2020;
- The condensed interim consolidated cash flow statement for the period of three months ending on March 31, 2020; 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 March 31, 2020, 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

May 15, 2020

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND SUBSIDIARIES**  
**Consolidated Interim Condensed Statements of Financial Position**  
 At March 31, 2020  
 (Figures in thousands of Colombian pesos )

	<u>Note</u>	<u>March 31, 2020</u>	<u>December 31, 2019</u>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalent	3	\$ 22.836.055	26.528.451
Joint venture investments	4	-	-
Accounts receivable	5 and 22	23.766.953	28.592.548
Tax assets	6	1.845.918	1.518.890
Inventories	7	1.057.192	1.185.600
Other non-financial assets	8 and 22	1.344.258	271.489
Total current assets		50.850.376	58.096.978
Non-current assets			
Other financial assets	9	15.056.499	15.047.992
Investments in associates	10	77.998.777	78.081.702
Intangibles	11	14.099.737	14.818.369
Property and equipment	12	492.231.881	492.224.272
Investment properties	13	270.902.037	270.852.910
Deferred Tax Assets		137.810	124.129
Total non-current assets		870.426.741	871.149.374
<b>Total assets</b>		<b>\$ 921.277.117</b>	<b>929.246.352</b>
<b>LIABILITIES</b>			
Current liabilities			
Financial debt	14	18.463.314	16.956.656
Accounts payable	15 and 22	32.996.184	49.688.251
Income received in advance	16	20.632.637	10.229.166
Total current liabilities		72.092.135	76.874.073
Non-current liabilities			
Financial debt	14	106.920.202	100.686.901
Employee benefits	17	2.204.931	2.198.931
Other provisions	17	5.582.435	5.582.435
Other non-financial liabilities	18	194.277.312	192.075.645
Deferred tax liability, net		33.982.500	34.596.292
Total non-current liabilities		342.967.380	335.140.204
<b>Total liabilities</b>		<b>\$ 415.059.515</b>	<b>412.014.277</b>
<b>EQUITY</b>			
Capital		1.673.920	1.673.920
Share Placement Premium		43.451.721	43.451.721
Reserves	19	142.210.054	111.915.850
Accumulated profit		328.909.463	328.909.463
Other equity interests in equity		986.917	986.917
Result for the period		(11.014.473)	30.294.204
<b>Total equity</b>		<b>\$ 506.217.602</b>	<b>517.232.075</b>
<b>Total liabilities and equity</b>		<b>\$ 921.277.117</b>	<b>929.246.352</b>

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 May 15, 2020 )

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND SUBSIDIARIES**  
**Consolidated condensed interim statements of comprehensive income**  
For three months period ended March 31, 2020  
(Figures in thousands of Colombian pesos)

	<u>Note</u>		1 January to March 31, 2020	1 January to March 31, 2019
Income from ordinary activities	20a) and 22	\$	9.376.346	10.656.428
Overhead	21a) and 22		12.951.992	12.925.012
Selling expenses	21b) and 22		4.403.713	4.474.913
Impairment of receivable	21g)		843.130	756.695
Recoveries of receivables	21g)		661.460	595.434
Other income	20b)		587.512	169.380
Cost of sales			314.145	312.625
Other expenses	21c)		589.979	400.842
<b>Profit on operating activities</b>			<b>(8.477.641)</b>	<b>(7.448.845)</b>
Financial income	20c)		1.353.587	428.678
Financial expenses	21d)		4.433.143	661.422
Entity Profit (loss) for the Period	21f)		82.925	185.921
<b>Profit before tax</b>			<b>(11.640.122)</b>	<b>(7.867.510)</b>
(Recovery) expense income tax	21e)		(625.649)	290.639
<b>Result for the period</b>		<b>\$</b>	<b>(11.014.473)</b>	<b>(8.158.149)</b>
Other Comprehensive Income			-	-
<b>Result for the period and other comprehensive income</b>		<b>\$</b>	<b>(11.014.473)</b>	<b>(8.158.149)</b>

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 May 15, 2020 )

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

**Consolidated condensed interim statements of changes in equity**

For three months period ended march 31, 2020

(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>
<b>Initial as of January 1, 2019</b>	\$ 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)	<b>(13.274.287)</b>
Appropriated to mandatory and occasional reserves 19	-	-	13.274.678	-	-	(13.274.678)	-
Result for the period	-	-	-	-	-	(8.158.149)	<b>(8.158.149)</b>
<b>Balance as of March 31, 2019</b>	\$ <b>1.673.920</b>	<b>43.451.721</b>	<b>111.915.850</b>	<b>328.909.463</b>	<b>1.075.700</b>	<b>(8.158.149,00)</b>	<b>478.868.505</b>
<b>Initial as of January 1, 2020</b>	\$ 1.673.920	43.451.721	111.915.850	328.909.463	986.917	30.294.204	517.232.075
Appropriated to mandatory and occasional reserves 19	-	-	30294204	-	-	(30.294.204)	-
Result for the period	-	-	-	-	-	(11.014.473)	<b>(11.014.473)</b>
<b>Balance as of March 31, 2020</b>	\$ <b>1.673.920</b>	<b>43.451.721</b>	<b>142.210.054</b>	<b>328.909.463</b>	<b>986.917</b>	<b>(11.014.473,00)</b>	<b>506.217.602</b>

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 May 15, 2020 )

**CORPORACIÓN DE FERIAS Y EXPOSICIONES S.A. USUARIO OPERADOR DE ZONA FRANCA AND SUBSIDIARIES**  
**Consolidated condensed interim statements of cash flows**  
For three months period ended March 31, 2020  
(Figures expressed in thousands of Colombian pesos)

	<u>Note</u>	1 January to March 31, 2020	1 January to March 31, 2019
<b>Profit for the period</b>		<b>\$ (11.014.473)</b>	<b>(8.158.149)</b>
Adjustments to reconciliation between the profit for the period and net cash (used in) by operating activities:			
Depreciations	12 and 21a)	1.777.226	1.848.200
Amortization	11 and 21a)	737.756	656.191
Impairment accounts receivable	5 and 21ga)	843.130	756.695
Recoveries of receivables	5 and 21ga)	(661.460)	(595.434)
Recovery of provision for accounts payable	20b)	(489.315)	(137.742)
Provision for contingencies	17	-	(5.563)
Implied interest contractual liability	18 and 21d)	2.201.667	-
Income tax	21e)	(625.649)	290.639
Loss equity method	21f)	82.925	185.921
		<u>(7.148.193)</u>	<u>(5.159.242)</u>
<b>Changes in assets and liabilities:</b>			
Accounts receivable		4.643.925	(549.336)
Inventories		128.408	(69.126)
Other non-financial assets		(1.072.769)	(1.697.735)
Net tax		(328.852)	(388.878)
Accounts payable		(16.202.442)	(16.661.269)
Employee benefits		6.000	9.000
Income received in advance		10.403.471	16.246.224
Deferred taxes, net		-	-
Interest paid financial obligations	14	(1.880.830)	(2.086.919)
Payment of income tax		-	(366.698)
<b>NET CASH (USED IN) OPERATING ACTIVITIES</b>		<u>(11.451.282)</u>	<u>(10.723.979)</u>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>			
Investments		(8.507)	(224.319)
Purchase of intangibles	11	(19.124)	(38.625)
Investment properties	13	(49.127)	(9.483.185)
Purchase of property and equipment	12	(1.784.835)	(4.986.164)
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>		<u>(1.861.593)</u>	<u>(14.732.293)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Contractual liability	18	-	7.456.873
Financial Obligations	14	9.620.789	21.873.118
Cash dividends paid	15	(310)	-
<b>NET CASH PROVIDE IN FINANCING ACTIVITIES</b>		<u>9.620.479</u>	<u>29.329.991</u>
<b>(DECREASE) INCREASE NET, IN CASH AND CASH EQUIVALENTS</b>		<b>(3.692.396)</b>	<b>3.873.719</b>
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIODO		26.528.451	10.987.417
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>\$ 22.836.055</b>	<b>14.861.136</b>

See the notes that form an integral part of the consolidated condensed interim 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 May 15, 2020 )



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

**Notes to the Condensed Interim Consolidated Financial Statements**

**At March 31, 2020**

**(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 March 31, 2020 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 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.

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.

**Corferias Inversiones S.A.S.** is a company incorporated by private document on April 30, 2012; its articles do not expire, and its activities began in June 2012. Its business is to conduct any lawful activity in Colombia and elsewhere, which would allow it to facilitate or develop trade or industry. Today, its activities involve the administration of parking areas of the properties "Torre Parquederos", "Avenida Americas" and "Parquedero Verde". Further, and in accordance with the contract to operate the Puerta de Oro Exhibition Center in Barranquilla, it is exclusively responsible for the operation, exploitation, conservation and maintenance of that Center and the movable and immovable assets that form the exhibition and Convention Center Puerta de Oro.

Corferias Inversiones S.A.S. has its registered offices in Bogota at Calle 37. 24-67, and in Barranquilla-Atlantico, Calle 77 B No. 57-103. The Parent holds 100% of the capital of Corferias Inversiones S.A.S. It also has the capacity to direct its accounting, administrative and financial policies.

Below is the financial information of the subordinate company as of March 31, 2020 and December 31, 2019:

March 31, 2020

Name	% held	Assets	Liabilities	Equity	Profit
Corferias Inversiones SAS	100%	\$12.909.492	11.538.096	1.371.396	(1.111.598)

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

**Notes to the Condensed Interim Consolidated Financial Statements**

December 31, 2019

Name	% held	Assets	Liabilities	Equity	Profit
Corferias Inversiones SAS	100%	\$14.161.986	11.678.993	2.482.993	1.062.193

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

**(a) Framework of technical standards**

The consolidated condensed interim 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, 2483/2018 and 2270/2019. 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, 2018.

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, 2019 published in the webpage [www.corferias.com](http://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 the rules applicable as of January 1, 2020 (See note 2d).

**Seasonality of transactions:**  
During the first quarter of 2020 the fairs were held: Anato Tourist Showcase, Leather Show and the Tattoo Music Fest and Bavaria 2020 Convention events; which generate a large part of the income for the parent and its subordinate in the reporting period.

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

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

**Notes to the Condensed Interim Consolidated Financial Statements**

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**

In accordance with the provisions of Decree 2270 of 2019, the regulations issued as of January 1, 2020 and their impact on the financial statements of the parent and its subordinate are listed below:

**Conceptual framework for financial reporting - Modifications to references to the Conceptual Framework in IFRS standards.**

A new conceptual framework is established for entities that apply Full IFRS (Group 1) for the preparation of general purpose financial information.

In the modifications to the References to the Conceptual Framework in the IFRS Standards some of these references and citations are updated that make reference to the 2018 Conceptual Framework and other modifications are made to clarify which version of the Conceptual Framework is referenced .

The modifications to the conceptual framework through Decree 2270 of 2019, do not have an impact on the financial statements of the parent and its subordinate, since the information presented already meets the criteria adopted in the new version, such as the factors considered for the presentation and disclosure of information, including reclassifications of income and expenses in other comprehensive income, as well as the recognition of assets and liabilities according to the updated definitions.

**IAS 19 - Employee benefits.**

Modifications are made related to post-employment benefits, defined benefit plans - Modification, Reduction or Liquidation of the Plan.

The Standard is effective for annual periods beginning on or after January 1, 2020. The amendment requires an entity to use updated actuarial assumptions to determine the cost of services for the current period and net interest for the remainder of the annual period over which is reported after the modification, reduction or settlement of the plan when the entity remeasures its net defined benefit liability (asset).

The application of this standard did not generate an impact on the financial statements of the parent and its subordinate, since at the end of each annual period an actuarial study of the pension liability held by the parent is carried out by an external entity, using a technical interest in accordance with the current regulations, this in order to establish the present value of the retirement pension plan, as well as the estimate for the charge to results in the following annual period.

**IAS 1 - Presentation of financial statements; IAS 8 - Accounting policies, changes in accounting estimates and errors**

The definition of materiality and relative importance is modified. The amendment is to provide guidance to assist entities in making materiality or materiality judgments, rather than making material or material changes in the definition of material. Consequently, in September 2017, the IASB issued Practice Document No. 2 "Making Judgments on Materiality or Relative Importance."

The application of this standard did not generate impacts in the consolidated financial statements, since the policy adopted by the parent and its subordinate on the presentation of general purpose financial statements already contemplates disclosure criteria on the information that is considered to have effects on The decisions of the users of this in accordance with the definitions contained in these modifications.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

**IFRIC 23 - Uncertainty against Income Tax Treatments**

This interpretation clarifies the application of recognition and measurement requirements of IAS 12 when there is uncertainty about tax treatments.

These recognition and measurement requirements apply to the determination of tax profit or loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty about the tax treatments under IAS 12.

The application of this interpretation had no impact on the financial statements, since as of March 31, 2020, the parent and its subordinate do not have uncertainty scenarios in the application of the tax treatments applied to the amounts that give rise to the assets and current and deferred tax liabilities. However, if an event with uncertain tax treatment is identified, the different criteria of the tax administration or courts of that treatment will be identified, recording the valuations of these events and evaluating whether it should reveal the potential effect of uncertainty as a related contingency with taxes.

**(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:

**Judgements**

- Notes 4 - Estimates of impairment of accounts receivable.
- Note 17 - 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.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

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.

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.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

The table below uses the fair value hierarchy to show financial assets and liabilities (by class), measured at fair value as of March 31, 2020 and December 31, 2019, on a recurring basis:

March 31, 2020

<b>Asset/liability type</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Evaluation technique Level 2</b>	<b>Principal entry data</b>
Investments in other financial assets - Acerías Paz del Rio Shares	\$ 25	-	-	-	Market / share price.
Investments in other financial assets (Alpopular and La Previsora)	-	\$14.401.593	-	Dividend model discounted by the Gordon model.	Dividends paid, EMBI Colombia, Beta and Devaluation.
Property private capital fund	-	\$480.433	-	Valuation of underlying assets	Value of the unit of the Fund provided by the Management Company

December 31, 2019

<b>Asset/liability type</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Evaluation technique Level 2</b>	<b>Principal entry data</b>
Investments in other financial assets - Acerías Paz del Rio Shares	\$ 16	-	-	-	Market / share price.
Investments in other financial assets (Alpopular and La Previsora)	-	\$14.401.593	-	Dividend model discounted by the Gordon model.	Dividends paid, EMBI Colombia, Beta and Devaluation.
Property private capital fund	-	\$471.935	-	Valuation of underlying assets	Value of the unit of the Fund provided by the Management Company

The Parent company recognizes transfers between the levels of the fair value hierarchy at the end of the reporting period, during which the change occurred.

The Parent does not present any type of reclassification at the hierarchy levels, between March 31, 2020 and December 31, 2019.

**OPERATING SEGMENTS**

The following is the information related to assets, liabilities and results by operating segment identified by the parent for the period ended March 31, 2020 and December 31, 2019

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

**Notes to the Condensed Interim Consolidated Financial Statements**

	<b>March 2020</b>	<b>December 2019</b>
<b>Assets</b>	<b>921.277.117</b>	<b>929.246.352</b>
Cash and cash equivalent	22.836.055	26.528.451
Accounts receivable	23.766.953	28.592.548
Tax assets	1.845.918	1.518.890
Inventories	1.057.192	1.185.600
Other non-financial assets	1.344.258	271.489
Other financial assets	15.056.499	15.047.992
Investments in associates	77.998.777	78.081.702
Intangibles	14.099.737	14.818.369
Property and equipment	492.231.881	492.224.272
Investment property	270.902.037	270.852.910
Deferred tax assets	137.810	124.129
<b>Liabilities</b>	<b>415.061.339</b>	<b>412.014.277</b>
Financial debt	125.383.516	117.643.557
Accounts payable	32.996.184	49.688.251
Tax liabilities	1.824	-
Income received in advance	20.632.637	10.229.166
Employee benefits	2.204.931	2.198.931
Other provisions	5.582.435	5.582.435
Other non-financial liabilities	194.277.312	192.075.645
Deferred tax liability	33.982.500	34.596.292
<b>Equity</b>	<b>506.215.778</b>	<b>517.232.075</b>
<b>Revenues from ordinary activities</b>	<b>9.376.346</b>	<b>10.656.428</b>
Activities in entertainment and leisure	6.878.345	7.907.552
Activities in real property, business and rentals	667.115	1.501.742
Food and beverages	1.830.886	1.247.134
Selling expenses	12.951.992	12.925.012
Overhead	4.403.713	4.474.913
Impairment of accounts receivable	843.130	756.695
Recoveries receivable	661.460	595.434
Other income	587.512	169.380
Cost of sales	314.145	312.625
Other expenses	589.979	400.842
<b>Profit from operating activities</b>	<b>(8.477.641)</b>	<b>(7.448.845)</b>
Financial income	1.353.587	428.678
Financial expense	4.433.143	661.422
Loss from equity method	(82.925)	(185.921)
<b>Profit before tax</b>	<b>(11.640.122)</b>	<b>(7.867.510)</b>
Income tax expense	(625.649)	290.639
<b>Result for the period</b>	<b>(11.014.473)</b>	<b>(8.158.149)</b>

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

**Notes to the Condensed Interim Consolidated Financial Statements**

**3. Cash and Cash Equivalents**

The following is the detail of cash and cash equivalents

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
Cash	70.987	27.953
Banks (1)	1.566.517	1.369.274
Savings accounts (1)	20.324.268	14.158.617
Fixed-term certificates of deposit (2)	-	5.044.853
Collective investment funds (3)	874.283	5.927.754
	<b>\$ 22.836.055</b>	<b>\$ 26.528.451</b>

(1) The increase corresponds mainly to the parent and the subordinate to the disbursement of bank loans received, as well as the redemption in the parent of the Fixed Term Deposit Certificate at Banco BBVA in the month of January 2020.

(2) The decrease corresponds in the parent company to the redemption of the CDT established on October 21, 2019 with Banco BBVA Colombia S.A., for a nominal value of \$ 5,000,000, with an expiration date of January 21, 2020.

(3) The decrease corresponds to the use of the resources of the collective investment funds.

As of March 31, 2020, and December 31, 2019, there is no evidence of impairment on cash and cash equivalents and there are no restrictions.

**4. Investments in joint ventures**

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
Investments in joint ventures (1)	<b>\$ -</b>	<b>-</b>

(1) The joint agreement in which the subsidiary participates is in the Hotel Operator where it has a 30% interest, which will be dedicated, mainly, to the operation of the Hilton Corferias Hotel. His domicile is in the city of Bogotá at Carrera 37 No. 24 - 29.

The Hotel Operator is structured as a separate vehicle and gives the subsidiary rights over the Entity's net assets. Consequently, the subsidiary has classified the investment in the Hotel Operator as a joint venture.

Under the agreement under which the Hotel Operator was established, the subsidiary and the other joint venture investor have not agreed to make additional contributions in proportion to their interests to offset any losses.

As of March 31, 2020, and December 31, 2019, the losses of the Hotel Operator exceed the investment of the subsidiary, which is why the investment in zeros is presented.

The equity method for this Entity is not being recognized because the loss exceeds the subsidiary's interest; As mentioned in IAS 28, the recognition of the profit-sharing method will be resumed when it equals the unrecognized loss.



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

**Notes to the Condensed Interim Consolidated Financial Statements**

The Parent Company does not record investments in joint ventures as of March 31, 2020 and December 31, 2019, respectively.

**5. Accounts receivable**

The following is the detail of accounts receivable:

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
Customers (1)	15.591.987	21.280.952
Income receivable (2)	8.284.744	7.556.628
Receivable from employees	561.911	625.056
Doubtful accounts	2.807.793	2.427.724
Impairment (3)	(3.479.482)	(3.297.812)
	<b>\$ 23.766.953</b>	<b>28.592.548</b>

(1) The decrease corresponds to the collection of accounts receivable from clients in the matrix for the events of Election of the Mayor of Bogotá, Bogotá Madrid Fusión and the Expodefensa and Expoartesanas fairs held in the months of November and December 2019. by the National Congress of Public Accounting event and the Expoagrotuturo Medellín and Colombia 4.0 fairs held by the subordinate.

(2) The balance corresponds mainly in the matrix to the account receivable for the provision of services for the operation of the Agora International Convention Center for \$ 2,150,772. As well as accounts receivable generated from exhibitors in the stage prior to the realization of some Fairs for \$3,623,467 and accounts receivable from clients for fairs and events held in the first quarter for \$863,541, among others.

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

The impairment of accounts receivable during the period was as follows:

	<b>2020</b>	<b>2019</b>
<b>Balance at December 31, 2019</b>	\$ 3.297.812	2.215.512
Impairment of receivables	843.130	591.851
Recoveries	(661.460)	(333.289)
<b>Balance at March 31, 2020</b>	<b>\$ 3.479.482</b>	<b>2.474.074</b>

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

**Notes to the Condensed Interim Consolidated Financial Statements**

**6. Current tax assets, net**

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
Tax advance (1)	\$ 327.028	-
Surplus in private tax settlement (2)	\$ 1.518.890	1.518.890
	\$ 1.845.918	1.518.890

(1) Corresponds to the withholdings and self-withholdings practiced less the tax payable for income tax in the first quarter of the year 2020.

(2) Corresponds to the balance in favor calculated in the parent company and the subordinated one for the income tax of the taxable year 2019 originated by the greater number of withholdings and self-withholdings practiced in the year 2019 and to the decrease in the taxable base for the calculation of the tax to earnings. The balance in favor will be requested in return to the Directorate of National Taxes and Customs on the due date of the declaration.

**7. Inventories**

The following is the detail of inventories:

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
Raw materials (1)	58.199	44.644
Goods not made by the business	49.570	40.061
Materials, spares and accessories (2)	811.174	1.011.834
Packaging and filling	138.249	89.061
	\$ 1.057.192	1.185.600

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.

1) Corresponds to food supplies that will be consumed in the development of the food and beverages business line.

(2) The decrease corresponds mainly in the matrix to the mat exits for the different pavilions, which is used in the assembly of the spaces that are rented for the development of the different Fairs and /or events.

As of March 31, 2020, and December 31, 2019, there are no inventory restrictions.

**8. Other Non-Financial Assets**

The following is the detail of other financial assets:

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
Interest on employee loans	170.431	151.087
Prepaid expenses (1)	1.173.827	961.196
	\$ 1.344.258	1.112.283

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

**Notes to the Condensed Interim Consolidated Financial Statements**

- (1) The increase corresponds in the Matrix mainly to advance payments to suppliers and contractors for \$ 974.124 for the provision of services and realization of the fairs. Likewise, advance of taxes of VAT and ICA for \$ 183.780. Lastly, to the amortization of insurance for \$85,135.

**9. Other financial assets and investments in associates**

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

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Investments in : (1)		
Alpopular Almacén General de Depósitos (3)	13.972.736	13.972.736
La Previsora S.A. Compañía de Seguros (2)	428.857	428.857
Centro de Ferias y Exposiciones de Bucar	174.448	174.448
Acerías Paz del Río S.A.	25	16
Fondo de Capital Privado (4)	480.433	471.935
	<u>\$ 15.056.499</u>	<u>15.047.992</u>

(1) These investments are financial instruments where the parent does not have control or significant influence, in accordance with the provisions of IAS 28-6.

(2) These investments are measured at fair value with the data available for such purpose on an annual basis.

(3) This investment is measured at cost. As of March 31, 2020, and December 31, 2019, there is no evidence of impairment for this investment.

(4) Investment made by the parent in the Nexus Inmobiliario Private Equity Fund, managed by Fiduciaria de Occidente; which generates daily returns.

As of March 31, 2020, and December 31, 2019, there are no restrictions on these investments.

As of March 31, 2020, and December 31, 2019, the parent does not intend to sell these financial assets

**10. Investments in associates**

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Investments in associates-CICB	<u>77.998.777</u>	<u>78.081.702</u>

As of March 31, 2020, the Parent Company has an investment in associates, given the significant influence it has over the Patrimonio Autónomo Centro Internacional CICB, which was established for the administration of the resources delivered by the Bogota Chamber of Commerce, Fontur and the Corporation, for the development of the Bogotá-AGORA International Convention Center. To date, the Corporation has a 17.78% interest in the Patrimonio Autónomo Centro Internacional CICB.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

The following is a summary of the financial information of investments accounted for using the equity method, as of March 31, 2020 and December 31, 2019:

**2020**

Entity	% participation	Registered Office	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Income from ordinary activities	Profit for the period before tax Resultado del periodo antes de impuestos	Profit for the period after tax	Other comprehensive income	Total comprehensive income
Patrimonio Autónomo Centro internacional CICB	18,78%	Calle 67 7 - 37, Bogotá, Colombia	11.456.799	407.336.250	3.181.116	-	11.304	(415.737)	(415.737)	-	(415.737)

**2019**

Entity	% participation	Registered Office	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Income from ordinary activities	Profit for the period before tax Resultado del periodo antes de impuestos	Profit for the period after tax	Other comprehensive income	Total comprehensive income
Patrimonio Autónomo Centro internacional CICB	18,78%	Calle 67 7 - 37, Bogotá, Colombia	11.732.001	407.735.960	3.772.859	-	37.310.014	32.632.477	32.632.477	-	32.632.477

**11. Intangibles**

The following is the detail of intangibles:

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Intangibles-trademarks acquired	15.483.592	15.483.592
Software	6.168.518	6.149.393
Accumulated amortization	<u>(7.552.373)</u>	<u>(6.814.616)</u>
	<u>\$ 14.099.737</u>	<u>14.818.369</u>

The following is the movement of intangibles as of March 31, 2020:

Intangibles	Balance at 31/12/2019	Purchases	Amortization in period	Balance at 31/03/2020
Software licenses	3.510.861	19.124	(482.578)	3.047.407
Trademarks acquired	11.307.508	-	(255.178)	11.052.330
Total Intangibles	<b>14.818.369</b>	<b>19.124</b>	<b>(737.756)</b>	<b>14.099.737</b>

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

**Notes to the Condensed Interim Consolidated Financial Statements**

The following is the movement of intangibles as of March 31, 2019:

<b>Intangibles</b>	<b>Balance at 31/12/2018</b>	<b>Purchases</b>	<b>Amortizarion in period</b>	<b>Balance at 31/03/2019</b>
Software licenses	4.139.913	38.625	(401.014)	3.777.524
Trademarks acquired	12.328.216	-	(255.177)	12.073.039
<b>Total Intangibles</b>	<b>16.468.129</b>	<b>38.625</b>	<b>(656.191)</b>	<b>15.850.563</b>

As of March 31, 2020, and December 31, 2019, there are no indications of impairment for intangibles.

## **12. Property and Equipment**

The following is the detail of property and equipment:

	<u><b>March 31, 2020</b></u>	<u><b>December 31, 2019</b></u>
Land	233.215.356	233.215.356
Improvements to third party property	312.866	312.866
Construction in progress (1)	37.802.604	37.284.127
Buildings	222.197.505	222.197.505
Machinery and equipment	10.033.928	10.025.605
Office equipment	9.485.288	8.409.582
Computer and communications equipment	10.186.118	10.003.785
Transport fleet and equipment	265.804	265.804
Accumulated depreciation	(31.257.660)	(29.480.430)
Impairment	(9.928)	(9.928)
	<u><b>\$ 492.231.881</b></u>	<u><b>\$ 492.224.272</b></u>

(1) Construction in progress has an increase mainly in the Office project for \$ 160,783. Likewise, it registers other modernization and improvement projects for \$ 402,231.

The following is the detail of the movement of property and equipment as of March 31, 2020:

<b>Property and equipment</b>	<b>Balance at 31/12/2019</b>	<b>Purchases</b>	<b>Depreciation in period</b>	<b>Transfers</b>	<b>Balance at 31/03/2020</b>
Land	233.215.356	-	-		233.215.356
Improvement to third party property	297.223	-	-		297.223
Construction in progress	37.284.129	518.474	-		37.802.603
Construction and buildings	205.706.918	-	(872.834)		204.834.084
Computers and communications	4.712.094	182.333	(443.518)		4.450.909
Office equipment	5.145.080	1.075.706	(208.673)	(251)	6.011.862
Machinery and equipment	5.797.908	8.322	(248.104)	251	5.558.377
Transport fleet and equipment	65.564	-	(4.097)		61.467
<b>Total Property and equipment</b>	<b>492.224.272</b>	<b>1.784.835</b>	<b>(1.777.226)</b>		<b>492.231.881</b>

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

**Notes to the Condensed Interim Consolidated Financial Statements**

The following is the detail of the movement of property and equipment as of March 31, 2019:

<b>Property and equipment</b>	<b>Balance at 31/12/2018</b>	<b>Purchases</b>	<b>Depreciation in period</b>	<b>Balance at 31/03/2019</b>
Land	234.003.546	-	-	234.003.546
Improvement to third party property	312.325	-	-	312.325
Construction in progress	72.602.486	4.595.920	-	77.198.406
Construction and buildings	170.085.537	-	(765.679)	169.319.858
Machinery and equipment	7.724.746	230.131	(315.288)	7.639.589
Office equipment	6.344.442	123.847	(289.514)	6.178.775
Computers and communications	5.992.828	36.266	(473.621)	5.555.473
Transport fleet and equipment	81.954	-	(4.098)	77.856
<b>Total Property and equipment</b>	<b>497.147.864</b>	<b>4.986.164</b>	<b>(1.848.200)</b>	<b>500.285.828</b>

As of March 31, 2020, and December 31, 2019, there are no restrictions on these assets.

There is no evidence of impairment for each type of asset of the parent and its subordinate as of March 31, 2020 and December 31, 2019.

**13. Investment properties**

The following is the detail of the investment properties:

	<u><b>March 31, 2020</b></u>	<u><b>December 31, 2019</b></u>
Investment property - land construction in progress	270.902.037	\$ 270.852.910

The investment property corresponds in the parent company to the construction of the Hotel project .

The following is the detail of the movement of investment properties as of March 2020:

<b>Investment property</b>	<b>Balance at 31/12/2019</b>	<b>Additions</b>	<b>Balance at 31/03/2020</b>
Land and construction in progress	270.852.910	49.127	270.902.037

The following is the detail of the movement of investment properties as of March 2019:

<b>Investment property</b>	<b>Balance at 31/12/2018</b>	<b>Purchases</b>	<b>Balance at 31/03/2019</b>
Land and construction in progress	241.415.407	9.483.185	250.898.592

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

**Notes to the Condensed Interim Consolidated Financial Statements**

The investment property in the periods ended March 31, 2020 and December 31, 2019 did not present impairment losses that would have affected the income statement. There are contractual obligations originated for the construction of the investment property (See note 14 Financial Obligations and note 18 Contractual Liability with PA Pactia) whose financing component in the course of the year 2020 is carried to results since the construction is in a degree of 99% completion.

As of March 31, 2020 and December 31, 2019, the investment property - land lot, is as a guarantee against the Banks of Bogotá and AV Villas SA, in order to support the loans received in the parent for the capital necessary for the final execution of the Project

**14. Financial Obligations**

The following is the detail of the financial obligations:

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Short term, financial debt	18.463.314	16.956.656
Long-term financial debt	<u>106.920.202</u>	<u>100.686.901</u>
	<u>\$ 125.383.516</u>	<u>117.643.557</u>

The parent increased its financial obligations with Banco AV Villas by \$ 7,000,000, at a rate of IBR + 2.75 EA, disbursed on January 17, 2020 and with Banco Popular by \$ 5,000,000 at a rate of IBR + 1, 5% TV, disbursed on March 30, 2020 and the subordinate with Banco Popular \$ 1,200,000 at an IBR rate + 2.6% TV. On the other hand, in the first quarter of 2020, capital payments were made to Banco AV Villas for \$ 750,000, Banco Davivienda for \$ 523,214, Banco Popular for \$ 1,404,133 and the Chamber of Commerce for \$ 3,000,000. Finally, there is an increase in interest caused by \$217,306.

As of March 31, 2020, and December 31, 2019, the guaranteed obligations in the parent amount to \$ 39,890,100; with Banco de Bogotá \$ 22,576,434 and with Banco AV Villas \$ 17,313,666.

The following is the detail of the interest accrued and paid as of March 31, 2020 and December 2019:

	<b>March 31, 2020</b>		<b>31 de Diciembre de 2019</b>	
	<u>Capitalization</u>	<u>Expense</u>	<u>Capitalization</u>	<u>Expense</u>
Banco Comercial AV Villas S.A	\$ -	703.585	512.984	34.802
Banco Davivienda S.A.	-	169.673	37.450	89.880
Banco Popular S.A.	-	373.239	500.435	150.816
Cámara de Comercio de Bogotá	-	396.172	371.809	117.065
Banco de Bogotá	-	483.697	271.678	-
	<u>\$ -</u>	<u>2.126.366</u>	<u>1.694.356</u>	<u>392.563</u>

During the first quarter of the year 2020 and 2019, interest amounting to \$ 1,880,830 and \$ 2,086,919, respectively.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

**15. Accounts Payable**

The following is the detail of accounts payable:

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Local (1)	947.315	985.597
Foreing	85.508	20.779
To Contractors (2)	3.230.464	6.751.897
Costs and Account Payables (3)	24.505.149	35.842.019
Dividends or Interests Payable	270.950	271.260
Final Tax Withheld at the Source	308.810	1.919.262
Withheld Sales Tax	46.351	-
Withheld Industry and Business Tax	23.080	127.809
Withholding and Payroll Contributions	417.301	682.123
Other Creditors (4)	1.178.432	899.261
Accrued Wages	37.767	10.280
Consolidated Unemployment Fund	56	1.081.610
Unemployment Fund Interests	770	128.481
Consolidated Vacations	418.579	436.335
Extra-Legal Benefits	157.737	161.968
Laboral Obligation (5)	943.802	-
Third-Party Retentions on Contracts	424.113	369.570
	<u>\$ 32.996.184</u>	<u>49.688.251</u>

(1) The decrease corresponds to the payment of accounts payable to suppliers for services provided within the framework of the fairs held in December 2019.

(2) The decrease corresponds to the payment in 2020 of accounts payable to contractors for mainly advertising services provided in December 2019.

(3) The decrease corresponds mainly to the payment in 2020 of audiovisual equipment rental services for events held at the International Convention Center - Ágora in December 2019. Likewise, to the payment of services for the assembly of fairs in the subordinate and profit from associated fairs held in the last months of 2019, both in the parent fairgrounds, and in the Puerta de Oro fairground in Barranquilla operated by the subordinate.

(4) The variation corresponds mainly to the increase in the account payable in favor of Patrimonios Autónomos Fiduciaria Bogotá S.A. for the profits of the International Convention Center - ÁGORA for \$ 858,815. As well as a decrease for the payment of contributions to pension funds owed as of December 31, 2019.

(5) Corresponds to the balance for social benefit provisions for wages paid during the first quarter of 2020.

**16. Income received in advance**

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Deposits received for fairs and events (1)	20.632.637	14.620.819
	<u>\$ 20.632.637</u>	<u>\$ 14.620.819</u>



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

**Notes to the Condensed Interim Consolidated Financial Statements**

(1) Corresponds to deposits received from clients during the period for participation in different fairs; These monies are received up to a maximum of one year in advance, which are applied once the exhibitor's participation in the fair is billed. The increase from one period to another is mainly due to advances received for: The Board of Governors of the IDB 2020 for \$ 1,023,858, International Book Fair for \$ 366,263, Home Fair for \$ 317,216, Bogotá International Fair for \$ 246,280, Alimentec for \$211,631, among others. As well as the income invoiced in advance of the different fairs pending to be executed as the International Book Fair for \$ 1,808,630, Interzum Bogotá \$ 1,757,536, Colombiaplast 2020 for \$ 1,032,010, International Fair of Bogotá for \$ 1,005,439, Construferia Carible for \$ 53,435, among others.

Due to the health emergency declared by the national government where the main impacts are explained in detail in note 24, these fairs have not been canceled, they are scheduled for the second half of 2020 and the first half of 2021 in agreement with both the strategic partners of each of them as with the exhibitors.

**17. Employee benefits and other provisions**

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

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Retirement pension (1)	\$ 2.204.931	2.198.931

(1) The variation corresponds to the recognition of the provision so far this year for \$6.000.

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Estimated Liabilities and Provisions (2)	\$ 5.582.435	5.582.435

(2) Corresponds mainly to contingencies due to labor processes. During the period, there were no changes in the contingency claims for the labor processes in progress, nor were there new processes against or in favor.

**18. Contractual liability**

The following is the detail of the contractual liability:

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Contractual liability (1)	194.277.312	192.075.645

(1) The contractual liability is related to the advance consideration received by the parent of P.A. Pactia, for the construction of the Hotel Project.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

The increase corresponds to the financing component of the construction of the investment property.

The following table presents the composition of the contractual liability with P.A Pactia as of March 31, 2020 and December 31, 2019:

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Contractual liability - P.A. Pactia S.A.	\$ 174.549.354	174.549.354
Financing component (non-monetary item)	19.727.958	17.526.291
	<u>194.277.312</u>	<u>192.075.645</u>

**19. Reserves**

The following is the detail of the reserves:

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Legal Reserve	839.830	839.830
Occasional Reserves	141.370.224	111.076.020
	<u>\$ 142.210.054</u>	<u>111.915.850</u>

At the Shareholders' Meeting of the parent company held on March 31, 2020, recorded in act No. 94, it was determined to increase the amount of the occasional reserve by \$ 30,294,204.

**20. Revenue**

**a) Ordinary Incomes**

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

	<u>January 1 March 31, 2020</u>	<u>January 1 March 31, 2019</u>
Food and Beverages	1.830.886	1.247.134
Real Estate, Corporate and Leasing Activities (1)	667.115	1.501.742
Entertainment and leisure (2)	6.878.345	7.907.552
	<u>\$ 9.376.346</u>	<u>10.656.428</u>

(1) The variation corresponds firstly to the increase due to the completion in the first quarter of 2020 of the Tattoo Music Fest events for \$ 116,115 and others for \$ 551,001. On the other hand, a decrease corresponding to the execution in 2019 of the Ecopetrol, Tecnotelevisión, Shareholders' Meeting events, among others, which were not carried out in 2020 and if in 2019.

(2) So far in 2020, revenues were generated mainly by the Anato Tourist Showcase for \$ 1,425,271, Leather Show for \$ 429,335, Bavaria 2020 Convention for \$ 301,740, Alizanzas y Patrocinios for \$

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

**Notes to the Condensed Interim Consolidated Financial Statements**

335,000, the parking operation for \$ 128,413, between others. As well as the income generated by the Ágora Convention Center for \$ 2,154,333. The variation from one period to the other is mainly due to the decrease in the number of events held at the Ágora Convention Center.

**b) Other Incomes**

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

	<u>January 1 March 31,</u> <u>2020</u>	<u>January 1 March 31,</u> <u>2019</u>
Commissions	7.407	7.969
Recoveries (1)	489.315	137.742
Compensations (2)	75.781	-
Others revenues	15.009	23.669
	<u>\$ 587.512</u>	<u>169.380</u>

(1) Corresponds to the income from the recovery of the accounts payable provision in 2020 for \$ 489,315 and in 2019 for \$ 137,742.

(2) Corresponds to the reimbursement for disability for \$ 75,781.

**c) Financial Incomes**

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

	<u>January 1 March 31,</u> <u>2020</u>	<u>January 1 March 31,</u> <u>2019</u>
Interest	8.920	6.665
Savings account interest	173.356	104.007
Exchange difference (1)	1.128.604	239.304
Discounts	18.508	69.166
Valuation gain on shares	11.303	9.536
	<u>\$ 1.353.587</u>	<u>\$ 428.678</u>

(1) Corresponds to the exchange difference caused by the balances mainly of assets represented in cash and cash equivalents (bank accounts held abroad), as well as accounts receivable from foreign clients. The increase is due to the devaluation of the Colombian peso against the US dollar at the end of the first quarter of 2020.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

**21. Expenses**

**a) Administration Expenses**

The following is the detail of administrative expenses, for the three-month periods ended on:

	<u>January 1</u> <u>March 31,</u> <u>2020</u>	<u>January 1</u> <u>March 31,</u> <u>2019</u>
Payroll	5.568.211	5.100.070
Fees	245.726	161.486
Taxes	612.066	441.062
Leases	53.090	56.688
Contributions and affiliations	114.117	393.892
Insurances	85.814	98.043
Services (1)	1.323.814	1.170.440
Legal Expenses	61.101	33.030
Maintenance and repairs	533.399	528.897
Compliance and Installation	244.677	254.996
Travels expenses	39.461	49.895
Depreciations	1.777.226	1.848.200
Amortizations	737.756	656.191
Sundry	536.040	283.266
impairment of accounts receivable	-	-
Other (2)	1.019.494	1.848.856
	<u>\$ 12.951.992</u>	<u>12.925.012</u>

(1) Corresponds mainly to cleaning and surveillance expenses of \$ 700,072. As well as expenses for public services for \$ 488,378.

(2) Corresponds in the matrix to the provision of expenses not invoiced by suppliers and contractors for services performed for events carried out in the first quarter for \$ 160,679. Likewise, to the expenses of the operation of the Agora International Convention Center for \$ 858,815.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

**b) Selling Expenses**

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

	<u>January 1</u> <u>March 31,</u> <u>2020</u>	<u>January 1</u> <u>March 31,</u> <u>2019</u>
Payroll	1.284.533	1.342.541
Taxes	524	224
Fees	188.361	184.768
Leases (1)	749.267	676.195
Contributions and affiliations	45.000	-
Insurances	32.933	651
Services (2)	1.143.980	1.026.288
Maintenance and repairs	15.014	15.637
Compliance and Installation (2)	235.483	294.239
Travels expenses	52.336	85.061
Sundry	199.479	555.764
Other (3)	456.803	293.545
	<u>\$ 4.403.713</u>	<u>4.474.913</u>

(1) Corresponds mainly to the rental of sound and video equipment for the execution of the fairs and events held in the first quarter. As well as the rental in the subordinate of forklift equipment and recording machines, mainly for the execution of the IDB 2020 Governors Assembly event.

(2) Corresponds to the expenses of adaptations and electrical installations of the fairgrounds for the optimal execution of the fairs and events carried out in the first quarter.

(3) Corresponds to the provision of expenses not invoiced by suppliers and contractors for services performed for fairs held in the first quarter.

**c) Other Expenses**

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

	<u>January 1</u> <u>March 31,</u> <u>2020</u>	<u>January 1</u> <u>March 31,</u> <u>2019</u>
Other Expenses (1)	589.979	400.842
	<u>\$ 589.979</u>	<u>400.842</u>

(1) Corresponds mainly in the matrix to the donation made on January 20, 2020 for \$ 250,000 to the Bureau of Conventions of Bogotá and Cundinamarca and other expenses of \$ 339,979.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

**d) Financial Expenses**

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

	<u>January 1 March 31,</u> <u>2020</u>	<u>January 1 March 31,</u> <u>2019</u>
Bank charges	8	-
Commissions	26.270	28.506
Interest (1)	4.335.184	394.759
Exchange difference	68.984	235.629
Others	2.697	2.528
	<u>\$ 4.433.143</u>	<u>661.422</u>

(1) The increase corresponds mainly to interest on contractual liabilities with Patrimonio Autónomo P.A. Pactia for \$ 2,201,667 so far in 2020, which are recognized with a charge to results considering the degree of completion of construction. Likewise, to interest on bank loans for \$ 2,126,366 in 2020 and for \$ 392,563 in 2019, derived mainly from the new loans granted. Lastly, it corresponds to interest for consumption by credit cards for \$ 7,152 in 2020 and for \$ 2,195 in 2019.

**e) Income Tax Expense**

Income tax expense is recognized based on management's best estimate of both current income tax and deferred income tax. The effective tax rate for continuous operations for the three-month period ended March 31, 2020 was (5.37%) and for 2019 (3.69%), taking into account that for the aforementioned periods, It is generating an accounting and tax loss in both the parent and the subordinate.

The income tax for 2020 for \$ (627,473) and for 2019 for \$ 284,141, corresponds to the update of the deferred tax of the parent and the subordinate and to the expense by the special system of presumptive income of the subordinate for 2020 for \$ 1,824 and for 2019 for \$ 6,498.

The decrease in income tax expense is mainly generated in the Parent Company due to the adjustment in the measurement of the deferred tax liability on the investment in the CICB Autonomous Equity.

**f) Entities Result for the Period**

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

	<u>January 1 March 31,</u> <u>2020</u>	<u>January 1 March 31,</u> <u>2019</u>
Loss participation method	\$ 82.925	227.367
	<u>(82.925)</u>	<u>(227.367)</u>

The balance of the first quarter of 2020 is represented by the loss of the application of the participation method in the CICB International Center Autonomous Heritage for \$ 82,925.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

**g) Impairment of Accounts Receivable, Net**

The following is the detail of the impairment of accounts receivable, for the periods of three-month periods ended on:

	<b>January 1    March 31,</b> <b>2020</b>	<b>January 1    March 31,</b> <b>2019</b>
Impairment recovery income	661.460	595.434
Impairment loss	843.130	756.695
	<b>\$            (181.670)</b>	<b>\$            (161.261)</b>

**22. Related Parties**

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

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
Controlling interest - Cámara de Comercio de Bogotá (1)	\$            293.709	418.540
Key management personnel	132.745	130.752
Associate -Patrimonio Autónomo CICB (2)	3.103.450	3.086.669
Capital interest - Alpopular Almacén General de Depósitos S.A.	163.836	500.273
Shareholders (3)	1.243.600	153.690
Other related parties	189.355	371.291
	<b>\$            5.126.695</b>	<b>\$            4.661.215</b>

(1) Corresponds to the account receivable for the liquidation of the mandate contract of the Bogotá Madrid Fusion event for \$ 248,532 and the account receivable for participation in the Foro M event held at the Agora International Convention Center for \$ 45,177.

(2) The balance and the variation correspond to the withholdings declared for \$ 952,679 that Corferias as agent of the Autonomous Heritage of the International Convention Center Bogotá - Ágora acts as withholding agent in the payment of taxes in accordance with the tax regulations and the remuneration of \$ 2,150,771 that Corferias has as an Operator of the International Convention Center.

(3) Corresponds mainly to the account receivable from the Colombian Association of Plastic Industries for participation in the Colombiaplast 2020 event in March.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

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

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Controlling interest - Cámara de Comercio de Bogotá (1)	\$ 30.557.978	34.746.775
Associate -Patrimonio Autónomo CICB (2)	10.446.286	10.446.286
Capital interest - Alpopular Almacén General de Depósitos S.A.	-	25.197
Key management personnel	120.763	460.869
Directors	-	21.347
Shareholders	321.674	126.124
Other related parties	2.694	137.214
	<u>\$ 41.449.394</u>	<u>45.963.812</u>

(1) Corresponds mainly to the loan from the Bogotá Chamber of Commerce with a balance as of March 31, 2020 for \$ 30,000,000 and as of December 31, 2019 for \$ 33,000,000.

(2) Corresponds to the results of the development of the operation of the ÁGORA International Convention Center for the year 2019 and 2018, which are registered by Corferias as its operator, these resources will be delivered to Fiduciaria Bogotá as administrator of the Autonomous Heritage.

Expenses for services received, transactions with related parties:

	<u>January 1 March 31, 2020</u>	<u>January 1 March 31, 2019</u>
Controlling interest - Cámara de Comercio de Bogotá	\$ 399.826	120.536
Key management personnel (1)	763.270	694.620
Capital interest - Alpopular Almacén General de Depósitos S.A.	2.398	3.465
Directors	37.392	26.809
Shareholders	226.007	189.047
Other related parties	10.838	-
	<u>\$ 1.439.731</u>	<u>1.034.477</u>

(1) Corresponds to the payroll expenses of the staff belonging to the parent's steering committee.

Income from the provision of services and other income, transactions with related parties:

	<u>January 1 March 31, 2020</u>	<u>January 1 March 31, 2019</u>
Controlling interest - Cámara de Comercio de Bogotá	\$ 37.964	-
Associate -Patrimonio Autónomo CICB	-	41.446
Key management personnel	2.292	2.201
Capital interest - Alpopular Almacén General de Depósitos S.A.	46	-
Shareholders (1)	1.251.649	30.275
Other related parties	83.296	-
	<u>\$ 1.375.247</u>	<u>73.922</u>

(1) Corresponds mainly to the participation of the Colombian Association of Travel and Tourism Agencies Anato in the Anato Tourist Showcase Fair.



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

**Notes to the Condensed Interim Consolidated Financial Statements**

Investments, with related parties:

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
Associate - Patrimonio Autonomo Centro Internacional CICB	\$ 65.039.178	78.081.702
Capital interest - Alpopular Almacén General de Depósitos S.A.	13.972.736	13.972.736
	<u>\$ 79.011.914</u>	<u>92.054.438</u>

### **23. Contingencies**

So far in 2020 there were no changes in contingencies.

As of March 31, 2020, the parent has the following contingencies:

- By trademark registration processes, such as Agroexpo, International Book Fair and Meditech. These processes are qualified as possible.
- Due to legal and tax processes with the Directorate of National Taxes and Customs for Income Tax and Complementary Taxable Year 2009. The process on this matter is in the category of possible.
- Finally, twenty-four labor processes are currently under way in the judicial offices, through which the plaintiffs seek to declare that the link that existed between each of them and the parent company was governed by an employment contract and that, as a consequence of the above, the parent company is ordered to pay the claims. They are classified within the probable category and record provisions.

The subordinate does not have contingencies as of March 31, 2020.

### **24. Subsequent Events**

During the first quarter of 2020, Resolution No. 385 of March 12, 2020 was issued by the National Government, with which the health emergency was declared due to Covid-19, which initially goes until next May 30, 2020, which established a ban on holding events with a capacity of more than 500 people.

In addition to this risk, related and related to it, it was established in the aforementioned Resolution that the District and Departmental authorities should evaluate the issue with respect to meetings with capacities of less than 500 people, for which the National Government and the Capital District again decided that meetings or events of more than 50 people would not be held and the preventive mandatory quarantine was decreed, aspects all of which began to limit the parent and the subordinate in terms of:

- (i) Execution of the activities of its corporate purpose, such as the holding of fairs, conventions and events of various kinds, which involve the participation of a very considerable number of people, not only as visitors, but also as exhibitors.
- (ii) Lease their spaces to third parties to carry out events or meetings of those public and private third parties.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

Because of these risks, it generates:

A. Initially, until May 30, 2020 the matrix will not be able to develop the 4 fairs that were scheduled for this first semester of the year, according to the initially defined fair calendar, as well as the events that were scheduled in the Ágora Convention Center for said period by public and private third parties. Similarly, in the subordinate for fairs and events that were scheduled at the Puerta de Oro fairground in Barranquilla and the Gran Tent Americas.

B. Regarding the income of the parent company and subordinate, which come mainly from the development of the realization of fairs, conventions and events of various kinds and the leasing of their spaces, and as they cannot develop these activities for several months of the first semester of the year, the income will be diminished and therefore there will be a decrease in the cash flow required to meet its recurring expenses and the indebtedness that has been acquired by the two entities to carry out large-scale projects, such as adjustments and improvements to the infrastructure of the fairground and its perimeter malls, investment in the Hilton Corferias Hotel project and in Ágora Bogotá; therefore the matrix established the following action plans:

Once this risk and its possible consequences have been identified, the parent company as its subordinate, have taken the following actions aimed at mitigating them:

1. Abstention from holding massive events between the months of March and May 2020, in response to the issuance of legal provisions by the National Government, starting with the reprogramming in the matrix of the Book Fair and both in the matrix and in the subordinate, the revision of the calendar of the other fairs and events of the first semester.
2. Once circulars have been issued by the Ministry of Labor and Health, regarding all alternatives to personnel management and based on the measures adopted regarding the management and prevention that should be given to COVID-19 and once authorized the Free Zones, by order of the Ministry of Commerce, Industry and Tourism, so that their employees provide their services outside this area, the parent company and its subordinate, aware of what this situation represents for the health of the entire Colombian population, decided that its employees carried out their activities through work at home, and they had the electronic means and tools to maintain the continuity of services and the access of their personnel to carry out their work.
3. The parent company and its subordinate were authorized by their control bodies to allocate both the Bogotá fairground and the Puerta de Oro fairground so that the country's hospital capacity could be expanded under the leadership of the national government and in coordination with the territorial entities during the duration of the suspension by the Government regarding massive events, for which reason the administration was authorized to sign all the acts and contracts that were required to fulfill this task. The Board of Directors of the parent company also authorized and empowered the Administration to request the credits and carry out all the activities tending to obtain them, in order to fulfill its corporate purpose, attending to all the needs and situations that need to be overcome and assume for its effective compliance.
4. The General Assembly of Shareholders decided not to distribute profits for the 2019 financial year, in order to support the parent company in the challenges and situations that lie ahead due to the declaration of social, economic and health emergency, and that while the Banning large format events limit income generation.
5. Faced with the study and analysis of the situation, a Shock Plan is being adopted to reduce expenses given the measures adopted by the National Government in March and so far in April, and based on the conditions presented Due to the impact of COVID-19 in the country and especially, due to the measures taken by the National Government regarding the cancellation of all kinds of events, the following activities will be adopted:

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

**Notes to the Condensed Interim Consolidated Financial Statements**

- i) The salary increases are suspended for all personnel whose remuneration exceeds the current monthly minimum wage.
  - ii) Not hiring vacant positions.
  - iii) Once the review of the plant that accompanies us has been carried out under the fixed term contracting modality, they will be fulfilled in accordance with their agreed maturities.
  - iv) Holidays are being granted for all personnel who are entitled to them, verifying the possibility of bringing a vacation period forward, in order to concentrate all the work and productive capacity of the personnel for the second half of the year.
  - v) The suspension of any trip by officials of all levels and to any destination.
6. As an internal measure, both the parent and the subordinate are in an expense review process, for which it has established in the Shock Plan, in order to generate the greatest possible savings in all areas of the company, So:
- i) The closure of the facilities that are not in use,
  - ii) The reduction of surveillance and cleaning services when appropriate,
  - iii) The renegotiation of suppliers and contractors to temporarily suspend their contracts, if applicable,
  - iv) The suspension of any investment planned to be made, except for those investments that are totally necessary and indispensable for the continuity of the business.
7. The parent company and its subordinate have been developing a judicious process of reviewing the fair calendar in order to determine which fairs and events could be postponed and / or rescheduled and thus resume activities during the second half of 2020, in case that the public health conditions and the provisions of the National and District Government so allow. This study of postponement and / or reprogramming of fairs and events is being carried out under relevant criteria such as contribution margin, importance of the country and / or sector of the event, institutional importance, international calendar, among others. Therefore, the publication of the respective fair calendar will be carried out once its final version is available and all the variables being studied have been harmonized.
8. Structuring of an initiative that involves the development of a virtual platform, through which the exhibitor could display their products and / or services, through a virtual fair in which both exhibitors and visitors can exchange products or services and in this way way to meet your needs, without involving physical contact. This pilot test will be carried out on some of the fairs scheduled for the second semester of 2020, which is under study and validation, for which the stock market and public opinion will be informed.

Once the public health situation is overcome, the economy will begin a reactivation process, for which Corferias will put all its efforts presenting itself as the favorable scenario so that both the supply and demand for products are in one place, that is why that it will increase its efforts in the promotion and commercialization of fairs and events at a national and international level, carrying out the activities of its corporate purpose.

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

**Notes to the Condensed Interim Consolidated Financial Statements**

**25. Approval of the Condensed Interim Consolidated Financial Statements**

The condensed interim consolidated financial statements at March 31, 2020, attached, were approved by the Legal Representative and the Chief Accountant on April 30, 2020.