

Shareholders' Assembly of Cementos Argos approved the conversion of preference shares into ordinary shares and programs related to the execution of SPRINT 2.0.

- The company recorded its best financial and operational results in its history, with an EBITDA of 2.7 trillion pesos and an EBITDA margin exceeding 21%, expanding by more than 300 basis points.
- The Assembly approved the program for the conversion of preference shares into ordinary shares at an exchange ratio of 1 preference share for 0.85 ordinary shares.
- In the second quarter of the year, a new Assembly will be held to approve a second phase of dividends and another phase of the share buyback program.

The Shareholders' Assembly of Argos, a cement company of the Argos Group, approved in its ordinary meeting held on March 18, 2024, a dividend worth 117.54 pesos per share per year for both ordinary and preference shares, which will be paid in cash in a single installment between April 17 and 27, 2024. Additionally, the Assembly approved a new phase of share buybacks worth 125 billion pesos, following the successful execution of the repurchase program initiated in 2023. Statutory reforms were also authorized to include transitional articles allowing for an additional closing on March 31, 2024, so that an additional Assembly can be convened in the second quarter of the year to submit to the approval of the shareholders a second phase of dividends and another phase of the share buyback program, within the framework of SPRINT 2.0.

The Assembly also approved the program for the conversion of preference shares into ordinary shares at an exchange ratio of 1 preference share for 0.85 ordinary shares, a value that represents a premium of approximately 12% versus the average of the last 5 years and is within the range suggested by independent investment banking. This proposal was approved with the favorable vote of 88.02% of the outstanding ordinary shares and 80.67% of the outstanding preference shares without voting rights, with no votes against the proposal. The conversion is subject to approval by the Financial Superintendence of Colombia.

The conversion of preference shares into ordinary shares will increase the chances of being selected within recognized international indices, such as the MSCI Emerging Markets, with the potential to attract additional buying flows to the ordinary share. In other decisions, the shareholders ratified the Board of Directors composed of the equity members: Jorge Mario Velásquez, Alejandro Piedrahita, and Rafael Olivella, and the independent members: Carlos Gustavo Arrieta, Cecilia Rodríguez, Carolina Soto, and León Teicher. KPMG was also ratified as the External Auditor.

Successful execution of SPRINT

The results of 2023 are part of the successful execution of SPRINT, the Initiative for Share Price Recovery, and are evidence of a leading company in the industry, competitive, prepared for future opportunities, and with widely positive fundamentals. In the first pillar, aimed at improving financial and operational results with a special emphasis on profitability, Cementos Argos recorded its highest EBITDA in its history, reaching 2.7 trillion pesos, and an EBITDA margin of over 21%, with an expansion of more than 300 basis points. The second and third pillars, which aimed at distributing dividends 15% higher than in 2022 and executing a share buyback program, were also successfully carried out, distributing around 445 billion pesos in dividends and 125 billion pesos in buybacks.

Regarding the fourth pillar, focused on revealing the fundamental value of operations in the United States through the listing of Argos USA on the stock market, the transformational milestone of combining with Summit Materials, a company listed on the NYSE since 2015, to create a leading industry platform with national scale and an enterprise value exceeding 9.000 million dollars. Likewise, in 2023, the fifth pillar of SPRINT was fulfilled, related to improving the liquidity of ordinary shares through the designation of a local market maker. Thanks to this instrument, the trading volume from the announcement of the transaction with Summit until the end of the year reached a daily average 185% higher than in 2022, with an approximate value of 4.800 billion pesos.

It is worth noting among the results that, since the start of the execution of SPRINT, the price of Cementos Argos' ordinary share has increased from 2,744 pesos on February 20, 2023, to 8,200 pesos on March 15, 2024, which, together with the capital distributions to shareholders, represents a total shareholder return (TSR) of 211% in ordinary shares and 274% in preference shares.

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