

12 de agosto de 2021

Grupo Argos ratifies its recovery during the first semester with consolidated income that is 32% higher than 2019, and 6.6 times the figure for 2020

- *The Corporate Group began the process of vaccinating its employees against Covid-19. To date, at least 86% of its employees in Colombia have received at least one dose of the vaccine.*
- *Over the last 12 months the company has reduced its consolidated debt by COP 1.5 trillion thanks to the growth in operating cashflow and divestments in non-strategic assets.*
- *The company's strategy and equity structure management was validated by Fitch Ratings, which ratified Grupo Argos's AAA credit rating with a stable outlook.*
- *Through the Social Value Creation program, the Corporate Group is implementing concrete actions to support Colombia by creating jobs for 2,000 youths and women, strengthening 7,500 MSMEs, and improving housing for 200 families in Medellin through the Hogares Saludables (Healthy Homes) initiative.*

Grupo Argos's financial results at the close of the second quarter of 2021 confirmed a progressive trend towards recovery that had been reported by the organization and supported by infrastructure as a key driver for the economic reactivation. Results returned to pre-pandemic levels, driven by an improved sales dynamic in VIS and non-VIS housing in Colombia, a growing demand for construction materials in Central America and the Caribbean, public infrastructure investments in the United States, growing demand for energy, and the progressive recovery of traffic along highway concessions and through airports.

To continue contributing to the economic reactivation, and to care for the health and life of its over 13,000 employees, the organization embarked upon an internal vaccination process and, to date, at least 8,000 of its employees, or 86% of the Corporate Group's human talent in the country, have received at least one dose of the vaccine.

One of the most important milestones during the quarter was conclusion of the sale of 24 concrete plants in the United States that were not connected to the business's logistics chain for USD 184 million. These resources were used to accelerate the organization's deleveraging process. Over the last 12 months, consolidated debt has been reduced by COP 1.5 billion, with a 20% year over year reduction in financial expenses. As a consequence of these efforts, the company's strategy and equity structure management were once again validated by Fitch Ratings, which ratified Grupo Argos's AAA credit rating with a stable outlook, given its financial flexibility and capacity for accessing alternative sources of liquidity. This rating, together with the AA+ with a positive outlook from S&P in May, provide evidence of the organization's structural soundness.



“We celebrate the good results of a positive and encouraging second quarter that ratify the soundness of Grupo Empresarial Argos and its capacity to contribute to the economic reactivation of Colombia and the region as an important player in the infrastructure sector.”

Jorge Mario Velásquez
CEO - Grupo Argos

Financial results summary

Summary Consolidated P&L

Quarter Results

COP k mm	2Q - 2021	2Q - 2020	2Q - 2019
Revenue	4,027	3,346	3,915
COGS & SG&A	3,153	2,897	3,313
Operational Profit	873	449	602
Ebitda	1,303	890	1,045
<i>Ebitda margin</i>	<i>32%</i>	<i>27%</i>	<i>27%</i>
Pretax Profit	589	97	301
Tax	196	35	82
<i>Current</i>	106	67	93
<i>Deferred</i>	90	-32	-11
Net Income	392	62	219
Net Income (controlling)	211	10	121
<i>Net Margin (controlling)</i>	<i>5%</i>	<i>0%</i>	<i>3%</i>

Summary Consolidated P&L

Quarter Results

COP k mm	2Q - 2021	2Q - 2020	2Q - 2019
Revenue	219	28	96
COGS	62	16	7
SG&A	28	24	27
Operational Profit	129	-12	62
Ebitda	133	-7	66
<i>Ebitda margin</i>	<i>61%</i>	<i>-25%</i>	<i>69%</i>
Pretax Profit	102	-50	39
Tax	-12	5	5
<i>Current</i>	-1	1	0
<i>Deferred</i>	-11	4	5
Net income	115	-56	34
<i>Net margin</i>	<i>52%</i>	<i>-197%</i>	<i>35%</i>

Press room: <https://www.grupoargos.com/es-co/media/noticias>

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