

Grupo Argos results show resilience with EBITDA growth of 40% between April and September

- Consolidated revenues from strategic businesses total COP 10.4 trillion and grow in September by 16% compared to April, the month most affected by the impacts of the pandemic.
- The consolidated ebitda of Grupo Argos amounts to COP 2.6 billion in September, showing a positive operating trend despite the conjuncture associated with COVID-19.
- Net income reached COP 78.000 million, while net controlling income during the quarter returned to positive ground amounting to COP 7.000 million.
- The shock and austerity plan made it possible to achieve consolidated savings in operating expenses of more than COP 500.000 million by the end of the third quarter of the year and close with COP 1.6 billion in cash to face the challenges of the conjuncture.

The third quarter financial results of Argos Business Group respond to the timely implementation of the organization's shock plan, which quickly adjusted all operations and found new opportunities for the development of its businesses. It highlights the growing situation of the results with revenues increasing by 16% and EBITDA growing at a rate of 40% with respect to April.

During the quarter there were non-recurring situations such as the extraordinary contributions of the energy business to the Superintendencia de Servicios Públicos Domiciliarios and a maintenance in the cement business that together total more than COP 40.000 million. It is important to highlight that in the same quarter of the previous year, Grupo Argos at consolidated level recorded non-recurring revenue for the divestment of the Termoflores plant by COP 1.1 billion. Even with these effects, the organization achieved a cumulative ebitda of COP 2.6 billion by September.

This period confirmed a positive trend in the company's operating indicators, that in the case of Colombia exceed the results recorded in the second quarter of 2020 and that demonstrate the economic recovery with the growth of 79% in the volume of cement shipped, the 18% increase in Celsia's power generation and the 61% increase in vehicle traffic from the Odinsa concessions in the country.



"The results of the third quarter reaffirm the rapid adaptation of the business group in a challenging environment. The determined effort and commitment of all our employees, the performance of our companies Cementos Argos, Celsia and Odinsa and the positive signs of economic dynamization in the regions where we are present, They fill us with optimism and motivation for the future and encourage us towards the recovery that is marking a positive trend".

Jorge Mario Velásquez
CEO of Grupo Argos

Net income reached COP 78.000 million, while net controlling income during the quarter returned to positive ground amounting to COP 7.000 million. To this performance is added the robust liquidity position and the timely and sound financial management of the company, which have enabled it to maintain market confidence and to execute by the end of October a new ordinary bond exchange

RELEVANT INFORMATION



operation for a total amount of COP 136.500 million. This transaction was constituted as the first private debt exchange in the country, representing a milestone in the Colombian capital market.

So far this year the Argos Business Group has issued debt for about COP 600.000 million and expects to close the year adding emissions per COP 1 billion, maintaining itself as one of the most trusted players in the market and as a relevant driver of the country's economy.

In the third quarter of the year, the recognition for the first time of the Argos Business Group as the conglomerate with the best reputation in the country is highlighted according to the Monitor Empresarial de Reputación Corporativa, Merco. In addition, the company was recognized as one of the most equitable organizations in Colombia by the PAR Latam 2020 Ranking, thanks to the development of its strategy of diversity and inclusion and whose management today is reflected in the Gold Seal Equipares of the National Government for Cementos Argos and the Silver Seal reached by Celsia in October.

During the pandemic the Argos Business Group has contributed more than COP 20.000 million to increase the capacity of health care system with the provision of ICU beds for hospitals, the provision of tests and equipment to increase the diagnostic capacity of COVID-19, the provision of personal protection items and the donation of food aid to vulnerable families in all regions of Colombia.

November 12 of 2020