

## RELEVANT INFORMATION

## GRUPO ARGOS

### Grupo Argos' Ordinary Bonds had a Record 2.57 Times Excess Demand

- *The total amount of the issue was COP 450 billion and demand amounted to COP 1.15 trillion, reflecting market confidence in Grupo Argos.*
- *100% of proceeds from the issuance will be used to substitute the organization's debt.*
- *As of 2019, Grupo Argos and its businesses, Cementos Argos, Celsia and Odinsa, have participated in 2 fixed income securities issues in Colombia and 2 international issues, for a total amount of COP 4.2 trillion.*

Grupo Argos made a successful placement of ordinary bonds for a total amount of COP 450 billion. The issue had a demand for COP 1.15 trillion, representing excess demand of 2.57 times the amount offered, a record for the real sector in Colombia during 2019. The issue contributes to financial flexibility by increasing the average life of the debt from 4.3 to 6.8 years. The issue was done in three tranches with terms of 3, 6 and 15 years.

*"This issue strengthens us to continue growing profitably and with a long-term vision. Its result reflects market confidence in Grupo Argos. Additionally, with this step, we reiterate the organization's interest in actively participating in the local and international capital market, where only this year the Argos business group has made issues for a total amount of COP 4.2 trillion,"* said Jorge Mario Velásquez, president of Grupo Argos.

The proceeds from this placement will be used exclusively in the substitution of the company's financial liabilities, managing to increase the average life of the debt to 6.8 years with a debt cost that will be close to 7.0%. The total limit of the Ordinary Bonds and Commercial Papers Issue and Placement Program of Grupo Argos is \$ 2.35 trillion, of which \$ 1.8 trillion has been issued.

The bonds are rated AA+ by BRC Investor Services S.A., and were placed with the following characteristics:

Subseries	A3	C6	C15
Term	3 years	6 years	15 years
Maximum rate for offer notice	6.20% AE	CPI + 2.90% AE	CPI + 3.45% AE
Cut-off rate	5.78% AE	CPI + 2.44% AE	CPI + 3.20% AE
Rate optimization	42 bps	46 bps	25 bps
Interest payment period	Quarter in arrears	Quarter in arrears	Quarter in arrears
Base	365	365	365
Issue date	28/08/2019	28/08/2019	24/08/2019
Maturity date	28/08/2022	28/08/2025	24/08/2034
Amount demanded	\$464,800,000,000	\$380,265,000,000	\$309,800,000,000
Amount awarded	\$123,500,000,000	\$157,965,000,000	\$168,535,000,000
Bid to cover (amount awarded)	3.76x	2.41x	1.84x

The issue was led by Banca de Inversión Bancolombia S.A., as Structurer and Coordinator of the offer. Valores Bancolombia acted as Lead Placement Agent and Itaú S.A. and Ultraserfinco S.A. as Placement Agents.

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