



CORFICOLOMBIANA

3Q25 Earnings Call

Transcript

Diego Buitrago (*Investor Relations Officer*): Good morning. Welcome to the results call on third quarter 2025. The information has been published on our website. This conference call is being transmitted through Zoom and we have simultaneous interpretation into English. To change your language, you can select the language options and the platform and select English. At the end of the presentation we will have a Q&A session. Please use the Q&A functionality in the platform. Please identify yourself with your name and the entity you represent, or what kind of stakeholder group you represent, or whether you are independent investors. I will give the floor to Milena López, Corfi's CEO.

Milena López (*Chief Economic Officer*): Good morning everyone and thank you for joining us in this call and results for the third quarter. Let me tell you a little bit about our results, then some relevant facts and then some details on the sectors we operate in. When we see the figures for the close of the quarters we see consolidated revenues for COP9.3 trillion, with a higher level of revenue and energy and gas offsetting lesser revenue from the previous period. We have COP9.35 trillion which is marginally less than what we had in the previous period. And the big difference that we have in the differences vis a vis what we viewed in the third quarter accumulated year where we have a consolidated net revenue with a controlling component of COP340 billion, which is an increased vis a vis what we had last year.

We have better treasury margins and we will tell you a little bit more about this later with the cumulative for this year we have COP380 billion with a substantial improvement vis a vis what we had for the same period last year. What were the main drivers for these results? Let me start with the treasury margin. If you remember, we have had a lag in treasury, but for this year we are turning around and we start to view positive results in treasury. We are arriving at the third quarter of 2025 with a positive margin over COP26 billion compared to this quarter last year. This is one of the main changes in the results that we are seeing in the cumulative results this year. Second, key topic: interest and indebtedness. We have two issues here. First of all, the consolidated funding cost has decreased significantly from 12.12% rate to 10.31%. So we are paying less interest and at the same time we're doing this over a debt balance that is less than what we had last year.



So at the close of September this year we are starting with almost COP7 trillion against COP7.5 trillion last year. By the end of the year we will have a slight increase, but it will still be under the figure that we had last year. This leads us to accumulate bigger cash levels. This leads us with a double leverage indicator of 145.1%, which is an important decrease from what we had at the same period last year. And when we take a look at the interest for the debt that is funding our investments, we can see an important reduction in costs where we go from COP671.5 billion to COP555 billion. So the interest expense is driving the results in the year.

Some key facts. Let me start with the world of energy and gas, where SPEC continues to be an important asset for the country. In September there's an expansion in our plant, so we make 25 million cubic feet per day (MMcf/d) available to the network. This is important when we are requiring imported gas for the national system. LNG regasified by SPEC has accounted for 19% of national gas consumption. So this is a material asset to industries and homes which are using this source of energy for their electrical needs. From October 10th to the 14th, we carried out our scheduled maintenance and our SPEC plant. It took a bit longer than expected, but it was finished successfully. So we fulfilled our maintenance plan for the year. This is something important that we need to carry out every year in order to secure the reliability of the system.

We had the 26th edition of the Flexor publication on natural gas analyzing the milestones, challenges and opportunities in the country. We would like to invite you to take a look at it. To those of you who are interested in the natural gas market in Colombia. Now regarding energy, we have reached an agreement with Petromil to develop a project with an installed capacity of 1.4 megawatts peak. Surtigas has been very active here. Together with Plaza Noventa center photovoltaic solar plant was inaugurated in Turbaco, Bolivar. So we continue to increase our presence in solar energy going forward. This is an area of interest for future investments, which we will continue to do.

In terms of infrastructure, the most relevant fact would be what happened at kilometer 18 of the road to the Llanos region. If you remember, on November 7th there was a significant landslide by the road. The road was blocked. We worked hard over the following weeks in order to open an alternate bypass in order to open access. However, the bypass is a single lane solution. It's not a structural solution. As with all 4G contracts for infrastructure, the biological risk is shouldered by the nation. So attention should be funded by the state. INVIAS has been carrying out works in order to secure the mountain, clean up what happened with the landslide and open access to the road. Hopefully during the next weekend the road will be open. INVIAS is paving routes over the affected segment. So during the weekend we should have access to the affected road now.



Regarding important acknowledgments, Corficolombiana was acknowledged among the top 100 companies with the best reputation in Colombia, climbing 12 positions. Forbes Columbia included Corfi in 50 leading companies in sustainability where we showcase our commitment to sustainability and development in the country. Sustainability to us is our central axis and our strategy. So we are highly satisfied about this accolade as well as the acknowledgement that we got from equity and inclusion rankings. This is part of our central access as well.

On the 12th of this month we had our Corfi Sustainability awards where we acknowledged the work of different suppliers both for Corfi and for our affiliates carrying out sustainability initiatives for the projects. We had 12 companies receiving these accolades, thereby ensuring sustainability not just from Corficolombiana, but also through the warranty of the value chain of Corficolombiana and its affiliates. It was a beautiful initiative. And finally, in terms of sustainability, two weekends ago the Corfi foundation organized the Magic Festival in Ambalema. This is an event that we carry out with local actors. What we're doing is leveraging Ambalama as a sustainable destination in the country. This is an event that will happen in future years. We hope that you visit Ambalema to be part of this initiative to highlight a municipality by the river, the Magdalena River. We will continue to work on this in future years. And now Gustavo has the floor.

Gustavo Ramírez (Executive Vicepresident): Hello, good morning. This is an overview of our results as of September. We will have the information in detail later. But you might remember last year we had lower infrastructure indices due to the culmination of the building stage in our main concessions. This is offset by the good performance in Promigas and our energy sector through the regasification of the transport sector. And we had higher interest rates. This year the story is changing. High infrastructure started to increase and we've seen results so far. We are starting to see the cash outs and the cash ins from the projects that are ending construction. Promigas had a relatively flat performance last year. It was pretty extraordinary due to what was mentioned before. And there was a significant impact on results for Corfi and its companies due to the reduction in interest rates. There was a significant reduction for financial expenses. This is what you can see on this graph. And these are the three factors that account for revenue, for profit and what we're seeing in this year. Infrastructure, energy and gas and significant positive impact due to lower interest rates.

Let's go into indebtedness. This is one of the most important factors for the results this year in a consolidated fashion where you can see two things. One, consolidated debt is not only stabilized but decreasing. And this obeys mainly to the effect of receiving cash flow from concessions, which is going to reduce leveraging. This is going to be reflected on the growth of other companies like Promigas.



At the consolidated level, we can see that debt is going down. And most importantly, there is a reduction in the average rate which is 9.26%. We were at 10.61% at 3Q24, so the reduction is about 0.5 percentage points. That has a significant impact on the statement of results. At the bottom left you'll see the composition of indebtedness. It is relatively stable. There's debt, bonds and deposits. And at the right you will see the concentration of maturities where we have the balance for the rest of the year. We have been financing most of this year and the maturities that we have for 2026. The strategy that we have at the moment, the maturities that are happening are being sent off to 2027 or even beyond in order to reduce volatility. That could happen next year. Since it's an election year. This is what we've had. And structure of balance for the corporation and its affiliates. Alejandro will now discuss the results for the companies in the portfolio.

Alejandro Sánchez (*Chief Investment Officer*): Good morning everyone. To go over the results, let's go sector by sector. Let's begin with infrastructure. We have the evolution of the graph concessions. Within our portfolio, we see growth in traffic performance. It's slightly higher than growth in economy. Whenever we have revisited this graph with you, we've seen traffic in CCFC which is no longer in portfolio. So we are moving traffic and infrastructures in a healthy manner.

Regarding progress, Coviandina ended its construction phase over two years ago. Covipacifico finished the works and it's entering operation. We are finishing the punch list with all pending matters for total delivery of the works. This is a process that in full conclusion. Then we will have under 3% of the works that are done by the government once the registries are received. We can see the composition of income reflecting, the revenue reflecting this, we have all the revenue where we offset all the lags from 2024, especially from future budget allocations. Covioriente is still under construction, 97% of the works are finished. Some important milestones are payment of DRS happened in 2024 and now we have one in 2025. And we are pending progress in the works so we can release some cash flow that should happen next year. If we take a look at progress and composition of revenue. This is a recurring graph in the case of Coviandina, the bar that you can see that is in pink. It's revenue from tolls from toll booths and the revenue is about 12% to 12.9% of the total revenue. In Covipacifico it's concessions that are relying on government payments. Whether it's from future budget allocations and the progress is slower. And it's coming from maturities, allocations coming from next year. In terms of finance, to reflect what Gustavo was saying, we have a positive effect on the lower expense and interest. We have an increase in net profit and controlling as the total.

To add to what Milena was saying, the most publicly visible issue is the landslide on kilometer 18. We have a photo showing what it entails. What you see in red is the road. The road existing nowadays. The landslide is marked and black in the dotted black line



and that is what fell on the road. What you see in green at the upper part of the image is the bypass that was enabled which was served by the concession urgently. We are pending the opening of the road. As Milena said, these works for INVIAS to respond where there's an effect for us. As you remember, the Ministry issued a resolution lowering the fees for the use of our. Once the road is open, as announced by INVIAS, we will have more traffic and we will be recovering the previous fee levels.

In terms of energy and gas we've seen this in previous sessions and as mentioned before and the business of transportation. When you take a look at at the graph on the third quarter of 2024 and this year the most important adjustment is the consumption of thermoelectric. Industrial has faced some reduction due to reduction in the supply of gas. Residential is basically stable. Transport has been affected by less thermoelectric regeneration. Distribution and commercialization has been stable and growing. And in terms of regasified at the right you can see that there is a compression from last year because there's fewer consumption from thermals. But you'll see an increase in SPEC which is national permanent supply, which is not depending on hydrological issues.

As mentioned, we have an increase in net profit the third quarter of 2025 we have a decrease in operational operating due to the smaller volume in transport. But it's offset by less interest and less taxes. Regarding tourism, we have had better, marginally better occupancy 66% versus 65%. Our hotels are always over the average in the country. That has been the case this year as well. And we have maintained a fee that has increased with regard to last year's. The key variable RevPAR (Revenue Per Available Room) has increased about 10% and this is reflected on the results for Hoteles Estelar performance. For Hoteles Estelar we have reduction in net profit due to lower financial expense. There's a comparison here where you see non controlling controlling. As you see side by side, there is the effect of buying Hilton of Cartagena. So we are controlling and that represents important changes in agribusiness. We have had the same situation as last year.

We have different behaviors for Palm, rubber and rice. For Palm we have a sales volume that's over what we had last year, over 10%. The palm business is working very well. In the case of rubber we have a price situation that's under what we expected. This is both for the exchange rate and the international commodity in a production that has been affected by the level of rains, where trees haven't been able to produce what we expect. For rice, we have productions that are in line with what we expect. But the price situation for rice, this has been public, of public knowledge. It has been very adverse to the producers and this affects the performance of the sector. And here we can see the results. Although losses have been less than last year, we're still in red in the sector. If you take the three sectors and the agribusiness, we have reductions in operating profit



and. And that is offset by fewer financial costs and fewer taxes. But the sector is still seeking its balance. That is basically what we have in terms of behavior in the sectors.

Diego Buitrago (*Investor Relations Officer*): Thank you. We would like to invite you all to send your questions. We have received some of them with the Q and A tool. Let's start with some of the questions that we received. We have one from Lucas Carvajal, investor. How do you expect to maximize profit next year? Especially when we are expecting the central bank not to lower interest rates.

Gustavo Ramírez (*Executive Vicepresident*): Right. Profit, which has an operating component and a financial component. In fact, we agree with the opinion that interest rates will be flat, relatively flat. Maybe in the context of Corfi. This year, just as we showed, Fed will have a double component. There is a reduction in the total amount of debt due to the cash outs from the roads. This trend should be maintained and it should continue to be reflected on lower financial expenses going forward. Each sector has their own dynamics which justifies the growth and utility in profit.

Milena López (*CEO*): I would add two more components that are important. One, most of our portfolio is focused on roads. Performance for roads is very sensitive to inflation. If inflation goes up, then the tolls go up. There is a correlation there that helps. And second, throughout this year, part of what we see in performance and the positive performance for treasury is related to a reduction in interest rates, of course, but also with a coverage strategy that has been implemented. And in this sense we have a more resilient treasury than what we had last year due to many of the coverages that we have implemented.

Diego Buitrago (*Investor Relations Officer*): Jorge París, investor is asking about expectations for profit for the close of the year and dividends for next year.

Milena López (*CEO*): The trends for performance are expected to be maintained for the next quarter. So we expect to have a close of year with a substantial improvement from what we had last year. So we are doing well over there now regarding the composition of dividends. That will be conversation to be had by the board.

Diego Buitrago (*Investor Relations Officer*): There's one more. Carlos Montermoso is asking what new investment projects does the corporation have in order to renew its portfolio?

Milena López (*CEO*): We will be announcing the coming projects as they are materialized. But to let you know broadly what we're seeing. We have projects in energy with Promigas, as you've seen with the things we've been doing, especially in the world of solar energy, and also the projects regarding the expansion of the grid. This is a



component, the one component now regarding infrastructure. We are working on a series of private initiatives that we will be introducing into the world of roads. Some of them are regional, some of them are national. In terms of roads, we are structuring projects and looking at alternatives in Central America. In terms of roads, that is still undergoing. That's still ongoing. We are betting strongly on the Cali airport and additionally we are reviewing some projects and segments different from what we've traditionally done. Digital structures, for instance. We are taking a look at water infrastructure and some projects would be for city infrastructures. As these projects come to fruition, we will be letting you know, but this is basically the portfolio we've been working on. One important component in Colombia and an important regional component for Central America as well.

Diego Buitrago (*Investor Relations Officer*): We have some questions related to Mineros from several participants in the call. Let me group them there is a question about the impact of the sale of mineros performance.

Gustavo Ramírez (*Executive Vicepresident*): Yes, the sale that took place this year. It's a minor percentage, but it's still very important. This share was sold this year and it brought profits over COP45 billion. This is an important way to fund the portfolio in several senses, several ways the investment is strategic. However, this was a relatively large investment and it was hard to leave it all in block. And we are reporting profit and performance separated from this year.

Diego Buitrago (*Investor Relations Officer*): We have no further questions. Thank you so much for your participation, for your attendance. We hope to have you join us in our next event. Thank you for participating. Thank you so much.