

2Q23 Results

August 8th, 2023



IMAGINE WHAT WE
CAN BUILD TOGETHER



Disclaimer



This document contains forward-looking statements and information related to Cementos Argos S.A. and its subsidiaries (together referred to as “Argos”) that are based on the knowledge of current facts, expectations and projections, circumstances and assumptions of future events.

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

If an unexpected situation presents itself or if any of the premises or of the company’s estimations turn out to be incorrect, future results may differ significantly from the ones that are mentioned herein.

The forward-looking statements are made to date and Argos does not assume any obligation to update said statements in the future as a result of new information, future events or any other factors.

All the discussions on the financial and operational results held during the call, will be based on the adjusted figures, excluding non-recurring and non-core operations. For a detail on the reconciliation and the adjustments please refer to the annexes of our quarterly report.

The background of the slide is a close-up photograph of several interlocking concrete blocks, likely for drainage or landscaping. The blocks are grey and have a rough, textured surface. They are arranged in a grid-like pattern, with some blocks in the foreground being more prominent than others in the background. The lighting is natural, creating soft shadows and highlights on the edges of the blocks.

01

Consolidated results

SPRINT

Share Price Recovery Initiative

1 

Focus on strong financial and operational results with a special emphasis in profitability

2 

Increase dividend payments to shareholders for a total of COP 445 billion in 2023, +15% vs 2022

3 

~ COP 250 billion share-buy-back program

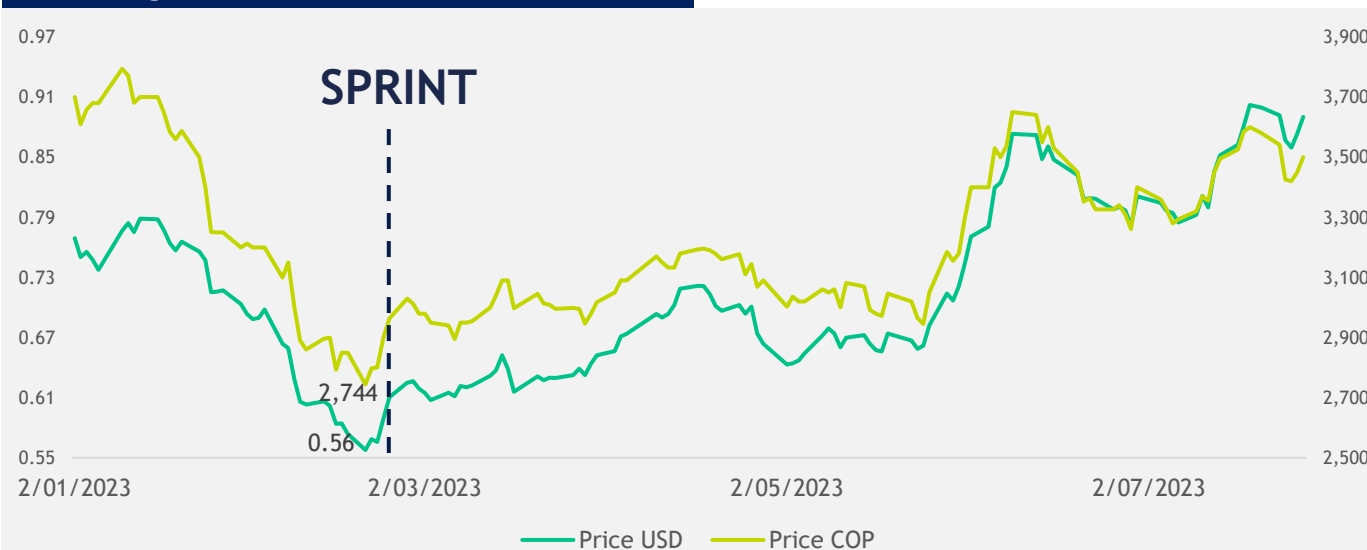
4 

Continue the work on listing our US business in the NYSE

5 

Improve the liquidity of our common stock by designating a local market maker

Cemargos common share



Since the announcement of SPRINT, the common share price has increased:

+28% in COP

+60% in USD

2Q23 - commercial efforts to execute price increases and regain profitability drive solid results

✓ 1 Strong financial and operational results with a special emphasis in profitability

COP 3.3 Tn

REVENUE

+16.8% YoY

COP 670 Bn

EBITDA

+28.1% YoY

1.8 mn m3

RMX VOLUME

-10.3% YoY

4.0 mn T

CEMENT VOLUME

-4.7% YoY

Volumes - Adjusted		QUARTER			YTD		
		2022.Q2	2023.Q2	Var	2022.Q2	2023.Q2	Var
Cement	000 TM	4,220	4,020	-4.7%	8,170	7,945	-2.7%
RMC	000 M ³	1,957	1,756	-10.3%	3,755	3,512	-6.5%

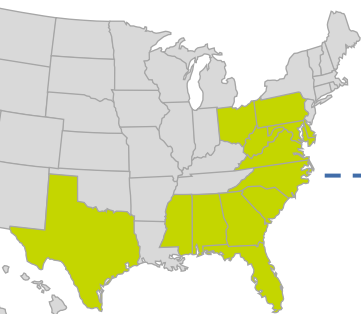
Key Figures - Adjusted		QUARTER			YTD		
		2022.Q2	2023.Q2	Var	2022.Q2	2023.Q2	Var
Revenue	COP Bn	2,851	3,332	16.8%	5,353	6,713	25.4%
EBITDA	COP Bn	523	670	28.1%	872	1,266	45.1%
Margin EBITDA	%	18.3%	20.1%	177 pbs	16.3%	18.9%	256 pbs
Owners of the parent co	COP Bn	99	113	14%	96	214	124%
Net Margin Accounting	%	3.5%	3.4%	-9 pbs	1.8%	3.2%	143 pbs
Net Income	COP Bn	119	136	15%	131	253	93%
Net Margin	%	4.2%	4.1%	-8 pbs	2.4%	3.8%	132 pbs

2Q23 - we have successfully accomplished the objective of three out of five pillars in SPRINT

2 Increase dividend payments

COP 445
Billion
Of dividends  15%
Vs 2022

4 Continue the work on listing our US business in the NYSE

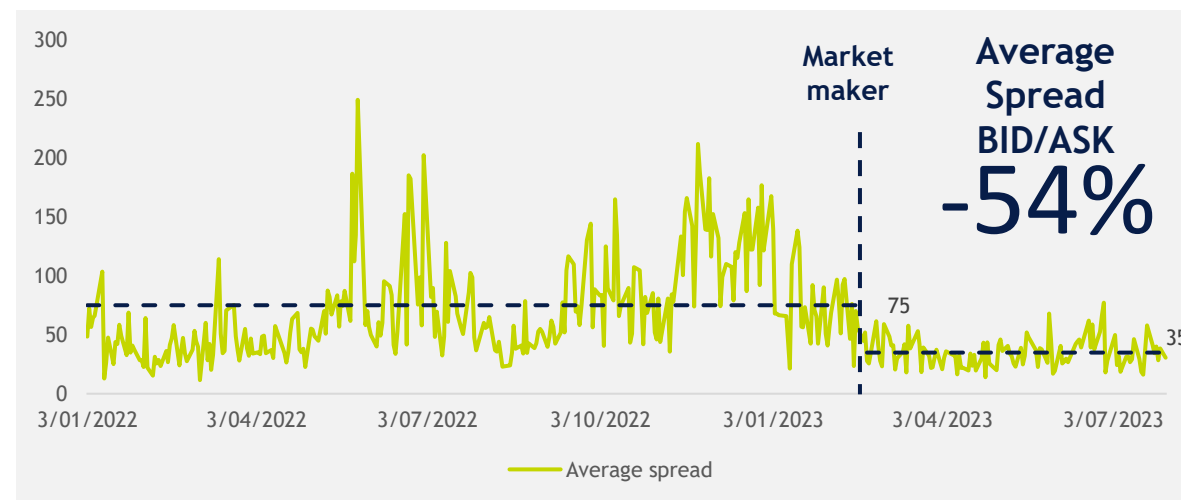


We continue the preparation to execute the operation **once market conditions are appropriate**.
Developments will be disclosed once **permitted by regulations**

3 Share-buy-back program

COP 125
Billion
Of the COP 250 billion In share buyback program  COP 570
Billion
Total distributions to shareholders* = 50%
Vs 2022

5 Local market maker



Share Exchange agreement impact in our Grupo Sura investment portfolio

Today

Investment portfolio

COP **1.02**

Trillion at market
value

Argos Stake

6.1%

This investment has provided us financial flexibility, while
generating value throughout the years

Post transaction*

Argos' Post-Transaction Stake

9% - 10%

- ✓ Grupo Sura will be more focused on its core business, financial services. Making it more attractive for investors
- ✓ Grupo Argos, has made public statements that its goal is not to control Grupo Sura



02

US Region

2Q23 - United States

+17.5 %

FOB PRICE CEMENT YoY

+18.1 %

FOB PRICE RMX YoY

-4.6 %

CEMENT VOLUMES YoY

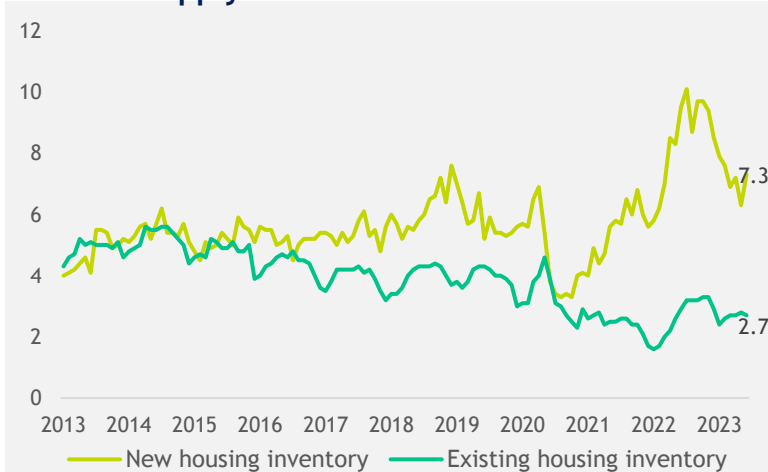
-12.5 %

RMX VOLUMES YoY

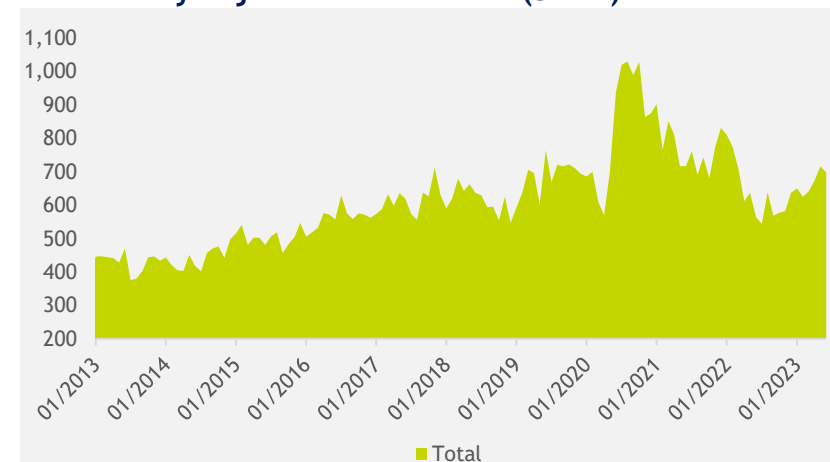
Volumes - Adjusted		QUARTER			YTD		
		2022.Q2	2023.Q2	Var	2022.Q2	2023.Q2	Var
Cement	000 MT	1,658	1,582	-4.6%	3,060	3,083	0.8%
RMC	000 M3	1,230	1,076	-12.5%	2,321	2,140	-7.8%

Key Figures - Adjusted		QUARTER			YTD		
		2022.Q2	2023.Q2	Var	2022.Q2	2023.Q2	Var
Revenue	USD M	416	444	6.5%	757	860	13.6%
EBITDA	USD M	75	93	24.2%	112	158	41.3%
Margin EBITDA	%	18.0%	21.0%	300 pbs	14.8%	18.4%	362 pbs

Housing inventories
Months supply at current sales rates



New Home Sales
seasonally adjusted annual rate (SAAR)



- EBITDA growth of +24.2% leads to a margin expansion of 300 basis points versus the second quarter of 2022.
- Positive results driven by solid execution on price and productivity improvements.
- Volume affectation due to heavy rainfall in June across the southern USA and operational issues in our Newberry plant in Florida.
- 15% of our cement shipments during the quarter were imported, fundamental to meet demand.

The background of the slide is a photograph of a textured, light-colored wall. A prominent feature is a large, dark, diamond-shaped opening or shadow in the center-right area. The wall has a rough, masonry-like texture with visible lines and crevices.

03

Colombian Region

2Q23 - Colombia

+19.3 %

FOB PRICE CEMENT YoY

+22.8 %

FOB PRICE RMX YoY

-6.6 %

TOTAL CEMENT VOLS YoY

+10.9 %

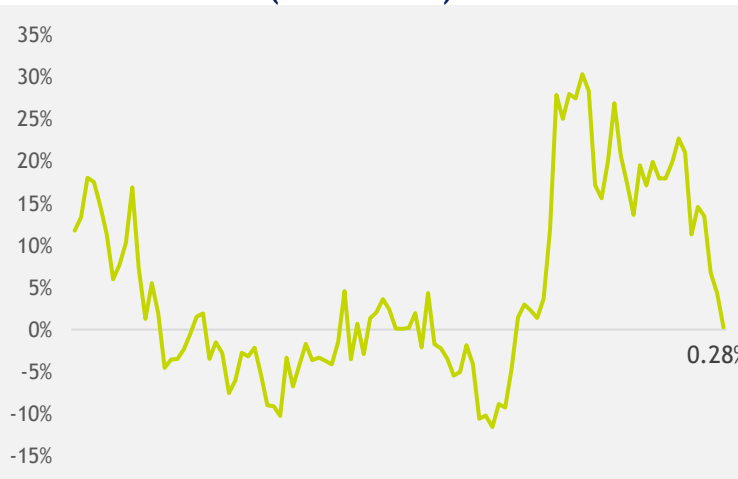
EXPORTS VOLS YoY

- EBITDA expansion and stable margins as a result of pricing strategy and a slowdown on fuels and energy costs.
- Cement exports growth driven by 49% increase of exports to the US
- RMX and cement volumes decreased as a result of our determination to prioritize profitability and lower demand particularly in the southwest zone of the country.
- Gray cement accounts for most of total volumes for the local market. During the first semester volumes of gray cement decreased 9.6%

Volumes		QUARTER			YTD		
		2022.Q2	2023.Q2	Var	2022.Q2	2023.Q2	Var
Cement	000 MT	1,513	1,413	-6.6%	2,980	2,814	-5.6%
Local Market	000 TM	1,235	1,106	-10.5%	2,406	2,161	-10.1%
Exports	000 TM	277	308	10.9%	575	652	13.5%
RMC	000 M3	656	613	-6.7%	1,305	1,233	-5.5%
Aggregates	000 MT	330	305	-7.6%	732	618	-15.5%

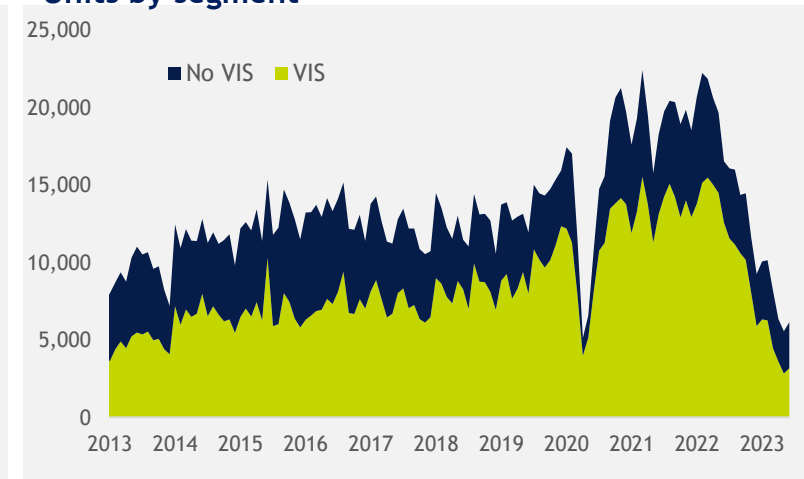
Key Figures		QUARTER			YTD		
		2022.Q2	2023.Q2	Var	2022.Q2	2023.Q2	Var
Revenue	COP Bn	678	735	8.4%	1,310	1,447	10.5%
EBITDA	COP Bn	136	147	8.3%	266	328	23.4%
Margin EBITDA	%	20.1%	20.0%	-3 pbs	20.3%	22.7%	239 pbs

Housing starts in units
Annual variation (2015-2023)



Source: Galería inmobiliaria

Home Sales
Units by segment



Source: Galería inmobiliaria

04

Caribbean and
Central America
Region



2Q23 - Caribbean and Central America

+4.9 %

FOB PRICE CEMENT YoY

+7.6 %

FOB PRICE RMX YoY

-6.3 %

LOCAL CEMENT VOLS YoY

-4.6 %

RMX VOLS YoY

- Stable demand dynamics continued during the quarter in the local markets:
 - Panama** cement volumes recovered satisfactorily +12.3% coupled with higher prices were the main drivers of results.
 - Dominican Republic** strong dynamics with a price increase of +9.3% YoY, offsetting a volume slowdown of 3% during the quarter.
- Trading volumes, increased 15.6% YoY.
- Total volumes in the Central American and the Caribbean region decreased 2.3% during the quarter.

Volumes		QUARTER			YTD		
		2022.Q2	2023.Q2	Var	2022.Q2	2023.Q2	Var
Cement	000 TM	1,050	1,025	-2.3%	2,130	2,049	-3.8%
Central America	000 TM	420	447	6.4%	806	861	6.8%
Caribbean	000 TM	439	357	-18.5%	836	765	-8.5%
Trading	000 TM	191	221	15.6%	487	423	-13.3%
RMC	000 M3	71	68	-4.6%	129	139	7.5%
Central America	000 M3	47	48	2.5%	78	97	24.3%
Caribbean	000 M3	24	19	-18.7%	51	42	-18.3%

Key Figures		QUARTER			YTD		
		2022.Q2	2023.Q2	Var	2022.Q2	2023.Q2	Var
Revenue	USD M	138	141	2.0%	276	286	3.7%
Central America	USD M	62	69	12.1%	120	136	13.7%
Caribbean	USD M	71	64	-10.3%	134	135	0.4%
Trading*	USD M	5	7	54.8%	22	15	-31.2%
EBITDA	USD M	32	33	3.4%	62	63	2.8%
Central America	USD M	19	19	4.1%	36	37	2.6%
Caribbean	USD M	10	10	-3.9%	18	19	2.6%
Trading	USD M	4	4	20.1%	7	8	4.9%
Margin EBITDA	%	23.4%	23.7%	32 pbs	22.3%	22.1%	-19 pbs
Margin EBITDA Central America	%	29.9%	27.8%	-213 pbs	30.0%	27.1%	-294 pbs
Margin EBITDA Caribbean	%	14.3%	15.3%	102 pbs	13.5%	13.8%	29 pbs

*Does not include sales to related companies

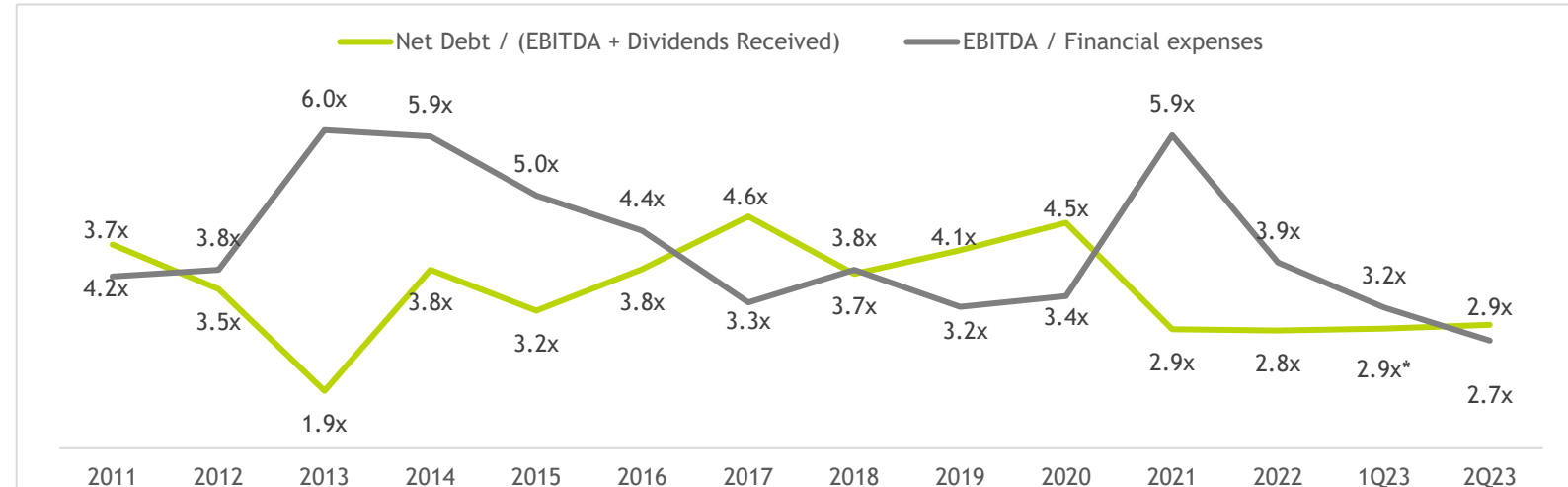
The background of the slide is a photograph of a large, conical pile of light-colored gravel or crushed stone. The pile is on the right side of the frame, sloping upwards from the bottom left towards the top right. In the background, behind the gravel, there are dark green trees. On the left side of the image, there is a solid dark blue rectangular overlay that contains the text.

05

**Balance
Sheet**

Debt Profile

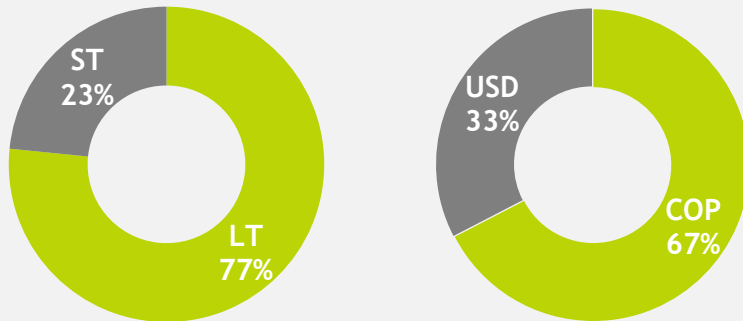
- Flattening on the cost of debt derived from the continuation of improvements in short-term refinancing rates and hedging strategy which has provided 20 billion pesos in savings.
- Net debt to EBITDA ratio remained stable at 2.9x during the quarter in a context of lower net debt and increased EBITDA, despite the effect of the sharp Peso revaluation experienced during the last few months.



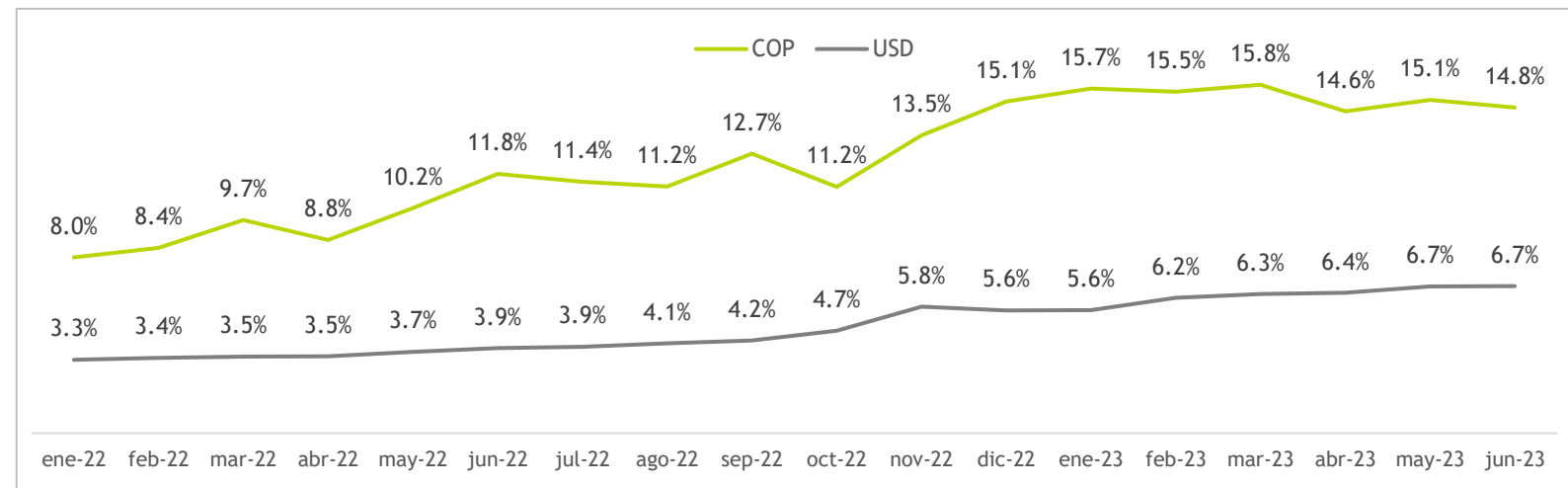
* 1Q23 ratio recalculated due to a revision in the FX adjustment.

Currency mix

Total debt: USD 1,604 mn



Consolidated cost of debt



06 Outlook



Outlook Argos



Guidance 2023e

^{COP}
2.3 - 2.4
Tn

EBITDA

Mid point of our Guidance represents a
~13% growth vs 2022 real EBITDA

<3.0x

LEVERAGE

2022 leverage ratio closed **below 3.0x**
and we intend to continue with this
tendency

^{USD}
200 - 220
mm

CAPEX

Maintenance ~55%
Growth ~ 45%

10% - 11%

ROCE

Complying with our 2022 Guidance, we
intend to continue to deliver **positive**
return



Medium Term guidance

20%-21%

EBITDA MARGIN

Reinforcing our commitment to add value, we estimate a
medium-term guidance in terms of operating profitability
that represents an **increase of ~270 bps** compared to
what was obtained in 2022

Calculation accounts for certain adjustments on EBIT and capital
employed

Numerator

Operating EBITDA
(-) Maintenance capex
(=) Adjusted EBIT

Denominator

Total assets -(Current Liabilities -
Current Financial liabilities)
(-) In-Construction, deferred tax
assets and other non-operating
assets
(=) Adjusted Capital employed

08

Appendix



IFRS results per regional / other businesses

COP Bn	Revenue		
	2022.Q2	2023.Q2	Var
Colombia	678	735	8.4%
USA	1,632	1,972	20.8%
CCA	541	625	15.3%
Central America	243	308	27.1%
Caribbean	280	283	1.2%
Trading	19	33	74.8%
Subtotal	2,851	3,331	16.8%
Corporate			0.0%
Other Businesses			0.0%
Consolidated Results	2,851	3,332	16.8%

USD M

Colombia	173	165	-4.5%
USA	416	444	6.5%
CCA	138	141	2.0%
Central America	62	69	12.1%
Caribbean	71	64	-10.3%
Trading	5	7	54.8%
Subtotal	728	750	3.0%
Corporate			0.0%
Other Businesses			0.0%
Consolidated Results	728	750	3.0%

2022.Q2	Mgn (%)	EBITDA		
		2023.Q2	Mgn (%)	Var Marg
136	20.1%	147	20.0%	-3
280	17.2%	410	20.8%	366
127	23.4%	149	23.8%	44
73	29.9%	86	27.8%	-208
40	14.3%	44	15.4%	113
14	75.7%	20	59.3%	-1,639
543	19.0%	707	21.2%	218 bps
-34	N/A	-44	N/A	N/A
	N/A	-0.5	N/A	N/A
509	17.8%	662	19.9%	204 bps

35	20.1%	33	20.2%	14
71	17.2%	92	20.6%	349
32	23.4%	33	23.7%	32
19	29.9%	19	27.8%	-213
10	14.3%	10	15.3%	102
4	75.9%	4	58.9%	-1,700
139	19.0%	158	21.1%	209 bps
-9	N/A	-10	N/A	N/A
	N/A	-0.12	N/A	N/A
130	17.8%	148	19.8%	196 bps

Reconciliation of adjusted figures

Consolidated		QUARTER		YTD	
		2022.Q2	2023.Q2	2022.Q2	2023.Q2
RMC Volume	m3	1,230	1,076	2,430	2,140
Divested Operations	RMC Volume Divested Operations P&P	m3		-109	
RMC Volume - Adjusted		1,230	1,076	2,321	2,140

Consolidated		QUARTER		YTD	
		2022.Q2	2023.Q2	2022.Q2	2023.Q2
Revenue - IFRS	COP Bn	2,851	3,332	5,429	6,713
Divested Operations	RMX Assets Divested in the US 2022	COP Bn		-76	
Revenue - Adjusted		2,851	3,332	5,353	6,713

Consolidated		QUARTER		YTD	
		2022.Q2	2023.Q2	2022.Q2	2023.Q2
EBITDA - IFRS	COP Bn	509	662	954	1,256
Divested Operations	RMX Assets Divested in the US 2022	COP Bn		-96	
Listing Expenses	Non - Operational Expenses	COP Bn	14	14	10
EBITDA - Adjusted		523	662	872	1,266

EBITDA Margin - IFRS	%	17.8%	19.9%	17.6%	18.7%
EBITDA Margin - Adjusted	%	18.3%	19.9%	16.3%	18.9%

Consolidated		QUARTER		YTD	
		2022.Q2	2023.Q2	2022.Q2	2023.Q2
Net Profit - IFRS	COP Bn	5	101	27	179
Divested Operations	RMX Assets Divested in the US 2022	COP Bn	7	-39	7
Listing Expenses	Non - Operational Expenses	COP Bn	14	14	10
Intercompany Operations	Non-Recurring Income Tax	COP Bn	80	93	25
Net Profit - Comparable		99	108	96	221

Net Margin - IFRS	%	0.2%	3.0%	0.5%	2.7%
Net Margin - Comparable	%	3.5%	3.2%	1.8%	3.3%

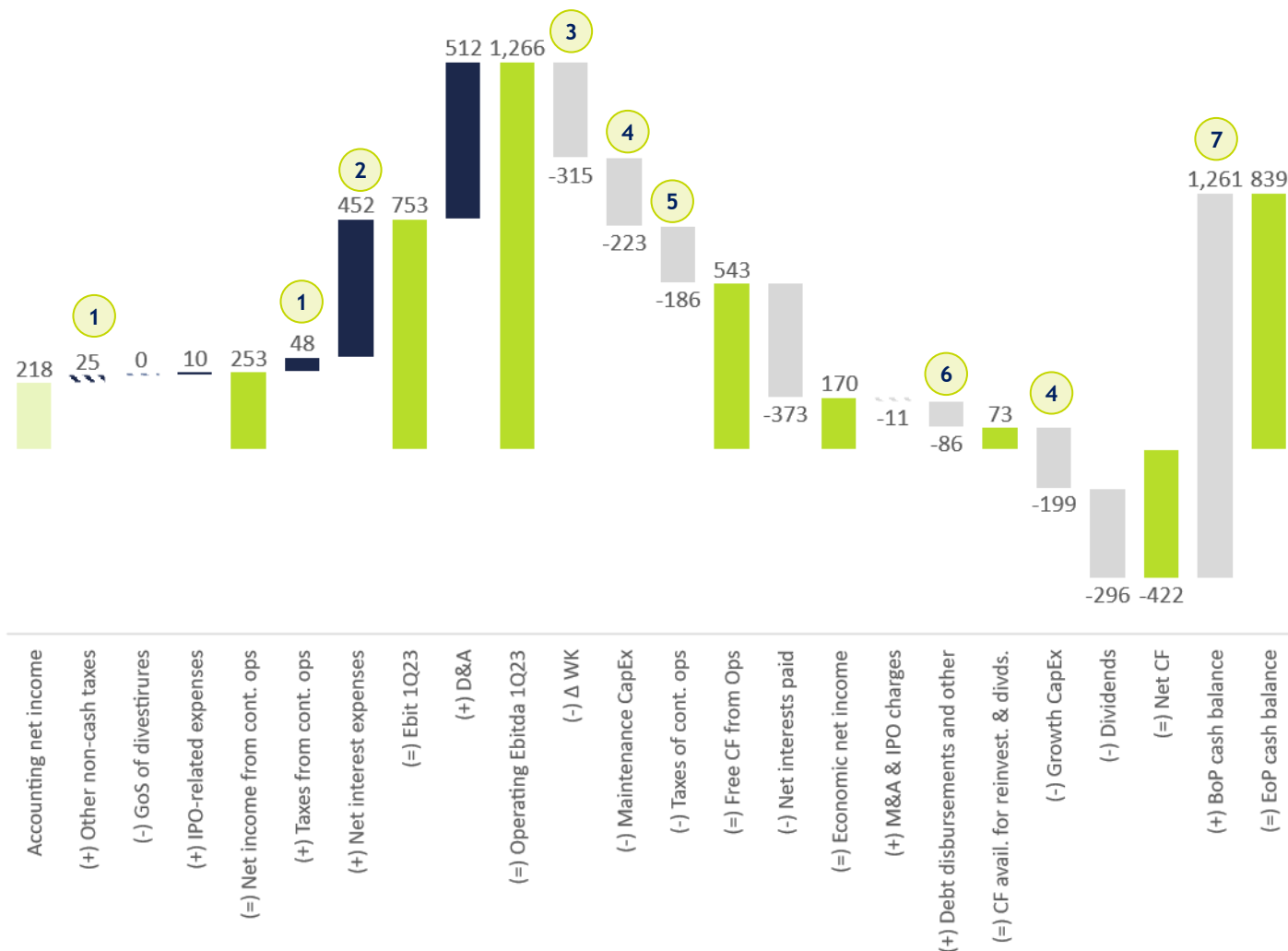
USA		QUARTER		YTD	
		2022.Q2	2023.Q2	2022.Q2	2023.Q2
RMC Volume	m3	1,230	1,076	2,430	2,140
Divested Operations	RMC Volume Divested Operations P&P	m3		-109	
RMC Volume - Adjusted		1,230	1,076	2,321	2,140

USA		QUARTER		YTD	
		2022.Q2	2023.Q2	2022.Q2	2023.Q2
Revenue - IFRS	USD M	416	444	776	860
Divested Operations	RMX Assets Divested in the US 2022	USD M		-19	
Revenue - Adjusted		416	444	757	860

USA		QUARTER		YTD	
		2022.Q2	2023.Q2	2022.Q2	2023.Q2
EBITDA - IFRS	USD M	71	92	133	156
Divested Operations	RMX Assets Divested in the US 2022	USD M		-24	
Listing Expenses	Non - Operational Expenses IPO	USD M	4	4	2
EBITDA - Adjusted		75	93	112	158

EBITDA Margin - IFRS	%	17.2%	20.6%	17.1%	18.1%
EBITDA Margin - Adjusted	%	18.0%	21.0%	14.8%	18.4%

Consolidated Cash flow



Usually during the second semester of a year our financial results and cash generation are stronger, while during the first six months, our net cashflow is negative or neutral.

Reconciliations vs Accounting method

- 1 COP 25 Bn Non-Recurring Income Tax. COP 48 bn income tax
- 2 Includes Net Financial expenses, Net Foreign currency exchange gains (loss), Share of profit of associates and joint ventures
- 3 Investment in working capital excluding FX distortions
- 4 Total Capex executed in was COP 421 bn. The growth Capex is discretionary and did not report any benefits to the company in 2023
- 5 This amount corresponds to taxes paid in cash
- 6 Includes debt disbursements, non-operating income tax and others
- 7 Includes investments in short-term CDs

Investment portfolio improves Argos financial flexibility

* FX Rate as of June 30st, 2023: COP 4,191.28 / USD

Company	% Stake	Price per Share (COP)	Value (COP million)	Value (USD million)
Grupo Sura	6.08%	36,000	1,022,218	244
Total			1,022,218	244

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