

**ADDENDUM NO. 2
PROSPECTUS
ISSUANCE AND PLACEMENT PROGRAM OF
ORDINARY BONDS AND COMMERCIAL PAPERS OF
GRUPO ARGOS S.A.**

August 2019



TIN: 890.900.266-3

Main Address: Carrera 43A No. 1A Sur - 143 Medellín

This Addendum No. 2 amends and adds the following provisions of the prospectus published in August 2014, as amended by Addendum No. 1 (hereinafter the “Prospectus”) by Grupo Argos S.A. (the “Issuer”), corresponding to the Program for the Issuance and Placement of Ordinary Bonds and Commercial Papers (hereinafter the “Program”). The registration of the Program in the National Registry of Securities and Issuers and the respective public offering, were authorized by the Finance Superintendence of Colombia through Resolution No. 1381 of August 12, 2014, as amended by Resolution No. 0846 of June 20, 2017.

This Addendum No. 2 is an integral part of the Prospectus. The terms used in this Addendum No. 2 shall have the same meaning given to them in the Prospectus, unless otherwise expressly established in this Addendum No. 2. The modifications included in Addendum No. 2 in relation to the Prospectus and Addendum No. 1 are underlined.

1. The section entitled “General Information of the Ordinary Bonds and Commercial Papers” is amended regarding the Global Issue Quota and the Number of Securities, contained in the cover page of the Prospectus to include the global quota of the program, whose new text is as follows:

General information of the Ordinary Bonds and Commercial Papers.

Global Issuance Quota:	<u>Up to two trillion three hundred fifty billion pesos (\$2,350,000,000,000).</u>
Number of Securities:	<u>Up to two million three hundred fifty thousand (2,350,000,000) Ordinary Bonds and/or Commercial Papers.</u>
Nominal value:	One million Pesos (\$1,000,000).
Circulation Law:	To the order of.
Offering Recipients:	The investing public in general, including the pension and severance fund management companies and the funds managed by them.
Subscription Price:	See numeral 6, Section B, Chapter 1 of this Prospectus.
Minimum investment value:	See numeral 5, Section B, Chapter 1 of this Prospectus.
Maximum interest rate:	See Section C, Chapter 2 of this Prospectus.
Rights embodied in the Securities:	See Section N, Chapter 1 of this Prospectus.
Market to which it is addressed:	The Ordinary Bonds and the Commercial Papers shall be offered by means of a Public Offering in the Main Market.
Placement Mechanism	Best Effort Placement
Registration modality:	The Ordinary Bonds and the Commercial Papers purpose of the offer described in this Prospectus have been registered in the National Registry of Securities and Issuers (Registro Nacional de Valores y Emisores, RNVE) under normal registration.
Stock Exchange:	The Securities are listed in the Colombian Stock Exchange.

Placement term and term of the Offering:	See Section A, Chapter 3 of this Prospectus.
Program Administrator:	Depósito Centralizado de Valores de Colombia Deceval S.A.
Legal Representative of Bondholders	Alianza Fiduciaria S.A.
Commissions and related expenses for the subscribers:	See Section F, Chapter 1 of this Prospectus.

2. The Approvals and Authorizations section of the Prospectus is amended to include the authorizations set forth in this Addendum No. 2, which shall read as follows:

“APPROVALS AND AUTHORIZATIONS

The Board of Directors of Grupo Argos approved the Program through Minutes number 2627 of June 16, 2014.

Additionally, the Board of Directors of Grupo Argos approved through Minutes number 2629 of July 18, 2014 the Issuance and Underwriting Regulations.

The registration of the Program in the National Registry of Securities and Issuers and its respective Public Offering were authorized by the Finance Superintendence of Colombia (“SFC”) through Resolution 1381 of August 12, 2014.

On May 24, 2017 as recorded in minutes No. 2674 of the Board of Directors of Grupo Argos, the increase of the global quota of the Program and the renewal of the term of the Program were authorized. The increase of the global quota of the Program and the renewal of the term of the Program were authorized by the SFC through resolution No. 0846 of June 20, 2017.

On June 26, 2019 as recorded in minutes No. 2706 of the Board of Directors of Grupo Argos, said body authorized the increase of the global quota of the Program and amended the Issuance and Placement Regulations to include what is required by paragraphs 3.1 and 3.2 of article 6.1.1.1.5 of Decree 2555/2010, which shall be applicable to the issues made as of the date of publication of this Addendum No. 2. The amendments to the Program were authorized by the SFC through Resolution No.1017 of July 31, 2019.

Such registrations and approval do not constitute an opinion of the SFC regarding the quality of the securities or the solvency of the Issuer.”

3. Chapter 1 - Characteristics of the Securities, Conditions and Rules of the Program” of Part I of the Prospectus is amended in order to remove the amount of the global quota, which shall read as follows:

“CHAPTER 1 - CHARACTERISTICS OF THE SECURITIES, CONDITIONS AND RULES OF THE PROGRAM.

This Prospectus includes the general characteristics and financial conditions of the Program for the Issuance and Placement of Securities of Grupo Argos in the Public Securities Market of the Republic of Colombia with a global quota.

The Program consists of one or several Issues with different Issue Dates and different placement terms."

4. Numeral 1 "Class of Security Offered" of letter A, Chapter 1, Part I of the Prospectus is amended in order to remove the reference to the authorizations of the Board of Directors with respect to the Program and include the modality used for the issuance of the securities in accordance with the provisions of section 3.1 of article 6.1.1.1.5 of Decree 2555, which shall read as follows:

"1. Class of Securities Offered

The Securities purpose of this Prospectus are Ordinary Bonds and Commercial Papers which are securities with credit content, as defined in Decree 2555, freely negotiable, which shall be offered through Public Offering(s). The Securities shall be issued under the standardized modality.

In accordance with Article 6.3.1.1.4 of Decree 2555/2010, the term of the authorization for the public offering of the securities that are part of the Program may be renewed, comprising the same Securities, or the inclusion of others, after obtaining the corresponding authorizations from the SFC."

5. Numeral 1 "Amount of the Global Quota of the Program" of paragraph B, Chapter 1, Part I of the Prospectus is amended in order to adjust the amount of the global quota, which shall read as follows:

"1. Amount of the Global Quota of the Program.

The global quota of the Program is up to two trillion three hundred fifty billion pesos (\$2,350,000,000,000). The global quota of the Program may be placed, in one or several Issues composed of one or several lots, within the term of the Program's authorization.

The global quota of the Program shall be reduced by the amount of the Securities offered under the Program.

In accordance with the provisions of paragraph of article 6.3.1.1.4 of Decree 2555, the global quota of the Program may be increased, after obtaining the corresponding authorizations from the SFC when the same has been placed in total or, when at least fifty percent (50%) of the authorized global quota has been placed, provided that the term of the authorization of the Program is in force."

6. Numeral 2 "Number of Securities Offered" of letter B, Chapter 1, Part I of the Prospectus is amended in order to adjust the amount of the global quota, which shall read as follows:

"2. Number of Securities Offered

The global quota of the Program shall be two million three hundred fifty thousand (2,350,000,000) Securities, with nominal value of one million Pesos (\$1,000,000) each, equivalent to two trillion three hundred fifty billion pesos (\$2,350,000,000,000).

The exact number of Securities to be issued, shall be determined at the time of each of the Issues and in the respective Public Offer Notice, in any case without exceeding the global quota indicated."

7. The obligations established in numeral 3.2 of article 6.1.1.1.5 of Decree 2555/2010 are included in letter E "Amortization of capital" of chapter 2 of the first part of the Prospectus, and the word paragraph is changed to paragraph in the reference to article 2 of Law 964/2005, which shall read as follows:

"Ordinary Bonds

The principal of the Ordinary Bonds shall be fully paid upon maturity thereof.

However, the principal of the Ordinary Bonds of series G, H, I, J, K and L may be partially amortized once the first (1) year has elapsed, counted from the Issue Date, and up to the Maturity Date. The minimum value of the partial amortizations, expressed in percentage terms of the nominal value of each Ordinary Bond, shall be zero percent (0.00%). Partial amortizations shall total one hundred percent (100.00%) of the nominal value of each Ordinary Bond, expressed to two decimal places.

In turn, the principal of the Ordinary Bonds of series M, N, O, P, Q and R may be fully or partially prepaid, at the Issuer's option. The prepayment option may be exercised after one (1) year from the corresponding Issue Date. The prepayment shall be made pro rata with respect to each subseries of each Issue, decreasing the amount of the outstanding principal of each of the Ordinary Bonds proportionally among the Ordinary Bondholders of the respective subseries, paying each of them the same percentage of the nominal value, expressed to two decimal places.

The prepayment of the Ordinary Bonds shall be made through the use of an exercise price. The exercise price is understood to be the price that the Issuer shall pay for each Ordinary Bond in the event it makes use of the prepayment option and shall be expressed as a percentage (at par, with premium or discount) of its nominal value. Said premium or discount shall be determined and published by the Issuer in the respective Public Offer Notice of each Issue.

The following is a list of the different conditions that shall be applicable to any prepayment of Ordinary Bonds.

- Protection Period: Period during which the Issuer shall not be able to make prepayments and which shall be counted from the Issue Date.*
- Exercise Price Table: Every Ordinary Bond that may be fully or partially prepaid shall have an associated exercise price table which contains the prepayment prices applicable during the life of the Ordinary Bond. Said prepayment prices shall be those that the Issuer shall pay to the Investor at the time of early redemption, in whole or in part, of the Ordinary Bond. The prepayment price shall be expressed as a percentage of the nominal value of the Ordinary Bond and the interest accrued at the prepayment date must be added to it.*
- Minimum Prepayment Amount: Minimum multiples in which the Issuer may make prepayments expressed as a percentage of the nominal value of the Ordinary Bonds of each subseries of each Issue.*
- Minimum Amount of Unpaid Principal: Minimum percentage of the unpaid principal that the Issuer must maintain outstanding with respect to each subseries of each Issue.*

The specific prepayment conditions of each Issue shall be established in the respective Public Offer Notice.

The Issuer shall inform the Ordinary Bondholders regarding the exercise of their prepayment right, by means of a prepayment notice published in the Daily Bulletin of the BVC. The prepayment notice shall be published at least thirty (30) calendar days prior to the prepayment and shall indicate the date on which the prepayment shall be made effective and the amount of the prepayment as a percentage of the nominal value. Once the Issuer publishes the prepayment notice, its mandatory nature shall become effective for the Ordinary Bondholders of the respective subseries.

Pursuant to numeral 5 of Article 6.4.1.1.3 of Decree 2555/2010, Bonds with maturities of less than one (1) year may not be issued.

After one (1) year from the Issue Date of the respective Issue, the Issuer may acquire the Ordinary Bonds of any of the series offered under the respective Issue provided that such transaction is carried out through the BVC, in accordance with the regulations in force. The possibility of the Issuer to acquire its own Ordinary Bonds does not oblige the Ordinary Bondholders to sell them. Such acquisition implies the extraordinary amortization of the Ordinary Bonds, which shall be delivered for cancellation and may not be reissued or resold. The foregoing, taking into account that in this event the obligations of the Issuer derived from the Ordinary Bonds shall be extinguished by confusion, in the terms established in the Civil Code and in accordance with the provisions of the second paragraph of article 2 of Law 964/2005.

Commercial Papers:

The principal of the Commercial Papers shall be paid in a single payment upon maturity thereof.

The Issuer may acquire the Commercial Papers of any of the series offered under the respective Issuance as long as such transaction is carried out through the BVC, in accordance with the regulations in force. The possibility of the Issuer to acquire its own Commercial Papers does not oblige the Commercial Paper Holders to sell them. Such acquisition implies the extraordinary amortization of the Commercial Papers, which shall be delivered for cancellation and may not be reissued or resold. The foregoing taking into account that in this event, the obligations of the Issuer derived from the Commercial Papers shall be extinguished by confusion under the terms established in the Civil Code and in accordance with the provisions of the second paragraph of article 2 of Law 964/2005.

In accordance with numeral 3.2 of article 6.1.1.1.5 of Decree 2555/2010, the Issuer shall publish an amortization plan incorporating the conditions under which principal payments shall be made at maturity of each of the subseries placed in the market, no later than the business day following the placement of the Ordinary Bonds through Relevant Information. The amortization plan shall include the main conditions of each of the awarded subseries, including: (i) nominal value, (ii) rate of return, (iii) issuance date, (iv) dates on which interest payments are to be made, (v) date of payment of the principal of the Ordinary Bonds.

In accordance with numeral 3.2 of Article 6.1.1.1.5 of Decree 2555/2010, in the Ordinary Bonds and Commercial Papers Issuances to be made from the date of Addendum No. 2, the Issuer shall publish an amortization plan incorporating the conditions under which principal payments shall be made at maturity, amortizations or prepayments of principal, as the case may be, of each of the sub-series placed in the market, no later than the business day following the placement of the Bonds through Relevant Information. The amortization plan shall include

the main conditions of each of the awarded subseries, including: (i) nominal value, (ii) rate of return, (iii) issue date, (iv) dates on which interest payments are to be made, and (v) date of payment of the principal of the Bonds.

In the scenarios in which prepayments of the Ordinary Bonds or any other circumstance affecting the amortization schedule of the Ordinary Bonds or the Commercial Papers or of the different series of these securities are presented, it shall be informed through Relevant Information, within the business day following the occurrence of such circumstance."

8. Letter G "Rating granted to the Program and the Issuances" of Chapter 2 of the first part of the Prospectus is complemented, with the rating revisions made with the increases of the global quota of the Program, which shall be as follows:

In accordance with the provisions of paragraph 2 of Article 2.22.1.1.4 of Decree 2555, prior to the publication of the Offer Notice of the respective Issuance, the Issuer shall certify the Rating of the securities subject thereto, before the SFC.

On July 10, 2014, BRC Investor Services S.A. Sociedad Calificadora de Valores assigned AAA ratings to the Ordinary Bonds (long-term debt) and BRC 1+ to the Commercial Papers (short-term debt) that are part of the Issuance and Placement Program of Securities for up to one trillion Pesos (\$1,000,000,000,000).

The reasons for the initial rating of the Program may be consulted in Annex A of Part Four of this Prospectus.

The Technical Committee of BRC Investor Services S.A. Sociedad Calificadora de Valores in a periodic review in May 2017, confirmed the short-term debt rating of 'BRC1+' and the long-term debt rating of 'AA+' of the Issuance and Placement Program of Ordinary Bonds and/or Commercial Papers of Grupo Argos S.A. for one trillion five hundred billion Pesos (\$1,500,000,000,000).

BRC Investor Services S.A. Sociedad Calificadora de Valores ratified the AA+ ratings for the long-term debt and BRC1+ for the short-term debt with the increase of the global quota from one trillion five hundred billion Pesos (\$1,500,000,000,000) to two trillion three hundred fifty billion Pesos (\$2,350,000,000,000), by communication dated June 28, 2019."

9. Numeral 1 "Term of the Program's authorization" of letter A, Chapter 3, Part I of the Prospectus is amended, in order to remain in general terms in accordance with the regulations without making reference to the dates on which the Program's authorization term renewals have been made, which shall read as follows:

"1. Term of the Program's Authorization.

In accordance with article 6.3.1.1.3 of Decree 2555, the Issuances may be offered publicly, individually or simultaneously, for a term of three (3) years from the execution of the act that has ordered the registration of the Program in the National Registry of Securities and Issuers.

Notwithstanding, the Issuer may request the SFC to renew the term, for equal periods, before the expiration thereof. Such request shall be made in accordance with the provisions of Article 6.3.1.1.4 of Decree 2555/2010."

Except for the amendments expressly indicated in this Addendum No. 2, all other stipulations of the Prospectus and Addendum No. 1 remain in force and unchanged.



1. CERTIFICATION BY THE LEGAL REPRESENTATIVE OF THE ISSUER

THE UNDERSIGNED LEGAL REPRESENTATIVE OF

GRUPO ARGOS S.A.

CERTIFIES:

That, within the scope of his duties as Legal Representative of Grupo Argos S.A., he used due diligence in verifying the contents of Addendum No. 2 to the Prospectus of the Issuance and Placement Program of Ordinary Bonds and Commercial Papers of Grupo Argos S.A., in such a way that he certifies the veracity thereof and that it does not contain omissions of information that are material and may affect the decision of future investors.

Issued in Medellín on July 5, 2019.

[SIGNED]

ALEJANDRO PIEDRAHÍTA

Legal Representative

GRUPO ARGOS S.A.

Addendum No. 2

2. CERTIFICATION OF THE STRUCTURER AND LEAD PLACEMENT AGENT

THE UNDERSIGNED LEGAL REPRESENTATIVE OF

BANCA DE INVERSIÓN BANCOLOMBIA S.A. CORPORACIÓN FINANCIERA

CERTIFIES:

That, within the scope of its functions as Structuring and Lead Placement Agent, it used due diligence in the verification of the contents of Addendum No. 2 of the Prospectus of the Issuance and Placement Program of Ordinary Bonds and Commercial Papers of Grupo Argos S.A., in such a way that it certifies the veracity thereof and that it does not contain omissions of information that are material and may affect the decision of future investors.

Issued in Medellín on July 9, 2019.

[SIGNED]

CAMILO OROZCO SIERRA

Legal Representative

BANCA DE INVERSIÓN BANCOLOMBIA S.A. CORPORACIÓN FINANCIERA



ADDENDUM NO. 2

CERTIFICATION OF THE LEGAL REPRESENTATIVE OF BONDHOLDERS

THE UNDERSIGNED LEGAL REPRESENTATIVE OF

ALIANZA FIDUCIARIA S.A.

CERTIFIES:

That, within his competence as Legal Representative of Bondholders, he used due diligence in the verification of the content of Addendum No. 2 of the Prospectus of the Issuance and Placement Program of Ordinary Bonds and Commercial Papers of Grupo Argos S.A., in such a way that he certifies the veracity thereof and that it does not contain omissions of information that are material and may affect the decision of future investors.

Issued in Medellín on July 9, 2019.

[SIGNED]

CATALINA POSADA MEJIA

Legal Representative

ALIANZA FIDUCIARIA S.A.