

Results Presentation

FOURTH QUARTER 2020

February 2021

Disclaimer

This presentation contains certain forward-looking representations and information related to **Grupo Argos** and its subsidiaries based on currently known facts, expectations and forecasts, circumstances and assumptions regarding future events. Many factors could cause the future results, performance or achievements of **Grupo Argos** and its subsidiaries to be different from those expressed or assumed herein.

If any unforeseen situation should arise, or the premises or estimates should prove to be incorrect, forward-looking results could vary significantly compared to those mentioned herein. Forward-looking representations are made on this date, and **Grupo Argos** and its subsidiaries do not intend or assume any obligation whatsoever from updating these forward-looking declarations as the result of new information, future events or any other factor.

Emergency plan implemented satisfactorily to ensure greater flexibility throughout the year

		 CELSIA	 ARGOS	 ODINSA	 GRUPO ARGOS	
1	CAPEX (Uses – bn)	\$ 840	\$ 147	\$ 415		\$ 1,402 (162%*)
2	OPEX (Uses – bn)	\$ 42	\$ 336	\$ 135	\$ 28	\$ 541 (106%*)
3	Liquidity credits (Sources – bn)	\$ 443	\$ 684	\$ 117	\$ 150	\$ 1,394 (100%*)
4	Tax refunds (bn)		\$ 50	\$ 10	\$ 32	\$ 92 (100%*)
Cashflow effect (bn)		\$ 1,325	\$ 1,217	\$ 677	\$ 210	\$ 3,429 (120%*)

* Execution of the goal proposed for the emergency plan
 Approximate figures in billions
 Odinsa includes airport and highway concessions

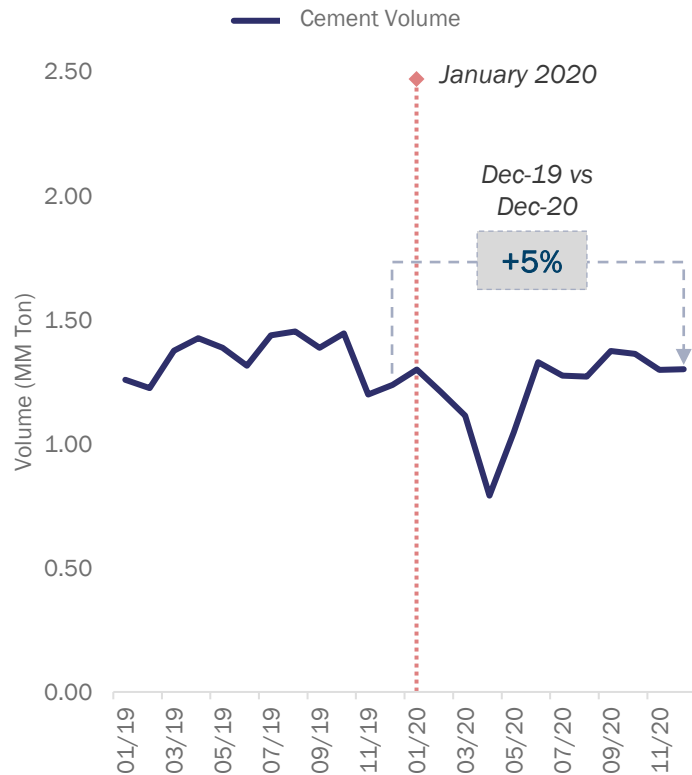
Operational Results – Business Segments



GRUPO ARGOS RESULTS 4Q2020

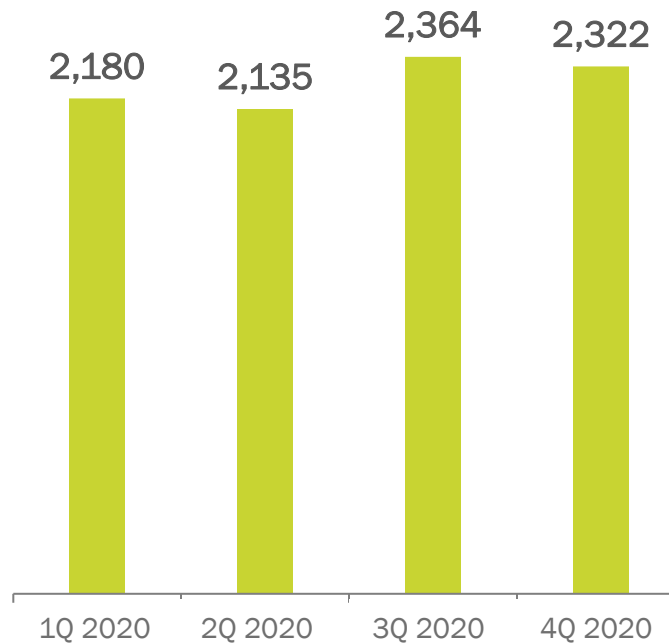
Cementos Argos – Accelerated volume recovery and increased profitability

Operating



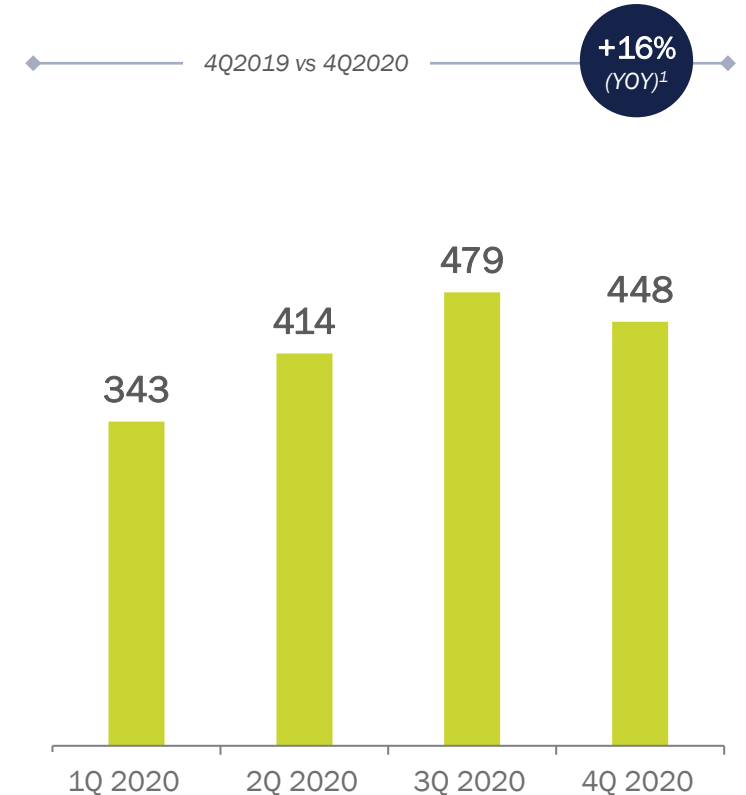
Revenue

COP bn



EBITDA (Pro Forma)

COP bn



1. Pro Forma EBITDA excludes: i) sale of RMC plants during 4Q2019 (US\$ 21mm), ii) land valuation in Colombia during 4Q2019 (COP 25 bn), iii) DPA Argos USA in 4Q2020 (US\$ 20mm)

GRUPO ARGOS RESULTS 4Q2020

Celsia – Stability, resilience and operational continuity to guarantee regional energy supply

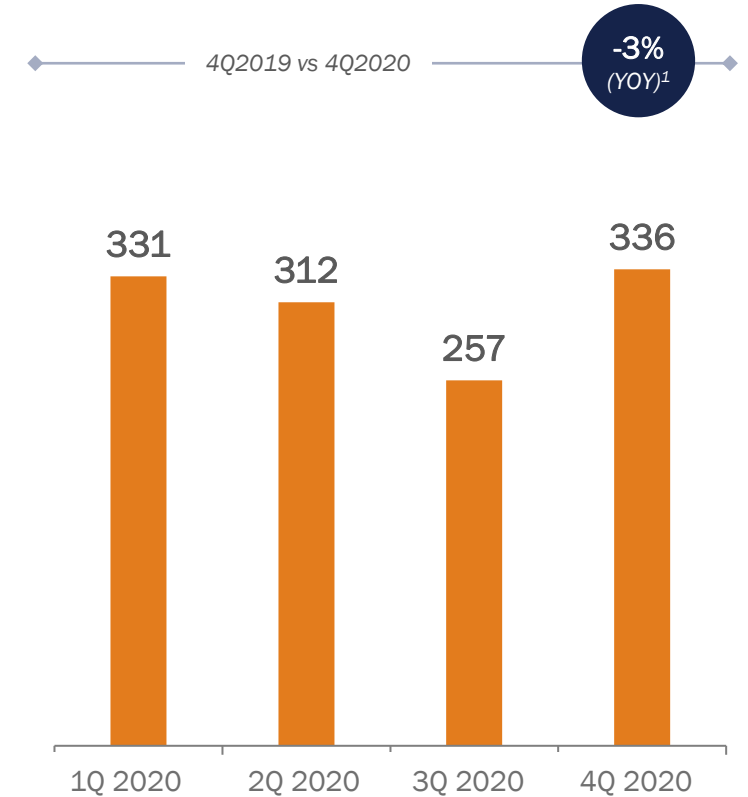
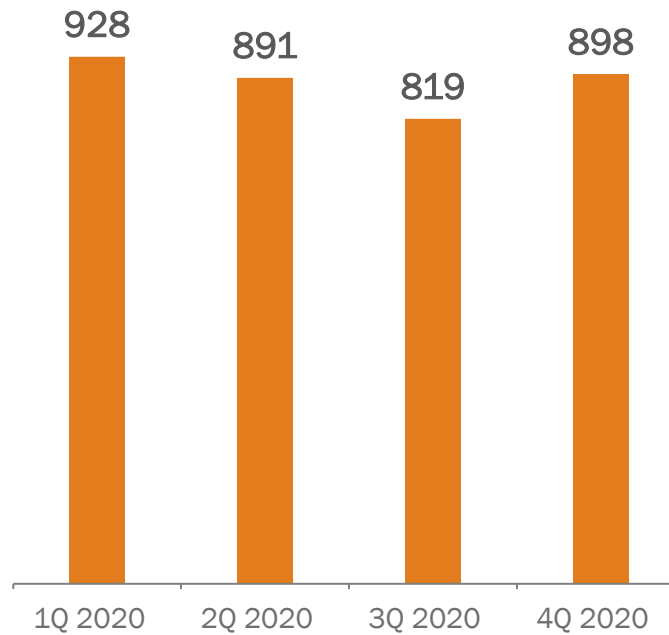
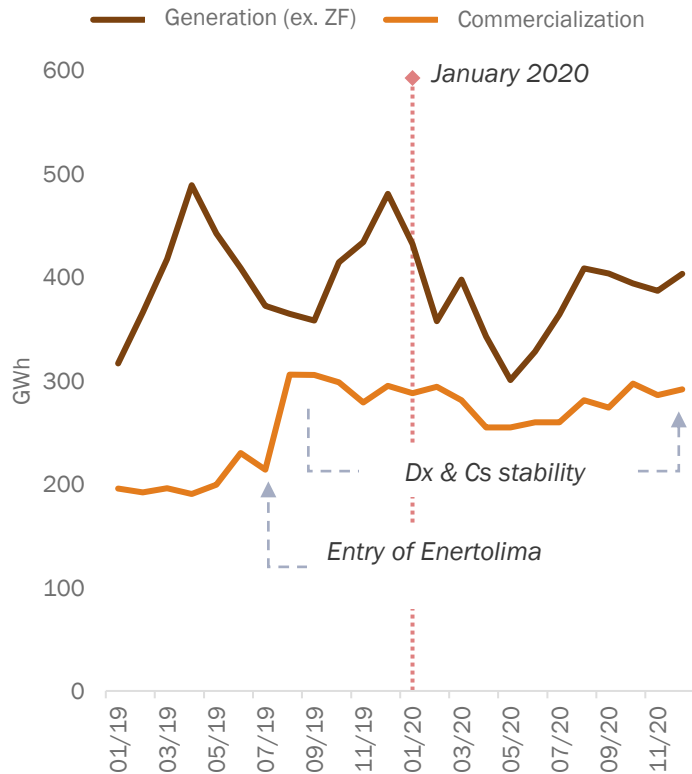
Operating

Revenue

COP bn

EBITDA

COP bn



1. 4Q2020: Includes EBITDA generated by Caoba assets

GRUPO ARGOS RESULTS 4Q2020

Odinsa – Mobility restrictions that impact results but with an end-of-year recovery

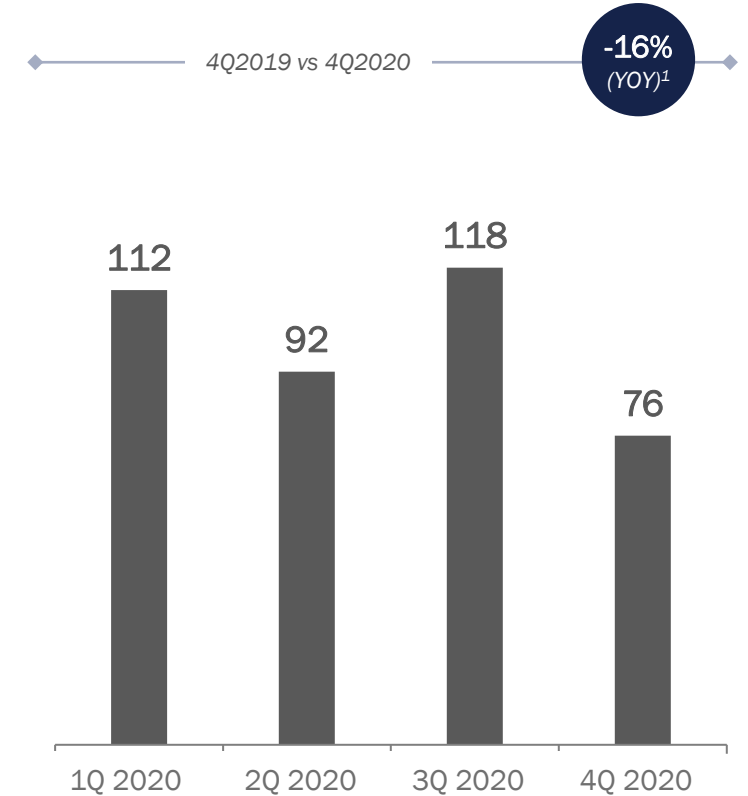
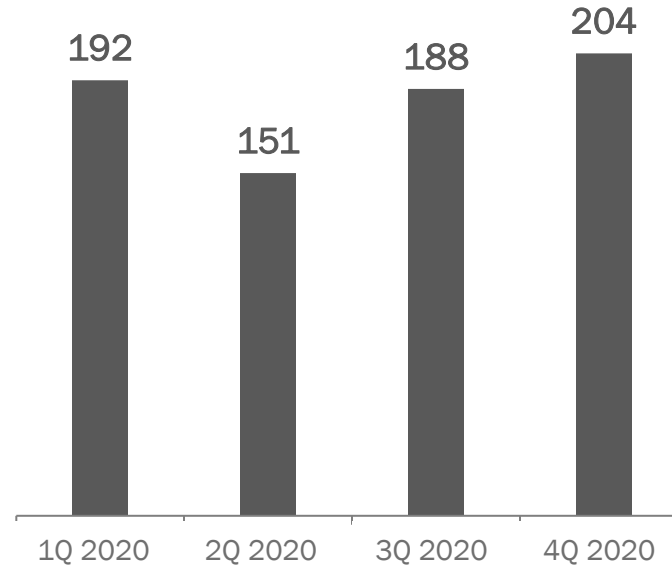
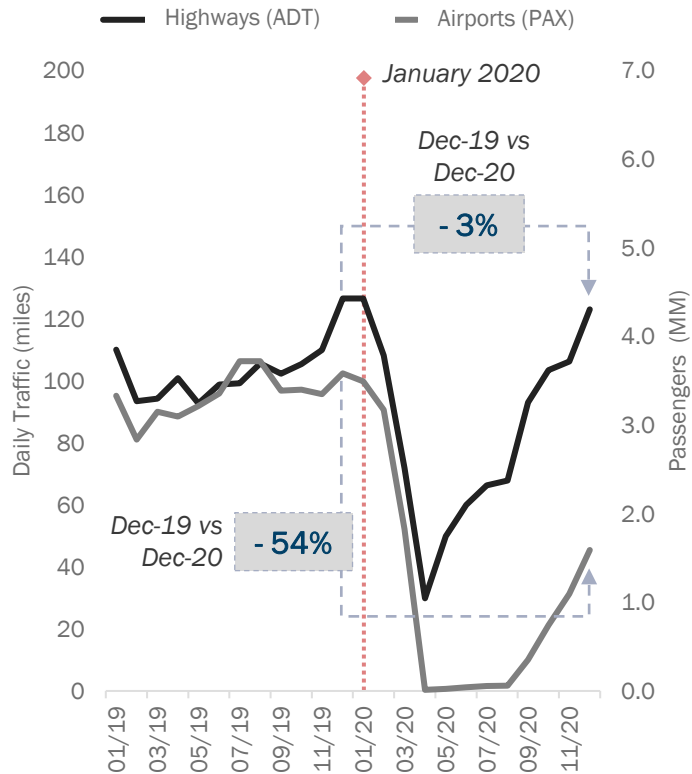
Operating

Revenue

COP bn

EBITDA

COP bn



1. 4Q2019: excludes accounting profit generated by the acquisition of Túnel de Oriente (\$40 bn)

NDU - Executed business ensuring COP 290 billion in revenue for the next 5 years

Real Estate Business Milestones



136 billion in business deals throughout the year, which, together with deals signed in previous years, ensure **290 billion** in revenue over the next **5 years**.



Closing of the final block in the Ribera de Mallorquín project → focusing on covering the demand for social interest housing in a sustainable and inclusive manner, with quality standards in urban development, urban planning and architecture

Signing of 5 purchase agreements contributed **COP 54 billion** in valuation during the year



Without considering the results of Pactia and the CCND, **EBITDA grows 7%** compared to the previous year, closing at 48 billion



COP 39 billion in investments for upcoming years were postponed, with which the Real Estate Business managed a positive net cash flow of **14 billion**.

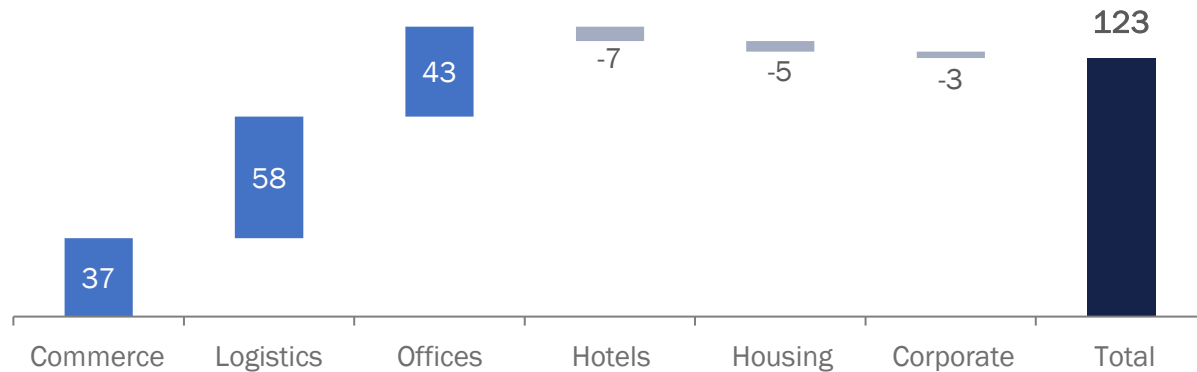


REAL ESTATE BUSINESS 4Q2020

Pactia - Most important portfolio segments maintain +90% occupation

EBITDA Distribution (Cumulative)

COP bn



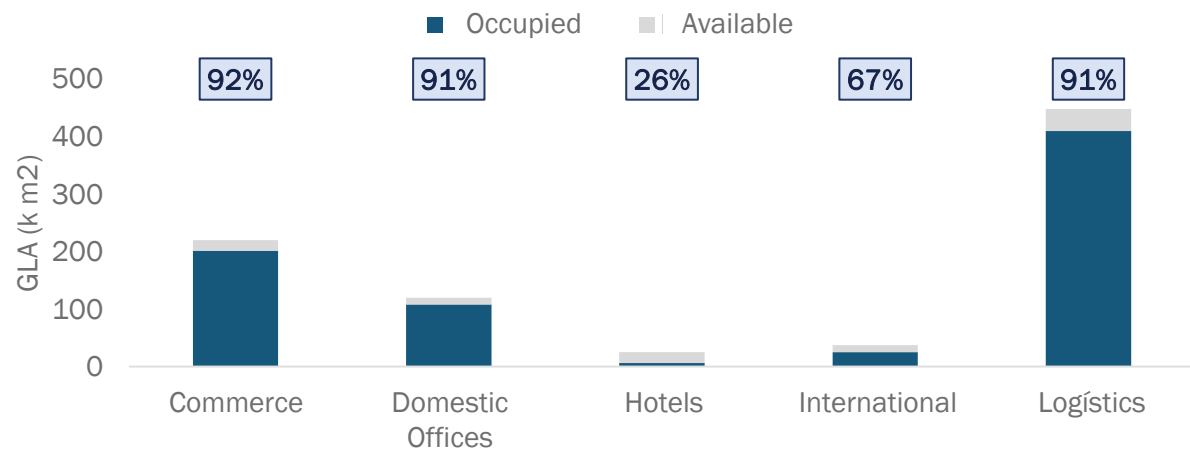
Main Figures

COP bn

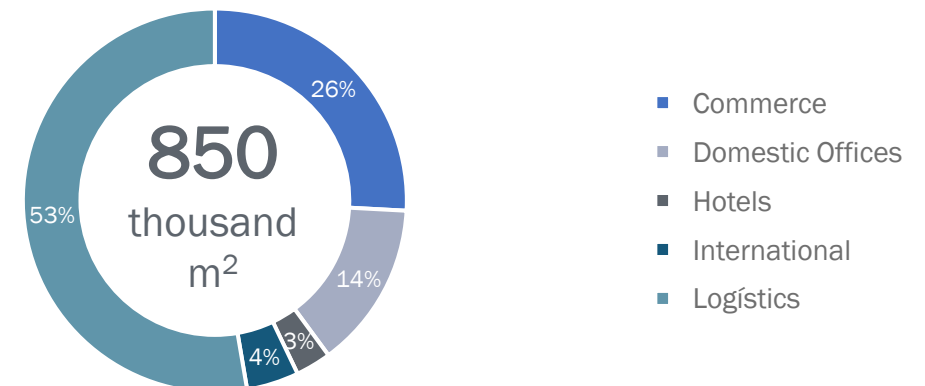
PACTIA FCP

COP bn	4Q - 2020	4Q - 2019	Var.(%)	dic-20	dic-19	Var.(%)
Revenue	74	87	-15%	282	309	-9%
Operating Costs	-25	-29	16%	-90	-111	18%
Operating Expenses	-18	-18	-1%	-69	-64	-7%
Ebitda	31	39	-21%	123	134	-8%
<i>Ebitda Margin</i>	<i>42%</i>	<i>45%</i>	<i>-319 pb</i>	<i>44%</i>	<i>43%</i>	<i>16 pb</i>

GLA and Occupation by Category



Distribución GLA



Financial Results



GRUPO ARGOS CONSOLIDATED RESULTS 4Q2020

EBITDA Margin (proforma) is maintained at 25% due to the savings from the emergency plan implemented

P&L Summary

COP bn	4Q - 2020	4Q - 2019	Var.(%)	Dec-20	Dec-19	Var.(%)
Revenue	3,576	3,941	-9%	13,991	16,799	-17%
Costs, expenses and other revenue	3,210	3,049	5%	12,352	13,722	-10%
Operating Profit	366	892	-59%	1,638	3,076	-47%
Ebitda	789	1,338	-41%	3,355	4,788	-30%
<i>Ebitda Margin</i>	<i>22%</i>	<i>34%</i>	<i>-1189 pb</i>	<i>24%</i>	<i>28%</i>	<i>-452 pb</i>
Profit before taxes	49	613	-92%	406	1,863	-78%
Taxes	61	317	-81%	252	607	-58%
<i>Current</i>	<i>120</i>	<i>207</i>	<i>-42%</i>	<i>348</i>	<i>579</i>	<i>-40%</i>
<i>Deferred</i>	<i>-59</i>	<i>109</i>	<i>-154%</i>	<i>-96</i>	<i>28</i>	<i>-438%</i>
Net profit	-12	297	-104%	154	1,256	-88%
Net controller profit	-84	123	-168%	-100	690	-115%
<i>Net controller margin</i>	<i>-2%</i>	<i>3%</i>	<i>-549 pb</i>	<i>-1%</i>	<i>4%</i>	<i>-482 pb</i>

C O P **894** bn

Pro Forma EBITDA for 4Q2020
stable (YOY) excluding non-
recurring operations

Summary P&L - Proforma*

COP bn	4Q - 2020	4Q - 2019	Var.(%)	dic-20	dic-19	Var.(%)
Revenue	3,608	3,941	-8%	14,098	15,626	-10%
Ebitda	894	886	1%	3,563	3,998	-11%
Net profit	61	-42	246%	235	642	-63%
Net controller profit	-48	-25	-95%	-57	396	-114%
<i>Ebitda Margin</i>	<i>25%</i>	<i>22%</i>	<i>229 pb</i>	<i>25%</i>	<i>26%</i>	<i>-31 pb</i>

C O P **165** bn

Decrease in structural
expenses for 2020 compared
to the previous year

* Pro Forma adjustments – M&A transactions and non-recurring operations only included for Grupo Argos

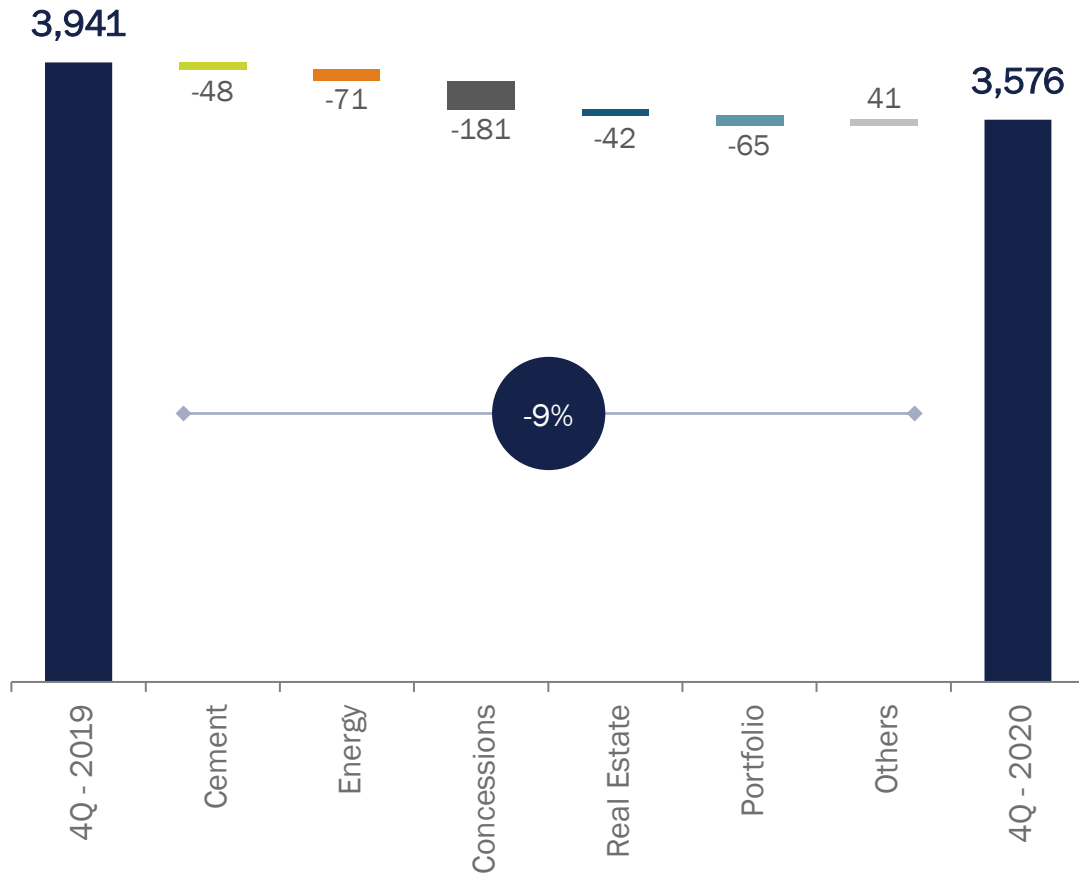
- 2019: sale of Onya Shares, sale of Cartón de Colombia shares, sale Termoflores Plant, sale (contribution) Caoba assets, sale RMC plants, accounting valuation gain acquisition Tunel de Oriente
- 2020: sale Odempa shares, includes contribution from CAOBA assets, DPA Argos USA, sale of Caltek

GRUPO ARGOS CONSOLIDATED RESULTS 4Q2020

Operating conditions that mainly affect concessions continue affecting quarterly revenues

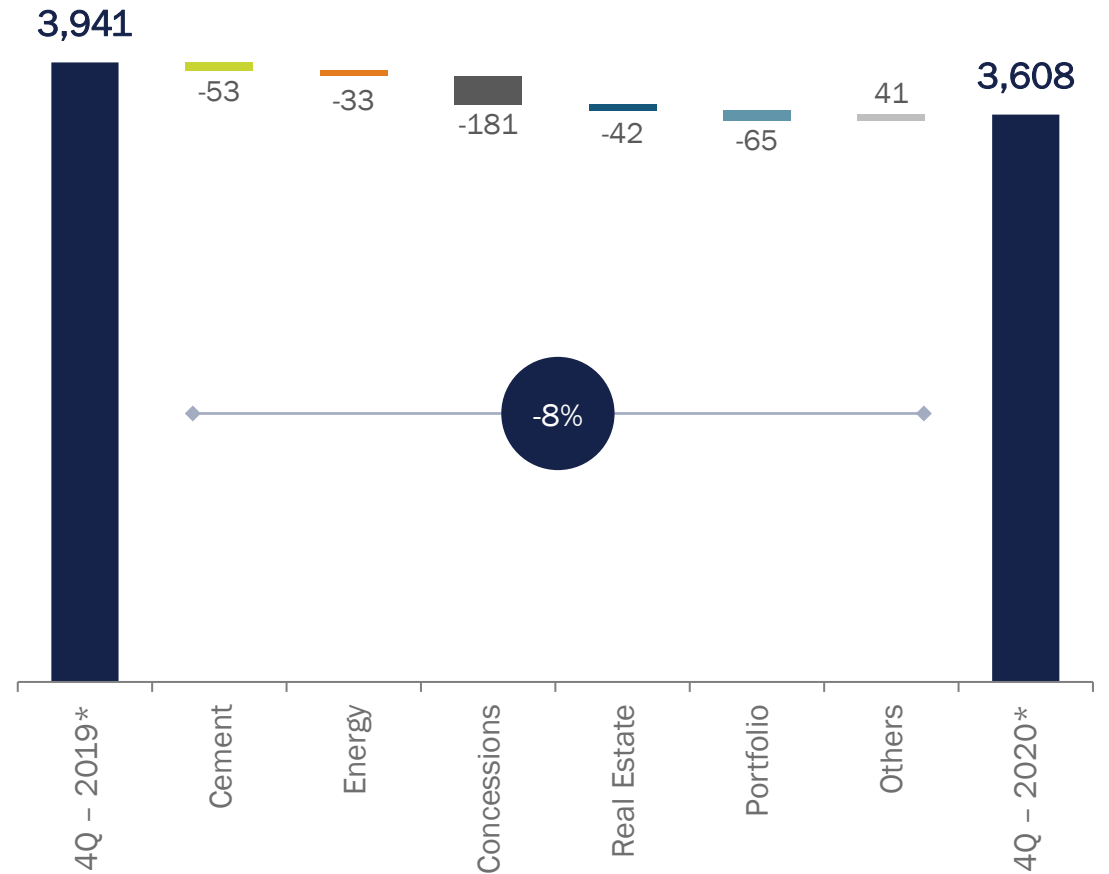
Consolidated revenue 4Q2020

COP bn



Consolidated revenue 4Q2020 (PRO FORMA*)

COP bn

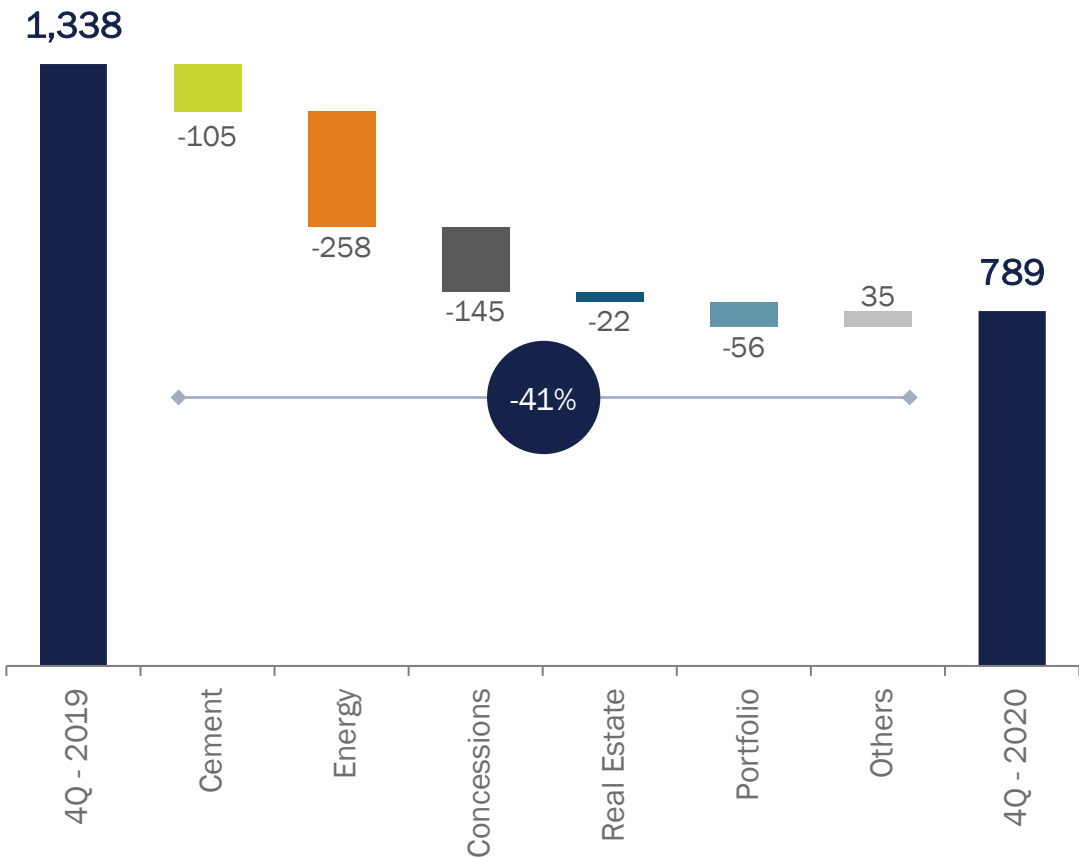


* Pro forma adjustments (only incorporates M&A transactions and non-recurring operations for Grupo Argos)

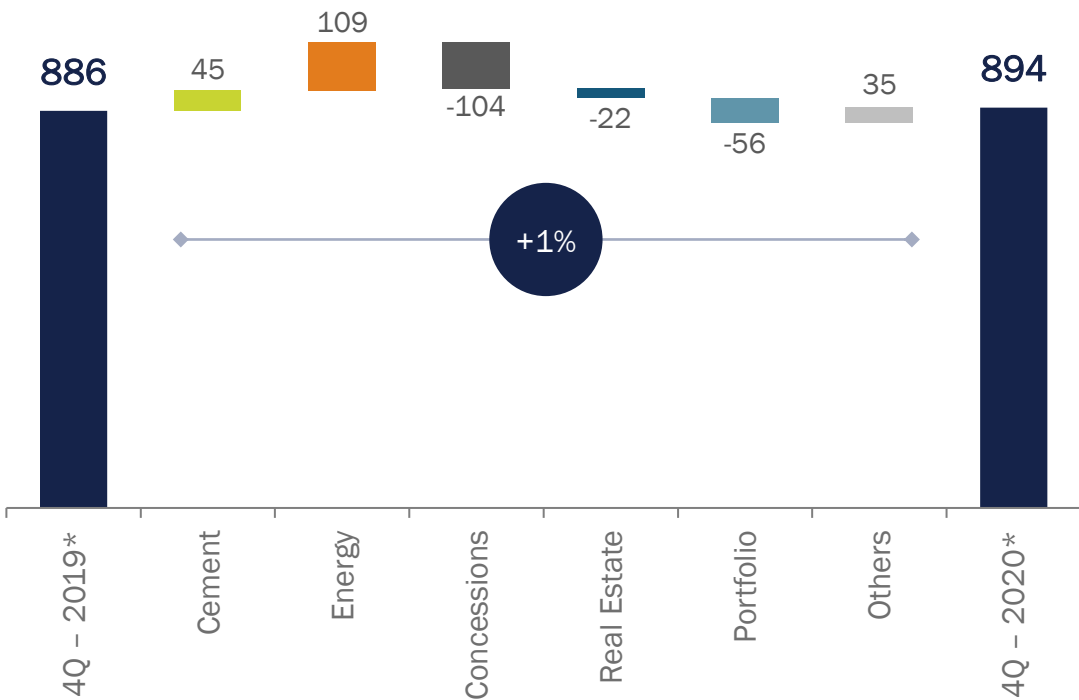
- 2019: n/a
- 2020: includes contribution of CAOBA assets (-\$37), sale of Caltek (\$5)

Cross-cutting efficiencies result in stability in the pro forma ebitda

Consolidated Ebitda 4Q2020 COP bn



Consolidated Ebitda 4Q2020 (PRO FORMA*) COP bn

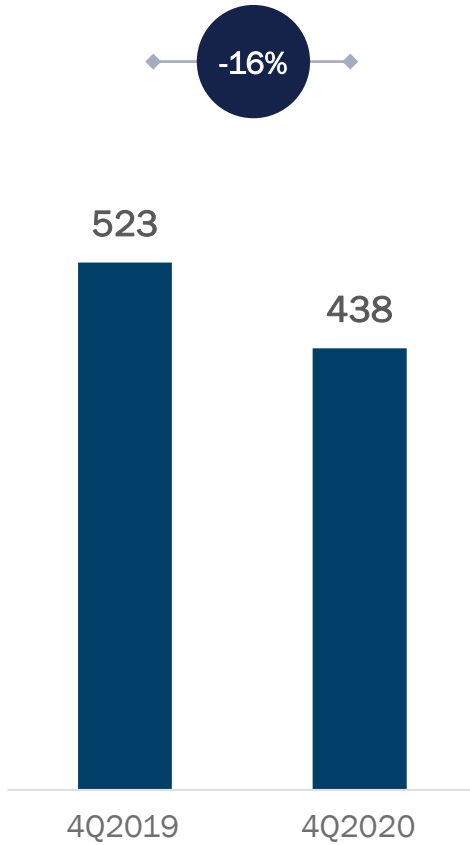


* Pro Forma adjustments (M&A transactions and non-recurring operations only included for Grupo Argos)

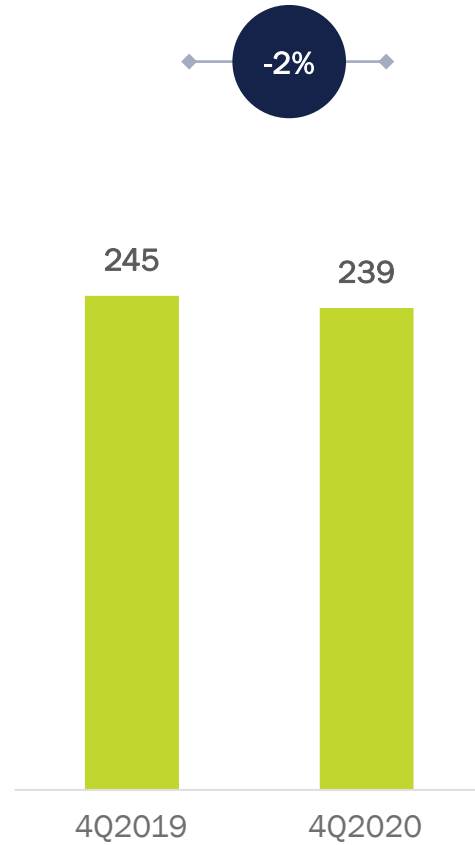
- 2019: Sale (contribution) Caoba assets (\$335), Sale RMC plants (\$76), accounting gain acquisition Tunel de Oriente (\$40)
- 2020: Includes contribution from CAOBA assets (-\$32), DPA Argos USA (-\$74), sale of Caltek (\$1)

Unprecedented efforts to confront the situation confirm ability to adapt

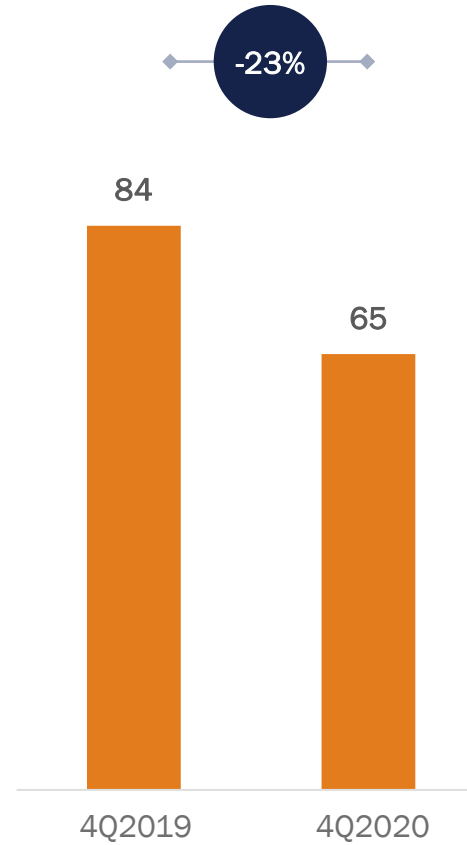
Consolidated Expenses



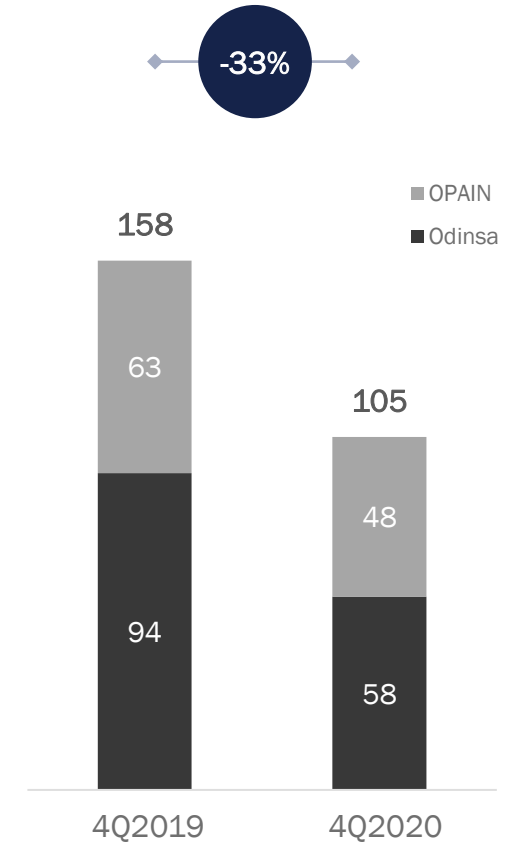
Cementos Argos Expenses



Celsia Expenses



Odinsa + Opain Expenses

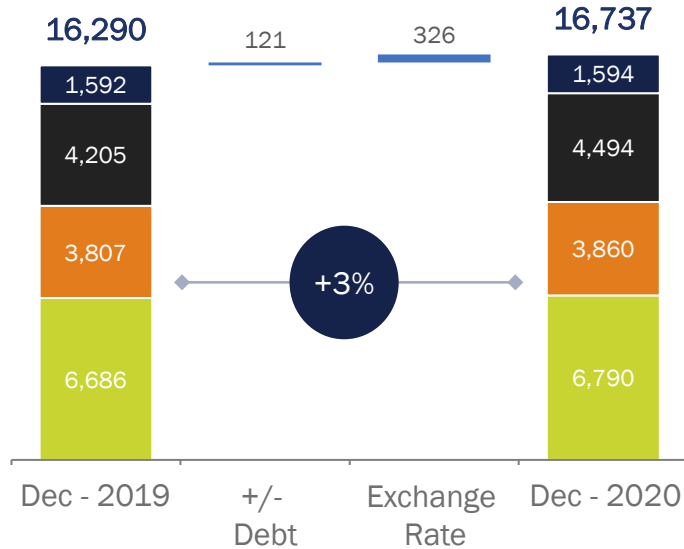


GRUPO ARGOS CONSOLIDATED RESULTS 4Q2020

Financial discipline and cashflow generation enable a slight decrease in net indebtedness

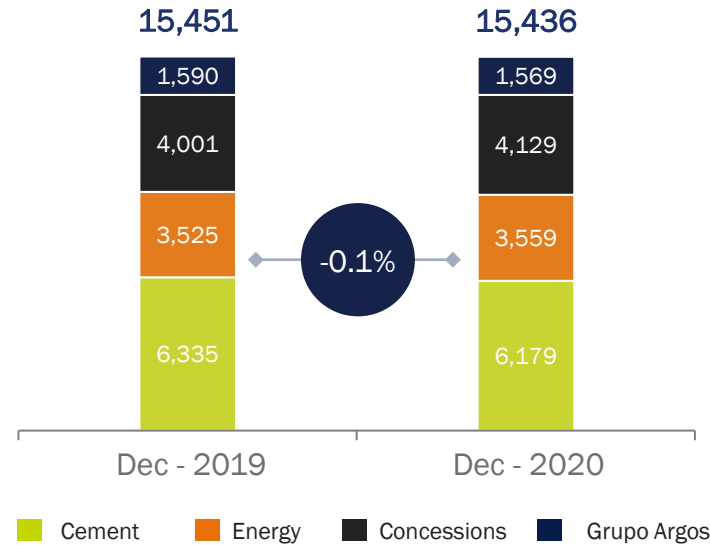
Consolidated debt

COP bn



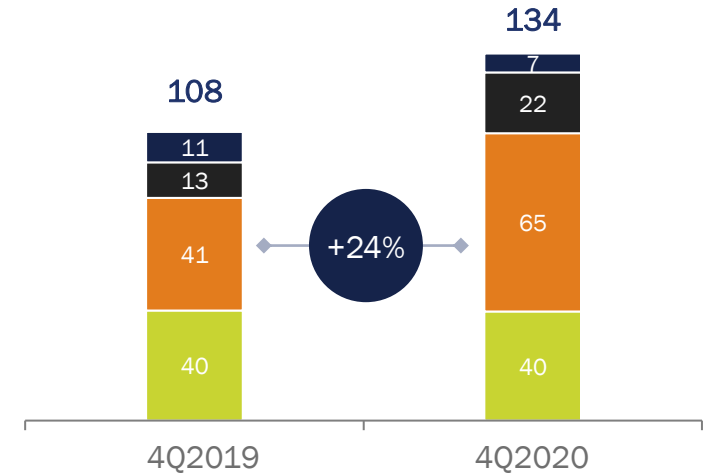
Net debt¹

COP bn



Net financial expenses

COP bn



- ▲ Debt principal was increased by COP 121 bn during the year, less than 1% of overall debt
- ▲ The increase in gross debt occurs mainly due to the depreciation of COP against USD, which increases the value of the debt in USD
- ▲ Net Debt for 4Q2020 decreases COP 1.3 trillion compared to 3Q2020 and closes at the same level as Dec-2019

1. Net debt excludes restricted cash and equivalents

GRUPO ARGOS SEPARATE RESULTS 4Q2020

Results affected by the net loss of the concessions business booked as MPP

Summary P&L

COP bn	4Q - 2020	4Q - 2019	Var.(%)	Dec-20	Dec-19	Var.(%)
Revenue	4	185	-98%	256	846	-70%
Costs and other expenditures	20	39	-50%	63	104	-39%
GA Expenses	30	40	-24%	129	143	-10%
Operating Profit	-46	106	-144%	65	599	-89%
Ebitda	-42	110	-138%	83	615	-86%
Ebitda Margin	-1193%	60%	-125237 pb	32%	73%	-4032 pb
Profit before taxes	-68	77	-187%	-38	496	-108%
Taxes	6	0	1571%	21	13	59%
Current	2	1	365%	9	-1	1020%
Deferred	4	-1	495%	12	14	-16%
Net profit	-74	78	-195%	-59	483	-112%
Net margin	-2105%	42%	-214710 pb	-23%	57%	-8015 pb

Summary P&L - Proforma*

COP bn	4Q - 2020	4Q - 2019	Var.(%)	dic-20	dic-19	Var.(%)
Revenue	39	37	6%	256	430	-40%
Ebitda	-6	-38	84%	106	257	-59%
Ebitda Margin	-15%	-102%	8618 pb	41%	60%	-1844 pb
Net profit	-38	-70	46%	-35	125	-128%

* Pro-forma adjustments – M&A transactions and non-recurring operation only included for Grupo Argos

- 2019: sale EPSA shares, sale Omya shares, sale Cartón de Colombia shares, sale Termoflores plan, sale (contribution) Caoba assets, sale RM plants, accounting gain acquisition Tunel de Oriente
- 2020: sale Odempa shares, includes contribution of CAOBA assets, Argos USA, sale of Caltek

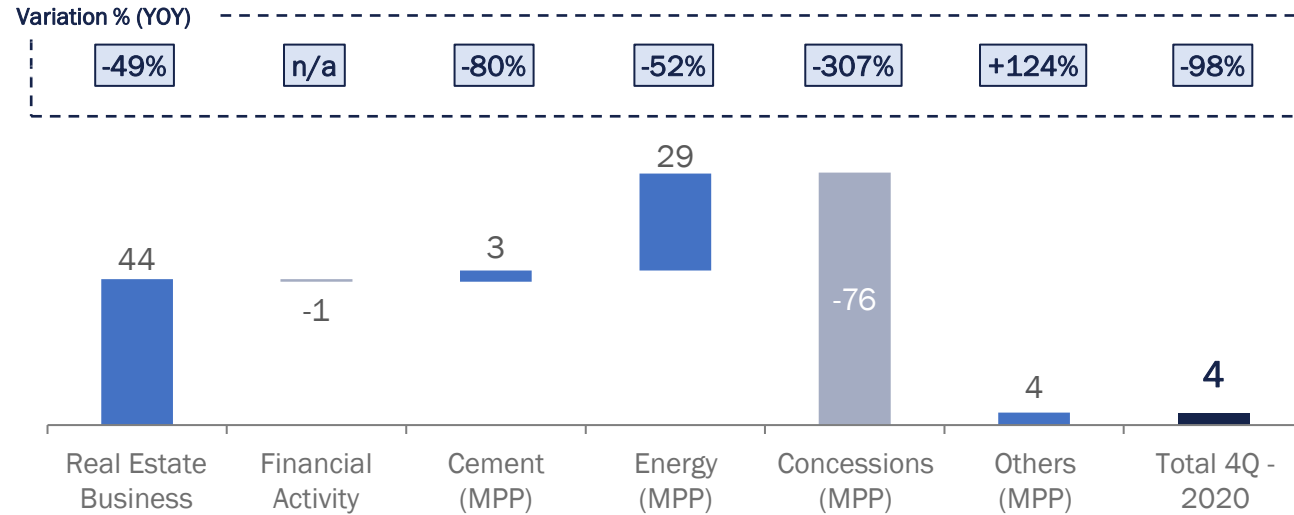
COP **1.6** trillionGrupo Argos net debt
decreases marginally during
the period**AAA / AA+**Grupo Argos debt rating by
Fitch / S&P

GRUPO ARGOS SEPARATE RESULTS 4Q2020

24% savings achieved in Grupo Argos controllable expenses

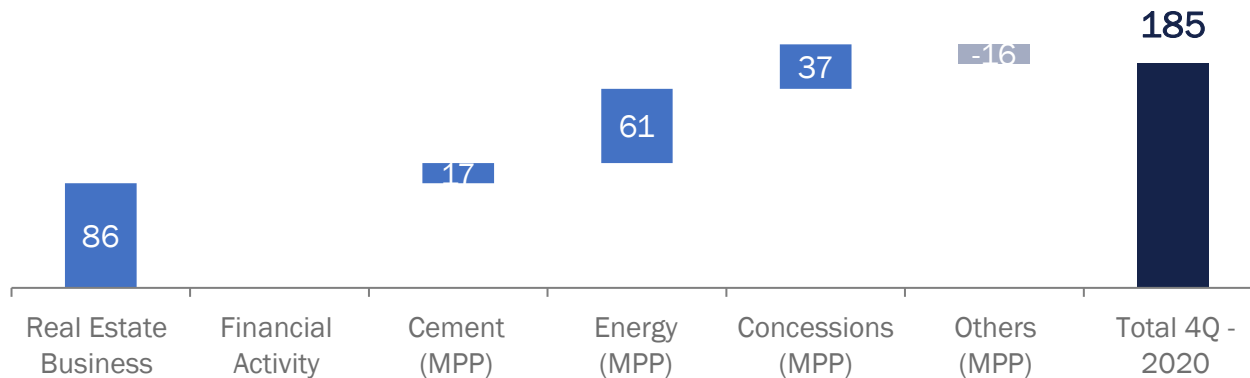
4Q2020 Revenue distribution

COP bn



4Q2019 Revenue distribution

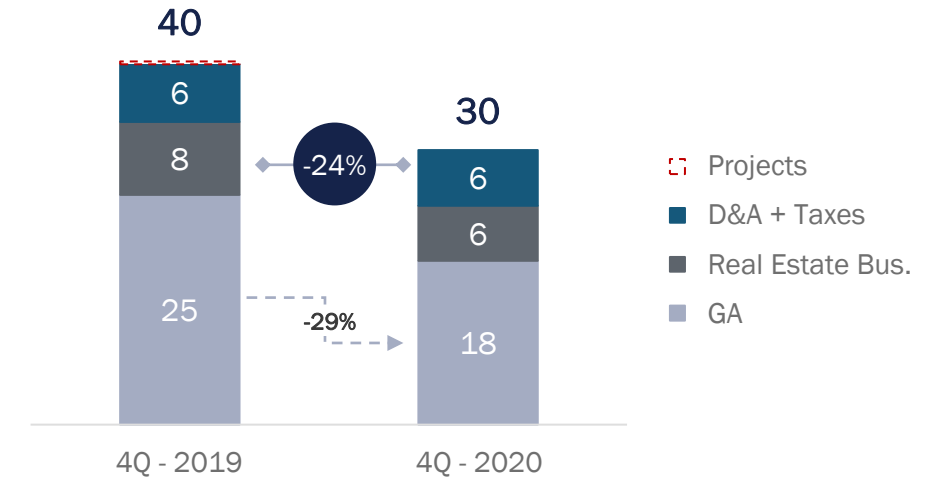
COP bn



* MPP = Participation Method

4Q2020 Controllable expenses

COP bn



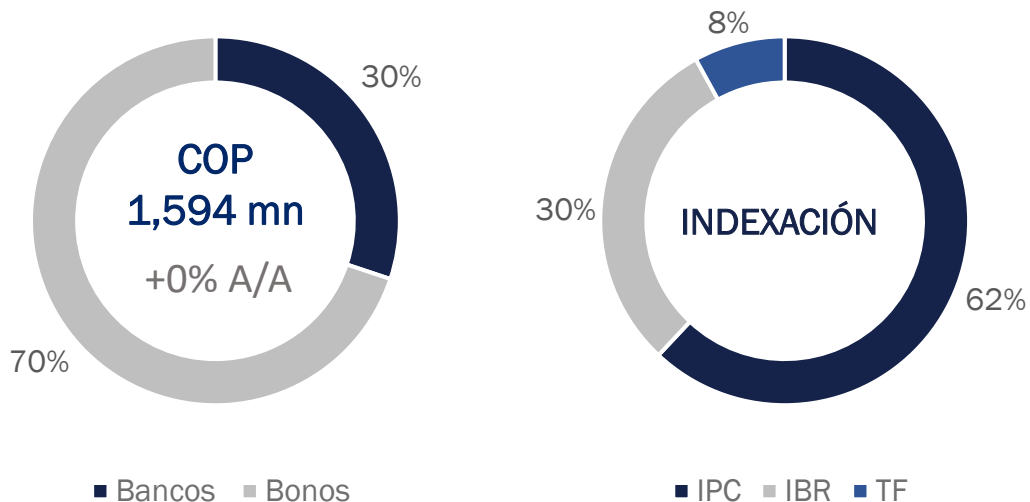
- **Service (-21%) and fee (-14%) efficiencies** were achieved during the semester which are translated in a lighter and more efficient organization towards the future
- Separate **revenue** for the quarter was heavily **impacted by the net loss suffered by the concessions business** and which is booked using the participation method in Grupo Argos' separate financial statements

GRUPO ARGOS SEPARATE RESULTS 4Q2020

92% of debt maturity occurs after 2023 and guarantee greater short-term flexibility

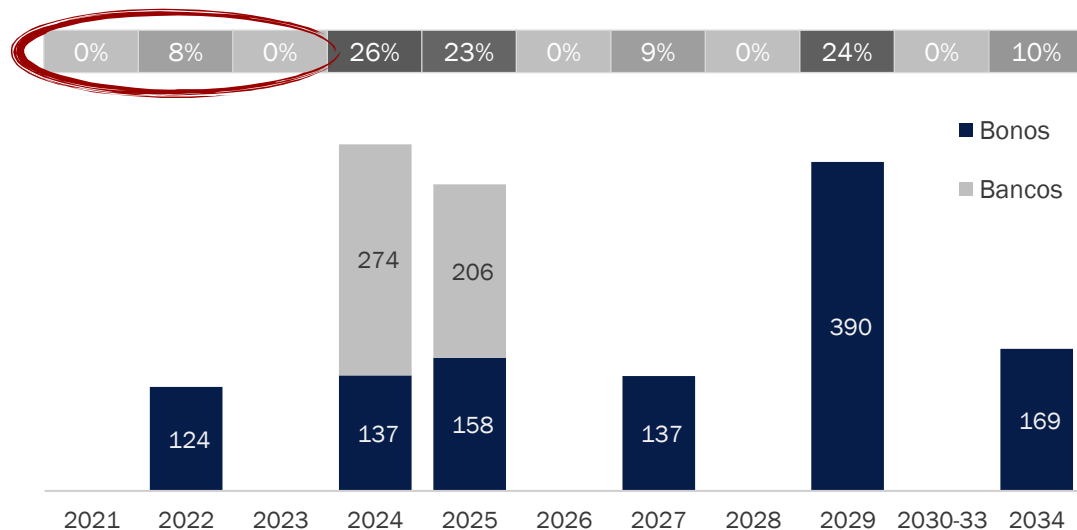
Indebtedness¹

COP bn



Maturity profile (capital)

COP bn



Gross Debt / Dividends

3.3x

Vs 2.7x in December 2019

Gross Debt / Portfolio²

13.2%

Vs 11.5% in December 2019

Cost of Debt

4.8%

Vs 7.0% in December 2019

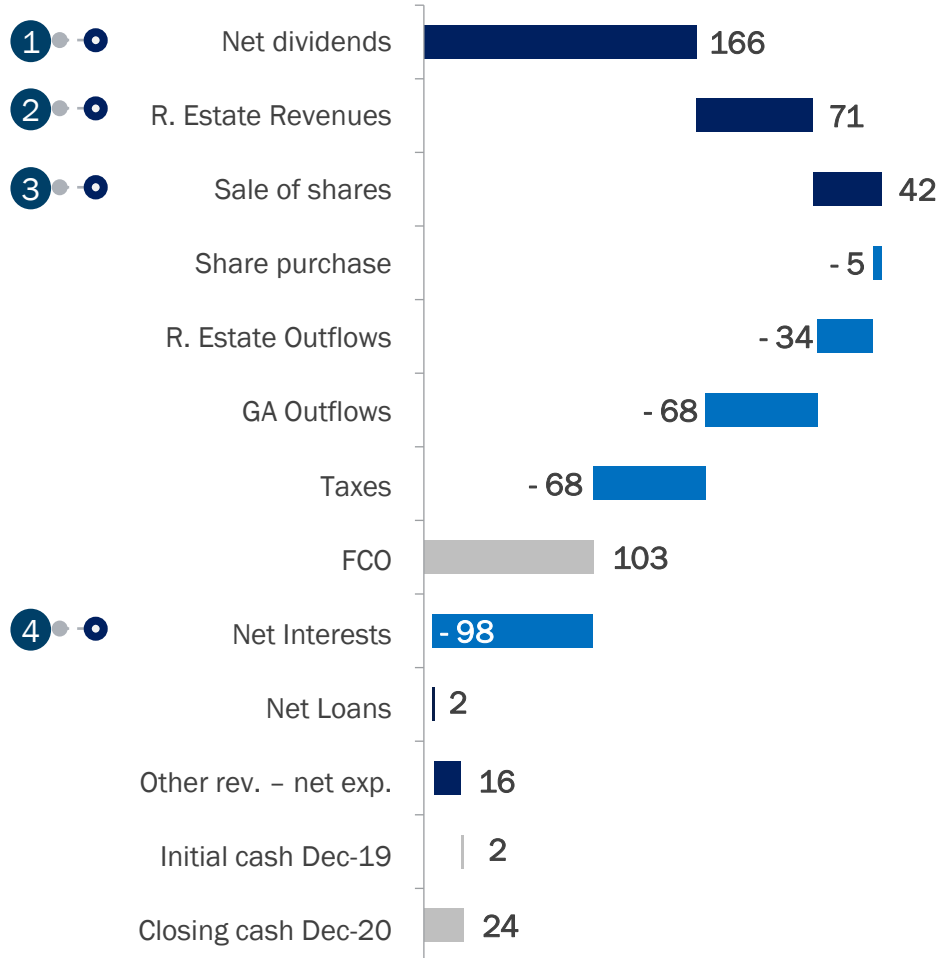
1 Only includes principal balance 2. Listed share portfolio at end-of-month price + Participation in Pactia

GRUPO ARGOS SEPARATE RESULTS 4Q2020

Final cashflow reflects resource management, to return to a minimum cash policy

Cashflow

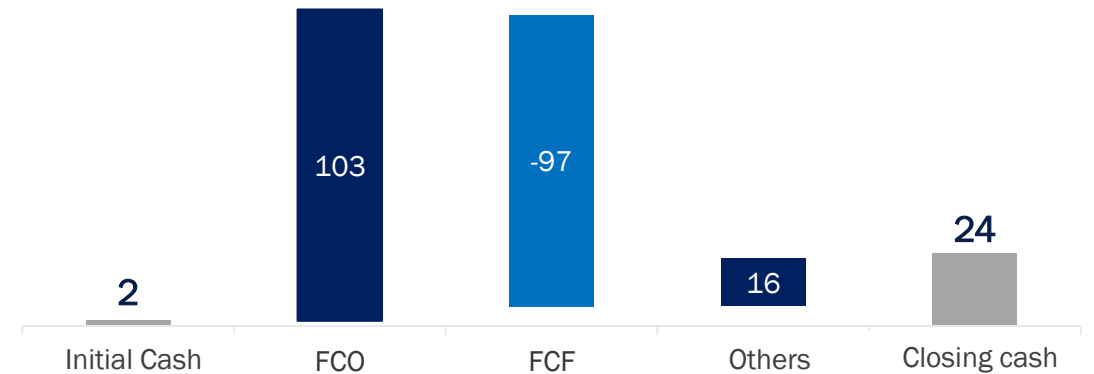
COP mn



Notes

COP mn

- Dividends received: **COP 482 bn**, dividends paid: **COP 316 bn**
- Developed lots: **COP 56 bn**, divestments: **COP 11 bn**, revenue and others: **COP 4 bn**
- Sale Odempa shares: **COP 37 bn**
Sale Colombates shares: **COP 5 bn**
- Financial expenses: **COP 111 bn**, financial yields: **COP 13 bn**



SUSTAINABILITY

 **GRUPO ARGOS**
Inversiones que transforman



Grupo Argos commits to reducing CO₂e emissions by 46% for every million in revenue by 2030

CLIMATE CHANGE STRATEGY

Commitment

At the corporate group we are committed to:

- **Reducing by 46%** the intensity of our CO₂e emissions for every million COP in revenue by **2030**, 2018 baseline.
- **Reducing by 37%** our overall CO₂e emissions, regarding the 2015 baseline.
- Manage climate change risks and opportunities.
- Contribute to the 2030 Agenda and SDG 13 on Climate Action.



DOW JONES SUSTAINABILITY INDEX

Recognition

We classified to the DJSI index:

- We were included on the Global Index, the Emerging Markets index and the MILA (Integrated Latin American Market, in the original Spanish) index.
- Ranked second globally.
- Overall score: 88 of 100. With an economic score of 88, an environmental score of 90 and a social score of 88.
- 8th consecutive year on the index.
- We received the Silver Class 2021 medal in the S&P Yearbook 2021 for good sustainability practices.

Member of
Dow Jones Sustainability Indices

Powered by the S&P Global CSA

Sustainability Award
Silver Class 2021
S&P Global

Annexes

 **GRUPO ARGOS**
Inversiones que transforman



CEMENT BUSINESS

 **GRUPO ARGOS**
Inversiones que transforman



Positive cement consumption dynamic in our regions



3Q2020 → highest volumes of cement for the year

- November and December 2020 moved more volume than the same months in 2019
- The trend towards recovery is confirmed together with a solid starting position for 2021



2020 was the best year for new housing sales in Colombia

- During the year, new housing sales grew 8%, driven by the growth in VIS (+11%) and stability in non-VIS sales
- VIS sales reached a historic maximum (+176 thousand units)



Improved outlook for the US construction sector

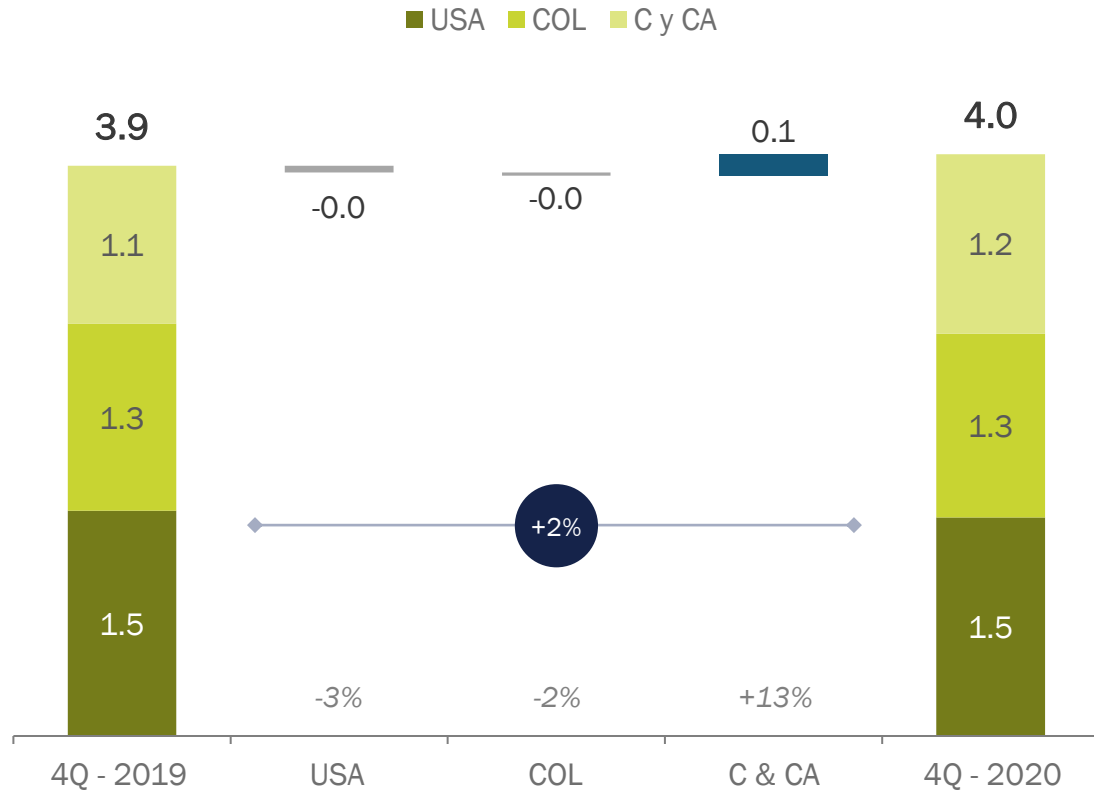
- Construction spend increased 5.7% YOY in December driven by spend on housing construction and public construction that increased 20.7% and 3.0% respectively
- Construction permits grew 17.3% compared to December 2019, reaching 2006 levels.

CEMENT BUSINESS 4Q2020

November and December, the first months of the pandemic to surpass 2019 cement volumes

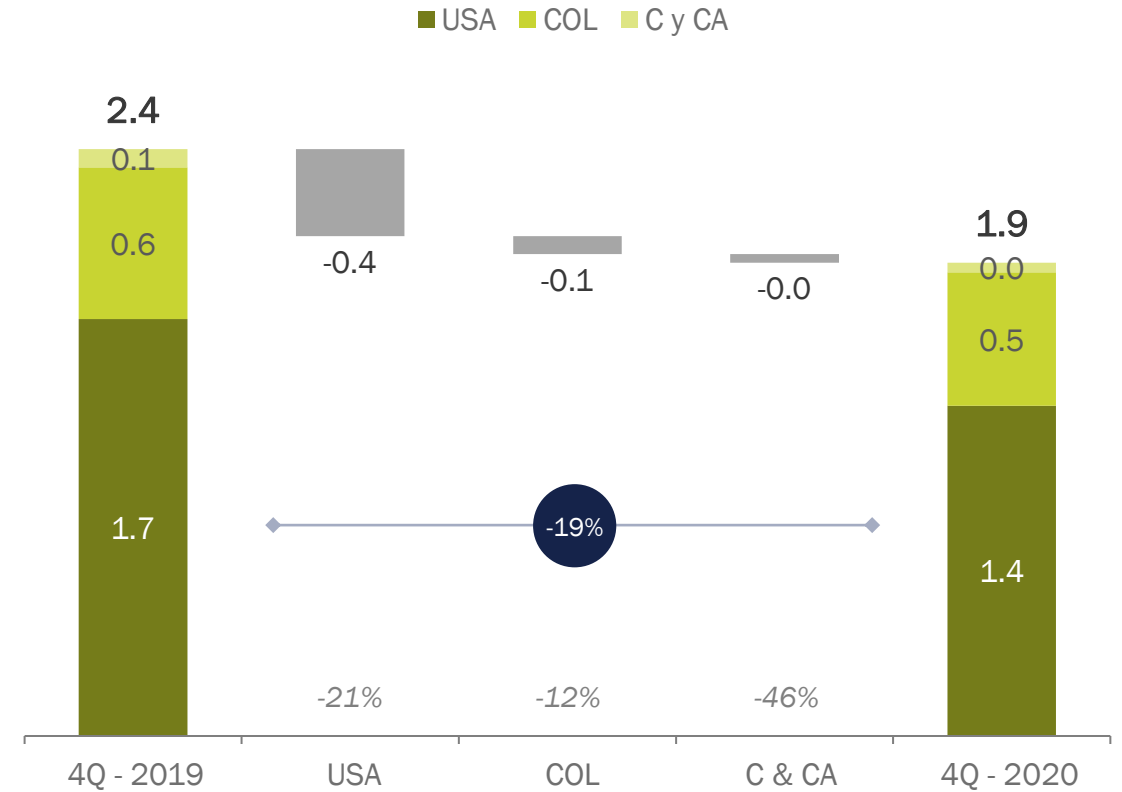
Cement volumes*

mm tons



Concrete volumes*

mm m³

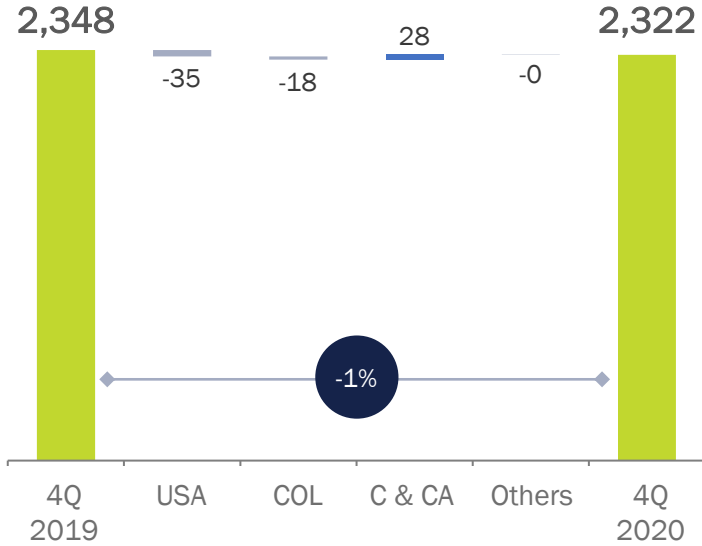


- November and December are the first months since the pandemic started to surpass the volumes recorded for the same months in 2019.
- The fourth quarter closes as the quarter with the largest volume of cement during the year, confirming the path to recovery
- RMC volumes continue with material affectations due in part to the weather conditions in the regions where we operate and due to the divestment of RMC assets in Argos USA during December 2021

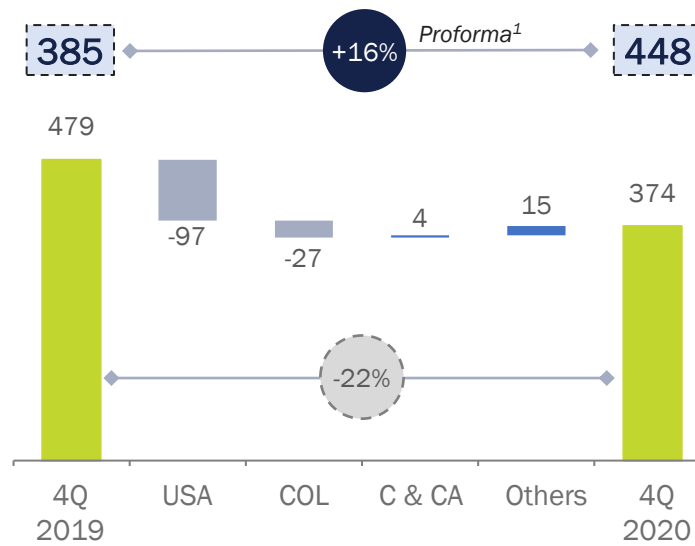
CEMENT BUSINESS 4Q2020

Cash position and free cash flow generation reflect a well-executed strategy

Revenue COP bn

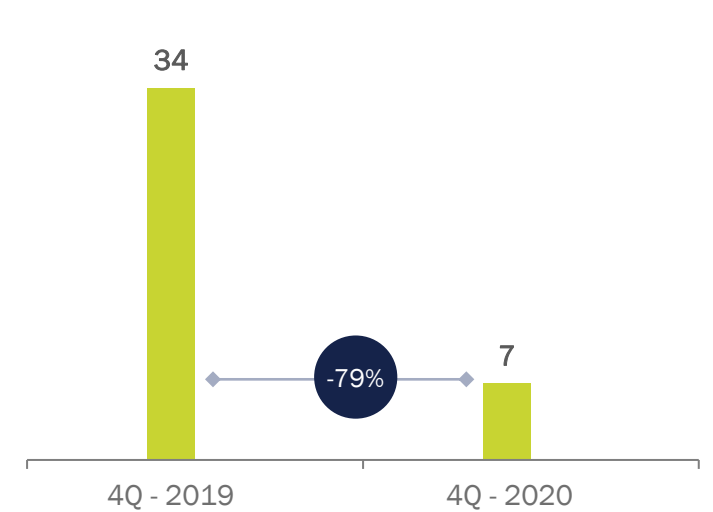


Ebitda COP bn



Net controller profit

COP bn



- Stable cement volumes result in stable year over year revenue.
- Results affected by non-recurring events in both quarters:
 - Sale of US concrete assets in Q42019 for 77 bn
 - DOJ Demand in Q42020 for COP 74 bn
- Comparable EBITDA grows 16% (YOY) by excluding non-recurring effects, without adjustment for non-recurring events, EBITDA decreases by 22% (YOY)
- Net accounting profit drops from COP 34 bn in 4Q19 to 7 bn in 4Q20 mainly due to the effect of non-recurring operations performed in both periods

1. Pro Forma EBITDA excludes: i) sale of RM plants in 4Q2019 4Q2019 (US\$ 21mm), ii) land valuation in Colombia in 4Q2019 (COP 25 bn), iii) DPA Argos USA in 4Q2020 (US\$ 20mm)

ENERGY BUSINESS

 **GRUPO ARGOS**
Inversiones que transforman



ENERGY BUSINESS 4Q2020

Year ends with stability and progress made on strategic guidelines



876 GWh sold in 4Q2020 to 1.2 million clients

- Stable energy sales



Progress with Termotesorito to consolidate the grid with 200MW

- An environmental license is obtained to move forward with the project, which will be ready in December 2022 according to schedule
- The plant will serve as a backup for the electrical system in the event of scarcity



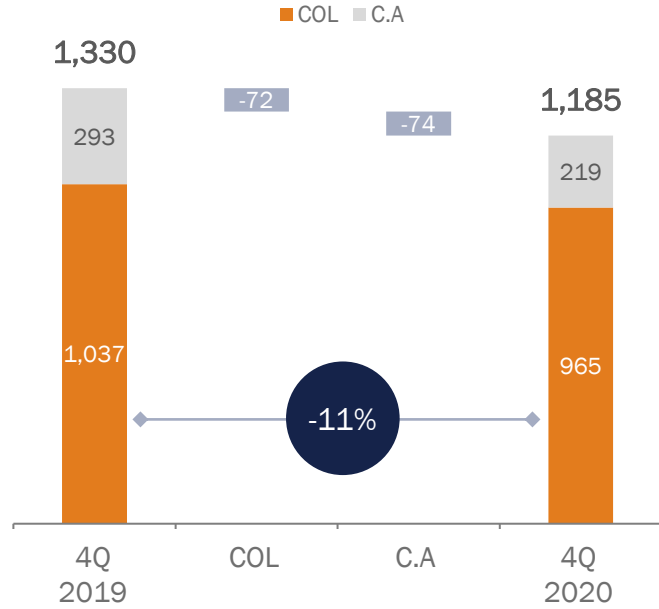
Indebtedness closes at 2.8 times Net Debt / EBITDA

- A multiple lower than rating reference values provides flexibility
- Celsia's credit risk rating is stable at AA+ and Celsa Colombia has a AAA rating thanks to positive financial results

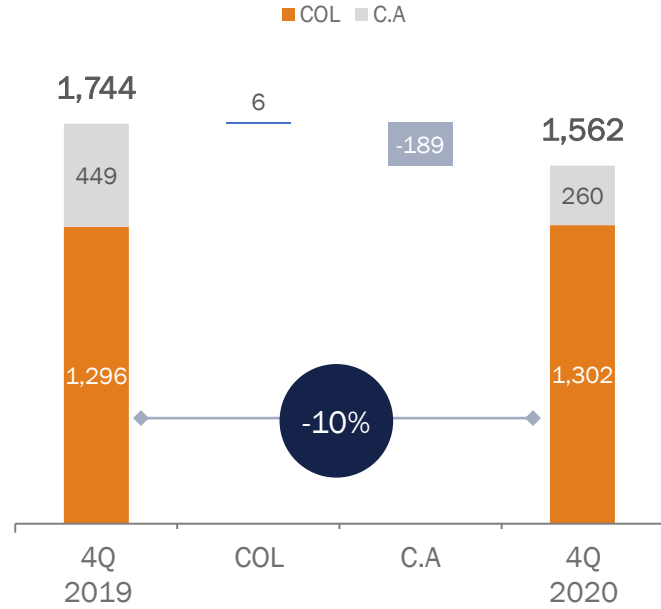
ENERGY BUSINESS 4Q2020

Stability in the distribution and commercialization business despite lower generation

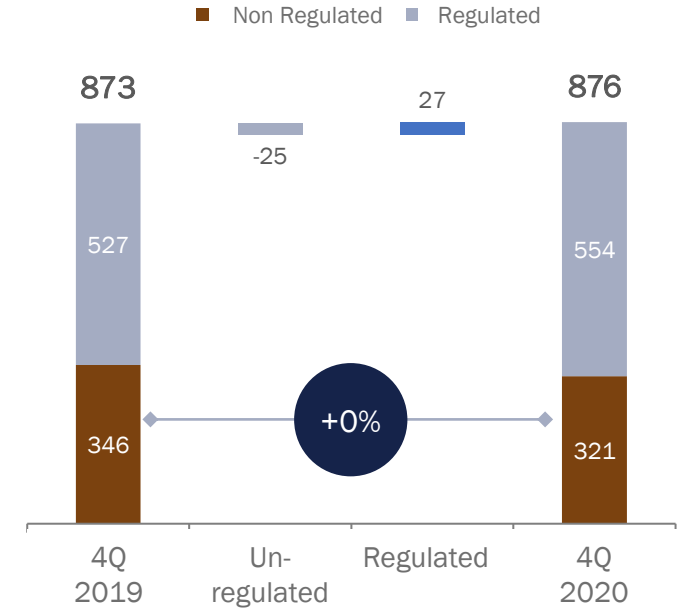
Generation (GWh)



Energy Sales (GWh)



Commercialization (GWh)

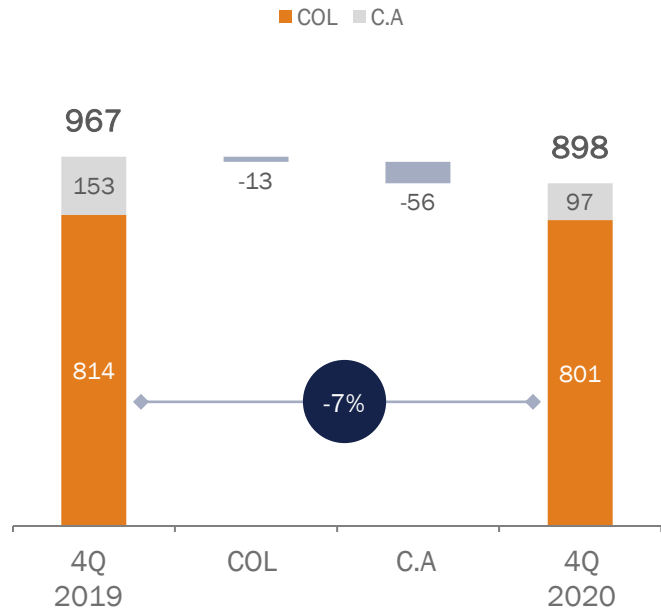


- The company continues to make progress with structuring and building wind farms in La Guajira (330MW), Termotesorito (200MW) and other non-conventional renewable energy projects
- Lower energy demand in Colombia and Central America due to the effects of the economic situation
- Thanks to improved hydrology over the last weeks of the year in Colombia, Celsia's reservoirs ended the year at 67% full

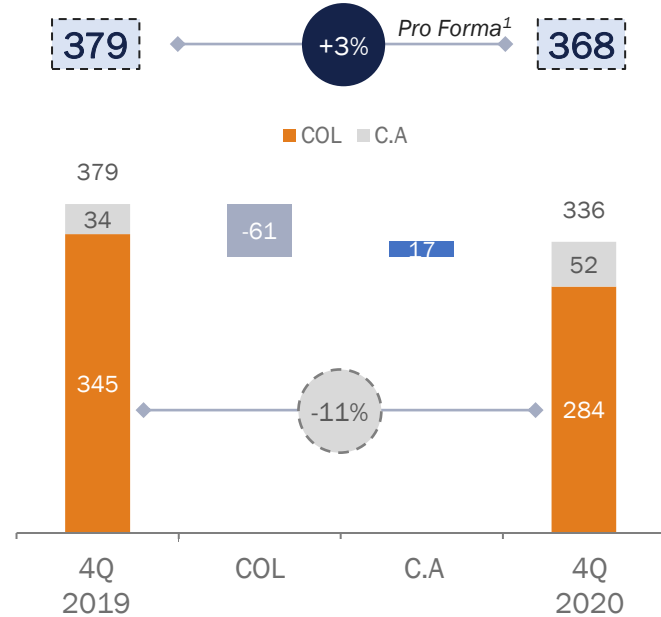
ENERGY BUSINESS 4Q2020

Decrease in results (YOY) partially explained by the non-consolidation of the CAOBA assets

Revenue COP bn

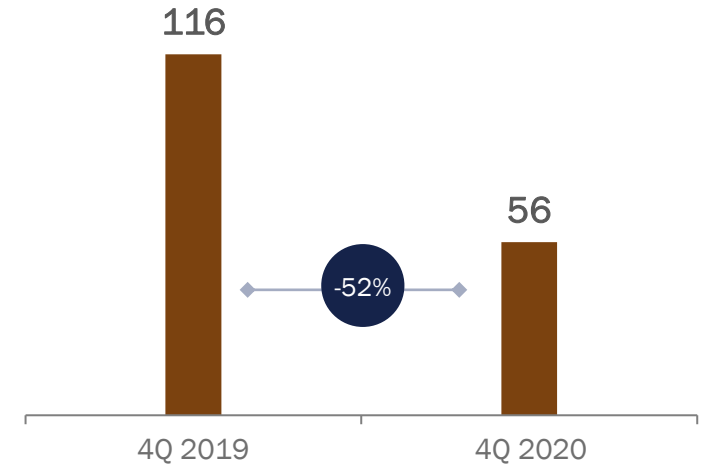


Ebitda COP bn



Net controller profit

COP bn



- Financial results for the period do not include contributions from the CAOBA assets in 2020 as these ceased to be consolidated when they were contributed to the platform created with *Cúbico Sustainable Investments*. During 2020, these assets generated:
 - Revenue: COP 150 bn
 - EBITDA: COP 129 bn
- Lower energy generation and a decrease in energy prices are other relevant factors related to decreased revenue, EBITDA and Net Profit

1. Pro Forma EBITDA includes amounts generated by the Caoba assets in 4Q2020 that were no longer consolidated after the creation of the vehicle and the entry of *Cúbico Sustainable Investments*

CONCESSIONS BUSINESS

 **GRUPO ARGOS**
Inversiones que transforman



Highway traffic resilience is fundamental for portfolio stability



Tunel de Oriente refinanced for COP 660 bn to maximize investment IRR



Highway traffic recovering, reaching 110 thousand vehicles per day



Addenda to the Malla Vial del Meta signed, guaranteeing financial equilibrium

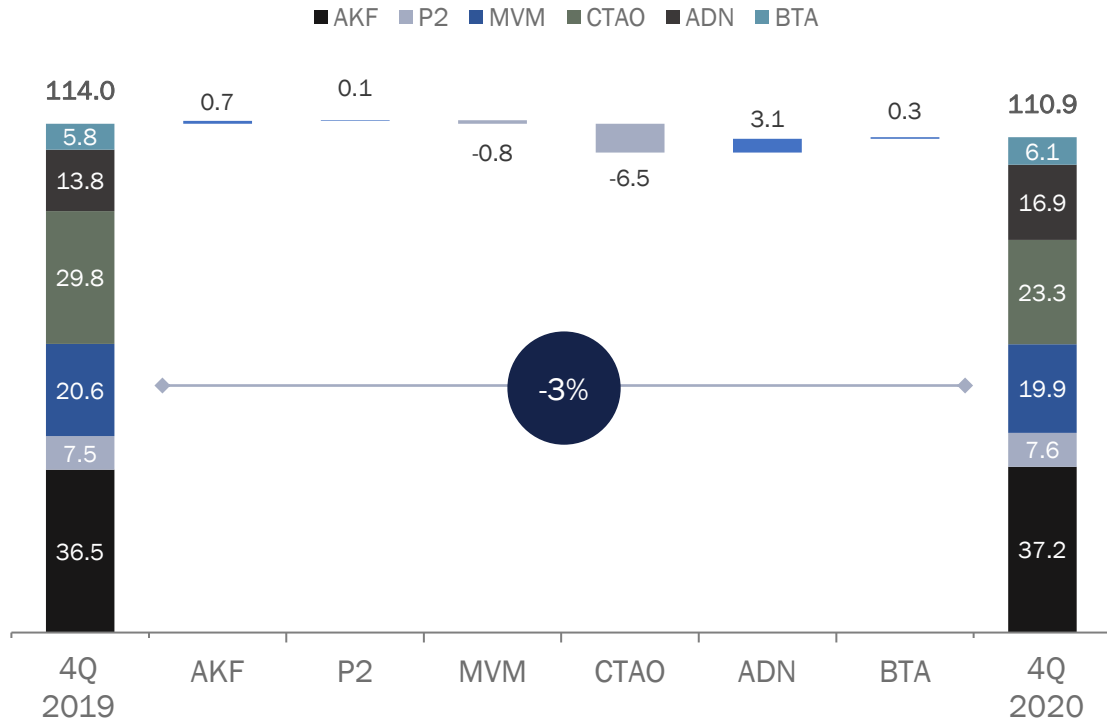


CONCESSIONS BUSINESS 4Q2020

Vehicle traffic continues recovering and reaches similar levels to 2019

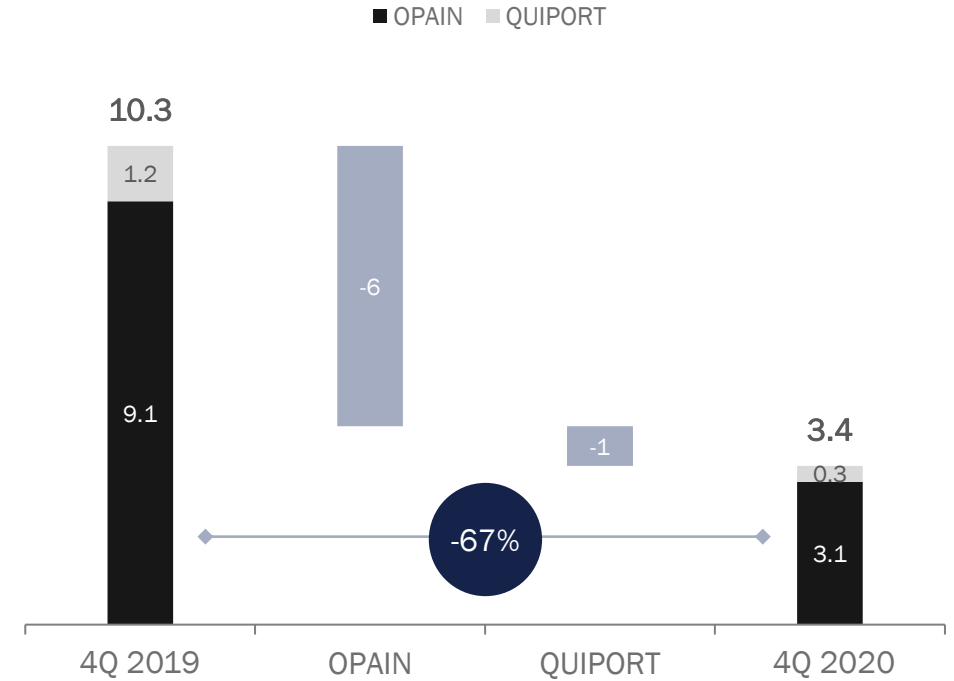
Daily vehicle average

Thousands of vehicles



Airport traffic

Millions of Passengers (PAX)

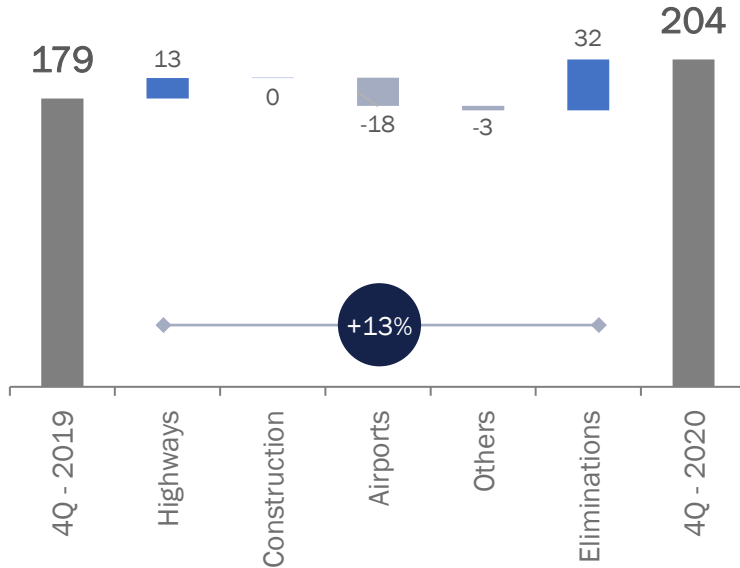


- Highway resilience is highlighted as vehicle flows are slowly being recovered, reaching similar levels to 2019
- The highway concession that has been most affected is the Túnel de Oriente as a large part of its traffic is vehicles travelling from Medellin to the city's international airport, and this has seen a significant fall in traffic

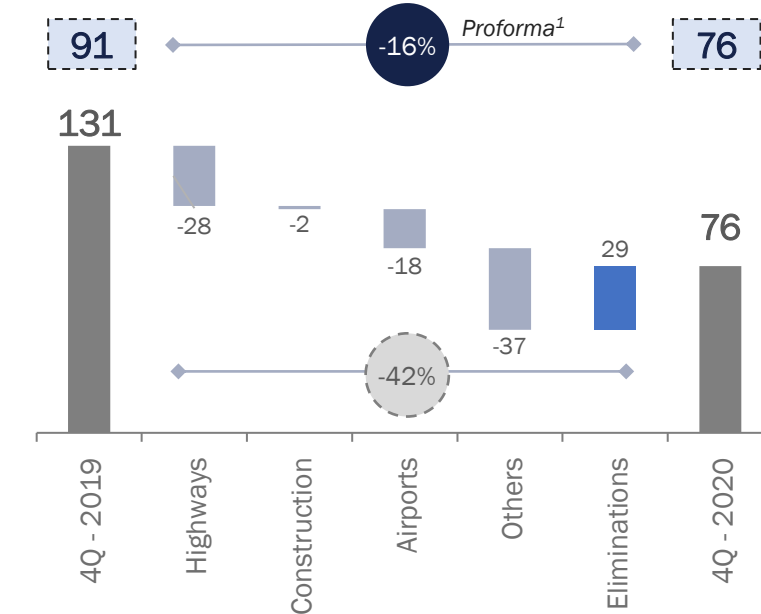
CONCESSIONS BUSINESS 4Q2020

The airport segment continues making a negative contribution to the participation method

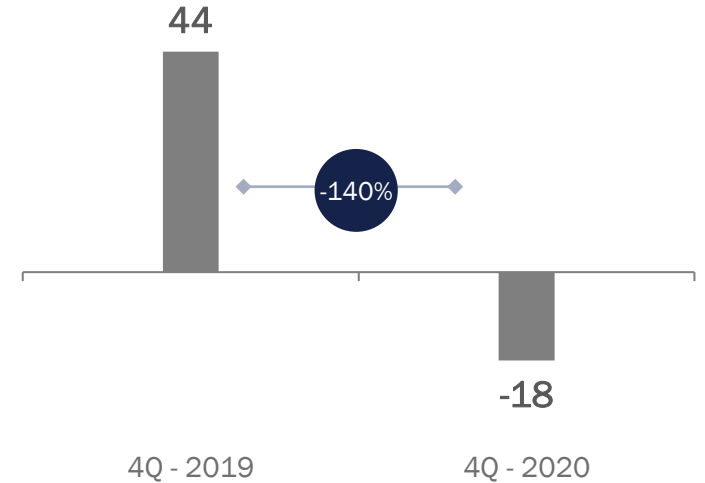
Revenue COP bn



Ebitda COP bn



Net controller profit COP bn



- Highway segment began the quarter with an average daily traffic of 104 thousand vehicles and ended December with 123 thousand vehicles, returning to historic levels.
- Thanks to the recovery of the highways and the consolidation of operational roads, contribution to quarterly revenue increased by 6% (YOY)
- Airport traffic went from 10.3 million passengers in 4Q19 to 3.4 million in 4Q20 (-67%), resulting in a net loss of COP -12 billion which is booked according to the participation method and has a significant negative impact on income, EBITDA and net profit for the period.

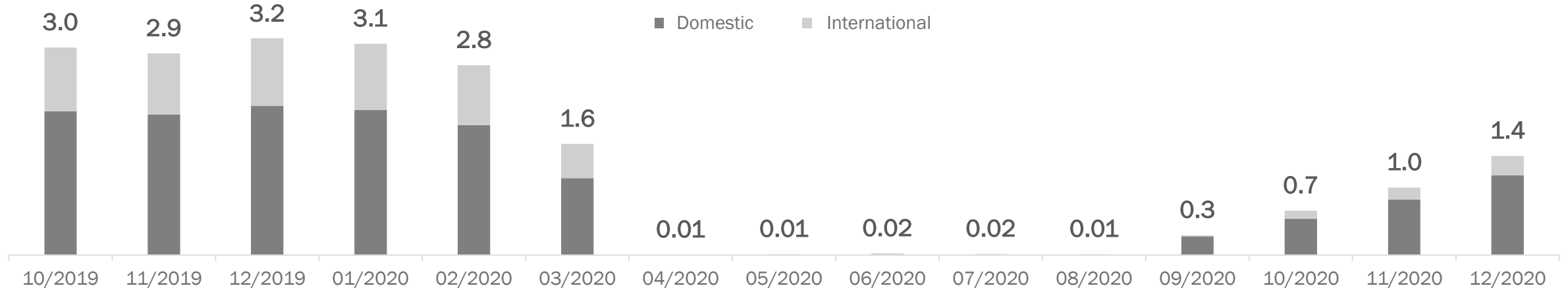
1. 4Q2019: the accounting profit generated by the acquisition of Túnel de Oriente (\$40 bn)

CONCESSIONS BUSINESS - OPAIN 4Q2020

Traffic recovering gradually with 1.4 million passengers in December

Passengers

Millions of Passengers (PAX)



Revenue

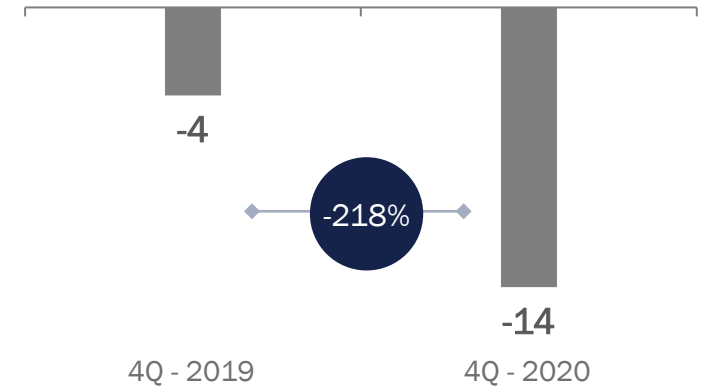
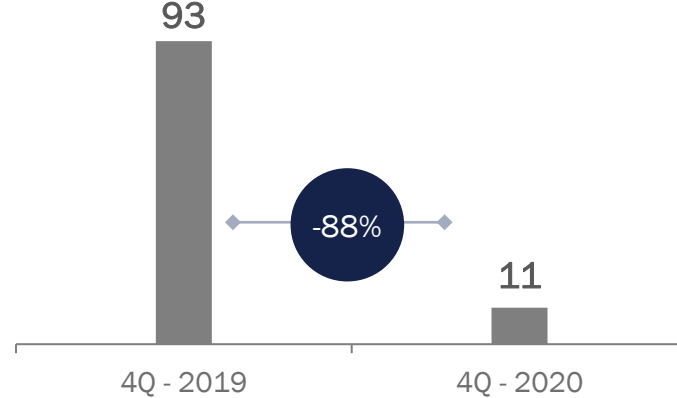
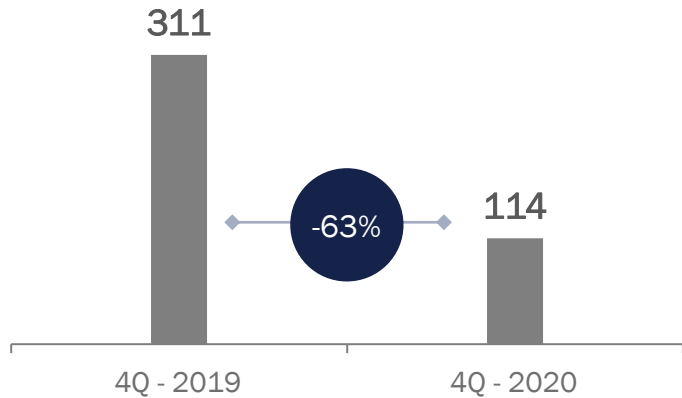
COP bn

Ebitda

COP bn

Net Profit

COP b





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