

4Q23 Results

February 21st, 2024

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.

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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.

Capturing Long-Term Value in the American Market



The combination with Summit is a milestone that enables the transition towards a new business model to manage our presence in the US

Sole ready-mix player

12 RMX acquisitions

Revenues and EBITDA affected by the crisis

Vertical integration = priority to establish a sustainable business model

Vertically integrated player with cement assets

Consolidated with 4 integrated plants and 2 grinding facilities, (~10 MTPA capacity)

Volumes and revenues recover due to improved market conditions and inorganic growth

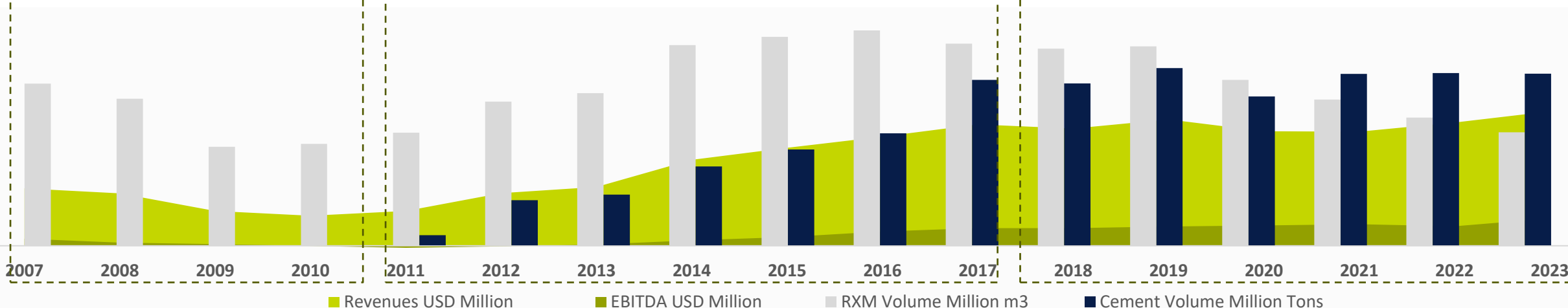
EBITDA margin goes from -6% to 13%

Local player with strategically optimized footprint

Non-strategic divestitures + cost efficiencies = more profitable company

Record EBITDA of **USD 365 Million**

Record EBITDA Margin **of 21,4%**



ARGOS USA
In figures

Net investment
U\$ 2.0 bn

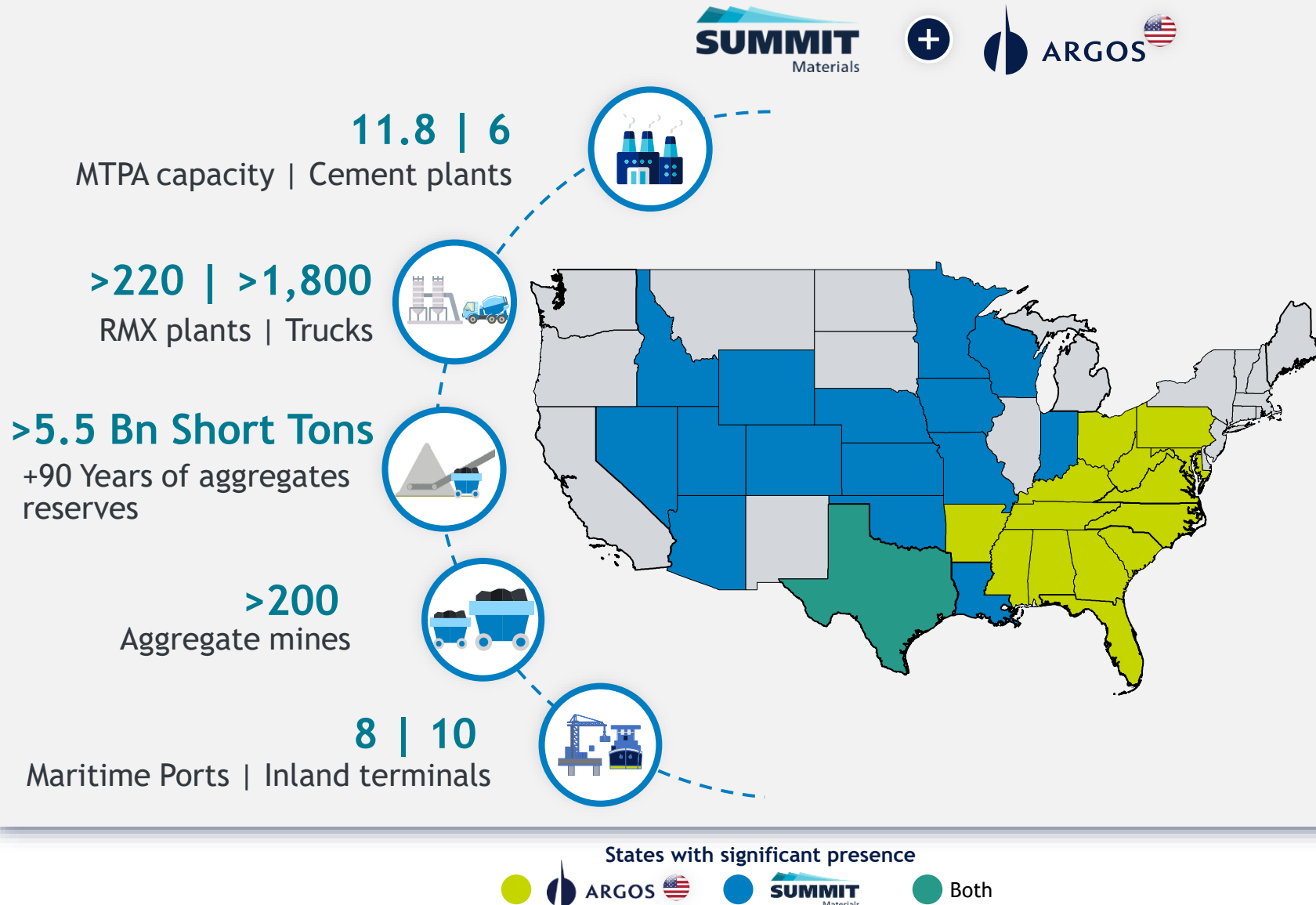
EBITDA 4.0x

From 88 in 2007 to 365 Million in 2023

ROCE +700 bps

From 4% in 2007 to 11% in 2023

We are now the largest shareholder of a market-leading company with multiple opportunities for growth



STOCK CONSIDERATION

~USD 2.0bn

60% of transaction value

CASH CONSIDERATION

~USD 1.2bn

40% of transaction value

TOTAL FIRM VALUE

~USD 3.2bn

~1.5x Cementos Argos' market cap in the Colombian Stock Exchange

01

Consolidated results



4Q23 - highest EBITDA achieved by Argos in its history +30% YoY

2023 Highlights



- ✓ Long-term vision of value creation
- ✓ Profitability focus across regions



12.7

COP Trillion in revenue

+9.6%



2.7

COP Trillion of EBITDA

+30%



21.1%

EBITDA MARGIN

+329 bps

4Q23 HIGHLIGHTS

COP 2.9 Tn

REVENUE

-7.0% YoY

COP 676 Bn

EBITDA

+12.0% YoY

3.8 mm ton

CEMENT VOLUME

-2.3% YoY

1.5 mm m3

RMX VOLUME

-13.3% YoY

Volumes - Adjusted

		QUARTER			YTD		
		2022.Q4	2023.Q4	Var	2022.Q4	2023.Q4	Var
Cement	000 TM	3,862	3,774	-2.3%	16,204	15,703	-3.1%
RMC	000 M ³	1,760	1,525	-13.3%	7,423	6,740	-9.2%

Key Figures - Adjusted

		QUARTER			YTD		
		2022.Q4	2023.Q4	Var	2022.Q4	2023.Q4	Var
Revenue	COP Bn	3,138	2,917	-7.0%	11,608	12,717	9.6%
EBITDA	COP Bn	604	676	12.0%	2,068	2,684	29.8%
EBITDA Margin	%	19.2%	23.2%	393 pbs	17.8%	21.1%	329 pbs
Net Income	COP Bn	134	209	56%	356	712	100%
Net Margin	%	4.3%	7.2%	290 pbs	3.1%	5.6%	253 pbs



02

US Region

4Q23 - United States

QUARTER HIGHLIGHTS

+13.1 %

FOB PRICE CEMENT YoY

+16.6 %

FOB PRICE RMX YoY

+1.3 %

CEMENT VOLUMES YoY

-10.6 %

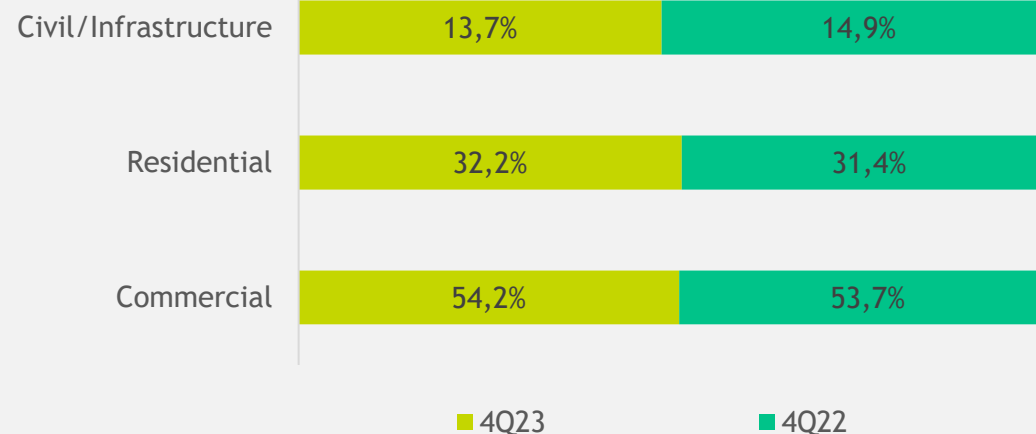
RMX VOLUMES YoY

- Our profitability-focused strategy led to results above expectations and an EBITDA growth of USD 116 million YoY
- EBITDA margin expansion of close to 523 basis points year-to-date and 687 basis points for Q4.
- Despite operational disruptions previously disclosed at our Newberry plant, which have since been addressed, cement volumes for the year remained flat compared to those observed last year
- Financial results on the cement segment were driven by a combination of pricing dynamics and softened fuel costs
- Ready-mix prices increased by 16.6 %, bolstering results for the quarter and the year

Volumes - Adjusted		QUARTER			YTD		
		2022.Q4	2023.Q4	Var	2022.Q4	2023.Q4	Var
Cement	000 MT	1,458	1,477	1.3%	6,109	6,086	-0.4%
RMC	000 M3	985	881	-10.6%	4,425	4,012	-9.3%

Key Figures - Adjusted		QUARTER			YTD		
		2022.Q4	2023.Q4	Var	2022.Q4	2023.Q4	Var
Revenue	USD M	376	412	9.6%	1,547	1,709	10.5%
EBITDA	USD M	65	99	53.5%	250	365	46.3%
EBITDA Margin	%	17.1%	24.0%	687 pbs	16.1%	21.4%	523 pbs

RMX dispatches per segment





03

Colombian
Region

4Q23 - Colombia

QUARTER HIGHLIGHTS

+14.1 %

FOB PRICE CEMENT YoY

+21.1 %

FOB PRICE RMX YoY

-2.4 %

TOTAL CEMENT VOLS YoY

+3.4 %

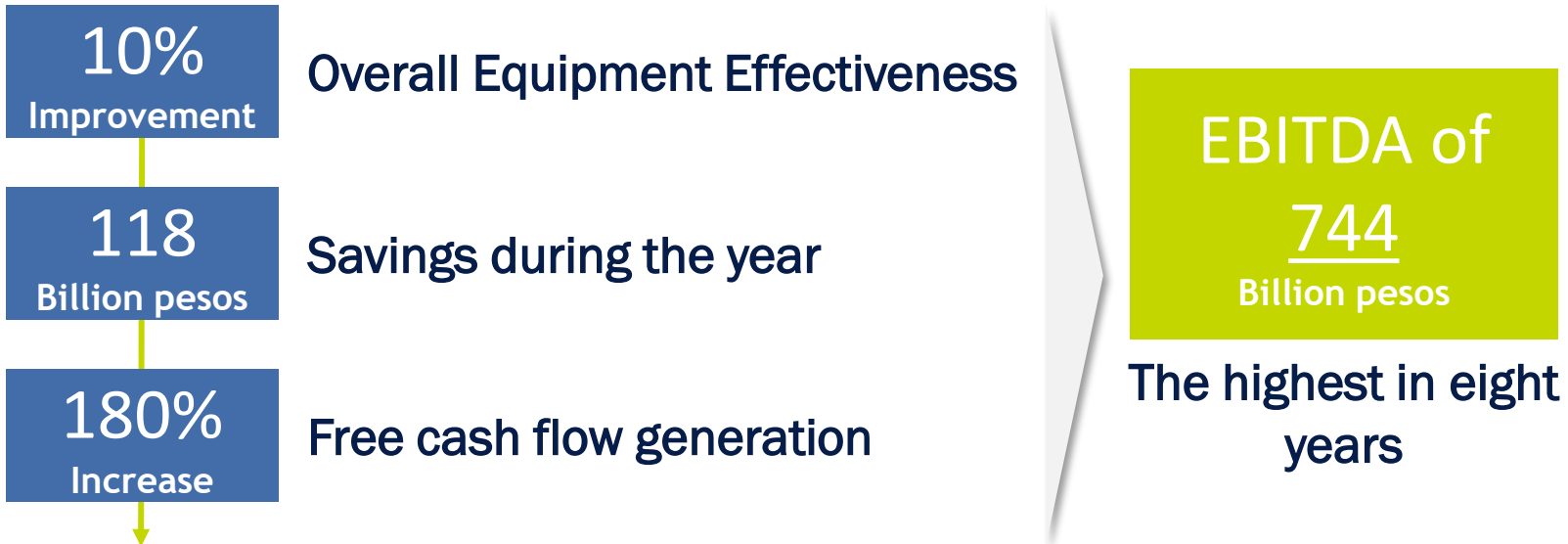
EXPORTS VOLS YoY

Volumes		QUARTER			YTD		
		2022.Q4	2023.Q4	Var	2022.Q4	2023.Q4	Var
Cement	000 MT	1,497	1,461	-2.4%	6,014	5,815	-3.3%
Local Market	000 TM	1,182	1,136	-3.9%	4,806	4,458	-7.2%
Exports	000 TM	315	325	3.4%	1,208	1,358	12.4%
RMC	000 M3	708	583	-17.7%	2,724	2,451	-10.0%
Aggregates	000 MT	278	164	-40.9%	1,341	991	-26.1%

Key Figures		QUARTER			YTD		
		2022.Q4	2023.Q4	Var	2022.Q4	2023.Q4	Var
Revenue	COP Bn	693	740	6.8%	2,708	2,956	9.2%
EBITDA	COP Bn	182	207	14.1%	605	744	23.0%
EBITDA Margin	%	26.2%	28.0%	179 pbs	22.3%	25.2%	283 pbs

Profitability strategy

- The deployment and execution of a comprehensive strategy throughout the value chain resulted in EBITDA generation of COP 744 billion, the highest in eight years
- Our assertive pricing strategy enabled us to boost revenues by 9.2 % for the year, despite lower volumes
- Free cash flow generation, that increased 180% when compared to the previous year
- EBITDA margin increased 283 basis points, reaching 25.2% percent.



The background of the slide is a photograph of several interlocking concrete blocks, likely for drainage or construction purposes. The blocks are arranged in a grid-like pattern, with some showing a smooth top surface and others showing a rough, aggregate-filled interior. The lighting is bright, creating strong shadows and highlights on the concrete surfaces.

04

Caribbean and Central America Region

4Q23 - Caribbean and Central America

QUARTER HIGHLIGHTS

+0.84%

FOB PRICE CEMENT YoY

+6.8 %

FOB PRICE RMX YoY

-4.6 %

LOCAL CEMENT VOLS YoY

-8.5 %

RMX VOLS YoY

- Market dynamics remained stable in most of our countries of operations, generating a positive evolution of volumes and prices in the local markets
 - Construction activity in **Panama** led to volumes increase of 6 %. Prices increased accordingly and the EBITDA improved consequently year over year.
 - Dominican Republic**, volumes +6 % during 2023 driven by the construction activity associated to tourism.
 - Puerto Rico** also exhibited good results, reaffirming the success of our current commercial and operational model in the country. Year-over-year EBITDA increase of over 15 %.

Volumes		QUARTER			YTD		
		2022.Q4	2023.Q4	Var	2022.Q4	2023.Q4	Var
Cement	000 TM	906	836	-7.8%	4,081	3,801	-6.9%
Central America	000 TM	389	356	-8.3%	1,578	1,615	2.3%
Caribbean	000 TM	344	342	-0.4%	1,541	1,458	-5.4%
Trading	000 TM	174	138	-21.0%	962	728	-24.3%
RMC	000 M3	67	61	-8.5%	273	277	1.4%
Central America	000 M3	42	33	-20.9%	169	187	10.6%
Caribbean	000 M3	25	28	12.4%	104	90	-13.8%

Key Figures		QUARTER			YTD		
		2022.Q4	2023.Q4	Var	2022.Q4	2023.Q4	Var
Revenue	USD M	130	123	-5.0%	541	544	0.5%
Central America	USD M	60	55	-8.7%	241	255	5.7%
Caribbean	USD M	59	61	4.4%	255	259	1.5%
Trading*	USD M	11	7	-34.8%	44	29	-34.1%
EBITDA	USD M	32	28	-12.7%	125	124	-0.5%
Central America	USD M	18	13	-27.5%	72	68	-6.3%
Caribbean	USD M	10	11	4.9%	37	39	6.4%
Trading	USD M	3	4	9.7%	16	17	10.0%
EBITDA Margin	%	24.4%	22.4%	-198 pbs	23.0%	22.8%	-21 pbs
EBITDA Margin Central America	%	29.4%	23.4%	-608 pbs	29.9%	26.5%	-339 pbs
EBITDA Margin Caribbean	%	17.8%	17.9%	10 pbs	14.5%	15.2%	70 pbs











*Does not include sales to related companies



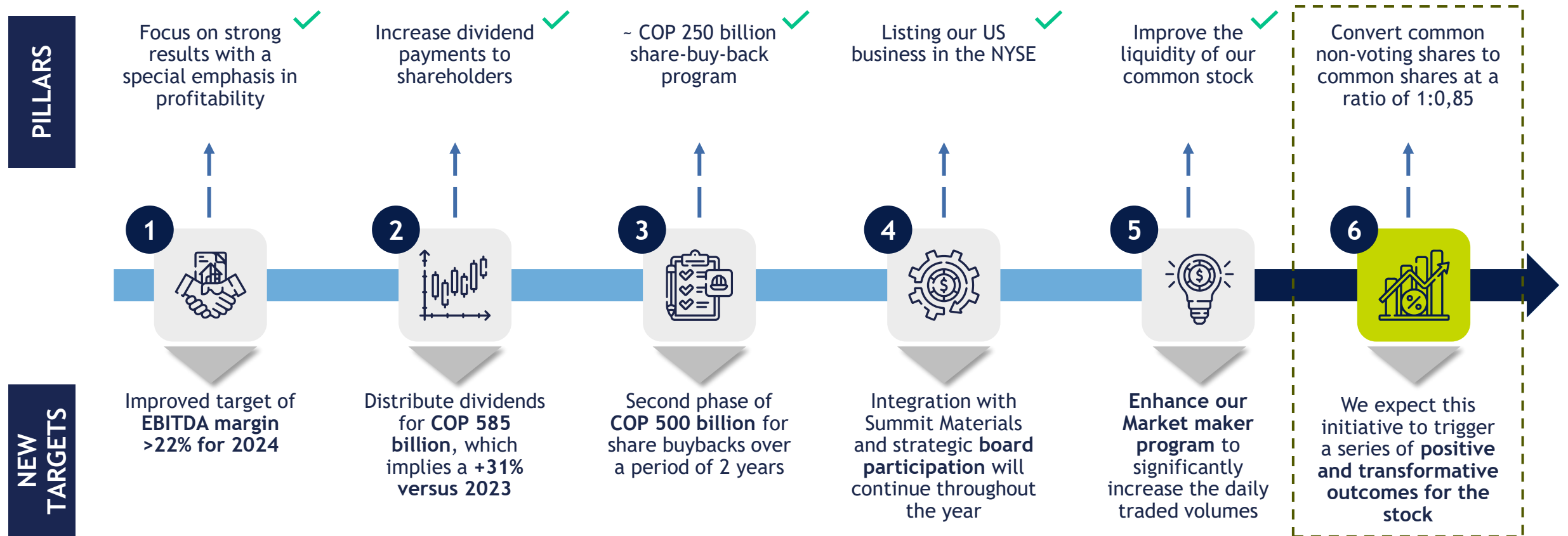
05

2024 Outlook
& SPRINT 2.0

We successfully met last year's Guidance metrics

	RESULTS			VS GUIDANCE	
EBITDA		COP	2.7 Tn		COP 134 bn Above upper limit of the guidance
EBITDA MARGIN			21.1%		+100 bps +329 bps YoY Above upper limit of the mid-term guidance
CAPEX		USD	200 mm		In line with lower limit of the guidance (USD 200-220 mm)
NET DEBT /EBITDA			2.6x		<3.0x guidance
ROCE			12.6%		+164 bps Above upper limit of the guidance

After successfully executing all pillars within SPRINT, we are launching SPRINT 2.0



The execution of **SPRINT 2.0**, and more specifically the conversion from common non-voting shares to common shares, would increase the probabilities to be included in the MSCI Emerging Markets Index which, in turn, should act a strong catalyst to keep closing the value gap

Sixth pillar of SPRINT 2.0: a proposal to convert the common non-voting shares of the company into common shares



ADVANTAGES ARISING FROM THE CONVERSION

- A Consolidation of market transactions into a singular stock and the expansion of the float
- B Share valuation approaching fundamental value
- C Brings us closer to meeting the criteria for inclusion in the MSCI Emerging Markets Index, reducing the likelihood of Colombia being downgraded to a Frontier Market
- D As a result of the inclusion in the index, we would attract significant additional demand for the stock

GUIDANCE 2024



EBITDA MARGIN



> 22 %



+130 bps YoY

ROCE



11% - 12%

CAPEX



USD

110 – 130 mm



48% Maintenance | 52% Growth

EBITDA



COP

1.10 – 1.15 Tn



+2% YoY

NET DEBT /EBITDA



≤ 2.5x

*Guidance measured versus proforma figures excluding the US operations

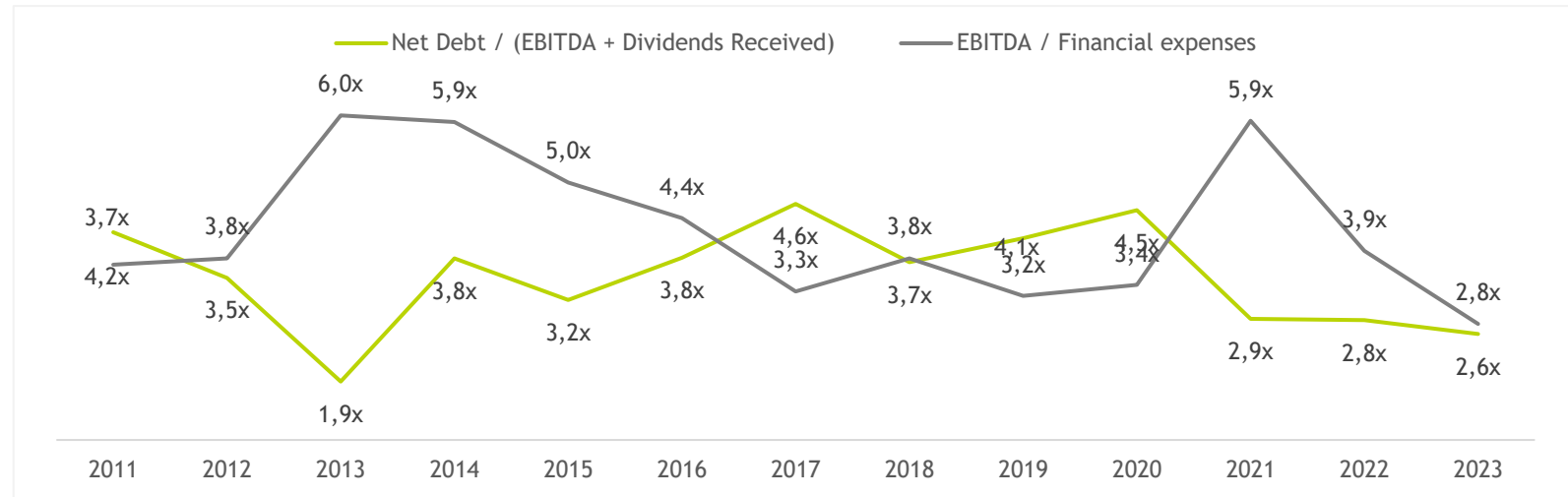
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Balance Sheet



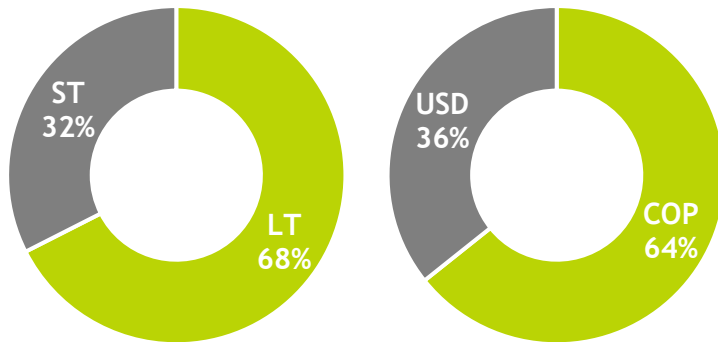
Debt Profile

- In line with our 2023 guidance, the Net debt to EBITDA stood below 3.0x at **2.6x**, posting a sequential decrease of 7.5% due to solid EBITDA generation

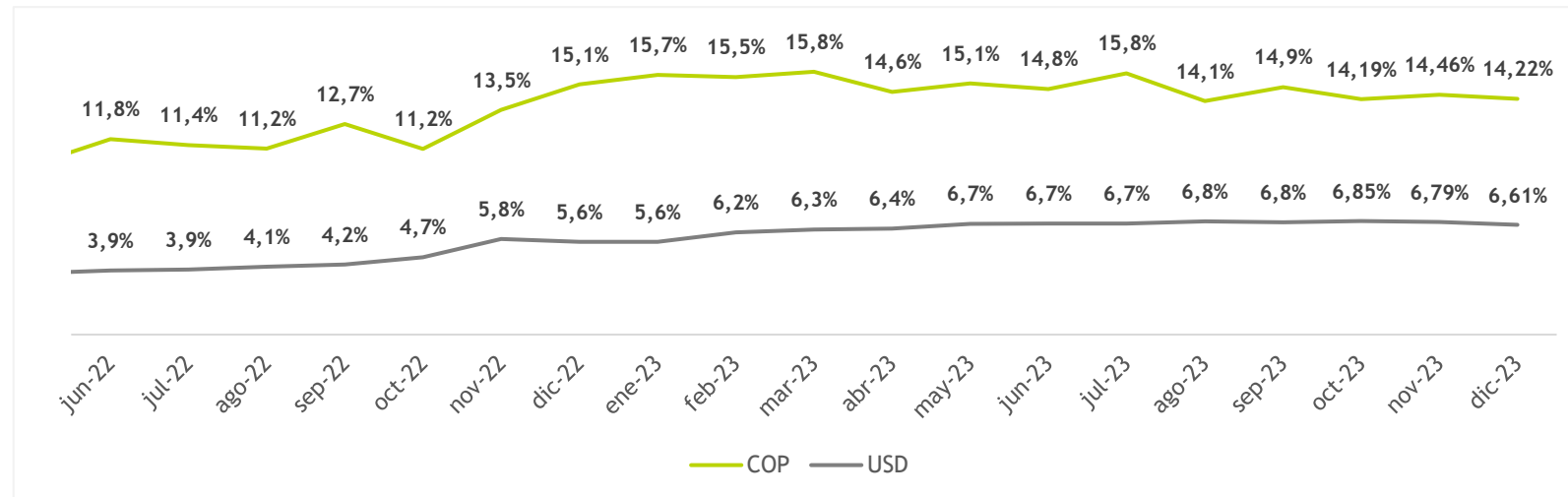


Currency mix

Total debt: USD 1,754 mn



Consolidated cost of debt



07

Appendix



IFRS results per regional / other businesses

COP Bn	Revenue		
	2022.Q4	2023.Q4	Var
Colombia	693	740	6.8%
USA	1,818	1,678	-7.7%
CCA	627	499	-20.5%
Central America	289	221	-23.5%
Caribbean	286	249	-12.9%
Trading	52	29	-45.0%
Subtotal	3,138	2,917	-7.1%
Corporate			0.0%
Other Businesses		1	0.0%
Consolidated Results	3,138	2,917	-7.0%

USD M

Colombia	142	181	27.5%
USA	376	412	9.6%
CCA	130	123	-5.0%
Central America	60	55	-8.7%
Caribbean	59	61	4.4%
Trading	11	7	-34.8%
Subtotal	648	716	10.6%
Corporate			0.0%
Other Businesses			0.0%
Consolidated Results	648	717	10.7%

EBITDA				
2022.Q4	Mgn (%)	2023.Q4	Mgn (%)	Var Marg
182	26.2%	207	28.0%	179
300	16.5%	359	21.4%	493
152	24.2%	112	22.4%	-180
85	29.5%	51	23.0%	-646
49	17.3%	45	18.2%	88
17	32.6%	15	53.8%	2,121
633	20.2%	678	23.3%	308 bps
-32	N/A	-50	N/A	N/A
	N/A	-0.3	N/A	N/A
601	19.2%	628	21.5%	238 bps
-50				

38	27.0%	50	27.8%	81
62	16.4%	88	21.3%	496
32	24.4%	28	22.4%	-198
18	29.4%	13	23.4%	-608
10	17.8%	11	17.9%	10
3	32.2%	4	54.1%	2,197
132	20.3%	166	23.2%	285 bps
-6	N/A	-12	N/A	N/A
	N/A	-0.08	N/A	N/A
125	19.3%	154	21.5%	214 bps

Reconciliation of adjusted figures

Consolidated		QUARTER		YTD	
		2022.Q4	2023.Q4	2022.Q4	2023.Q4
RMC Volume	m3	1,738	1,525	7,510	6,740
Divested Operations	RMC Volume Divested Operations P&P			-109	
RMC Volume - Adjusted	m3	1,738	1,525	7,401	6,740

Consolidated		QUARTER		YTD	
		2022.Q4	2023.Q4	2022.Q4	2023.Q4
Revenue - IFRS	COP Bn	3,138	2,917	11,684	12,717
Divested Operations	RMX Assets Divested in the US 2022			-76	
Revenue - Adjusted	COP Bn	3,138	2,917	11,608	12,717

Consolidated		QUARTER		YTD	
		2022.Q4	2023.Q4	2022.Q4	2023.Q4
EBITDA - IFRS	COP Bn	601	628	2,138	2,607
Divested Operations	RMX Assets Divested in the US 2022			-96	
Listing Expenses	Non - Operational Expenses	2.37	47	26	77
EBITDA - Adjusted	COP Bn	604	676	2,068	2,684

EBITDA Margin - IFRS	%	19.2%	21.5%	18.3%	20.5%
EBITDA Margin - Adjusted	%	19.2%	23.2%	17.8%	21.1%

Consolidated		QUARTER		YTD	
		2022.Q4	2023.Q4	2022.Q4	2023.Q4
Net Income - IFRS	COP Bn	73	-55	215	393
Divested Operations	RMX Assets Divested in the US 2022			-39	
Listing Expenses	Non - Operational Expenses	2	47	26	77
Intercompany Operations Non-Recurring Income Tax	COP Bn	58	217	155	242
Net Income - Comparable	COP Bn	134	209	356	712

Net Margin - IFRS	%	2.3%	-1.9%	1.8%	3.1%
Net Margin - Comparable	%	4.3%	7.2%	3.1%	5.6%

Consolidated		QUARTER		YTD	
		2022.Q4	2023.Q4	2022.Q4	2023.Q4
Owners of the parent co. - IFRS	COP Bn	57	-68	142	320
Divested Operations	RMX Assets Divested in the US 2022			-39	
Listing Expenses	Non - Operational Expenses	2	47	26	77
Intercompany Operations Non-Recurring Income Tax	COP Bn	58	217	155	242
Owners of the parent co. - Comparable	COP Bn	118	196	284	639

Net Margin - IFRS	%	1.8%	-2.3%	1.2%	2.5%
Net Margin - Comparable	%	3.8%	6.7%	2.4%	5.0%

USA		QUARTER		YTD	
		2022.Q4	2023.Q4	2022.Q4	2023.Q4
Revenue - IFRS	USD M	376	412	1,566	1,709
Divested Operations	RMX Assets Divested in the US 2022			-19	
Revenue - Adjusted	USD M	376	412	1,547	1,709

USA		QUARTER		YTD	
		2022.Q4	2023.Q4	2022.Q4	2023.Q4
EBITDA - IFRS	USD M	62	88	268	347
Divested Operations	RMX Assets Divested in the US 2022			-24	
Listing Expenses	Non - Operational Expenses IPO		11	6	18
EBITDA - Adjusted	USD M	62	99	250	365

EBITDA Margin - IFRS	%	16.4%	21.3%	17.1%	20.3%
EBITDA Margin - Adjusted	%	16.5%	24.0%	16.1%	21.4%

- Adjusted RMX volumes, adjusted revenues, adjusted EBITDA and net profit exclude for 2022 the sales associated to the divestitures carried out in the US on that year
- Adjusted EBITDA and net profit for 2022 exclude the gain-on-sale from divestitures carried out in the US during that year
- Adjusted EBITDA and net profit for 2023 exclude the listing expenses associated to the US IPO project
- Net profit excludes for 2022 and 2023 some non-cash non-recurring tax provisions mostly associated to the optimization of the capital structure

Pro forma excluding Argos US form 2023 figures

1

<i>COP billions</i>	DIC-23
Income from operations	5,317,512
Cost of sales	3,578,205
Depreciation and amortization	421,903
Gross profit	1,317,403
Administrative expenses	428,496
Selling expenses	169,793
Depreciation and amortization	79,592
Operating profit before impairment of goodwill and assets	639,523
Other revenues (expenses) from operations, net	-4,957
Impairment of assets	-189
Operating profit	634,377
EBITDA	1,102,580
Financial expenses, net	-597,713
Foreign currency exchange gains, net	-50,106
Share of net loss of associates (SUMMIT Materials)	545,564
Profit before income tax	532,121
Operational income tax	11,715
Non-operational tax	-209,888
Profit from continuing operations	333,947
Net income for the year	333,947
Non-controlling interest	73,115
Net income for the year, controlling interest	260,832

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2

1. Revenues & EBITDA:

- Deconsolidating the portion generated by the USA operations during 2023

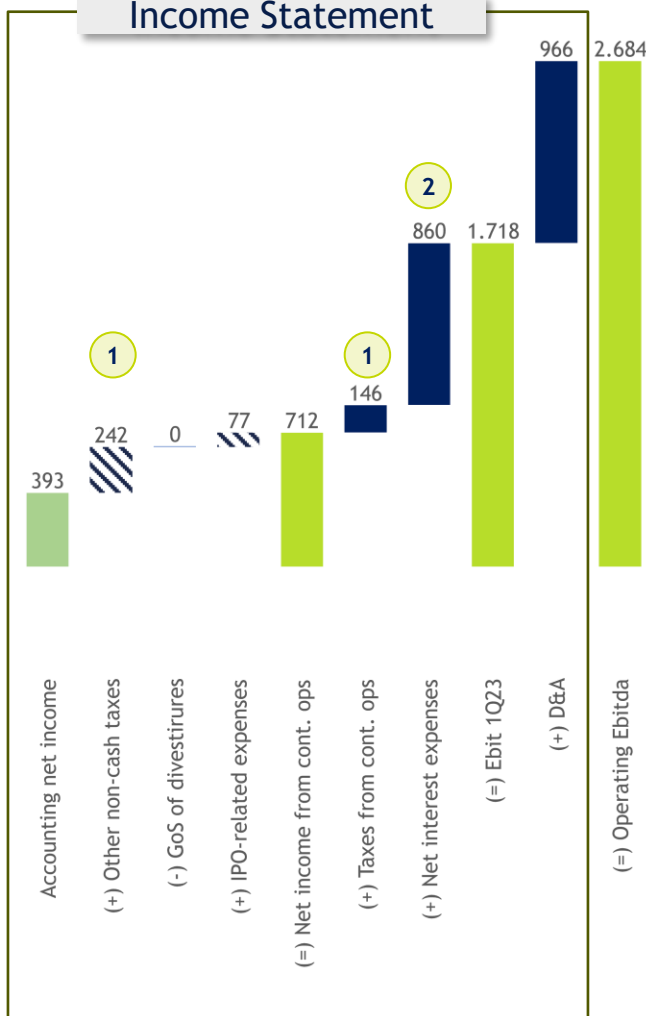
2. Share of net loss of associates (SUMMIT Materials):

- 31% of the net income generated by Summit Materials plus the USA operations in 2023

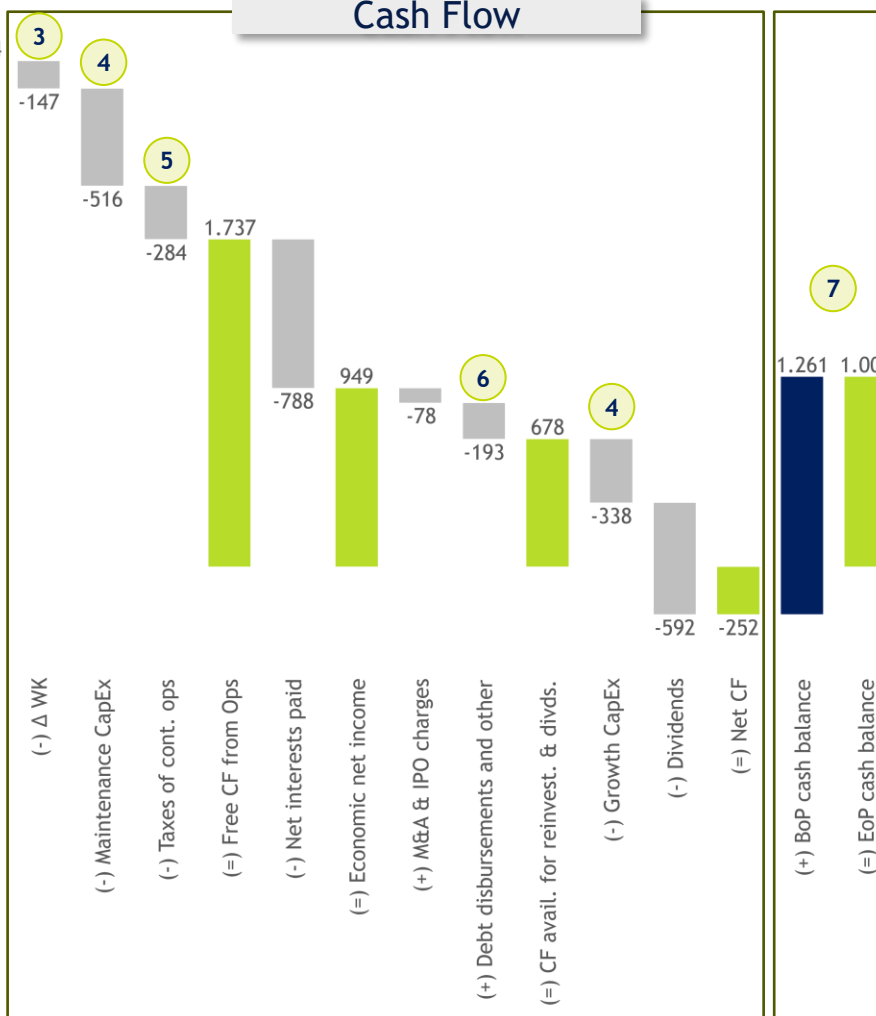
Other figures	DIC-23
ROCE	11,4%
DN/EBITDA	2,05x
Capex	U\$ 76 mn

Consolidated Cash flow

Income Statement



Cash Flow



65%

EBITDA to FCF
conversion ratio

Reconciliations vs Accounting method

- 1 COP 242 Bn Non-Recurring Income Tax. COP 146 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 YTD is COP 854 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

Company	% Stake	Price per Share (COP)	Value (COP million)	Value (USD million)
Grupo Sura	6.08%	31,990	824,072	216
Total			824,072	216

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