

# U.S. Platform Monetization





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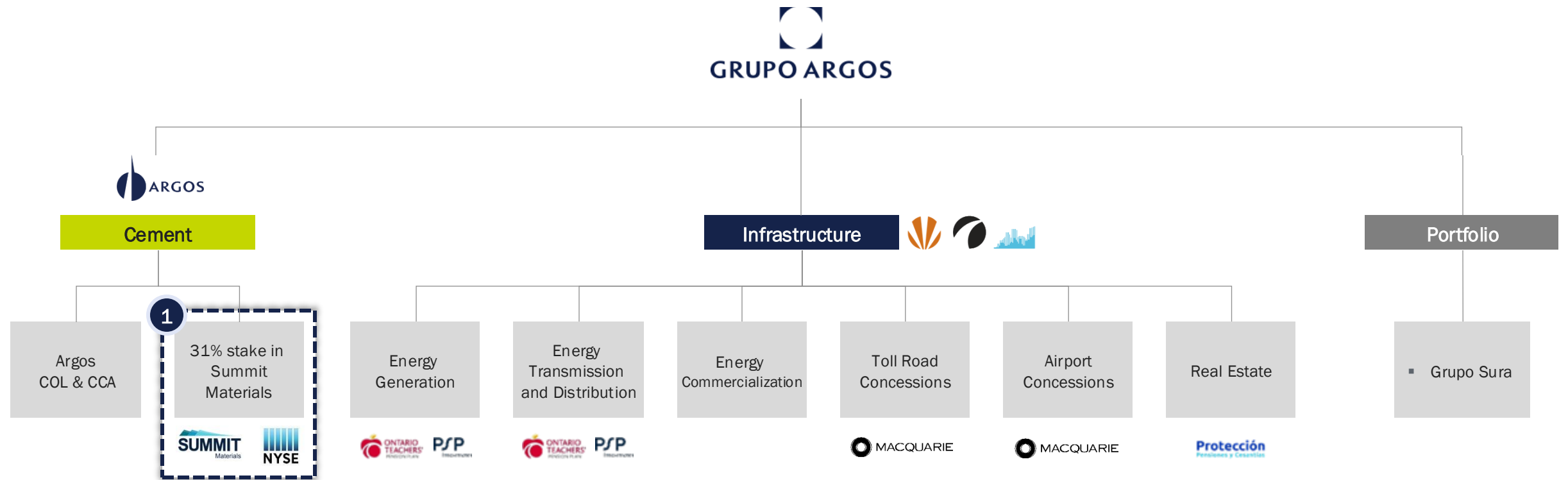
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As a result of the strategic decisions Cementos Argos has made regarding its U.S. investment since December 2021, the company will have received close to USD 4.52 billion from its U.S. platform



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### Monetization of Investment in Summit Materials

The decision to directly operate assets in the United States starting in 2005, along with the nearly 20-year strategic effort to integrate and consolidate its cement and concrete businesses in the American market, now allows Argos to deliver significant value to its shareholders

## Cementos Argos achieves **Successful Monetization** of its U.S. Platform

### In figures

**\$52.5**

per share of Summit

c. 50% return in less than a year (vis-a-vis \$36 at combination with Summit)

Cash consideration of

**\$2.9b**

for its 31% stake in Summit

- Equivalent to **COP 10,000 per share** of Cementos Argos and **COP 8.400 per share** of Grupo Argos
- In addition to these **\$2.9b**, Argos USA had distributed more than **\$3.7b** of cash to Cementos Argos, most of them over the past 5 years

**4.7 x**

Multiple of equity contributions

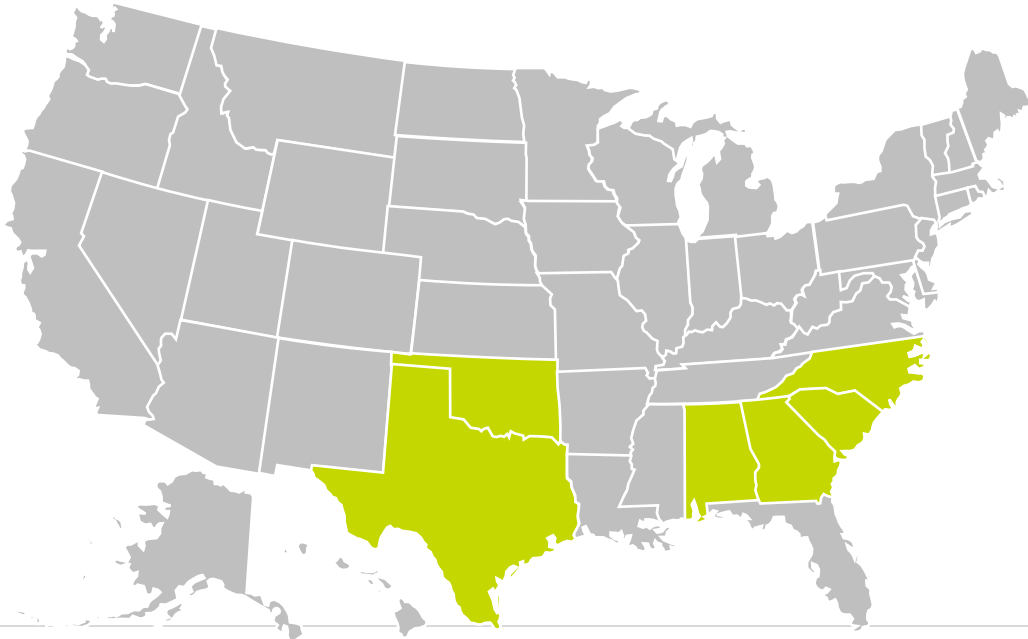
The **\$3bn** in acquisitions since 2005 required total equity contributions of c. **\$1bn**. With the acceleration of profitability in the late 2010s, Argos was able to multiply its equity by a factor of **4.7x**, achieving an overall IRR of **20%**

With a strengthened balance sheet and deep knowledge of the US market, Argos will continue to leverage its strategic position in Latam to capture value opportunities across the Americas

## 2005 – 2010: Argos enters the US market via RMX acquisitions

Investment of **\$815m**

- Following 50+ years of exports to multiple US markets, Argos decides to vertically-integrate into the RMX segment with the acquisition of 9 of RMX clusters in:
  - Texas
  - Arkansas
  - Georgia
  - North and South Carolina
- Ports in Houston, Savannah and Wilmington

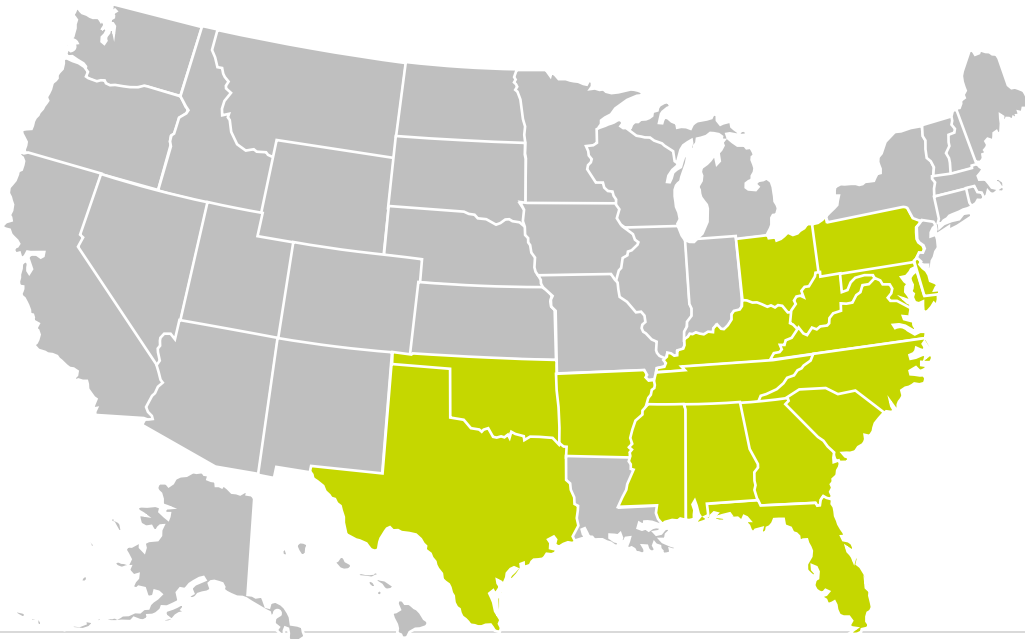


Despite the financial crisis headwinds, Cementos Argos maintains its long-term vision of value creation

## 2011 - 2016: Growth in cement, expansion in the Southeast and Mid-Atlantic

Investment of **\$2.2b**

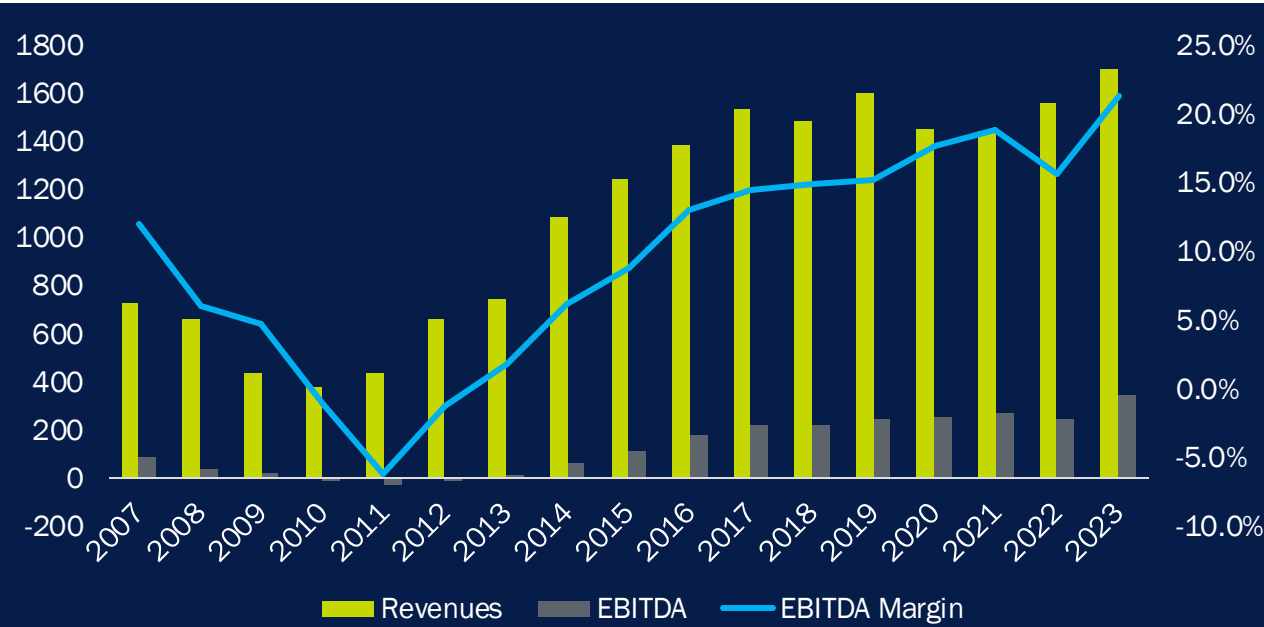
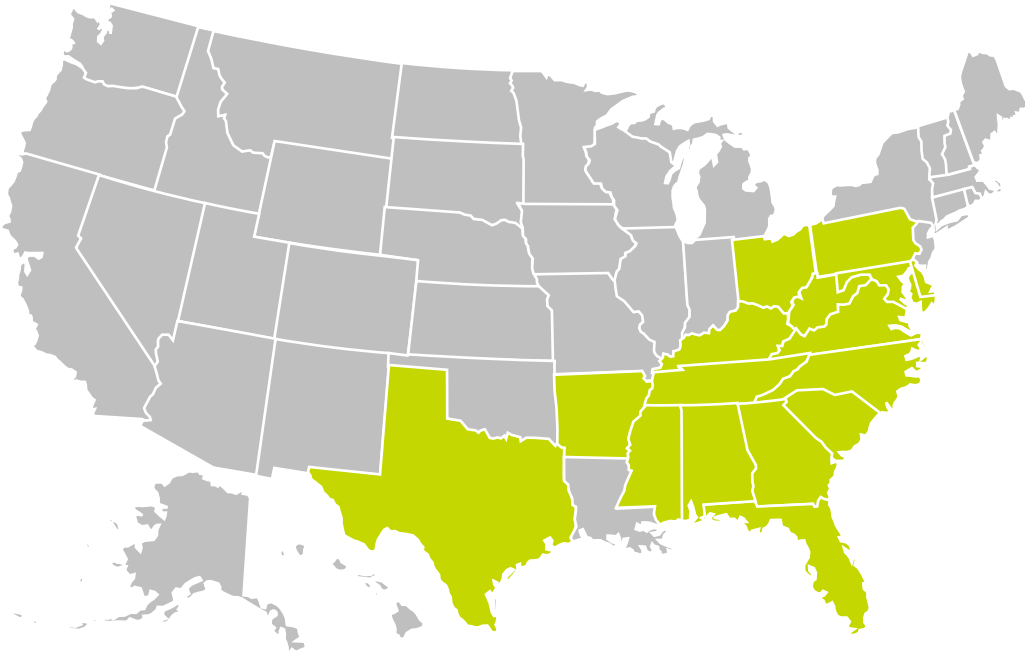
- First cement acquisition in 2011 marks a turning point in the strategy of the company, becoming an **established and vertically integrated player in the US**
- 4 Cement Plants and 3 grinding stations
- +150 RMX plants
- 3 Ports in Alabama and Florida



## 2017 – 2023: Growth in cement, expansion in the Southeast and Mid-Atlantic

Divestments of **\$480m**

- 10 divestitures of RMX clusters in:
  - Arkansas
  - Florida
  - Carolinas

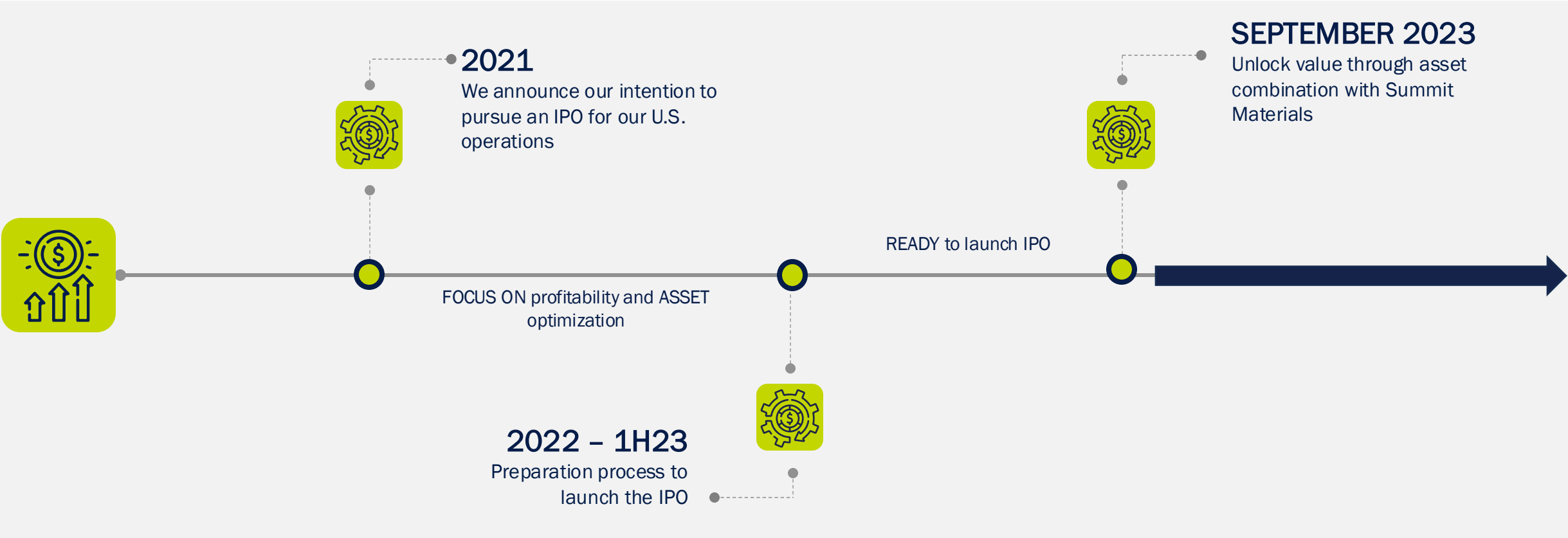


2017 - 2023

<b>+11%</b>	<b>+55%</b>	<b>+700</b> bps
revenues	ebitda	ROCE

After a period of expansion, the focus shifts towards profitability via operational excellence in cement and divestments of non-strategic RMX clusters

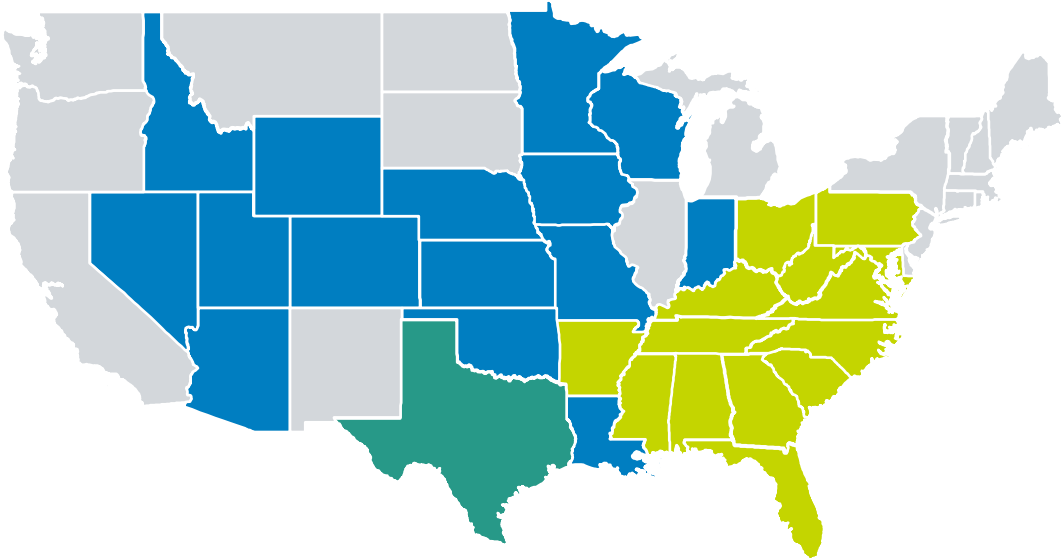
# Optimization of the Platform Paves the Way to become a listed entity in NYSE





2023: Combination with Summit Materials streamlined our strategy in the US and unlocked value to our shareholders

The combination between Argos USA and Summit creates a leading building materials platform with national scale, generating synergies for \$130m, of which \$40m were captured in the first year of the integration



States with significant presence

- ARGOS
- SUMMIT Materials
- Both



● Cemargos

This transaction, together with the execution of SPRINT, has unlocked value for our shareholders a TSR of >310%



# 2005 to 2024



\$3b of total investments



Revenues increased by  
3+ times



EBITDA increased by  
4+ times



\$445m of distributions  
between 2022 and 2023



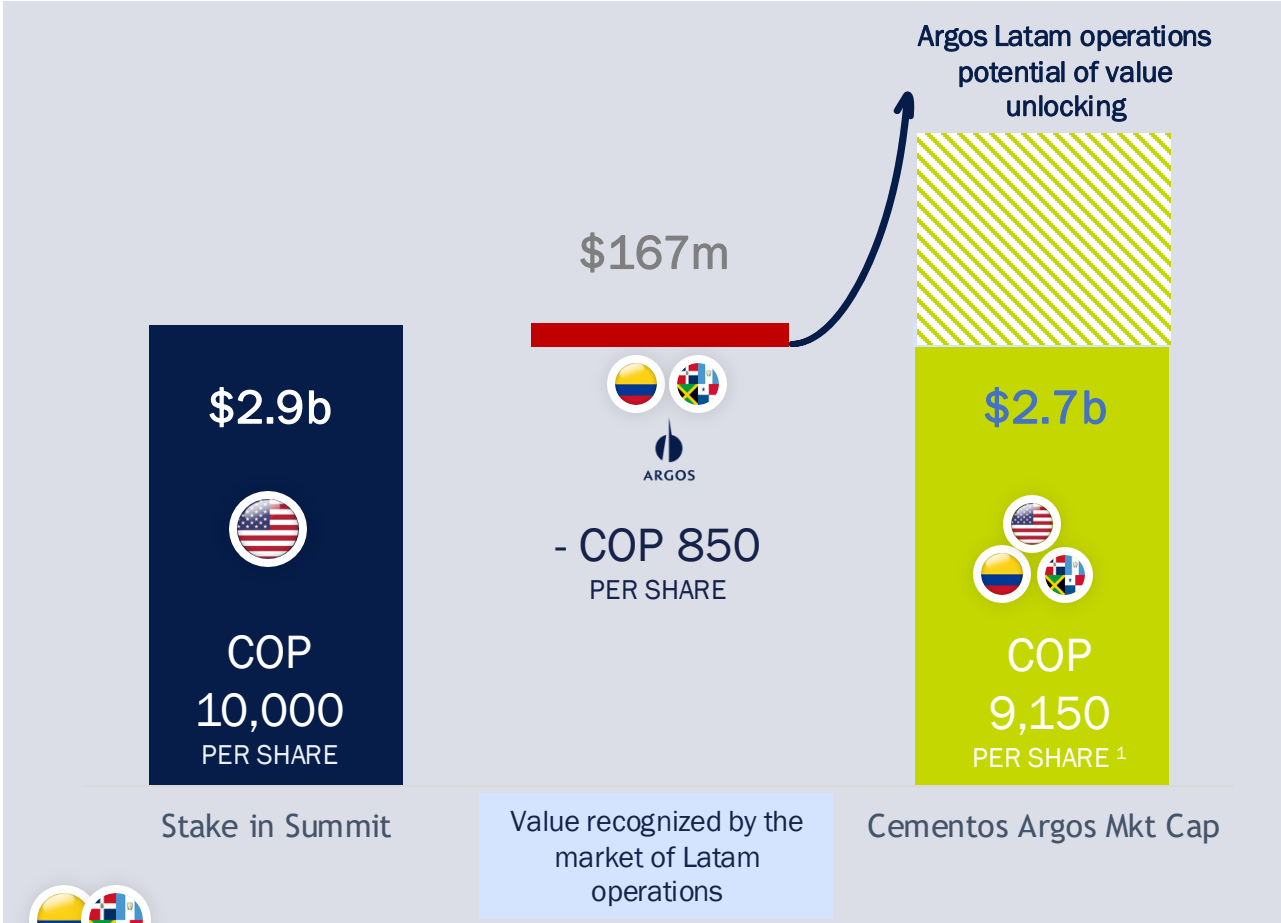
\$1.2b  
Cash consideration from  
combination with Summit



\$2.9b  
Cash consideration from sale  
to Quikrete

## 2024: Argos monetizes its stake in Summit Materials

Cementos Argos takes a significant step to create shareholder value by monetizing its stake in Summit Materials through its sale to Quikrete at \$52.5 per share

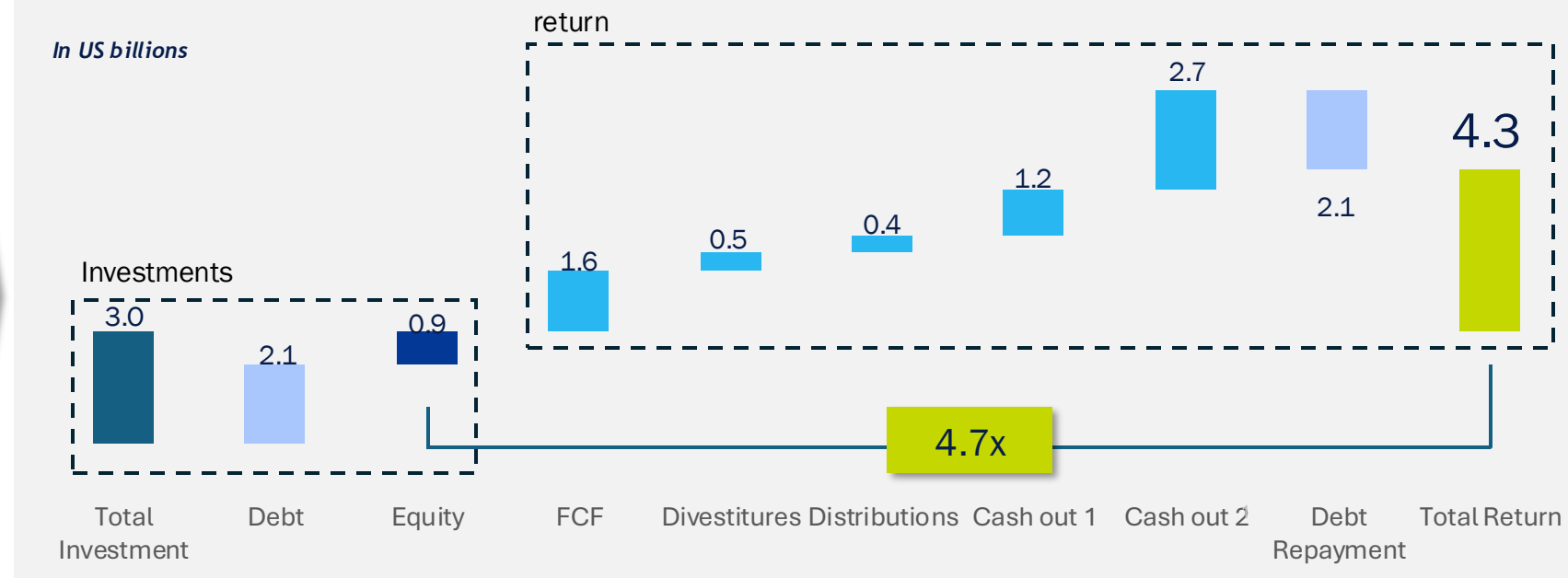
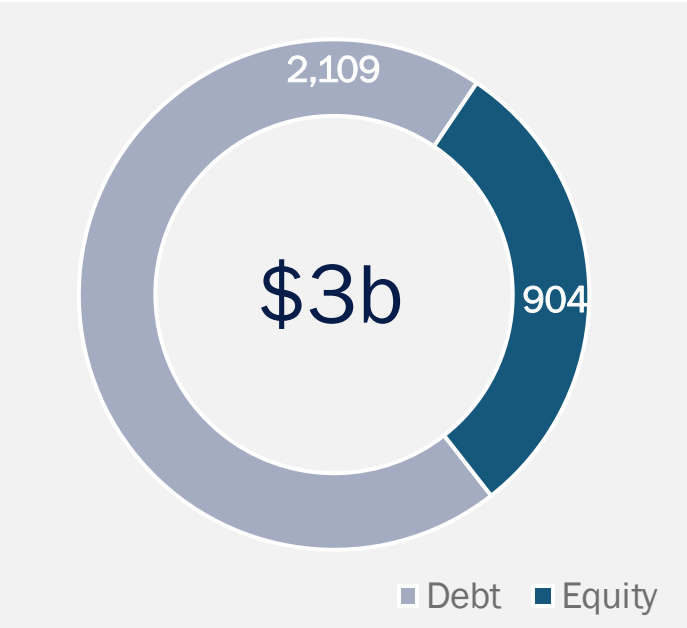


- The Latam platform generates c. \$300m of annual Ebitda
- Despite the recent share price appreciation of c.270% in dollars since the announcement of SPRINT, the share price does not yet recognize the value of the Latam platform

\* The transaction is subject to customary closing conditions, approval by US regulators and approval in Summit November 2024 Shareholders meeting

# Argos in the U.S.: a journey of success in figures

TOTAL INVESTMENT



Since 2005, Argos embarked on a strategic journey, investing \$3 billion in acquisitions with c. \$1 billion in equity. Through smart investments and operational excellence, the company success story resulted in:

4.7x

Multiple of equity contributions

~20%

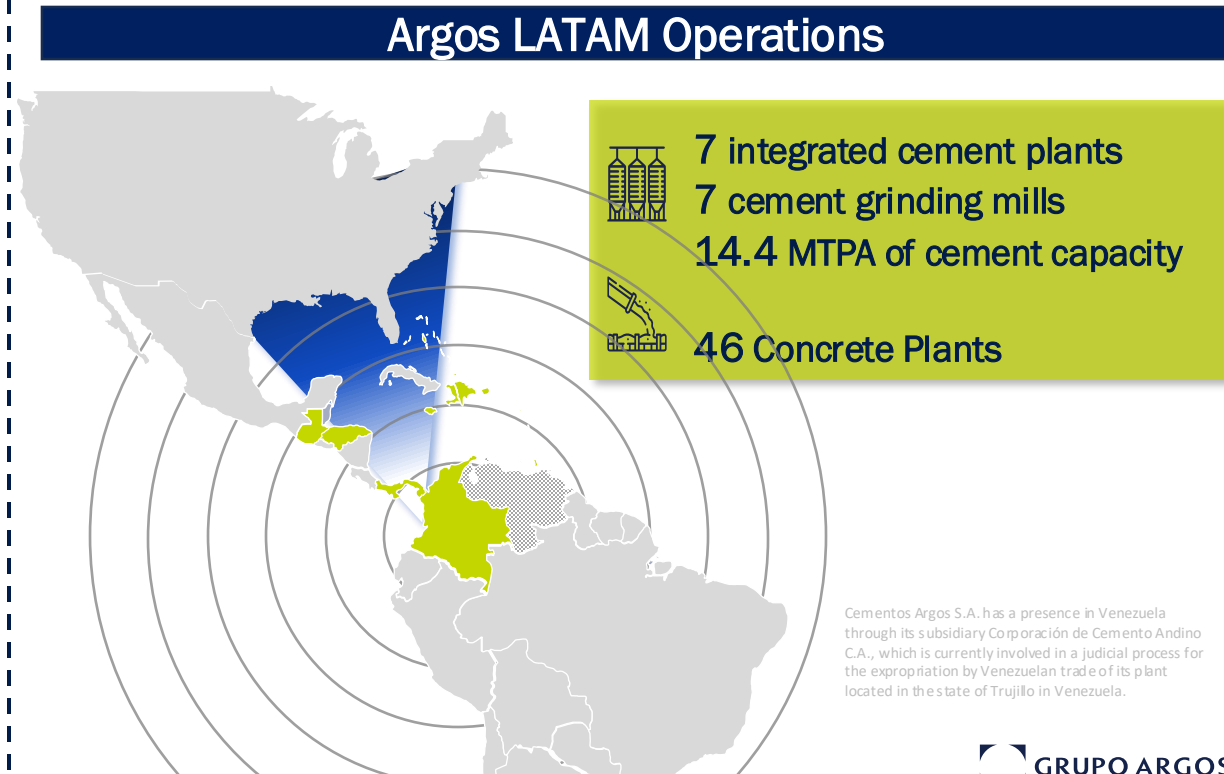
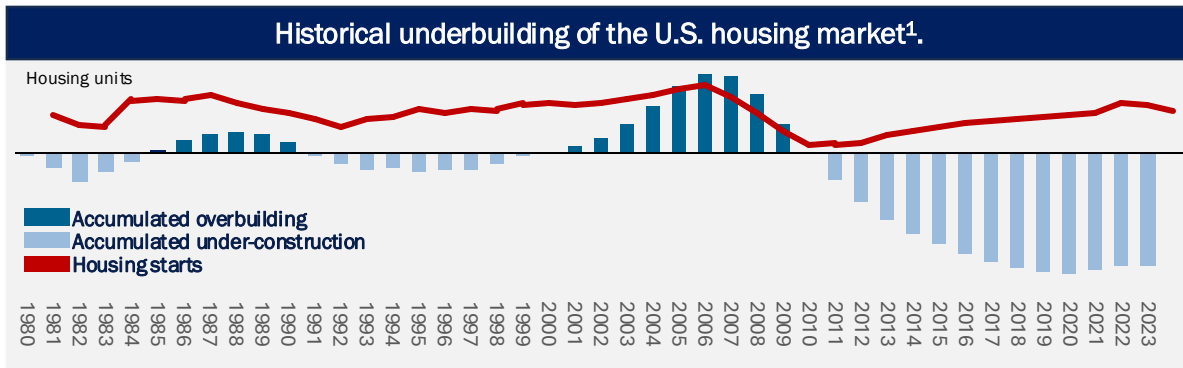
Internal rate of return



# 2025 & beyond

## PROCEEDS FROM THE SUMMIT SALE WILL BE RE-DEPLOYED IN THE US MARKET

- The US has proven to be a market with significant **opportunities** and possibilities to **generate long-term value**
- Argos will remain a commercial ally of Quikrete in the US, which will not prevent us from pursuing **additional growth in this country**
- Argos will continue to leverage in its strategic position in Latam and its **firepower to capture value in the US market** and strengthen its position in the Americas



# Next Steps



- The transaction will be subject to customary governmental and shareholders approvals



**1** THE TRANSACTION IS SUBJECT TO GOVERNMENTAL APPROVALS



**2** THE TRANSACTION IS ALSO SUBJECT TO SUMMIT'S SHAREHOLDERS APPROVAL

MAR 31<sup>ST</sup>, 2025

2024 Q4

2025 Q1



the deal IS EXPECTED to close BY the first half of 2025

Transaction announcement

## TAXES

ARE EXPECTED TO STAND BELOW

**10%**

OF THE TOTAL TRANSACTION'S PROCEEDS

## GAIN-ON-SALE

IS EXPECTED TO BE AROUND

**\$900m**

To be registered between 4q24 and 1q25