



3Q21 Results

Disclaimer



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Various factors may cause Argos’ actual future results, performance or accomplishments to differ from those expressed or assumed herein.

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1. Consolidated Results



Strong performance of volumes and prices as market dynamics continued to be positive in all regions, with strong signals of economic reactivation

Privileged position to face cost inflation pressures given our capacity to locally produce clinker and cement in each of the regions, strategic geographic location of our network of ports and our own fleet of vessels

We reaffirmed our commitment towards the sustainable development of our company. In CO2 emissions, we are committed to reduce 29% on the cement operations by 2030 and offer carbon-neutral concrete by 2050, in line with the GCCA roadmap

3Q21

Commercial strategy and dynamic market conditions deliver positive volume performance



Volumes		QUARTER			YTD		
		2020.Q3	2021.Q3	Var	2020.Q3	2021.Q3	Var
Cement	000 TM	3,920	4,248	8.4%	10,712	12,866	20.1%
Cement - Adjusted	000 TM	3,795	4,248	11.9%	10,588	12,866	21.5%
RMC	000 M³	2,030	1,897	-6.6%	6,080	5,880	-3.3%
RMC - Adjusted	000 M³	1,795	1,897	5.7%	5,844	5,880	0.6%

Key Figures		QUARTER			YTD		
		2020.Q3	2021.Q3	Var	2020.Q3	2021.Q3	Var
Revenue	COP Bn	2,364	2,489	5.3%	6,679	7,280	9.0%
EBITDA	COP Bn	479	473	-1.2%	1,236	1,614	30.6%
EBITDA Adjusted	COP Bn	462	473	2.4%	1,219	1,440	18.1%
Margin EBITDA	%	20.3%	19.0%	-1.3%	18.5%	22.2%	3.7%
Margin EBITDA Adjusted	%	20.3%	19.0%	-1.3%	18.5%	19.8%	1.3%
Net Profit	COP Bn	55	100	79.4%	71	319	348.1%
Net Margin	%	2.3%	4.1%	1.7%	1.1%	4.4%	3.3%

RMC: Ready-Mix Concrete

- Adjusted EBITDA for 3Q20 excludes COP 17 billion , equivalent to 4.6 M USD generated by the RMC Dallas operations divested in 2021. For 2Q21 it excludes COP 174 billion, equivalent to 48 M USD of the gain-in-sale of the divestment
- Adjusted RMC volumes exclude on 3Q20 235k m³ of RMC that were sold by these operations
- Adjusted EBITDA margin excludes for 2021 COP 174 billion, equivalent to 48 M USD of the gain-in-sale of the Dallas divestment
- Cement volumes will exclude, from now on, the product bought to third parties used to supply our own operations of RMC in the US, particularly in Texas, in order to reflect better the degree of integration of our operations. For purposes of comparability, adjusted figures for 3Q20 exclude 125k tons of cement purchased from third parties



2. US Region

USA

Strong performance in dispatches drive results amidst challenging weather and cost inflation



Outstanding commercial performance in our markets as evidenced by the increase in cement and RMC volumes, despite having in our Houston and Georgia markets the highest number of bad weather days in the last 4 and 5 years, respectively

EBITDA was affected by one-off adjustments related to a process of assets and inventories clean-up that the company has been carrying out for the last 18 months. Particularly, on the third quarter, this generated a non-recurring expense of 4.6 M USD

In the cement business, costs per ton increased 18% in fuels, 11% in energy and 5% in freights YoY. On RMC, fuel costs increased 32% YoY

Volumes		QUARTER			YTD		
		2020.Q3	2021.Q3	Var	2020.Q3	2021.Q3	Var
Cement	000 MT	1,467	1,498	2.1%	4,398	4,597	4.5%
Cement - Adjusted	000 MT	1,342	1,498	11.6%	4,273	4,597	7.6%
RMC	000 M3	1,406	1,188	-15.5%	4,509	3,977	-11.8%
RMC - Adjusted	000 M3	1,170	1,188	1.5%	4,274	3,977	-6.9%

Key Figures		QUARTER			YTD		
		2020.Q3	2021.Q3	Var	2020.Q3	2021.Q3	Var
Revenue	USD M	361	354	-1.8%	1,098	1,091	-0.6%
EBITDA	USD M	73	62	-15.3%	191	239	24.8%
EBITDA Adjusted	USD M	69	62	-9.7%	187	191	2.1%
Margin EBITDA	%	20.3%	17.5%	-2.8%	17.4%	21.9%	4.5%
Margin EBITDA Adjusted	%	20.3%	17.5%	-2.8%	17.4%	17.5%	0.1%

RMC: Ready-Mix Concrete

- Adjusted EBITDA for 3Q20 excludes 4.6 M USD generated by the RMC Dallas operations divested in 2021. For 2Q21 it excludes the 48 M USD of the gain-in-sale of the divestment
- Adjusted RMC volumes exclude on 3Q20 235k m³ of RMC that were sold by these operations
- Adjusted EBITDA margin excludes for 2021 48 M USD of the gain-in-sale of the Dallas divestment
- Cement volumes will exclude, from now on, the product bought to third parties used to supply our own operations of RMC in the US, particularly in Texas, in order to reflect better the degree of integration of our operations. For purposes of comparability, adjusted figures for 3Q20 exclude 125k tons of cement purchased from third parties

The residential segment maintains a strong momentum in the country

Residential

Strong residential market trend continues, driven mainly by single-family housing.

- Housing permits: +6.2% YoY during 3Q21
- Housing starts: +8.7% YoY during 3Q21

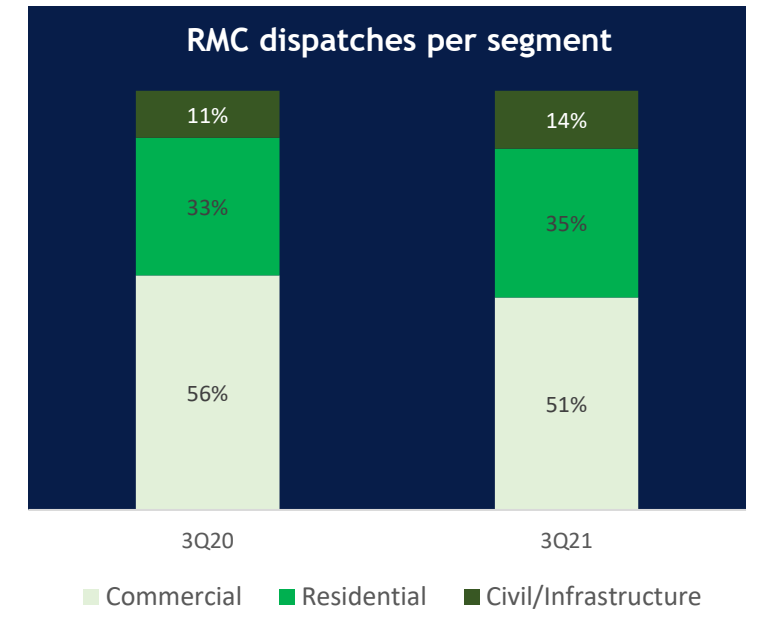
Commercial

- ABI stood at 56.6 pts in September, one of the highest scores in 2021 and continues signaling the strength of this year's recovery after the difficult conditions evidenced in 2020
- The Dodge Momentum Index, grew 11% MoM in September, a sign that the sector is looking past the current concerns and are moving forward with projects to meet demand both in the Commercial and Institutional segments

Civil / Infrastructure

- The approval of the Bipartisan Infrastructure Deal is a constructive announcement for Argos. Preliminary market expectations indicate that the incremental demand will add around 4% - 5% of cement consumption per year

We continuously rebalance our portfolio mix by adapting to market dynamics in each segment.





3. Colombia Region



Improvement in cement volumes with a special focus in the retail segment, which continues delivering strong results supported by self-construction

Strong EBITDA performance despite cost inflation in the cement business. Costs per ton increased 13% in fuels and 4% in electric energy as of September YoY

Recent dynamics in cost inflation, higher land and maritime freights and global cement trading dynamics, will continue to influence the industry and prices will gain traction over the following months

Colombia



Recovery of demand across the country led to the highest quarterly cement dispatches in 2021

Volumes		QUARTER			YTD		
		2020.Q3	2021.Q3	Var	2020.Q3	2021.Q3	Var
Cement	000 MT	1,155	1,321	14.4%	2,833	3,671	29.6%
RMC	000 M3	604	660	9.3%	1,480	1,757	18.7%
Aggregates	000 MT	924	346	-62.5%	1,988	1,094	-45.0%

Key Figures		QUARTER			YTD		
		2020.Q3	2021.Q3	Var	2020.Q3	2021.Q3	Var
Revenue	COP Bn	562	637	13.4%	1,401	1,774	26.6%
EBITDA	COP Bn	106	132	24.2%	271	382	40.9%
Margin EBITDA	%	18.9%	20.7%	1.8%	19.4%	21.5%	2.2%

RMC: Ready-Mix Concrete

Strong residential indicators continue to drive the recovery of formal construction



Current status of the market in Colombia

Housing



- Sales continue posting strong results in both social and non-social housing
- Housing starts posted in July a new all-time high monthly figure, and LTM, as of September grow 30% YoY

Infrastructure



- We will supply the *Patio Taller* of the Bogota Metro, approximately 100k m³ of concrete over the next 14 months and the second module of the *Guillermo Gaviria Tunnel* close to 200k m³ of RMC
- Projects such as *Santana-Mocoa-Neiva* and *Malla Vial del Meta* are expected to begin construction in 2022. The first 5G project, *Malla Vial del Valle*, is expected to begin in the second semester of the same year
- Urban projects such as the Bogota Metro and 2 Transmilenio lines will start their construction phase this year providing positive support for the cement demand forecast

Housing Sales

+48%

Social Housing

+47%

Non-Social Housing

*YTD Sep-21 vs Sep-20 sales in Units**

Industry Demand

3.4 million ton

Cement volume in 3Q21**

**Source: Galería Inmobiliaria*

***Source: DANE*



4. Caribbean and Central America Region



Positive commercial dynamics during the quarter in most of our markets, derived from the economic reactivation led to stable local volumes and better pricing environment

Exports to the US continue growing consistently compared to the previous year, accounting for 109k tons in 3Q21 and 272k tons YTD

EBITDA impacted by the challenges in Haiti, the incremental costs in fuels, freights and raw materials, as well as the maintenance of the Cartagena plant which affected exports

Caribbean and Central America

Solid commercial dynamics support stability in volumes and positive pricing



Volumes		QUARTER			YTD		
		2020.Q3	2021.Q3	Var	2020.Q3	2021.Q3	Var
Total Cement	000 TM	1,298	1,429	10.1%	3,482	4,598	32.1%
Local Market	000 TM	837	816	-2.5%	2,213	2,599	17.5%
Trading	000 TM	222	380	71.3%	615	1,311	113.2%
Exports	000 TM	239	233	-2.7%	654	687	5.0%
RMC	000 M3	20	48	137.1%	91	145	60.2%

Key Figures		QUARTER			YTD		
		2020.Q3	2021.Q3	Var	2020.Q3	2021.Q3	Var
Revenue	USD M	122	125	2.7%	328	397	21.0%
EBITDA	USD M	35	32	-7.9%	89	117	32.4%
Margin EBITDA	%	28.8%	25.8%	-2.97%	27.0%	29.5%	2.5%

RMC: Ready-Mix Concrete

Growth in remittances and recovery in tourism support economic recovery in the region

Honduras

- Solid growth of residential and commercial construction continue supporting demand conditions
- Remittances, coffee and low interest rates maintain positive outlook for the economy in 2021

Dominican Republic

- Tourism, the main economic sector of the country, is growing versus pre-pandemic levels, reaching a historic number of tourists in September
- Remittances grow 34% YTD as of September

Panama

- The first station of the third line of the Metro began its construction phase in October



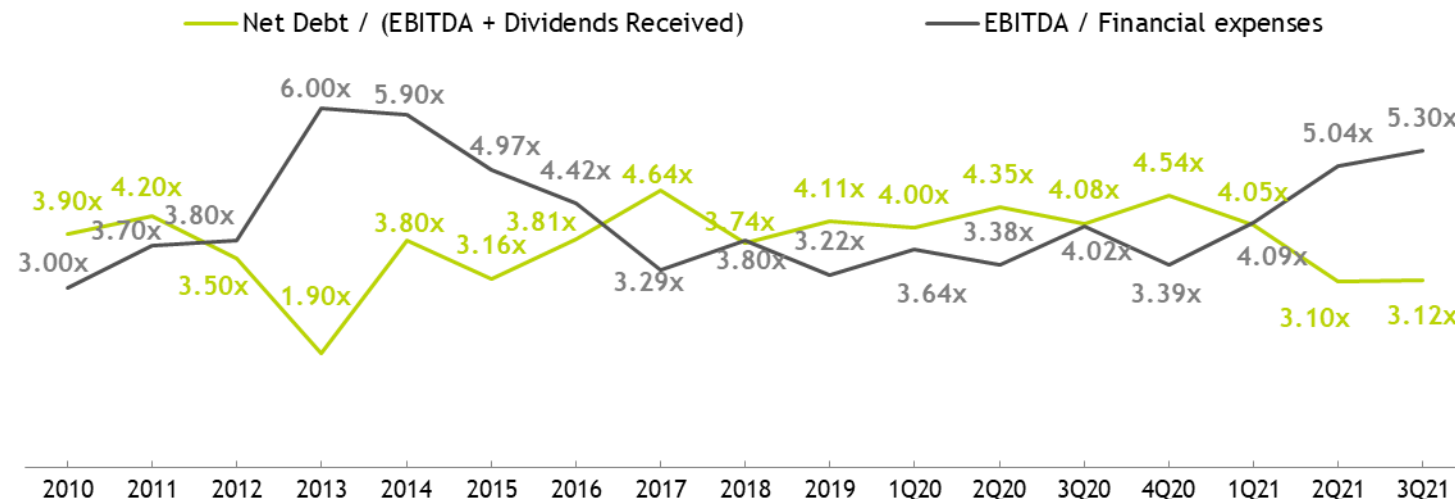


5. Balance Sheet

3Q21

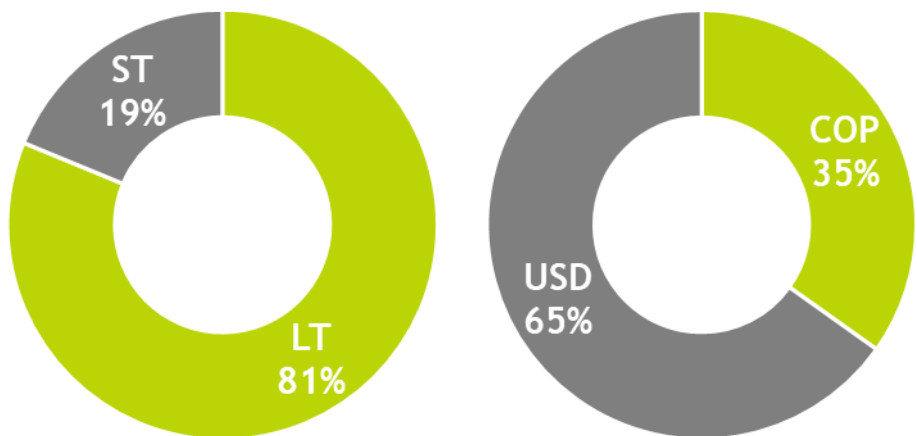
Leverage remains stable at the lowest level since 2013

Despite paying dividends in the quarter, leverage remained stable. Additionally, we expect further improvement in the leverage ratio given the positive forecast on EBITDA and cash generation for the last quarter of the year

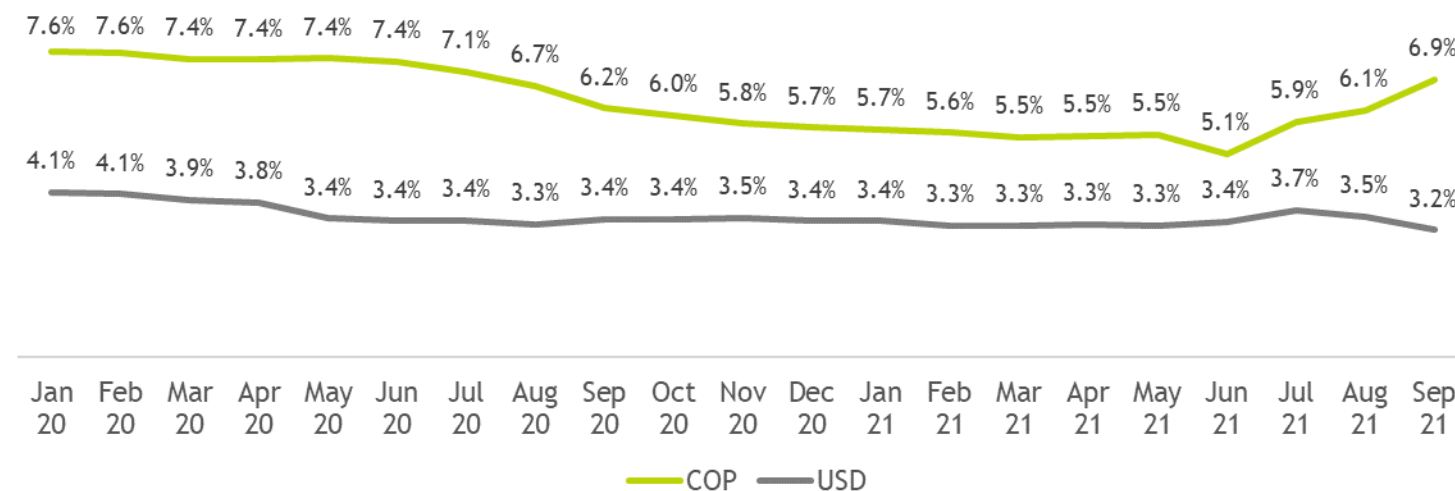


Currency mix

Total debt: USD 1,615M



Consolidated Cost of Debt



* FX Rate as of Sep 30th, 2021: COP 3,834.68 / USD

Note: Since 2Q15, for Net debt to EBITDA + Dividend's ratio, Net debt and EBITDA are calculated with the same FX closing rate. For the calculation of this ratio IFRS 16 is applied from Jun 2020 on



Argos 2021 Outlook

USA

- Focus on balancing our portfolio mix and asset base, adjusting to the dynamic market conditions
- Macroeconomic conditions continue to support the positive performance of the residential segment, while commercial posts improving indicators
- Once approved, the Bipartisan infrastructure framework will improve demand conditions and create a stronger pricing momentum

Colombia

- Optimistic for the remainder of 2021 given the resiliency of the market and the speedy recovery of consumption after the challenging conditions over the last months
- Housing and infrastructure will continue to play a central role in the recovery of economic activity and employment for the foreseeable future

Caribbean and Central America

- We remain optimistic, supported by strong drivers associated to remittances and local recovery plans
- Pipeline of infrastructure programs in Panama and Honduras could be a catalyst for the region

Focus on Deleveraging

*Net Debt / EBITDA +
Dividends below 3x by
Dec, 2021*

**Capex guidance
USD 120 Million**

**Includes maintenance Capex*



6. Appendix

Summary per regional division / other businesses



COP Bn	Revenue		
	2020.Q3	2021.Q3	Var
Colombia	562	637	13.4%
USA	1,346	1,366	1.5%
CCA	455	485	6.6%
Subtotal	2,364	2,489	5.3%
Corporate			0.0%
Other Businesses			0.0%
Consolidated Results	2,364	2,489	5.3%

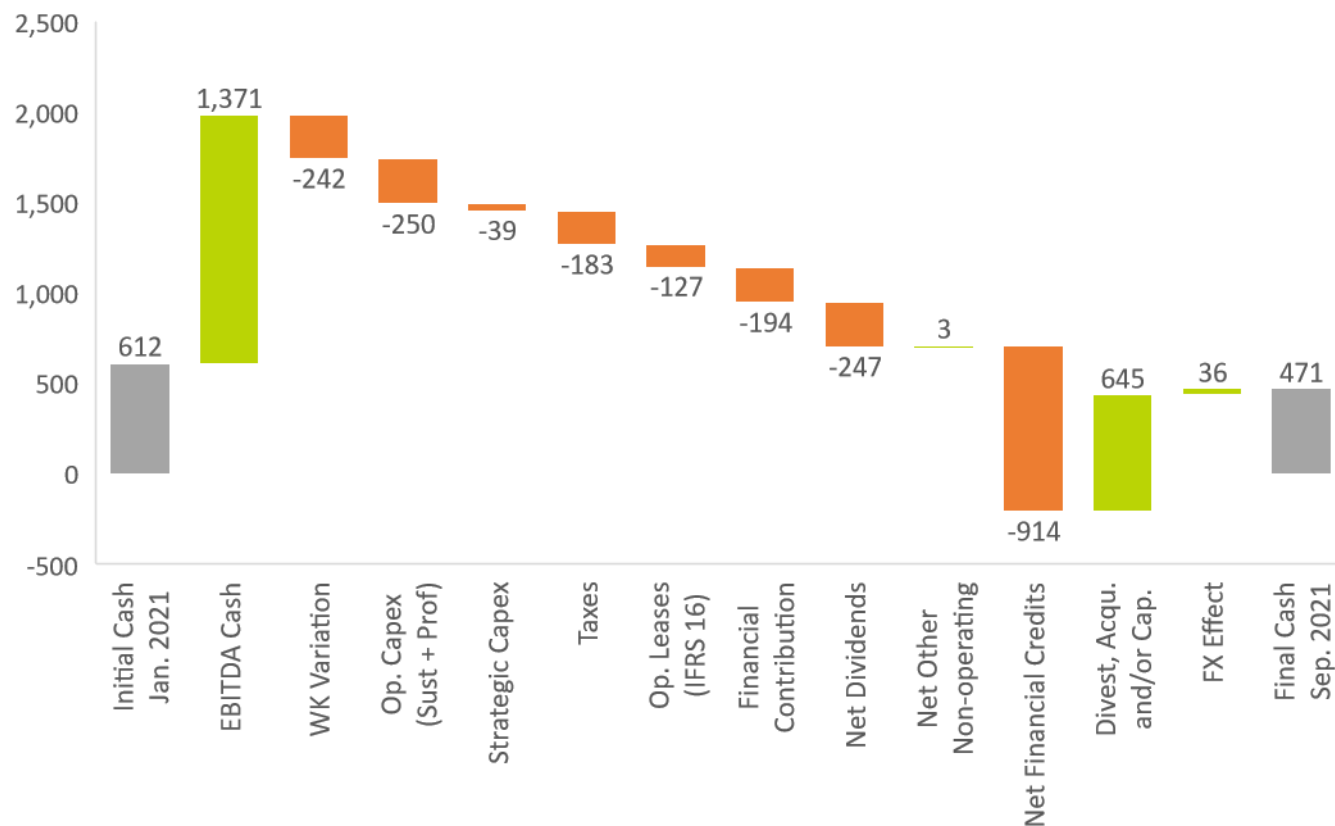
USD M

Colombia	151	166	9.8%
USA	361	354	-1.8%
CCA	122	125	2.7%
Subtotal	634	645	1.8%
Corporate			0.0%
Other Businesses			0.0%
Consolidated Results	634	645	1.8%

EBITDA				
2020.Q3	Mgn (%)	2021.Q3	Mgn (%)	Var Marg
106	18.9%	132	20.7%	180
273	20.3%	243	17.8%	-249
131	28.8%	126	26.0%	-273
510	21.6%	501	20.1%	-144 bps
-24	N/A	-28	N/A	N/A
-7	N/A	-0.1	N/A	N/A
479	20.3%	473	19.0%	-126 bps

29	18.9%	34	20.6%	175
73	20.3%	62	17.5%	-279
35	28.8%	32	25.8%	-297
137	21.6%	129	19.9%	-167 bps
-6	N/A	-7	N/A	N/A
-2	N/A	-0.03	N/A	N/A
129	20.3%	121	18.8%	-148 bps

Consolidated cash flow (COP Bn)



Cash flow (COP Mill)	Total
EBITDA	1,371,066
Net Op. Working Capital	(241,812)
Maintenance CAPEX + Profitability	(249,858)
Strategic CAPEX	(39,166)
Taxes	(182,612)
Leases operations (IFRS 16)	(126,772)
Total Free Cash Flow	530,846
Net Financial Expenses	(193,938)
Net Dividends	(246,862)
Net Other Non-Operating	3,275
Net Financial Operations	(914,283)
Divestments, Acquisitions and/or Capitalizations	644,772
Total Financial Cash Flow	(707,036)
Total Cash Flow for the Period	(176,190)
Initial Cash Flow	612,014
Exchange rate effect	35,597
Final Cash Flow	471,421

Investment portfolio improves Argos financial flexibility

Company	% Stake	Price per Share (COP)	Value (COP million)	Value (USD million)
Grupo Sura	6.01%	21,400	603,122	157
Total			603,122	157

* FX Rate as of September 30th, 2021: COP 3,834.68 / USD

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