

NOTICE OF PUBLIC OFFERING OF SHARES OF GRUPO ARGOS S.A. WITH WITH PREFERENTIAL DIVIDEND AND WITHOUT VOTING (the “ADPs”)

Grupo Argos S.A. (The “Company”) in accordance with articles 5.2.1.1.5 and following of Decree 2555 of 2010 and according to its Board of Directors meeting on November 17, 2016, according to Minute No. 2665, approved the ADP subscription rules, launches a Public Offering of ADPs (the “Public Offering”) under the following terms:

1. ADP subscription rules:

1. Quantity: The quantity of 52,675,000 ADPs of Grupo Argos S.A. (“Grupo Argos”) are offered without right of first refusal to be offered as payment of the Public Offering of Acquisition with payment in securities (the “OPA”) for ordinary shares of Odinsa S.A. (“Odinsa”) which Grupo Argos will launch simultaneously with this offering, in the terms of the OPA contained in the corresponding notice of OPA.
2. Recipients of the offering: The recipients of this offering are the shareholders of Odinsa, other than Group Argos, who accept to receive payment in ADPs for their ordinary shares of Odinsa (the “Shares of Odinsa”) in the precise terms of the corresponding notice of OPA (the “Notice of OPA”) (the “Recipients”).
3. Proportion and forms for subscription: The ADPs are offered exclusively without right of first refusal to the persons indicated in the previous numeral. The Recipients will be able to accept the offer of ADPs in payment of their Shares of Odinsa in the precise terms, including proportion and form, of the corresponding Notice of OPA. Consequently, the Recipients will be able to accept to receive ADPs in the following terms: a. When a recipient of the OPA sells, through one or more acceptances, between one (1) and five thousand (5,000) ordinary shares of Odinsa, the payment of the price will be, at the discretion of the seller, in cash and/or in ADPs in the proportions that the seller decides. i.e., the seller will be able to decide to receive up to the 100% of the payment of the Price in cash or in ADPs (“Range 1”); b. When a Recipient of the OPA sells, through one or more acceptances, more than five thousand (5,000) ordinary shares of Odinsa in the OPA, it will receive as payment a maximum of 50% of the corresponding Price in cash and the balance in ADPs. The Recipient of the OPA will define, at its entire discretion and up to the maximum limit of 50% herein defined, the percentage of the OPA Price it will receive in cash and the percentage it will receive in ADPs (“Range 2”). c. When the percentage of the acceptances is applied and the resulting payment in ADPs is not a whole number, the whole number will be paid in ADPs and the fraction in cash; and d. To avoid any doubt, the awarding and determination of the payment form will be made by the owner of the shares and not by acceptance or orders. In other words, and as an example, if a person wants to sell five thousand five hundred (5,500) shares of Odinsa and presents three different acceptances (i) one for three (3) shares, (ii) another for five hundred and ninety-six (596) shares and (iii) another for four thousand nine hundred one (4,901) shares, for the purposes of the award and determination of the form of payment, three acceptances of a same owner will be consolidated per Deceval account and the range rules will be applied to the consolidated order, which in the case of this example correspond to Range 2.
4. Communication: The communication of the offer will be done through the publication of the notice of public offering (the “Notice of Public Offering”) which will be published in at least one newspaper with broad national circulation in accordance with article 5.2.1.1.5 of Decree 2555 of 2010.
5. Offering period: The period of the offer shall be fifteen (15) stock exchange business days starting on the business day following the date of publication of the Notice of Public Offering.
6. Price: As the ADPs offered in payment for the Ordinary Shares of Odinsa in the OPA are registered in the RNVE and the BVC and are securities with high marketability that are part of the COLCAP and COLIR indexes of the BVC, the price at which they will be offered in payment shall be determined by calculating the average, weighted by volume, of the price of the ADPs recorded in all and each of the operations performed in the BVC during the 30 calendar days prior to the second stock exchange business day prior to the beginning of the Acceptance Period, minus the value of the dividend to be paid between January 11 and 20, 2017, which corresponds to COP\$ 71.75 per ADP. Pursuant to paragraph one of article 3.3.3.15 of the BVC Regulations, the price of the ADPs that results from applying the methodology described here will be communicated to the BVC before 10:00 a.m. of the stock exchange business day prior to that when acceptances of the OPA can be presented for the BVC to publish it in its official bulletin. Both the price and the volume of each ADP operation must be taken from the information provided by the BVC X-Stream trading platform.
7. Payment period: As indicated above in these subscription rules, the ADPs are offered in payment of the Odinsa OPA for which the consideration of the ADPs, that is, the Odinsa shares, must be received within three stock-exchange business days (t+3) starting the day following the date of awarding of the OPA, in the terms established in the BVC Regulations and in the circular of the BVC for Public Offerings of Acquisition. The settlement and compensation of the operations will be done through the BVC settlement and compensation system.
8. Delivery of the ADPs: Given that the ADPs are totally dematerialized, their transfer will be made through the Depósito Centralizado de Valores (“Deceval”). Fulfillment of the resulting operations cannot be made through the delivery of physical titles of securities and will be delivered through the annotation in account by Deceval to each recipient, according to the awarding done by the BVC in accordance with these regulations.
9. Rights conferred by the ADPs: As stated in Minute 115 of November 24, 2011 of the General Shareholders’ Assembly of Grupo Argos, the ADPs confer to their owners the following rights:

- To receive a preferential dividend of COP \$4.00 per share (the “Preferential Dividend”) which will be paid preferentially to the ordinary shares, as long as a dividend has been decreed from the funds legally available to do so. The preferred shareholder will have right to payment from the distributable income of the period as defined in article 451 of the Code of Commerce (“Distributable Income”);
- If the Distributable Profits are sufficient to pay, for each ADP and for each ordinary share, the Preferred Dividend, each share will have the right to an equal dividend regardless of its class. If on the other hand, the Distributable Profits are not sufficient to pay in equal conditions the Preferred Dividend to the ADPs and to the ordinary shares but are sufficient to pay the Preferred Dividend to each ADP, each ADP will be paid the Preferred Dividend and the remainder shall be apportioned among the ordinary shares. If the Distributable Profits are not sufficient to pay the Preferential Dividend to each ADP, they will be distributed only to the preferred shareholders;
- Consequently, in no case will the dividend received by the title holders of ordinary shares be more than that decreed to the ADPs. The payment of the Preferred Dividend will be made in money or in shares with the periodicity and manner set by the competent corporate entity and will be paid with the priority given by the law. In no case can the Preferred Dividend accumulate for later periods. In each case, the first payment of dividends will correspond to that decreed by the Company after subscription of the shares.

Likewise, the ADPs shall confer to their title holders the following additional rights:

- (i) Participate jointly with the holders of common shares in the Distributable Profits, in proportion to their share in the subscribed capital of the Company, upon payment of the Preferred Dividend and the ordinary dividend that is equal to the Preferred Dividend.
- (ii) Have priority in the reimbursement of contributions in the liquidation process, after total coverage of the external liabilities of the company.
- (iii) Participate in the Shareholders’ Meetings and vote in them only in the following situations:
 - a) When approving changes that may impair the conditions or rights set for the ADPs. In this case, a favorable vote of 70% of the shares in which the subscribed capital is divided, including in that percentage and in the same proportion the favorable vote of the ADPs.
 - b) When voting on the conversion of the ADPs into ordinary shares, except when the respective subscription rules have specifically regulated the possibility of conversion and its terms. When approving a conversion that is different from the one adopted in the subscription rules or the regulation does not include this option, the same majority indicated in the previous paragraph shall apply.
 - c) If at the end of a corporate period, Grupo Argos has not generated a Distributable Profit which allows payment of the Preferred Dividend and the Finance Superintendence of Colombia, within its functions or at the request of holders of the ADPs that represent at least 10% of these shares, rules that income has been hidden or diverted to lessen Distributable Profits, it can determine that holders of these shares can participate with voice and vote in the Shareholders’ Meetings until verification has been made that the irregularities that gave rise to this measure have been removed, in accordance with Article 64 of Law 222 of 1995.
- (iv) Be summoned to Shareholders’ Meetings in the same way and within the same time limits as the holders of ordinary shares.
- (v) Exercise the right of inspection in the same cases, periods and conditions as the holders of ordinary shares.

It is understood that none of the following cases shall constitute a worsening of the conditions and rights of the ADPs:

- (i) The issuance of new shares, including ADPs by the Issuer, with or without right of first refusal.
- (ii) The conversion of ordinary shares into ADPs in accordance with the decisions at the Shareholders’ Meetings.

10. Unsubscribed ADPs: It is understood that subscribed ADPs are those delivered to Odinsa shareholders who accepted the payment in the securities of the OPA, under the conditions established in the Notice of Offering. The balance of ADPs remaining after delivering them as payment in the OPA of Odinsa will be available to the Board of Directors under the terms of section 3 of the Minutes 115 of the Shareholders’ Meetings of Grupo Argos.

2. Recipients: The recipients of this Public Offering are the shareholders of Odinsa, other than Group Argos, who accept to receive payment in ADPs for the Shares of Odinsa in the precise terms of the Notice of OPA.

3. Form for Accepting the Offer: Recipients will accept the Public Offering by the presenting acceptances of the OPA under the terms of the notice of OPA published in this same media on November 27 and 30, 2016 and today; that is, expressing their acceptance of the OPA through the stock brokerage firm of their choice that is a member of the BVC, filling out the electronic form designed by the BVC for this effect, in accordance with the operating instructions under the terms of articles 3.9.1.2 and 3.9.1.3 Unique Circular of the BVC and within the Public Offering period that runs simultaneously with the period of acceptance of the OPA.

4. Date and time of start and end for the presentation of the acceptances: The acceptances of the Public Offering shall be made through the presentation of acceptances of the OPA within fifteen (15) stock-exchange business days starting the date of this notice. Consequently, acceptances of the Public Offering of the ADPs must be submitted between December 5, 2016, inclusive, until December 26 of 2016, inclusive, in the BVC, from 9:00 a.m. to 1:00 p.m.

5. Economic and financial Objectives: This Public Offering is made in order to pay the OPA, addressed to more than one hundred recipients of the same, in the precise terms of the Notice of OPA.

6. Registration of the ADPs in the BVC: The ADPs are registered in the RNVE and the BVC.

7. Law of circulation and secondary trading: The ADPs are nominal securities and their negotiation is subject to the law and the regulations of the BVC. The transfer of ownership of the ADPs shall be affected by annotation in deposit account or sub-accounts administered by Deceval as provided for in article 12 of the Law 964 of 2005 and other regulations that govern, modify or replace it. The exchange and transfer of the rights contained in the ADPs will be through records and electronic data systems, following the procedure established by Deceval, whose terms and conditions are understood as accepted at the time of accepting the Public Offering. Legitimate holders of ADPs can negotiate them in the secondary market through the BVC transaction systems, or request Deceval, through Direct Depositor, to record the transfer of ADPs in the respective account when same is not executed through the BVC transactional modules or systems; in any case starting from the moment that these are totally paid and Deceval records the transfer to the definitive account for release. In accordance with article 6.15.1.1.2 of Decree 2555 of 2010, trading of shares listed on a securities exchange such as the ADPs, which represents a value equal to or higher than the equivalent in pesos of 66,000 units of real value (UVR), must be done through modules or transactional systems, except for the legal exceptions stipulated in the same regulation.

8. Administrator of the offering: Deceval, located in the city of Bogota at Calle 24^a # 59 – 42 Torre 3 Oficina 501.

9. Completely Dematerialized Offering: The offering of the ADPs was completely dematerialized and has been deposited in Deceval for their administration and custody. The deposit and administration of the ADPs is governed by provisions of Law 964 of 2005, Law 27 of 1990, Decree 2555 of 2010 and the other regulations that modify or regulate the subject, as well as by Deceval operations regulations - the ADPs may not be materialized and, consequently, holders of same, when they purchase them, expressly renounce the right to request at any time the materialization of the ADPs. The ADPs are represented in a macrotitle held in custody by Deceval. As a result, ownership of the ADPs shall be constituted by the respective account annotation carried out by Deceval.

10. Rights conferred by the ADPs: Those set out in paragraph 9 of section 1 of this Notice.

11. Mechanisms for the prevention and control of money-laundering: The brokerage companies will be responsible for the compliance with the regulations on prevention and control of money laundering and financing of terrorism, in accordance with provisions of Chapter Seven of Title I of Part III of the External Circular 029 of 2014. In order to comply with the provisions of Chapter IV Title IV of Part I of the External Circular 029 of 2014, those accepting the OPA will be linked as clients of Stock Broker Firms through which they intend to acquire the ADPs.

12. Corporate Governance: Grupo Argos has a Code of Corporate Governance, which is available to all investors on the website: www.grupoargos.com clicking on “Corporate Governance” and then “Best Practices”, and on the SFC web site www.superfinanciera.gov.co. Additionally, Grupo Argos will carry out the Corporate Governance annual report contained in the Country Code in accordance with the effective regulations.

13. Information Document (Prospectus): The content of the information prospectus has been incorporated into the Information Document which is available to the shareholders of Odinsa in (i) the Financial Superintendence of Colombia, located on Calle 7 No. 4 - 49, Bogota; (ii) at the Bolsa de Valores de Colombia S.A., at the following website: <http://www.bvc.com.co/mpresas/prospectos>; (iii) in the offices of the legal advisers of Grupo Argos, Philippi, Prietocarrizosa, Ferrero DU & Uría S.A.S., located on Carrera 9 No. 74-08 Oficina 105, Bogota; (iv) in the offices of Grupo Argos located on Carrera 43^a No. 1^a Sur – 143 Torre Sur Piso 2^o de Medellín, and (v) in the offices of the stock broker firm BTG Pactual S.A. Exchange Broker, located on carrera 7 No. 71 -21, Torre A, Piso 10, Bogotá, D.C. and Carrera 43 A No. 1-50 Torre 2 Piso 10, San Fernando Plaza, Medellín.

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