

4<sup>th</sup> Quarter of 2022:

# Concessions Business



## ► **QUARTERLY EARNINGS REPORT**

**4th quarter 2022**

March, 2023

## Consolidated Results 4Q2022

In 4Q2022, Odinsa received prefeasibility approval from the National Infrastructure Agency for its El Dorado Max Private Initiative, which advances thus to the feasibility stage. This initiative intends to expand and improve the existing infrastructure of El Dorado Airport to increase its capacity from 40 million passengers per year to 60 million passengers per year with a new terminal, more parking positions, extension of the north runway, and expansion of the cargo terminal. The Capex for the initiative is approximately USD 2.1 million. This will be an efficient solution to maximize use of the El Dorado Airport's current terminal and is a key project for the development of the country and the region.

In 4Q2022, traffic on most assets increased significantly compared with 2021, which allowed us to end the year with positive results. During the fourth quarter, roadway concession reported 10.4 million vehicles in total traffic vs. 10.1 million vehicles in 2021, an increase of 2%. Passengers through the airport concessions increased 23% in 4Q2022, from 8 million passengers in 2021 to 11 million passengers in 2022.

## Consolidated Results 4Q2022

Before explaining the results of the quarter, that were very positive, it should be remembered that conclusion of the roadway platform business with MAM is generating (as of June this year) changes in the way Odinsa books accounting results for the 4 roadway concessions included under the platform. This is because Odinsa is no longer a direct shareholder in these roadway projects, and is now an investor in a Private Equity Fund, which, in turn, invests in these projects.

These changes imply deconsolidation of the following roadway concessions: Autopistas del Café (including its construction consortium), Malla Vial del Meta and Túnel Aburrá Oriente. These will begin to be recorded under a single entry included in Odinsa's Financial Statements using the equity method to book its share of returns from the Private Equity Fund. This will also happen once precedent conditions for operating the airport platform are achieved. Grupo Argos currently consolidates the El Dorado airport concession. Once the transaction has been concluded, Grupo Argos will cease consolidation and Odinsa will carry the results of the asset using the equity method to book its share of returns from the Private Equity Fund.

Starting to analyze 4Q results, Odinsa booked COP 3 billion in consolidated revenue during the fourth quarter of 2022 arising from revenues from its share in the private equity fund and booked under the equity method.

Only revenues from Green Corridor are registered in the roadway concession segment, as it is the only concession it continues consolidating after conclusion of the roadway vertical in June. During the fourth quarter, Green Corridor reported COP 6 billion in revenue.

It should be highlighted that revenue has increased for most of the roadway concessions, for a total of COP 273 billion (18% YOY). This is mainly explained by traffic recovery and, in the case of MVM, by construction revenues, as it began construction work during 2022.

Finally, Odinsa obtained positive Revenue, EBITDA, and Net Income from the airport segment via the Equity Method (EM), resulting from increasing passenger traffic. This segment contributed about COP 23 billion to the quarter's results as of September 2022, approximately COP 4 billion more than the same period the previous year. It should be mentioned that Opain's results, despite being very positive, do not contribute to Odinsa's results due to an accounting decision made in 2021 under which this assets' results will only begin to be recorded in Odinsa's results once its equity ceases to present negative values. This is expected to occur in 2023.

EBITDA for 4Q2022 has a variation of 112% YOY, with a value of COP 30 billion. This increase is mainly explained by the early termination of the Autopistas del Nordeste and Boulevard Turístico del Atlántico concessions in the last quarter of 2021. The airport segment contributed COP 23 billion (+25% YOY) to EBITDA, in line with the revenue mentioned previously. Comparisons to 2021 are affected by the roadway vertical and the accounting effects mentioned before.

Net Income to the Controlling Interest increased by approximately COP 124 billion in 4Q2022 compared to the same period the previous year (COP -191 billion in 4Q2022). Due to the effects of the divestment of the two concessions in the Dominican Republic.

The company's consolidated financial debt ended the third quarter at COP 631 trillion, a reduction of 76% compared to the year before. This reduction corresponds mainly to early payment of debt belonging to Odinsa Holding and Odinsa SA for close to COP 1.2 trillion and deconsolidation of the debt in Autopistas del Nordeste, Boulevard Turístico del Atlántico, and the roadways transferred to the Private Equity Fund.

Compared to 4Q2021, debt costs in COP showed decreased 187 basis points, due to the deconsolidation of the debt in pesos of the concessions and prepayment of debt belonging to Odinsa Holding and Odinsa S.A. Debt costs in USD increased 337 basis points, explained by increased indexation rates.

The balance for separated debt was COP 424 billion at the end of 4Q2022, 73% lower than at the same cut-off date the previous year.

Results for the third quarter compared to the same period the previous year can be found below:

**Results 4Q2022**

Millions of COP	Q4 2022	Q4 2021	Var YOY	Dec-22	Dec-21	Var YOY
Revenue	26,786	195,630	-86%	515,358	918,402	-44%
Ebitda	30,112	-244,745	112%	501,059	235,973	112%
Net Income	102,328	-304,007	134%	429,261	-134,526	419%
Majority holding	124,474	-191,443	165%	432,142	-91,882	570%

\* Revenue includes eliminations and other adjustments between businesses.

**Roadway concessions in operation****AUTOPISTA DEL CAFÉ - AKF**

*Colombia*

*Term: 30 years (1997 - 2027)*

*Guaranteed minimum revenues*

*FCP Odinsa Vías*

This concession reports total traffic of 3.7 million vehicles for 4Q2022, a decrease of -6.5% YOY explained mainly by reductions in category 5, 6 and 7 vehicles as a result of the Pacifico 1 project.

Revenue decreased 6% YOY (COP 67 billion vs. COP 72 billion reported the previous year), due to reduced traffic numbers. EBITDA for the concession increased of 10% due to lower operating costs. Net Income decreased 99% YOY due to increased financial expenses and considerable tax increases.

Millions of COP	Q4 2022	Q4 2021	Var YOY	Dec-22	Dec-21	Var YOY
Total Traffic	3,760,915	4,020,779	-6.5%	14,301,889	13,390,297	7%
Average Daily Traffic ADT	40,880	43,705	-6.5%	39,183	36,685	7%
Revenue	67,048	71,654	-6%	262,043	252,328	4%
Ebitda	7,549	6,883	10%	85,421	84,977	1%
Net Income	33	4,366	-99%	39,359	57,156	-31%

\*Average Daily Traffic (ADT) expressed in vehicles per day.

**CONCESIÓN TÚNEL ABURRA ORIENTE***Colombia**Estimated maturity: 2037 (based on Expected Income (EI) fulfillment)**Revenue from toll collection**FCP Odinsa Vías*

Traffic increased 12% YOY on this concession compared to 4Q2021, with 3.7 million vehicles. ADT growth from 36 thousand to 40 thousand vehicles per day compared to 4Q2021 provides evidence of solid demand for transportation and connectivity between the valleys, as well as service levels on the concession and an evident improvement in airport traffic associated with the José María Córdoba Airport.

Revenue increased 26%, EBITDA 68%, and Net Income 154% YOY in 4Q2022. Higher revenues are a result of increased traffic, COVID compensation (AMB 52), and accounting revenue from accounts receivable from the Government. The rate of the latter increased as they are indexed against the CPI, increasing their value compared to the same period the year before. Operating expenses also decreased during the fourth quarter of 2022.

Millions of COP	Q4 2022	Q4 2021	Var YOY	Dec-22	Dec-21	Var YOY
Total Traffic (millions)	3,709,753	3,322,821	12%	13,828,430	10,640,463	30%
Average Daily Traffic ADT	40,323	36,118	12%	37,886	29,152	30%
Revenue	70,287	55,836	26%	233,967	180,872	29%
Ebitda	53,218	31,647	68%	177,508	112,592	58%
Net Income	17,511	6,904	154%	51,186	35,397	45%

\*Average Daily Traffic (ADT) expressed in vehicles per day.

**CONCESIÓN LA PINTADA***Colombia**Term: subject to compliance with a VPIP with a maximum term of 29 years (2043)**Present Value of Toll Revenue (VPIP, in Spanish)**FCP Odinsa Vías*

Traffic on this concession decreased 8% YOY during 4Q2022, reaching 664 thousand vehicles.

Revenue increased 27% YOY and EBITDA increased 28% YOY, due to increased accounting revenue. This project is a financial asset where its revenues are equal to costs plus an accounting margin, according to specific standards (IFRS 15). However, Net Income decreased 185% YOY as a result of higher financial expenses related to debt in USD and COP due to higher interest rates (Libor and UVR respectively).

It should be noted that, under the concession agreement, cashflow for this concession's debt in dollars is naturally covered by the payment of future terms.

Millions of COP	Q4 2022	Q4 2021	Var YOY	Dec-22	Dec-21	Var YOY
Total Traffic (millions)	664,668	721,847	-8%	2,563,074	2,515,362	2%
Average Daily Traffic ADT	7,225	7,846	-8%	7,022	6,891	2%
Revenue	103,014	80,872	27%	317,279	316,169	0%
Ebitda	77,581	60,841	28%	263,450	241,781	9%
Net Income	-5,069	5,949	-185%	28,423	62,253	-54%

\*Average Daily Traffic (ADT) expressed in vehicles per day.

**GREEN CORRIDOR***Aruba**DBFM (Design, Build, Finance & Maintain) type contract**Guaranteed quarterly compensation subject to service indicators**Odinsa Share: 100%**Construction work duration: 30 months**Maintenance: 18 years**Form of Payment: Once the works are completed, the state will make quarterly payments for 18 years. Payments equal 130 million guilders at the January 2011 exchange rate (USD 73 million)*

Comparing 4Q2022 to the same period of the previous year, there is a -46% decrease in revenues, and an annual variation of -4%. Considering that the Gross Availability Payment has been received without delay, financial revenues tend to decrease each year.

Millions of USD	Q4 2022	Q4 2021	Var YOY	Dec-22	Dec-21	Var YOY
Revenue	1.117	1.913	-42%	7.782	8.071	-4%
Ebitda	0.269	1.046	-74%	4.848	5.098	-5%
Net Income	-0.654	0.160	-509%	0.547	1.022	-46%

## Roadway Concessions under Construction

**MALLA VIAL DEL META***Colombia**Private initiative PPP**No guaranteed traffic**FCP Odinsa Vías*

Under the concession agreement, the company continues operating and maintaining the entire corridor under the concession and, therefore, receiving 47.7% of tolls collected from UFO.

Average daily traffic on the concession was 24 thousand vehicles during 4T2022 and total traffic was 2.3 million vehicles, a YOY increase of 7% compared to 4Q2021. Revenue increased by 44% YOY due to construction revenue, UFO remuneration and UFO rate differential offset. On the other hand, EBITDA decreased by 37% YOY and Net Income decreased 28% YOY compared to the fourth quarter of the previous year, mainly due to construction costs.

Millions of COP	Q4 2022	Q4 2021	Var YOY	Dec-22	Dec-21	Var YOY
Total Traffic (millions)	2,282,257	2,133,564	7%	8,461,803	7,489,725	13%
Average Daily Traffic ADT	24,807	23,191	7%	23,183	20,520	13%
Revenue	32,387	22,419	44%	130,667	80,279	63%
Ebitda	7,337	11,677	-37%	34,490	28,149	23%
Net Income	4,658	4,747	-2%	22,238	18,610	19%

\*Average Daily Traffic (ADT) expressed in vehicles per day.

**Airport Concessions****OPAIN***Colombia**Term: 20 years (2007 – 2027)**Royalty (% total revenue): 46.2%**Odinsa + GA Share: 65%*

Airport results continued to improve during the fourth quarter of 2022, which surpassed both domestic and international traffic levels for 2019.

9.8 million (+21% YOY) total passengers were reported in 4Q2022, 6.7 million of which were domestic passengers (+12% YOY) and 3.1 million of which were international (+45% YOY).

Revenues were COP 426 billion (+41% YOY), EBITDA COP 158 billion (+48% YOY), and Net Income was positive, equal to approximately COP 45 billion (+62% YOY). These results reflect the airport's solidity with considerable revenue growth, deriving both from an increasing number of passengers boarded and from airport tax payments related to route reorganizations and the commercial strategies of new airlines entering the market, including, JetSmart, Sky Airline, Volaris, and Plus Ultra with a new Bogota-Madrid route.

Variations in regulated revenues are explained by passenger traffic dynamics. International and national airport tax revenues, and parking and boarding bridge rights are highlights.

Growth is less accelerated in unregulated revenues. However, Duty Free, Food and Beverages, and commercial premises have made a significant recovery in line with the recovery in airport traffic, and this is reflected by EBITDA and Net Income.

	Q4 2022	Q4 2021	Var YOY	Dec-22	Dec-21	Var YOY
<b>Passengers:</b>	<b>9,824,171</b>	<b>8,115,336</b>	<b>21%</b>	<b>36,375,366</b>	<b>22,672,949</b>	<b>60%</b>
Domestic	6,701,252	5,967,206	12%	24,823,898	17,415,965	43%
International	3,122,919	2,148,131	45%	11,551,468	5,256,985	120%
<b>Revenue (Millions of COP) <sup>2</sup></b>	<b>426,093</b>	<b>302,274</b>	<b>41%</b>	<b>1,502,555</b>	<b>828,156</b>	<b>81%</b>
Regulated	315,282	219,705	44%	1,101,348	576,490	91%
Non-Regulated	110,811	82,569	34%	401,207	251,666	59%
<b>Ebitda (Millions of COP)</b>	<b>158,291</b>	<b>106,841</b>	<b>48%</b>	<b>537,328</b>	<b>234,142</b>	<b>129%</b>
<b>Net Income (millions of COP)</b>	<b>45,245</b>	<b>27,977</b>	<b>62%</b>	<b>137,420</b>	<b>1,105</b>	<b>12336%</b>

<sup>2</sup> This revenue includes regulated, unregulated, construction, and other operating concepts associated with the concession. The figures reported may suffer variations compared to those presented previously due to differences in results presentation times.

**QUIPORT***Ecuador**Term: 35 years (2006 – 2041)**Royalty (% regulated income): 11%**Odinsa Share: 46.5%*

During the year 2022, 4.3 million passengers on domestic and international flights travelled through the Mariscal Sucre International Airport. This was a recovery of 86% compared to 2019 traffic (before the Covid-19 pandemic), which was more than 5 million passengers. Total passengers increased 47% YOY in 4Q2022 compared to the same period the year before, reaching 1.2 million passengers. There was a positive variation of 58% YOY in domestic passengers and 35% YOY in international passengers.

Increased Revenue (+29% YOY), Ebitda (+34% YOY), and Net Income (+49% YOY) for the quarter is due to increased passenger numbers, especially domestic passengers, resulting from the recovery of internal traffic and the commercial operations of the airport team that have opened new routes to the country's interior. During 2022, Quiport paid dividends of USD 144 million (+42% YOY), a clear example of the assets recovery and financial strength.

	Q4 2022	Q4 2021	Var YOY	Dec-22	Dec-21	Var YOY
<b>Passengers:</b>	<b>1,203,216</b>	<b>818,461</b>	<b>47%</b>	<b>4,329,888</b>	<b>2,368,102</b>	<b>83%</b>
Domestic	686,508	434,642	58%	2,484,132	1,152,342	116%
International	516,708	383,819	35%	1,845,756	1,215,760	52%
<b>Revenue (thousands of USD)</b>	<b>41,015</b>	<b>31,908</b>	<b>29%</b>	<b>152,386</b>	<b>109,475</b>	<b>39%</b>
Regulated	28,690	21,451	34%	105,290	73,497	43%
Non-Regulated	11,063	8,520	30%	39,706	27,640	44%
Other Revenue	1,262	1,937	-35%	7,390	8,338	-11%
<b>Ebitda (thousands of USD)</b>	<b>27,945</b>	<b>20,796</b>	<b>34%</b>	<b>108,998</b>	<b>72,666</b>	<b>50%</b>
<b>Net Income (thousands of USD)</b>	<b>7,649</b>	<b>5,146</b>	<b>49%</b>	<b>36,155</b>	<b>8,214</b>	<b>340%</b>