



First Quarter 2021

Financial Results Presentation

May 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.

Ideal competitive and operational position to drive growth during the next years

2020 Milestones & Future Value Drivers



Diversification

- ✓ Exposure to economic recovery (cement & infrastructure)
- ✓ More stability during financial downturns (ej. utilities)



Operational Lever

- ✓ Lean operational structure (COGS and SG&A efficiencies)
- ✓ Incremental profitability with growing demand



Financial Discipline

- ✓ Financial expenditures (net) decrease 28% y/y (1Q2021)
- ✓ Total debt decreases 7% y/y (1T2021)

Operational Results – Business Segments



Positive cement demand growth in our markets



Divestment of RMC operations in Dallas

- An agreement was signed with SRM concrete to sell 24 RMC plants in Dallas for + USD 180 mm



Colombia: Record in housing sales

- 21,000 units sold in March 2021
- Sales of social interest housing and non social interest housing grows 25% y/y



USA: US\$ 2.3 bn government infrastructure plan

- 40% of the investment will be in cement intensive projects that will increase cement demand between 40-80 mm tons during the next ~8 years
- The growth in demand will boost an industrial cycle that currently stands at a high utilization rate (~90%)



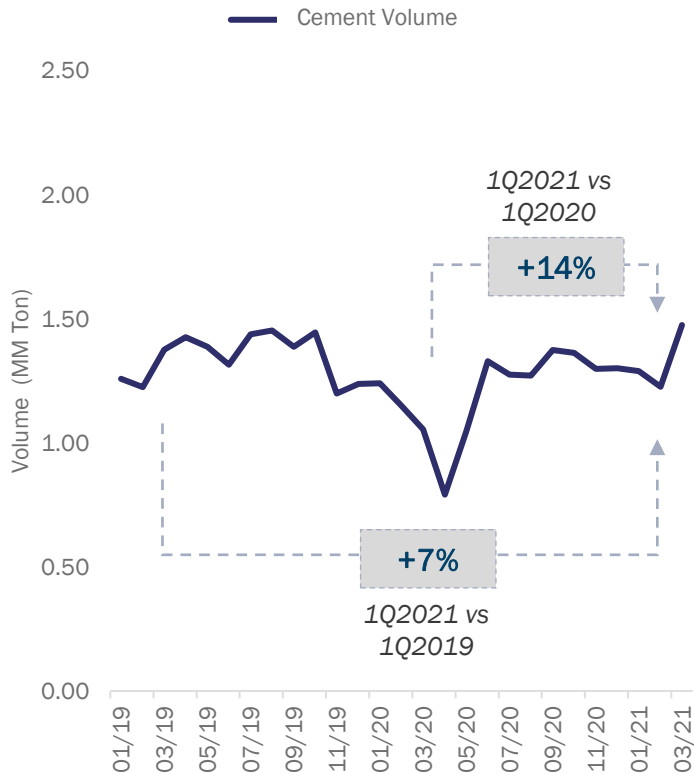
CCA: 1.4 mm tons of cement sold during the quarter (+21% y/y)

- Demand in Honduras returns to 2017 levels with demand growth during the quarter of 35% y/y.
- Government in Panama announced an economic recovery plan with investments in 3 phases: i) existing projects reactivation; ii) new turnkey projects; iii) new PPP infrastructure projects

GRUPO ARGOS RESULTS 1Q2021

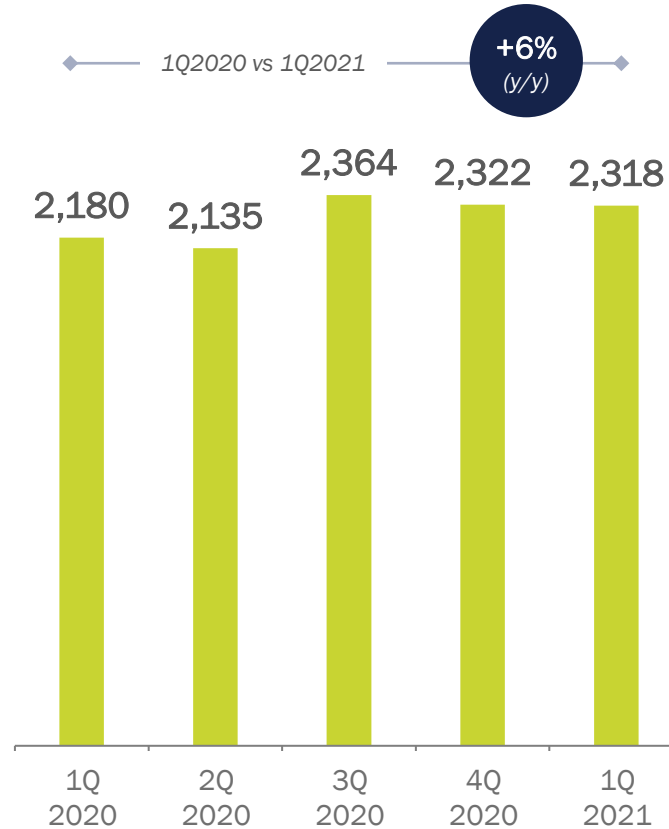
Operational lever enables 30% growth in Ebitda for the quarter

Operational



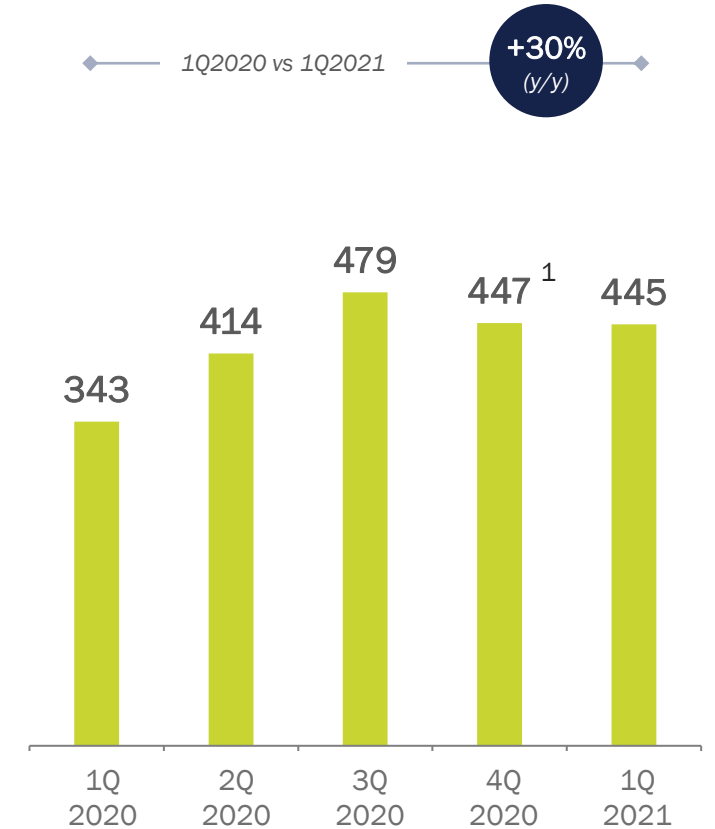
Revenue

COP k mm



EBITDA

COP k mm



Seasonality in the cement business: construction slowdown in first quarter due to winter in USA

1. EBITDA proforma excluye el DPA Argos USA en 4Q2020 (US\$ 20mm)

New businesses and innovation are the drivers of growth



Quarter revenue of COP 980 bn driven by innovation in households and industrial segments

- Asset management: COP 644 bn (-10% y/y)
- Households: COP 227 bn (+48% y/y)
- Industrial: COP 109 bn (+78% y/y)



Energy generation grows 18% y/y during the quarter

- Total Gx of **1,396 GWh** during the quarter of which **99.1% came from renewable sources** (hydro, solar, wind)
- Solar energy in Colombia grew 50% y/y with the new solar plants in operation
- Favourable hydrology and start of operation of Hydro Plant San Andres



Improved service quality and lower losses of energy

- Service in Tolima improved significantly with a decrease in its KPIs: SAIDI (37% y/y) and SAIFI (7% y/y)
- Total energy losses in Valle del Cauca of 9.1% and of 15.5% in Tolima exceeding the goal of the 10-year loss plan

GRUPO ARGOS RESULTS 1Q2021

Growth in energy generation during 2021 and stability in our operation

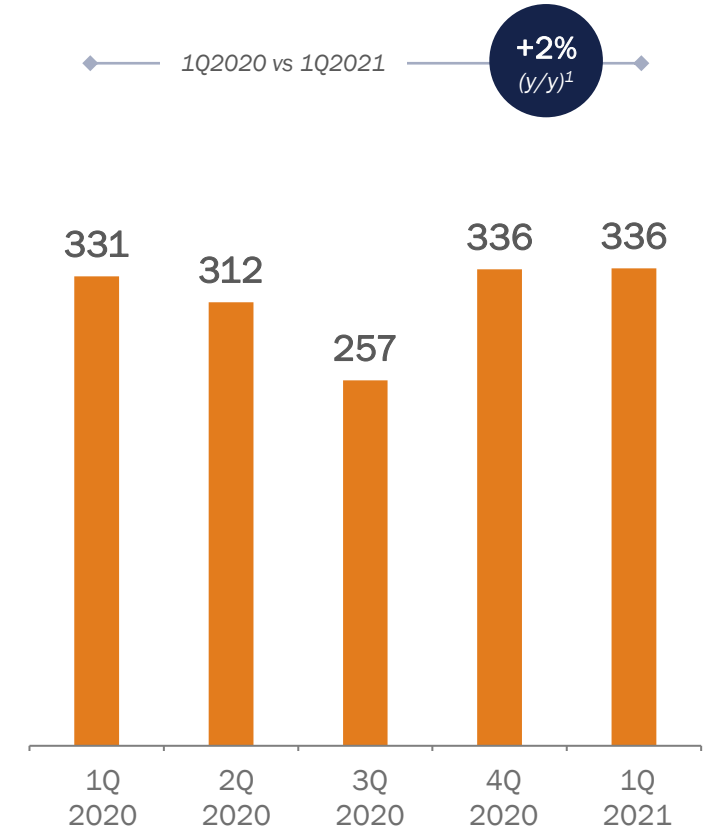
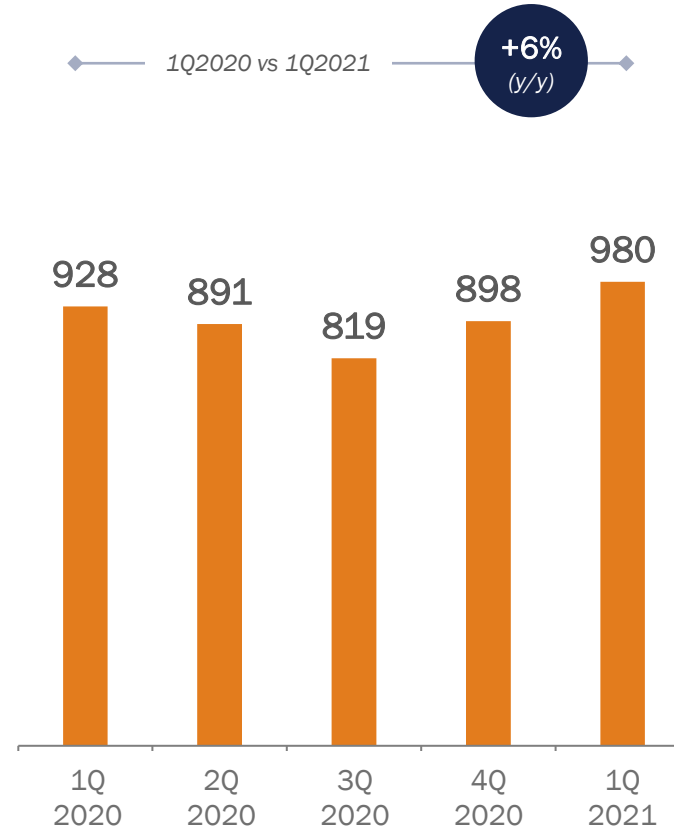
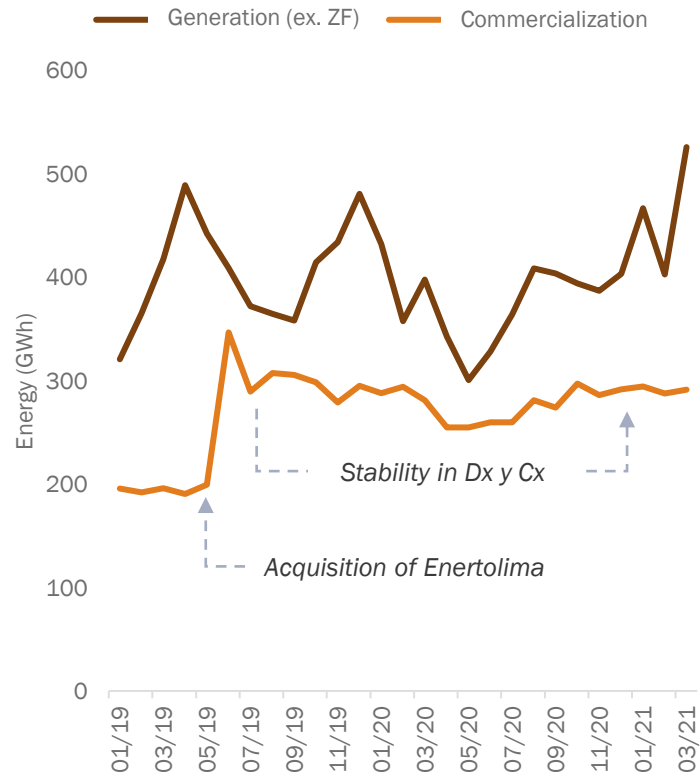
Operational

Revenue

COP k mm

EBITDA

COP k mm



1. 1Q2020 includes an extraordinary contribution due to the option held from the divestiture of Termoflores.

Resilience of road traffic is key for the portfolio stability



114 k average daily traffic during the quarter

- 11% y/y growth in traffic
- Positive performance of Tunel de Oriente that decreases marginally (-2%) considering the lower airport traffic in Medellín



Near construction completion in Pacífico 2

- Functional units 2 and 3 were terminated during April which meant the liberation of the corresponding resources from the grantor
- Contribution of the construction segment to the results is lower as the construction works of the concession are near its end.



Proactive management of the airport business to mitigate impacts from lower traffic

- Traffic decreases 49% y/y but March stands out as the best month since the beginning of the pandemic (PAX = 1.6 mm)
- Amendment sign with ANI in April to mitigate impacts in Opain caused by lock downs during march 2020 and September 2020

GRUPO ARGOS RESULTS 1Q2021

By March 2021, road traffic grows 24% and airports operate at ~50% compared with March 2019

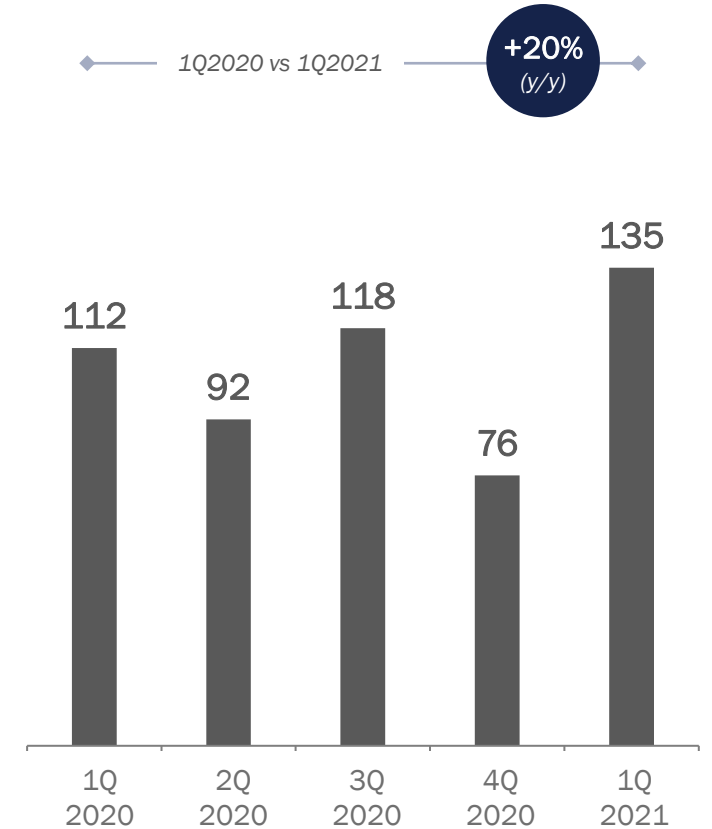
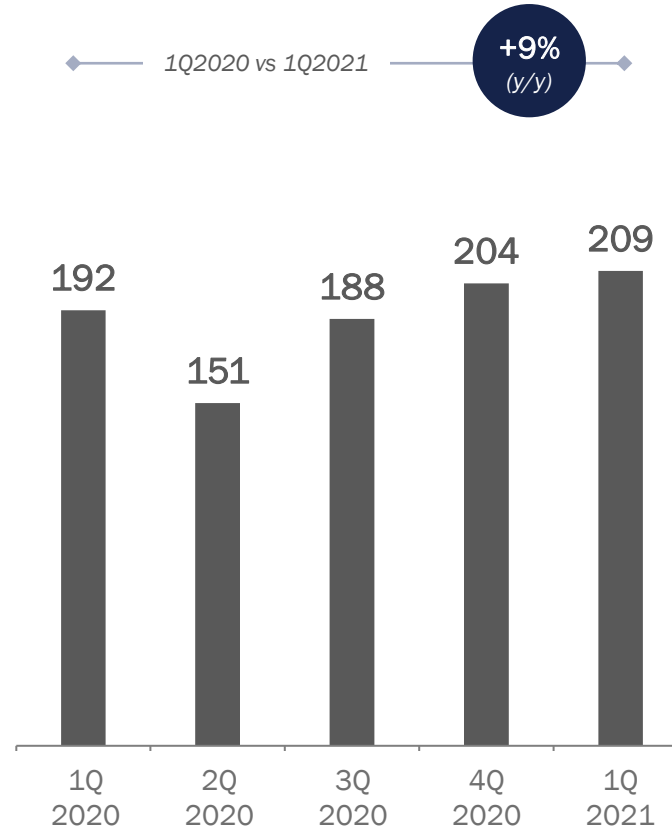
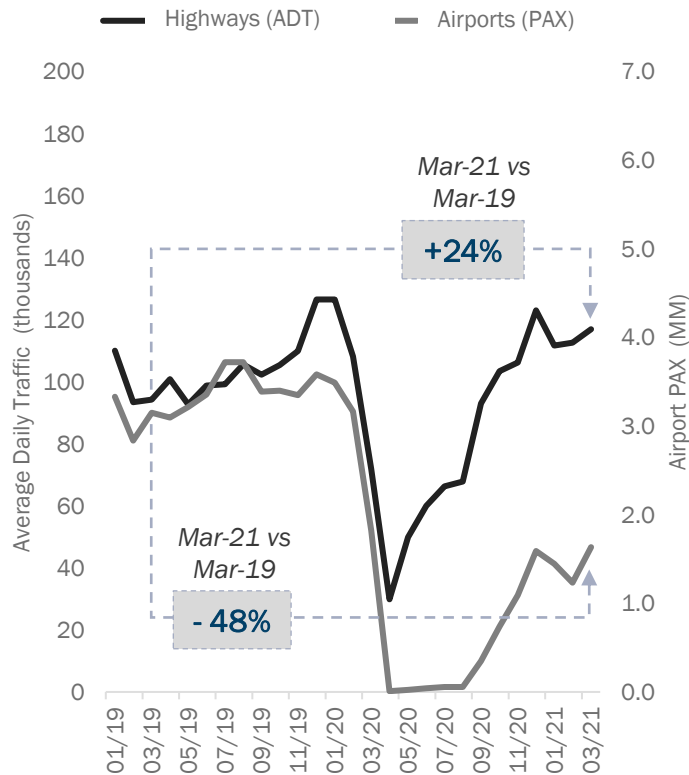
Operational

Revenue

COP k mm

EBITDA

COP k mm



GRUPO ARGOS RESULTS 1Q2021

NDU – Optimism with improving sector performance

Growth Drivers

1

✓ Tourism reactivation

2

✓ Higher occupation and rates in Barú

3

✓ Good commercial dynamic in Calablanca Residential

4

✓ Current business pipeline

Financial Results

COP bn

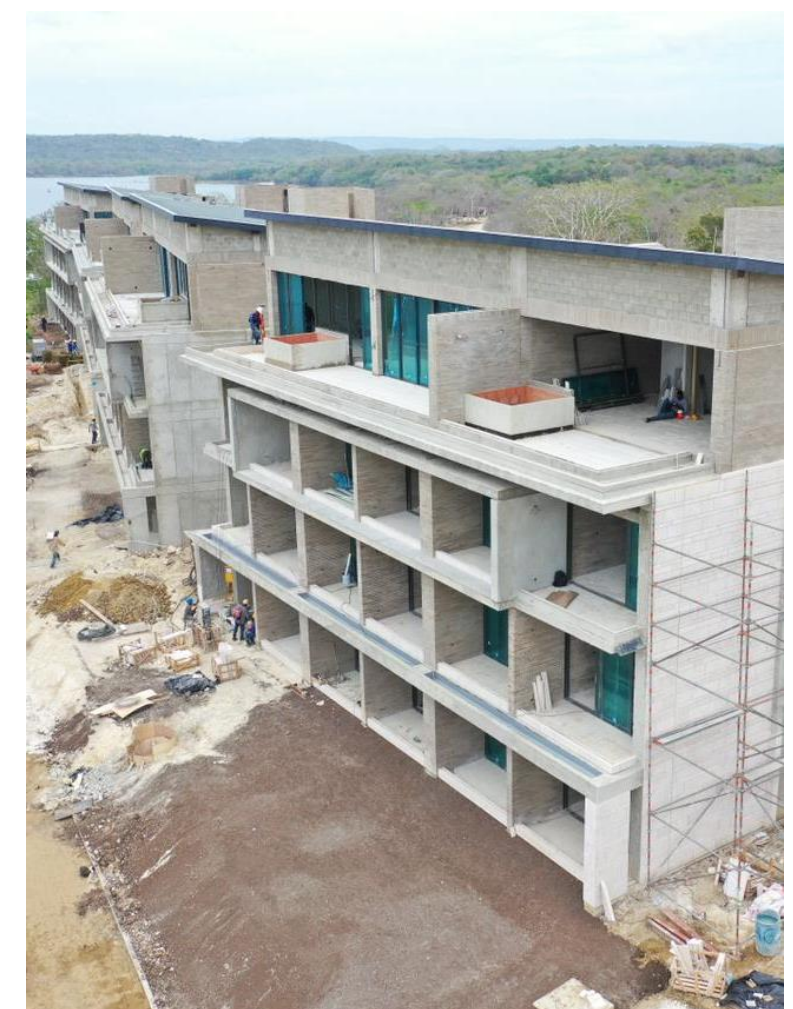
P&L	1Q21	1Q20	Var (%)
Revenue	20	16	23%
EBITDA	-11	-13	12%

- Revenue grows mainly due to rising valuations in Pavas (Barranquilla), which reflects a good dynamic in the housing sector
- **EBITDA grows 12%** vs 1T20 but is negative during the quarter due to the payment of yearly property taxes

Cash Flow	1Q21	1Q20	Var (%)
Revenue	18	12	41%
Net cash flow	-17	-19	12%

- **Revenues grow 41% y/y** during the quarter driven by the agreement in Plan Parcial de Ribera Mallorquín. Net cash contribution grows 12% YoY

Calablanca Project in Barú

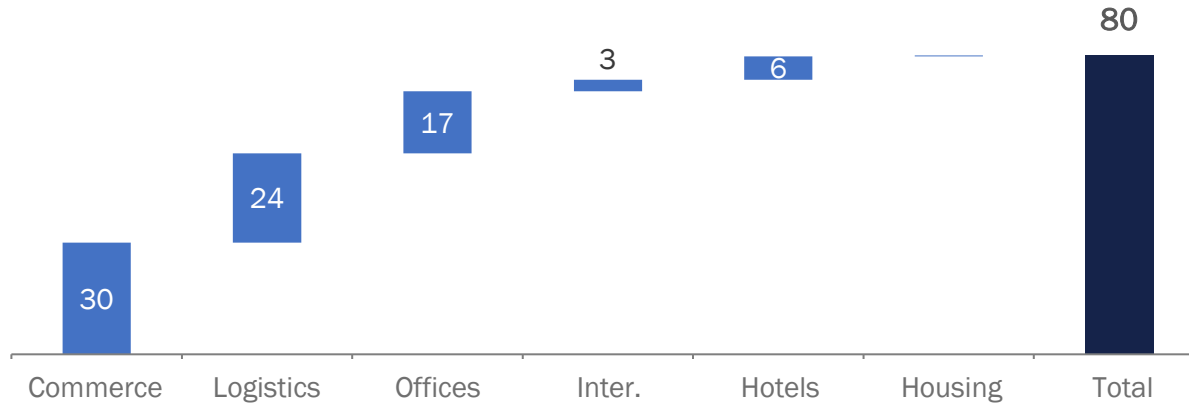


GRUPO ARGOS RESULTS 1Q2021

Pactia – Occupation levels reach maximum level since December 2019

Revenue Distribution

COP bn



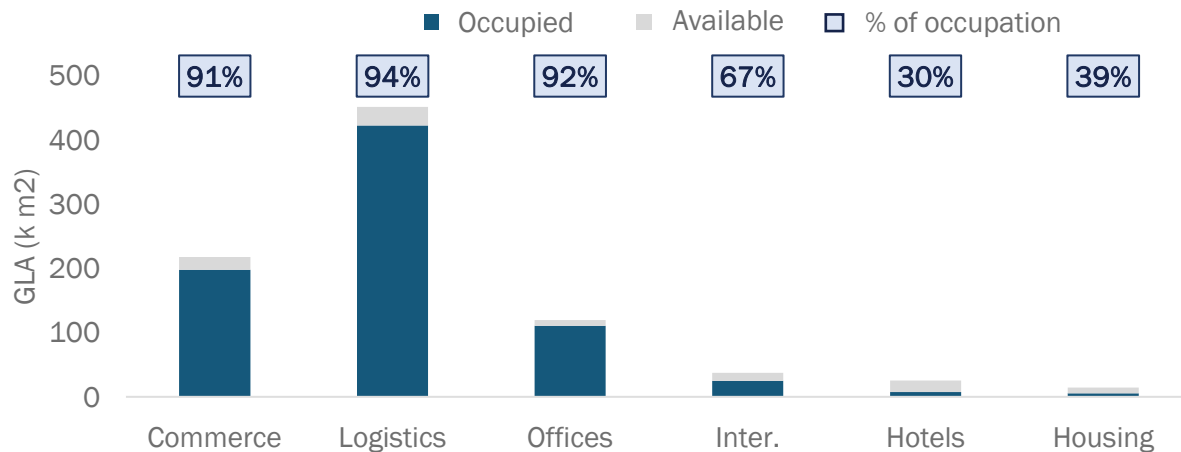
Main Figures

COP bn

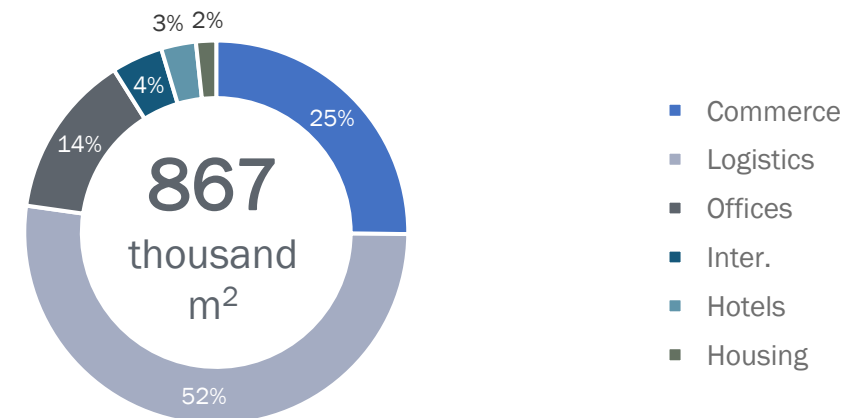
PACTIA FCP

COP bn	1Q - 2021	1Q - 2020	Var.(%)
Revenue	80	86	-7%
Operating Costs	26	29	-9%
Operating Expenses	16	16	4%
Ebitda	38	41	-9%
<i>Ebitda Margin</i>	<i>47%</i>	<i>48%</i>	<i>-108 pb</i>

GLA and Occupation by Segment



GLA Distribution



Financial Results



GRUPO ARGOS CONSOLIDATED RESULTS 1Q2021

Proforma EBITDA grows 15% due to better operational results in the business segments

P&L Summary

COP bn	1Q - 2021	1Q - 2020	Var.(%)
Revenue	3,733	3,616	3%
Costs, expenses and other revenue	3,208	3,219	0%
Operating Profit	525	397	32%
Ebitda	952	819	16%
<i>Ebitda Margin</i>	<i>25%</i>	<i>23%</i>	<i>285 pb</i>
Profit before taxes	282	114	147%
Taxes	92	88	4%
<i>Current</i>	<i>120</i>	<i>92</i>	<i>31%</i>
<i>Deferred</i>	<i>-28</i>	<i>-4</i>	<i>-625%</i>
Net profit	191	26	623%
Net controller profit	74	-32	330%
<i>Net controller margin</i>	<i>2%</i>	<i>-1%</i>	<i>287 pb</i>

25%

Consolidated proforma EBITDA margin grows +243 basic points vs 1Q2020

Summary P&L - Proforma*

COP bn	1Q - 2021	1Q - 2020	Var.(%)
Revenue	3,733	3,579	4%
Ebitda	952	825	15%
Net profit	191	32	488%
Net controller profit	74	-26	382%
<i>Ebitda Margin</i>	<i>25%</i>	<i>23%</i>	<i>243 pb</i>

COP 74 bn

Net controller profit during the quarter

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

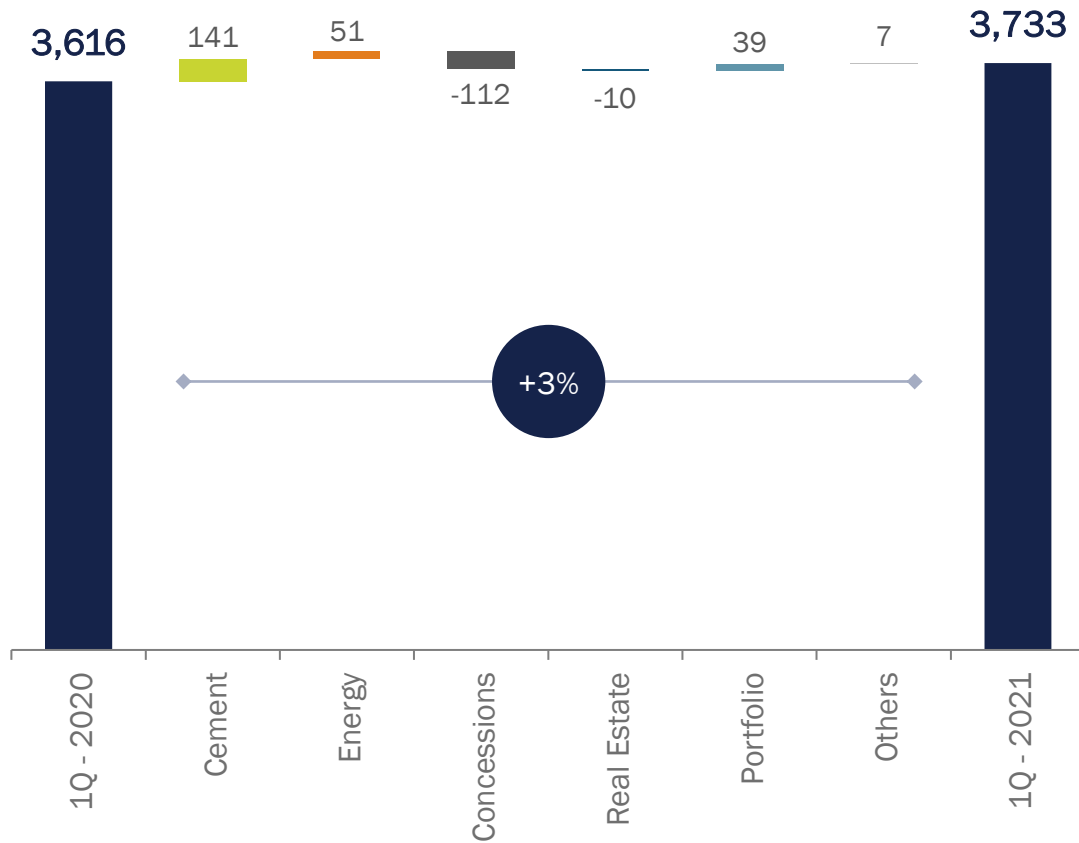
- 2020: sale of Odempa shares
- 2021: n/a

GRUPO ARGOS CONSOLIDATED RESULTS 1Q2021

Contribution of Cementos Argos and Celsia overweights lower contribution from concessions

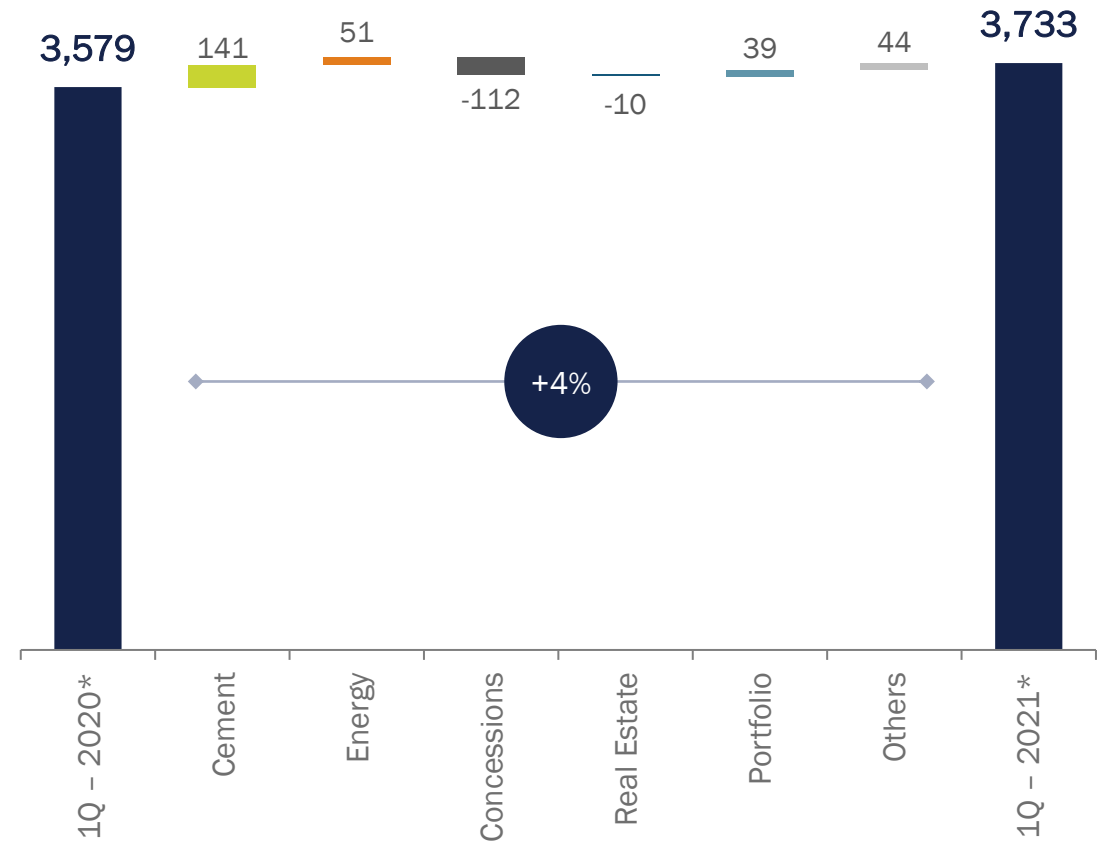
Consolidated revenue 1Q2021

COP bn



Consolidated revenue 1Q2021 (PRO FORMA*)

COP bn



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

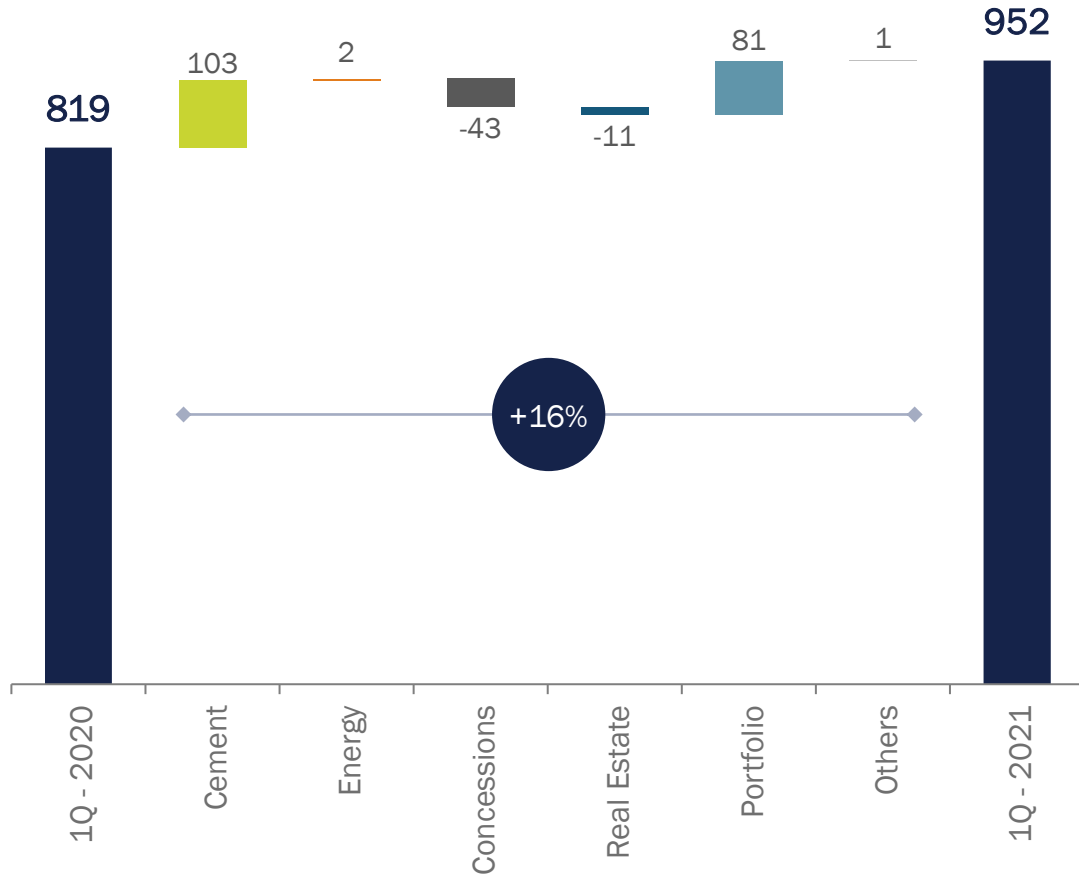
- 2020: sale of Odempa shares (\$37)
- 2021: n/a

GRUPO ARGOS CONSOLIDATED RESULTS 1Q2021

EBITDA growth driven by the performance of the cement business

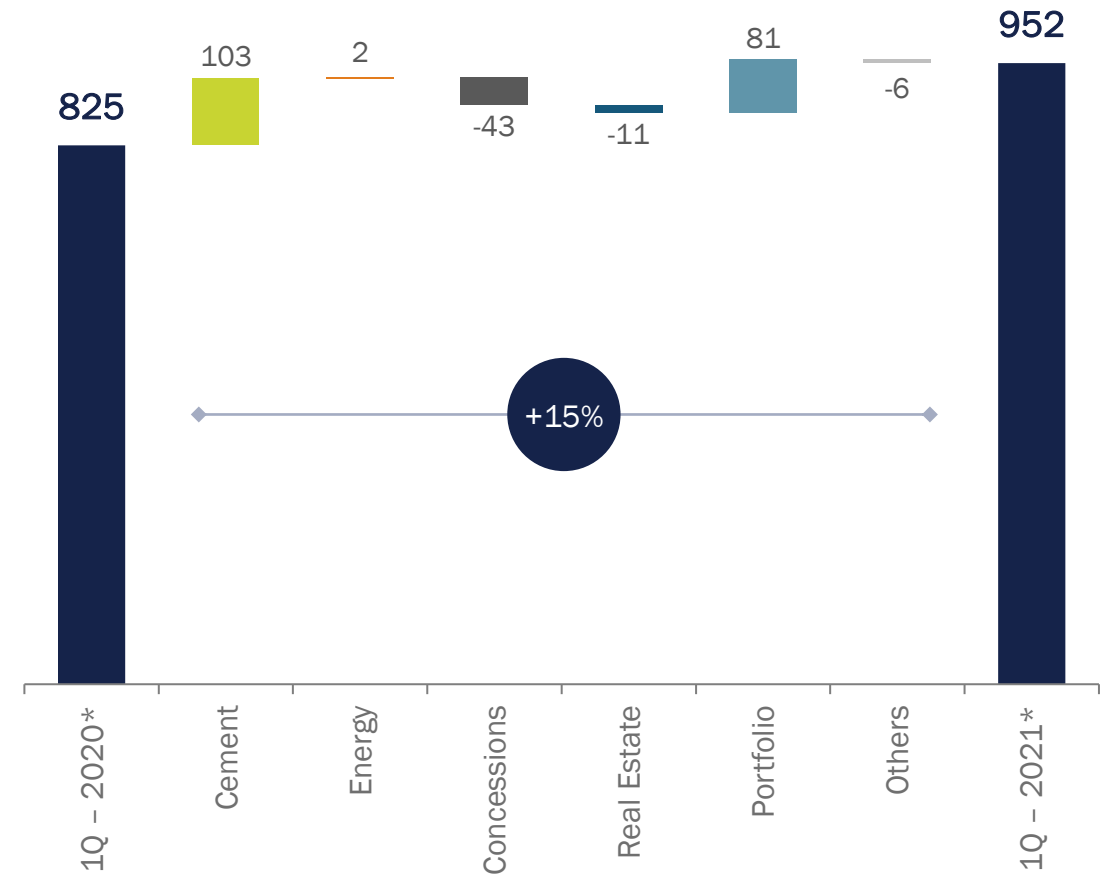
Consolidated Ebitda 1T2021

COP bn



Consolidated Ebitda 1T2021 (PROFORMA*)

COP bn



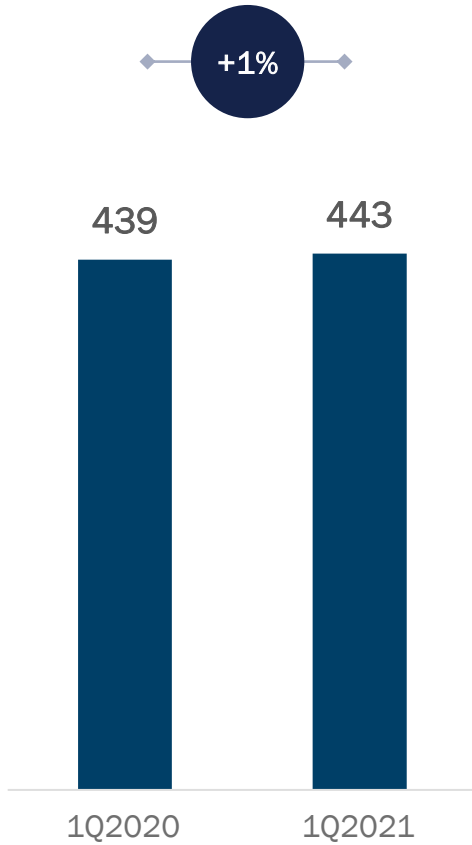
* Pro Forma adjustments – M&A transactions and non-recurring operations only included for Grupo Argos

- 2020: sale of Odempa shares (- \$7)
- 2021: n/a

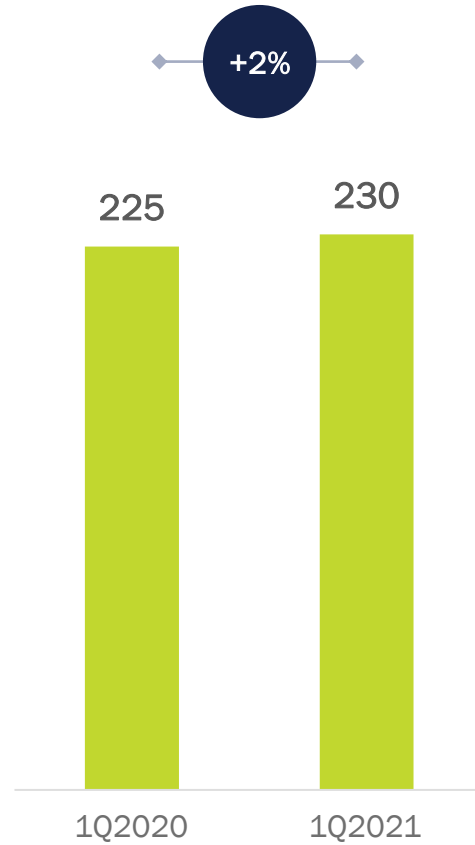
GRUPO ARGOS CONSOLIDATED RESULTS 1Q2021

All businesses continue with efficiency plan. Celsia is impacted by non-recurring events¹

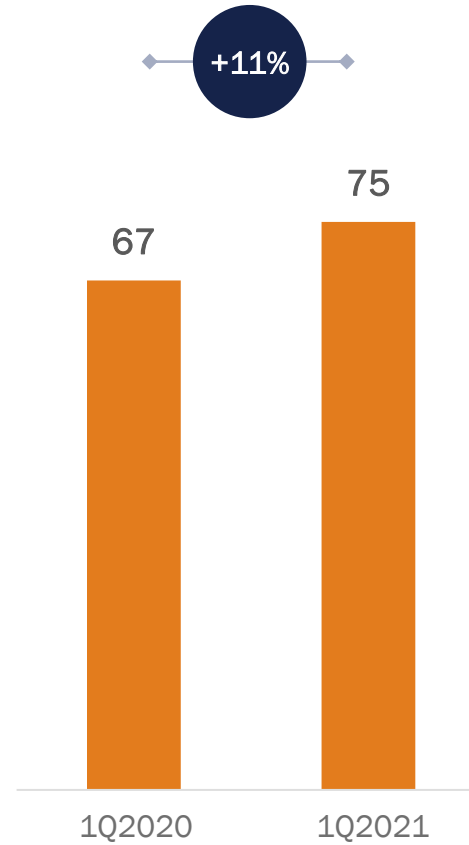
Consolidated Expenses



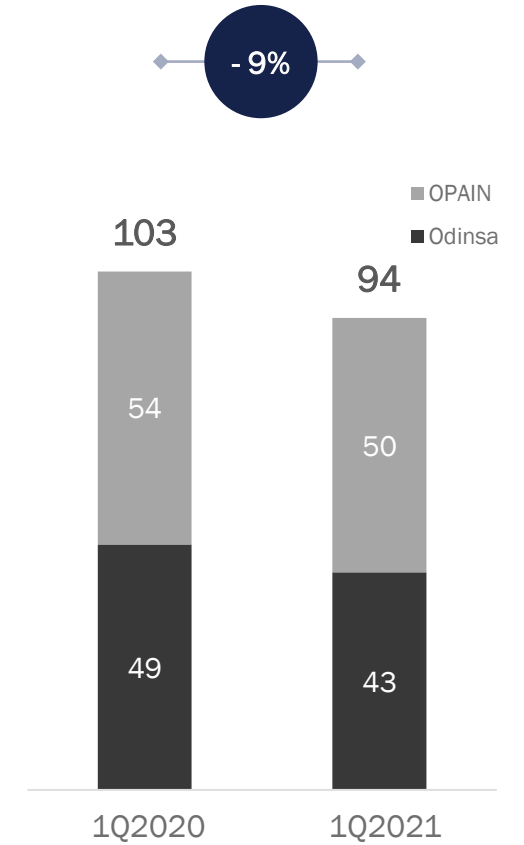
Cementos Argos Expenses



Celsia Expenses



Odinsa + Opain Expenses



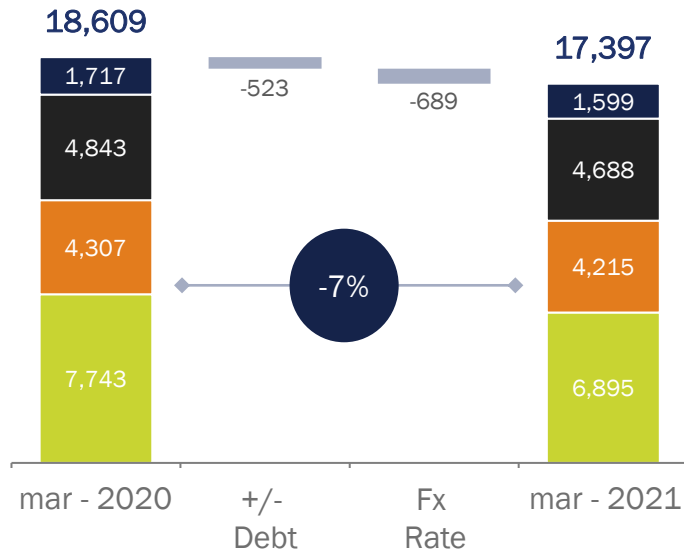
1. Increase of expenditures in Celsia due to the entrance of the operation in Torlima and provisions of receivables in Colombia

GRUPO ARGOS CONSOLIDATED RESULTS 1Q2021

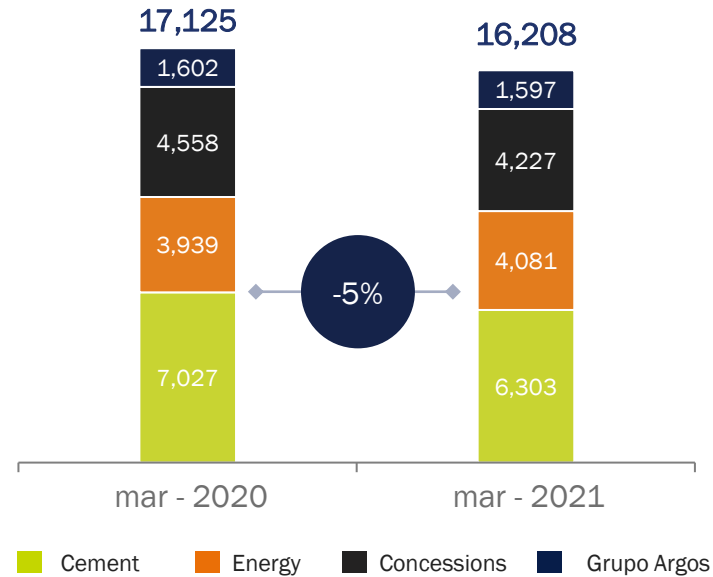
Financial discipline and cash flow generation enabled a decrease in total debt

Consolidated debt

COP bn

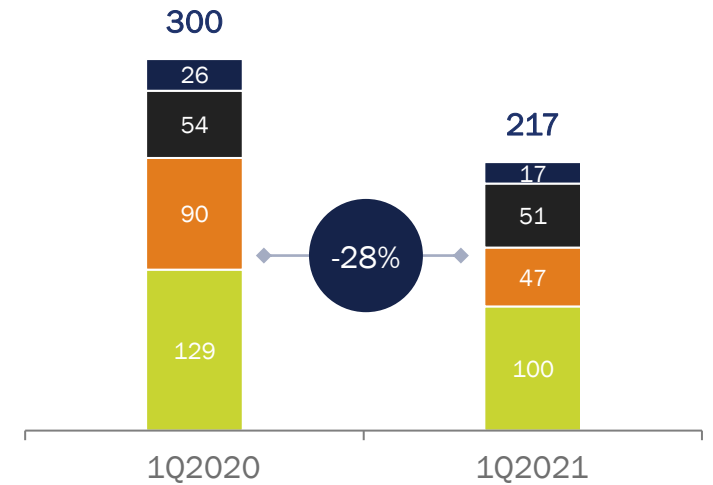
Net debt¹

COP bn



Net financial expenses

COP bn



- ▲ Total debt decreased 7% during last 12 months due to amortizations of COP 523 bn and the revaluation of the COP
- ▲ Net Debt decreased by COP 917 bn of which -COP 723 bn are from Cementos Argos
- ▲ The decrease of financial expenditures stands out due to lower indexation rates and an active strategy from the treasury departments

1. Net debt excludes restricted cash and equivalents

GRUPO ARGOS SEPARATED RESULTS 1Q2021

Proforma separated results with growth in every line of the P&L statement

Summary P&L

COP bn	1Q - 2021	1Q - 2020	Var.(%)
Revenue	189	200	-6%
Costs and other expenditures	3	24	-89%
GA Expenses	49	47	4%
Operating Profit	137	128	7%
Ebitda	142	132	7%
<i>Ebitda Margin</i>	<i>75%</i>	<i>66%</i>	<i>886 pb</i>
Profit before taxes	120	103	16%
Taxes	2	4	-57%
<i>Current</i>	0	5	-100%
<i>Deferred</i>	2	-1	316%
Net profit	118	99	19%
<i>Net margin</i>	<i>62%</i>	<i>50%</i>	<i>1284 pb</i>

COP **118** bn

Net profit of the period grows 35%* due to a higher contribution from the business segments through equity method

Summary P&L - Proforma*

COP bn	1Q - 2021	1Q - 2020	Var.(%)
Revenue	189	164	15%
Ebitda	142	119	19%
<i>Ebitda Margin</i>	<i>75%</i>	<i>73%</i>	<i>237 pb</i>
Net profit	118	87	35%

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

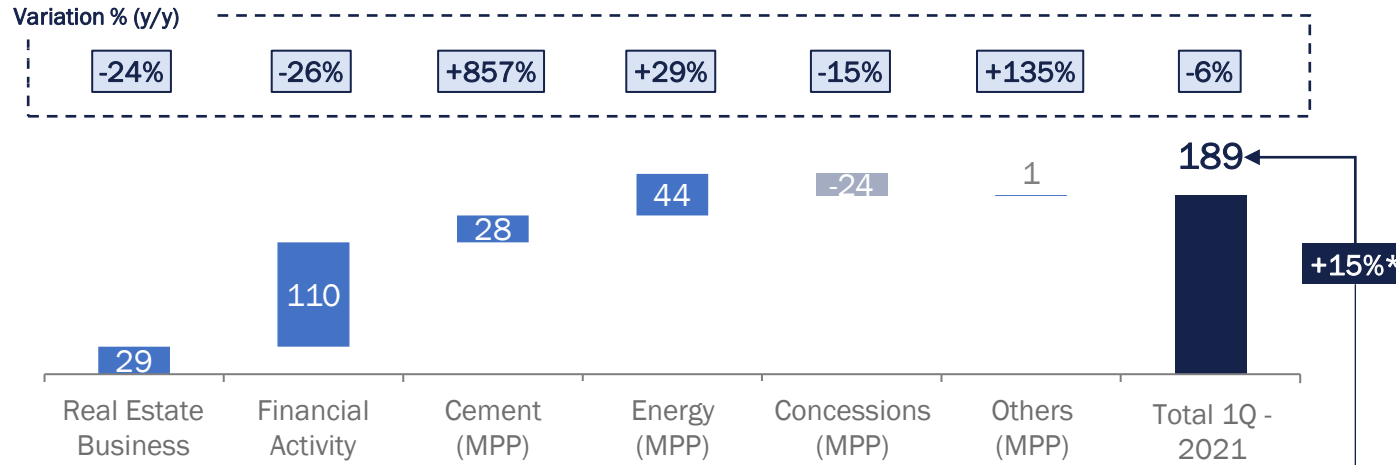
- 2020: sale of Odempa shares
- 2021: n/a

GRUPO ARGOS SEPARATED RESULTS 1Q2021

Separated proforma revenues grow 15% due to the better performance of our strategic businesses

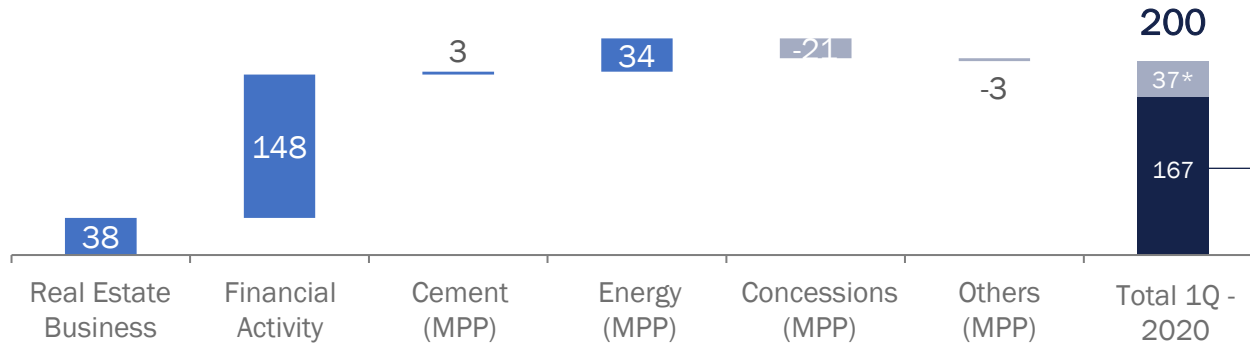
1Q2021 Revenue distribution

COP bn



1Q2020 Revenue distribution

COP bn

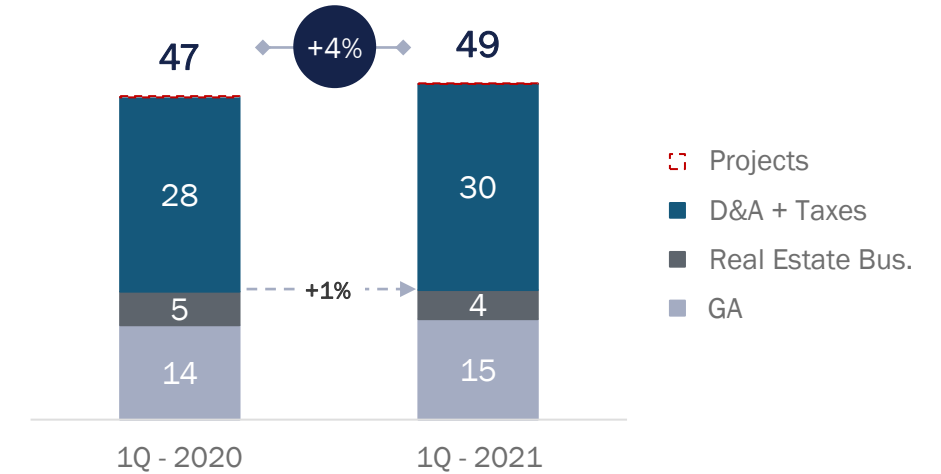


* Pro Forma adjustments - M&A transactions and non-recurring operations only included for Grupo Argos

- 2020: sale of Odempa shares
- 2021: n/a

1T2021 Controllable expenses

COP bn



Proforma revenues grow 15% y/y:

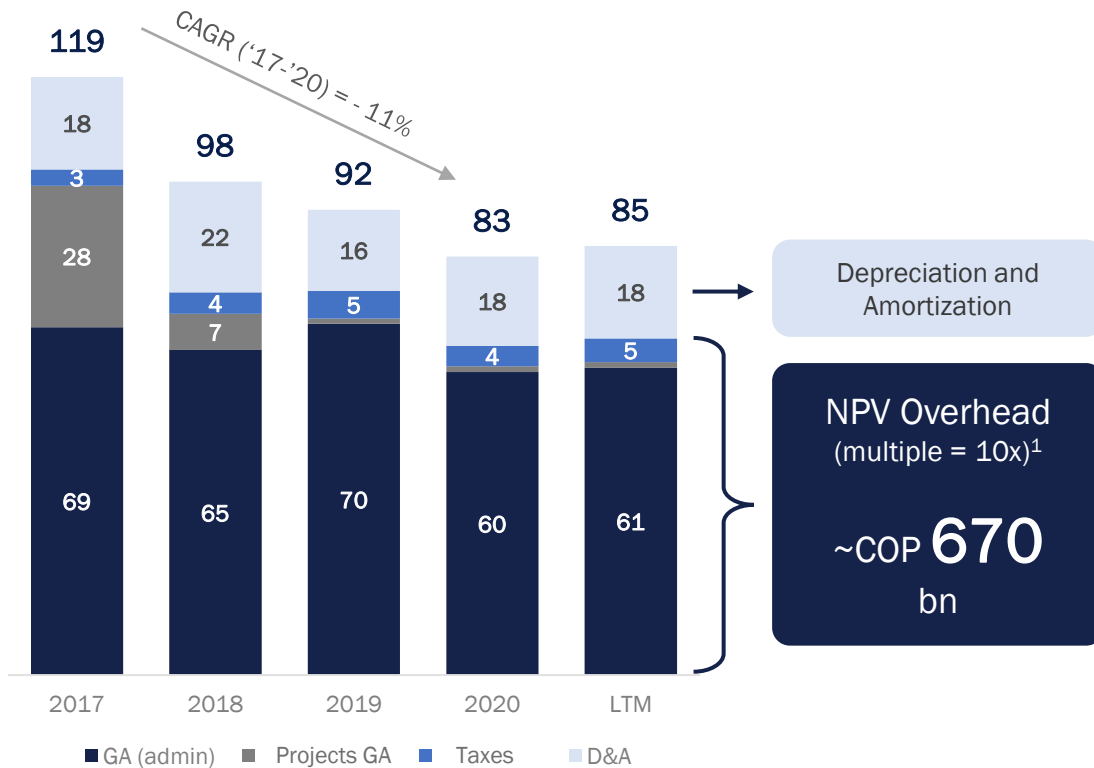
- Higher contribution trough equity method (+261%) specially from strategic assets
- Negative impacts in the airport business affects the contribution from the concessions segment
- Financial activity decreases due to the divestiture of Odempa in 2020 (that generated a non-recurring revenue of COP 37 bn)

GRUPO ARGOS SEPARATED RESULTS 1Q2021

Expenses have decreased significantly during the last years

Grupo Argos Expenditures

COP bn

Total Expenditures (GA) / AUM⁴ = 0.3%

Real Estate Business Expenditures

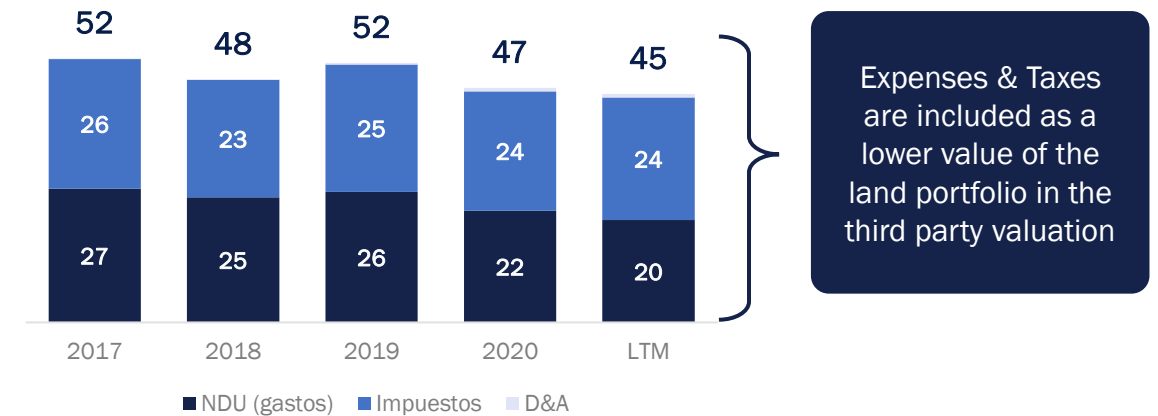
COP bn

Real Estate Expense Detail

- Property tax (2020) = COP 24 bn
- Maintenance + vigilance of properties (2020) = COP 10 bn
- Administrative expense (2020) = COP 12 bn
 - Overhead³ (2020) = 8 bn
 - Deterioro, costo amortizado, honorarios y otros
 - Impairment, amortized cost, fees and others (2020) = 4 bn

Administrative expense / AUM² = 0,5%Overhead³ / AUM² = 0,3%

vs. fee of 1.4% from other GPs
(average of local real estate GPs)

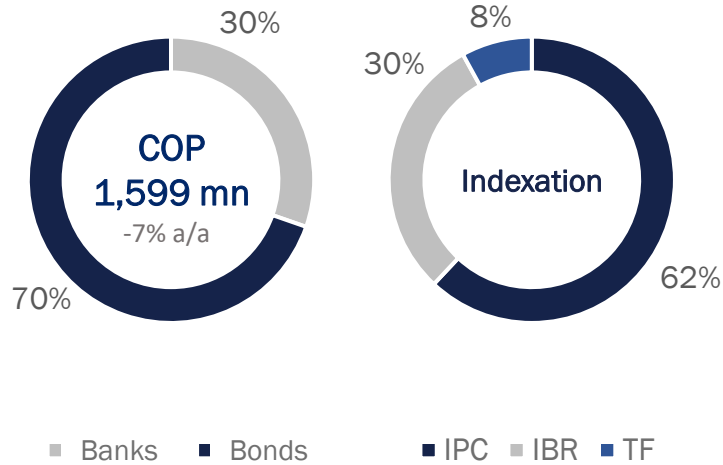
¹ Indicative valuation with a multiple of 10x² Book value of land bank (COP 2.4 tr) includes the NPV of overhead and property tax³ Overhead of real estate business includes wages, services and travel⁴ EV of the following businesses: Cementt, Energy, Concessions

GRUPO ARGOS SEPARATED RESULTS 1Q2021

Cost of debt closes at 4.7% thanks to treasury management and the favorable rate environment

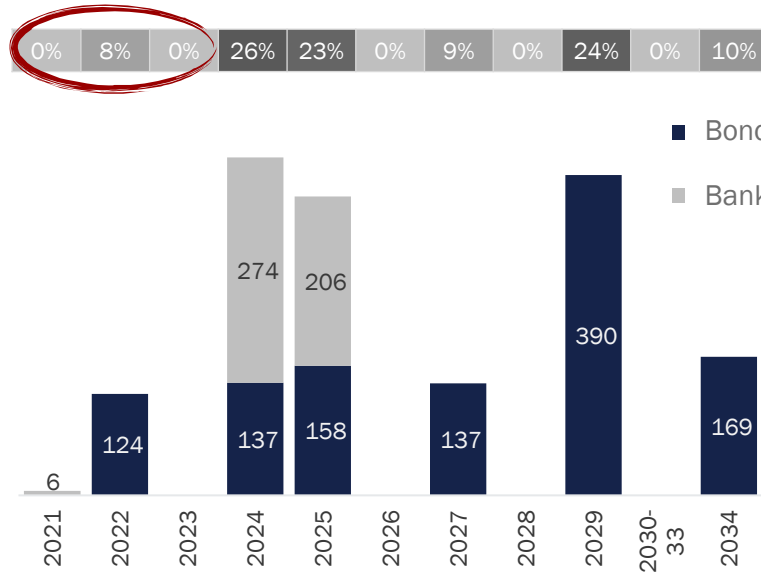
Debit¹

COP bn

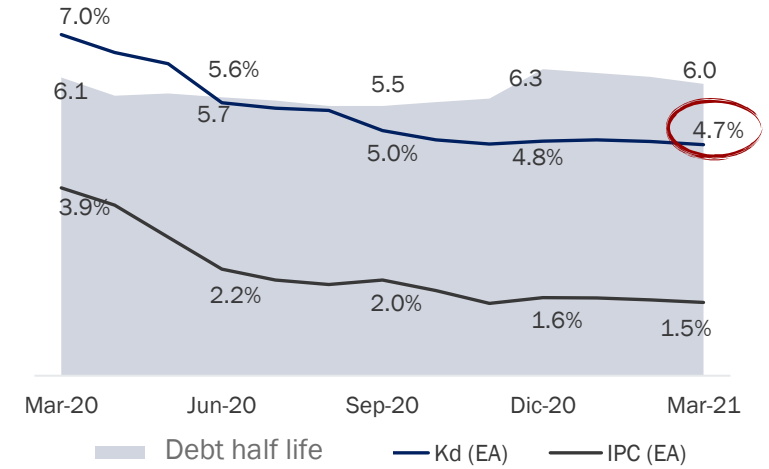


Maturity Profile (capital)

COP bn



Cost of debt



Gross Debt / Dividends

3.0x

Vs 2.9x in March 2020

Gross Debt / Portfolio²

14.7%

Vs 18.1% in March 2020

Cost of Debt

4.7%

Vs 7.0% in March 2020

¹ Only includes principal ² Portfolio of listed assets with market value + stake in Pactia

S&P assigns positive outlook and confirms AA + rating of Grupo Argos

"The confirmation of the rating considers the **adequate payment capacity of Grupo Argos in adverse scenarios such as 2020**. This, as a result of the organization's **quick decision-making** in relation to its operations and its **easy access to the financial sector and the capital market through innovative structures** such as bond swaps. "

Issuer Rating + Issuance and Placement Program

AA+

Positive Outlook

S&P¹ May 2021

- GA implemented a timely action plan that allowed it to maintain adequate liquidity levels to meet its operational, financial and shareholder commitments.
- One of GA's main strengths is the diversification it maintains by type of business and geography. In this way, the magnitude of the impact in 2020 was different for each of the businesses and, in this same sense, will be the speed of recovery to levels prior to the pandemic.
- One element that we consider positive is Grupo Argos' access to the capital market and the financial sector, through innovative mechanisms that are in line with market demand.

¹ La calificación de S&P hace referencia a Grupo Argos consolidado

Sustainable financing that generates value on all fronts

We formalized the first loan tied to indicators of gender equality and climate change in Colombia

The operation modifies the conditions of an existing debt of COP 392 bn, so that its interest rate may decrease if two sustainability indicators of the business group are met

ESG Objectives and Economic Benefit

Considerations

	Indicator	2030 Goal	Base line	Economic Benefit
Social	Gender equality: Increase the percentage of women in senior management positions in the business group	35% Women in senior management	21% 49 women / 237 total (in 2017)	COP +8,000_{mm} savings in interest payments thanks to a decrease up to:
	Climate Change Reduce the scope 1 and 2 CO ₂ e emissions of the business group in absolute terms	- 37% 7.8 M tCO ₂ e	0% 12.3 M tCO ₂ e (in 2015)	
Environment				100 bps In interest rate

- ✓ Corporate financing innovation
- ✓ Commitment of the business group in ESG matters
- ✓ ESG strategy allows a competitive advantage in financing
- ✓ Contributes to the fulfillment of national and global goals on climate change and to incentivize other companies to promote gender equality within their organizations

COMMITMENT:

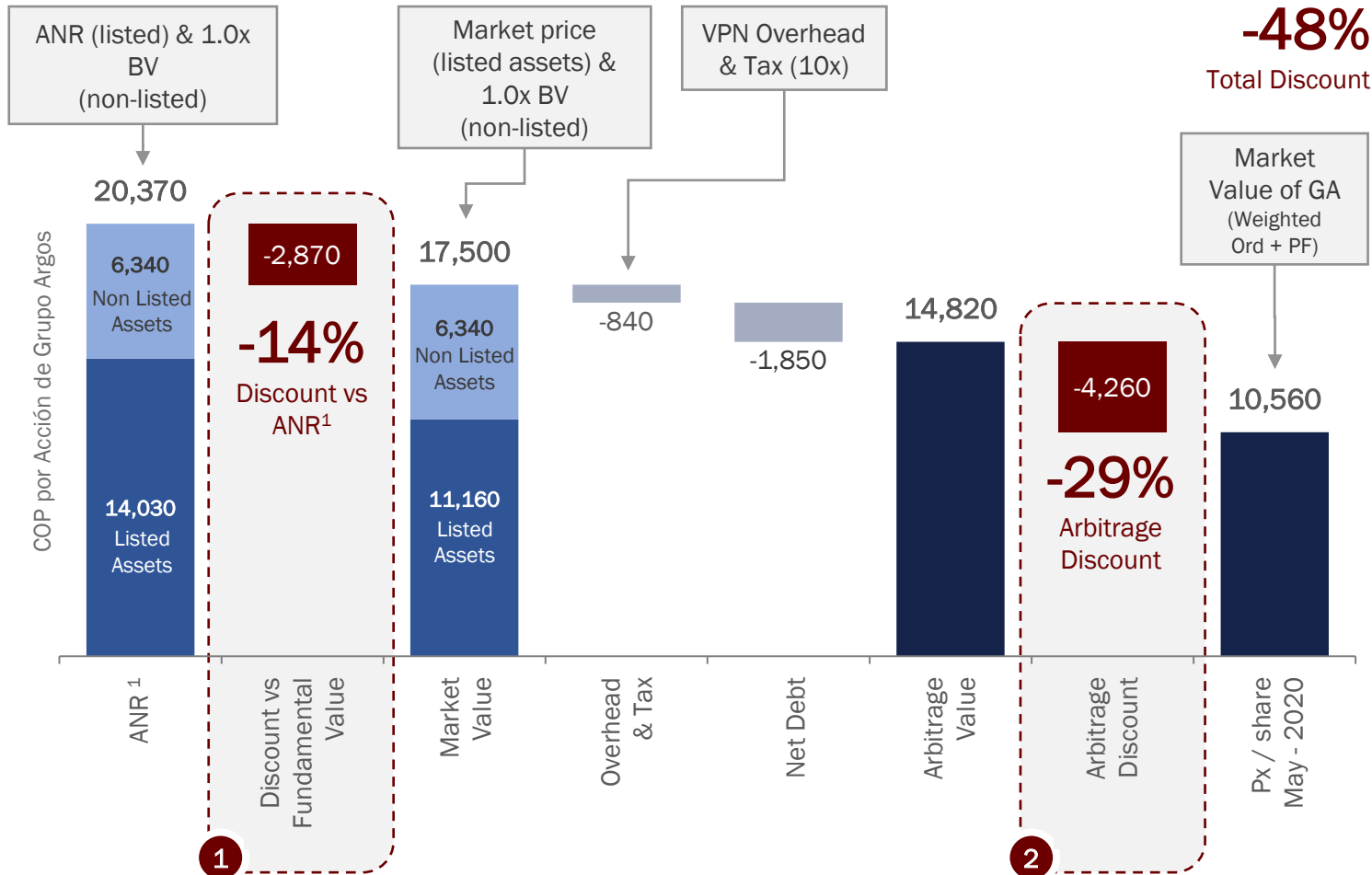
- ✓ Annually Grupo Argos must report progress based on the fulfillment of the goals defined within the loan to benefit from a reduction in the interest rate.

GRUPO ARGOS RESULTS 1Q2021

Total discount per share could be over 47% according to analyst recommendations (ANR)¹

Sum of the Parts - Grupo Argos

COP per share of Grupo Argos

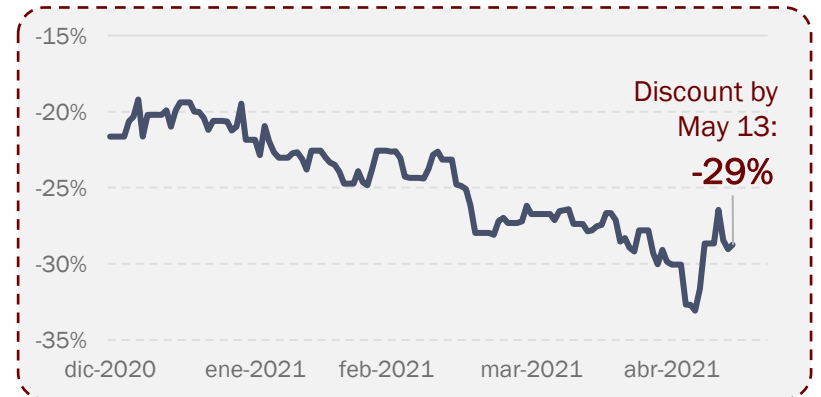


1 Discount vs Analyst Valuations

Difference between the value that the market assigns to GA assets and the target price of the analysts who follow these assets

- Analyst Consensus on Listed Investments
- 1.0x the book value of non-listed investments

2 Arbitrage discount (YTD)²



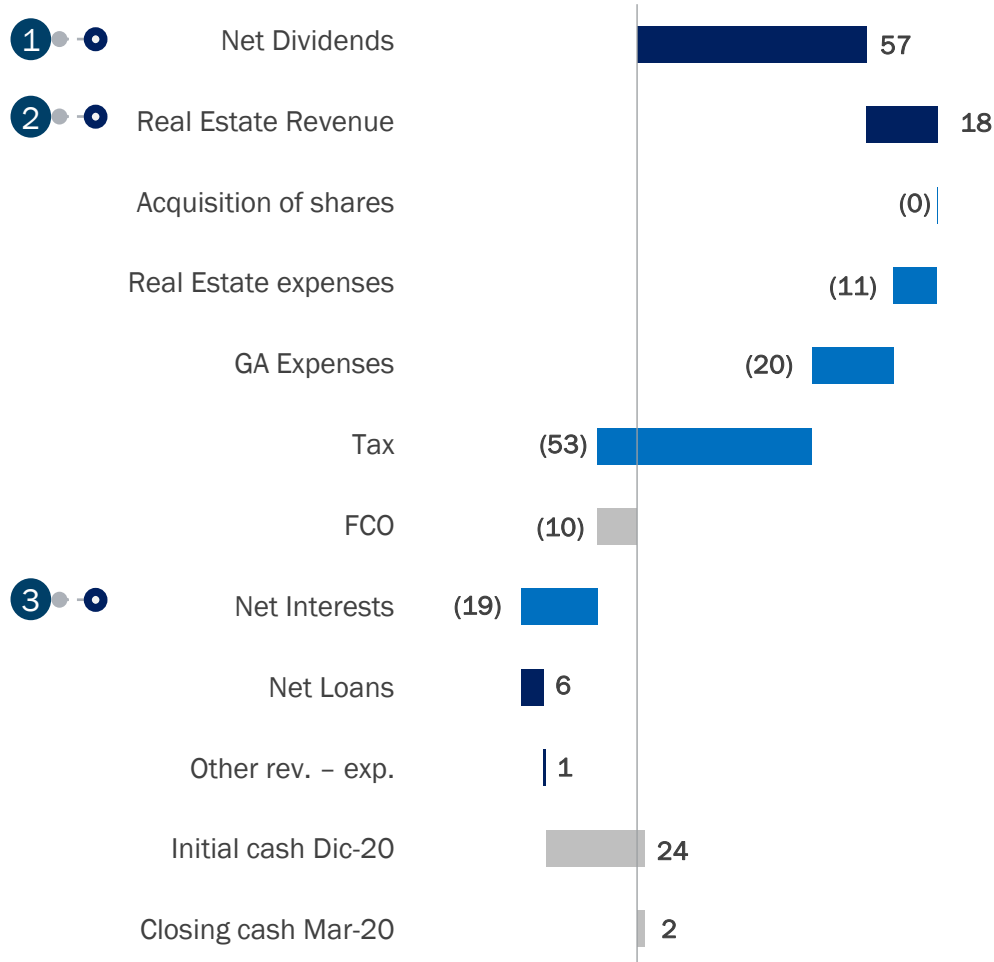
1. ANR (Analyst Recommendation) = Average target price of the analysts that follow the listed investments of Grupo Argos as of May 13 2021.

2. Evolution of arbitrage discount incorporates market value of listed assets, 1.0x BV of non-listed assets, Net Debt, and 10x overhead and tax expenditures

Responsible cash management postposed short term investments at the holding level

Cash Flow

COP bn



Notes

- Dividends received: **COP 137 bn**, dividends paid: **COP 80 bn**
- Developed lots: **COP 17 bn**, Others: **COP 1 bn**

Considerations

GA will not receive cash dividends from Odinsa and Cementos Argos in order to strengthen the capital structure of these businesses and lower the debt levels. This means that:

- GA will receive less dividends during 2021 than during 2020
- With the dividends from other businesses GA will be able to meet all of its obligations and maintain its capital structure but there will not be excess cash to execute additional investments as long as there are no non-recurring events that generate excess cash for the holding company
- The current situation lead the company to propose a stock dividend (or cash dividend, decided by each shareholder) and to postpone the share buybacks in the short term

At consolidated level, the Operational Cash Flow of the quarter was of COP 570 bn (+85% y/y)

Annexes



CEMENT BUSINESS

 **GRUPO ARGOS**
Inversiones que transforman

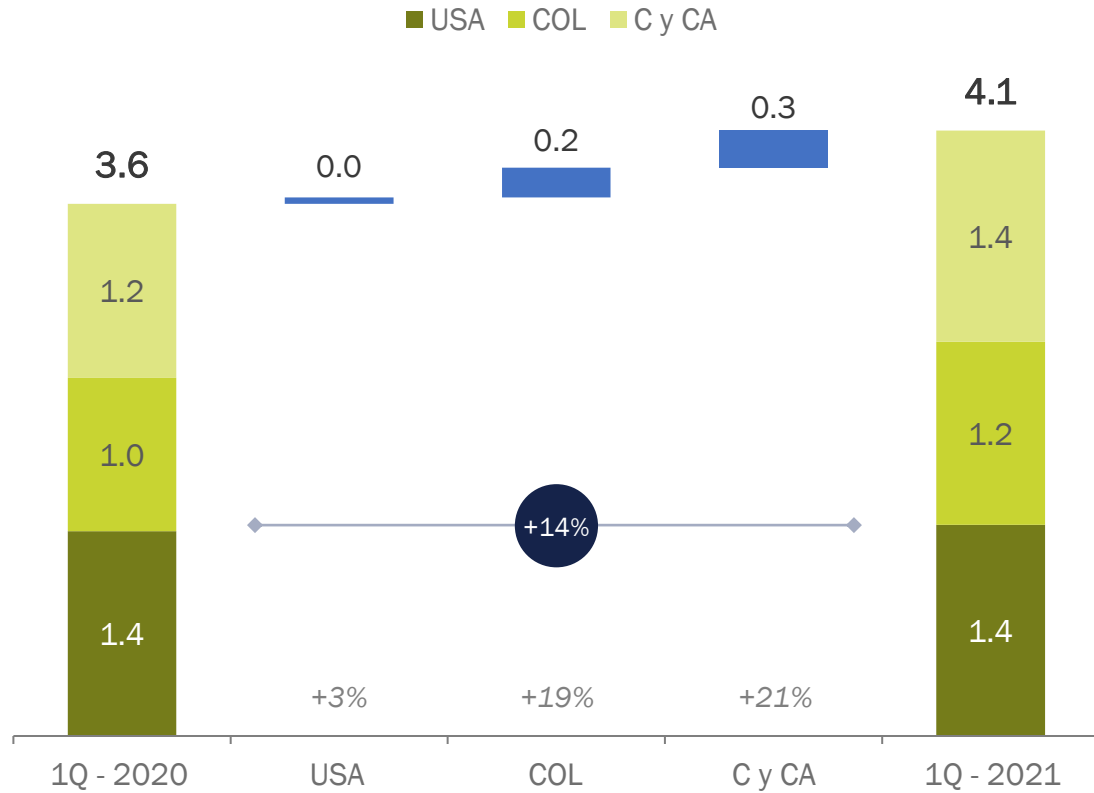


CEMENT BUSINESS 1Q2021

Cement demand picks up in Colombia and CCA to reach a volumen of 4.1 mm ton in the quarter

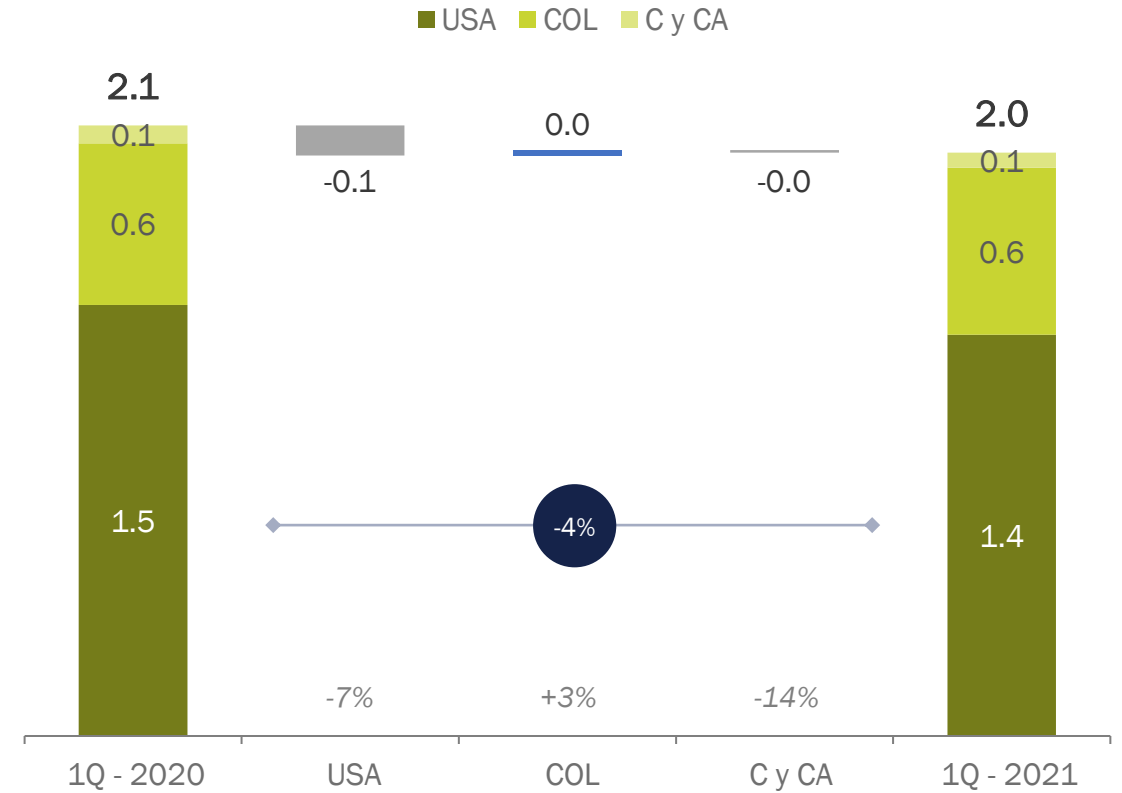
Cement Volume

mm ton



RMC Volume

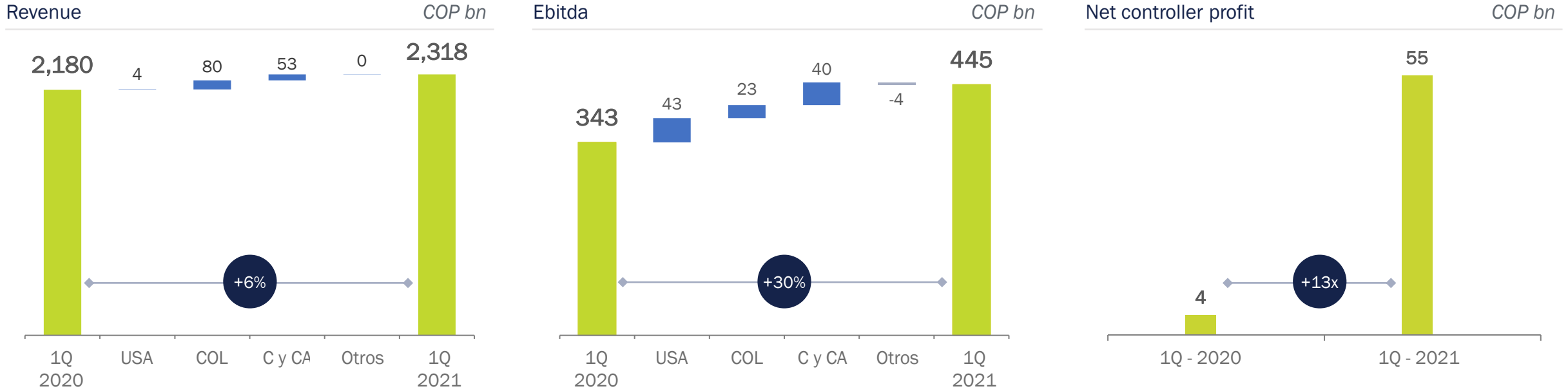
mm m³



- Infrastructure plan in **USA** of USD 2.3 tr in which 40% of the investment will be intensive in cement consumption during the next 8 years
- Sales of housing keep breaking records in **Colombia** (25% Q/Q) and have driven cement growth
- In **Panama** the government announced and infrastructure plan for economic recovery with a focus in PPP projects

CEMENT BUSINESS 1Q2021

EBITDA grows 30% vs the same quarter of the previous year



- In March, revenues grow 20% vs March 2020 and during the quarter they increase 6% y/y driven by growing cement volumes in Colombia and CCA
- Gross income +45% y/y due to the stability in COGS and EBITDA grows 30% y/y with increases in every region
- EBITDA margin improves 350 basic points y/y reaching the highest level since 2018
- Operational results and the decrease in financial expenses (26% y/y) improved the net profit of the company (COP 55 bn)
 - Growth of 13x vs 1Q20 (+COP 51 bn)
 - Net profit of the controlling reaches 71% of the total profit recorded in 2020

ENERGY BUSINESS

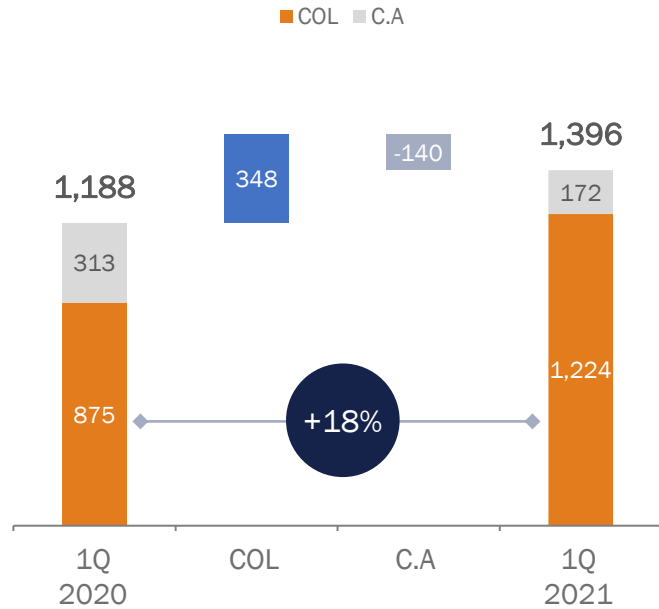
 **GRUPO ARGOS**
Inversiones que transforman



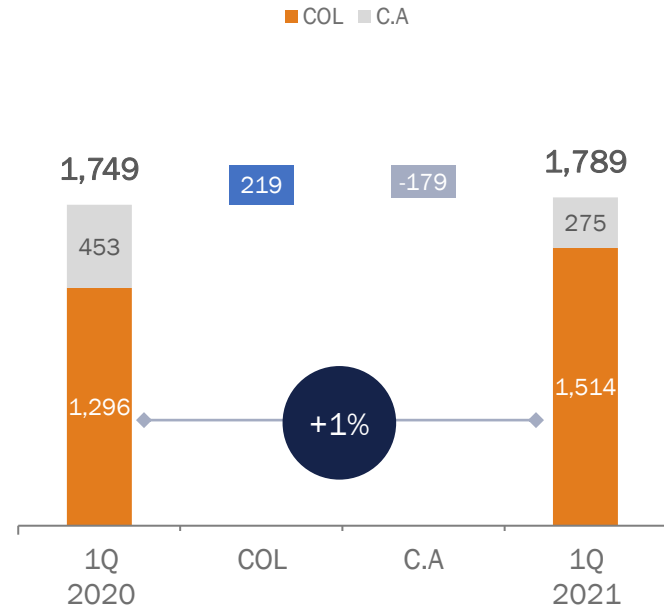
ENERGY BUSINESS 1Q2021

18% growth in energy generation due to the entry of new power plants and better weather in Colombia

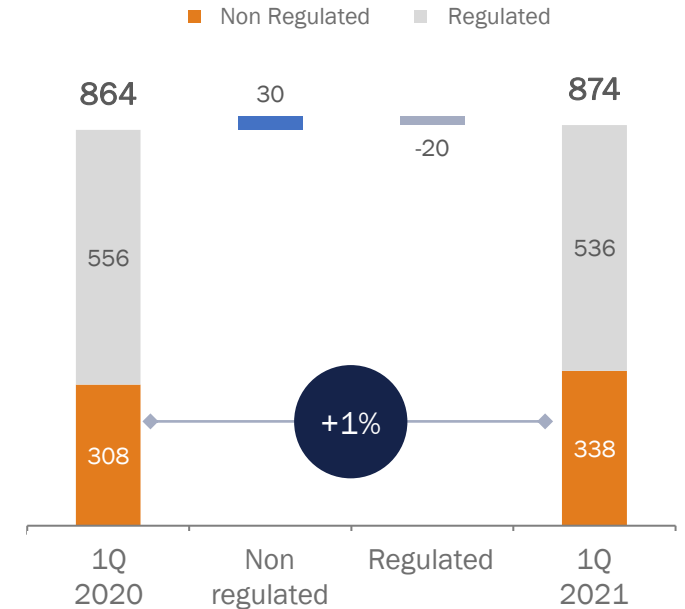
Generation (GWh)



Energy Sales (GWh)



Commercialization (GWh)

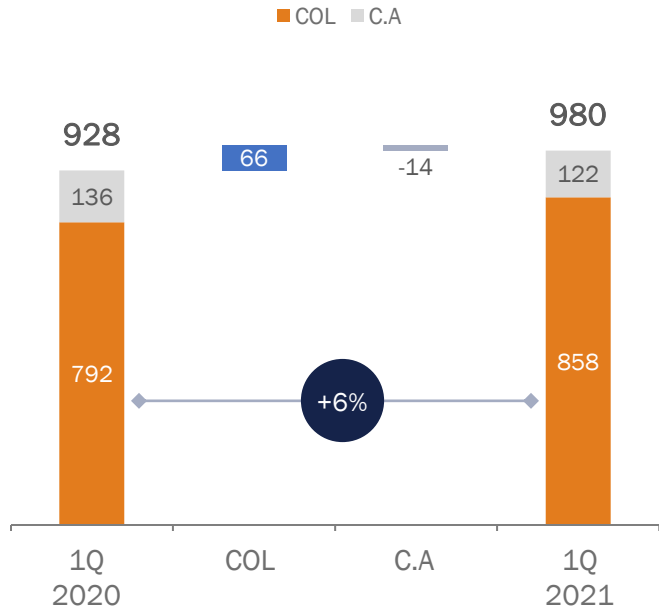


- Accumulated energy generation + 18% y/y due to better generation in Colombia (+40%)
- Generation in C.A. decreases 45% because generation at BLM plant was stopped
- Energy sales grow in Colombia due to a better demand. Sales in contracts decrease in CA

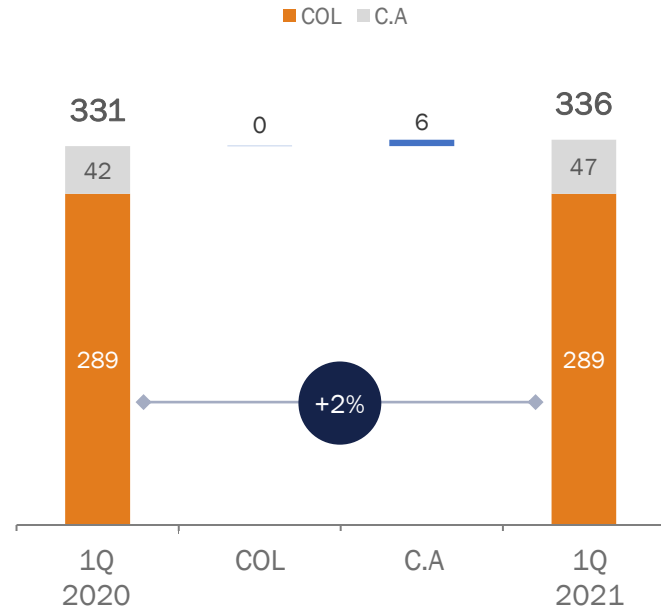
ENERGY BUSINESS 1Q2021

Net controller profit +28% due to better operational results and less financial expenses

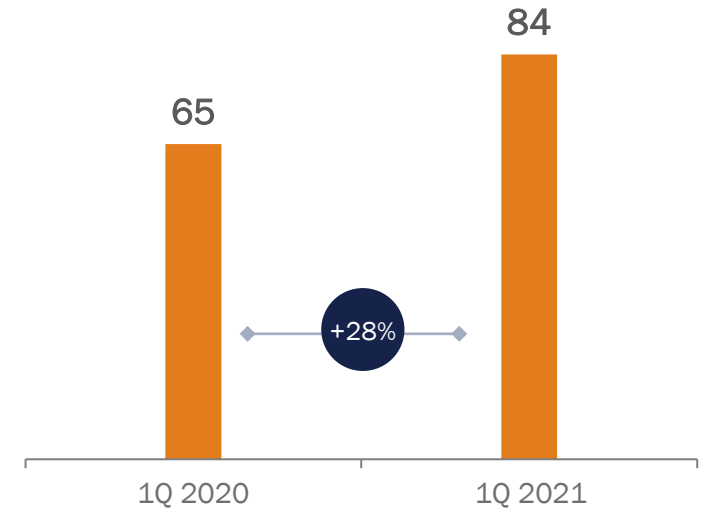
Revenue COP bn



Ebitda COP bn



Net controller profit COP bn



- Revenues grow 6% due to higher energy generation in Colombia that compensates the lower generation in CA
- EBITDA closes in COP 336 bn with a positive contribution CA from greater efficiencies and a stable contribution in Colombia. 1Q2020 includes a non-recurring contribution in EBITDA because of the option that the company had after the divestment of Termoflores
- Net controller profit grows 28% y/y and reaches COP 84 bn driven by less financial expenses and better operational performance

CONCESSIONS BUSINESS

 **GRUPO ARGOS**
Inversiones que transforman

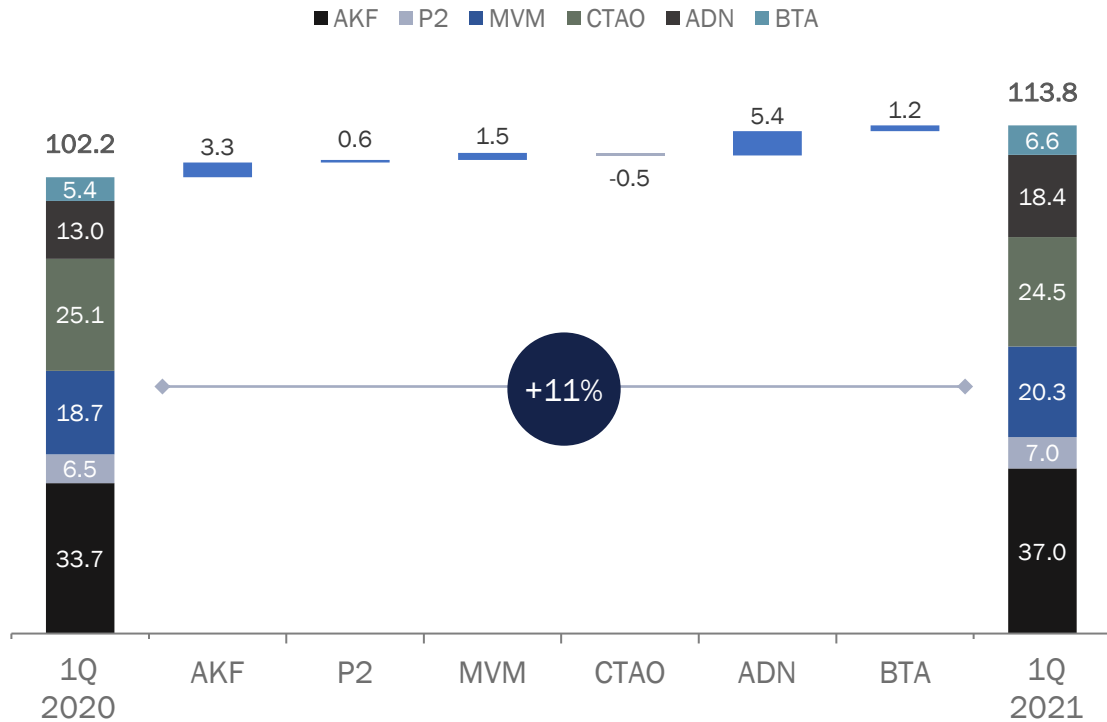


CONCESSIONS BUSINESS 1Q2021

Impacts on the airport business are partially compensated by the increase in road traffic

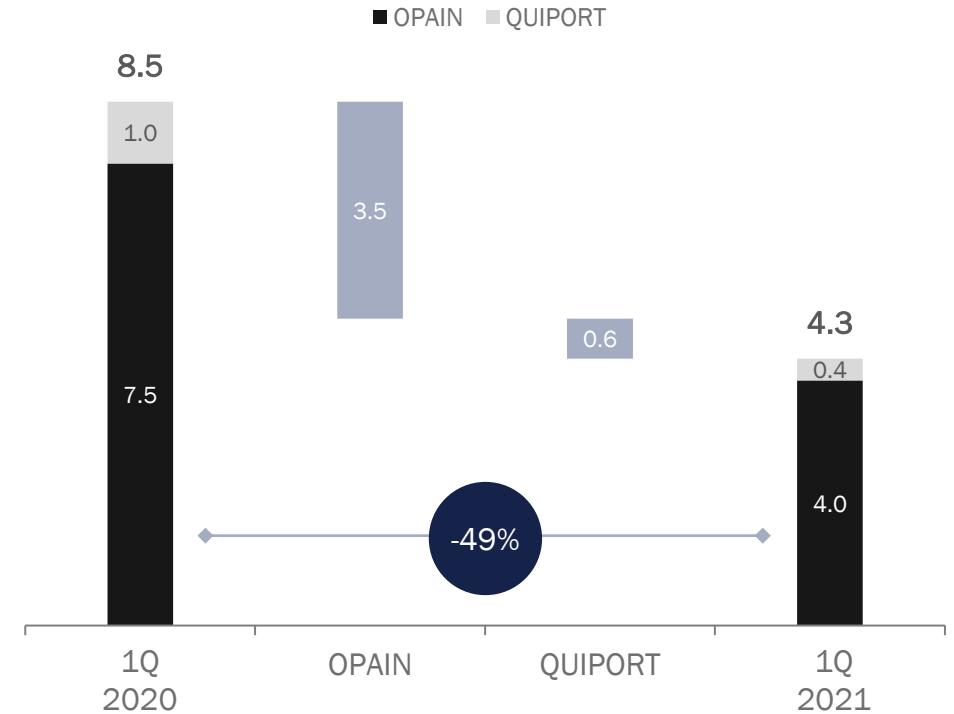
Daily vehicle average

Thousands of vehicles



Airport traffic

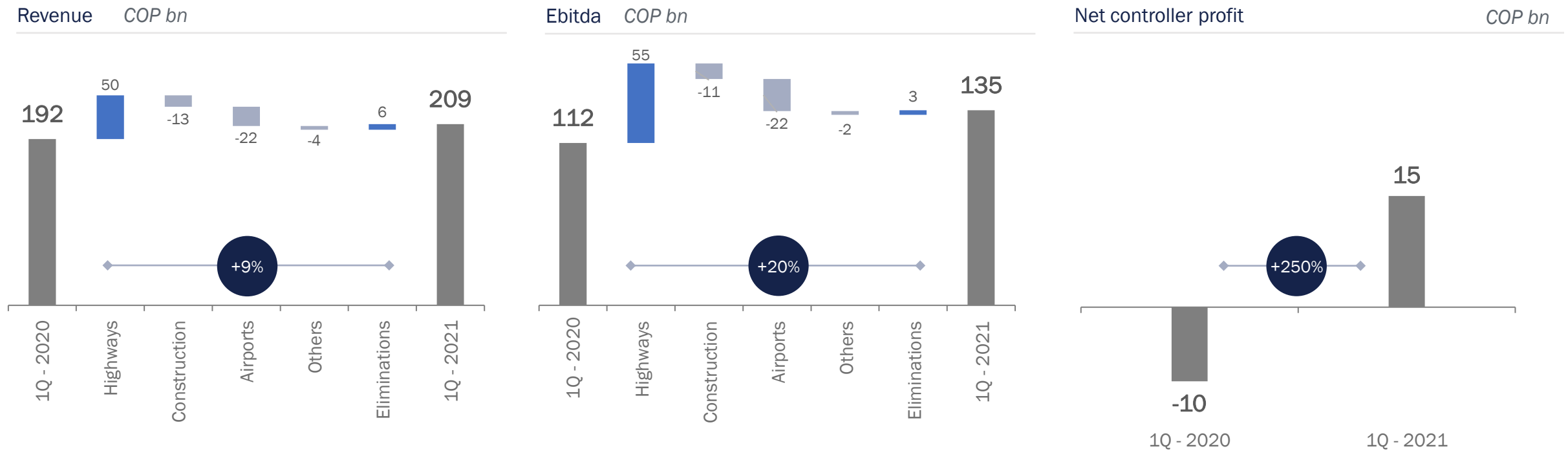
Millions of Passengers (PAX)



- Relevant growth in road traffic in every road (+16% ex. Tunel de Oriente) except Tunel de Oriente that decreases 2% because of the decrease in airport traffic in Medellín
- Airport traffic is still impacted but March stands out as the best month since the beginning of the pandemic with a 32% growth m/m

CONCESSIONS BUSINESS 1Q2021

Airport segment has a negative contribution on the consolidated results compensated by toll roads segment



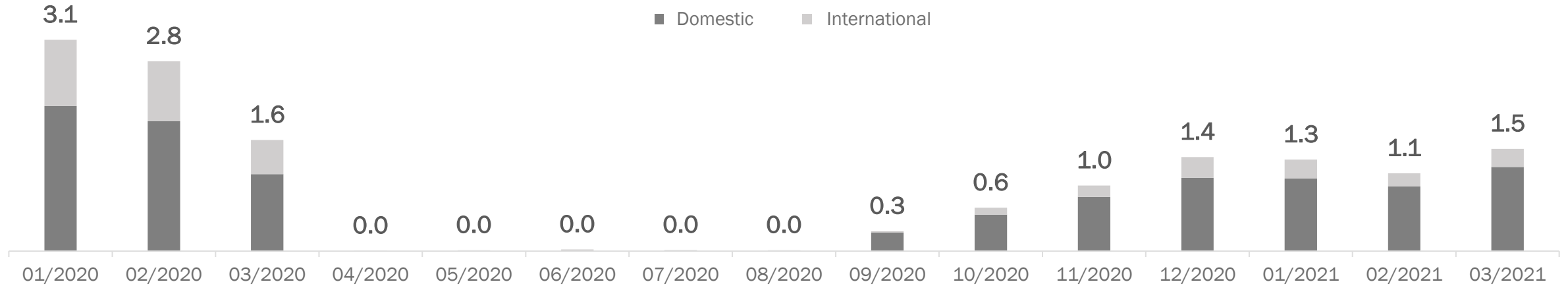
- The performance of the highways lead the revenue growth of 9% y/y to COP 209 bn
- GOGS and SG&A decrease 6% and 12% respectively, benefiting EBITDA which grows 20% y/y. EBITDA margin expands in 600 bps
- Net controller profit closes on positive ground during the quarter (+250%)
- Despite the effects of Covid-19 on the business, the debt level remains relatively stable (+1% y/y)

CONCESSIONS BUSINESS – OPAIN 1Q2021

Recovery affected by new mobility restrictions in 2021

Passengers

Mm PAX



Revenue

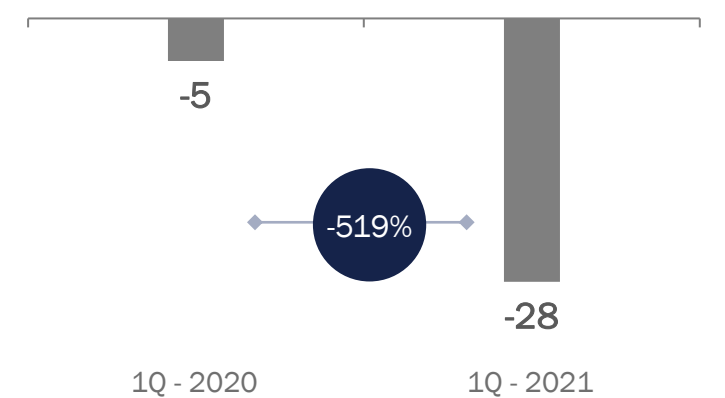
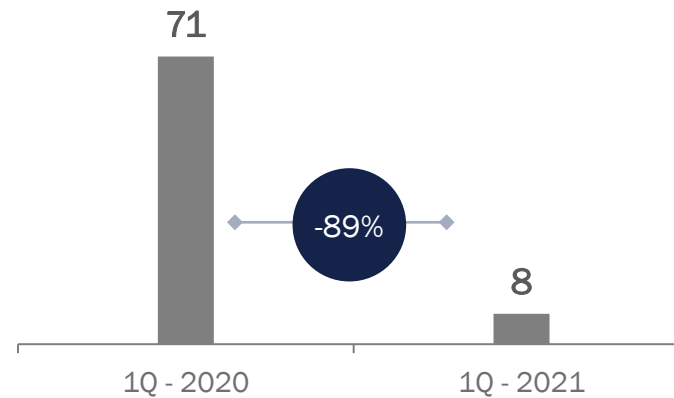
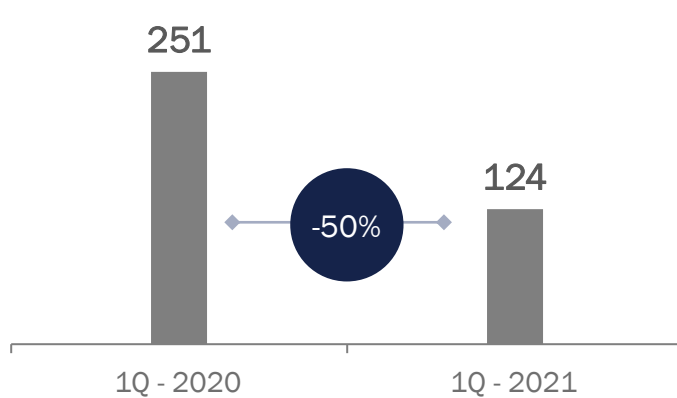
COP bn

Ebitda

COP bn

Net Profit

COP bn





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