

Cover letter

Ricardo Jaramillo Mejía
CEO of Grupo SURA

Partial Spin-Off by Absorption Project

January, 31st of 2025

Dear Shareholder,

Here at Grupo SURA, after 46 years of sharing a cross-ownership structure with Grupo Argos that has brought us multiple benefits and lessons learned, we continue to drive the Company constant development by taking a step projecting us into the future.

The Senior Management and Boards of Directors of Grupo SURA, Grupo Argos and Cementos Argos have proposed an operation that shall allow us to put an end to the reciprocal shareholdings in an organized manner and in this way achieve independent companies, each one specializing in their own respective sectors. With this end in mind, we are looking to simplify our shareholding structure while continuing to focus our portfolio on the financial service sector, for the benefit of the Company, the market and all our shareholders.

Undoubtedly, this cross-shareholding structure allowed us to develop our own respective businesses, expand in Latin America, while being more decisive in matters such as incorporating the very best corporate governance standards, adopting good sustainability practices and upholding a firm commitment to ensuring a more harmonious level of development in all those societies where we are present. It also allowed us to consolidate a business philosophy, that is to say, a way of doing business with a long-term vision based on principles, whereby results are just as important as the manner in which we achieve these.

Now, for the purpose of continuing making greater progress, we hereby submit this Proposed Spin-Off for your consideration. This document contains a detailed description of this transaction, which consists of three spin-offs: the first, that of Cementos Argos in favor of Grupo SURA and, subsequently and substantially in a simultaneous manner, the reciprocal spin-offs between Grupo Argos and Grupo SURA.

The result of these spin-offs shall allow each of Grupo SURA's shareholders to maintain their shares in our Company while directly receiving shares in Grupo Argos, thereby preserving the economic value initially held, now represented in both equity securities. Consequently, holders of Grupo SURA's Ordinary Shares shall be issued Ordinary shares in Grupo Argos and holders of Grupo SURA's Preferred Shares shall be issued Preferred Shares in Grupo Argos.

Furthermore, this transaction shall allow them to increase their economic stakes by almost 20%, as a result of the reduction in the number of the Company's outstanding shares.

This operation is the result of a rigorous evaluation carried out by the Senior Management and the Boards of Directors of the aforementioned companies, with the support of specialized external advisors. It was designed in such a way as to guarantee equal treatment for all shareholders from start to finish, and the non-transfer of value, as well as greater efficiency from the financial standpoint and the time this would take to carry out.

Furthermore, it is a fully regulated legal model whose implementation shall be subject to the relevant corporate and regulatory approvals.

We are convinced that this transaction shall facilitate the disclosure of value and enable a simpler shareholder structure that adapts to current market trends and the vision of global investors. With this, we shall continue to project ourselves as an investment manager with the capacity to open up new opportunities for our continuing profitable and sustainable growth.

Once this operation is completed, we shall be a more specialized Company, with a powerful portfolio composed of three leading investments in Latin America: SURA Asset Management, the main pension fund management firm in the region in terms of its volume of assets under management; Suramericana, the fourth largest Latin American insurance company in terms of written premiums; and Bancolombia, the largest bank in the country with significant market positions in Central America. Based on these investments, which today amount to more than COP 1,100 trillion in assets under management, Grupo SURA and its portfolio companies have the required knowledge, experience and focus in order to continue strengthening our corporate strategy.

We are optimistic with regard to the future prospects that the region holds. Currently, penetration in Latin America in key areas such as access to credit, insurance and pension savings is approximately one third of that recorded in the more developed economies of the world. This means that as an investment manager we have enormous growth potential and, with this, a fundamental role in being able to close the existing gaps while ensuring a more comprehensive development for Latin America.

So at Grupo SURA we are projecting ourselves as a benchmark player in the Latin American financial service sector. Our purpose is to continue capitalizing on opportunities and drill down on our business footprint, based on an ecosystem of solutions that are increasingly relevant and pertinent to the lives of our Latin American people.

With all of this in mind, we are presenting for your approval this proposal which shall help us to strengthen Grupo SURA both now and in the future.

Yours sincerely



Ricardo Jaramillo Mejía
CEO of Grupo SURA

PARTIAL SPIN-OFF BY ABSORPTION PROJECT

Cementos Argos S.A.
Grupo Argos S.A.
Grupo de Inversiones Suramericana S.A.



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PARTIAL SPIN-OFF BY ABSORPTION PROJECT

This spin-off project (together with its Annexes, the "Project"), is submitted for consideration by the shareholders' meetings of (a) Cementos Argos S.A., a stock corporation incorporated in the Republic of Colombia, identified with TIN 890,100,251-0 ("Cementos"); (b) Grupo Argos S.A., a stock corporation incorporated in the Republic of Colombia, identified with NIT 890,900,266-3 ("Grupo Argos" or "Argos"); and (c) Grupo de Inversiones Suramericana S.A., a stock corporation incorporated in the Republic of Colombia, identified with TIN 811,012,271-3 ("Grupo Sura" or "Sura" and, together with Cementos and Grupo Argos, the "Parties" or the "Companies").

1. SUMMARY OF THE MAIN ASPECTS OF SPIN-OFFS; APPROVAL FOR SPIN-OFFS

- 1.1. The Project submitted for consideration by the Companies' shareholders regulates Spin-offs (as defined in Section 3.2.3 and described in detail in Section 3) by means of which and based on the reasons described in Section 6, the stock that, on the one hand, Grupo Sura holds in Grupo Argos and, on the other, Grupo Argos and Cementos hold in Grupo Sura, is disposed of in an organized manner, guaranteeing equitable treatment to all the shareholders in each of the Companies. As a result of the Spin-offs, each shareholder of a spinning-off company shall participate in the issued stock of the corresponding beneficiary company proportionally to the amount it held therein, and, accordingly, shall be entitled to receive a number of shares of the corresponding beneficiary company, as determined under Section 11 and Section 12. Based on the number of outstanding shares of the spinning-off companies on the date on which this Project is made available to the Company's shareholders, (a) each shareholder of Cementos will receive at least **0.021814** shares of Grupo Sura per share held in Cementos, (b) considering the Grupo Sura Shares that Grupo Argos receives in its capacity as a Cementos shareholder resulting from the Cementos Spin-Off (as defined below), each shareholder of Grupo Argos would receive at least **0.235135** shares of Grupo Sura per share in Grupo Argos, and (c) each shareholder of Grupo Sura, including the shareholders of Cementos that received Grupo Sura shares as a result of the Cementos Spin-Off, would receive at least **0.723395** shares of Grupo Argos per share held in Grupo Sura. The above with the understanding that each holder of ordinary shares ("Ordinary Shares") in each spinning-off company will receive Ordinary Shares in the corresponding beneficiary company, and each shareholder holding shares with preferential dividends and with no voting rights ("Preferential Shares") in each spun-off company, will receive Preferential Shares in the corresponding beneficiary company.
- 1.2. Insofar as the Companies have, or may have, ongoing stock buyback programs, which could give rise to an increased Distribution Ratio (as defined below) of the shares in the beneficiary company to the corresponding spinning-off company's shareholders, Distribution Ratios hereunder may suffer variations between the date of this Project's approval, and the Cementos Cut-off Date (as defined below). Thus, the Distribution Ratios defined herein are not final and are included on an indicative basis to aid the shareholders of each Company in reaching a decision regarding the corresponding Spin-Off operation. In any case, the Distribution Ratios will in no event be lower than those indicated in the previous paragraph. Each Company will define and disclose in a timely manner to the market the date on which and for how much time it will suspend its buyback programs together with the final share Distribution Ratio on the Cementos Cut-Off Date.
- 1.3. If the application of the Spin-Off Distribution Ratio results in fractions of shares to shareholders in the spinning-off Companies, the Companies will apply the procedure described in Sections 8.5, 8.11 and 8.14.
- 1.4. To effect the Spin-offs, this Project regulates the en bloc transfer, subject to Law 222/1995, article 3, item 1 ("Law 222"), of (a) part of Cementos' equity to Grupo Sura, and subsequently and substantially simultaneously (b) part of the Grupo Sura's equity to Grupo Argos, and (c) part of Grupo Argos' equity to Grupo Sura. The obligation to execute the corresponding public spin-off

document deed is subject to the conditions in Section 7 of this Project, including authorization for the Spin-Offs from the Colombian Financial Superintendent (the "SFC", in Spanish). If the shareholders of Cementos, Grupo Argos and Grupo Sura approve this Project, they agree that the Spin-offs are conditional on the terms of Section 7 and that it is therefore possible that, even if approved at the shareholders' meetings and by the SFC, they will not be completed.

- 1.5. Cementos is only a spinning-off company under the Cementos Spin-off and is not a beneficiary company under any of the Spin-offs. Grupo Argos is a spinning-off company under the Argos Spin-off and a beneficiary company in the Sura Spin-off and Grupo Sura is a spinning-off company under the Sura Spin-off and a beneficiary company under the Cementos Spin-off and the Argos Spin-off.
- 1.6. By virtue of the Spin-offs, each Company, in its capacity as a spinning-off company, transfers an equity block composed of certain asset accounts and their corresponding equity counterparts, which forms an economic operating unit composed of: (a) the Ordinary Shares (as defined below) it holds in Grupo Sura or Grupo Argos, as applicable, and (b) the Ordinary Shares in Grupo Sura or Grupo Argos held by the Standalone Trust (as defined below) (the "Equity Block"). A precise discrimination of the spun-off Equity Blocks can be found in Section 10. In summary, Cementos transfers its Equity Block to Grupo Sura, Grupo Argos transfers its Equity Block to Grupo Sura, and Grupo Sura transfers its Equity Block to Grupo Argos. A description of the configuration of the Equity Block transferred by Cementos can be found in Section 2.1, the configuration of the Equity Block transferred by Grupo Argos in Section 2.2, and the configuration of the Equity Block transferred by Grupo Sura in Section 2.3. On the other hand, a description of the Spin-offs' impact on the equity of Cementos can be found in Section 8.17; a description of the Spin-offs' impact on the equity of Grupo Argos can be found in Section 8.18; and a description of the Spin-offs' impact on the equity of Grupo Sura can be found in Section 8.19. Finally, a description of the value of each of the transferred Equity Blocks and the appraisal methodology used to arrive at those values can be found in Section 11.
- 1.7. Grupo Argos and Grupo Sura are beneficiary companies under the Spin-offs, i.e. Grupo Argos and Grupo Sura, receive, in such capacity and given the configuration of the Transferred Equity Blocks, treasury shares as follows: (a) Grupo Argos receives shares issued by itself that are owned by Grupo Sura, which will be cancelled, and (b) Grupo Sura receives shares issued by itself that are owned by Cementos and Grupo Argos, which will be canceled. As in any spin-off, the beneficiary company must issue shares to the shareholders of the spinning-off company. Accordingly, and as the Project describes in greater detail, (i) Grupo Argos must issue shares to the shareholders of Grupo Sura; and (ii) Grupo Sura must initially issue shares to the shareholders of Cementos (including Grupo Argos) and subsequently to the shareholders of Grupo Argos. Cementos, as it is not a beneficiary company in the Spin-offs, will not issue shares. The distribution of shares in the beneficiary companies will be made by delivering, to the shareholders of the corresponding spinning-off companies, shares with economic and political rights substantially equivalent to those of the shares held in the spinning-off companies, proportionately to their share in said companies prior the corresponding Spin-off. Consequently, the economic and political rights a shareholder will have in the spinning-off company and will receive in the corresponding beneficiary company as a result of the corresponding Spin-off, will be substantially equivalent to the economic and political rights such shareholder had in the spun-off company prior to the corresponding Spin-off. Thus, holders of Ordinary Shares will be given Ordinary Shares and holders of Preferential Shares will be given Preferential Shares. The distribution of Grupo Sura shares to Cementos shareholders, the distribution of Grupo Sura shares to Grupo Argos shareholders, and the distribution of Grupo Argos shares to Grupo Sura shares and the calculation rules for determining such distributions, can be found in detail in Section 12.
- 1.8. Thus, distributions of beneficiary company stock to the shareholders of the spinning-off companies will be performed as follows:

- 1.8.1.** Shareholders holding Cementos' Ordinary Shares will receive Ordinary Shares in Grupo Sura and shareholders holding Cementos' Preferential Shares, whose rights are set forth in the placement prospectus from April 9, 2013, (the "Cementos Preferential Shares"), will receive Grupo Sura Preferential Shares, the rights of which are set forth in the October 18, 2011 placement prospectus, as amended on March 31, 2017 (the "Sura Preferential shares"). The Ordinary and Preferential Shares of Grupo Sura issued to Cementos shareholders, as applicable, do not replace their Ordinary and/or Preferential Shares in Cementos: they are additional shares received by these shareholders, such that they maintain their Ordinary and/or Preferential Shares in Cementos and receive the Ordinary and/or Preferential Shares in Grupo Sura issued to them.
- 1.8.2.** Shareholders holding Ordinary Shares in Grupo Sura, including Cementos shareholders that maintain Grupo Sura Ordinary Shares that they received as a result of the Cementos Spin-Off on the Cut-Off Date (as defined below), will receive Ordinary Shares in Grupo Argos and shareholders holding Sura Preferential Shares, including Cementos shareholders that maintain Grupo Sura Ordinary Shares that they received as a result of the Cementos Spin-Off on the Cut-Off Date, will receive Grupo Argos Preferential Shares, whose rights are set forth in the placement prospectus from May 10, 2012 as amended on December 5, 2016 (the "Argos Preferential Shares"). Ordinary and Preferential Shares in Grupo Argos issued to Grupo Sura shareholders, as applicable, do not replace their Ordinary and/or Preferential Shares in Grupo Sura: they are additional shares received by these shareholders, such that they maintain their Ordinary and/or Preferential Shares in Grupo Sura and receive the Ordinary and/or Preferential Shares in Grupo Argos issued to them.
- 1.8.3.** Shareholders holding Ordinary Shares in Grupo Argos will receive Ordinary Shares in Grupo Sura and shareholders holding Preferential Shares in Argos will receive Preferential Shares in Sura. Ordinary and Preferential Shares in Grupo Sura issued to Grupo Argos shareholders, as applicable, do not replace their Ordinary and/or Preferential Shares in Grupo Argos: they are additional shares received by these shareholders, such that they maintain their Ordinary and/or Preferential Shares in Grupo Argos and receive the Ordinary and/or Preferential Shares in Grupo Sura issued to them.
- 1.9.** The Spin-offs are submitted for consideration by the shareholders holding Ordinary Shares ("Ordinary Shareholders") in Cementos, Grupo Argos and Grupo Sura. Such shareholders will be exclusively authorized to vote on the approval of the corresponding Spin-off, as the Spin-offs are not reforms that (a) approve modifications that could impair the conditions or rights defined for the Preferential Shares issued by the Companies, (b) approve the conversion of Preferential Stock to Ordinary Stock, or (c) are contemplated in the corresponding Preferential Stock issuance regulations and prospectuses as a voting event. Insofar as the holders of Preferential Shares will maintain their shares and these will maintain the same rights they had before the Spin-Offs, no Spin-Offs imply an impairment of the rights defined for each Company's Preferential Shares, and, therefore, shareholders holding Preferential Shares ("Preferential Shareholders") will have no right to vote on the approval of any Spin-Off.
- 1.10.** Since the Companies are under the exclusive control of the SFC, besides the respective corporate authorizations required by law and their own bylaws, prior authorization from the SFC is required to formalize and perfect the Spin-offs under Decree 2555/2010, article 11.2.1.4.50 paragraph B and the SFC's Basic Legal Circular, Part III, Title I ("CBJ", in Spanish).
- 1.11.** This Project has been drafted by the management of Cementos, Grupo Argos and Grupo Sura, and (a) submitted for consideration by the Cementos Board of Directors for it to give its recommendation on January 29, 2025 for submission for approval by the shareholders' meeting under the terms of Cementos' bylaws, article 32, item 7, (b) submitted for consideration by the Grupo Argos Board of

Directors for it to issue a recommendation on January 30, 2025 for submission to its shareholders' meeting under the terms of Grupo Argos' bylaws, article 38, item 8, and (c) submitted for consideration by the Grupo Sura Board of Directors on January 30, 2025 for it to be submitted for approval by its shareholder meeting under the terms of Grupo Sura's bylaws, article 23, paragraph.

- 1.12. Although the figures in this Project are expressed with six truncated decimal places, the number of shares to be received by each shareholder will be calculated considering all the decimals resulting from calculating and applying the corresponding distribution ratio.
- 1.13. This Project is governed by the provisions of Law 222, the CBJ, other rules applicable to corporate spin-offs and, specifically, by the following clauses:

2. BACKGROUND

2.1. Cementos holds:

2.1.1. The following assets:

- a. 4,094,940 Ordinary Shares in Grupo Sura, representing 1.04% of Grupo Sura's outstanding stock (the "Cementos Share in Sura"), and
- b. 100% of the fiduciary rights to the FAP Cementos Argos Vote Inhibiting Standalone Trust, a standalone trust whose sole trustee is Cementos (the "Cementos Inhibiting ST"), a standalone trust that, in turn, holds 24,300,000 Ordinary Shares in Grupo Sura, that represent 6.15% of Grupo Sura's outstanding stock (the "Cementos ST Shares in Sura"), set up with the irrevocable purpose and instruction to not exercise the political rights inherent to the shares in the trust in any event and under any circumstance, meaning that Cementos is not the final beneficiary of such shares; and

2.1.2. The equity offsets described in Section 10.1 (the "Cementos Equity Accounts" and, together with the Cementos Shares in Sura and the Cementos ST Shares in Sura, the "Equity Block Transferred by Cementos"). The Equity Block Transferred by Cementos configures, in turn, an economic operations unit.

2.2. Grupo Argos:

2.2.1. Currently holds the following assets:

- a. 26,507,774 Ordinary Shares in Grupo Sura, representing 6.71% of Grupo Sura's outstanding stock (the "Grupo Argos Share in Sura"), and
- b. 100% of the fiduciary rights to the FAPGA Vote Inhibiting Standalone Trust, a standalone trust whose sole trustee is Grupo Argos (the "Grupo Argos Inhibiting ST" and, together with the Cementos Inhibiting ST, the "Inhibiting STs"), a standalone trust that, in turn, holds 155,200,000 Ordinary Shares in Grupo Sura, that represent 39.28% of Grupo Sura's outstanding stock (the "Argos ST Shares in Sura"), set up with the irrevocable purpose and instruction to not exercise the political rights inherent to the shares in the trust in any event and under any circumstance, meaning that Grupo Argos is not the final beneficiary of such shares;

2.2.2. Will, at a later date and, in any event, prior to the dates indicated below, own the following assets:

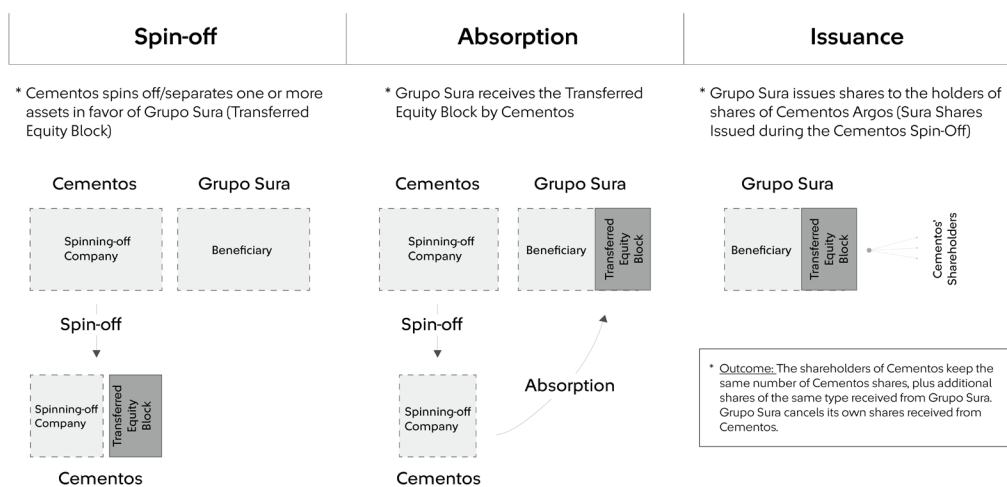
- a. At least 179,483 Ordinary Shares in Grupo Sura it will receive before the date the SFC's finalizes its approval of the Spin-Offs, as a result of the transfer of Ordinary Shares in Grupo Sura held by its subsidiary Celsia S.A. ("Celsia") to its shareholders (the "Shares Resulting from the Celsia Transfer"), and
 - b. 15,399,412 Ordinary Shares in Grupo Sura that it will receive prior to the Cut-Off Date as the result of the Cementos Spin-Off (as defined below) in its capacity as shareholder of Cementos (the "Shares Resulting from the Cementos Spin-Off", which, together with Argos' Shares in Sura and the Shares Resulting from the Celsia Transfer will add up to 42,086,669 Ordinary Shares in Grupo Sura (the "Total Argos Shares in Sura"); in the understanding that the figures in this Section 2.2.2 could change as a result of Celsia and Cementos' buyback programs and the transfer of Grupo Sura shares by Celsia; and
- 2.2.3. Currently holds the equity offsets described in Section 10.2 (the "Argos Equity Accounts" and, together with the Total Argos Shares in Sura and the Argos ST Shares in Sura, the "Equity Block Transferred by Argos"). The Equity Block Transferred by Argos configures, in turn, an economic operations unit.
- 2.3. Grupo Sura holds
 - 2.3.1. 256,798,303 Ordinary Shares in Grupo Argos, representing 30.61% of Grupo Argos' outstanding stock (the "Sura Share in Argos"), and
 - 2.3.2. 100% of the fiduciary rights to the PA Acciones SP Standalone Trust, (the "Sura ST" and, together with the Inhibiting STs, the "Standalone Trusts"), a standalone trust that, in turn, holds 29,036,085 Ordinary Shares in Grupo Argos, that represent 3.46% of Grupo Sura's outstanding stock (the "Sura ST Shares in Argos"), set up with the irrevocable purpose and instruction to not exercise the political rights inherent to the shares in the trust in any event and under any circumstance, meaning that Grupo Sura is not the final beneficiary of such shares; and
 - 2.3.3. The equity offsets described in Section 10.3 (the "Sura Equity Accounts" and, together with the Sura Share in Argos and the Sura ST Shares in Argos, the "Equity Block Transferred by Sura"), and, together with the Equity Block Transferred by Cementos and the Equity Block Transferred by Argos, the "Transferred Equity Blocks" and, each individually, a "Transferred Equity Block"). The Equity Block Transferred by Sura configures, in turn, an economic operations unit.
- 2.4. Cementos is a company that operates in the cement industry, and produces concrete mixes and any other cement, limestone-, or clay-based materials, which has maintained an economic operation unit configured by its investment in Grupo Sura.
- 2.5. Grupo Argos es una sociedad holding de inversiones en infraestructura, que ha mantenido una unidad de explotación económica compuesta por la inversión en Grupo Sura en línea con su estrategia de diversificación.
- 2.6. Grupo Sura is a holding company for a financial conglomerate that has maintained an economic operation unit configured by an investment in Grupo Argos in line with its diversification strategy.
- 2.7. Grupo Argos and Grupo Sura signed a Spin-Off Agreement on December 18, 2024. Subsequently, Cementos Argos adhered to the transaction, for which Cementos, Grupo Argos and Grupo Sura signed a Comprehensive Amendment to the Spin-Off Agreement on December 27, 2024, with the following

objectives (a) to dispose of and, with respect to their subsidiaries, to extend its best efforts within the framework of the corresponding corporate governance rules, to dispose of the cross-shareholdings held by Grupo Sura, directly or indirectly, in Grupo Argos and that Grupo Argos and Cementos, directly or indirectly, have in Grupo Sura, in an organized manner; (b) to perform a transaction that will be concluded in a substantially simultaneous manner; (c) to continue extending their specialization, such that each Company will develop its long-term business plan while maintaining its corporate philosophy, by transferring their corresponding economic operating units by means of a spin-off operation; (d) to ensure equitable treatment for all their shareholders at all times, and (e) to implement an efficient transaction in financial, legal, and accounting terms and periods of performance.

3. THE SPIN-OFFS

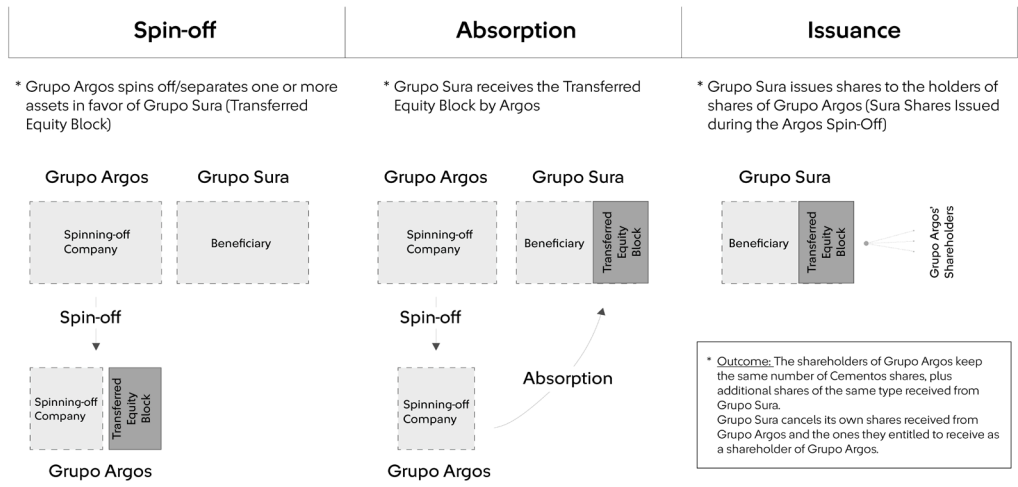
- 3.1. Grupo Argos will make its best efforts, within the framework of its corresponding corporate governance rules, so that, prior to the execution of the public document for the Argos Spin-off (as defined below), Celsia will dispose of 332,908 Ordinary Shares of Grupo Sura, representing 0.08% of Grupo Sura's outstanding stock.
- 3.2. The spin-offs under this Project consist of the following:
- 3.2.1. Cementos will spin off the Equity Block Transferred by Cementos to Grupo Sura (the "Cementos Spin-Off"). In consequence, (a) Grupo Sura will cancel the Cementos Share in Sura and the Cementos ST Shares in Sura received from Cementos, and (b) based on the outstanding shares of Cementos as of January 31, 2025, Grupo Sura will issue (i) 28,386,280 Ordinary Shares to the holders of Ordinary Shares in Cementos that appear in the Cementos shareholder ledger on the Cementos Cut-Off Date (as defined below) proportionately to their share of Cementos' outstanding stock on the Cementos Cut-Off Date, and (ii) 8,660 Preferential Shares in Sura to the holders of Preferential Shares in Cementos that appear in the Cementos shareholder ledger on the Cementos Cut-Off Date proportionately to their share of Cementos' outstanding stock on the Cementos Cut-Off Date (shares issued under items (i) and (ii) above, as adjusted under this Section 3.2.1, the "Sura Shares Issued During the Cementos Spin-Off"). Once the SFC authorizes the Cementos Spin-off, the Sura Spin-off and the Argos Spin-off, and provided that the other EP Conditions (as defined below) are met, the public document containing the Cementos Spin-off will be executed, and it will be registered in the commercial registry of the Chamber of Commerce of Barranquilla and the Chamber of Commerce of Medellín. Once the Chamber of Commerce of Barranquilla has issued a certificate of incumbency and good standing for Cementos which records the Cementos Spin-off and the Chamber of Commerce of Medellín issues a certificate of incumbency and good standing for Grupo Sura which records the Cementos Spin-off, the procedures required to book the issuance of the Sura Shares Issued During the Cementos Spin-Off will be performed, including all applicable procedures required by the Colombian Stock Exchange (the "BVC", in Spanish) and the Colombian centralized securities deposit – DECEVAL – ("Deceval", in Spanish) (the "Booking of the Cementos Spin-off"). Without prejudice to the above, Cementos has a share buyback program, the implementation of which could reduce the number of Cementos' outstanding shares and, therefore, could increase the Distribution Ratio of the Sura Shares Issued During the Cementos Spin-Off. Thus, although the number of shares spun off within the Equity Block Transferred by Cementos will not change, (1) the number of Grupo Sura shares received by each Cementos shareholder could be higher, and (2) the number of shares issued by type of share could vary. Thus, the figures included in this Project, calculated as of January 31, 2025, could vary until the Cementos Cut-Off Date. The figures included herein are included on an indicative basis to aid Cementos and Grupo Sura shareholders in reaching a decision regarding the Cementos Spin-Off. Cementos will define and disclose in a timely manner to the market the date on which and for how much time it will suspend its buyback programs. The Cementos Spin-off is illustrated in the following chart:

Cementos' Spin-Off



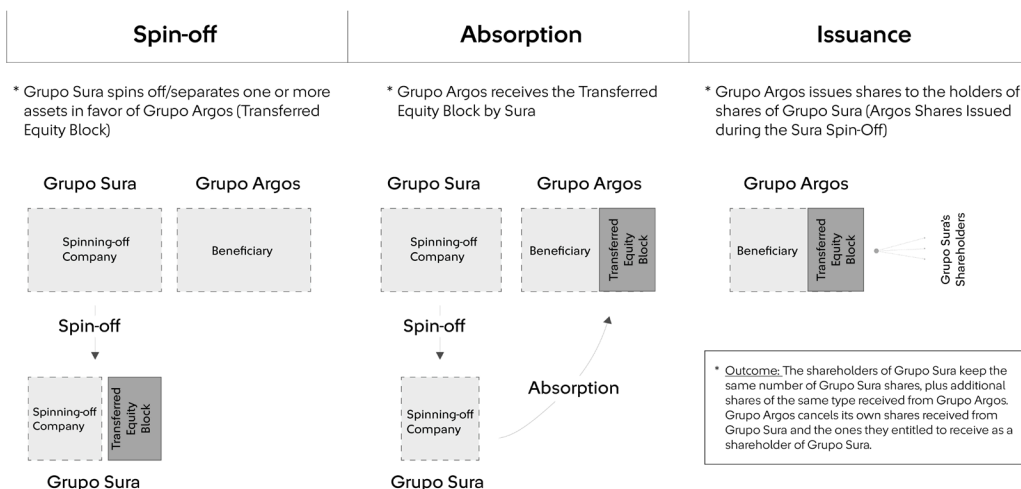
3.2.2. Once the Booking of the Cementos Spin-off has been completed, and in a substantially simultaneous manner with the Sura Spin-Off (as defined below), Grupo Argos will spin off the Equity Block Transferred by Argos to Grupo Sura (the “Argos Spin-off”). In consequence, (a) Grupo Sura will cancel the Total Argos Shares in Sura and the Argos ST Shares in Sura received from Grupo Argos, and (b) based on the outstanding shares of Grupo Argos as of January 31, 2025, Grupo Sura will issue (i) 148,037,998 Ordinary Shares to the holders of Ordinary Shares in Grupo Argos stock that appear in the Grupo Argos shareholder ledger on the Cut-Off Date proportionately to their share of Grupo Argos’ outstanding stock on the Cut-Off Date, and (ii) 49,248,671 Preferential Shares in Grupo Sura to the holders of Preferential Shares in Grupo Argos that appear in the Grupo Argos shareholder ledger on the Cut-Off Date proportionately to their share of Grupo Argos outstanding stock on the Cut-Off Date (shares issued under items (i) and (ii) above, as adjusted under this Section 3.2.2, the “Sura Shares Issued During the Argos Spin-Off”); and (c) insofar as Grupo Sura is a shareholder of Grupo Argos, the Sura Shares Issued During the Argos Spin-Off to Grupo Sura will be cancelled. Notwithstanding the above, (1) as a result of the implementation of Celsia's buyback program and the transfer of Grupo Sura shares by Celsia, the number of Shares Resulting from the Celsia Transfer could be greater than that calculated as of January 31, 2025 and, as a result of the implementation of the Cementos buyback program, the number of Shares Resulting from the Cementos Spin-Off Shares Resulting from the Cementos Spin-Off could be greater than that calculated as of January 31, 2025 and, in consequence, the number of Shares Spun Off by Argos (as defined below) may be greater than that indicated in this Project, resulting in an increase in the Distribution Ratio of the Sura Shares Issued During the Argos Spin-Off; and (2) Grupo Argos has a share buyback program, the implementation of which may lead to a reduction in the number of outstanding shares of Grupo Argos and, therefore, to another increase in the Distribution Ratio of the Sura Shares Issued During the Argos Spin-Off. Thus, the figures included herein, calculated as of January 31, 2025, could vary until the Cut-Off Date. The figures included herein are included on an indicative basis to aid Grupo Argos and Grupo Sura shareholders in reaching a decision regarding the Argos Spin-Off. Grupo Argos will define and disclose in a timely manner to the market the date on which and for how much time it will suspend its buyback programs. The Argos Spin-off is illustrated in the following chart:

Argos' Spin-Off



3.2.3. Once the Booking of the Cementos Spin-off has been completed, and in a substantially simultaneous manner with the Argos Spin-Off, Grupo Sura will spin off the Equity Block Transferred by Sura to Grupo Argos (the “Sura Spin-off”, together with the Cementos Spin-Off and the Argos Spin-Off, the “Spin-Offs” and each, individually considered, a “Spin-Off”). In consequence, (a) Grupo Argos will cancel the Total Sura Shares in Argos and the Sura ST Shares in Argos received from Grupo Sura, and (b) based on the outstanding shares of Grupo Sura as of January 31, 2025, Grupo Argos will issue (i) 204,440,179 Ordinary Shares to the holders of Ordinary Shares in Grupo Sura stock that appear in the Grupo Sura shareholder ledger on the Cut-Off Date proportionately to their share of Grupo Sura’s outstanding stock on the Cut-Off Date, and (ii) 81,394,209 Preferential Shares in Grupo Argos to the holders of Preferential Shares in Grupo Sura that appear in the Grupo Sura shareholder ledger on the Cut-Off Date proportionately to their share of Grupo Sura outstanding stock on the Cut-Off Date (shares issued under items (i) and (ii) above, as adjusted under this Section 3.2.3, the “Argos Shares Issued During the Sura Spin-Off”); and together with the Sura Shares Issued During the Cementos Spin-Off and the Sura Shares Issued During the Argos Spin-Off, the “Issued Shares”), (c) insofar as Grupo Argos is a shareholder of Grupo Sura, the Argos Shares Issued During the Sura Spin-Off to Grupo Argos will be cancelled. Without prejudice to the above, Grupo Sura may regulate the share buyback program authorized by its shareholder meeting on March 31, 2023, the implementation of which could reduce the number of Grupo Sura’s outstanding shares and, therefore, could increase the Distribution Ratio of the Argos Shares Issued During the Sura Spin-Off. Thus, although the number of shares spun off within the Equity Block Transferred by Grupo Sura will not change, (1) the number of Grupo Argos shares received by each Grupo Sura shareholder could be higher, and (2) the number of shares issued by type of share could vary. Thus, the figures included in this Project, calculated as of January 31, 2025, could vary until the Cut-Off Date. The figures included herein are included on an indicative basis to aid Grupo Sura and Grupo Argos shareholders in reaching a decision regarding the Sura Spin-Off. The Sura Spin-off is illustrated in the following chart:

Grupo Sura's Spin-Off



- 3.2.4. Once the SFC has authorized the Cementos Spin-Off, the Argos Spin-Off and the Sura Spin-Off, the public document related to the Cementos Spin-Off has been granted and the Booking of the Cementos Spin-off performed, under the terms defined in Section 8, granting of the public document for the Argos Spin-Off the public document for the Sura Spin-Off will be granted in a substantially simultaneous manner.
- 3.2.5. Once the public document of the Argos Spin-Off and the public document of the Sura Spin-Off have been granted, these will be registered, in a substantially simultaneous manner, in the mercantile registry of the Chamber of Commerce of Medellin.
- 3.2.6. Once the Chamber of Commerce of Medellin has issued a certificate of incumbency and good standing for Grupo Argos and a certificate of incumbency and good standing for Grupo Sura which record the Argos Spin-Off and the Sura Spin-Off the following will be performed in a substantially simultaneous manner, in the understanding that they will both be initiated on the same date, (a) the procedures required to book the issuance of the Sura Ordinary and Preferential Shares issued to all Grupo Argos shareholders, including all applicable proceedings required by BVC and Deceval (the "Booking of the Argos Spin-Off"); and (b) the proceedings required to book the issuance of Ordinary Shares and Preferential Shares of Grupo Argos to all Grupo Sura shareholders, including all applicable proceedings required by BVC and Deceval (the "Booking of the Sura Spin-off").

4. CORPORATE PURPOSE OF THE INTERVENING CORPORATIONS

4.1. The main corporate purpose of Cementos, as stated in Article 3 of its bylaws, is as follows:

"The operation of the cement industry, and the production of concrete mixtures and any other cement, lime, or clay-based materials or articles; the acquisition and disposal of minerals or mineral deposits usable in the cement and similar industries, and of the rights to explore and exploit such minerals, whether by concession, privilege, lease or under any other title; the acquisition and disposal of deposits of other minerals and of rights to explore and exploit minerals other than those indicated above, whether by concession, privilege, lease, or under any other title; the performance of hydrocarbon exploration and exploitation activities and other activities inherent to the sector; the establishment

of factories, warehouses, and agencies for preparing, storing, distributing, and selling their products and the acquisition, exploitation, and disposal of raw materials, machinery, and equipment for the achieving or attempting to perform its corporate purpose. The use of substances that cannot be used by other processes to replace raw materials or fuel for cement manufacturing.”

- 4.2. The main corporate purpose of Grupo Argos, as stated in Article 3 of its bylaws, is as follows:

“Investment in all types of movable and immovable property and especially in shares, quotas or parts, or any other type of participation, in companies, entities, organizations, funds or any other legal figure that allows for the investment of resources. It may also invest in fixed and variable income securities or documents, whether or not registered with the public securities market. In any event, investment issuers and/or receivers may domestic or foreign, and public, private or mixed equity by nature.”

- 4.3. The main corporate purpose of Grupo Sura, as stated in Article 3 of its bylaws, is as follows:

“The Company will be dedicated to investment in movable and immovable property. “As regards investments in movable property, beside any type of movable property, it may invest in shares, quotas or parts of Corporations, entities, organizations or any other legal figure that allows for the investment of resources. It may also invest in fixed and variable income securities or documents, whether or not registered with the public securities market. In any event, investment issuers and/or receivers may domestic or foreign, and public or private by nature.”

5. BYLAWS OF THE INTERVENING CORPORATIONS

- 5.1. The current corporate bylaws of Cementos can be found in Annex A.
- 5.2. The current corporate bylaws of Grupo Argos can be found in Annex B.
- 5.3. The current corporate bylaws of Grupo Sura can be found in Annex C.

6. REASONS FOR THE SPIN-OFFS

- 6.1. The Spin-offs have the following fundamental motives:
- 6.1.1. Allow the Companies to improve their focus and in-depth activities in specialized sectors and increase their ability to attract more investors and capital to develop their strategy.
 - 6.1.2. Allow the Companies’ shareholders to move from having indirect exposure to direct investments in specialized companies, preserving their economic value, through a simpler structure that will enable more value to be revealed.
 - 6.1.3. Increase the floating rate and incentivize greater liquidity of the beneficiary companies’ shares, a decisive criterion to allow these corporations to access global indexes.
 - 6.1.4. Adapt the Companies’ structure to international corporate governance standards as a mechanism to attract more institutional investors to Colombia and create conditions to promote savings among Colombians.
 - 6.1.5. Achieve the objectives set out in Section 2.7 of this Project.
- 6.2. The Cementos Spin-Off has the following specific underlying motives:

- 6.2.1. Enhance Cementos' specialization as a leading company in the construction materials industry and strengthen the long-term continuity of Cementos' business plan.
- 6.2.2. Strengthen Cementos' strategy to increase its visibility and attractiveness amongst global institutional investors.
- 6.2.3. Make progress, within the framework of the Sprint program, with closing the gap between the company's fundamental value and its market price via an alternative that allows its shareholders to directly capture the value of their stake in Grupo Sura.
- 6.3. The Argos Spin-Off has the following specific underlying motives:
 - 6.3.1. Allow Grupo Argos to continue enhancing its specialization process and developing its long-term business plan.
 - 6.3.2. Position Grupo Argos to attract new investors and additional capital, strengthening its capacity to implement its strategy.
- 6.4. The Sura Spin-Off has the following specific underlying motives:
 - 6.4.1. Allow Grupo Sura to continue enhancing its specialization process and developing its long-term business plan.
 - 6.4.2. Develop Grupo Sura's strategy and its capital allocation focused on financial services.

7. SUSPENSIVE CONDITIONS FOR THE SPIN-OFFS

- 7.1. With this Project's approval, each Company's shareholders acknowledge and accept that the granting of each of the public spin-off documents for the Cementos Spin-Off, the Argos Spin-Off and the Sura Spin-Off under Law 222, article 8, is conditioned by the following suspensive conditions (the "EP Conditions"):
 - 7.1.1. Approval of this Project, which sets out all aspects related to the Cementos Spin-Off, by the Cementos Shareholders' Meeting and the Grupo Sura Shareholders' Meeting, subject to their bylaws and the law;
 - 7.1.2. Approval of this Project, which sets out all aspects related to the Argos Spin-Off, by the Grupo Argos Shareholders' Meeting and the Grupo Sura Shareholders' Meeting, subject to their bylaws and the law;
 - 7.1.3. Approval of this Project, which sets out all aspects related to the Sura Spin-Off, by the Grupo Sura Shareholders' Meeting and the Grupo Argos Shareholders' Meeting, subject to their bylaws and the law;
 - 7.1.4. Conclusion, by means of a booked entry in an account with the Deceval, of the transfer of all Grupo Sura shares owned by Celsia;
 - 7.1.5. Approval of the Spin-Offs by the SFC; and
 - 7.1.6. Absence of any order from a government authority that would prevent conclusion of the Spin-Offs;
 - 7.1.7. That, prior to the date on which the public document for the Cementos Spin-Off is granted,

no Party has acquired the obligation, nor is it reasonably foreseeable that they will acquire the obligation, too make cash outlays for an aggregate value of over USD \$120,000,000 as a result of the authorization for the corresponding Spin-Off by the corresponding shareholders' meeting or by the SFC, or as a result of the conclusion or realization of any of the steps of the corresponding Spin-Off.

- 7.2. With this Project's approval, the shareholders of Cementos, Grupo Argos and Grupo Sura accept that each Company desists from their corresponding Spin-off if the public deed of the Cementos Spin-off has not been executed by September 30, 2026. If the corresponding public document has not been granted by that date, the corresponding Spin-Off authorization given by each shareholders' meeting will be understood to be automatically revoked, with no need for a new decision by the Companies' shareholders meetings.
- 7.3. Besides the provisions of Sections 7.1 and 7.2, with this Project's approval, the shareholders of Grupo Argos and Grupo Sura accept that the granting of the public deed for the Argos Spin-Off and the public deed for the Sura Spin-Off is conditional on the fulfillment of the following conditions:
- 7.3.1. Granting of the public document for the Cementos Spin-Off; and
- 7.3.2. Booking of the Cementos Spin-off.

8. TERMS AND CONDITIONS UNDER WHICH THE SPIN-OFFS WILL TAKE PLACE

- 8.1. Within three (3) trading days following the date on which the EP Condition set forth in Section 7.1.5 (approval of Spin-offs by the SFC) is met, and considering that the shares of Cementos are listed on the BVC and in the custody of Deceval, to determine which Cementos shareholders are entitled to receive Sura Shares Issued During the Cementos Spin-Off on the date of the Booking of the Cementos Spin-off and in what amounts, Cementos will request suspension of market and non-market trading of Cementos' Ordinary Shares and Preferred Shares for no less than three (3) consecutive trading days (the day on which all operations performed prior to suspension are completed, the "Cementos Cut-Off Date").
- 8.2. Within five (5) business days following the Cementos Cut-Off Date, Cementos and Grupo Sura will grant the public document enshrining the Cementos Spin-Off and will register it with the commercial registry of the Chamber of Commerce of Barranquilla and the Chamber of Commerce of Medellin, which will configure, under Colombian Law, a deed transferring ownership of the Equity Block Transferred by Cementos, specifically for the Cementos Shares in Sura, under the terms of this Project.
- 8.3. Once the public deed for the Cementos Spin-off has been granted and registered in the commercial registries under the terms indicated in the previous paragraph,
- 8.3.1. The Booking of the Cementos Spin-off will be carried out as stipulated in Section 12 of this Project (Grupo Sura shares transferred under the Cementos Spin-Off, the "Shares Spun-Off by Cementos"); and
- 8.3.2. Any and all accounting records required by the transfer of the Equity Block Transferred by Cementos will be entered.
- 8.4. As a result of the Cementos Spin-Off, Grupo Sura will issue the par value of the Sura Shares Issued During the Cementos Spin-Off to the shareholders of Cementos on the Cementos Cut-Off Date, applying the Cementos Distribution Ratio (as defined below), as follows:

- 8.4.1.** To each holder of Cementos' Ordinary Shares (a) the corresponding Grupo Sura Ordinary Share units, and (b) the Ordinary Share fractions; and
- 8.4.2.** To each holder of Cementos' Preferential Shares, (a) the corresponding Grupo Sura Preferential Share units, and (b) the Preferential Share fractions.
- 8.5.** With the approval of this Project, in order to receive payment equivalent to the fractioned shares that each Cementos shareholder is entitled to as indicated in the preceding this Section 8, Cementos' shareholders irrevocably instruct Grupo Sura to carry out, in their name and on their behalf, directly or indirectly, all the actions required, including to act as or to appoint a direct depositor and/or a common single representative and the contracting of the necessary services to achieve their sale on the market and the distribution of the corresponding resources amongst the shareholders according to the Cementos Distribution Ratio.
- 8.6.** The Sura Shares Issued During the Cementos Spin-Off have not been registered under the U.S. Securities Act of 1933 nor under any applicable securities laws of any state or jurisdiction different from Colombia and are proposed to be issued without registration being required under the U.S. Securities Act of 1933.¹
- 8.7.** Within three (3) trading days following the date of the Booking of the Cementos Spin-off, and considering that the shares of Grupo Argos and Grupo Sura are listed on the BVC and in the custody of Deceval, to determine which shareholders of Grupo Argos on the one hand, and Grupo Sura, on the other, are entitled to receive Sura Shares Issued During the Argos Spin-Off and Argos Shares Issued During the Sura Spin-Off, respectively, on the date of the Booking of the Argos Spin-off and on the date of the Booking of the Sura Spin-off, respectively, and in what amounts, Grupo Argos and Grupo Sura will simultaneously will request suspension of market and non-market trading of the Ordinary Shares and Preferential Shares of Grupo Argos and of the Ordinary Shares and Preferential Shares of Grupo Sura for no less than three (3) consecutive trading days (the date on which all operations performed prior to the suspension have been completed, the "Cut-Off Date").
- 8.8.** Within five (5) business days following the Cut-Off Date, Grupo Argos and Grupo Sura will grant the public document enshrining the Argos Spin-Off and the Sura Spin-Off and will register it with the commercial registry of the Chamber of Commerce of Medellin, which will configure, under Colombian Law, a deed transferring ownership of the Equity Block Transferred by Argos and the Equity Block Transferred by Sura, under the terms of this Project.
- 8.9.** Once the public documents for the Argos Spin-Off and the Sura Spin-Off have been granted and registered in the commercial registry of the Chamber of Commerce of Medellin under the terms indicated in the previous paragraph,
- 8.9.1.** The Booking of the Argos Spin-Off and the Booking of the Sura Spin-Off will be carried out, in a substantially simultaneous manner, as stipulated in Section 12 of this Project (Grupo Sura shares transferred under the Argos Spin-Off, the "Shares Spun Off by Argos" and the Grupo Argos shares transferred under the Sura Spin-Off, the "Shares Spun Off by Sura"); and
- 8.9.2.** Any and all accounting records required by the transfer of the Equity Block Transferred by Argos and the Equity Block Transferred by Sura will be entered, including cancellation of own shares received.

¹ Taken from an original: "The securities offered hereby have not been registered under the Securities Act of 1933 (the "U.S. Securities Act") or under applicable securities laws of any state or other jurisdiction different from Colombia and are proposed to be issued without registration being required under the registration requirements of the U.S. Securities Act."

- 8.10. As a result of the Argos Spin-Off, Grupo Sura will issue the par value of the Sura Shares Issued During the Argos Spin-Off to the shareholders of Grupo Argos on the Cut-Off Date, applying the Argos Distribution Ratio (as defined below), as follows:
- 8.10.1. To each holder of Ordinary Shares in Grupo Argos (a) the corresponding Grupo Sura Ordinary Share units, and (b) the Ordinary Share fractions; and
 - 8.10.2. To each holder of Preferential Shares in Grupo Argos, (a) the corresponding Grupo Sura Preferential Share units, and (b) the Preferential Share fractions; and
 - 8.10.3. Insofar as Grupo Sura is a Grupo Argos shareholder, immediately after the abovementioned issue and booking, Grupo Sura will cancel the shares issued to itself.
- 8.11. With the approval of this Project, in order to receive payment equivalent to the fractioned shares that each Grupo Argos shareholder is entitled to as indicated in this Section 8, Grupo Argos shareholders irrevocably instruct Grupo Sura to carry out, in their name and on their behalf, directly or indirectly, all the actions required, including to act as or to appoint a direct depositor and/or a common single representative and the contracting of the necessary services to achieve their sale on the market and the distribution of the corresponding resources amongst the shareholders according to the Argos Distribution Ratio.
- 8.12. The Sura Shares Issued During the Argos Spin-Off have not been registered under the U.S. Securities Act of 1933 nor under any applicable securities laws of any state or jurisdiction different from Colombia and are proposed to be issued without registration being required under the U.S. Securities Act of 1933.
- 8.13. As a result of the Sura Spin-Off, Grupo Argos will issue the par value of the Argos Shares Issued During the Sura Spin-Off to the shareholders of Grupo Sura on the Cut-Off Date, applying the Sura Distribution Ratio (as defined below), as follows:
- 8.13.1. To each holder of Ordinary Shares in Grupo Sura (a) the corresponding Grupo Argos Ordinary Share units, and (b) the Ordinary Share fractions; and
 - 8.13.2. To each holder of Preferential Shares in Grupo Sura, (a) the corresponding Grupo Argos Preferential Share units, and (b) the Preferential Share fractions; and
 - 8.13.3. Insofar as Grupo Argos is a Grupo Sura shareholder, immediately after the abovementioned issue and booking, Grupo Argos will cancel the shares issued to itself.
- 8.14. With the approval of this Project, in order to receive payment equivalent to the fractioned shares that each Grupo Sura shareholder is entitled to as indicated in this Section 8, Grupo Sura shareholders irrevocably instruct Grupo Argos to carry out, in their name and on their behalf, directly or indirectly, all the actions required, including to act as, or to appoint a direct depositor and/or a common single representative and the contracting of the necessary services to achieve their sale on the market and the distribution of the corresponding resources amongst the shareholders according to the Sura Distribution Ratio.
- 8.15. The Argos Shares Issued During the Sura Spin-Off have not been registered under the U.S. Securities Act of 1933 nor under any applicable securities laws of any state or jurisdiction different from Colombia and are proposed to be issued without registration being required under the U.S. Securities Act of 1933.
- 8.16. The Spin-Offs meet the requirements defined by tax neutrality rules applicable to spin-offs, under articles 319-3, 319-4, 319-5 and 319-6 of the Tax Statute. The transfers under each Spin-off, under

the terms provided in this Project, do not configure a disposal of assets from a tax or accounting perspective and, thus, the spinning-off companies do not experience any taxable income as a result of the transfer of assets, nor will such transfer be understood to constitute a disposal for tax and accounting purposes. In consequence, the Spin-Offs are neutral from a tax perspective. In compliance with Article 319-6, item 2, and 319-4 of the Tax Statute, it is certified that the fiscal cost of the Equity Block Transferred by Cementos, the Equity Block Transferred by Argos and the Equity Block Transferred by Sura will be the same as they held in Cementos, in Grupo Argos, and in Grupo Sura, respectively, prior to the Spin-Offs. The useful life of the transferred assets will not be extended or reduced, nor will the base depreciation or amortization tax cost be modified, nor will the tax nature of the fixed or mobile assets be changed as a consequence of the Spin-Offs.

- 8.17. As a result of the Cementos Spin-off, Cementos' equity will be divided into two: (a) one part that will continue to be held by Cementos, with no modification to or dilution of its shareholders shares, and (b) the Equity Block Transferred by Cementos that will be spun off in favor of Grupo Sura and by which Cementos shareholders will be issued shares in Grupo Sura of the same type and in the same proportion as they held in Cementos on the Cementos Cut-off Date. In turn, the Equity Block Transferred by Cementos, which configures an economic operation unit, is made up by certain asset accounts and their corresponding equity accounts, as indicated in Section 10.1 of this Project. The effect of the Cementos Spin-Off on Cementos' financial situation can be seen below:

	As of December 31, 2024	Prior Stage Effect	Cementos Spin-Off Effect	Proforma balances ²
Investment in Grupo Sura And investment in Grupo Sura (Inhibiting ST)	1.056.292	-	(1.056.292)	-
Other assets	18.366.653	-	(3.615)	18.363.038
Total Assets	19.422.945	-	(1.059.907)	18.363.038
Total Liabilities	5.883.571	485.000	-	6.368.571
Issued Capital	587.370	-	-	587.370
Share issue premium	1.702.848	-	-	1.702.848
Bought back shares	(452.506)	-	-	(452.506)
Reserves	5.826.921	-	-	5.826.921
Cumulative results	1.444.872	(283.747)	(30.609)	1.130.516
Other comprehensive income	4.228.616	-	(1.025.683)	3.202.932
Income for the exercise	201.253	(201.253)	(3.615)	(3.615)
Total Equity	13.539.374	(485.000)	(1.059.907)	11.994.467
Total Liabilities and Equity	19.422.945	-	(1.059.907)	18.363.038

Figures in millions of Colombian pesos.

- 8.18. As a result of the Argos Spin-off, Argos's equity will be divided into two: (a) one part that will continue to be held by Argos, with no modification to or dilution of its shareholders shares, and (b) the Equity Block Transferred by Argos that will be spun off in favor of Grupo Sura and by which Grupo Argos shareholders will be issued shares in Grupo Sura of the same type and in the same proportion as they held in Grupo Argos on the Cut-off Date. In turn, the Equity Block Transferred by Argos, which configures an economic operation unit, is made up by certain asset accounts and their corresponding equity accounts, as indicated in Section 10.2 of this Project. The effect of the Argos Spin-Off and the Sura Spin-Off on Argos's financial situation can be seen below:

² For greater detail, see Annex I – Proforma Financial Statements for Cementos.

	As of December 31, 2024	Prior Stage Effect	Argos Spin-Off Effect	Sura Spin-Off Effect	Proforma balances ³
Investment in Grupo Sura and investment in Grupo Sura (Inhibiting ST)	6.971.797	1.127.846	(8.099.643)	-	-
Other Assets	15.042.876	(634.927)	(97.178)	-	14.310.771
Total Assets	22.014.673	492.919	(8.196.821)	-	14.310.771
Total Liabilities	3.246.983	566.711	-	4.070	3.817.764
Corporate Capital	54.697	-	-	-	54.697
Share issue premium	1.503.373	-	(1.503.373)	-	-
Boughtback shares	(428.360)	-	-	-	(428.360)
Reserves	3.344.004	-	(925.983)	-	2.418.021
Cumulative results	10.254.655	1.965.276	(7.756.826)	-	4.463.105
Result of the exercise	2.531.987	(2.587.638)	2.619.223	(4.070)	2.559.502
Other equity components	396.439	258	(90.784)	-	305.913
Other comprehensive income	1.110.895	548.312	(539.078)	-	1.120.129
Total Equity	18.767.690	(73.792)	(8.196.821)	(4.070)	10.493.007
Total Liabilities and Equity	22.014.673	492.919	(8.196.821)	-	14.310.771

Figures in millions of Colombian pesos.

- 8.19. As a result of the Sura Spin-off, Sura's equity will be divided into two: (a) one part that will continue to be held by Sura, with no modification to or dilution of its shareholders shares, and (b) the Equity Block Transferred by Sura that will be spun off in favor of Grupo Argos and by which Grupo Sura shareholders will be issued shares in Grupo Argos of the same type and in the same proportion as they held in Grupo Sura on the Cut-off Date. In turn, the Equity Block Transferred by Sura, which configures an economic operation unit, is made up by certain asset accounts and their corresponding equity accounts, as indicated in Section 10.3 of this Project. The effect of the Cementos Spin-Off, the Argos Spin-Off and the Sura Spin-Off on Sura's financial situation can be seen below:

	As of December 31 2024	Prior Stage Effect	Sura Spin-Off Effect	Cementos Spin-Off and Argos Spin-Off Effect	Proforma balances ⁴
Assets					
Investment in Grupo Argos	5.660.243	871.604	(6.531.847)	-	-
Other Assets	25.304.448	(42.078)	-	-	25.262.370
Total Assets	30.964.691	829.526	(6.531.847)	-	25.262.370
Total Liabilities	9.532.478	-	-	201.279	9.733.757
Equity					
Issued stock	109.121	-	-	-	109.121
Share issue premium	3.290.767	-	(2.433.033)	-	857.734
Reserves	566.470	-	(513.000)	-	53.470
Stock buyback reserve	136.776	-	-	-	136.776
Net earnings for the period	5.331.776	829.526	-	(201.279)	5.960.023
Accumulated earnings	9.735.037	-	(3.585.814)	-	6.149.223
Other comprehensive results	2.262.266	-	-	-	2.262.266
Total Equity	21.432.213	829.526	(6.531.847)	(201.279)	15.528.613
Total Equity and Liability	30.964.691	829.526	(6.531.847)	-	25.262.370

Figures in millions of Colombian pesos.

³ For greater detail, see Annex J – Proforma Financial Statements for Grupo Argos.

⁴ For greater detail, see Annex K – Proforma Financial Statements for Grupo Sura.

- 8.20.** As a result of the Booking of the Cementos Spin-off, as regards the Cementos shareholders on the Cementos Cut-Off Date and except for any negotiation of shares taking place after the Cementos Cut-Off Date:
- 8.20.1.** (a) each shareholder of Cementos Ordinary Shares will hold (i) the same number of Ordinary Shares in Cementos' stock as it held on the Cementos Cut-Off Date, and (ii) an additional number of Grupo Sura Ordinary Shares defined according to Section 12 below; and (b) the sum of the equity value (intrinsic value) of the Ordinary Shares of Cementos and the additional Ordinary Shares of Grupo Sura received in the Cementos Spin-Off shall in no event be less than the equity value (intrinsic value) of the Cementos Ordinary Shares they had prior to the Cementos Spin-Off, guaranteeing a substantial equivalence in the political and economic rights of the Ordinary Shares of Grupo Sura received from Grupo Sura as regards the Ordinary Shares of Cementos they held on the Cementos Cut-Off Date; and
- 8.20.2.** (a) each shareholder of Cementos Preferential Shares will hold (i) the same number of Preferential Shares in Cementos' stock as it held on the Cementos Cut-Off Date, and (ii) an additional number of Grupo Sura Preferential Shares defined according to Section 12 below; and (b) the sum of the equity value (intrinsic value) of the Preferential Shares of Cementos and the additional Preferential Shares of Grupo Sura received in the Cementos Spin-Off shall in no event be less than the equity value (intrinsic value) of the Cementos Preferential Shares they had prior to the Cementos Spin-Off, guaranteeing a substantial equivalence in the political and economic rights of the Preferential Shares received from Grupo Sura as regards the Preferential Shares of Cementos they held on the Cementos Cut-Off Date.
- 8.21.** As a result of the Booking of the Argos Spin-off, as regards Grupo Argos shareholders on the Cut-Off Date and except for any negotiation of shares taking place after the Cut-Off Date:
- 8.21.1.** (a) each shareholder of Grupo Argos Ordinary Shares will hold (i) the same number of Ordinary Shares in Grupo Argos's stock as it held on the Cut-Off Date, and (ii) an additional number of Grupo Sura Ordinary Shares defined according to Section 12 below; and (b) the sum of the equity value (intrinsic value) of the Ordinary Shares of Grupo Argos and the additional Ordinary Shares of Grupo Sura received in the Argos Spin-Off shall in no event be less than the equity value (intrinsic value) of the Grupo Argos Ordinary Shares they held prior to the Argos Spin-Off, guaranteeing a substantial equivalence in the political and economic rights of the Ordinary Shares of Grupo Sura received from Grupo Sura as regards the Ordinary Shares of Grupo Argos they held on the Cut-Off Date; and
- 8.21.2.** (a) each shareholder of Grupo Argos Preferential Shares will hold (i) the same number of Preferential Shares in Grupo Argos's stock as it held on the Cut-Off Date, and (ii) an additional number of Grupo Sura Preferential Shares defined according to Section 12 below; and (b) the sum of the equity value (intrinsic value) of the Preferential Shares of Grupo Argos and the additional Preferential Shares of Grupo Sura received in the Argos Spin-Off shall in no event be less than the equity value (intrinsic value) of the Grupo Argos Preferential Shares they held prior to the Argos Spin-Off, guaranteeing a substantial equivalence in the political and economic rights of the Preferential Shares received from Grupo Sura as regards the Preferential Shares of Grupo Argos they held on the Cut-Off Date.
- 8.22.** As a result of the Booking of the Sura Spin-off, as regards Grupo Sura shareholders on the Cut-Off Date and except for any negotiation of shares taking place after the Cut-Off Date:
- 8.22.1.** (a) each shareholder of Grupo Sura Ordinary Shares will hold (i) the same number of Ordinary Shares in Grupo Sura's stock as it held on the Cut-Off Date, and (ii) an additional number of Grupo Argos Ordinary Shares defined according to Section 12 below; and (b) the sum of the equity value (intrinsic value) of the Ordinary Shares of Grupo Sura and the

additional Ordinary Shares of Grupo Argos received in the Sura Spin-Off shall in no event be less than the equity value (intrinsic value) of the Grupo Sura Ordinary Shares they held prior to the Sura Spin-Off, guaranteeing a substantial equivalence in the political and economic rights of the Ordinary Shares of Grupo Argos received from Grupo Argos as regards the Ordinary Shares of Grupo Sura they held on the Cut-Off Date; and

- 8.22.2. (a) each shareholder of Grupo Sura Preferential Shares will hold (i) the same number of Preferential Shares in Grupo Sura's stock as it held on the Cut-Off Date, and (ii) an additional number of Grupo Argos Preferential Shares defined according to Section 1.2 below; and (b) the sum of the equity value (intrinsic value) of the Preferential Shares of Grupo Sura and the additional Preferential Shares of Grupo Argos received in the Sura Spin-Off shall in no event be less than the equity value (intrinsic value) of the Grupo Sura Preferential Shares they held prior to the Sura Spin-Off, guaranteeing a substantial equivalence in the political and economic rights of the Preferential Shares received from Grupo Argos as regards the Preferential Shares of Grupo Sura they held on the Cut-Off Date.
- 8.23. The Spin-offs do not impose on the shareholders of Cementos, nor on the shareholders of Grupo Argos, nor on the shareholders of Grupo Sura, any greater liability than they assumed prior to the Spin-offs as shareholders of Cementos, Grupo Argos and Grupo Sura, respectively, nor do they lead to a deterioration of their equity rights. Additionally, each Company will continue as a stock corporation, and their shares will remain registered with the National Securities and Issuers registry ("RNVE") and the BVC after the Spin-Offs have been completed:
- 8.24. As regards the rights of each Company's creditors, no effects are expected as the total liabilities account, the vendors account and the accounts payable account suffer no changes as a result of the Spin-offs, and each of the Companies retains sufficient equity to meet its obligations. It should be noted that, once the Spin-offs are completed, the assets of each Company will represent more than double their external liabilities.
- 8.25. The Spin-offs do not result in a reduction in the par value of any of the Companies' shares. In effect, (a) the number of Cementos' subscribed shares will not undergo any change as a result of the Cementos Spin-Off and they will maintain their par value, (b) the number of subscribed shares of Grupo Argos will be reduced as a result of the cancellation of treasury shares received under the Sura Spin-Off, and (c) the number of subscribed shares of Grupo Sura will be reduced as a result of the cancellation of the treasury shares received under the Argos Spin-Off. Thus, in light of the reduction of their outstanding shares, as part of the spin-off reforms authorized with the approval of this Project, and conditional upon conclusion of the Spin-Offs, an increase in the par value of Grupo Argos's shares and Sura's shares is authorized such that their capital is maintained as a result of the Spin-Offs. Thus, the par value of the shares of Grupo Argos and Grupo Sura will be increased, without prejudice to the fact that the shares will maintain the same tax cost. In other words, the tax cost of the shares received by the beneficiary company will be the same as said shares had for the spinning-off company before the corresponding Spin-Off.
- 8.26. On the Cut-off Date, Grupo Argos and Grupo Sura will inform the market, through the relevant reporting mechanism, of the nominal value of the shares of said companies to be included in the corresponding reformed bylaws, subject to the text indicated in Annex D for Grupo Argos and Annex E for Grupo Sura, and which will be defined for each company by dividing (a) the value of the subscribed capital on the Cut-Off Date, by (b) the number of subscribed shares in the corresponding Company once the Booking of the Argos Spin-Off and the Booking of the Sura Spin-off have been made and Section 8.10.3 and Section 8.13.3, respectively, have come into effect. With this purpose, approval of this Project expressly authorized the Companies' legal representatives to include the par value per share resulting from this formula in the corresponding bylaw reform.
- 8.27. In the case of the Cementos Spin-Off, it does not result in reforms to the par value of Cementos's shares. Besides the contents of this Project, the Spin-Offs do not require nor do they imply any other reforms to

the corporate bylaws of any of the Companies.

- 8.28. Spin-Offs need not be previously reported to or authorized by the Industry and Trade Superintendent as a business integration operation, as provided for under Law 155/1959, Law 1340/2009, and SIC Resolution No. 2751/2021 insofar as, in place of an integration, the Spin-Offs are intended to eliminate crossholdings.

9. FINANCIAL STATEMENTS OF THE INTERVENING CORPORATIONS

- 9.1. Cementos's separated financial statements that serve as the basis for the Cementos Spin-Off, duly certified, audited, with notes and for the period ended December 31, 2024 are made a part of this Project and are attached as Annex F. These will be submitted for approval at the ordinary session of the Cementos Shareholders' Meeting, prior to approval of this Project.
- 9.2. Grupo Argos's separated financial statements that serve as the basis for the Argos Spin-Off, duly certified, audited, with notes and for the period ended December 31, 2024 are made a part of this Project and are attached as Annex G. These will be submitted for approval at the ordinary session of the Grupo Argos Shareholders' Meeting, prior to approval of this Project.
- 9.3. Grupo Sura's separated financial statements that serve as the basis for the Sura Spin-Off, duly certified, audited, with notes and for the period ended December 31, 2024 are made a part of this Project and are attached as Annex H. These will be submitted for approval at the ordinary session of the Grupo Sura Shareholders' Meeting, together with approval of this Project.
- 9.4. Likewise, the proforma Financial Statements (a) for Cementos and Grupo Sura related to the Cementos Spin-Off, and (b) for Grupo Argos and Grupo Sura related to the Argos Spin-off and the Sura Spin-off, prepared assuming the conclusion of the Cementos Spin-off and that the Argos Spin-Off and the Sura Spin-Off, are performed in a substantially simultaneous manner, all according to the terms described in this Project. These financial statements have been developed based on the financial statements of the Cementos, Grupo Argos, and Grupo Sura Spin-Offs, as of December 31, 2024, and are made a part of this document as Annex I, Annex J and Annex K.

10. DISCRIMINATION OF THE EQUITY BLOCK TO BE SPUN OFF FROM SPINNING-OFF COMPANIES

- 10.1. Cementos as a spinning-off company and Grupo Sura as a beneficiary company, approve and accept without any reservation and for the purposes of the formalities and procedures aimed at completing the Cementos Spin-Off, the discrimination and valuation of the assets that make up the Equity Block Transferred by Cementos, which, as indicated throughout this Project, configures an economic exploitation unit. The Equity Block Transferred by Cementos is made up of the Cementos' Shares in Sura, the Cementos ST Shares in Sura and the corresponding equity entries that make up the Cementos Equity Accounts. The Equity Block Transferred by Cementos configures an economic operating unit that does not incorporate any other type of independent asset, including property, plant, equipment and intangibles, or liabilities, as can be seen below:

Equity Block Transferred by Cementos	
Asset Account / Equity Account	Carrying value of the Transferred Equity Block (see proforma details)
4,094,940 ordinary shares of Grupo Sura held by Cementos	298.136
24,300,000 ordinary Grupo Sura shares held by the Cementos Inhibiting ST	1.769.186

Total assets to be spun off ⁵	2.067.322
Income for the period	30.609
Other comprehensive income	2.036.713
Total equity to be spun off	2.067.322

Figures in millions of Colombian pesos.

- 10.2. Grupo Argos as a spinning-off company and Grupo Sura as a beneficiary company, approve and accept without any reservation and for the purposes of the formalities and procedures aimed at completing the Argos Spin-Off, the discrimination and valuation of the assets that make up the Equity Block Transferred by Argos, which, as indicated throughout this Project, configures an economic exploitation unit. The Equity Block Transferred by Argos is made up of the Total Argos Shares in Sura, the ARGOS ST Shares in Sura and the corresponding equity entries that make up the Argos Equity Accounts. The Equity Block Transferred by Argos configures an economic operating unit that does not incorporate any other type of independent asset, including property, plant, equipment and intangibles, or liabilities, as can be seen below:

Equity Block Transferred by Argos	
Asset Account / Equity Account	Carrying value of the Transferred Equity Block (see proforma details)
42,086,669 ordinary Grupo Sura shares that Grupo Argos holds and will hold, as applicable	2.307.359
155.200.000 acciones ordinarias de Grupo Sura de las que es titular el PA Inhibidor Grupo Argos	8.508.685
Total assets to be spun off⁶	10.816.044
Share issue premium	1.503.373
Reserves	925.983
Cumulative results	7.756.826
Other equity components	90.784
Other comprehensive income	539.078
Total equity to be spun off	10.816.044

Figures in millions of Colombian pesos.

- 10.3. Grupo Sura as a spinning-off company and Grupo Argos as a beneficiary company, approve and accept without any reservation and for the purposes of the formalities and procedures aimed at completing the Sura Spin-Off, the discrimination and valuation of the assets that make up the Equity Block Transferred by Sura, which, as indicated throughout this Project, configures an economic exploitation unit. The Equity Block Transferred by Argos is made up of the Sura Share in Argos, the Sura ST Shares in Argos and the corresponding equity entries that make up the Sura Equity Accounts. The Equity Block Transferred by Sura configures an economic operating unit that does not incorporate any other type of independent asset, including property, plant, equipment and intangibles, or liabilities, as can be seen below:

Equity Block Transferred by Sura	
Asset Account / Equity Account	Carrying value of the Transferred Equity Block (see proforma details)
256,798,303 ordinary Grupo Argos shares held by the Grupo Sura	5.868.318
29,036,085 ordinary Grupo Argos shares held by the Sura ST	663.529
Total assets to be spun off⁷	6.531.847

⁵ The carrying amount of the equity block to be spun off includes the adjustment associated with the measurement of the asset at a reasonable value for accounting purposes.

⁶ The carrying amount of the equity block to be spun off includes the adjustment associated with the measurement of the asset at a reasonable value for accounting purposes.

⁷ The carrying amount of the equity block to be spun off includes the adjustment associated with the measurement of the asset at a reasonable value for accounting purposes.

Stock issue premium	2.433.033
Taxed reserves	513.000
Cumulative earnings	3.585.814
Total equity to be spun off	6.531.847

Figures in millions of Colombian pesos.

- 10.4. The following table summarizes Cementos' equity position before and after the Cementos Spin-Off. For greater detail, see Cementos' proforma financial statements attached as Annex I. In any event, Cementos' proforma financial statements will be updated on the Cementos Cut-Off Date.

Accounting data as of December 31, 2024	Cementos prior to the Cementos Spin-Off	Cementos after the Cementos Spin-Off
Total Assets	19.422.945	18.363.038
Total Liabilities	5.883.571	5.883.571
Equity	13.539.374	12.479.467
Authorized Capital	624.000	624.000
Subscribed and Paid-up Capital	587.370	587.370
Subscribed and Paid-up Shares*	1.411.945.979	1.411.945.979
Bought back shares*	109.677.767	109.677.767
Shares Outstanding*	1.302.268.212	1.302.268.212
Share Par Value	416	416
Equity Value (intrinsic value) per share	10.396,76	9.582,87

Figures in millions of Colombian pesos, except share par value and the equity value (intrinsic value) expressed in pesos.

*Number of shares.

- 10.5. The following table summarizes Grupo Argos' equity position resulting from the Argos Spin-Off. For greater detail, see Grupo Argos' proforma financial statements attached as Annex J. In any event, Grupo Argos' proforma financial statements will be updated on the Cut-Off Date.

Accounting data as of December 31, 2024	Grupo Argos before the Spin-offs and Absorptions	Grupo Argos after the Spin-offs and Absorptions
Total Assets	22.014.673	14.310.771
Total Liabilities	3.246.983	3.817.764
Equity	18.767.690	10.493.007
Authorized Capital	75.000	75.000
Subscribed and Paid-up Capital	54.697	54.697
Subscribed and Paid-up Shares*	875.158.715	732.442.359
Bought back shares*	35.831.170	35.831.170
Shares Outstanding*	839.327.545	696.611.189
Share Par Value	62,5	74,68
Equity Value (intrinsic value)	22.360,39	15.062,93

Figures in millions of Colombian pesos, except share par value and the equity value (intrinsic value) expressed in pesos.

*Number of shares.

- 10.6. The following table summarizes Grupo Sura's equity position resulting from the Sura Spin-Off. For greater detail, see Grupo Sura's proforma financial statements attached as Annex K. In any event, Grupo Sura's proforma financial statements will be updated on the Cut-Off Date.

Accounting data as of December 31, 2024	Grupo Sura prior to Spin-Offs & Absorptions	Grupo Sura after Spin-Offs & Absorptions
Total Assets	30.964.691	25.262.370
Total Liabilities	9.532.478	9.733.757
Equity	21.432.213	15.528.613
Authorized Capital	112.500	112.500
Subscribed and Paid-up Capital	109.121	109.121
Subscribed and Paid-up Shares*	581.977.548	514.767.772
Bought Back Shares*	186.848.946	186.848.946
Outstanding Shares*	395.128.602	327.918.826
Share Par Value	187,50	211,98
Equity value (intrinsic value) per share	54.241,11	47.355,05

Figures in millions of Colombian pesos, except share par value and the equity value (intrinsic value) expressed in pesos.

*Number of shares.

11. COMPANY VALUATION METHOD; TRANSFERRED EQUITY BLOCK VALUATION METHOD

- 11.1. According to the provisions of the CBJ, Chapter IV, Title I, Part III, item 2.1.15, valuations must be performed on each Company's Transferred Equity Blocks using methods with a recognized technical value, considering the principle of going concern and complying with the general criteria found in the CBJ, Chapter IV, Title I, Part III, item 2.1.1 (General conditions for appraisals and other valuation studies).
- 11.2. The Companies hired Inverlink S.A.S. to appraise each Company and, the value of each of the Spin-Off Equity Blocks was determined based on this valuation.
- 11.3. The valuation method used to appraise Cementos, Grupo Argos and Grupo Sura was the sum of the parts method that aggregates discounted cash flows, as described in Appendix L (the "Valuation"), which is subject to criteria including objectivity, source certainty, transparency, integrity, commercial reasonableness and sufficiency, that are demanded by the above standards, and which meets the requirements provided under the CBJ, Chapter IV, Title I, Part III, items 2.11.4.1 to 2.11.4.11. The Valuation returns value ranges for Cementos, Grupo Argos and Grupo Sura prior to implementation of the Spin-offs.
- 11.4. To determine the range of value per share for Cementos, Grupo Argos and Grupo Sura, both the lower and upper limits of each Company's value range are divided by the number of that Company's outstanding shares. The following is the result obtained as of December 31, 2024:
- 11.4.1. The range of value per share for each Ordinary Share and each Preferential Share of Cementos is between COP \$14,256 and COP \$16,329;
- 11.4.2. The range of value per share for each Ordinary Share and each Preferential Share of Grupo Argos is between COP \$34,369 and COP \$41,290; and
- 11.4.3. The range of value per share for each Ordinary Share and each Preferential Share of Grupo Sura is between COP \$72,806 and COP \$91,542.
- 11.5. Within these ranges, each Company defined their value per share as follows:
- 11.5.1. The value per share for Cementos is: COP \$15,293.
- 11.5.2. The value per share for Grupo Argos is: COP \$41,290.
- 11.5.3. The value per share for Grupo Sura is: COP \$82,195.

- 11.6. It should be noted that, as a result of the Company's share buyback programs, the number of outstanding shares of the Companies may vary, and, in consequence, each Company's value per share. These values will therefore be updated on the respective cut-off dates and will be reported to the market using the appropriate reporting mechanisms.
- 11.7. To calculate the value of the Equity Block Transferred by Cementos, Grupo Sura's value per share is multiplied by the number of Sura Shares Spun Off by Cementos.
- 11.8. To calculate the value of the Equity Block Transferred by Grupo Argos, Grupo Sura's value per share is multiplied by the number of Sura Shares Spun Off by Argos.
- 11.9. To calculate the value of the Equity Block Transferred by Grupo Sura, Grupo Argos's value per share is multiplied by the number of Argos Shares Spun Off by Sura.
- 11.10. Considering that, at the accounting level, Grupo Argos and Grupo Sura have always recorded their investments in associates under the equity method in their consolidated financial statements and given that this method requires the elimination of cross-shareholdings, the value per share indicated in Section 11.5 must be adjusted using the same approach applied for the equity method. This will make sure that the accounting records are homogenous and comparable. Given that Cementos does not recognize its investment in Grupo Sura using the equity method, it will not apply this procedure and will choose a value within the range established in Section 11.4.3. The fair values per share for each Company will be as follows:
- 11.10.1. The fair value per share of Grupo Sura for Cementos' accounting purposes will be COP \$72,806.
- 11.10.2. The fair value per share of Grupo Sura for Grupo Argos' accounting purposes will be COP \$54,824.
- 11.10.3. The fair value per share of Grupo Argos for Grupo Sura's accounting purposes will be COP \$22,852.

12. DISTRIBUTION OF ISSUED SHARES

- 12.1. Shares Issued by the beneficiary companies will be distributed by adjudicating to shareholders in the corresponding spinning-off companies shares with substantially equivalent political and economic rights to those of the shares they hold in the spin-off companies and proportionally to their share in those companies at the Cementos Cut-Off Date or at the Cut-Off Date, as the case may be. Thus:
- 12.1.1. The following rules will apply for the Cementos Spin-Off:
- The distribution ratio will be calculated by dividing the number of shares of Grupo Sura in the Equity Block Transferred by Cementos by the number of outstanding shares of Cementos on the Cementos Cut-off Date (the "Cementos Distribution Ratio"). With data from January 31, 2025, the distribution ratio for the Cementos Spin-off is:

$$28.394.940 / 1.301.663.620 = 0,021814$$
 - The Sura Shares Issued During the Cementos Spin-Off will be shared amongst Cementos shareholders based on the Cementos Distribution Ratio. To determine how many Grupo Sura shares correspond to a Cementos shareholder, the number of shares that the shareholder holds in Cementos must be multiplied by

the Cementos Distribution Ratio and if fractions result from this calculation, the procedure described in Section 8.5 will apply.

- c. Given that Grupo Sura's shares are dematerialized, distribution of Grupo Sura's shares will be performed subject to Deceval provisions for the allocation of shares by Spin-off. Although the figures in this Project are expressed with six truncated decimal places, the number of shares to be received by each shareholder will be calculated considering all the decimals resulting from calculating and applying the Cementos Distribution Ratio.

12.1.2. The following rules will apply for the Argos Spin-Off:

- a. The distribution ratio will be calculated by dividing the number of shares of Grupo Sura in the Equity Block Transferred by Argos by the number of outstanding shares of Grupo Argos on the Cut-off Date (the "Argos Distribution Ratio"). With data from January 31, 2025, the distribution ratio for the Argos Spin-off is:

$$197.286.669 / 839.034.400 = 0,235135$$

- b. The Sura Shares Issued During the Argos Spin-Off will be shared amongst Grupo Argos shareholders based on the Argos Distribution Ratio. To determine how many Grupo Sura shares correspond to a Grupo Argos shareholder, the number of shares that the shareholder holds in Grupo Argos must be multiplied by the Argos Distribution Ratio and if fractions result from this calculation, the procedure described in Section 8.11 will apply.
- c. Given that Grupo Sura's shares are dematerialized, distribution of Grupo Sura's shares will be performed subject to Deceval provisions for the allocation of shares by spin-off. Although the figures in this Project are expressed with six truncated decimal places, the number of shares to be received by each shareholder will be calculated considering all the decimals resulting from calculating and applying the Argos Distribution Ratio.

12.1.3. The following rules will apply for the Sura Spin-Off:

- a. The distribution ratio will be calculated by dividing the number of shares of Grupo Argos in the Equity Block Transferred by Sura by the number of outstanding shares of Grupo Sura on the Cut-off Date (the "Sura Distribution Ratio"). With data from January 31, 2025, the distribution ratio for the Sura Spin-off is:

$$285.834.388 / 395.128.602 = 0,723395$$

- b. The Argos Shares Issued During the Sura Spin-Off will be shared amongst Grupo Sura shareholders based on the Sura Distribution Ratio. To determine how many Grupo Argos shares correspond to a Grupo Sura shareholder, the number of shares that the shareholder holds in Grupo Sura must be multiplied by the Sura Distribution Ratio and if fractions result from this calculation, the procedure described in Section 8.14 will apply.
- c. Given that Grupo Argos's shares are dematerialized, distribution of Grupo Argos's shares will be performed subject to Deceval provisions for the allocation of shares by spin-off. Although the figures in this Project are expressed with six truncated decimal places, the number of shares to be received by each shareholder will be calculated considering all the decimals resulting from calculating and applying the Sura Distribution Ratio.

12.2. Table 1 below shows that, regardless of the value per share chosen, the Cementos Distribution Ratio, the Argos Distribution Ratio and the Sura Distribution Ratio do not vary:

Spin-off Cementos	Per share value Grupo Sura (A)*	Spun-off shares Cementos (B)	Outstanding Shares Cementos (C)**	Transferred Equity Portion Cementos (D) = (A*B)***	Distribution Ratio Cementos (D) / (A*C)
Upper limit of the range	91.542	28.394.940	1.301.663.620	2.599.330	0,021814
Lower limit of the range	72.806	28.394.940	1.301.663.620	2.067.322	0,021814

Spin-off Argos	Per share value Grupo Sura (A)*	Spun-off shares Grupo Sura (B)	Outstanding Shares Argos (C)**	Transferred Equity Portion Argos (D) = (A*B)***	Distribution Ratio Argos (D) / (A*C)
Upper limit of the range	91.542	197.286.669	839.034.400	18.060.016	0,235135
Lower limit of the range	72.806	197.286.669	839.034.400	14.363.653	0,235135

Spin-off Sura	Per share value Grupo Argos (A)*	Spun-off shares Grupo Argos (B)	Outstanding Shares Sura (C)**	Transferred Equity Portion Sura (D) = (A*B)***	Distribution Ratio Sura (D) / (A*C)
Upper limit of the range	41.290	285.834.388	395.128.602	11.802.102	0,723395
Lower limit of the range	34.369	285.834.388	395.128.602	9.823.842	0,723395

* Numbers in colombian pesos.

** Numbers of shares as of 31 of December of 2025.

*** Numbers in million of colombian pesos.

13. RIGHT OF WITHDRAWAL

- 13.1. The Spin-Offs are intended to make sure that the rights of all shareholders are protected by implementing measures that provide transparency and support for the process and aim to obtain future shareholder benefits. Therefore, the number of shares in the stock of the beneficiary company received by each shareholder of the spinning-off company are given proportionately to each shareholder's shares in the corresponding spin-off company, as explained in Section 12, which allows the distribution of the Issued Shares in each of the Companies that are beneficiary companies to be determined in a clear, supported manner. The Issued Shares are distributed among the shareholders of the Company to be spun-off in proportion to the interest that such shareholders have in the outstanding capital of said spinning-off Company on the Cementos Cut-off Date or on the Cut-off Date, as applicable.
- 13.2. The Spin-Offs do not impose greater liabilities on the shareholders, to the extent that their liability will continue to be limited to the amount of their corresponding contributions, under the terms of Article 373 of the Code of Commerce, considering that the Companies are and remain stock corporations after the Spin-Offs.
- 13.3. Likewise, none of the Spin-Offs impose a deterioration of economic rights for the corresponding shareholders, since (a) the shareholding of the corresponding shareholders in the capital of the spin-off company will not be reduced and they will hold the same shareholding they held in the capital of the spinning-off company immediately prior to the corresponding Spin-Off in the Transferred Equity Block and the Issued Shares, (b) there will be no reduction in the par value of their shares in the corresponding spin-off company, (c) it can be determined that the sum of the equity value (intrinsic value) of the shares that the shareholders will hold in the corresponding spin-off company plus the equity value (intrinsic value) of the shares that the shareholders will receive in the corresponding beneficiary company as a result of the respective Spin-Off will in no case be less than the equity value (intrinsic value) of the shares held by the shareholders in the corresponding spin-off company immediately prior to the respective Spin-Off, and (d) the shares' marketability shall not be limited or reduced, considering that the Ordinary Shares and Preferential Shares of all three Companies will still be registered with the RNVE and listed on the BVC.

- 13.4. Additionally, upon completion of the Spin-offs: (a) the shareholding of current Grupo Argos and Grupo Sura shareholders, other than the Companies themselves, in the capital of these companies will increase as a result of the write-offs described in Sections 8.10.3. and 8.13.3., and (b) the shareholding of current Cementos shareholders in the capital of that company will be maintained.
- 13.5. As a result of the Spin-Offs, underlying voting rights will not change compared to the current situation, considering that, as described in the Project, (a) shareholders holding Ordinary Shares in Cementos and Grupo Argos will additionally receive Ordinary Shares in Grupo Sura, (b) shareholders holding Preferential Shares in Cementos and Preferential Shares in Grupo Argos will additionally receive Preferential Shares in Grupo Sura, (c) shareholders holding Ordinary Shares in Grupo Sura will additionally receive Ordinary Shares in Grupo Argos, and (d) shareholders holding Preferential Shares in Grupo Sura, will additionally receive Preferential Shares in Grupo Argos. Therefore, the economic and political rights of both Ordinary Shares and Preferential Shares after the Spin-Offs remain, in substance, equivalent to those in effect before the Spin-Offs.
- 13.6. Thus, considering that the Spin-offs do not impose any greater liability on shareholders and do not imply a deterioration in their equity rights, as explained in the above paragraphs, there is no legal cause for absent or dissident shareholders to exercise their right of withdrawal regulated by Articles 12 and following of Law 222.
- 13.7. However, if any absent or dissident shareholders of the Companies believes they have cause to exercise their right of withdrawal under the law, they may invoke it, under the terms established in the law and the bylaws of the corresponding Company, and they will only be permitted to exercise it if it is determined that there a legal cause exists that would allow it to be exercised, as provided by law.

14. AUTHORIZATION FROM BONDHOLDERS

The Companies have issued bonds on the public securities market. The Companies will therefore convene bondholder meetings under the terms of Decree 2555/2010 to submit the Spin-Offs for approval. As explained in this Project, as a result of the Spin-offs, the assets of the Companies will represent more than twice their respective external liabilities and the Spin-Offs will not impair the Companies' credit capacity, and so they expect to obtain the bondholders' approval. Consequently, if it becomes necessary to offer any option to bondholders under the terms of Decree 2555/2010, article 6.4.1.1.42, each Company's shareholders, by approving this Project, expressly authorize their corresponding legal representatives to, after approval by the corresponding Board of Directors, determine which option would be offered to the bondholders and proceed to formalize the offer and perfect the option offered.

15. LABOR ASPECTS

Spin-Offs shall not include the transfer of employees upon completion.

16. PUBLICITY AND CREDITORS' RIGHTS

16.1. Once this Project has been approved by each Company's shareholders' meeting, each of Company shall inform its creditors of its approval by means of a publication in the financial section of a widely circulating newspaper in Colombia, as ordered by Article 174 of the Code of Commerce. They will also give written notice to their creditors by telegram or any other means that produces similar effects, as provided for by Law 222, article 5, second paragraph.

- 16.2. To the extent that, as a result of the Spin-Offs, the Companies' assets are more than twice their external liabilities, their creditors will not be entitled to demand the guarantees referred to in Law 222, article 6.
- 16.3. By virtue of the Companies' status as issuers of securities, each Company has communicated to the market, as relevant information, the decisions of its corporate bodies and the acts and contracts subject to the Spin-Offs through the relevant reporting module of the Securities Market Reporting System (SIMEV, in Spanish) and the RNVE administered by the SFC and through the BVC as required by the obligations set forth in Decree 2555/2010 and, as they advance towards completing the Spin-Offs, they will continue to publish all related aspects as relevant information.

17. SPIN-OFF PROJECT APPROVAL

- 17.1. This Project is submitted for approval by the Cementos Shareholders' Meeting, as provided for in Cementos' bylaws and the law. The completion of the Cementos Spin-Off is subject, in any event, to prior approval by the SFC and other conditions contained in Section 7 above.
- 17.2. This Project is submitted for approval by the Grupo Argos Shareholders' Meeting, as provided for in Grupo Argos' bylaws and the law. The completion of the Argos Spin-Off is subject, in any event, to prior approval by the SFC and other conditions contained in Section 7 above.
- 17.3. This Project is submitted for approval by the Grupo Sura Shareholders' Meeting, as provided for in Grupo Sura's bylaws and the law. The completion of the Sura Spin-Off is subject, in any event, to prior approval by the SFC and other conditions contained in Section 7 above.

18. COMPLETION OF THE SPIN-OFFS

- 18.1. Prior to compliance with the conditions set forth herein, the legal representative of each of the Companies shall certify this Project and the other documents provided for under Law 222, Article 8 by public document. Once the public documents are registered in the commercial registry, the corresponding Spin-Off will operate between the Companies and, as regards third parties, the transfer of the Transferred Equity Blocks from:
- 18.1.1. Cementos to Grupo Sura;
 - 18.1.2. Grupo Argos to Grupo Sura; and
 - 18.1.3. Grupo Sura to Grupo Argos.
- 18.2. As provided for by the CBJ, within thirty (30) business days following the date of execution of the resolution authorizing the Spin-Offs to be enshrined, or a longer period as authorized by the SFC, the legal representative of each Company must send the SFC a notarized or authentic copy of the corresponding public document, with proof of registration in the Chamber of Commerce of each Company's main domicile.

19. AUTHORIZATION ON ACCOUNTING ADJUSTMENTS AND OTHER FIGURES

- 19.1. Shareholders, with approval of this Project, expressly authorize the legal representatives of each Company to make the required accounting adjustments and to calculate the Distribution Ratios and other final figures required, according to the variations arising during the period between the date of the financial statements used as a basis to define the conditions under which the Spin-

Offs will be performed and the date on which each of them is completed, respecting the terms and conditions in the Project.

20. APPROVAL BY SHAREHOLDERS' MEETINGS AND AUTHORIZATIONS BY LEGAL REPRESENTATIVES

- 20.1. The Cementos Shareholders' Meeting shall approve the Cementos Spin-off with a favorable vote by a majority of the Ordinary Shares present at said meeting.
- 20.2. The Grupo Argos Shareholders' Meeting shall approve the Argos Spin-Off and the Sura Spin-Off with a favorable vote by a majority of the Ordinary Shares present at said meeting.
- 20.3. The Grupo Sura Shareholders' Meeting shall approve the Cementos Spin-Off, the Argos Spin-Off and the Sura Spin-Off with a favorable vote by a majority of the Ordinary Shares present at said meeting.
- 20.4. By approving this Project, the shareholders expressly authorize each of the Companies' legal representatives, or their appointees, to jointly or separately perform any adjustments, activities and adaptations that may be necessary as regards the required certificates, consents and contracts, and to perform and execute all acts and perform all activities required or convenient to complete all the procedures required to implement the Spin-Offs in the terms provided hereunder. This authorization includes, without limitation, an authorization for the Companies' legal representatives to act directly or through agents to carry out any type of private or administrative act required to complete the Spin-Offs before any shareholder, third party, or public, administrative or judicial entity, including, without limitation, requesting prior authorization for the Spin-Offs before the SFC and clarifying, adding to, and adjusting the Project according to requirements made by the SFC or any other authority regarding the Spin-Offs or required for executing and completing the Spin-Offs; in the understanding that they may not, in any case, modify the formulas for calculating each corresponding Distribution Ratio.
- 20.5. The following annexes are made a part of this Project:

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ANNEX A

Current corporate bylaws of Cementos

CEMENTOS ARGOS S. A. BYLAWS

CHAPTER I

NAME, SPECIES, NATIONALITY, ADDRESS, DURATION AND PURPOSE

ARTICLE 1: Cementos Argos S.A., is a Joint-Stock Company, of Colombian nationality, with its main domicile in the city of Barranquilla, the Department of Atlántico, the Republic of Colombia (hereinafter referred to as **THE COMPANY**). The Company may, at the will of its Board of Directors, open offices, agencies or branches in other cities of the country or in other countries.

ARTICLE 2: The Company will last until August 14, 2060, notwithstanding that said term may be extended or dissolved early, in accordance with the Bylaws and the law.

ARTICLE 3: The Company will engage in the following activities:

The exploitation of the cement industry, and the production of concrete mixtures and any other cement-, lime- or clay-based materials or articles; the acquisition and disposal of minerals or mineral deposits usable in the cement industry and its similar, and of rights to explore and exploit minerals of those indicated, whether by concession, privilege, lease or any other title; the acquisition and disposal of deposits of other minerals and rights to explore and exploit minerals other than those indicated above, whether by concession, privilege, lease, or any other title; the performance of hydrocarbon exploration and exploitation activities and other activities inherent to the sector; the establishment of factories, stores, and agencies for the production, storage, distribution, and sale of its products and the acquisition, exploitation, and disposal of raw materials, machinery, and its own equipment to carry out its Corporate Purpose or that tend to its development. The use of substances that cannot be used by other processes to replace raw materials or fuels in the manufacture of cement. The Company may build and operate the necessary industrial assemblies and installations – such as factories, power plants, docks, workshops, buildings, warehouses, stores or agencies; establish the distribution and sales systems it deems most appropriate; deal with the acquisition of, transportation of, disposal of and entering into all kinds of contracts on the products of the cement industry and on the objects to which their applications give rise, and also in the acquisition, exploitation and disposal of its own raw materials to carry out its Corporate Purpose. Likewise, the Company may develop and exploit all kinds of commercial activities in its port facilities, as well as contract with individuals the use thereof and invest in port construction, maintenance and administration; the provision of storage loading and unloading services in ports and other services directly related to port activity, as well as acting as a contractor, builder, consultant, inspector, designer or planner of civil works or of another kind, before any public or private entity.

Investment in all types of movable and immovable property and especially in shares, quotas or parts, or in any other title of participation, in companies, entities, organizations,

funds or any other legal figure that allows the investment of resources. Likewise, it may invest in fixed- or variable-income papers or documents, whether or not they are registered in the public stock market. In any case, the issuers and/or receivers of the investment may be of a national or foreign public, private or mixed nature.

In order to achieve full compliance with its Corporate Purpose, the Company may also:

- a)** Acquire ownership or any kind of rights over real estate, machinery or other assets and build constructions and other works that are necessary or convenient for the development of its businesses, obtain means of communication and concessions for the use of water, exploitation of minerals and other natural resources related to its Purpose; acquire, conserve, use, exploit and dispose of patents, registration rights, permits, privileges, industrial procedures, trademarks, registered names and any type of intellectual property rights, related to the establishment and to all the Company's production, process, operation and activities, entering into all kinds of business on them; invest their available reserve, forecast or other funds in the acquisition of all kinds of movable or immovable, corporeal or incorporeal goods and rights, being able to conserve, exploit and dispose of them, according to the Company's needs;
- b)** Constitute entities of a civil, commercial or any kind of nature, organize or finance companies, associations or businesses that have the same or similar objects to those of the Company, or that have the purpose of executing or entering into businesses that result in opening new markets to the articles produced by the Company or procure clients, or improve it, or facilitate in any way the operations that constitute its primary Purpose, or enter into all kinds of arrangements or contracts with them, and subscribe or take an interest in the aforementioned companies, associations or businesses;
- c)** Incorporate the businesses of any of the companies, associations, or businesses that have just been mentioned, or merge with them;
- d)** Take and give money at interest, issue bonds in accordance with the rules provided by law; give as collateral their movable or immovable, corporeal or incorporeal property; draw, endorse, acquire, accept, collect, protest, cancel any titles, securities, shares, bonds and investment papers; and, in general, carry out anywhere, either in its own name, on behalf of third parties or in participation with them, all kinds of civil, commercial, industrial or financial operations, on movable or immovable, corporeal or incorporeal property that are necessary or convenient for the achievement of the purposes that it pursues or that may favor or develop its activities or those of the companies in which it has an interest and that are directly related to the Corporate Purpose, whatever their legal nature.

CHAPTER II

CAPITAL AND SHARES

ARTICLE 4: The Company's Authorized Capital is Six Hundred Twenty-Four Billion Pesos (COP 624,000,000,000.00) Colombian legal currency, divided into One Point Five Billion (1,500,000,000) registered shares and capital with a par value of Four Hundred Sixteen Pesos (COP 416.00) each.

ARTICLE 5: The Company's Shares are nominative and capital and may be: **a)** Ordinary; **b)** With a Preferential Dividend and without voting rights; and **c)** Privileged, as permitted by current legal regulations.

Paragraph: Any issuance of Shares may be revoked or modified by the General Assembly, before they are placed or subscribed and are subject to legal requirements.

ARTICLE 6: The Shares into which the Company's capital is divided will circulate in a dematerialized manner and will be represented by a macro Title, which will be kept in custody and its administration in the Centralized Securities Depository of Colombia, which will make the annotations of the subscribers and will keep the Stock Registry Book. Shareholders may request a certificate through their direct depositor, which legitimizes them to exercise the rights inherent to their capacity.

ARTICLE 7: Shareholders must register, with the Company's secretary, the address of their residence or the place where communications or reports are to be sent to them, and it is presumed that the notices or reports sent to the registered address have been given.

ARTICLE 8: The Company may only acquire its own shares by a decision of the Shareholders' Meeting with the favorable vote of the number of subscribed shares determined by law, with funds taken from liquid profits and provided that such shares are fully released.

The reacquisition must be carried out through mechanisms that guarantee equal conditions for all Shareholders. The repurchase price will be set based on a study carried out in accordance with technically recognized procedures.

The rights inherent to the Shares acquired will be suspended while the shares belong to the Company.

Paragraph: The Company may take any of the measures authorized by law with respect to the reacquired shares. The disposal of the reacquired shares will be done through mechanisms that guarantee equal conditions to all Shareholders without the need to draw up a Share Subscription Regulation.

CHAPTER III

TRANSFER AND ENCUMBRANCE OF SHARES

ARTICLE 9: The Company will keep a Share Registry Book, in accordance with the Bylaws and the law. The transfer of the Shares, as well as any attachment, lawsuit, pledge or other encumbrance or limitation of ownership that is related to them, will be made with the entry into account by the Centralized Securities Depository and the registration in the Share Registry Book, in accordance with applicable law.

The Company may delegate the keeping of the Share Registry Book to a third party. Shareholder status will be accredited by means of a certificate issued by the Centralized Securities Depository.

ARTICLE 10: While the Share is listed on a stock exchange, all transfers of shares must be made through it, except for legal exceptions.

In forced sales and judicial awards of nominative Shares, the registration will be made by displaying the original or an authentic copy of the pertinent documents.

ARTICLE 11: The Subscribed Shares not fully released are transferable, but the transfer does not extinguish the obligations of the assignor in favor of the Company, since the Assignor and the Assignee will be jointly and severally liable for the sums owed, without prejudice to the penalties and constraints provided by law.

ARTICLE 12: Unless otherwise stipulated between a Shareholder and his creditor, the pledge will not give the creditor the rights inherent to the quality of a shareholder. The document in which the respective agreement is recorded, once the corresponding registration has been made, will suffice to exercise the rights conferred on the creditor before the Company.

ARTICLE 13: Unless expressly stated otherwise, the usufruct will grant all the rights inherent to the quality of Shareholder, except those of alienation, encumbrance and reimbursement at the time of liquidation.

For the exercise of the rights reserved by the bare proprietor, the respective document will suffice, as established in the previous Article.

ARTICLE 14: As long as the Company keeps its Shares listed on the stock exchange, the rules regarding the minimum values for the trading of shares through said exchange and the "*ex-dividend*" date will be applied, in accordance with the applicable regulations.

ARTICLE 15: It is understood that the acquisition of Shares in the Company under any title or by any system implies acceptance of everything provided in the Bylaws, the Code of Good Governance and any other document issued by the Company that regulates rights and duties of Shareholders and the operation of Corporate Bodies.

CHAPTER IV

SHARE SUBSCRIPTION

ARTICLE 16: The Shares in reserve remain at the disposal of the Board of Directors for their issuance and placement when it deems it appropriate. The subscription regulations will be prepared by the Board of Directors. In the case of Shares with a Preferential Dividend and without voting rights, the regulations must be approved by the Shareholders'

Assembly, unless the Shareholders' Assembly delegates such attribution to the Board of Directors when arranging the issue. In the case of Privileged or Enjoyment Shares, the respective regulation must always be approved by the Shareholders' Assembly.

PARAGRAPH: When it is planned to make the payment of the Shares with assets other than money, its appraisal must be approved by the Shareholders' Assembly.

ARTICLE 17: When authorized by law, shares may be issued for a price lower than the nominal value.

ARTICLE 18: Shareholders holding Ordinary Shares shall have the right to preferentially subscribe in any new issue of Ordinary Shares, an amount proportional to those they hold on the date on which the competent Corporate Body approves the subscription regulations. The Notice of Offer of the shares will be given by the means of communication provided by the Bylaws for the summoning of the Shareholders' Assembly.

The subscription right will be negotiable from the date of the Notice of Offer.

The Right of Preference in the subscription will not proceed in the issuance of shares other than Ordinary Shares. Notwithstanding the foregoing, in each case the competent Corporate Body may establish that a specific issue of shares other than Ordinary Shares will be subscribed, subject to the Right of Preference, in accordance with the law and the Bylaws.

ARTICLE 19: The Share Subscription Regulations will contain:

1. The number of Shares offered, which may not be less than those issued.
2. The proportion and manner in which they may be subscribed.
3. The period of the offer, which will not be less than fifteen (15) business days nor will it exceed one (1) year.
4. The price at which they are offered.
5. The terms for the payment of the Shares, expressly indicating the amount that must be covered at the time of subscription and the maximum period to pay the pending installments.

Said regulation will be submitted for the approval of the competent authority in case the law so requires.

PARAGRAPH: In no case shall it be required that the price at which the Shares are offered be determined through studies carried out in accordance with technically recognized procedures.

When a Shareholder is in default of paying the quotas of the Shares that he has subscribed, he will not be able to exercise the rights inherent to them. For this purpose, the Company will write down the payments made and the outstanding balances.

If the Company has overdue obligations for installments of the Subscribed Shares, which are the responsibility of the Shareholders, at the choice of the Board of Directors, it will go to judicial collection or to sell at the risk of the defaulter through a commission agent, the Shares that have been subscribed, or to allocate the sums received for the release of the number of Shares corresponding to the installments paid, after the deduction of twenty percent (20%) as compensation for damages, which will be presumed caused.

The Shares that the Company withdraws from the defaulting Shareholder will be placed immediately.

CHAPTER V

REPRESENTATION; MANDATE

ARTICLE 20: Shareholders may be represented before the Company for any of the statutory or legal acts by proxy designated by any written means or electronic document.

The Company will recognize the representation thus conferred, from the moment in which it receives the corresponding communication.

PARAGRAPH: In the Power-of-Attorney conferred for a meeting of the Shareholders' Assembly, the name of the proxy will be indicated; the person in whom he/she can replace him/her, if applicable; and the date or time of the respective meeting. The Power-of-Attorney may comprise two or more meetings of the Shareholders' Assembly.

ARTICLE 21: Each Shareholder, whether a natural or legal person, may only designate one (1) individual to represent them at the Shareholders' Assembly, regardless of the number of Shares held.

ARTICLE 22: The Shares will be indivisible with respect to the Company and, consequently, when for any legal or conventional reason a Share belongs to several persons, they must designate a common and sole representative who exercises the rights corresponding to the quality of Shareholder. In the absence of agreement, the judge of the Corporate Domicile will designate the representative of such actions, at the request of any interested party.

ARTICLE 23: The Executor with possession of goods will represent the actions that belong to the illiquid succession. Being several, the Executors will designate a single representative, unless one of them had been authorized by the judge for that purpose. In the absence of an Executor, the person elected by a majority vote of the successors recognized in the trial will be the representative.

ARTICLE 24: Except in cases of legal representation, the Company Administrators and Employees may not represent Shares other than their own at the Shareholders'

Assembly, while they are in office, nor substitute the Powers-of-Attorney conferred on them. The Fiscal Auditor may not act as agent in any case.

CHAPTER VI

FUNDAMENTAL RIGHTS OF SHAREHOLDERS

ARTICLE 25: Each share will confer to its owner the following rights:

1. Participate in the decisions of the Shareholders' Assembly and vote in it. This right applies to those who own Ordinary Shares.
2. Receive a proportional part of the Corporate benefits established by the Financial Statements at the end of the fiscal year, subject to the provisions of the law, the Bylaws and the respective placement regulations.
3. Freely negotiate the Shares, unless the Right of Preference is stipulated in favor of the Company, the Shareholders or both.
4. Freely inspect the books and Corporate papers during the period of summoning the General Assembly meetings in which the Year-End Financial Statements are examined or Balance Sheets are to be approved for the purposes of a merger, spin-off or Company transformation.
5. Receive a proportional part of the Corporate assets, at the time of liquidation and once the Company's external liabilities have been paid.
6. Have access to relevant information regarding the Company's governance, in accordance with the relevant legal provisions, as well as receive objective information, as established in the Company's Code of Good Governance.
7. Request authorization from the Company's Management to commission, at its expense and under its responsibility, specialized audits under the terms and conditions established in the Code of Good Corporate Governance. This right is extended to all persons who own any type of security issued by the Company.

ARTICLE 26: In the cases of transformation, merger or scission, in which a greater responsibility is imposed on the Shareholders or imply a deterioration of their patrimonial rights, according to the terms of the law, the absent or dissenting Shareholders will have the right to withdraw from the Company. Shareholders shall have the same right in the events of the voluntary cancellation of the registration in the National Securities Registry or in the stock exchange of the respective type of share of which they are holders.

CHAPTER VII

THE SHAREHOLDERS' ASSEMBLY

ARTICLE 27: The Shareholders' Assembly is formed by the Shareholders or their representatives meeting with the quorum and the other formalities provided for in the

Bylaws. Each Shareholder will have as many votes as Shares he or she owns, with the restrictions that the law imperatively and inescapably establishes.

ARTICLE 28: The Shareholders' Assembly will be chaired by the Company's CEP, by any of the Legal Representatives, and – in the absence of the aforementioned – by the Shareholder or Share representative designated by the Assembly itself.

ARTICLE 29: The meetings of the Shareholders' Assembly will be Ordinary or Extraordinary. The first will be held within the first three (3) months of the calendar year to examine the Company's situation, appoint the Administrators and other officials of its choice, consider the General-Purpose Individual and Consolidated Financial Statements of the last fiscal year, decide on the distribution of profits and adopt the other decisions that correspond to it.

If the Shareholders' Assembly is not called for an Ordinary Meeting, the Assembly will meet in its own right on the first business day of April, at ten o'clock in the morning (10:00 AM) at the main office of the Company's Administration. In this case, the presence of one or more Shareholders will suffice to meet and decide validly, regardless of the number of shares represented. Extraordinary meetings of the Shareholders' Assembly will be held when required by the needs of the Company, by a summons from the Board of Directors, the Company CEO or the Fiscal Auditor, or when ordered by official bodies that have legal competence to do so.

PARAGRAPH ONE: Those who, in accordance with this Article, can summon the Shareholders' Assembly must also do so when requested by Shareholders representing at least one fifth (1/5) of the Subscribed Shares.

PARAGRAPH TWO: The provisions of this Article do not prevent non-face-to-face, or mixed meetings from being held, or make decisions by written vote, in the terms authorized by law.

ARTICLE 30: The meetings of the Shareholders' Assembly will be summoned by a notice in any newspaper of the Company's registered office, or by any written means addressed to all Shareholders. When the meeting is Extraordinary, the Order of the Day will be inserted in the notice.

For the meetings in which the General-Purpose Individual and Consolidated Financial Statements at the end of the fiscal year must be approved, or when there is an express legal provision, the summon will be made at least twenty-five (25) calendar days in advance. In all other cases, an advance notice of five (5) calendar days will suffice. For the computation of these terms, the day of the summon or the day on which the meeting is to be held shall not be considered.

PARAGRAPH ONE: In the event that the Assembly were to make decisions regarding which the law, the Bylaws, or the Subscription Regulations confer to the holders of Shares with a Preferential Dividend and without voting rights, the right to vote, in the summons,

it must be stated that the Shareholders holding these shares will have the right to speak and vote at the meeting.

PARAGRAPH TWO: As long as the Share remains registered in the stock market, when it is intended to discuss the increase of the Authorized Capital or the decrease of the Subscribed Capital, the respective point must be included in the Order of the Day indicated in the summons, under the penalty of ineffectiveness of the respective decision. In these cases, the Company Administrators will prepare a report on the reasons for the proposal, which must be made available to the Shareholders during the summons period at the Company's Administration Offices. In cases of a scission, merger and transformation, the respective projects must be kept at the disposal of the Shareholders at the offices of the Company's main domicile, at least during the same period as the summoning of the meeting where the proposal is to be considered. Likewise, the point must be included in the summons and the possibility that Shareholders have of exercising the Right of Withdrawal must be expressly indicated, under penalty of ineffectiveness of the decision.

Notwithstanding the foregoing, the Shareholders' Assembly may meet anywhere, deliberate and decide validly, without prior notice when all the Subscribed Shares are represented.

PARAGRAPH THREE: Shareholders have the right to propose the introduction of one or more items to be debated on the Order of the Day of the Shareholders' Assembly and to present alternative proposals to those presented by Management or another Shareholder.

The aforementioned proposals must be sent to the Secretary General by any written means within three (3) calendar days following the publication of the respective summons, who will inform the Board of Directors.

In the event that the Board of Directors does not consider it pertinent to accept the proposals to modify the Order of the Day or the alternative proposals, it is obliged to respond in writing to those requests supported by Shareholders holding Ordinary Shares that represent five percent (5%) or more of the Outstanding Shares, explaining the reasons that motivate their decision and informing the Shareholders of the right they have to present their proposals during the Assembly, in accordance with the provisions of Article 182 of the Commercial Code.

In the event that the Board of Directors accepts the request, after the Shareholders have exhausted the time to propose topics in accordance with the provisions of this paragraph, not less than one (1) calendar day in advance of the date of the meeting, a supplement to the summons will be published in which the topics proposed by the Shareholders will be included.

In any case, the Shareholders retain the right to present their proposals during the Shareholders' Assembly, which will be debated when so decided by the simple majority of the Shares represented at the meeting.

PARAGRAPH FOUR: Up to two (2) business days prior to the date scheduled for the holding of the respective meeting, the Shareholders may, by means of a communication addressed to the Investor Service Office, formulate in writing the questions they deem necessary in relation to the matters included in the Order of the Day, the documentation received or on the public information provided by the Company or they may request the information or clarifications they deem pertinent.

In the event that it is considered that the requested information **i)** is not pertinent; **ii)** is irrelevant to knowing the Company's progress or interests; **iii)** is confidential, which will include privileged information in the field of the stock market, industrial secrets, operations in progress whose good outcome for the Company substantially depends on the secrecy of its negotiation; **iv)** upon disclosure, it could be used to the Company's detriment or delivered for the benefit of competing shareholders; or **v)** upon disclosure, it would put the Company's competitiveness in imminent and serious danger, the Company may refuse to deliver it.

When the information provided or the response provided to a Shareholder may put him or her at an advantage, the Company will publish a copy of said information or response on the Website.

ARTICLE 31: There will be a quorum to deliberate both at Ordinary and Extraordinary meetings, with a plural number of Shareholders representing at least one-half plus one ($1/2 + 1$) of the Subscribed Shares with voting rights.

If – due to a lack of quorum the Assembly cannot meet, a new meeting will be summoned on second call in which it will meet and validly decide with one or several Shareholders, regardless of the number of shares represented. The new meeting must be held not before ten (10) days nor after thirty (30), both periods of business days, counted from the date for the first meeting.

PARAGRAPH ONE: The Company's own reacquired Shares that it has in its possession will not be computed, in any case, for the conformation of the quorum.

Article 32: The functions of the Shareholders' Assembly are:

1. Freely elect and remove the members of the Board of Directors, as well as set their remuneration.
2. Freely appoint and remove the Fiscal Auditor and the Alternate and set their remuneration.
3. Approve the Board of Directors' Remuneration and Succession Policy.
4. Provide that a certain issuance of Ordinary Shares be verified without being subject to the Right of Preference.

5. Examine, approve, reject, modify and conclude the General-Purpose Individual and Consolidated Financial Statements, as required by law, in the same way as considering the Reports from the Administrators and the Fiscal Auditor.
6. Decree the distribution of profits; set the amount of the dividend and the form and periods in which it will be paid; provide what Reserves must be made, in addition to the legal ones; and allocate a part of them for charitable, civil or educational purposes.

PARAGRAPH: Items for the latter purposes may also be authorized as Company expenses.

7. Reform the Bylaws in accordance with legal provisions. For the purposes of approving the amendments to the Bylaws, each group of Articles that is substantially independent will be voted on separately. However, if any Shareholder or group of Shareholders, representing at least five percent (5%) of the Social Capital, so requests during the Shareholders' Assembly, one or more Articles may be voted separately.
8. Create and place Shares with a Preferential Dividend and without voting rights.
9. Adopt the decision to initiate the social action of responsibility against the Administrators.
10. Decide regarding the Company's segregation. For this purpose, segregation is understood as the definition established in the applicable regulations on the matter.

PARAGRAPH: With the legal, statutory or Good Governance Code exceptions, the Shareholders' Assembly may delegate functions, for specific cases, to the Board of Directors.

The functions established in Numbers 1, 3 and 10 above may not be delegated to the Board of Directors or Senior Management.

ARTICLE 33: All decisions, agreements, decrees, work and deliberations of the Shareholders' Assembly shall be recorded in a Book of Minutes.

Each Minutes shall bear the signatures of the Chairman and the Secretary of the Assembly and shall be approved by a committee of two (2) persons designated by the same Corporate Body, who shall record their approval or their comments in the final part of the document.

CHAPTER VIII

DECISION-MAKING MAJORITIES, ELECTIONS AND REFORMS TO THE BYLAWS

ARTICLE 34: The decisions of the Shareholders' Assembly will be made by a majority of the votes present, except for the following exceptions:

1. In order not to distribute the minimum percentage of profits provided by law, a majority of seventy-eight percent (78%) of the Shares represented at the meeting will apply.
2. For the placement of Shares not subject to the Right of Preference, a majority of seventy percent (70%) of the shares present at the meeting will apply.
3. In order to pay the dividends with paid-up Company shares, a majority of eighty percent (80%) of the Shares represented at the meeting will apply.

ARTICLE 35: The reforms of the Bylaws will be approved and will be raised to a public deed by a Legal Representative, and registered in the Chamber of Commerce corresponding to the Corporate Domicile.

ARTICLE 36: Appointments by acclamation will not be admissible in the Company, unless they are made unanimously and by leaving express record of it.

CHAPTER IX

THE BOARD OF DIRECTORS

ARTICLE 37: The Board of Directors is made up of seven (7) members, elected for periods of one (1) year and re-elected indefinitely.

The members of the Board will be elected through the application of the electoral quotient system.

In the slates that are presented for the purposes of the corresponding election, at least three (3) Independent Members must be included. Such Independent Members must prove their quality in the terms established in the Paragraph Two of Article 44 of Law 964 of 2005, or the one that replaces, adds or modifies it.

In the event that two or more slates are presented for the election of the Board of Directors, the provisions of Article 1 of Decree 3923 of 2006 or the regulations that modify it must be complied with.

For this purpose, the lists corresponding to the election of Independent Members may only include people who meet the qualifications set forth in the Paragraph Two of Article 44 of Law 964 of 2005, notwithstanding that in the lists corresponding to the election of members remaining people who meet such qualities are included.

Proposals for the election of members of the Board of Directors must be submitted by the Shareholders not less than five (5) calendar days before the date set for the Shareholders' Assembly meeting in which the respective election will take place, attaching the following documents:

- a) The written communication of each candidate in which they express their acceptance to be included in the corresponding list.

- b) In the case of Independent Members, the written communication of each candidate stating that they meet the independence requirements set forth in Paragraph Two of Article 44 of Law 964 of 2005.

PARAGRAPH ONE: The members of the Board are removable at any time by the Shareholders' Assembly without it being necessary to state the reason; also without their consent.

PARAGRAPH TWO: There will be no substitutions in the Board of Directors.

ARTICLE 38: The Company CEO may or may not be a member of the Board; if he is not, he will only have a voice in the deliberation. In no case will the Company CEO earn special remuneration for his attendance at the Board meetings.

ARTICLE 39: The Board of Directors will elect from among its members, and for the same period as the Board of Directors, a Chairman of the Board.

The Chairman of the Board of Directors shall have the following functions:

1. Summon meetings, directly or through the Secretary of the Board of Directors.
2. Preside over meetings and manage discussions.
3. Prepare the Order of the Day for the meetings, in coordination with the Company CEO and the Secretary of the Board of Directors.
4. Ensure that the Board of Directors sets and efficiently implements the Company's strategic direction.
5. Coordinate and plan the operation of the Board of Directors by establishing an annual calendar and an action plan based on the assigned functions.
6. Ensure the timely delivery of the information to the Members of the Board of Directors, directly or through the Secretary of the Board of Directors.
7. Oversee the execution of the Board of Directors' agreements and follow up on their orders and decisions.
8. Monitor the active participation of the members of the Board of Directors.
9. Lead the annual evaluation process of the Board of Directors and the Committees, except their own evaluation.
10. Lead the interaction of the Directors among themselves and between the Board of Directors and the Shareholders.

ARTICLE 40: The Board of Directors will meet ordinarily at least eight (8) times a year and may meet extraordinarily when it determines this itself or when it is convened by the Company CEO, by the Fiscal Auditor or by three (3) of its members. Non-face-to-face meetings will also be valid in the terms authorized by law.

The summons to the meetings of the Board of Directors must be made by any means and without there being a special term of call.

ARTICLE 41: The Board of Directors will deliberate and decide validly with the presence and the votes of the majority of its members in the place that it determines. The provisions of this Article do not preclude holding non-face-to-face or mixed meetings, or making decisions by a written vote, in the terms authorized by law.

ARTICLE 42: The functions of the Board of Directors are:

1. Freely appoint and remove the Company CEO and the other Legal Representatives.
2. Evaluate the Company CEO and set his remuneration.
3. Resolve on the resignations and licenses of the Company employees whose appointment corresponds to it.
4. Summon the Shareholders' Assembly for Extraordinary sessions, whenever deemed appropriate, or when requested by a number of Shareholders representing at least one fifth (1/5) of the Subscribed Shares. In the latter case, the summon will be made within three (3) business days following the day on which it is requested in writing.
5. Give a consultative vote to the Company CEO when he requests it.
6. Submit to the Shareholders' Assembly a reasoned Annual Management Report, which must contain a faithful statement on the evolution of the business and the Company's legal, economic and administrative situation. Likewise, it must include indications about the important events that occurred after the fiscal year, the Company's foreseeable evolution and the operations carried out with the partners and with the Administrators. The report must be approved by the majority of the votes of the Board of Directors and the explanations or qualifications of those who did not share it will be attached to it. This report, together with the other legal documents, will be presented, in association with the Company CEO.
7. Decree and regulate the issuance and placement of Shares, Bonds and Commercial Papers.
8. Authorize the signing of partnership contracts or the acquisition of Company Shares when the Company acquires the status of controlling partner; decide on the transfer, disposal or partial lease of the Company's assets, provided that the operation in question deals with a part, the value of which is greater than ten percent (10%) but less than fifty percent (50%) of the Company's fixed assets.
9. Examine, by itself or by means of a commission, the Company account books, documents and cash, when deemed appropriate.
10. Establish dependencies, branches or agencies in other cities of the country or abroad.
11. Ensure strict compliance with the Bylaws, the mandates of the Assembly and its own agreements.
12. Authorize the execution of any act or contract whose amount exceeds a value equivalent to twenty thousand (20,000) current legal monthly minimum wages, with the exception of the acts or contracts listed below, which correspond to the ordinary course of business they may be held without authorization from the Board of Directors, regardless of their amount: (i) the marketing or sale of products

manufactured or exploited by the Company, such as the sale of cement, concrete clinker and aggregates; (ii) the marketing or sale of the services provided by the Company; (iii) the purchase of services or raw materials that are necessary for the Company's ordinary course of business.

13. Ensure effective compliance with the requirements established by law, related to the Company's Good Governance.
14. Adopt and modify the Company's Code of Good Governance, through which both policies and principles will be defined to guarantee compliance with the rights of its Shareholders, as well as the mechanisms that allow adequate disclosure and transparency in relation to the Company's operation and the actions of its Administrators, and ensure its effective compliance. In the Code of Good Governance, the competencies for dealing with conflicts of interest of the Company Administrators and other officers will be established, which are understood to be delegated by virtue of these Bylaws. In case of discrepancy between these Bylaws and the Code of Good Governance, the Bylaws will prevail.
15. Direct the general progress of Corporate Businesses.
16. Consider and respond in writing and duly motivated to the proposals submitted by any plural number of Shareholders, representing at least five percent (5%) of the Subscribed Shares, to introduce additional items on the Order of the Day of a meeting of the Shareholders' Assembly.
17. Approve and periodically monitor the Company's Strategic Plan, Business Plan, Management Objectives and the Annual Budgets.
18. Define the Company's organizational structure.
19. Approve the agreement that defines the framework of relations between the different companies that make up the Business Group.
20. Approve the Company's Financial and Investment Policies.
21. Approval of investments, divestments or operations of all kinds that, due to their amount and/or characteristics, may be classified as strategic or that affect the Company's strategic assets or liabilities.
22. Approve and monitor the Information Disclosure and Communication Policy with all of the Company's Stakeholders, including Shareholders and capital markets.
23. Approve the Risk-Management Policy and monitor its management.
24. Approve and monitor the implementation and effectiveness of internal-control systems.
25. Approve the Company's Ethics, Conduct and Transparency Policy, which will include anonymous reporting systems. such as Transparency Hotlines.
26. The appointment and removal, at the proposal of the Company's CEO, of the members of the Senior Management.
27. Approve the Remuneration and Evaluation Policy for Senior Management.

PARAGRAPH: Senior Management is understood as the Company CEO and Vice Presidents.

28. Approve the Succession Policy for Senior Management.
29. Submit to the Shareholders' Assembly a proposal for a Remuneration and Succession Policy for the Board of Directors.
30. Submit to the Shareholders' Assembly a recommendation for the hiring of the Fiscal Auditor, prior analysis of his experience and availability of time and human and technical resources necessary to carry out his work.
31. Approve the constitution or acquisition of shares in entities domiciled in countries that are considered tax havens.
32. Know and approve the operations that the Company carries out with Related Companies, in the terms provided in the Policy of Operations between Companies Related to the Argos Business Group.
33. Approve the Annual Corporate Governance Report.
34. Approve the internal-operating regulations of the support committees for the Board established in the Code of Good Governance.
35. Organize the annual evaluation process of the Board of Directors, in accordance with commonly accepted self-assessment or evaluation methodologies that may consider the participation of external advisors.
36. Act as a link between the Company and its Shareholders, creating the appropriate mechanisms to provide accurate and timely information on the Company's progress.
37. Supervise the integrity and reliability of the accounting- and internal-information systems based, among others, on the internal audit reports and those of the Legal Representatives.
38. Know the evaluation of the performance of the members of Senior Management.
39. Supervise the independence and efficiency of the internal-audit function.
40. Other functions that are not attributed to the Shareholders' Assembly or the Company CEO.

PARAGRAPH ONE: Except for the statutory provision to the contrary, it is presumed that the Board of Directors has sufficient powers to order the execution or entering into of any act or contract included within the Corporate Purpose and to adopt all the necessary determinations in order for the Company to meets its goals.

PARAGRAPH TWO: With the exceptions of the legal, statutory or Good Governance Code, the Board of Directors may delegate functions to the Company CEO.

ARTICLE 43: Minutes will be made of each meeting of the Board of Directors, which must be signed by all those who attend the corresponding session, as well as by the Secretary.

CHAPTER X

PRESIDENCY AND LEGAL REPRESENTATION

ARTICLE 44: The direct government of the Company is the responsibility of the Company CEO. The Company's Legal Representation is the responsibility of the Company CEO and eight (8) Principal Legal Representatives who may act separately.

Additionally, there will be four (4) Legal Representatives for Judicial and Administrative Matters and six (6) Legal Representatives for Labor Matters.

Article 45: The CEO, the Principal Legal Representatives additional to the Company CEO, as well as the Legal Representatives for Judicial and Administrative Matters and the Legal Representatives for Labor Matters, will be appointed by the Board of Directors.

Article 46: It corresponds to the Legal Representatives to exercise the following functions:

A. The functions of the CEO and the Principal Legal Representatives are:

1. Represent the Company judicially and extra-judicially.
2. Execute the agreements of the Shareholders' Assembly and the Board of Directors.
3. Appoint and remove employees, as well as set duties and salaries, according to the administrative structure and ensure strict compliance with the duties inherent to said employees.
4. Constitute judicial and extra-judicial representatives and delegate certain functions to them, within the legal limit.
5. Execute the acts and enter into the contracts that tend to fulfill the Corporate Purposes, previously submitting to the Board of Directors the general businesses, the amount of which exceeds a value equivalent to two thousand (20,000) current legal monthly minimum wages. The acts or contracts whose purpose is (i) the marketing or sale of products made or exploited by the Company, such as the sale of cement, clinker, concrete and aggregates; or (ii) the marketing or sale of the services provided by the Company; or (iii) the purchase of services or raw materials that are necessary for the Company's ordinary course of business may be made without Board approval, regardless of cost.
6. Submit to the General Shareholders' Assembly, in association with the Board of Directors and after initial study and approval by the latter, a Management Report with the content provided by the Law and the Bylaws, the General-Purpose Individual and Consolidated Financial Statements, the respective Profit Distribution Project and the other documents required by law.
7. Take care of the correct and effective investment of the Company's funds; organize matters related to the social benefits of the personnel at the Company's service, and ensure their timely payment; and – in general – direct and ensure that the tasks and activities related to the Corporate Purpose are carried out effectively.

8. If there is a business group, submit a special report in which the intensity of the existing economic relations between the Controlling Company or its Affiliates or Subsidiaries with the respective Controlled Company will be expressed.
9. If there is an intention to increase the Authorized Capital or decrease the Subscribed Capital, prepare a report on the reasons for said proposal and make it available to the Shareholders during the period of the summons.
10. Comply with and enforce the Good Governance Code.
11. Provide the market with timely, complete and truthful information on the financial situation and on the risks inherent to the Company's activity.

B. The functions of the Legal Representatives of Judicial and Administrative Matters are:

1. Represent the Company judicially and extra-judicially.
2. Advance all kinds of procedures before public authorities.
3. Represent the Company in judicial hearings; conciliate, compromise and desist.
4. Constitute judicial and extra-judicial representatives and delegate certain functions to them, within the legal limit.

C. The functions of the Legal Representatives of Labor Matters are:

1. Represent the Company judicially and extra-judicially in labor procedures and processes.
2. Carry out all kinds of procedures before the authorities that are directly related to the Company's labor relations.
3. Represent the Company in judicial hearings of labor processes; conciliate, compromise and desist.
4. Constitute judicial and extra-judicial representatives for matters exclusively of a labor nature.

PARAGRAPH ONE: The powers of the Legal Representatives for Judicial and Administrative Matters are limited to processes or procedures the amount of which is equal to or less than five thousand (5,000) current legal monthly minimum wages.

PARAGRAPH TWO: The powers of the Legal Representatives for Labor Matters are limited to processes or procedures the amount of which is equal to or less than two thousand (2,000) current legal monthly minimum wages.

ARTICLE 47: It is the obligation of the Legal Representatives to give fair and equal treatment to all Company Shareholders and Investors.

The CEO and other Legal Representatives are prohibited from being present at the time the Board decides on their election, re-election, removal or setting their remuneration.

CHAPTER XI

FISCAL AUDITING

ARTICLE 48: The Company will have a Fiscal Auditor, appointed by the Shareholders' Assembly for the same period as the Board of Directors, re-elected in accordance with the provisions of the Code of Good Governance. The appointment of Company's Fiscal Auditor will fall to a top-level firm that meets the requirements established in the Code of Good Governance. The Fiscal Auditing firm will designate the natural persons who will act as Principal Fiscal Auditor, being able to appoint up to four Alternate Auditors.

The election of Fiscal Auditor will be carried out based on an objective evaluation and with total transparency for which the Code of Good Governance will regulate the procedure applicable to such election.

Paragraph: The Fiscal Auditor can be removed at any time by the Shareholders' Assembly, without it being necessary to state the reason. The Fiscal Auditor may not find himself in any of the incompatibilities provided by law.

ARTICLE 49: The functions of the Fiscal Auditor are:

1. Make sure that the operations are carried out or carried out on behalf of the Company in accordance with the prescriptions of these Bylaws, with the decisions of the Shareholders' Assembly and the Board of Directors.
2. Give a timely account, in writing, to the Assembly, The Board of Directors, the CEO or to those who hold any type of title issued by the Company, as the case may be, of the irregularities that occur in the Company's operation and in the development of its businesses.
3. Collaborate with the Government entities that exercise the inspection and surveillance of the Company, and render the reports that may be necessary or requested.
4. Ensure that the Company's accounting is kept regularly, as well as the Minutes of the meetings of the Assembly, the Board of Directors, and that the Company's correspondence and the receipts of the accounts are duly kept, giving the necessary instructions for such purposes.
5. Frequently inspect the Company's assets and ensure that their conservation or security measures are taken in a timely manner and of those that it has in custody or any other title.
6. Give the instructions, carry out the inspections and request the reports that are necessary to establish a permanent control over the Corporate Securities.
7. Authorize with his signature any Financial Statement made with his opinion or corresponding report.
8. Summon the Shareholders' Assembly to Extraordinary meetings when deemed necessary.
9. Carry out the other functions indicated by the law or the Bylaws and those that, being compatible with the previous ones, are entrusted to him by the Assembly.

CHAPTER XII

AUDIT, FINANCE AND RISK COMMITTEE

ARTICLE 50: In order to provide support to the work of the Board of Directors, there will be an Audit and Finance Committee. This Committee will be made up of three (3) members of the Board of Directors, two (2) of whom must be Independent Members. The Committee members will be appointed by the Board itself.

The Company's Secretary General or the person designated by him, who in any case must be a Company employee, will act as Secretary of this Committee. Likewise, the Company CEO and the Financial and Internal Audit Vice President will be part of the Committee.

ARTICLE 51: The Committee is created in order to support the Board of Directors in supervising the effectiveness of the internal-control system, for decision making in relation to the control and improvement of the Company's activity, its Administrators and Directors.

The Committee orders and monitors that the internal-control procedures are adjusted to the needs, objectives, goals and strategies determined by the Company, and that said procedures are framed within the objectives of internal-control, such as efficiency and effectiveness in operations, and sufficiency and reliability in financial information.

PARAGRAPH ONE: The Committee does not replace the functions of the Board of Directors or the Administration on the supervision and execution of the Company's Internal-Control System.

PARAGRAPH TWO: Any Company official and the Fiscal Auditor may be summoned to the meetings of the Committee.

ARTICLE 52: The following are the main functions performed by the Audit and Finance Committee:

1. Serve as support to the Board of Directors in making decisions related to control and its improvement.
2. Supervise the structure of the Company's internal control, in such a way that it can be established if the designed procedures reasonably protect the entity's assets and if there are controls to verify that the transactions are being properly authorized and registered.
3. Supervise the internal-audit functions and activities, in order to determine their independence in relation to the activities they audit and verify that the scope of their work meets the entity's needs.
4. Ensure the transparency of the financial information prepared by the entity and its appropriate disclosure. For this, it must ensure that the necessary controls and

- adequate instruments exist to verify that the Financial Statements reveal the Company's situation and the value of its assets.
5. Evaluate the Internal-Control Reports made by the Internal Audit and the Fiscal Auditor, verifying that the Administration has addressed their suggestions and recommendations.
 6. Request the reports it deems appropriate for the proper performance of its functions.
 7. Constantly evaluate the established procedures to determine the adequacy of internal control.
 8. The reports and observations made by the Committee and which are recorded in the Minutes will be presented to the Board of Directors at least once (1) a year, or less frequently if requested.
 9. When situations of significant importance are detected, the Committee must send a special report to the Company CEO.
 10. For its management , the Audit Committee must know and/or evaluate at least the following documentary material:
 - The draft of the Company's Financial Statements.
 - The Report of the Financial Statements audited by the Fiscal Auditor.
 - The Internal-Control Reports issued by the Fiscal Auditor and/or the letters of recommendations or observations issued by them, as well as by the Internal Audit, if applicable.
 - The Annual Plan of the Internal Audit and Fiscal Auditing.
 - The official letters of observations sent by the authorities to the Company as a result of deficiencies detected.

CHAPTER XIII

SECRETARY

ARTICLE 53: The Company will have a General Secretary, who will act as Secretary of the Shareholders' Assembly and the Board of Directors. His duties and powers shall be those indicated in the Board of Directors' Operating Regulations,

The Secretary General will be a high-level employee of the Company and will be appointed by the Board of Directors at the proposal of the Company CEO and the prior opinion of the Appointments and Remuneration Committee.

CHAPTER XIV

FINANCIAL STATEMENTS, PROFITS AND RESERVES

ARTICLE 54: At the end of each Fiscal Year and at least once a year, on December 31, the Company will close its accounts and will prepare and distribute duly certified General-Purpose Individual and Consolidated Financial Statements. Such Statements will be disseminated together with the corresponding professional opinion.

PARAGRAPH: Within the first five (5) business days of each month, the Test Financial Statements of the immediately preceding month will be prepared.

ARTICLE 55: The Legal Reserve will be formed with ten percent (10%) of the Net Profits obtained in each fiscal year, until completing at least fifty percent (50%) of the Subscribed Capital. When this Reserve reaches the mentioned percentage, the Company will not have the obligation to continue carrying ten percent (10%) of the Net Profits to this account. But if it decreases, the same ten percent (10%) of such profits will be appropriated again until the Reserve reaches the fixed limit. Outside of the Legal Reserve, the Assembly may create other eventual or special ones and provide that part of the Liquid Profits be used for charitable works, civility or education.

PARAGRAPH: Once the Legal Reserve has been made and the others that the Meeting provides, if the latter orders the distribution of Net Profits among the Shareholders, such distribution will be made in accordance with the law and those approved by the Shareholders' Assembly for the different types of Shares. The Shareholders' Assembly may provide for the distribution of Net Profits that have a different tax treatment and determine the manner in which said profits are distributed among the Shareholders. In any case, for each Common, Nominative and Capital Share, the dividend will be of the same amount.

ARTICLE 56: The Company may not pay dividends except by taking them from the Net Profit established by the Financial Statements approved by the Shareholders' Assembly. The fixing of dividends will only be made after the deduction for the Legal Reserve, if necessary in accordance with the previous Article, and after the reserves determined by the Shareholders' Assembly have been created or increased, as well as the appropriations for the payment of taxes.

ARTICLE 57: The Company will not recognize interest on dividends that are not claimed in a timely manner, which will be left in the social fund, in an available deposit, at the order of the Interested Party.

ARTICLE 58: The Shareholders will not be obliged to return to the Company the amounts they have received in good faith as dividends in accordance with the decrees of the Assembly, except when – by mistake – the Company has paid to any Shareholder an amount greater than the exact amount corresponding to each Subscribed Share, in accordance with said decree.

CHAPTER XV

DISSOLUTION AND LIQUIDATION OF THE COMPANY

ARTICLE 59: The Company will be dissolved:

1. Due to the expiration of the period indicated as the Period of Duration, if it has not been validly extended before.
2. Due to the impossibility of developing the Corporate Enterprise, due to its termination or due to the extinction of the thing or things, the exploitation of which constitutes its Purpose.
3. By reducing the number of associates to less than that required by law for its operation.
4. Due to the opening of mandatory liquidation in accordance with the law.
5. By a resolution from the Shareholders' Assembly with the required vote for statutory reforms.
6. By a decision of the competent authority, in the cases expressly provided for in the laws.
7. When ninety-five percent (95%) or more of the Subscribed Shares belong to a single Shareholder.
8. For any other cause expressly stated in the law.

PARAGRAPH: When the nature of the cause allows it, the associates may avoid the Company's dissolution, adopting the modifications that are appropriate, in accordance with the law.

ARTICLE 60: Once the Dissolution Agreement has been solemnized, the Company's assets will be liquidated, delivering to the Shareholders – once the external liabilities have been paid, or before if the law allows it – the amount that corresponds to them for reimbursement of their contributions, a delivery that will be made simultaneously for all of them and in proportion to the Shares they own, except for a Privilege Agreement.

The person or persons appointed by the Shareholders' Assembly by a majority of the Shares present at the meeting will make the liquidation.

The Shareholders' Assembly can appoint several Liquidators and each of them must have an Alternate.

These appointments will be registered in the Mercantile Register of the Corporate Domicile and of the branches and only from the date of registration will those appointed have the powers and obligations of the Liquidators.

If there are several Liquidators, they will act jointly, unless the Shareholders' Assembly decides otherwise; in the first case, any discrepancy between them will be resolved by the Shareholders' Assembly with the vote of the absolute majority of the Shares represented.

As long as the appointment of the Liquidator or Liquidators is not made and registered, the person who was the Company CEO on the date of dissolution will have the character of such; in that event, the CEO's Alternates will be Alternates of the Liquidator.

The foregoing does not preclude the fact that, once all means of appointing a Liquidator have been exhausted, this is not achieved, any member may request his appointment from the competent authority.

PARAGRAPH: If a plural number of Shareholders representing the majority of the Shares present at the meeting so agreed, the Company's Assets may be distributed in kind, according to their commercial value at the time of the liquidation, which will be set by an expert appointed by the Shareholders' Assembly with the same decision-making quorum indicated in this paragraph.

The distribution in kind may not be made before the payment of the external liabilities, except when the laws allow it.

ARTICLE 61: During the period of liquidation, the Shareholders' Assembly will function and will exercise all the functions compatible with said period, especially those of freely appointing and removing the Liquidator or Liquidators. The Board of Directors may also function, if so expressly resolved by the Assembly, but its functions will be limited to serving as a consultative body for the Liquidator or Liquidators, without their opinions being mandatory.

ARTICLE 62: During the liquidation period, all Shareholders will have the right to consult the accounting books, receipts and attached papers, except those containing industrial secrets. Under no circumstances may books and papers be removed from the offices.

ARTICLE 63: The Shareholders' Assembly will demand the Administration Account from the CEO, the members of the Board of Directors, the Liquidators and any person who manages or has managed Company interests.

The Assembly is responsible for examining said accounts, closing them, demanding the consequent responsibilities, including through proxies, and deciding when the liquidation is definitively closed.

CHAPTER XVI

ARBITRATION CLAUSE

ARTICLE 64: The differences that arise between the Shareholders and the Company or between themselves due to the quality of Shareholders, during the Corporate contract, at the time of Company's dissolution or during the liquidation period will be settled by an Court of Arbitration formed by three (3) arbitrators, appointed by the Conciliation, Arbitration and Amicable Settlement Center of the Medellin Chamber of Commerce for

Antioquia, which will work in the facilities of said Center, will decide in law and will be governed by the provisions in force on the matter.

CHAPTER XVII

MISCELLANEOUS PROVISIONS

ARTICLE 65: The Company Directors may not, by themselves or through an intermediary, dispose of or acquire Company Shares while they are in office, except in the case of operations other than speculation and with the authorization of the Board of Directors, granted with the favorable vote of at least two-thirds (2/3) of its members, excluding the applicant.

ARTICLE 66: Unless otherwise stated when making the respective election, the periods of the Board of Directors, of the Fiscal Auditor, an, in general, those contemplated in the Bylaws, will begin on the Monday following the election. If this is done when the period is already in progress, it will be understood to be done for the rest of it.

When a period expires and the corresponding designation has not been made, it will be understood as extended until it is made.

ARTICLE 67: In everything not covered by these Bylaws, the regulations of Colombian law will be applied, which will also serve to resolve doubts, contradictions, incompatibilities and gaps that are observed in them.

ARTICLE 68: Any person linked to the Company, who possesses information about it, is prohibited from disclosing it to other persons, whether or not they are linked to the Company, unless prior written authorization is obtained either from the Board of Directors or from the Company CEO.

The Shareholders will have the Right of Inspection or surveillance enshrined in the Law, in the form and opportunity that it determines. In no case will this right be extended to documents that deal with industrial secrets or in the case of data that – if disclosed – could be used to the Company's detriment.

The controversies that arise in relation to the Right of Inspection will be resolved by the Financial Superintendency of Colombia. In the event that this authority considers that there is room for the provision of information, it will issue the respective order.

The Administrators who impede the exercise of this right or the Fiscal Auditor who, being aware of that non-compliance, refrains from denouncing it in a timely manner, will incur in grounds for removal. The measure must be made effective by the person or body hierarchically superior to the Administrator in question, or by the Shareholders' Assembly in the event of being the Fiscal Auditor, or subsidized by the Financial Superintendency.

ARTICLE 69: The Legal Representative, the Liquidator, the factor, the members of the Board of Directors, and those who, in accordance with the law, exercise functions of Administrators, must render verified accounts of their management in the following cases: at the end of each fiscal year, within the month following the date on which they resign from their position, and when required by the person or body hierarchically superior to the Administrator in question. For this purpose, they will present the pertinent Financial Statements, together with a Management Report. The approval of the accounts will not exempt Administrators, Legal Representatives, Public Accountants, Advisory Employees or Fiscal Auditors from liability.

ARTICLE 70: Cementos Argos S. A. is prohibited from acting as guarantor of third-party obligations and collateralizing obligations other than its own with Company Assets, except in the case of guaranteeing or collateralizing obligations contracted by the Company, as Parent Company, or by companies in which the Company Cement Argos S.A. or Cementos Argos S.A. are owners, jointly or separately, directly or indirectly, of fifty percent (50%) or more of the Shares, or over which they have declared a situation of control, provided that the Board of Directors so resolves by a unanimous vote present at the meeting.

ARTICLE 71: In the event that conflicts of interest arise, the following principles will be strictly complied with:

- a) When the Company interests and those of its Shareholders, Administrators or that of a third party linked to it conflict, the Company's interest will always be preferred.
- b) When the Shareholders' interests and those of their Administrators or of a third party linked to it come into conflict, the interests of the Shareholders will always be preferred.

The prevention and resolution of conflicts of interest will be carried out in accordance with what is established in the Code of Good Governance and in the Code of Conduct.

Article 72: The Company, Administrators and Employees of the Company are obliged to comply with and enforce the provisions of the Code of Good Governance approved by the Board of Directors, as well as the internal policies and procedures adopted by the Company's different governing bodies.

First Transitory Article - Only and exclusively for the 2024 fiscal year, on March 31 and on December 31, 2024, the Company will close its accounts and prepare and distribute duly certified General Purpose Individual and Consolidated Financial Statements. Therefore, only and exclusively during the year 2024, the Company will have two business years, the first will be between January 1, 2024, and March 31, 2024, and the second between April 1 and December 31, 2024. As of January 1, 2025, the Company will be back to having a single business year for each period, starting from January 1 to December 31 of a calendar year under the terms of Article 54 of these By-laws.

Second Transitory Article - Notwithstanding the provisions set on Article 29 of these by-laws and exclusively about the business years of the fiscal year of 2024, the Company will hold the ordinary Shareholders' Assembly within the three (3) months following the

end of each business year. On the first business year ending on March 31, 2024, the ordinary Shareholders' Assembly shall take place between April 1 and June 30, 2024, and about the second business year ending December 31, 2024, the ordinary Shareholders' Assembly shall take place between January 1 and March 31, 2025. The ordinary Shareholders' Assembly shall be summoned and held by the provisions sets for ordinary meetings in Chapter VII and Chapter VIII of these By-laws.

If the Shareholders' Assembly is not summoned for the ordinary meeting for the business year ending 31 March 2024, the Shareholders' Assembly shall meet with its own right on the first working day of July 2024, at ten in the morning at the head office of the Company's administration. In this case, the presence of one or various shareholders will suffice to meet and decide validly, regardless of the number of shares represented.

If the Shareholders' Assembly is not summoned for the ordinary meeting for the business year ending 31 December 2024, the Assembly shall meet with its own right on the first working day of April 2025, at ten in the morning at the head office of the Company's administration. In this case, the presence of one or various shareholders will suffice to meet and decide validly, regardless of the number of shares represented.

ANNEX B

Current corporate bylaws of Grupo Argos

BYLAWS OF GRUPO ARGOS S.A.



GRUPO ARGOS

Investments that transform

BYLAWS OF GRUPO ARGOS S.A.

CHAPTER I

Name, Type, Nationality, Domicile, Term and Purpose

Article 1. Grupo Argos S.A. is a Colombian commercial stock corporation having its main place of business in Medellín, Department of Antioquia, Republic of Colombia. The Company may, by decision of the Board of Directors, open offices, factories, agencies or branches in other cities of the country or in other countries.

Article 2. The life span of the company is until February 27, 2033 without prejudice to extend such term or to its earlier winding-up in accordance with the bylaws and the law.

Article 3. The Company shall carry out the following activities:

Investment in all types of movables and real estate, particularly shares, quotas or parts, or any other security involving stakes in companies, entities, organizations, funds or any other legal figure that permits the investment of funds. At the same time, the company may invest in fixed and variable income securities or documents, whether or not listed in the Stock Exchange. In any case, the issuers and/or receivers of the investment may be of a public, private or mixed nature, domestic or foreign.

The company may set up civil or commercial companies of any type, or enter into partnership with those that have already been incorporated. Any association under this clause may involve companies which activity is different from its own, provided such association is convenient for its interests, in the judgment of the body empowered by the bylaws to approve the transaction.

Also, it shall undertake the following activities: the exploitation of the cement industry and the production of concrete mixtures as well as any other materials or articles based on cement, lime or clay; the acquisition and disposal of minerals or mineral deposits that can be exploited in the cement industry and associated industries, and of rights to explore and exploit the above-mentioned minerals, whether by concession, privilege, rental or any other title; the exploitation of precious minerals such as gold, silver and platinum, the acquisition and disposal of deposits of other minerals and of rights to explore and exploit minerals other than those previously mentioned, whether by concession, privilege, rental or any other title; carry out activities for the exploration and exploitation of hydrocarbons and other activities inherent to that sector; establish factories, warehouses, and agencies for the production, storage, distribution and sale of their products and the acquisition, exploitation and disposal of raw materials, machinery and equipment appropriate for furthering its corporate purpose or that aid in doing so. The company may also use substances not exploitable for other processes as substitutes for raw materials or fuels in the manufacture of cement. The company may build and operate the necessary industrial installations and assemblies such as factories, electric power plants, piers, workshops, buildings, warehouses, stores or agencies; establish the distribution and sales systems that it deems most appropriate; acquire, transport, dispose of and execute all kinds of contracts involving products

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of the cement industry and the objectives to which their applications give rise, as well as the acquisition, exploitation and disposal of raw materials needed to carry out its corporate purpose. The company may also carry out and exploit all kinds of commercial activities at its port installations, as well as contracting their use with private individuals; invest in the construction, maintenance and administration of ports; provide loading and unloading services for storage at ports and other services directly related to port activity. The company may also act as promotion agent, investor, structuring agent or developer of all kinds of real estate projects, in development of which it may acquire chattels or real estate as required to the furthering of the corporate business; such assets may be fixed or movable assets depending on the destination thereof.

In order to achieve full compliance with its corporate purpose, the Company may acquire title to any rights regarding chattels or real estate, whether tangible or intangible, which acquisition would be necessary or convenient, in the judgment of the Board of Directors, to carry out said purpose; undertake construction and other works that would be necessary or convenient for carrying out its businesses; obtain means of communications and concessions for water use, exploitation of minerals and other natural resources related to its corporate purpose; acquire, maintain, use and dispose of patents, registry rights, permits, privileges, trade procedures, brands and registered names, relative to the establishment of and to all production, process, operation and activities of the company, by engaging in all types of businesses related to these; dispose of all that for any cause cease to be necessary or adequate; invest its available reserves, provision or other funds in the acquisition of all kinds of goods and rights and maintain, exploit and later dispose of these according to the needs of the Company; form, organize or finance companies or associations that have equal or similar purposes to the corporate purpose or which purpose be to carry out or enter into business aimed at finding new markets for the articles produced by the Company, or finding new customers, or improving the clientele, or that in any way may facilitate the operations which are its main purpose, or entering with them in all classes of the aforementioned associations or companies, or engaging with them in all kinds of covenants or agreements and subscribe or take interest in the mentioned companies, associations or businesses; incorporate the business of any of the companies, associations or businesses just mentioned, or merge with them; enter into current account agreements with all types of persons; give as collateral its chattels and estates; promote the organization and incorporation of Companies, Associations or Businesses having equal or similar purposes to those of the Company, or that may help or develop its activities or those of the Companies in which it has an interest, or that are aimed at gaining customers or improve the clientele, or to facilitate its business in any way: participate in bidding processes, dispose of, draw, accept, endorse, secure and collect any and all kinds of securities, shares of stock, bonds and investment papers; participate in construction projects or in the carrying out of any civil works, borrow and lend money on interest, issue bonds in accordance with legal regulations, draw, endorse, acquire, accept, collect, protest and pay drafts, checks, transfers or other trade instruments or accept them in payment; and generally do in any place, whether under its own name or for the account of third parties or in participation with them, all kinds of civil, commercial, industrial or financial operation on chattels or estates which are necessary or convenient to achieve its aims or that can favor or further its activities or those of affiliated companies.

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CHAPTER II

Capital and Shares

Article 4. The authorized capital of the Company is seventy five billion pesos (\$ 75,000,000,000) Colombian legal currency, divided into one billion two hundred million (1,200,000,000) ordinary nominal shares with a nominal capital value of sixty two pesos and fifty cents (\$ 62.50) each, which may go outstanding as dematerialized shares, in accordance with the Law.

Paragraph 1°. The authorized capital is divided into ordinary shares, but the General Shareholders Meeting at any time, in compliance with legal requirements, may issue shares of equal nominal value with preferred dividend and without voting rights. Each share with preferred dividend and without voting rights shall confer upon holders the rights defined by the General Shareholders Meeting in each case.

Paragraph 2°. Ordinary shares may become shares with preferred dividend and without voting rights wherever and likewise, shares with preferred dividend and without voting rights may become ordinary shares when so approves the General Shareholders Meeting.

Wherever the General Shareholders Meeting, in compliance with legal requirements, orders a share conversion or authorizes the Shareholders to elect, at their discretion, to convert shares, the Board of Directors shall define the procedure to be followed by the Shareholders to that effect. The Board of Directors shall define such procedure for each particular case, without affecting the right of the General Shareholders Meeting to also define it.

The Board of Directors shall approve the forms, contract models and other documents to be executed by the Shareholders in order to convert ordinary shares into shares with preferred dividend and without voting rights.

Article 5. The General Shareholders Meeting may increase the company's capital by any legal means and convert any reserve fund, premium obtained from placement of shares or distributable income, into capital suitable to issue new shares or to increase the nominal value of already issued shares.

Paragraph. Any issue of shares may be revoked or modified by the General Shareholders Meeting prior to their being placed or subscribed and subject to legal requirements, with a quorum equal to or greater than the quorum that authorized the issue.

Article 6. The shares that compose the capital of the Company are nominative and shall be outstanding as dematerialized stock or as stock certificates as decided by the Board of Directors.

As long as shares are outstanding as materialized shares, one single certificate shall be issued to each Shareholder for his/her shares if in the form of stock certificates. Shareholders are liable for taxes on issuance, transfer and certifications thereon. The Shareholders may deposit their certificates in a centralized securities depository and by virtue of the dematerialized management

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thereof they may carry out related transfers and other transactions through book-entry handling of such via electronic registries.

Should the Company decide to dematerialize its shares, they shall be represented by a macro-certificate in custody at and administered by the centralized securities depository, which shall record the subscribers of such and enter the holding into the Share Registry Book. Shareholders may request a certificate through their direct depositor, which gives them legal status to exercise the rights attached to their conditions as shareholders.

Article 7. Materialized stock certificates shall be issued in a numbered and continuous series, with the legend and signatures determined by the Board of Directors in accordance with the Law and taking into account the minimum requirements of Section 401 of the Code of Commerce.

Paragraph. The certificates shall be provisional for partial payments.

Article 8. In the event of theft of a stock certificate, the Company, upon prior written notice of the theft given by the Shareholder to the General Counsel, shall replace it by delivering a duplicate to the owner registered in the Share Registry Book.

A shareholder requesting a duplicate for a lost stock certificate shall submit the guaranty required by the Board of Directors.

In the event of wear, issuance of a duplicate shall only be made after delivery by the shareholder of the original certificate, which shall be cancelled by the company.

No legal effect shall arise from theft or loss of proof of deposit certificate in the case of dematerialized shares, and the shareholder may simply request a new receipt or deposit certificate through its direct depositor.

Article 9. Shareholders shall register their residing address or mailing address with the Company Secretary for mailing of communications and reports; notices or reports shall be deemed delivered when remitted to the registered address.

Article 10. The Company may only acquire its own shares by decision of the General Shareholders Meeting with the favorable vote of the number of subscribed shares as determined by Law, with funds from net income and only when such shares have been fully released.

Repurchase shall be performed through a system that ensures equal conditions to all shareholders. The repurchase price shall be set based on a study carried out pursuant to technically recognized procedures.

The rights inherent to the acquired shares shall be suspended for as long as the shares belong to the Company.

Paragraph. With respect to the acquired shares, the Company may take any measure authorized by the Law. Repurchased shares shall be transferred through mechanisms that guarantee equal conditions to all shareholders without the requirement of preparing share subscription regulations.

CHAPTER III

Share Transfer and Liens

Article 11. The Company shall keep a duly registered book to record shares; since all shares are nominative, all certificates issued indicating number and date of the registry, share transfer, related seizures and lawsuits, pledges and other liens or property restrictions shall be recorded to such book. Outstanding dematerialized shares shall also be recorded to the Share Registry Book as well as any liens or share ownership limitations, for which purpose the depository entity shall proceed in accordance with legal requirements.

The Company may appoint a third party to keep the Share Registry Book. For dematerialized shares, a new titleholder may exercise his/her rights upon the account entry and recording to the Registry Book of Shares. A shareholder shall be certified as such through a certification issued by the Centralized Securities Depository.

Article 12. While the shares are listed in a Stock Exchange, all share sales shall be carried out through it except for those cases stipulated in the Law. Nominative shares may be transferred by simple agreement between the parties. Both cases require registration to the Share Registry Book by written order of the transferring party to be effective upon the Company and third parties. This order may be issued as an endorsement on the respective certificate when the Law so permits.

To carry out the new recording and issue the certificate to the acquirer, the certificates issued to the transferring party shall have been previously cancelled.

As regards forced sales and judicial awards of nominative shares, the recording shall be done upon presentation of the original or authenticated copy of the relevant documents.

Procedures for outstanding dematerialized shares shall proceed according to the Law.

Article 13. The Company does not assume responsibility for events not recorded in the transfer letter that may affect the validity of the agreement between the assignor and the assignee. As regards the acceptance or rejection of transfers, only formalities external to the transfer shall be taken into account in accordance with the Law.

Article 14. Shares not fully released are commonly transferrable but the transfer does not release the assignor from his/her obligations to the Company. Assignor and assignee shall be jointly and severally liable for due amounts without prejudice to sanctions and constraints under the Law.

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Article 15. Pledges, embargoes, civil suits or restrictions upon property that affect the shares shall not be effective upon the Company without written notice to it thereof and recording to the Share Registry Book. The Secretary shall so communicate in writing to the owner of the shares, the secured creditor, the party in whose favor the restrictions are made or the competent authority, as the case may be.

Article 16. Unless stipulated to the contrary by the parties, a pledge shall not confer upon creditor the rights inherent to the Shareholder. The document evidencing the respective agreement, when recorded to the corresponding registry, shall be sufficient to exercise before the Company the rights conferred upon creditor.

Article 17. Unless otherwise expressly stated, the usufruct shall confer all rights inherent to a Shareholder except those of transfer, encumbrance and reimbursement at the time of liquidation. The respective document shall be sufficient to exercise the rights reserved for himself by the bare owner.

Article 18. Dividends pending payment shall belong to the acquirer of the shares as from the date of receipt of the transfer letter, unless otherwise agreed to by the parties, in which event they shall so communicate in the same letter. Nevertheless, as long as the shares of the Company are listed with the Stock Exchange, the regulations relative to minimum amounts for the negotiation of shares on the Stock Exchange and on the ex-dividend date shall apply in accordance with the applicable regulations.

Article 18-1. From August 1, 2024, when the same beneficial owner acquires, in any capacity and through transactions not agreed with the Company, 20% or more of the outstanding voting capital of the Company (the "Threshold"), such beneficial owner or any of the entities through which it holds the interest in the Company, must make a public tender offer for the number of shares that will allow the beneficial owner to reach 100% of the outstanding voting capital of the Company, within the three months following the acquisition by means of which the Threshold is exceeded, failing which the obligation contained herein will be deemed not to have been complied with.

For this purpose, the acquirer shall be obliged to inform the Company when the Threshold is exceeded and the Company, in turn, shall inform the market through the relevant information mechanism. In any case, the lack of timely notification does not exempt the beneficial owner from the obligation to formulate a public offering under the terms contained herein.

The beneficial owner undertakes to make the public offering for a price per share that is at least equal to the higher of (i) the 85th percentile of the valuation range per share, under the discounted free cash flow methodology, prepared by an investment bank of recognized prestige hired for such purpose by the Company, which will be determined by taking the minimum value of the valuation and adding 85% of the difference between the maximum and minimum value of such valuation, (ii) the highest price paid during the 12 months prior to the date of the offer, and (iii) the highest price at which the share was quoted during the 12 months prior to the date of the offer (the "Acceptable Price"). The beneficial owner shall have no obligation to make the offer

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referred to in this article when the Threshold is exceeded as a result of having made a public offering for a number of shares that would have enabled the beneficial owner to reach 100% of the outstanding voting capital of the Company in which an Acceptable Price had been offered to be paid. Failure to comply with this obligation generates for any shareholder of the Company and for the Company the right to demand its compliance from the beneficial owner or any of the entities through which the latter has the interest in the Company and to be compensated for the damages caused, including default interest at the maximum rate permitted by law during the term of the non-compliance. Such interest will be calculated for each shareholder on the value resulting from multiplying the Acceptable Price on the number of shares owned by the respective shareholder. Default interest shall be calculated from the date of default. Notwithstanding the foregoing, the Company shall refrain from counting the votes issued by the beneficial owner and the entities through which it holds the interest in the Company and from paying the corresponding dividends until the obligation to formulate a public offering under the terms of this article is complied with.

Paragraph 1. For the purposes of this article, beneficial owner has the meaning given in Article 6.1.1.1.3 of Decree 2555/2010 or the rules that may modify or replace it in time.

Paragraph 2. For the purposes of this article, the beneficial owner and the entities through which such beneficial owner has an interest in the Company shall be joint and severally liable.

Article 18-2. The beneficial owner who formulates and acquires at least one share through a public offering for shares of the Company (the “public offering”) and during the 12 months prior to the date of publication of the corresponding notice of public offering (or document acting as such) (the “Review Term”), directly or through an intermediary, has formulated and acquired at least one share through one or more public offerings at a lower price, shall be obliged to pay the difference in price to those who have accepted such offers at a lower price.

Those who, during the Review Term, have sold shares through a public offering made by the beneficial owner at a lower price, will have the right to demand from the beneficial owner or any of the entities through which the public offering was made, the difference in price, considering the highest value paid in the public offering. If the payment of the price difference is not made within 30 calendar days following the date of the award of the Public Offering, any selling shareholder will have the right to demand payment and compensation for damages caused, including default interest at the maximum rate allowed by law during the term of non-compliance, which shall be calculated for each seller on the value resulting from multiplying the number of shares sold by the difference between the price paid in the previous offer(s) and the price paid in the Public Offering.

Paragraph 1. For the purposes of this article, beneficial owner has the meaning given to it in Article 6.1.1.1.3 of Decree 2555/2010 or the rules that may amend or replace it from time to time.

Paragraph 2. For the purposes of this article, the beneficial owner and the entities through which such beneficial owner makes the public offering for shares of the Company shall be joint and severally liable.

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Paragraph 3. The obligation to pay the difference in price contained herein shall be generated as many times as public offering are made during the Review Term.

Article 19. It is understood that the acquisition of Company shares in any manner or system implies the acceptance of all contained in the Company Bylaws, the Good Governance Code and any other document issued by the Company that regulates the rights and duties of the Shareholders and the functioning of the company's administration bodies.

CHAPTER IV

Subscription of Shares

Article 20. Reserve shares are at the disposal of the Board of Directors for issuance and subscription wherever it deems appropriate. The same regulation applies to reserve shares resulting from subsequent increases of capital and to those that the Company shall repurchase in the future. The Board of Directors shall approve the subscription regulations. For privileged or benefits shares as well as for shares with preferred dividends and without voting rights, approval of the relevant regulations must be given by the General Shareholders Meeting unless it, upon deciding on the issuance, delegates this authority on the Board of Directors.

Article 21. If authorized by Law, shares may be issued at a price less than nominal value.

Article 22. Titleholders of ordinary shares shall have the right to preferentially subscribe for all new issues of ordinary shares in an amount proportional to the shares they own on the date the competent Company administration body approves the Subscription Regulations. The share offer notice shall be given through the media as set forth by the bylaws to convene the General Shareholders Meeting. Subscription rights shall be negotiable as from the offer notice date.

The decision as to whether preference rights apply in the subscription of shares other than ordinary shares shall be governed in each case by the respective regulations.

Paragraph. Wherever the payment of shares is to be made in kind, the relevant appraisal shall be approved by the Board of Directors unless it regards the subscription of privileged or industrial shares, in which case the Shareholders Meeting shall approve.

Article 23. The Share Subscription Regulations shall contain:

1. The amount of shares that are offered, which cannot be less than the issued amount .
2. The proportion and form in which they can be subscribed.
3. The offering period, which shall not be less than fifteen (15) business days nor exceed one (1) year.
4. The offering price, not to be lower than nominal value.
5. The periods for payment of shares, expressly indicating the amount that must be paid at the time of subscription and the maximum period to pay pending quotas.

These Regulations shall be submitted to the competent authority for approval if the Law so requires.

Paragraph. In no case shall the offering share price be required to be set by studies carried out in accordance with technically recognized procedures.

Shareholders in arrears on subscribed share installments cannot exercise the rights attached to the shares. To this effect, the Company shall record payments made and pending balances.

If there were past due liabilities of the Shareholders to the Company on account of subscribed share installments, the Company shall, at the option of the Board of Directors, proceed with legal collection or sell through a broker, for the account and risk of the delinquent party, the shares such delinquent party has subscribed, or apply the amounts received to the release of a the number of shares in proportion with installments paid after deduction of twenty percent (20%) as indemnification for damages which shall be deemed accrued.

The shares the company withdraws from delinquent Shareholders shall be promptly placed.

Article 24. Shares paid for with drafts or other credit instruments shall only be released when the respective document is finally paid.

Article 25. Issued shares can also be paid by capitalization of income upon the decision of the General Shareholders Meeting.

CHAPTER V

Representation, Proxy

Article 26. Shareholders may be represented before the Company for any statutory or legal act by proxy appointed by public deed, letter, fax, Internet and generally by any written or electronic document.

The Company shall recognize the proxy as from the time of receipt of the relevant communication.

Paragraph. The power of attorney granted for a meeting of the General Shareholders Meeting shall indicate the name of the proxy holder, the name of the substitute person, if any, and the date or approximate date of the respective meeting. The power of attorney granted by public deed or legally recognized document might cover two or more meetings of the General Shareholders Meeting.

Article 27. Each Shareholder, whether a legal entity or individual, may only appoint one individual to represent it/him/her at the General Shareholders Meeting, irrespective of the number of shares owned.

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Article 28. Shares shall be indivisible with respect to the Company and therefore, when for any legal or conventional reason a share belongs to various persons, these shall appoint a common and sole representative to exercise the Shareholders' rights. If there is no agreement, the judge of the company's domicile shall appoint the representative of said shares at the request of any interested party.

The executor holding the assets shall represent shares owned by a non-liquidated company. Should there be several executors, they shall appoint one single representative, unless the Judge for said effect has authorized any one of them. If there is no executor, representation shall rest on the person elected by the majority of votes of the successors recognized in the legal proceedings.

Article 29. A Shareholder's representative or proxy shall not divide his/her principal's vote, that is to say, he/she shall not vote in a given way with a group of shares and differently with other shares. However, such non-divisibility of the votes does not prevent the representative of various Shareholders from choosing and voting in each case in agreement with the instructions received from each principal, not fractioning the vote attached to the shares of a single individual.

Except in the case of legal representation, while holding office administrators and employees of the Company cannot represent at Shareholder meetings shares other than their own, nor substitute the powers granted to them. The Statutory Auditor shall not act as proxy in any case.

CHAPTER VI

Fundamental Rights of the Shareholders

Article 30. Each share shall vest on its owner the following rights:

1. Participate in the decisions of the General Shareholders Meeting and vote in it.
2. Receive a proportional part of the Company's income at period closing as established in the financial statements, subject to the Law and the Bylaws.
3. Freely negotiate shares, unless right of preference has been stipulated in favor of the Company, the Shareholders or both.
4. Freely inspect the Company books and documents during the convening period prior to the General Shareholder meetings wherein the period closing financial statements are to be discussed.
5. Receive a proportion of the corporate assets at time of liquidation and after payment of the external liabilities of the Company.
6. Have access to information with respect to the governance of the Company in accordance with the relevant legal provisions as well as receive objective information as established in the Company's Good Governance Code.
7. A Shareholder or group of Shareholders representing at least 5% of the share capital of the Company may request authorization from Company management to carry out, at its own cost and under its own responsibility, specialized audits under the terms and conditions established in the Good Governance Code.

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Article 31. Two or more Shareholders who are not managers of the Company may enter into shareholder agreements as stipulated by the Law.

Article 32. Transformations, mergers or spin-offs imposing greater responsibility on the Shareholders or impairing economic rights, shall give absent or dissident shareholders the right to withdraw from the Company as stipulated by Law. Shareholders shall have the same right in the event of voluntary cancellation of the registration in the National Securities Registry or delisting from the Stock Exchange.

CHAPTER VII

General Shareholders Meeting

Article 33. The General Shareholders Meeting is composed by Shareholders or their representatives meeting with the quorum and other requirements set forth in the bylaws. Each Shareholder shall have as many votes as shares owned, with the restrictions set by the Law.

Paragraph. In the event that non-voting shares with preferred dividends are issued, the holders may meet in Shareholder Meetings to deliberate and decide on topics of common interest. The decisions of this Shareholder Meeting shall not be binding upon the Company.

The Shareholders Meetings of holders of shares with preferred dividends and without voting rights may be summoned by the representative of the holders of said shares, by the Board of Directors of the Company, by its legal representative, by the statutory auditor, by a plurality of Shareholders representing at least one fifth of these shares or by the government controlling entity.

Article 34. The General Shareholders Meeting shall be chaired by the Company CEO, by any of the Legal Representatives, and in the absence of the aforementioned, by the Shareholder or representative of the shares appointed by said Shareholders Meeting.

Article 35. The meetings of the General Shareholders Meeting shall be ordinary or extraordinary. The first Will be summoned within the first three calendar months of the year to examine the situation of the Company, appoint managers and other officers of its choice, consider the individual and consolidated general purpose financial statements of the latest period, rule on profit distribution and adopt all other decisions it is allowed to make. If not summoned, the Shareholders Meeting shall meet in its own right on the first business day of April, at ten a.m. in the main office of management. In this case, the presence of one or more shareholders shall suffice to hold the session and deliberate, no matter the quantity of shares representend. Extraordinary meetings shall take place when they are required by the needs of the Company, when called by the Board of Directors, the Company CEO or the Statutory Auditor or when ordered by legally authorized official entities.

Paragraph 1°. Those authorized by this article to summon the Shareholders Meeting are also required to do so whenever Shareholders representing at least one fifth of the subscribed shares so request.

Paragraph 2°. The provisions of this article do not prevent non-in person meetings under the terms stipulated by the Law.

Article 36. The meetings of the Shareholders shall be summoned by notice in any newspaper distributed around the company's domicile or by any written communication sent to all the Shareholders. For extraordinary shareholders meetings, the agenda shall be included in the notice.

For meetings at which the general purpose, individual and consolidated financial statements for the end of the fiscal year are to be approved, notice shall be given at least 15 business days in advance. In all other cases, 5 calendar days' notice shall be sufficient, except in the case of a meeting at which the election of members of the Board of Directors is to be held, in which case the notice shall be issued at least 15 business days in advance.

Paragraph 1°. In the event that the Shareholders Meeting is to make decisions regarding which the Law, the bylaws or the subscription regulations confer the right to vote on holders of shares with preferred dividends and otherwise without voting rights, the announcement notice shall inform that the holder of these shares shall have the right to intervene and vote at the meeting.

Paragraph 2°. For any debate regarding an increase in authorized capital or a decrease in subscribed capital, the meeting notice shall include the respective item in the agenda; otherwise, any decision made in such regard shall not be effective. In these cases, the Company management shall prepare a report on the reasons for the proposal, which shall be made available to the Shareholders during the announcement period at the Company's management offices. In the event of spin-off, merger and transformation, the respective projects shall be made available to the Shareholders at the offices of the Company's main domicile at least during the same term as the notice of the meeting during which the proposal shall be considered. In addition, the meeting announcement shall include the item and expressly indicate the right of the Shareholders to withdraw; otherwise, the decision shall not be effective.

Despite the aforementioned, the General Shareholders Meeting may meet at any place, deliberate and validly decide without prior announcement when all subscribed shares are represented.

Paragraph 3°. The Shareholders have the right to propose the introduction of one or more points for debate in the Agenda of the Shareholders Meeting and to present alternative proposals to those presented by Management or other Shareholders.

The above proposals should be sent in writing within 5 calendar days following the publication of the respective convening notice to the General Counsel, who will direct it to the attention of the Board of Directors.

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In the event that the Board does not consider it appropriate to accept the proposed modifications to the Agenda or the alternative proposals, it must reply in writing to those proposals supported by shareholders representing 5% or more of the outstanding ordinary shares, explaining the reasons for its decision and informing the shareholders of the right to raise their proposals during the Shareholders Meeting in accordance with Article 182 of the Code of Commerce.

If the Board of Directors accepts the request, and after the period for Shareholders to offer proposals outlined in this paragraph is over, a complement to the convening notice will be published including the proposals offered by the Shareholders, at least 15 calendar days before the meeting.

Paragraph 4°. Up to 2 business days prior to the respective meeting, Shareholders may forward in writing to the Investor Attention Office questions with respect to the items in the Agenda of the meeting, documentation received or public information issued by the company, or may request the information or clarifications they deemed pertinent.

The requested information may be denied if i) it is not pertinent; ii) it is irrelevant in understanding the status and progress of the company; iii) it is confidential, which includes privileged information in the exchange markets, industrial secrets, operations in progress which depend on the secrecy of negotiations; or iv) its disclosure would put the company's competitiveness in imminent and grave jeopardy.

When the information or the answer provided to a shareholder may put the shareholder at advantage, the company will publish such information or answer on its website.

Article 37. There shall be a quorum to deliberate in ordinary as well as extraordinary meetings with a plural number of Shareholders representing at least one-half plus one of the subscribed shares.

If due to lack of quorum the Shareholders Meeting cannot meet, a new meeting shall be summoned, which shall hold a session and validly decide with one or various Shareholders, whatever the number of shares represented. The new meeting shall take place not before 10 business days nor after 30 business days from the date set for the first meeting.

Paragraph 1°. Decisions required by law or the Bylaws to be made by a special majority of the subscribed shares can only be discussed and decided on if the required number of shares is present.

Paragraph 2°. In no event shall the shares repurchased by the Company be included in quorum calculations.

Article 38. The functions of the General Shareholders Meeting are:

1. Freely choose and remove the members of the Board of Directors, as well as set their fees.

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2. Freely designate and to remove the Statutory Auditor and his/her alternate and set their compensation.
3. Approve the policy for the appointment, compensation and succession of the Board of Directors.
4. Authorize new Company contracts in which the Company participates as partner or Shareholder when the totality of corporate assets are contributed to the fund of the companies constituted by or associated with the Company as well as authorize the transfer, disposal or rental of the totality of the corporate entity or the totality of the Company's assets, or the transfer, disposal or rental of a significant part of the exploitations and other assets of the Company, understood as any operation with a value of fifty percent (50%) or above of the Company's net assets.
5. Provide that a particular issuance of ordinary shares be verified without being subject to preferential right.
6. Examine, approve, disapprove, modify and close the individual and consolidated general-purpose Financial Statements as required by law and consider management and Statutory Auditor's reports.
7. Declare profit distribution, set the dividends and the payment manner and period thereof, rule on reserves to be made in addition to legal reserves and set aside part of them for charities, civic benefits and education purposes.
Paragraph. The contributions for the above items can also be authorized as Company expenses.
8. Amend the bylaws in accordance with legal provisions. Amendments of the bylaws will have separate voting processes for each substantially independent group of articles. However if any shareholder or group of shareholders representing at least 5% of the share capital so requests during the Shareholders Meeting, one or more articles may be voted separately.
9. Issue and place non-voting preferred stock, not exceeding 50% of subscribed capital.
10. Decide on the filing of corporate liability action against managers.
11. Decide on Company divestment. For this purpose, divestment is understood as the operation by means of which a company, called the "divesting company", allocates one or several portions of its equity to the incorporation of one or various companies or to increase the capital of existing companies called "beneficiaries". As consideration, the divesting company receives shares of stock, quotas or interest participations in the beneficiary company.

A contribution in kind is only considered a divestment upon delivery of all of a business line or upon a significant change in the corporate purpose of the divesting company.

A significant change in the corporate purpose of the divesting company is deemed to occur when the net amount of the assets is equal to or above 25% of total equity of the relevant company or when the assets contributed generate 30% or more of operating income thereof, based on the financial statements of the immediately preceding period.

Paragraph. With the legal exceptions, the General Shareholders Meeting may delegate functions in specific cases to the Board of Directors.

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In no case may the functions that in accordance with the provisions of Circular 028 of 2014 or the norm that adds or modifies it, and are considered as non-delegable be delegated to the Board of Directors or in the Senior Management.

Article 39. All the decisions, agreements, decrees, works and deliberations of the General Shareholders Meeting shall be recorded in the Book of Minutes.

The Minutes shall be signed by the President and the Secretary of the Shareholders Meeting and shall be approved by a commission composed of two persons appointed by the same corporate body, who shall indicate approval or leave comments on the bottom of the document.

Article 40. Notice shall be given to the competent authority of the date, time and place of all meetings of the General Shareholders Meeting.

CHAPTER VIII

Decision Majorities, Elections and Amendments to the bylaws

Article 41. The Shareholders Meeting shall deliberate with a plural number of Shareholders representing at least one-half plus one of the subscribed shares.

The decisions shall be made by a majority of the votes present at the meeting, with the following exceptions:

1. Approval by 78% of the shares represented in the meeting shall be needed if the decision is not to distribute the minimum percentage of profits as stipulated by the Law.
2. Approval by 70% of the shares represented in the meeting shall be needed for the placement of shares without preferential rights.
3. Approval by 80% of the shares represented in the meeting shall be needed to pay dividends with shares released by the Company.

Article 42. Amendments to the bylaws shall be approved and taken to public record by means of a public deed granted by a Legal Representative and registered with the Chamber of Commerce of the corporate domicile at the time of the amendment.

Article 43. Appointments by acclamation are not permitted in the Company except when unanimous, with express written record of it.

Article 44. Matters not foreseen regarding decision majorities, elections and amendments to be bylaws shall be addressed as set forth in the Law for similar cases.

CHAPTER IX

Board of Directors

Article 45. The Board of Directors is composed by seven members elected for periods of two years, indefinitely eligible for reelection.

The Board of Directors shall be elected by the electoral quotient system.

On the ballots presented for the relevant election, the number of Independent Members shall represent at least the percentage established in Law 964 of 2005 or the one that replaces, adds, or modifies it.

The Independent Members must prove their quality as established in the referred Law or the rule replacing, adding to, or amending it and in the Company's Good Governance Code.

In the event that two or more lists are submitted for the election of the Board of Directors, two votes shall be held, one to elect the Independent Members and another to elect the remaining members.

For this purpose, the lists corresponding to the election of Independent Members shall only include those persons with the qualifications stipulated in paragraph two of section 44 of Law 964 of 2005 or the rule replacing, adding, or amending it and in the Company's Good Governance Code affecting the possibility that the lists corresponding to the election of the remaining members include persons with such qualifications.

The proposals for election of Members of the Board of Directors shall be submitted by the Shareholders within the 10 calendar days following the call for the meeting of Shareholders Meeting holding the respective election, attaching the following documents:

- Written communication of each nominee indicating his/her acceptance to be included in the relevant list and that he/she does not incur in any of the ineligibility causes set forth in Paragraph 3 of this article.
- In the case of the Independent Members, a written communication from each nominee, indicating fulfillment of the requirements of independence stipulated in paragraph two of section 44 of Law 964 of 2005 and in the Company's Good Governance Code.

Paragraph 1°. The Shareholders Meeting without the necessity to motivate the decision or the consent of the removed member may remove the Members of the Board of Directors at any time. The election of a new Board of Directors or the filling of vacancies before the end of the statutory period shall only proceed when the Board of Directors does not have enough members to deliberate and decide, or when the Shareholders Meeting so approves with the favorable vote of the majority of the shareholders present at the meeting. That approval shall be given prior to the new election and shall be understood to be incorporated as part of the corresponding item on the agenda, both in ordinary and extraordinary Shareholders Meetings.

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The members elected outside the statutory period shall not begin a new term of office but shall complete the term of office of the member they replace.

Paragraph 2°. There are no alternate Directors on the Board of Directors.

Paragraph 3°. Candidates who are in any of the circumstances indicated below shall not comply with the conditions to be eligible as a Member of the Board of Directors:

- a) Candidates who directly or through an intermediary, or whose spouse, permanent partner or relatives up to the second degree of consanguinity or affinity or first civil degree: (i) participate in activities that imply competition with the Company or any of its subordinates, or with companies in which the Company has an interest of more than 25% of the capital; or (ii) are shareholders, beneficial owners or act as administrators of companies that carry out activities that imply competition with the Company or with any of its subordinates, or with companies in which the Company has an interest of more than 25% of the capital. By exception, those candidates who are in any of the aforementioned situations and who expressly state in writing their intention to resign from the corresponding administrative positions in the event of being elected, or to dispose of and transfer the corresponding corporate shares, in both cases, before the beginning of their term as a Member of the Board of Directors, may be included.
- b) Candidates who directly or through an intermediary, or whose spouse, permanent partner, relatives up to the second degree of consanguinity or affinity or first civil degree, advisors, attorneys, employees, employers, partners or entity of which they are partners, shareholders, beneficial owners or administrators who (i) are litigating counterparties of the Company or of any of its subordinates or of companies in which the Company has an interest of more than 25% of the capital, or who (ii) have promoted in the last three years, directly or indirectly, litigation against the Company or its subordinates, or against their respective administrators, or of companies in which the Company has an interest of more than 25% of the capital.
- c) Candidates who have the status of principal member of board of directors in more than four Colombian sociedades anónimas in addition to the Company.
- d) Candidates who are registered in restrictive lists for acts related to money laundering, financing of terrorism, fraud, bribery, corruption or any other illegal activity, or who have been criminally convicted with a duly executed sentence, except in the case of negligent crimes.
- e) Candidates who have incurred in any improper act in accordance with the provisions of the Company's Code of Conduct or candidates who have been removed from the Board due to the approval of the exercise of the derivative action.
- f) Candidates who have resigned from the Board of Directors in office at the time of the corresponding election.

The candidates, if elected, may not form a majority within the Board of Directors with persons to whom they are related by marriage, marital union or kinship within the third degree of consanguinity or second degree of affinity, or first civil relationship.

Paragraph 4°. In the event that a Member of the Board of Directors incurs in a cause of ineligibility after their election, the Member of the Board of Directors is obliged to notify the Company in writing and submit their resignation from the position with immediate effect. In the absence of notification or resignation, the Member of the Board of Directors with respect to whom a cause of ineligibility is configured after their election shall cease in their functions on the day on which the Company notifies said member in writing that it is aware of the configuration of the cause of ineligibility, clearly stating the cause or causes that have been configured and the corresponding basis.

Paragraph 5° (Transitory). The term of the Board of Directors in office as of the date of approval of this amendment is extended until March 31, 2026.

Article 46. The Company CEO may or not be a member of the Board; if he/she is not, he/she shall only have a voice in the deliberations. In no case shall the Company CEO receive special compensation for attendance at Board meetings.

Article 47. The Board of Directors shall choose the person that shall act as its Chairperson from among its members for the same period for which it is elected.

The Chairperson of the Board shall have the following functions:

1. Ensure that the Board set and efficiently implement the strategic direction of the company.
2. Coordinate and plan the function of the Board of Directors through the establishment of an annual work plan based on the assigned functions.
3. Organize the convening of meetings, directly or through the Secretary of the Board of Directors.
4. Prepare the Agenda of the meetings, in coordination with the CEO of the Company and the Secretary of the Board of Directors.
5. Ensure delivery, on time and manner, of information to the members of Board of Directors, directly or by means of the Secretary of the Board of Directors.
6. Chair the meetings and manage discussions.
7. Ensure the implementation of the agreements of the Board of Directors and monitor their delegations and decisions.
8. Monitor the active participation of the members of the Board of Directors.
9. Lead the annual evaluation of the Board of Directors and the Committees, except for his/her own evaluation.

Article 48. The Board of Directors shall meet ordinarily at least once a month in accordance with the annual calendar that it approves, and may meet extraordinarily when it so decides or when convened by the Company CEO, by the Statutory Auditor or by 3 of its members. Non in-person meetings shall also be valid under the terms authorized by the Law.

The ordinary and extraordinary meetings of the Board of Directors may be summoned by any means and without any special convening period.

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The majority of Board members shall make a quorum and such absolute majority is required to approve decisions.

Article 49. The Board of Directors shall validly deliberate and decide, with the presence and votes of the majority of its members.

There shall be a meeting of the Board of Directors without needing a previous call when by any means all members can deliberate and decide by simultaneous or successive and immediate communication as provided by Law.

Decisions shall also be valid when all members indicate their votes in writing, regardless of the means used. Votes by members in separate documents shall be received within the month following the first communication received at the latest. The legal representative shall inform the members of the Board of Directors of the decision within 5 days following receipt of the documents containing the votes.

Article 50. Functions of the Board of Directors.

1. Direct the general course of corporate businesses.
2. Approve and periodically monitor the strategic plan, business plan, management objectives and the annual budgets of the company.
3. Define the organizational structure of the Company.
4. Define the governance model for relations between the different companies comprising the Conglomerate.
5. Approve financial and investment policies of the Company and the Conglomerate, as appropriate.
6. Approve investments, divestitures or operations of all kinds that may qualify as strategic by the amount or characteristics or that affect strategic assets or liabilities of the Company.
7. Approve information and communication policy with different types of shareholders, markets, interest groups and public opinion in general.
8. Approving risk detection and management policy and monitor its management.
9. Approve and monitor the implementation and effectiveness of the internal control systems.
10. Adopt the policy of ethics, conduct and transparency of the Company, which shall include, among others, anonymous reporting systems such as transparency lines or similar.
11. Monitor the independence and efficiency of the internal audit function.
12. Freely name, assess and remove the Company CEO.
13. Name and remove the other legal representatives.
14. Set the compensation of the Company CEO and the Vice-Presidents who jointly will comprise Senior Management.
15. Name persons proposed by the CEO for positions of Vice Presidents.
16. Approve the compensation, succession and evaluation policy of Senior Management.
17. Stay informed of the performance evaluation of members of Senior Management.

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18. Decide on the resignations and leaves of employees of the Company who are appointed by the Board.
19. Give voting advice to the Company CEO when so requested by him/her.
20. Authorize managers, when so requested, after presentation of the pertinent report, to participate themselves or through related persons or third parties, in activities, which compete with the Company, or in acts which involve conflicts of interest, as long as they do not harm the interests of the company.
21. Convene the General Shareholders Meeting for extraordinary sessions whenever it deems advisable or when so requested by Shareholders representing at least one fifth of the subscribed shares. In this latter case the call for the meeting shall be made within three (3) days following the written request.
22. Submit to the General Shareholders Meeting a reasoned annual management report with a faithful presentation of the business evolution and the legal, financial and administrative situation of the Company. It shall also include a discussion of significant subsequent events, of the foreseen future evolution of the Company and of the operations carried out with shareholders and management. The report shall be approved by a majority of the Board of Directors and the explanations or qualifications of dissenting members shall be attached thereto. This report, along with other legal documents, shall be submitted jointly with the Company CEO.
23. Present to the General Shareholders Meeting a policy proposal for the appointment, compensation and succession of the Board of Directors.
24. Submit to the General Shareholders Meeting a recommendation for the recruitment of the Statutory Auditor after analysis of experience and availability of time and human and technical resources necessary to carry out his/her work.
25. Consider and respond in writing and duly grounded to proposals presented by any plural number of shareholders representing at least five percent (5%) of the subscribed shares.
26. Ensure that the process of proposing and election of the members of the Board of Directors is carried out in accordance with the formalities laid down by the Company.
27. Declare and regulate the issuance and placement of shares, bonds and commercial papers.
28. Authorize new Company contracts or acquisition of corporate participations in which the Company enters as or acquires the position of controlling partner; decide on the partial transfer, disposal or rental of the exploitations and factories of the Company, wherever the amount is higher than ten percent (10%) but less than fifty percent (50%) of the Company's fixed assets.
29. Submit to the General Shareholders Meeting recommendations on new contracts of the Company in which the Company participates as a partner or as a shareholder, provided that all corporate assets are contributed to the funding of the companies that this Company is constituting or associating with, as well as on proposals to decree the transfer, sale or lease of all of the Company or its assets, or the transfer, sale or lease of a significant part of the operations and other assets of the Company, this understood as any operation whose value exceeds 50% or more of the liquid assets of the Company.
30. Approve the incorporation or acquisition of participations in special purpose entities or those domiciled in countries or territories considered tax havens.

31. Approve operations that the Company carries out with controlling or significant shareholders, defined according to the ownership structure of the company, or represented on the Board of Directors; with the members of the Board of Directors and other managers or persons linked to them, when these operations are out of the ordinary line of business or under terms different from the market.
32. Approve operations with other companies of the Conglomerate when they are out of the ordinary line of business or under terms different from the market.
33. Examine, when deemed fit, by itself or through a commission, the Company accounts, documents and treasury.
34. Establish offices, branches or agencies in other cities of the country or abroad.
35. Ensure strict compliance with the bylaws, the Shareholders Meeting decisions and its own resolutions.
36. Authorize acts or contracts when their value in Colombian currency exceeds 50,000 legal minimum monthly wages.
37. Ensure effective compliance with legal requirements relating to the Company's Governance.
38. Adopt the Company's Good Governance Code, which defines both policies and principles to ensure compliance of shareholder's rights and to implement a system that allows for adequate disclosure and transparency as regards Company's operations and management performance, and ensure effective compliance thereof. The Good Governance Code shall establish the authorities to address any conflicts of interest by management and other Company officers, which are understood as delegated by virtue of these bylaws.
39. Monitor with the appropriate periodicity the efficiency of implemented Corporate Governance Practices, and level of compliance with ethical and conduct standards adopted by the Company.
40. Decide on those conflicts of interest, which in accordance with the Good Governance Code are under the Board's authority.
41. Decide on the appraisal of contributions in kind made after the incorporation of the Company.
42. Approve the Annual Report of Corporate Governance.
43. Approve, when considered relevant, the internal rules of operation for the support committees of the Board established in the Good Governance Code.
44. Organize the annual evaluation process of the Board of Directors, both as a collegial management entity as well as its individual members, in accordance with commonly accepted methodology for self-evaluation or evaluation by external consultants.
45. Propose a policy to purchase back its own shares to the General Assembly.
46. Conduct regular monitoring of Company performance and of regular business.
47. In the event that a public tender offer is made for shares of the Company, the Board of Directors may, at its sole discretion, hire independent advisors, including, but not limited to, financial and legal advisors, in order to fully analyze the offer and prepare the necessary studies to determine the possible effects on the Company, its shareholders and its various stakeholders. The conclusions of such analysis may be informed to the market through the relevant information mechanism. The foregoing is without prejudice

to the Board of Directors requesting the confidential analyses and evaluations it deems necessary for the exercise of its functions.

48. All other functions not attributed to the General Shareholders Meeting or to the Company CEO.

Paragraph 1°. Except as otherwise provided for in the bylaws, it is assumed that the Board of Directors has sufficient authority to have an act or contract performed or executed under the corporate purpose and to adopt all resolutions as required by the Company to fulfill its goals.

Paragraph 2°. With the legal exceptions, the Board of Directors may delegate its authority on the Company CEO.

In no case, functions considered as non-delegable by Circular 028 of 2014 or by regulations, which amend or modify it, can be delegated to Senior Management.

Article 51. Minutes shall be drafted for each meeting of the Board, which shall be signed by all attending the session as well as by the Secretary.

CHAPTER X

Chief Executive Officer and Legal Representation

Article 52. The direct management of the company is the responsibility of the Company CEO. The legal representation of the Company is held by the CEO and five main legal representatives that may act separately.

Article 53. The Company shall also have two Legal Representatives for judicial and administrative purposes.

Article 54. Functions of the CEO, Legal Representatives and Legal Representatives for Legal and Administrative Matters, as the case may be:

A. Functions of the CEO and alternates:

1. Submit to the General Shareholders Meeting in association with the Board of Directors with prior study and initial approval by the latter, a management report with the content required by the Law and the bylaws, the certified and audited separate and consolidated general-purpose financial statements, the relevant proposal for distribution of profits and other documents as required by Law.
2. Submit a special report communicating the extent of the existing economic relations between the controlling entity and the affiliates or subsidiaries thereof and the respective controlled Company.
3. Prepare, in the event of a proposal to increase authorized capital or decrease subscribed shares, a report on the reasons for the proposal and make it available to the Shareholders during the summoning period.

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4. Hire and remove employees, as well as to set authorities and salaries in accordance with the administrative structure and to ensure strict compliance with the duties entrusted to such employees.
5. Look after the correct and efficient investment of the Company's funds, organize employee benefits and ensure timely payment of these and, in general, direct and ensure efficient compliance of the efforts and activities related to the corporate purpose.

B. Functions of the CEO and Legal Representatives:

1. Represent the Company in Court and out of Court.
2. Carry out the decisions of the General Shareholders Meeting and the Board of Directors.
3. Appoint representatives empowered to act in Court and out of Court and delegate certain functions to them, within the legal limit.
4. Perform acts and enter into agreements aiming at furthering the corporate purpose, submitting beforehand to the approval of the Board of Directors those general businesses, which according to the bylaws are the exclusive responsibility of the Board, including those businesses exceeding 50,000 minimum legal monthly wages in effect in Colombian currency.
5. Comply with and ensure compliance with the Good Governance Code.
6. Provide the market with timely, complete and truthful information on the financial situation and the risks inherent to the activity of the Company.
7. Submit tax returns to the authorities and request refunds, independent of the amounts for both cases
8. To represent the Company in all matters relating to the shareholders meeting or the body acting in its stead, of the entities in which the Company is a shareholder or has an interest in any capacity whatsoever.

C. Functions of the Legal Representatives for Judicial and Administrative purposes:

1. Represent the Company judicially and extrajudicially in all kinds of administrative procedures and processes such as judicial, reconcile, compromise and desist, including procedures and tax proceedings.
2. Carry out all types of proceedings before the public authorities including authorities that have direct relationship with the tax liabilities of the Company.
3. Represent the Company in judicial hearings, conciliate, compromise and desist.
4. Constitute legal and extrajudicial representatives and delegate certain functions to them within the legal limit.

Article 55. The CEO shall not be present when the Board deliberates on his/her election, reelection or removal, or sets his/her compensation.

CHAPTER XI

Statutory Auditor

Article 56. The Company shall have a Statutory Auditor appointed by the Shareholders Meeting for a period of one year, eligible for reelection in accordance with the Good Governance Code. The appointment of the Company's Statutory Auditor shall fall on one of the top accounting firms that comply with the requirements of the Good Governance Code. The Statutory Auditing firm shall act as the principal Statutory Auditor and may appoint up to four Alternate Statutory Auditors.

The election of the Statutory Auditor shall be fully transparent and based on an objective evaluation pursuant to the procedure applicable to this election as set forth in the Good Governance Code.

Paragraph. The General Shareholders Meeting, without it being required to indicate reason, may remove the Statutory Auditor at any time. The Statutory Auditor shall not be affected by any of the grounds for disqualification set forth in the Law.

Paragraph 2° (Transitory). The term of the Statutory Auditor in office as of the date of approval of this amendment is extended until March 31, 2026.

Article 57. The duties of the Statutory Auditor are:

1. Ensure that all operations carried out by the Company comply with these bylaws, the decisions of the General Shareholders Meeting and the resolutions of the Board of Directors.
2. Timely report in writing to the Shareholders Meeting, to the Board of Directors, or to the CEO, as the case may be, of any irregularities in the Company's operations and business.
3. Collaborate with the governmental entities exercising inspection and monitoring of the Company and provide requested or appropriate reports.
4. Ensure that the Company accounting, the minutes of the Shareholders Meeting and the Board of Directors meetings are regularly kept, as well as duly safeguard the Company's correspondence and accounting vouchers, giving the necessary instructions for these purposes.
5. Permanently inspect the assets of the Company and ensure that timely measures are taken to preserve or secure such assets and those over which it has custody or any other title.
6. Give the instructions, carry out the inspections and request the reports necessary to establish permanent control over corporate securities.
7. Authorize with his/her signature the financial statements along with the relevant opinion or report.
8. Convene extraordinary meetings of the General Shareholders Meeting when deemed necessary.

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9. Perform all other duties as stipulated by the Law or the bylaws and those that, being compatible with the aforementioned, are assigned by the Shareholders Meeting.

CHAPTER XII

Audit and Finance Committee

Article 58. There shall be an Audit and Finance Committee to support the work of the Board of Directors. This committee shall be composed by 3 independent members of the Board of Directors. The Board itself shall appoint the members of the Committee. The Secretary to this Committee shall be the General Counsel of the Company or his/her deputy, who must be an employee of the Company. In addition, the Company CEO, the Finance Vice-president, the Statutory Auditor and the Internal Auditor's office shall be part of the Committee.

Article 59. The Committee is created to support the Board of Directors in the supervision of the effectiveness of the internal control system as a decision-making element related to the control and the improvement of the activities of the Company, its managers and directors.

It is the duty of the Committee to instruct and ensure that the procedures of internal control are adjusted to the needs, objectives, goals and strategies established by the Company and that these procedures are framed within the objectives of internal control, such as: efficiency and effectiveness in the operations, sufficiency and trustworthiness in the financial information.

Paragraph 1°. The Committee does not take over the duties of the Board of Directors or the Management regarding the supervision and performance of the Company's internal control system.

Paragraph 2°. Any officer of the Company may be summoned to attend the Committee meetings.

Article 60. The following are the main duties of the Audit and Finance Committee:

1. Support the Board of Directors in the decision-making process regarding control and improvement thereof.
2. Supervise the Company's internal control structure to establish if the designed procedures reasonably protect the assets of the organization and if existing controls allow ensuring that transactions are adequately authorized and registered.
3. Supervise the functions and activities of internal auditing to determine its independence as regards the audited activities and verify that the scope of its work meets the requirements of the organization.
4. Ensure the transparency of financial information prepared by the organization and its appropriate disclosure. For this purpose, it shall ensure the existence of the necessary controls and adequate instruments to verify that the financial statements disclose the Company's position and the value of its assets.

5. Assess internal control reports prepared by Internal Audit and the Statutory Auditor, verifying that management has followed their suggestions and recommendations.
6. Request the reports it deems appropriate for the proper performance of its duties.
7. Assess on an ongoing basis the procedures implemented in order to determine the adequacy of internal controls.
8. The Committee's reports and remarks, which are recorded in minutes, shall be presented to the Board of Directors at least once a year or sooner if so requested.
9. Should significant situations arise, the Committee shall submit a special report to the Company CEO.
10. In performing its managerial duties, the Audit Committee shall be acquainted with and/or assess at least the following documentary material:
 - The draft of the company's financial statements.
 - The Statutory Auditor's report on the financial statements.
 - The internal control reports and/or the letters of recommendation or remarks issued by issued by the Statutory Auditor, as well as by the Internal Auditor, as the case may be.
 - The annual Internal Audit and Statutory Audit plan.
 - The remarks submitted by the authorities to the company arising from the weaknesses identified.

CHAPTER XIII

Secretary

Article 61. The Company shall have a General Counsel who will act as Secretary of the General Shareholders Meeting and the Board of Directors.

The General Counsel will be a high-level officer of the Company and will be named by the Board of Directors, according to the recommendation of the CEO of the Company and prior review by the Appointments and Compensation Committee.

His/her duties and powers shall be those stipulated in the Operating Rules of the Board of Directors.

CHAPTER XIV

Financial statements, Income and Reserves

Article 62. At the end of each accounting period and at least once a year, on December 31, the Company shall cut off its accounts and prepare and disclose duly certified individual and consolidated general-purpose Financial Statements. These Statements shall be disseminated along with the corresponding expert opinion.

Article 63. The legal reserve shall be formed with 10% of the net income obtained in each period until reaching 50% of the subscribed capital as a minimum. When this reserve reaches the

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aforementioned percentage, the Company shall not be required to continue transferring to this account the 10% of the net income. However, should the reserve decrease, it shall again transfer 10% of said income until the reserve reaches the limit set. Other than the legal reserve, the Shareholders Meeting shall be entitled to create other particular or special reserves and make part of the net income available for charities, civil projects or education.

Paragraph. After setting aside for legal reserve and others available to the Shareholders Meeting, the Shareholders Meeting may order the distribution of net income to the Shareholders; such distribution shall be made pursuant to the Law and as approved by the Shareholders Meeting for the different classes of shares. The Shareholders Meeting may order the distribution of net income with different tax treatments and determine the manner in which such income shall be distributed among the Shareholders. In any case, the dividend for each ordinary, nominative and capital share shall be equal.

Article 64. The Company shall only pay dividends from the net income as established in the Financial Statements approved by the Shareholders Meeting, The setting of dividends shall only be done after the deduction for the legal reserve, if necessary, and for those created or increased by the Shareholders Meeting.

Article 65. The Company shall not recognize interests on dividends not timely claimed, which shall remain as part of the Company's cash, on deposit available to the interested party.

Article 66. Shareholders shall not be required to return to the Company dividends received in good faith as declared by the Shareholders Meeting except when mistakenly the Company has paid a Shareholder an amount exceeding the exact amount corresponding to each share subscribed in accordance with said declaration.

CHAPTER XV

Company dissolution and liquidation

Article 67. The Company shall dissolve:

1. Upon the expiration of Company's life span if it has not been legally extended.
2. Upon the impossibility to develop the corporate business, upon the termination thereof or upon the exhaustion of that being exploited which constitutes its purpose.
3. Upon reduction in the number of shareholders to less than those required by Law.
4. Upon the initiation of mandated liquidation in accordance with the Law.
5. By a resolution of the General Shareholders Meeting passed with the vote required for an amendment to the bylaws.
6. By decision of the competent authority, in the cases expressly provided for in the Laws.
7. When losses reduce net equity to below 50% of subscribed capital.
8. When 95% or more of the subscribed shares belong to a single Shareholder.
9. Upon the occurrence of any other event expressly indicated in the Law as grounds for dissolution.

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Paragraph. When the nature of the grounds allows it, the associates can avoid the dissolution of the Company by adopting the necessary amendments in accordance with the Law.

Article 68. Upon formalizing the dissolution agreement, liquidation of the company's capital shall proceed, with delivery to the Shareholders, after payment of external liabilities or earlier if the Law so permits, of the amounts corresponding to reimbursement in cash of their contributions, delivery which shall be made concurrently to all of them and in proportion to shares owned, except for privilege agreement.

The liquidation shall be carried out by the person or persons appointed by the Shareholders Meeting by a majority of shares present at the meeting.

The Shareholders Meeting may name several liquidators and each one shall have an alternate.

The appointments shall be recorded in the trade registry of the domicile of the company and of the branches, and the individuals appointed shall be vested with the authority and have the obligations of the liquidators only as from the date of registration.

If there are several liquidators, they shall act jointly unless the Shareholders Meeting rules otherwise; in the first case, the controversies among themselves shall be resolved by a majority vote of the shares represented in the Shareholders Meeting.

Until a liquidator or liquidators are appointed and registered, the Company CEO shall act as liquidator as from the date of dissolution; the alternates of the liquidator shall be the alternates of the CEO.

The aforementioned does not prevent, if all means of naming a liquidator are exhausted, any associate from requesting that the competent authority appoint the liquidator.

Paragraph. If a plural number of Shareholders representing more of 60% of the subscribed shares so agree, the assets of the Company may be distributed in kind in accordance with their commercial value at the moment of liquidation, which shall be set by an expert appointed by the Shareholders Meeting of Shareholders with the same decision-making quorum indicated in this paragraph.

The distribution in kind shall not be made before payment of external liabilities, except when permitted by the Law.

Article 69. During the liquidation period, the General Shareholders Meeting shall perform and carry out all duties compatible with said period, especially with the free appointment and removal of the liquidator or liquidators. The Board of Directors may also perform if the Shareholders Meeting so decides, but its performing shall be limited to providing consultancy to the liquidator or liquidators, without its opinions being binding upon them.

Article 70. During the liquidation period, all the Shareholders shall have right to consult the accounting books, the vouchers and annexed papers, except those that contain trade secrets. In no event shall the books and papers be removed from the offices.

Article 71. The General Shareholders Meeting shall require management reports from the CEO, the members of the Board of Directors, the liquidators and any other person who has managed interests of the Company.

The Shareholders Meeting shall examine said reports, approve them, demand the responsibilities arising therefrom, through its attorneys if necessary, and decide on the final closing of the liquidation.

CHAPTER XVI

Arbitration

Article 72. Corporate conflicts or any controversy that may arise, due to or derived from the company agreement or applicable rules, between (i) Shareholders, (ii) former Shareholders and Shareholders, (iii) Shareholders and the Corporation, (iv) Shareholders and management or (v) the Corporation and the management, or (vi) buyers, sellers or the Corporation, for matters related to Articles 18-1 and 18-2 of these Bylaws, shall be settled by an arbitration tribunal made up of three arbitrators, which shall be governed by the rules of the Centro de Conciliación, Arbitraje y Amigable Composición de la Cámara de Comercio de Medellín para Antioquia. The arbitrators shall be appointed by mutual agreement of the parties or, failing this, by the Centro de Conciliación, Arbitraje y Amigable Composición de la Cámara de Comercio de Medellín para Antioquia. The Tribunal shall decide as a matter of law and shall meet at the facilities of said center. The acceptance of a management position implies the acceptance of this arbitration clause.

CHAPTER XVII

Other Provisions

Article 73. Company managers may not directly or through a third party dispose of or acquire shares of the company while in their positions except in regards to non-speculative transactions authorized by the Board of Directors with at least the favorable votes of three of its members, excluding the requesting party.

Article 74. When a period expires and the relevant appointments have not been made, the period shall be understood as extended until so done.

Article 75. Unless otherwise expressed in the respective election, the periods of the Board of Directors, the Statutory Auditor and in general those stipulated in the bylaws shall begin on the Monday after the election. If the appointment is made when the period is already underway, it shall be understood to cover the remainder of the period.

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Article 76. For all not foreseen in these bylaws, the regulations of Colombian Law shall apply, which shall also serve to resolve controversies, contradictions, incompatibilities and gaps therein identified.

Article 77. All persons affiliated with the Company who are aware of information regarding the Company are prohibited from disclosing it to third parties, whether affiliated or not to the Company, unless prior written authorization is received from the Board of Directors or the Company CEO.

The Shareholders will have the right of inspection or supervision, in the form and opportunity that is established by Law. In no case this right will be extended to documents that deal with industrial secrets or in the case of data that if disclosed, may be used to the detriment of the Company.

The Finance Superintendence shall resolve controversies regarding the right to inspection. If this authority considers the delivery of information appropriate, it shall give the respective order.

Managers who prevent the exercise of this right or the Statutory Auditor who being aware of this non-compliance fails to report it on a timely basis shall incur in grounds for removal. The measure shall be made effective by the relevant manager's supervisor or supervisory body or by the General Shareholders Meeting in the case of the Statutory Auditor, or, failing them, by the Finance Superintendence.

Article 78. The CEO, the liquidator, the factor, the members of the Board of Directors, and those who in accordance with the Law perform managerial duties shall give evidenced accounts of their performance in the following cases: At the end of each period, within the month following the date of their resignation from position and when required by his/her supervisor or supervisory body. For this purpose, they shall present the relevant Financial Statements and a management report. Approval of the accounts does not discharge the managers, legal representatives, public accountants, consultants or statutory auditors from liability.

Article 79. Grupo Argos S.A. is prohibited from standing surety for third parties' liabilities and using corporate assets as collateral for obligations other than its own, unless it involves guarantees or collateral for obligations taken on by companies in which it directly or indirectly owns 50% or more of the shares, or over which it has declared a situation of control, provided it has been so decided by the Board of Directors with the unanimous votes of those attending the meeting.

Article 80. The Company, managers and employees of the Company are obligated to comply with and to enforce provisions established in the Good Governance Code approved by the Board of Directors as well as in the internal policies and procedures adopted by the different governing bodies of the Company.

Article 81. If during the life of the Company there is an event of conflict of interests, the resolution of such Will be guided by strict compliance with the following principles:

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1. When the interests of Company and those of its shareholders, managers or third parties linked to it are in conflict, the interest of the Company is preferred.
2. When the interests of the shareholders and those of the managers or third parties linked to it are in conflict, the interest of the shareholders is preferred.
3. The prevention and settlement of conflicts of interest shall be realized in accordance with the relevant stipulations set forth in the Good Governance Code.

ANNEX C

Current corporate bylaws of Grupo Sura

"This English translation is for informational purposes only. The Spanish by-laws are the official corporate document approved by the Shareholders' Meeting and shall prevail in case of any discrepancies".

Corporate By-laws Grupo de Inversiones Suramericana S.A.

As approved in its original language (Spanish)
at the Shareholders' Meeting held on September 23, 2024

CHAPTER I

NAME, NATURE, NATIONALITY, REGISTERED PLACE OF BUSINESS AND TERM OF DURATION

ARTICLE 1- NAME, TYPE OF COMPANY AND REGISTERED PLACE OF BUSINESS. The Company shall be called "GRUPO DE INVERSIONES SURAMERICANA S.A.", which may also be referred to as "Grupo SURA". It shall take the form of a corporation (*sociedad anónima*) of Colombian nationality, whose registered place of business shall be in Medellin, Colombia. The Company shall be entitled to set up branches, agencies, offices and representations in other places in the country as well as abroad, should its Board of Directors so decide. Its registered place of business may be amended subject to these By-laws.

ARTICLE 2- TERM OF DURATION. The Company shall have a duration of ONE HUNDRED (100) YEARS, beginning on the date this Public Deed is drawn up.

CHAPTER II CORPORATE PURPOSE

ARTICLE 3- SCOPE. The Company shall engage in investing in personal and real estate property. In the case of investing in personal property, in addition to any kind of personal property, it may invest in shares, participations or equity interest in companies, entities, organizations, funds or any other legal vehicle in which it may invest its resources. Likewise, it may invest in commercial paper or fixed income securities or equities, regardless of whether these are listed on a public stock exchange. In any case, the corresponding issuers and/or investees may belong to either the public or private sectors, both at home or abroad.

In faithfully carrying out its corporate purpose, the Company may acquire, pledge, use, operate, use to set up a trust or for a trust agreement or dispose of any type of personal and real estate property, enter into credit agreements, provide or receive monetary loans to and from its partners or third parties without this being considered as financial intermediation, this on an occasional basis and for non-speculative purposes with the sole aim of obtaining funds in order to carry out its business purpose; grant, negotiate dispose of, pay, or assign in any manner all types of negotiable instruments and sign all types of civil and commercial documents and generally speaking execute all those contracts,

agreements or instruments that are directly related to its business purpose or for exercising its rights and complying with the legal or conventional obligations inherent to the Company's good standing and the activities it carries out.

PARAGRAPH. The Company may guarantee the obligations of its affiliated companies provided prior authorization for such has been obtained from its Board of Directors.

CHAPTER III CAPITAL AND SHARES

ARTICLE 4- AUTHORIZED SHARE CAPITAL. The Company's AUTHORIZED share capital is ONE HUNDRED AND TWELVE THOUSAND FIVE HUNDRED MILLION COLOMBIAN PESOS (COP 112.500.000.000) divided up into SIX HUNDRED MILLION (600.000.000) shares each with a nominal value of ONE HUNDRED EIGHTY SEVEN PESOS AND FIFTY CENTS (COP187,50).

ARTICLE 5 SUBSCRIBED AND PAID-IN CAPITAL. The Company's subscribed and paid-in capital shall be duly established as provided by applicable legislation and these corporate By-laws. Any change to the Company's subscribed and paid-in capital shall be certified by its External Auditor, pursuant to that stipulated by applicable legislation, and shall be duly filed with the Chamber of Commerce in its registered place of business.

ARTICLE 6- SHARES HELD IN RESERVE. Any shares held in reserve or that may be subsequently issued by the Company, shall remain at the disposal of its Board of Directors, and placed whenever the Board should so decide, based on the subscription rules and regulations thus approved by said governing body, pursuant to that stipulated in these By-laws and applicable legislation.

PARAGRAPH ONE. Shareholders shall have preemptive subscription rights to all new issues of shares in proportion to the amount of shares held by these on the date on which the rules and regulations for said new issue are approved by the Board of Directors. Any shares that were not subscribed by shareholders, upon exercising their preemptive subscription rights, shall remain at the disposal of the Board of Directors, who shall decide on how they are to be issued and regulate their placement, whenever they should consider this appropriate.

PARAGRAPH TWO. Notwithstanding the stipulations in this Article, the General Assembly of Shareholders with the affirmative vote of no less than seventy percent (70%) of the shares represented at the meeting held for such purpose, may decide to place either the total or a partial amount of the shares held in reserve or those belonging to a particular issue without these being subject to preemptive shareholder rights.

PARAGRAPH THREE. When issuing or placing Company shares, their offering price shall not necessarily be based on the price valuation carried out beforehand using recognized technical procedures.

ARTICLE 7- CHARACTERISTICS. The Company's capital stock shall be divided up into nominative shares, which shall take the form of: **a)** ordinary stock, **b)** preferred non-voting stock, or **c)** preferred stock, as permitted by applicable legislation.

The Company's ordinary stock confers on its holders all the essential rights established by law for this type of share. Preferred non-voting shares shall confer all those rights contained in the respective share issuance and placement rules and regulations.

All shares issued shall have the same par value in accordance with that provided in Article 4 of these corporate By-laws.

The Company's shares may circulate in a materialized or dematerialized form as determined by the Board of Directors in the respective rules and regulations.

The Company's shares shall circulate in a dematerialized form, and will be represented by a global share certificate, that shall be handled by and kept in the safekeeping of a central securities depository, which shall be responsible for recording the names of the subscribers thereof and maintaining the corresponding stock ledger. Shareholders may request their share certificates from the corresponding direct depository, who shall provide legitimate certificates for exercising the rights to which they are entitled as holders of said shares. The theft or loss of these share certificates shall not give rise to any legal action and the shareholder merely has to request a new share certificate or record from the direct depository.

In order for the new holder of a Company share to be able to exercise his or her rights, it shall only be necessary for the corresponding entry to be made in his or her account as well as in the stock ledger, evidence of which shall be provided in the form of a certificate issued by the central securities depository.

PARAGRAPH. Ordinary shares may be converted into preferred, non-voting stock or preferred stock should approval be obtained from the General Assembly of Shareholders, pursuant to applicable legislation. In this case, the Board of Directors shall approve the corresponding share conversion rules and regulations binding on the shareholders. Likewise, the Board of Directors shall approve all forms, contracts and other documents that the shareholders must execute in order to convert their ordinary shares either into preferred non-voting stock or preferred stock.

ARTICLE 8- REPRESENTATION. The representation of shares for validly discussing and voting on matters brought before the General Assembly of Shareholders and the powers of attorney conferred by shareholders for this purpose, shall be subject to all limitations and prohibitions provided by law. Powers of attorney shall be granted based on current applicable legislation.

CHAPTER IV

THE COMPANY'S GOVERNING AND MANAGEMENT BODIES

ARTICLE 9- GOVERNANCE AND MANAGEMENT. For the purposes of its governance and management, the Company has the following bodies:

- a) GENERAL ASSEMBLY OF SHAREHOLDERS
- b) BOARD OF DIRECTORS,
- c) CHIEF EXECUTIVE OFFICER AND SENIOR EXECUTIVE OFFICERS.

PARAGRAPH. The Company's shareholders, managers and employees are obliged to comply with the internal rules and regulations that the Company has voluntarily adopted, in accordance with the

recommendations contained in Colombia's Country Code (*Código País*) and other corporate governance practices that the Company considers it appropriate to adopt, by including these in its internal corporate governance rules and regulations, which supplement the provisions of these By-laws.

The governing and management bodies shall exercise their functions in accordance with the provisions of these By-laws, as well as other internal regulations together with applicable legislation.

In the event of any contradiction between the Company's internal corporate governance rules and regulations on the one hand and its By-laws on the other, the latter shall prevail.

ARTICLE 10- DUTIES OF THE COMPANY'S MANAGERS. The Company's managers shall act in good faith, in a loyal manner and with all due diligence. Their actions shall be carried out in the Company's best interests, taking into account the interests of its shareholders.

To this end, the administrators shall: **(a)** Make all the necessary effort for the Company to properly carry out its business purpose; **(b)** Ensure strict compliance with all legal and statutory provisions;; **(c)** Ensure that the functions entrusted to the External Auditor's Office are properly performed; **(d)** Safeguard and protect the Company's trade secrets or proprietary information; **(e)** Refrain from unduly using privileged information; **(f)** Treat all shareholders equally and respect their individual right to inspection as provided by law; **(g)** Refrain from participating either directly or through an intermediary in favor of any personal or third party interest, (i) in activities that involve competing with the Company, its subsidiaries or companies in which the Company holds a 20% or more equity interest, or (ii) in acts with respect to which there is a conflict of interest with the Company, its subsidiaries or companies in which the Company holds a 20% or more equity interest, except, in the cases provided for in items (i) and (ii), when having obtained express authorization from the General Assembly of Shareholders or the Board of Directors, in the latter case for the purposes of the rules and regulations governing financial conglomerates, specifically for conflicts of interest between the entities that make up the SURA-BANCOLOMBIA financial conglomerate; and **(h)** Refrain from taking or exploiting, either directly or through an intermediary in favor of any personal or third party interest, a business opportunity that could be taken or exploited by the Company, its subsidiaries, or companies in which the Company holds a 20% or more equity interest, unless expressly authorized by the General Assembly of Shareholders.

PARAGRAPH. Handling conflicts of interest. All employees, managers or legal representatives of the Company must disclose their conflicts of interest or any personal situation that, due to its particularities, may be contrary to the Company's benefit, in accordance with the assumptions and procedures established for such purposes in its internal corporate governance rules and regulations. Likewise, in the event that a Director or a Legal Representative becomes aware of a situation that could potentially generate a conflict of interest regarding another of the Company's Directors or Legal Representatives, he or she shall be bound to inform the Board of Directors of such situation.

CHAPTER V GENERAL ASSEMBLY OF SHAREHOLDERS

ARTICLE 11- STRUCTURE The General Assembly of Shareholders shall be formed by the shareholders appearing in the Stock Ledger either registered themselves or by their legal or conventional

representatives, the latter appointed by means of powers of attorney granted in writing, assembled with the required quorum and under the conditions set forth in these By-laws.

The meetings of the General Assembly of Shareholders may be attended by the Members of the Board and the Company's Chief Executive Officer in order to, among other matters, answer the questions of the shareholders.

PARAGRAPH. The acts by which the holder of a share, grants, accepts or subjects to, limitations or partitioning of the ownership over their stakes in the Company's share capital, such as those which, without involving the transfer of full ownership, involve the transfer or concession of rights, privileges or powers inherent to the status of the shareholder, and which require to be registered in the stock ledger to become valid and enforceable, shall only become effective before the Company and other third parties after the corresponding registration in the stock ledger has occurred with at least two (2) business days prior to the date on which the Shareholders' meeting is held.

Acts that fail to comply with the procedure described above shall not have any effect whatsoever with regard to the Company or the other shareholders.

ARTICLE 12- ORDINARY MEETINGS. Ordinary meetings of the General Assembly of Shareholders shall be held every year, no later than March thirty-first (31st), for which notice shall be given by the Board of Directors or the Chief Executive Officer, this in order to examine the Company's current situation, appoint the managers as well as any other officer that should come under the scope of the Shareholders, determine the Company's economic guidelines, examine the accounts and Financial Statements for the previous fiscal year, determine how the Company's profits are to be distributed and agree on all measures aimed at ensuring compliance with the Company's corporate purpose. If no meeting is called, the General Assembly of Shareholders shall meet in their own right on the first (1st) business day of the month of April at ten o'clock (10:00 am) at the Company's registered place of business where the Company's Management operates and shall validly hold a meeting with a plural number of shareholders regardless of the percentage of shares they represent. At this meeting, as well as in those verified under the provisions of Article 429 of the Code of Commerce, matters may be decided on with the majority vote of the shares therein represented. Should the Company be listed on a public stock exchange, after a second notice is given the General Assembly of Shareholders shall meet and validly decide on matters with the presence of one or more shareholders regardless of the percentage of shares these represent.

ARTICLE 13- EXTRAORDINARY MEETINGS. Extraordinary meetings shall be held when warranted by unforeseen or urgent circumstances in which the Company finds itself, for which notice shall be given by the Chairman of the Board, the Chief Executive Officer or the External Auditor or upon the mandatory request of a plural number of shareholders representing at least 10% of the subscribed shares, unless a different percentage is established in the form of a mandatory law.

In the case of calls for meetings made at the request of shareholders who comply with the percentage indicated in this Article or in the form of a mandatory law, this request must be made in writing and accompanied by the corresponding justification, as well as the items included in the proposed agenda.

In the case of calls made at the initiative of the External Auditor, he or she shall submit a detailed report stating why the meeting was requested. When this is carried out in compliance with a request from a

plural number of shareholders that meet the aforementioned requirements, analysis of the legality of such must in any case be presented thereby allowing the External Auditor to request a meeting to be called on behalf of the shareholders that requested such.

At these meetings, the General Assembly of Shareholders may not deal with matters other than those indicated in the agenda set forth in the notice calling for such, except when decided by the number of shareholders required by law and only when there are no further items on the agenda to be discussed.

PARAGRAPH. In any case, extraordinary meetings of the General Assembly of Shareholders may not deal with matters that involve the usurpation of the functions of other governing bodies.

ARTICLE 14- VENUE. Except when all the subscribed shares are duly represented, shareholder meetings shall take place at the Company's registered place of business, on the date, at the time and in the place indicated in the notice given.

PARAGRAPH. Meetings of the General Assembly of Shareholders may be held in person or by submitting written votes based on the terms and conditions provided in the Code of Commerce.

ARTICLE 15- NOTICES OF MEETINGS. Calls for meetings shall be carried out by publishing the corresponding notice in a widely circulating newspaper in the Company's principal place of business. The Company shall ensure that said notice shall be disseminated and publicized to the maximum extent possible, using the Company's website or whatever means should take its place, as well as on social networks or through individualized emails (whenever available).

For ordinary shareholder meetings or those at which the Company's year-end Financial Statements are to be examined, notice shall be given no less than thirty (30) calendar days in advance.

In the case of extraordinary shareholder meetings at which new members of the Board of Directors are to be appointed, the call for such shall be made no less than fifteen (15) calendar days in advance. The corresponding procedure for appointing members of the Board of Directors is established in these By-laws, in the Board of Directors' Appointment, Remuneration and Succession General Policy, as well as in other internal rules and regulations together with applicable legislation.

In the case of other extraordinary meetings, notice of such given not less than five (5) calendar days beforehand shall suffice.

With respect to extraordinary shareholder meetings, when the purpose of such meetings is to decide on the transformation, merger, spin-off or cancellation of the Company's registration before the Colombian National Registry of Securities and Issuers (*Registro Nacional de Valores y Emisores*), the corresponding call shall be made in accordance with the provisions of applicable regulations.

Neither the day on which the notice of the meeting is issued nor the day on which the meeting is to take place shall be taken into account for the purpose of calculating the time periods provided for in this article.

The notice calling for special meetings shall include the agenda of items to be discussed during the course of the meeting.

As long as the Company's shares are traded on the public stock market and the intention is to discuss at the corresponding Shareholders Meeting an increase in the Company's authorized capital or a decrease in its subscribed capital, the respective item must be included in the agenda set forth in the notice for the meeting in question. Failure to comply with this requirement shall render the corresponding decision void ab initio.

PARAGRAPH. In the case of an ordinary meeting of the General Assembly of Shareholders, any shareholder may request the inclusion of one or more items to be discussed in the agenda. The corresponding request must be addressed to the Board of Directors and submitted to the Company Secretary within five (5) calendar days following the publication of the notice of said meeting, and must be accompanied by a justification for such.

Should the Board of Directors reject this request and this had been submitted by one or more shareholders representing at least five percent (5%) of the Company's subscribed capital, the Company must respond in writing, explaining the reasons for its decision and informing the shareholders of their right to present their proposals during the meeting in accordance with the provisions of Article 182 of the Code of Commerce.

Once the time allowed for the shareholders to propose items pursuant to that stipulated in this paragraph has expired, and in the event that the Board of Directors accepts the corresponding request, a supplemented notice for said meeting of the General Assembly of Shareholders shall be published at least fifteen (15) calendar days prior to the date on which the meeting is to be held.

This procedure shall also apply in the case of new proposals submitted by the shareholders on matters included in the agenda.

ARTICLE 16- SHAREHOLDER MEETINGS FOR WHICH NO NOTICE IS GIVEN. The General Assembly of Shareholders may meet wherever it wishes and discuss and validly decide on any matter without any notice having been given, providing the entire amount of subscribed shares are therein represented.

ARTICLE 17- QUORUM. A quorum for ordinary or extraordinary meetings of the General Assembly of Shareholders shall be reached when attended by a plural number of shareholders representing at least one half plus one of the amount of subscribed voting shares. If, due to a lack of quorum, the meeting cannot be held, a new meeting shall be called, for at which the shareholders shall validly meet and decide with the presence of a plural number of shareholders, regardless of the number of shares they represent. This new meeting shall be held no earlier than ten (10) business days and no later than thirty (30) business days, as of the date of the first meeting.

However, if 50% or more of the Company's outstanding ordinary shares are the subject of legal agreements whose purpose is to suppress the exercising of the voting rights inherent to such shares, and proof of this condition has been provided to the Company no later than two (2) calendar days prior to the date on which the meeting is to be held, then said Shareholders' Meeting shall deliberate with a plural number of shareholders representing at least one-half plus one of the remaining outstanding ordinary shares.

ARTICLE 18- DECIDING MAJORITY VOTE. As a general rule, the decisions of the General Assembly of Shareholders shall be made with the majority vote of all those shares represented at the meeting in

question. Decisions that require a qualified majority vote, pursuant to applicable legislation are the exception to this rule.

ARTICLE 19- VOTING RIGHTS. Each of the shares recorded in the Company's Stock Ledger is entitled to one (1) vote at meetings of the General Assembly of Shareholders, except for preferred, non-voting shares, which shall only be given the right to vote in all those cases established by law and governed by their respective issuance rules and regulations.

ARTICLE 20- CHAIRMAN. Meetings of the General Assembly of Shareholders shall be chaired by the Company's Chief Executive Officer, or in his or her absence, by the Chairman of the Board of Directors or, in their absence, by any other member of the Board of Directors, in the same order as these were appointed, or in the absence of these, the person appointed by the shareholders for this purpose.

ARTICLE 21- MINUTES. All that occurring at meetings of the General Assembly of Shareholders shall be recorded in a minutes book, and registered with the Chamber of Commerce of the Company's registered place of business. These minutes shall be signed by the Chairman presiding over the shareholders meeting in question as well as the Company Secretary acting at said meeting, or in the absence of any one of these by the External Auditor. These minutes shall contain the details and statements required by law and shall be approved by the General Assembly of Shareholders or by a committee appointed by the shareholders for such purpose.

PARAGRAPH. In the case of meetings held remotely or when shareholders submit their votes in writing, the corresponding minutes shall be drawn up pursuant to the terms and conditions and the deadlines set for such as contained in the Code of Commerce.

ARTICLE 22- VOTING RULES. The General Assembly of Shareholders when making appointments or deciding on matters put before them, shall abide by the following rules and regulations: a) Each shareholder may cast as many votes as the number of shares held; b) Votes shall be cast in writing only when the Shareholders should so decide or when the electoral quotient (*Cuociente electoral*) must be applied; c) For each single appointment to be made, in the event of a tie after holding the first ballot, votes shall be cast again and should another tie be obtained the appointment shall be considered as pending; d) If a tie occurs when voting on proposals or resolutions, these shall be considered as rejected; e) When appointing members of the Board of Directors as well as commissions or decision-making bodies, the same electoral quotient system (*Sistema de cuociente electoral*), as prescribed by law, shall be applied, unless these are appointed unanimously by all the shares represented at the meeting in question; f) When the name of a candidate is repeated once or more times on the same ballot, the votes cast in his or her favor on such ballot shall be counted only once; g) If a ballot contains more names than it should, the first shall be counted until reaching the required number of names. If there is a lower number of names on the ballot, then only those appearing shall be counted; h) the votes corresponding to a single shareholder are indivisible, which means that these cannot be divided into fractions. However this shall not prevent a single representative or proxy of various shareholders, or the shareholder representing shares from others, from casting separate votes in each case upon following the instructions of the person or group that he or she represents or acts as a proxy, but no vote corresponding to the shares of a single shareholder may be divided up into fractions; and i) The Company may not vote on any repurchased shares it may hold.

ARTICLE 23- FUNCTIONS. The General Assembly of Shareholders shall have the following functions:

a) Deciding on any merger, spin off, transformation, early dissolution with regard to the Company as well as extending its term of duration and any reform, extension or modification of its Articles of Incorporation **b)** Examining and approving or rejecting on an annual basis the year-end Financial Statements and the annual accounts rendered by the Managers or whenever the Shareholders should so require; **c)** Considering the reports submitted by the Board of Directors and the Chief Executive Officer on the status of the Company's corporate business along with the Statutory Auditor's Report; **d)** Making available the profits as appearing on the Company's Statement of Financial Position as approved by the shareholders, subject to all applicable legislation and that set out in these By-laws. In exercising these attributions, the General Assembly of Shareholders may set up or increase special reserves, and determine or change their specific purpose as well as set the amount of dividends as well as how and when these are to be paid; **e)** Freely appointing and dismissing the principal Statutory Auditor and the alternate Statutory Auditor, according to current regulations, and determine the fees to be paid to each of these; **f)** Freely appointing and removing the members of the Board of Directors and determining their fees, in accordance with the applicable procedure for appointing members of the Board of Directors as established in these By-laws, in the Board of Director's Appointment, Remuneration and Succession General Policy, as well as in other internal rules and regulations together with applicable legislation; **g)** In the event that the Company is wound up, appointing one or more liquidators and an alternate for each of these, dismissing these, setting their fees, issuing all orders and instructions required for liquidating the Company and approving the accounts rendered by these; **h)** Ordering any legal action to be taken against the Company's directors, senior officers or external auditor; **i)** Providing for the placement of shares without granting preemptive rights, as expressly stated in these By-laws; **j)** Generally speaking, taking all those measures required in order to strictly comply with the Company's By-laws or to further its interests, and **k)** any other functions provided by applicable legislation or as stipulated in these By-laws.

PARAGRAPH. Exclusive and non-delegable functions of the General Assembly of Shareholders The following shall be the exclusive functions of the General Assembly of Shareholders and may not be delegated to any other corporate body: **a)** Approving the merger of the Company, its spin-off, transformation, early dissolution or extension, and any reform, extension or modification of its Articles of Incorporation, in accordance with applicable legislation; **b)** Approving the general remuneration policy for the Board of Directors and in the case of Senior Management when the latter is accorded a variable component in their remuneration being linked to the Company's share value; **c)** Approving the Board of Directors' succession policy; **d)** Approving the segregation (*escisión impropia*) of the Company.

ARTICLE 24- INSPECTION RIGHTS. Within fifteen (15) business days prior to the meeting at which the Company's Statement of Financial Position is to be considered, the shareholders may request information or clarifications regarding the documents set forth in applicable legislation, the matters included in the meeting's agenda, or regarding the Company's public information. This information shall be made available at the Company Secretary's offices or on the Company's website.

PARAGRAPH ONE. The Company may refuse to provide the requested information, when according to its internal procedures as defined by the Board of Directors, the information is classified as: (i) unreasonable; (ii) irrelevant for ascertaining the Company's progress or interests; (iii) confidential, which shall include insider information regarding the securities market, trade secrets, ongoing deals whose successful completion substantially depends on the secrecy of their negotiations, as well as shareholders' information that is protected by special rules and regulations; and (iv) other information whose disclosure would put in imminent and serious danger the Company's competitiveness or its own safety or that of its executives.

PARAGRAPH TWO. Within the framework of this right of inspection, the information or clarifications made to a shareholder by the Company shall be informed to the other shareholders on the Company's website, on the site corresponding to the shareholders.

PARAGRAPH THREE. Specialized audits commissioned by shareholders and investors. In addition to the right of inspection set forth in the By-laws, the Board of Directors may authorize the performance of specialized audits at the expense of the shareholder or group of shareholders representing at least fifteen percent (15%) of the outstanding ordinary shares, on matters other than those audited by the External Auditor, under the terms and conditions set forth in the Company's Code of Good Corporate Governance. The restrictions set forth in Paragraph One shall also apply to audits carried out pursuant to the provisions contained in this Paragraph Three.

CHAPTER VI **BOARD OF DIRECTORS**

ARTICLE 25- STRUCTURE AND LENGTH OF SERVICE. The Board of Directors is composed of seven (7) members, all of whom shall be Principal Members, appointed by the General Assembly of Shareholders for periods of two (2) years as of the date when they were appointed, notwithstanding the fact that they may be freely reappointed or removed at any time whenever the Board of Directors does not have a sufficient number of members to deliberate and decide on matters brought before them, or when the General Assembly of Shareholders should so approve with the affirmative vote of the majority of the shareholders present at the meeting in question. Said approval must be given prior to any new appointment, a decision that shall be understood to be incorporated as part of the corresponding item on the agenda, both at ordinary and extraordinary shareholder meetings.

The Board of Directors shall be composed of three (3) Independent Members.

PARAGRAPH ONE. Basic information regarding the Company's Directors, Managers and main executive officers can be consulted on the Company's website.

PARAGRAPH TWO. Partial reappointments. Members of the Board of Directors may not be replaced in the form of partial appointments, without proceeding to a new ballot using the electoral quotient system (*Sistema de cuociente electoral*), unless this is authorized by a unanimous vote on the part of the shares represented at the corresponding meeting.

ARTICLE 26 - PROCEDURE FOR APPOINTING MEMBERS OF THE BOARD OF DIRECTORS. The following procedure shall be followed for appointing members to the Board of Directors:

- **NOMINATING CANDIDATES.** Shareholders may nominate candidates within a period of five (5) calendar days following the date on which the Shareholders' Meeting is called for, this to be done at the Company Secretary's Office. The requirements relating to this nomination procedure shall be set forth in the Board of Directors' Appointment, Remuneration and Succession General Policy as well as other internal rules and regulations together with applicable law.
- **SELECTION CRITERIA, INDEPENDENCE, INCOMPATIBILITIES AND DISQUALIFICATIONS.** In order to appoint members to the Board of Directors, the General Assembly of Shareholders shall take into account the selection and independence criteria, as well as the disqualifications and

incompatibilities established in the Board of Directors' Appointment, Remuneration and Succession General Policy as well as other internal rules and regulations together with applicable law.

- **EVALUATING PROPOSALS AND THEIR DISCLOSURE.** Once the nominations have been received, the Sustainability and Corporate Governance Committee shall proceed to evaluate the respective candidates, based on the previous study carried out by the Company's Corporate Legal Affairs Office. The Sustainability and Corporate Governance Committee shall submit to the Board of Directors for their approval a report containing their findings of the evaluations carried out with regard to the candidates.

Details regarding this evaluation process and its findings shall be provided in the Board of Directors' Appointment, Remuneration and Succession General Policy, other internal rules and regulations as well as applicable legislation.

- **PRESENTING THE LISTS OF CANDIDATES.** The shareholders shall submit lists indicating the place occupied by each candidate in accordance with the rules set forth in the Board of Directors' Appointment, Remuneration and Succession General Policy, other internal rules and regulations as well as applicable legislation.

ARTICLE 27- PARTICIPATION OF THE COMPANY'S CHIEF EXECUTIVE OFFICER The Company's Chief Executive Officer may be a member of the Board of Directors.

ARTICLE 28 - MEETINGS OF THE BOARD OF DIRECTORS. The Board of Directors shall act as a collegiate body. It shall meet periodically at such times as it may determine or with such frequency as the law or the oversight authority may determine, and also whenever called for by the Company's Chief Executive Officer, by the Chairman of the Board of Directors, by the External Auditor or by two (2) of its Members.

In the latter case, the Board Members requesting that a meeting be called for shall provide the reasons for such in the terms established in the rules and regulations adopted by the Board of Directors for such purpose, and the meeting shall be held at least on the third business day following the date when called for.

The Board of Directors shall appoint from among its members a Chairman and a Vice-Chairman.

PARAGRAPH ONE. Meetings shall be held at the Company's principal place of business or at any such other place as may be agreed upon by the Board in special cases.

PARAGRAPH TWO. Meetings of the Board of Directors may be held remotely or through written communications in which all members state their vote. Mixed meetings may also be held, meaning those meetings that allow for both the physical and virtual presence of the Directors. All of the above shall be in accordance with applicable rules and regulations.

ARTICLE 29- THE BOARD OF DIRECTOR'S WORKING ORDER. The Board of Directors shall deliberate on the matters brought before them with the presence of at least four (4) of its members, and this same majority of votes cast in the affirmative shall be necessary to approve decisions, except in those cases in which these By-laws or legal provisions require a higher majority vote.

PARAGRAPH. Requests for information from Board members. The procedure for handling requests for information from members of the Board of Directors shall be established in the Information Management Protocol previously approved by the Board of Directors and which the Directors must sign in order to hold or continue to hold office. In any case, such requests must be (i) made at Board meetings; (ii) in writing; and (iii) duly justified. The decision on any access to information shall be made jointly by the Board of Directors, through a majority vote provided for in these By-laws.

ARTICLE 30- MINUTES BOOK. Minutes of all meetings held by the Board of Directors shall be recorded in the corresponding Minutes Book, and kept at the Company's registered place of business. These minutes shall provide evidence of the date and time of the meeting held, the names of those attending, the matters discussed, the decisions made and the number of votes cast for or against a decision as well as those left blank, along with any record left by the attending members, any appointments made and the date and time the meeting ended. These minutes shall be signed by the Chairperson presiding over the meeting in question as well as by the Secretary or ad hoc Secretary who acted at said meeting.

PARAGRAPH. In the case of meetings that are held remotely or when votes are cast in writing, the minutes of said meetings shall be drawn up and recorded under the conditions and within the deadlines established by the Code of Commerce.

ARTICLE 31- FUNCTIONS. The Board of Directors is understood to have been delegated the broadest mandate to manage the Company and, therefore, shall have sufficient powers to order the carrying out or execution of any act or contract included within the Company's corporate purpose and to adopt the necessary determinations in order for the Company to fulfill its purpose, except for those functions that have been assigned in these By-laws to another governing body or to the Legal Representative. The Board of Directors shall have the following functions: **a)** Issuing shares held in reserve and establishing their corresponding placement rules and regulations, in compliance with all applicable legal provisions and subject to that stipulated in these By-laws; **b)** Calling for ordinary and extraordinary meetings of the General Assembly of Shareholders whenever warranted by any unforeseen or urgent needs on the part of the Company or as requested by shareholders representing at least ten percent (10%) of the total amount of subscribed voting shares, unless a different percentage is established in a mandatory law; **c)** Creating the senior management positions that it deems necessary for the smooth running of the Company, regulating their functions, setting their fees or the manner in which they are to be remunerated, approving all those appointments that come under its scope of responsibility, and granting leaves of absence or accepting the resignation of those who hold such positions; **d)** Discussing and approving the Interim Financial Statements, as well as providing their prior approval to the year-end Financial Statements, the Company's Management Report, the proposed distribution of its profits or plans for wiping out losses to be submitted to the General Assembly of Shareholders at their Annual Ordinary Meetings; **e)** Examining whenever necessary, either directly or through one or more persons commissioned for this purpose all books, documents, assets and areas belonging to the Company; **f)** Arranging for the setting up or closure of branches and agencies, subject to applicable legal provisions; **g)** Deciding, in the event of any default by any shareholder with regard to the payment of outstanding installments on shares subscribed by him or her, the mechanism to be applied for their collection amongst the various mechanisms authorized by Law; **h)** Granting authorizations to the Chief Executive Officer, Legal Representatives and members of the Board of Directors, in all those cases and pursuant to the requirements established by Law, for buying and selling shares belonging to the Company; **i)** Delegating to the Company's Chief Executive Officer, when considered appropriate and on a temporary basis, any of the functions set forth in this Article, provided that due to their nature these may be

delegated; **j)** Authorizing the Company, by means of an unanimous decision, to guarantee or endorse obligations on the part of its affiliated companies; **k)** Adopting the Code of Good Governance and the Code of Conduct fulfilling all those requirements set out therein, ensuring that this is effectively complied with and approving any amendments or updates required, pursuant to all applicable legal and regulatory provisions. It shall also ensure respect for the rights of all shareholders and other security investors; **l)** Regulating the performance of specialized audits on the part of shareholders and investors, in accordance with the provisions contained in these By-Laws, or stipulated by law and the Company's Code of Good Governance; **m)** Approving the valuation of payments in kind made in exchange for shares issued by the Company; **n)** Approving the share conversion rules and regulations as well as other documents to be observed by the shareholders for this purpose; **o)** In the event of a tender offer being launched for Grupo SURA shares, the Board of Directors, in compliance with their duties of diligence and loyalty to the Company and its shareholders, may, among other actions, hire specialized external advisors to analyze and assess the respective proposal in a comprehensive manner, this being not just limited to the economic aspects but also including an analysis of the alignment with the Company's strategic objectives. The Board of Directors may publish the conclusions of this commissioned analysis to the market for the consideration of the shareholders, and **(p)** Any other functions that may be assigned to the Board of Directors either by these By-laws or by law, or which are not assigned to any other of the Company's administrative bodies.

PARAGRAPH ONE. The Board of Directors may delegate to the Company's Chief Executive Officer some of the functions indicated in the preceding article.

PARAGRAPH TWO. In addition to the above, the Board of Directors shall exercise the following functions, which may not be delegated to Senior Management: **a)** Approving and periodically following up on the Company's strategic plan, business plan, management objectives and annual budgets; **b)** Defining the governance structure and/or model of the SURA Business Group meaning the Company, and its subsidiaries; **c)** Approving the Company's financial and investment guidelines or policies; **d)** Approving the remuneration and evaluation policy for Senior Management; **e)** Approving investments, divestitures or operations of any kind that, due to their amount or characteristics, may qualify as being of strategic importance or that affect the Company's strategic assets or liabilities; **f)** Approving the Corporate Governance policy and the annual Corporate Governance report; **g)** Approving the reporting and communications policy aimed at different types of shareholders, markets, stakeholders as well as the public opinion in general; **h)** Approving the risk policy and the ascertaining and periodical monitoring of the Company's main risks, including those assumed in off-balance sheet operations; **i)** Approving, implementing and following up on the appropriate internal control systems, including operations with offshore companies, which shall be carried out in accordance with the procedures, risk control systems and alerts approved by the Board of Directors; **j)** Approving Senior Management's succession policies; **k)** Submitting to the General Assembly of Shareholders for their approval, the proposal regarding the Board of Directors' succession policies; **l)** Approving the policies governing the Company's whistleblowing systems; **m)** Approving the appointment, remuneration, evaluation and dismissal of the Company's Chief Executive Officer; **n)** Approving the appointment and dismissal of members of Senior Management and the Company Secretary when proposed by the Company's Chief Executive Officer; **o)** Approving the remuneration systems for members of Senior Management as well as their indemnification clauses; **p)** Establishing the Board Committees, as well as approving the internal regulations governing their functioning; **q)** Submitting to the General Assembly of Shareholders proposed remuneration policies for the Board of Directors; **r)** Submitting to the General Assembly of Shareholders proposed policies regarding the repurchase of the Company's own shares; **s)** Submitting

to the General Assembly of Shareholders proposals for hiring the External Auditor, after analyzing his or her experience and their availability in terms of the time and human and technical resources required in order to perform their work, in accordance with the Company's Framework Policy for Appointing the External Auditor currently in force; **t)** Approving the issuing or acquisition of shares in special purpose vehicles or entities domiciled in countries or territories that are considered tax havens, as well as other transactions or operations of a similar nature, which due to their complexity may jeopardize the Company's transparency; **u)** Acting as a liaison between the Company and its shareholders, creating the appropriate mechanisms for providing truthful and timely information; **v)** Supervising the integrity and reliability of the accounting and internal information systems based, among other factors, on internal audit reports and those issued by the Company's legal representative; **w)** Supervising the financial and non-financial information that the Company must periodically make public due to its status as an issuer and within the framework of its reporting and communication policies; **x)** Supervising the independence and efficiency of the internal audit function; **y)** Supervising the efficiency of the Corporate Governance practices implemented by the Company, and the level of compliance with the ethical conduct standards adopted by the Company; **z)** Exercising periodic controls over the Company's performance and its ordinary course of business, as well as acquainting themselves with the performance evaluations corresponding to members of the Senior Management; **aa)** Ensuring that the nomination and appointment process of its members is carried out in accordance with the formalities established by the Company; **ab)** Approving the internal rules and regulations governing its organization and operation, as well as the functions and responsibilities of its members, the Chairman and the Secretary of the Board of Directors; **ac)** Ascertaining and managing the conflicts of interest that come under its scope in accordance with applicable rules and regulations; **ad)** In the case of any material impact, approving the operations that the Company carries out with controlling or significant shareholders, as defined according to the Company's ownership structure, or represented in the Board of Directors; with the members of the Board of Directors and other Managers or with persons related to these, as well as with companies belonging to the SURA Business Group, after handling conflicts of interest on the part of the Company's Managers when these exist; **ae)** The Board of Directors shall annually evaluate its collective performance and that of each of its members, which shall include their attendance at meetings, their active participation in the decision-making process, their follow-ups on the main aspects concerning the Company, evaluations of their respective tasks and their contributions to defining the Company's strategies and projection. For this purpose, generally accepted self-evaluation methodologies or evaluations that may be carried out by external advisors shall be used. The Board of Directors shall design a mechanism for evaluating the Company's Managers with regard to their performance.

PARAGRAPH THREE. The Board of Directors and the Company's Senior Management shall present to the General Assembly of Shareholders at its ordinary meetings, in the form of the Annual Corporate Governance Report, the statutory and legal reports on the performance of and main activities carried out during the year by the Board of Directors, its board committees and the Chief Executive Officer, which shall serve in order for the shareholders to ascertain their performance and exercise the pertinent controls.

ARTICLE 32- CHAIRMAN OF THE BOARD OF DIRECTORS. The Chairman of the Board of Directors shall have the following functions: **(a)** Ensuring that the Board of Directors efficiently sets and implements the Company's strategic planning; **(b)** Coordinating and planning the Board of Directors' performance by establishing an annual work plan based on their assigned functions; **(c)** Calling the meetings, directly or through the Secretary of the Board of Directors; **(d)** Preparing the Board Meeting Agendas, in coordination with the Company's Chief Executive Officer, the Secretary of the Board of Directors and the other

members; **e)** Ensuring that information for the Members of the Board is delivered, in due time and form, either directly or through the Secretary of the Board of Directors; **f)** Chairing the meetings, managing the debates, requesting the Directors to cast their votes on matters submitted for their consideration on which a consensus of those present at the meeting has not been reached, and suspending or terminating the meetings when conditions so require; **g)** Ensuring that the resolutions on the part of the Board of Directors are duly carried out as well as following up on the corresponding assignments and decisions; **h)** Monitoring the active participation of the members of the Board of Directors; **i)** Leading the annual evaluations of the Board of Directors and the Committees, except for his or her own evaluation.

ARTICLE 33- COMPANY SECRETARY. The Company shall have a Company Secretary, who shall be the Secretary of the Board of Directors and of the General Assembly of Shareholders. He or she shall have qualified personnel at hand who shall be available to answer shareholders' questions. The Company Secretary shall be responsible for handling all matters concerning the Company's shareholders.

PARAGRAPH. The Company Secretary shall be appointed by the Board of Directors as proposed by the Company's Chief Executive Officer, after receiving a report from the Board Committee in charge of matters relating to appointments and remuneration.

The functions of the Company Secretary shall be set forth in the Rules and Regulations governing the Board of Directors. The Company Secretary may not be a member of the Board of Directors.

CHAPTER VII

CHIEF EXECUTIVE OFFICER AND SENIOR EXECUTIVE OFFICERS

ARTICLE 34- LEGAL REPRESENTATION AND APPOINTMENT. The legal representation and handling of the Company's corporate business shall be multiple for which the Company's Chief Executive Officer and one or more Senior Executive Officers shall be simultaneously responsible, these acting either jointly or separately. The Company's Chief Executive Officer and Senior Executive Officers, who make up the Senior Management, shall be appointed by the Board of Directors and may be removed by it at any time. All Company employees shall remain subordinate to the Chief Executive Officer in the performance of their duties.

PARAGRAPH. Legal Judicial and Administrative Representative. For the purposes of the Company's judicial and administrative legal representation, an officer of the Company appointed by the Board of Directors shall also have the status of legal representative, and he or she shall represent the Company before the jurisdictional, administrative and police authorities as well as centralized and decentralized entities of the State.

ARTICLE 31- FUNCTIONS. The functions of a legal representative are as follows: **a)** Legally representing the Company and being in charge of the immediate management and handling of its business; **b)** Entering into on behalf of the Company all contracts and agreements relating to its corporate purpose; **c)** Implementing and enforcing the decisions made by the General Assembly of Shareholders and the Board of Directors; **d)** Appointing and dismissing the staff for which it is responsible as well as appointing and dismissing any other employee as a result of a task being delegated to the Board of Directors; **e)** Appointing the attorneys considered necessary for representing the Company in court and/or out-of-

court proceedings; **f)** Taking the necessary measures for the adequate conservation of the Company's assets and the proper collection and allocation of funds, monitoring and directing the activities of the Company employees and giving orders and instructions to ensure the smooth running of the Company; **g)** Calling the Board of Directors to a meeting, whenever this is considered necessary or appropriate, while maintaining the Board sufficiently and opportunely informed on how the Company's business is evolving; submitting for its consideration the Interim Financial Statements and providing all those reports that the Board should request with regard to the Company and its activities; **h)** Submitting to the General Assembly of Shareholders at their Annual Meetings, the year-end Financial Statements , together with other reports and the profit distribution proposal as well as any other details and special information required by law, after the Board of Directors have examined, discussed and initially approved such. These reports shall include a description of the main risks involving the Company's activities, pursuant to applicable legislation. **i)** Ensuring that all information disclosed by the Company to the market at large, is accurate, complete and timely. **j)** Appointing candidates to sit on the boards of directors of the companies in which the Company holds investments, as well as defining how the Company is to vote with respect to any type of decision submitted for the consideration of the General Assemblies of Shareholders of such companies; **k)** All other functions pursuant to applicable legislation.

PARAGRAPH. In order to exercise the functions described in paragraph j) of this Article, the Company's Legal Representative shall take into account the provisions of the Protocol to be specifically designed for this purpose, which shall contain the profiles considered appropriate for appointing members of the Boards of the aforementioned investments. In order to define the way in which votes are to be cast in representation of the Company with respect to any type of decision submitted for the consideration of the General Assemblies of Shareholders of the aforementioned investments, the legal representative shall vote in the way that best meets the interests of the Company.

ARTICLE 36- POWERS. The Chief Executive Officer and Senior Executive Officers shall be empowered to enter into or implement, without any limitation other than that established in the By-laws insofar as it concerns operations that must be previously authorized by the Board of Directors or by the General Assembly of Shareholders, all arrangements and contracts included within the Company's corporate purpose, or which are merely preparatory, ancillary or complementary to the realization of the purposes pursued by the Company and those directly related to the existence and running of the Company. The Chief Executive Officer and Senior Executive Officers are vested with special powers to settle, compromise and arbitrate the Company's corporate business, take legal actions and file all appeals that may be appropriate according to the Law, receive, substitute, acquire, grant and renew obligations and credits, give or receive goods in the form of payment in kind; set up judicial or extrajudicial attorneys, and delegate powers to these, granting mandates and substitutions with the limitations contained in these By-laws. In addition to the foregoing, the officer appointed by the Board of Directors under the terms set forth in these By-laws shall have powers of legal representation.

ARTICLE 37- INTERNAL CONTROLS The Company has established the following internal control mechanisms, which allow shareholders and investors to monitor the control activities conducted and be informed of the relevant findings:

- a) **Internal Auditing.** The Company has a governing body responsible for the internal auditing of the Organization's activities; ensuring that all internal policies and legal provisions are duly complied with, as well as defining policies and designing the internal control procedures that must be implemented within the Company according to its respective needs, as well as the instructions

and suggestions provided by the External Auditor, thereby allowing the Company to adequately comply with its corporate purpose and reach its goals. This governing body shall be totally separate from the External Auditor.

- b) **Audit and Finance Committee.** This Committee is responsible for creating a control culture within the Company, ensuring compliance with the Company's Code of Conduct and evaluating all aspects regarding the Company's finances and accounting, its financial planning, contingency plans, internal risk detection and risk management procedures as well as any other functions that may be attributed by law to this Committee.

This Committee shall supervise the Company's compliance with its internal auditing program, provide a comprehensive evaluation of all of its areas and ensure that the Company's financial information is drawn up, presented and disclosed as provided by law.

This committee shall consist of three (3) independent members of the Board. All members shall be appointed by the Board itself. They shall meet at least once (1) every three months. Committee meetings shall be presided over by one of its members and decisions shall be made based on a simple majority vote.

The Company's External Auditor shall attend these Committee meetings and shall be entitled to speak but not to vote. The Chief Executive Officer, Senior Executive Officers and the Internal Auditor may attend these meetings as well as any other officer, depending on the nature of the issues to be discussed at each meeting. The Company Secretary shall serve as Secretary to this Committee.

The Board of Directors shall draw up the rules and regulations governing the workings of this Committee and shall define the criteria to be applied for the remuneration of its members.

The Committee may hire independent specialists for specific cases, whenever advisable, and shall comply with the Company's general hiring policies for this purpose.

The Interim Financial Statements, as well as the year-end Financial Statements, must be submitted for the consideration of the Audit Committee before being presented to the Board of Directors and the General Assembly of Shareholders.

The decisions made by the Audit Committee shall be recorded in the form of minutes, which shall be governed by the same requirements as the minutes of the meetings held by the Board of Directors.

- c) **External Auditing Firm.** The Company shall have an External Auditor, whose functions, qualifications and other aspects are regulated by Chapter VIII of these By-laws or, otherwise, by applicable legislation.

PARAGRAPH ONE. All those reports provided by the Company to its shareholders and investors shall include, whenever required, reports on the Company's internal control activities and the corresponding findings.

PARAGRAPH TWO. In addition to the aforementioned governing bodies, the internal control function may be complemented by the role played by other areas as defined in the Company's organizational structure and which form part of its control architecture.

CHAPTER VIII **EXTERNAL AUDITOR**

ARTICLE 38- APPOINTMENT. The External Auditor and his or her Alternate shall be appointed by the General Assembly of Shareholders for periods of two (2) years but may be dismissed at any time. The Alternate shall replace the External Auditor in his or her temporary or absolute absence.

PARAGRAPH. Senior Management shall ensure that the appointment of the External Auditor on the part of the General Assembly of Shareholders shall be carried out with the utmost transparency and objectivity, pursuant to that set out in the Framework Policy for Appointing the External Auditor, as drawn up and approved by the Board of Directors

ARTICLE 39- EXPERTISE AND LEGAL REQUIREMENTS. The External Auditor and his or her alternate shall be public accountants and subject to the disqualifications, prohibitions, incompatibilities and liabilities established by law.

PARAGRAPH. The post of External Auditor may also be held by a company who shall in turn appoint the person responsible for carrying out this function and his or her corresponding alternate, according to that provided in this case by applicable Colombian legislation.

ARTICLE 40- FUNCTIONS. The functions of the External Auditor are **a)** Verifying that the operations entered into or carried out on behalf of the Company are in accordance with the law, the provisions of these By-laws, the decisions of the General Assembly of Shareholders and the Board of Directors; **b)** Providing timely written notice to the General Assembly of Shareholders, the Board of Directors or the Chief Executive Officer or other Legal Representatives, as the case may be, of any irregularities occurring in the running of the Company and its business activities; **c)** Collaborating with all those government entities that exercise inspection and oversight functions over the Company and submit to these any reports that may be required or requested; **d)** Ensuring that the Company's accounts and the Minutes of the meetings of the General Assembly of Shareholders and the Board of Directors are duly kept and that the Company's correspondence and vouchers of its accounts are duly preserved, issuing the necessary instructions for such purposes; **e)** Assiduously inspecting the Company's assets and ensuring that timely conservation or security measures are taken with regard to these same as well as those given or received in safekeeping or in any other capacity; **f)** Providing the instructions, performing the inspections and requesting the reports that may be necessary in order to establish a permanent control over the Company's securities; **g)** Authorizing by means of his or her signature any financial statement issued, providing his or her opinion or report on such; **h)** Calling for extraordinary meetings of the General Assembly of Shareholders when considered necessary; **i)** Performing such other duties as are prescribed by law and these By-laws and those which, being compatible with his or her office, are entrusted to him or her by the General Assembly of Shareholders.

ARTICLE 41- RELEVANT FINDINGS ON THE PART OF THE STATUTORY AUDITING FIRM. External Auditor shall include in his or her opinion or report addressed to the General Assembly of Shareholders,

based on his or her professional judgment, any relevant findings pursuant to Section 5 of Article 208 of the Code of Commerce, so that both shareholders and investors may receive all the necessary information in order to make the corresponding decisions.

CHAPTER IX FINANCIAL STATEMENTS, RESERVES AND DIVIDENDS

ARTICLE 42 - FINANCIAL STATEMENTS. The Company's financial year shall follow that of the normal calendar year, ending on December thirty-first (31st). The Company shall close its books on the cut-off date so as to proceed to draw up its Statement of Financial Position and its Statement of Comprehensive Income corresponding to the year in question, as well as a detailed inventory of all the Company's assets and liabilities, in accordance with applicable legal provisions and accounting standards, which shall be submitted for the consideration of the General Assembly of Shareholders at their ordinary Annual Meetings, together with any other report, proposal and document required by law. Whenever the Board of Directors should so decide, Interim Financial Statements shall be drawn up as well as any other financial statement that the Board of Directors should require for the needs of the Administration.

ARTICLE 43- PROFITS. No profits shall be distributed without these being based on the Company's year-end Statement of Financial Position as approved by the General Assembly of Shareholders. Neither shall any profits be distributed if losses from prior periods affecting the Company's capital have not been wiped out. Losses affecting capital shall be understood to mean when the Company's net equity falls below the amount of the subscribed capital

ARTICLE 44- PROFIT DISTRIBUTIONS Profits for each fiscal year as determined on the Company's Statement of Financial Position which shall be approved by the General Assembly of Shareholders, shall be distributed in accordance with the following rules and regulations and whatever applicable legislation should so prescribe: **a)** - Ten percent (10%) of the net profits after tax shall be allocated to the Company's statutory reserve until at least fifty (50%) per cent of its subscribed capital is reached. Once this limit is reached, the General Assembly of Shareholders shall decide on whether to continue to build up the Company's statutory reserve. However if the statutory reserve falls below this limit, the Company shall be bound to allocate ten per cent (10%) of its profits until such reserve reaches the set limit once more; **b)** Once these amounts have been allocated to the Company's statutory reserve, other funds can be assigned to other reserves as agreed by the General Assembly of Shareholders. These reserves shall have a clear and specific use, and the amounts to be allocated therein shall be binding for the year in which the corresponding profits are obtained and changes may only be made to their use or distribution by the General Assembly of Shareholders; **c)** In the event of losses from prior periods not having been wiped out, the profits for the current period shall be used to settle such losses before allocating these to any statutory, voluntary or occasional reserves; **d)** The profits remaining after making the corresponding allocations to the statutory, voluntary or occasional reserves, can be used to pay dividends to shareholders, as approved by the General Assembly of Shareholders pursuant to the applicable law, in the same proportion as the amounts paid on the nominal value of their shares, **e)** Dividends shall be paid in cash, within the 12-month period following the date on which such dividends are declared, in the manner that the General Assembly of Shareholders should so decide, and from which any amounts that the shareholder should owe the Company shall be deducted. However, should the General Assembly of Shareholders so decide, dividends may be paid in the form of non-reserved shares, and this decision shall be binding on all shareholders should this be approved by a vote of eighty percent (80%)

of the shares represented at the corresponding meeting; in the absence of this majority vote, these non-reserved shares may only be delivered to those shareholders who are willing to accept them.

PARAGRAPH ONE. Decisions regarding profit distributions require the affirmative vote of at least 78% of the shares represented at the corresponding meeting. When such majority vote is not obtained, at least 50% of the net profits or of the balance thereof must be distributed, should losses from previous years are to be offset.

PARAGRAPH TWO. In accordance with the provisions of Articles 454 and 155 of the Code of Commerce, in the event that the sum of the legal, statutory or occasional reserve exceeds 100% of the Company's subscribed capital, the General Assembly of Shareholders, with the affirmative vote of a plural number of shareholders representing at least seventy-eight per cent (78%) of the shares therein represented at the corresponding meeting, may decide to distribute a percentage lower than seventy per cent (70%) of the profits.

CHAPTER X **DISSOLUTION AND LIQUIDATION**

ARTICLE 45. The Company shall be dissolved: **a)** Upon the expiry of its term of duration, as stipulated in these By-laws, should this not be validly extended beforehand; **b)** When it is impossible to continue as a corporate enterprise, due to its termination or the extinction of the thing or things that are part of the Company's corporate purpose; **c)** When the number of shareholders required drops to below the number required by law for its formation or working order; **d)** Whenever decided by the General Assembly of Shareholders; **e)** Whenever decided by competent authorities in all those cases specifically prescribed by law; **f)** When ninety-five percent (95%) or more of the Company's outstanding shares are held by one single shareholder, and **g)** Any other grounds prescribed by law in the case of commercial companies.

ARTICLE 46- DISSOLUTION DUE TO LOSSES. Whenever losses are sustained that reduce the Company's net equity to less than fifty percent (50%) of its subscribed capital, the Company shall not be dissolved automatically, since the General Assembly of Shareholders may take measures or instruct measures to be taken in order to restore the Company's net equity to more than fifty per cent (50%) of its subscribed capital, within six (6) days following the date of the Statement of Financial Position in which such losses appear. If such measures are not taken within the aforementioned period, the General Assembly of Shareholders must declare the Company's dissolution so as to proceed with its liquidation.

ARTICLE 47- LIQUIDATOR. Once the Company has been dissolved, for any reason, the liquidation and dividing up of the Company's assets shall be conducted, as prescribed by law, by a special liquidator to be appointed by the General Assembly of Shareholders with no restriction to appointing several liquidators, and in this case determine whether these are to act jointly or separately. Until the Company's Liquidator and his or her Deputy are appointed and registered, the persons appearing in the Company Registry as the Company's representatives shall act in the capacity of Liquidators, as stipulated in Article 227 of the Code of Commerce.

ARTICLE 48- RULES AND REGULATIONS GOVERNING THE COMPANY'S LIQUIDATION. The Company's liquidation and the dividing up of its assets shall be carried out based on applicable

commercial law and applicable provisions of the Civil Code while observing the following rules and regulations: **a)** A meeting of the General Assembly of Shareholders shall be called and shall meet at the times, and in the manner and terms prescribed for ordinary meetings, and extraordinary meetings shall be called and shall meet as often as it is called for by the Liquidator, the External Auditor, the governmental oversight authority, or when requested by a number plural of shareholders representing one quarter (1/4) or more of the Company's subscribed shares; **b)** The General Assembly of Shareholders may determine which assets should be distributed in kind, setting their corresponding values and the way in which such property is to be allocated as well as authorize the Liquidator to distribute such, as prescribed by law; **c)** For approving the periodic accounts rendered by the Liquidator or any occasional accounts that may be required, as well as for authorizing the allocation of assets in kind, granting special benefits to Company debtors or ordering transactions or abandonments to be performed as required or considered convenient to facilitate or complete the Company's liquidation, an absolute majority of the votes present shall suffice, and **d)** For approving the final liquidation account and the distribution minute, the affirmative vote of the majority of shareholders attending the meeting shall suffice, whatever the number of shares are therein represented.

ARTICLE 49- ARBITRATION CLAUSE. Disputes arising at any time, between present or future shareholders and the Company, or among shareholders themselves by reason of their nature as such, and between the Company's managers, or between the Company or the shareholders, on the one hand, and the managers, who by accepting their position adhere to this clause, on the other, shall be settled by a Court of Arbitration.

This Court shall be composed of three (3) arbitrators, appointed by the parties by mutual consent or, in the absence of such agreement, shall be appointed by drawing lots on the part of the Arbitration and Conciliation Center of the Medellín Chamber of Commerce from the list of arbitrators it maintains, according to the nature of the dispute and at the request of any of the parties.

This Court shall meet at the facilities of the Arbitration and Conciliation Center of the Medellín Chamber of Commerce in the city of Medellín and the decision reached shall be adopted based on law in accordance with substantive law in Colombia. For all purposes, the language used by this Court of Arbitration shall be Spanish. The corresponding administrative and operating costs, as well as the arbitrators' fees shall be paid by the parties and in the manner established by the Court. The arbitration performed shall be governed by the provisions of Law 1563 of 2012.

PARAGRAPH. For the sole purpose of this clause, "shareholder", in addition to the holders of the shares, registered as such in the stock ledger, shall include all those persons or stand-alone trusts that by reason of any act or contract are holders of the voting or economic rights of shares issued by the Company, such as usufructuarios, beneficial owners, antichretic creditors, pledge creditors, creditors holding collateral over shares or their rights, and any other figure with similar effects.

ARTICLE 50- PRICE MATCHING OBLIGATION. For all acquisitions of the Company's ordinary shares made by the same beneficial owner through a plural number of tender offers ("Tender Offers") within a period of 36 months (the "Tender Offer Period"), the price matching obligation shall apply, pursuant to which, the offeror of such Tender Offers shall be obliged to pay to all shareholders who have sold ordinary shares during the Tender Offer Period ("Previous Sellers"), the difference between the higher price paid during such period and the lower price paid to each of the Previous Sellers.

PARAGRAPH ONE. For purposes of this Article, "beneficial owner" has the meaning attributed to this term in Article 6.1.1.1.1.3 of Decree 2555 of 2010.

PARAGRAPH TWO. The provisions of this Article shall apply equally to persons who, without being the same beneficial owner, are acting in concert or jointly when launching one or more Tender Offers. For the purposes of this Article, among other factors, it is presumed that a person acts in concert or jointly in launching one or more Tender Offers for the Company's ordinary shares, in any of the following cases:

1. When two or more persons collaborate by virtue of an agreement, whether explicit or tacit, verbal or written, this for the purpose of jointly managing the voting rights with respect to a number of Company shares. Such arrangement shall be presumed to exist when the persons have entered into a shareholders' agreement of the kind contemplated in Article 70 of Law 222 of 1995 for the purpose of exercising voting rights, or any other agreement with similar effects, in which a common policy is established with respect to managing the Company, or which has the purpose of influencing in a relevant manner, through the votes cast by the Company's different governing or administrative bodies. It shall not be understood that there is an agreement or joint action between two persons if the only agreement between them is one in which such persons undertake between themselves not to dispose of their shares in the Company's capital stock, or not to cease to be beneficial owners of their shares in the Company's capital stock.
2. When a person has granted financing to the offeror, either directly or indirectly, or through a person that forms part of its own group, provided that (i) such financier has the right to acquire the offeror's stake by exercising a guarantee or purchase option; or (ii) has sufficient rights to influence the manner in which the offeror exercises its voting rights in respect of the Company, except for voting rights that are customary for financing purchases of relevant blocks of shares.

When the offeror finds itself in any of the situations described in this paragraph or in any other situation that produces similar effects, it shall be obliged to submit a written description thereof to the Company.

PARAGRAPH THREE. When the Tender Offer(s) have been formulated in a currency other than United States dollars or Colombian pesos, the exchange rate of converting such currency into Colombia's legal currency at the time when the Tender Offer(s) is/are allocated (*adjudicada*) shall be taken into account for the purpose of determining the price and applying that provided in this Article. In the case of US dollars, the Representative Market Rate (TRM In Spanish) duly certified by the Colombian Superintendency of Finance shall be used for the date on which the Tender Offer(s) is/are to cleared and settled (*compensadas y liquidadas*).

PARAGRAPH FOUR. The Offeror shall comply with the price-matching obligation no later than fifteen (15) business days following the date on which it receives the respective request for payment from a Previous Seller.

PARAGRAPH FIVE. Should the offeror fails to comply with its obligation to match the price in the terms set forth in this Article, the offeror agrees that (i) it shall fall into arrears and therefore pay default interest at the maximum rate permitted by law as of the date on which payment must be made pursuant to Paragraph Four; and (ii) it shall be liable for any other damages caused to each of the holders of the Company's ordinary shares with the non-performance or late or defective performance of its price-matching obligation.

ANNEX D

Grupo Argos Bylaws Amendment

In accordance with the provisions of Section 8.26, the Public Deed of the Argos Spin-Off will amend Article 4 of the Corporate Bylaws as follows:

"Article 4. The authorized capital of the Company is seventy-five billion pesos (\$75,000,000,000) in Colombian legal currency, divided into [\bullet] ([\bullet]) registered, ordinary, and capital shares, with a nominal value of [\bullet] (\$[\bullet]) each, which may be traded in dematerialized form in accordance with the law.

(...)"

¹ The number of shares into which the authorized capital shall be divided shall be the result of dividing the value of the authorized capital by the nominal value per share, as calculated in accordance with Section 8.26 of the Project.

² The nominal value per share shall be the result of dividing the value of the subscribed capital as of the Cut-Off Date by the number of shares that will remain subscribed in Grupo Argos S.A. once the Booking of the Argos Spin-Off has been made and Section 8.13.3 has been given effect, as set forth in Section 8.26 of the Project.

ANNEX E

Grupo Sura Bylaws Amendment

In accordance with the provisions of Section 8.26, the Public Deed of the Sura Spin-Off will amend Article 4 of the Corporate Bylaws as follows:

"ARTICLE 4. AUTHORIZED CAPITAL: The AUTHORIZED capital of the Company is ONE HUNDRED TWELVE BILLION FIVE HUNDRED MILLION PESOS (\$112,500,000,000) in legal currency, divided into [\bullet] ($[\bullet]$)¹ shares with a nominal value of [\bullet] ($\$[\bullet]$)² each."

(...)"

¹ The number of shares into which the authorized capital shall be divided shall be the result of dividing the value of the authorized capital by the nominal value per share, as calculated in accordance with Section 8.26 of the Project.

² The nominal value per share shall be the result of dividing the value of the subscribed capital as of the Cut-Off Date by the number of shares that will remain subscribed in Grupo Sura S.A. once the Booking of the Argos Spin-Off has been made and Section 8.10.3 has been given effect, as set forth in Section 8.26 of the Project.

ANNEX F

Financial Statements for Cementos

DELIVERING MORE

VALUE

IS WHAT KEEPS US TOGETHER!



Separate Financial Statements
As of December 31, 2024, and 2023



SEPARATE FINANCIAL STATEMENTS

CEMENTOS ARGOS S.A.

AS OF DECEMBER 31, 2024

CERTIFICATION

FROM THE LEGAL REPRESENTATIVE OF THE COMPANY

Dear
Shareholders
Cementos Argos S.A.
Medellín

The undersigned Cementos Argos S.A. Legal Representative

HEREBY CERTIFIES:

That the annual separate financial statements ended December 31, 2024, do not contain any faults, inaccuracies or substantial errors that might prevent knowing the actual equity situation or the operations undertaken by Cementos Argos S.A. The foregoing is with purpose of complying with Article 46 from Act 964/2005.

In witness whereof, I have hereunto set my hand on January 29, 2025.



Juan Esteban Calle
Representante legal

CERTIFICATION FROM THE LEGAL REPRESENTATIVE AND ACCOUNTING CORPORATE MANAGER OF THE COMPANY

The undersigned Cementos Argos S.A. Legal Representative and Accounting Corporate Manager do hereby certify that, in accordance with Article 37 from Act 222/1995, the annual separate financial statements ended on December 31, 2024, have been faithfully taken from the books and that before being made available to you and third parties, we have verified the following statements contained therein:

1. All existing assets and liabilities, as well as all transactions recorded, have been carried out during said years.
2. All economic facts carried out by the Company have been recognized.
3. Assets represent probable future economic benefits (rights), and liabilities represent probable future economic engagements (obligations), obtained by or on behalf of the Company.
4. All elements have been recognized by their appropriate values according to the applicable Financial Reporting Standards in Colombia.
5. All economic facts affecting the Company have been correctly classified, outlined, and revealed.

In witness whereof, I have hereunto set my hand on January 29, 2025.



Juan Esteban Calle
Representante legal



Oscar Rodrigo Rubio C.
Gerente corporativo de Contabilidad
T.P. 47208-T



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(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
STATUTORY AUDITOR'S REPORT

To the Shareholders
Cementos Argos S.A.

Report on the audit of the financial statements

Opinion

I have audited the separate financial statements of Cementos Argos S.A. (the Company), which comprise the separate statement of financial position as of December 31, 2024 and the separate statements of income and comprehensive income, changes in equity, and cash flows for the year then ended and its respective notes, which include significant accounting policies and other explanatory information.

In my opinion, the aforementioned separate financial statements, prepared with information faithfully taken from the books and attached to this Report, present fairly, in all material respects, the separate financial position of the Company as at December 31 of 2024, the separate results of its operations and its separate cash flows for the year ending on that date, in accordance with Accounting and Financial Information Standards accepted in Colombia, applied on a basis consistent with that of the preceding year.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) accepted in Colombia. My responsibilities under those standards are further described in the "Statutory Auditor's Responsibilities for the Audit of Separate Financial Statements" section of my Report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) included in the Information Assurance Standards accepted in Colombia, together with the ethical requirements that are relevant to my audit of the separate financial statements established in Colombia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the above mentioned IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

I have determined that there are no key audit matters that should be communicated in my report.

KPMG Confidential

**Emphasis Paragraph**

I draw attention to note 1 of the separate financial statements, which indicates that the Company's bylaws were amended on April 5, 2024, in relation to the two accounting closes established for the presentation of separate financial statements in 2024, for the first closing a period between January 1, 2024 and March 31, 2024 and the second closing between April 1 and December 31, 2024, the latter defining a nine-month period ended December 31, 2024. For comparability purposes, the corresponding figures were included in the separate statements of income and other comprehensive income, changes in equity and cash flows, as well as the respective notes, for the nine-month period ended December 31, 2023. My opinion is not modified in relation to this matter.

Other Matters

The separate financial statements as of and for the year ended March 31, 2024 are presented solely for comparative purposes, were audited by me and in my report dated May 14, 2024, I expressed an unqualified opinion thereon. The separate financial statements of income and other comprehensive income, changes in equity and cash flows for the nine months ended December 31, 2023 were not audited as they were not required to be audited.

Other Information

The Management is responsible for the other information. The other information comprises information included in the integrated report but does not include the separate financial statements and my corresponding Audit Report, nor the management report on which I pronounce myself in the "Report on Other Legal And Regulatory Requirements" section, in accordance with the provisions of Article 38 of Law 222 of 1995. The information contained in the integrated report is expected to be available to me after the date of this Audit Report.

My opinion on the separate financial statements does not cover the other information and I do not express any form of assurance conclusion on it.

In connection with my audit of the separate financial statements, my responsibility is to read the other identified information when available and, in doing so, consider whether there is a material inconsistency between that information and the separate financial statements, or my knowledge obtained in the audit, or whether in any way, there appears to be a material misstatement.

When I read the contents of the integrated report, if I were to conclude that there is a material misstatement in that other information, I am required to report this fact to Those Charged With Governance and describe the applicable actions.

Responsibilities of Management and those charged with the Company's governance in relation for the separate financial statements

The Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes designing, implementing, and maintaining such internal control as Management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the separate financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Company's financial reporting process.

Statutory Auditor's Responsibilities in relation to the Audit of the Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- I conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I were to conclude that a material uncertainty exists, I am required to draw attention in my Auditor's Report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the separate financial statements, including the disclosures, and whether the separate financial statements present the underlying transactions and events so as to achieve a fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Entities or business activities within the Group to express an opinion on the Group's financial statements. I am responsible for the direction, supervision, and performance of the Group's audit. I remain solely responsible for my audit opinion.

I communicate with Those Charged with the Company's Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during my audit.

I also provide Those Charged with Governance with confirmation that I have complied with relevant ethical requirements for independence and that I have disclosed to them all relationships and other matters that might reasonably be considered to bear on my independence and, where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, I determine the matters that were of most significance in the audit of the current period's separate financial statements and, therefore, are the Key Audit Matters. I describe these matters in my Auditor's Report unless law or regulation prevents public disclosure about the matter or when, in extremely exceptional circumstances, I determine that a matter should not be communicated in my Report because the adverse consequences of doing so would reasonably outweigh the benefits to the public interest of such communication.

Report on Other Legal and Regulatory Requirements

Based on the result of my testing, in my opinion during the nine-month period ended December 31, 2024:



- a) The Company's accounts have been kept in accordance with legal standards and accounting techniques.
- b) The transactions recorded in the books are in accordance with the bylaws and the decisions of the Shareholders' Meeting.
- c) Correspondence, account vouchers, minute books, and share registry books are duly kept and maintained.
- d) There is a concordance between the accompanying financial statements and the Management Report prepared by the administrators, which includes the Management's acknowledgment of the free circulation of invoices issued by vendors or suppliers.
- e) The information contained in the returns of contribution to the Comprehensive Social Security System, particularly that related to affiliates and their contribution base income, has been taken from the accounting records and supporting documentation. The Company is up to date in its contributions to the Comprehensive Social Security System.
- f) There has been compliance with the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism - SIPLA, as established in Chapter VII of Title I of Part III of the Basic Legal Circular of the Superintendency of Finance of Colombia.

In order to comply with the requirements of Articles 1.2.1.2. and 1.2.1.5. of the Single Regulatory Decree 2420 of 2015, in development of the responsibilities of the Statutory Auditor contained in the 1st) and 3rd) Numerals of Article 209 of the Commercial Code, related to the evaluation of whether the acts of the Company's administrators are in accordance with the bylaws and the orders or instructions of the General Shareholders' Meeting and whether there are adequate measures of internal control, and conservation and custody of the Company's assets or those of third parties in its possession, I issued a separate report dated January 29, 2025.

(Original signed in Spanish)
Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of Cementos Argos S.A.
Registration 43668 - T
Member of KPMG S.A.S.

January 29, 2025


Cementos Argos S.A.


SEPARATE STATEMENT OF FINANCIAL POSITION

As of December 31, 2024 and March 31, 2024 | Millions Colombian pesos

	Notes	December 2024	March 2024
ASSETS			
Cash and cash equivalents	6	\$ 610.177	\$ 145.857
Trade and other accounts receivable, net	9	364.425	658.916
Derivative financial instruments	7	645	37.680
Other financial assets	8	-	260
Current Tax assets	10	108.778	145.637
Inventories	11	220.797	240.048
Other non-financial assets	12	40.568	50.106
Assets held for sale	19	608	-
Total current assets		\$ 1.345.998	\$ 1.278.504
Trade and other accounts receivable, net	9	12.948	58.125
Investments in subsidiaries	15	14.156.156	13.110.825
Investments in associates and joint ventures	14	5.397	6.734
Derivative financial instruments	7	146.755	26.185
Other financial assets	8	1.067.210	875.394
Intangible assets, net	16	158.895	165.917
Right-of-use assets in lease, net	21	35.963	43.325
Biological assets	13	16.738	15.879
Property, plant and equipment, net	17	2.359.378	2.374.981
Investment properties	18	110.883	107.623
Other non-financial assets	12	6.624	6.577
Total non-current assets		\$ 18.076.947	\$ 16.791.565
TOTAL ASSETS		\$ 19.422.945	\$ 18.070.069
LIABILITIES			
Financial liabilities	20	633.482	1.011.994
Right-of-use liabilities in lease, net	21	8.675	9.403
Trade liabilities and accounts payable	22	500.159	484.926
Current Tax liabilities	10	-	39
Employee benefit liabilities	23	103.410	88.641
Provisions	24	20.091	25.632
Derivative financial instruments	7	28.874	65.329
Outstanding bonds and preferred shares	25	271.221	145.347
Other non-financial liabilities	12	115.007	92.226
Total current liabilities		\$ 1.680.919	\$ 1.923.537
Financial liabilities	20	1.650.927	670.799
Right-of-use liabilities in lease, net	21	23.190	30.
Employee benefit liabilities	23	175.077	200.
Derivative financial instruments	7	82.414	134.391
Provisions	24	26.995	26.573
Outstanding bonds and preferred shares	25	1.976.130	2.462.
Deferred tax liabilities	10	195.635	312.401
Other non-financial liabilities	12	72.284	81.461
Total non-current liabilities		\$ 4.202.652	\$ 3.919.492
TOTAL LIABILITIES		\$ 5.883.571	\$ 5.843.029
Issued capital	27	2.290.218	2.242.551
Own shares repurchased	28	(452.506)	(238.797)
Reserves	28	5.826.921	935.716
Retained earnings	29	1.646.125	6.758.564
Other comprehensive income	28	4.228.616	2.529.006
EQUITY		\$ 13.539.374	\$ 12.227.040
TOTAL LIABILITIES AND EQUITY		\$ 19.422.945	\$ 18.070.069

The notes are an integral part of the separate financial statements.

 **Juan Esteban Calle Restrepo**
Legal representative
(See attached certification)

 **Oscar Rodrigo Rubio Cortes**
Corporate Accounting Manager
T.P. 47208-T
(See attached certification)

Gonzalo Alonso Ochoa Ruiz
Statutory Auditor
T.P. 43668-T
Member of KPMG S.A.S.
(See my report of January 29, 2025).

Cementos Argos S.A.

SEPARATE STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME

For the nine months ended December 31, 2024 and 2023| Millions of Colombian pesos

	Notes	2024	2023 (Unaudited)
Continued operations			
Ordinary activities income	30	\$ 1.344.101	\$ 1.535.137
Cost of sales	11	(975.563)	(1.099.559)
Gross profit		\$ 368.538	\$ 435.578
Administrative expenses	31	(232.055)	(219.440)
Selling expenses	32	(65.791)	(69.136)
Other operating expenses, net	33	(21.024)	(10.787)
Impairment of assets		-	(16)
Operating income		\$ 49.668	\$ 136.199
Financial income	34	64.147	52.595
Financial expenses	35	(487.195)	(570.900)
Foreign exchange loss, net	38	(16.831)	(28.529)
Net equity in income of investees	14,15,30	499.185	740.520
Income before taxes		\$ 108.974	\$ 329.885
Income tax	10	92.279	(88.317)
Net income from continuing operations	36	\$ 201.253	\$ 241.568

OTHER COMPREHENSIVE INCOME NET OF TAXES

Items that will not be reclassified to profit or loss for the period:

Gain (loss) on measurement of defined benefit obligations		13.717	(59.211)
Gain (loss) on equity investments at fair value		194.500	(322.119)
Income tax on the components that will not be reclassified	10	(5.628)	20.593
Total items that will not be reclassified to profit or loss for the period		\$ 202.589	(360.737)


Items that will be subsequently reclassified to profit or loss for the period:

Net gains (loss) on cash flow hedging instruments		21.789	(34.073)
Exchange gains (losses) on translation differences		1.490.168	(1.651.027)
Income tax on the components to be reclassified	10	(14.936)	12.815
Total items to may be reclassified to profit or loss for the period		\$ 1.497.021	(1.672.285)
Other comprehensive income, net of taxes		\$ 1.699.610	(2.033.022)

TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		\$ 1.900.863	(1.791.454)
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The notes are an integral part of the separate financial statements.

 **Juan Esteban Calle Restrepo**
Legal representative
(See attached certification)

 **Oscar Rodrigo Rubio Cortes**
Corporate Accounting Manager
T.P. 47208-T
(See attached certification)

Gonzalo Alonso Ochoa Ruiz
Statutory Auditor
T.P. 43668-T
Member of KPMG S.A.S.
(See my report of January 29, 2025).


Cementos Argos S.A.


SEPARATE STATEMENT OF CHANGES IN EQUITY

For the nine months ended December 31, 2024 and 2023| Millions of Colombian Pesos

Notes	Issued capital	Own shares repurchased	Legal reserve	Other reserves	Retained earnings	Other comprehensive income	Equity Cementos Argos S.A. with no investees	Investee reserves	Retained earnings of investees	Other comprehensive income from investees	Total equity
Balance as of April 1, 2024	\$ 2.242.551	(238.797)	262.786	378.356	1.082.497	738.737	4.466.130	294.574	5.676.067	1.790.269	12.227.040
Period income	-	-	-	-	(297.932)	-	(297.932)	-	499.185	-	201.253
Other comprehensive income (loss) for the period, net of income tax	-	-	-	-	-	121.764	121.764	-	-	1.577.846	1.699.610
Comprehensive income for the period	\$ -	-	-	-	(297.932)	121.764	(176.168)	-	499.185	1.577.846	1.900.863
Conversion of preferred shares to common	27 (13.023)	-	-	-	-	-	(13.023)	-	-	-	(13.023)
Additional paid-in capital (conversion)	27 60.690	-	-	-	-	-	60.690	-	-	-	60.690
Ordinary dividends declared in cash	-	-	-	-	43.248	-	43.248	-	(471.757)	-	(428.509)
Preferred dividends declared in cash	-	-	-	-	15	-	15	-	(166)	-	(151)
Repurchase of common shares (Purchase of treasury stock)	27 -	(210.542)	-	-	-	-	(210.542)	-	-	-	(210.542)
Preferred share repurchase (Purchase of treasury stock)	27 -	(3.167)	-	-	-	-	(3.167)	-	-	-	(3.167)
Establishment of reserves	-	-	30.900	4.860.305	493.650	-	5.384.855	-	(5.384.855)	-	-
Dividends recovered on repurchase of Common Stock	-	-	-	-	5.197	-	5.197	-	-	-	5.197
Dividends recovered on repurchase of Preferred Stock	-	-	-	-	62	-	62	-	-	-	62
Other variations	-	-	-	-	(40)	-	(40)	-	954	-	914
Balance as of December 31, 2024	\$ 2.290.218	(452.506)	293.686	5.238.661	1.326.697	860.501	9.557.257	294.574	319.428	3.368.114	13.539.374
Balance as of April 1, 2023 Not audited	\$ 2.242.551	(113.797)	180.389	113.820	2.067.398	1.064.590	5.554.951	225.912	(48.259)	5.108.694	10.841.298
Period income	-	-	-	-	(498.952)	-	(498.952)	-	740.520	-	241.568
Other comprehensive income (loss) for the period, net of income tax	-	-	-	-	-	(375.175)	(375.175)	-	-	(1.657.847)	(2.033.022)
Comprehensive income for the period	\$ -	-	-	-	(498.952)	(375.175)	(874.127)	-	740.520	(1.657.847)	(1.791.454)
Ordinary dividends declared in cash	-	-	-	-	(268.941)	-	(268.941)	-	-	-	(268.941)
Preferred dividends declared in cash	-	-	-	-	(48.066)	-	(48.066)	-	-	-	(48.066)
Repurchase of common shares (Purchase of treasury stock)	-	(40.174)	-	-	-	-	(40.174)	-	-	-	(40.174)
Preferred share repurchase (Purchase of treasury stock)	-	(4.024)	-	-	-	-	(4.024)	-	-	-	(4.024)
Dividends recovered on repurchase of Common Stock	-	-	-	-	538	-	538	-	-	-	538
Dividends recovered on repurchase of Preferred Stock	-	-	-	-	78	-	78	-	-	-	78
Establishment of reserves	-	-	50.399	136.578	(186.977)	-	-	-	-	-	-
Other variations	-	-	-	-	(23.836)	-	(23.836)	56.208	37.293	-	69.665
Balance as of December 31, 2023	\$ 2.242.551	(157.995)	230.788	250.398	1.041.242	689.415	4.296.399	282.120	729.554	3.450.847	8.758.920

The notes are an integral part of the separate financial statements

 **Juan Esteban Calle Restrepo**
Legal representative
(See attached certification)

 **Oscar Rodrigo Rubio Cortes**
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Cementos Argos S.A.
SEPARATE CASH FLOW STATEMENT


For the nine months ended December 31, 2024 and 2023| Millions of Colombian Pesos

	Notes	December 2024	2023 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Period income		\$ 201.253	\$ 241.568
Adjustments to reconcile profit of lost:			
Depreciation	17	115.601	95.350
Amortization	16,21	21.116	31.237
Deferred income tax	10	(136.933)	54.585
Current income tax	10	44.654	33.732
Financial income	34	(64.147)	(52.595)
Financial expenses	35	487.195	570.900
Provisions and post-employment benefit obligations		5.452	11.653
Financial assets and inventory impairment, net	9,11	2.295	3.922
Impairment of intangible assets		-	16
Asset retirement		(285)	-
Unrealized exchange difference		6.325	(16.980)
Gain on fair value measurement	33	(5.654)	(2.574)
Realization of net foreign hedging	26	(89.985)	-
Equity in net income of subsidiaries and associated companies		(499.185)	(740.520)
Gain on disposal of non-current assets	33	(2.841)	(6.543)
Settlement of investment		194	-
Other adjustments to reconcile net income		201	1.543
Changes in working capital of:			
Inventories	11	17.175	52.499
Trade and other accounts receivable, net	9	63.431	35.772
Other non-financial assets	12	22.017	(3.634)
Trade liabilities and accounts payable	22	161.731	556.569
Income tax payments		(103.432)	(391.674)
Net cash flows from operating activities		\$ 246.178	\$ 474.826
CASH FLOWS FROM INVESTING ACTIVITIES			
Capitalization in Subsidiaries while retaining control		(488.259)	
Repatriation (Capital repayments)		1.093.764	
Capital contributions (Casa para mi projects)		261	(1.821)
Acquisition of investments in financial instruments (fixed income)	8	(141.905)	-
Disposition of investments in financial instruments (RF OR RV)		154.025	338.765
TIDIS additions (purchased)		(55.429)	-
TIDIS Sales		30.000	65.514
Purchases of property, plant and equipment and investment properties	17,18	(103.737)	(104.451)
Dividends received	9	462.651	805.077
Proceeds from sale of property, plant and equipment and investments	17,18	6.198	6.203
Purchases of intangible assets	16	(308)	(463)
Proceeds from the sale of intangible assets		-	2.800
Proceeds from sale of biological assets	13	1.927	3.109
Payments of financial derivatives	26	(44.546)	-
Net cash flows from investing activities		\$ 914.642	\$ 1.114.733
CASH FLOWS FROM FINANCING ACTIVITIES			
Borrowing and issuance of debt instruments	20	2.965.361	1.282.803
Repurchase of common and preferred stock	27	(213.709)	(44.198)
Payments of loans and debt instruments	20	(2.296.488)	(1.369.231)
Interest paid	20,21	(474.780)	(523.476)
Dividends paid on common stock	29	(355.205)	(377.527)
Dividends paid on preferred stock	29	(24.396)	(67.474)
Payments outstanding bonds	25	(302.415)	(477.384)
Lease liability payments	21	(8.873)	(9.805)

Collection of financial derivatives	7		11.466	15.874
Net cash flows used in financing activities		\$	(699.039)	(1.570.418)
Increase cash and cash equivalents			461.781	19.141
Cash and cash equivalents at beginning of period	6	\$	145.857	\$ 236.430
Effect of exchange rate changes on cash and cash equivalents		\$	2.539	334
Cash and cash equivalents at the end of the period	6	\$	610.177	\$ 255.905

The notes are an integral part of the separate financial statements.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS

As of December 31, 2024 and 2023 and March 31, 2024

(Millions of Colombian pesos and thousands of U.S. dollars, except where otherwise indicated)

NOTE 1: GENERAL INFORMATION

Cementos Argos S.A. (the Company) is a commercial corporation incorporated under the laws of Colombia on August 14, 1944, with its principal place of business in the city of Barranquilla, Department of Atlántico, Republic of Colombia. The Company's corporate purpose is the exploitation of the cement industry, the production of concrete mixes and any other materials or articles based on cement, lime or clay, the acquisition and sale of minerals or deposits of minerals that can be used in the cement industry and its similar, of rights to explore and exploit minerals of the aforementioned, whether by concession, privilege, lease or any other title. The Company's term expires on August 14, 2060, with extended duration.

The address of the head office is Carrera 53 No 106-280 Centro Empresarial Buenavista Piso 17, Barranquilla. No branches established in Colombia or abroad.

Cementos Argos S.A. is part of Grupo Empresarial Argos whose parent company is Grupo Argos S.A.

On March 18, 2024, the Company's Shareholders' Meeting in its ordinary session approved, among other matters, an amendment to the bylaws by which transitory articles were included that allow only for 2024, to have two fiscal years, the first will be between January 1, 2024 and March 31, 2024 and the second between April 1 and December 31, 2024. As of January 1, 2025, the Company will again have only one fiscal year for each period between January 1 and December 31 of a calendar year, in accordance with Article 54 of the bylaws.

The Board of Directors authorized the issuance of the Company's separate financial statements for the nine-month period ended December 31, 2024, on January 29, 2025.

NOTE 2: BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Compliance status

The separate financial statements for the periods ended December 31, 2024 and 2023, and as of March 31, 2024, have been prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia for Group 1 entities (NCIF Group 1) established in Law 1314 of 2009, regulated by Sole Regulatory Decree 2420 of 2015 as amended by Decrees 2496 of 2015, 2131 of 2016, 2170 of 2017, 2483 of 2018, 2270 of 2019, 1432 of 2020, 938 of 2021, 1611 of 2022 and 1271 of 2024.

Group 1 MFRS are based on the complete International Financial Reporting Standards (IFRS), issued and officially translated into Spanish by the International Accounting Standards Board (IASB), including their interpretations.

In addition, in compliance with applicable laws, decrees and other standards, the Company applies the following accounting criteria issued specifically for Colombia by regulatory entities:

- External Circular No. 36 of 2014 of the Financial Superintendency of Colombia - The accounting treatment of positive net differences generated in the first time application of NCIF cannot be distributed to offset losses, carry out capitalization processes, distribute profits and/or dividends, or be recognized as reserves. Negative net differences will not be computed for technical equity, minimum capital to operate and other legal controls, for financial information preparers, issuers of securities subject to control.

- Decree 2496 of December 23, 2015 - whereby it is determined that the parameters for accounting for post-employment benefits must correspond to Decree 2783 of 2001 as the best market approximation; for 2016, Decree 2131 of December 22, 2016, eliminated the obligation to apply these assumptions for the measurement of post-employment benefits, allowing the application of the requirements of IAS 19 employee benefits, and these requirements being applicable only for financial information disclosure purposes. Decree 1625 of 2016 determines that the calculation of pension liabilities must be disclosed in accordance with the parameters established in that standard and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the differences with the calculation made in accordance with IAS 19 Employee Benefits.

- Decree 2617 of December 29, 2022 - Alternative for recognition and presentation of the effects on deferred tax applicable in Colombia: value of the deferred tax derived from the change in the income tax rate and the change in the occasional income tax rate, for the taxable period 2022, may be recognized in the entity's equity in the Retained earnings of previous years.

- Decree 1311 of October 20, 2021: Establishes an accounting alternative to mitigate the effects of the change in the income tax rate in the taxable period 2021. This alternative consists in that the value of the deferred tax derived from the change in the income tax rate, generated by the amendment of article 240 of the Tax Statute introduced by article 7 of Law 2155 of 2021, which must be reflected in the result of the 2021 period, may be recognized within the equity of the entity in the Retained earnings of previous years. Those who opt for this alternative must disclose it in the notes to the financial statements indicating its effect on the financial information.

■ Decree 1271 of 2024: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement No. 2): The amendments require companies to disclose information about their 'material' accounting policies rather than their 'significant' accounting policies. The effect of the amendments will depend on the existing accounting policy disclosures provided by individual entities. For some entities, the effect may be significant. However, those that already disclose entity-specific information with respect to materiality may, in some cases, assess the effect as insignificant.

For legal purposes in Colombia, the separate financial statements are the main financial statements.

2.2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.2.1 EXTRAORDINARY YEAR END CLOSING

At the ordinary meeting held on March 18, 2024, the Shareholders' Meeting of Cementos Argos S.A., according to Minute No. 101, approved an amendment to the by-laws to allow for an additional year-end on March 31, 2024, specifically for the current fiscal year. The purpose of this adjustment is to submit to the consideration of the Shareholders the distribution of profits corresponding to this additional period.

In accordance with Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS), annualized financial statements have been prepared as of March 31, 2024 together with their respective detailed explanatory notes, in accordance with the applicable regulatory framework (NCIF) and IAS 1 Presentation of Financial Statements. As of December 31, 2024, separate financial statements have been prepared covering the period from April 1 to December 31, 2024.

It is essential to highlight that, although the extraordinary closing took place on March 31, 2024 and the separate financial statements as of December 31, 2024 cover only nine months, the financial statements for fiscal year 2023 have been restated to conform to a comparable nine-month period. This measure ensures the consistency and comparability of the financial information presented, in accordance with the comparability principle established in International Accounting Standard 1 (IAS 1) and the applicable conceptual framework.

2.2.2 PREPARATION BASES

The separate financial statements include the financial statements of Cementos Argos S.A. as of December 31, 2024. They have been prepared on the historical cost basis, except for the measurement of certain financial assets and liabilities, derivative financial instruments, investment properties and biological assets, which have been measured at fair value. The Company does not measure non-financial assets or liabilities at fair value on a recurring basis, except for investment properties, biological assets and certain financial liabilities. The financial statements are presented in Colombian pesos, which is the functional currency of the Company's parent company, and all values in Colombian pesos are rounded to the nearest million and dollar values to the nearest thousand, except where otherwise indicated.

The separate financial statements have been prepared on the accrual basis of accounting, except for cash flow information. Generally, historical cost is based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company considers the characteristics of the asset or liability if market participants take those characteristics into account when valuing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on that basis, except for share-based payment transactions within the scope of IFRS 2, lease transactions within the scope of IFRS 16 and measurements that have certain similarities to fair value but are not fair value, such as realizable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the extent to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements as a whole, which are described below:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities for which the entity has access at the date.
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for an asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for an asset or liability.

2.2.2 ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Company in the preparation of its separate financial statements:

1. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position and in the statement of cash flows include cash on hand and at banks, highly liquid investments, readily convertible into a determined amount of cash and subject to an insignificant risk of changes in value, with a maturity of three months or less from the date of acquisition.

Financial instruments

Financial assets and liabilities are initially recognized at fair value plus (minus) directly attributable transaction costs, except for those that are subsequently measured at fair value through profit or loss. The Company subsequently measures financial assets and liabilities at amortized cost or at fair value, depending on the Company's business model for managing financial assets and the characteristics of the contractual cash flows of the instrument.

Fair value measurements

Several of the Company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and for financial and non-financial liabilities.

Financial assets

Financial assets other than those at amortized cost are subsequently measured at fair value with changes recognized in profit or loss. However, for investments in equity instruments that are not held for trading purposes, the Company may elect, on initial recognition and irrevocably, to present gains or losses from fair value measurement in other comprehensive income. On disposal of investments at fair value through other comprehensive income, the cumulative gain or loss is transferred directly to retained earnings, not reclassified to profit or loss for the period. Dividends received in cash from these investments are recognized in the statement of income. The Company has elected to measure certain of its investments in equity instruments at fair value through other comprehensive income. A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to hold them for cash flows and the contractual terms of the asset provide, on specified dates, cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset or part of it is derecognized from the separate statement of financial position when it is sold, transferred, expires, control over the contractual rights or cash flows of the instrument is lost or when the financial asset is transferred and the transfer meets the requirements for derecognition. A financial liability or part of a financial liability is derecognized from the separate statement of financial position when the contractual obligation has been settled or has expired. On derecognition of a financial asset or part thereof, the difference between its carrying amount and the amount of the consideration received (including any new asset obtained less any liability assumed) is recognized in profit or loss for the period.

When an existing financial liability is replaced by another from the same counterparty on substantially different terms, or if the terms of an existing liability are substantially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Impairment of financial assets

The impairment model in accordance with IFRS 9 reflects expected credit losses. The Company records expected credit losses on its debt securities, trade and lease receivables at the end of the reporting period. In calculating expected credit losses under IFRS 9, the Company applies a simplified approach, which allows it not to monitor changes in credit risk, but to recognize a loss allowance based on expected credit losses over the life of the asset at each reporting date, i.e., to recognize expected credit losses resulting from possible events of default over the expected life of the financial instrument. In cases where there is objective evidence that a financial asset is impaired, the Company recognizes a provision for individual impairment loss, and excludes the item from the collective assessment under the expected loss model.

To determine expected credit losses, the Company has used an allowance matrix based on the number of days a trade account receivable is past due, that is, grouping the portfolio by ranges of days past due and applying to the outstanding balance of accounts receivable at the measurement date for each range of days past due an expected default percentage. The default percentage given the days of default of the portfolio was determined using the transition matrix methodology according to the Markov chain theory. The portfolio of each subsidiary is segmented into two homogeneous groups, industrial business and mass business.

The impairment loss is recognized in selling and administrative expenses in the Company's separate income statement. When there is confirmation that the trade receivable is considered uncollectible, the gross carrying amount of the receivable is written off against the associated allowance.

Financial liabilities

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized, as well as accrued interest according to the effective interest rate method. The amortized cost is calculated taking into account any discount or acquisition premium and fees or costs that are an integral part of the effective interest rate method.

The effective interest method is the method used to calculate the amortized cost of a financial asset or financial liability and to allocate and recognize interest income or interest expense in profit or loss over the relevant period. The amortized cost of a financial asset or

financial liability is that at which it was measured at initial recognition, less principal repayments, plus or minus the cumulative amortization, using the effective interest method, of any difference between the initial amount and the amount at maturity and, for financial assets, adjusted for any value adjustment for losses.

Liabilities to minority interests have been recognized in accordance with IAS 32 in the account "other financial liabilities" to the extent that put options on their shares and purchase obligations by the Company exist, even if the possibility of exercising such option is remote.

Financial derivatives

Financial derivatives are recorded in the separate statement of financial position at their fair values, taking into account the market curves in effect at the valuation date. The accounting for changes in the fair value of derivatives depends on the use of the derivative and its designation as an accounting hedging instrument. Some derivatives embedded in other financial instruments (embedded derivatives) are treated as separate derivatives when their risk and characteristics are not closely related to those of the host contract and the host contract is not recorded at fair value with its unrealized gains and losses included in income.

To mitigate the risk in foreign currency transactions and interest rate exposure, the Company enters into natural hedging and financial hedging transactions through the use of derivative financial instruments, mainly swap and forward contracts, all outstanding derivatives have been designated as cash flow or fair value accounting hedging instruments in accordance with the criteria of IAS 39 Financial Instruments. The Company does not use derivative instruments, as well as any other financial instruments for speculative purposes.

Certain derivative transactions that do not qualify for hedge accounting are treated and reported as trading derivatives, even though they provide an effective hedge for the management of risk positions. For derivatives that qualify for hedge accounting, at the inception of the hedging relationship, the Company formally designates and documents the relationship, and the risk management objective and strategy for undertaking the hedge. At the end of March 2024 the Company entered into financial option contracts that would allow it to mitigate the impact on net income of eventual drops in share prices in the United States market, under the contract entered into on September 7, 2023 with Summit Materials Inc. Considering that this transaction is not highly probable at December 31, 2023, as it is subject to the approval of the Assembly during 2024, this derivative was classified for accounting purposes as a trading instrument and hedge accounting was not applied.

Swap transactions correspond to financial transactions in which the Company, through a contractual agreement with a bank, exchanges monetary flows in order to reduce currency, rate, term or issuer risks, as well as the restructuring of assets or liabilities.

Forward transactions and currency swap transactions are used to hedge the exchange rate risk in foreign currency debt transactions, to hedge future cash flows with a high probability of occurrence, such as the Company's monthly exports, and in order to balance the Company's foreign exchange exposure by taking advantage of what Management considers to be favorable market conditions. The existence of this agreement has no impact on the valuation of the underlying debt.

The Company also uses interest rate swaps to manage its exposure to interest rates. In the case of interest rate swaps there is no exchange of capital, the Company is responsible for its receivables with defined amounts and terms, its accounting record is independent of the swap. The purpose of these swaps is to convert financial instruments either from a fixed rate to a variable rate or from a variable rate to a fixed rate.

Management documents hedging accounting relationships from the time of initial recognition. This documentation includes, but is not limited to, the following:

- Designation, which includes identification of the hedging instrument, the hedged item or transaction, and the hedging relationship, hedging objective and risk management strategy;
- Hedging designation and relationship, hedging objective and risk management strategy;
- Date of designation of accounting coverage; and
- Coverage effectiveness evaluation procedure and method for evaluating the effectiveness of prospective and retroactive coverage and its periodicity.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows, and are evaluated on an ongoing basis to determine that this has actually been the case throughout the reporting periods for which they were designated. For hedge accounting purposes and those applicable to the Company, hedges are classified and accounted for as follows, once the strict criteria for hedge accounting are met:

- Fair value hedges, when they hedge the exposure to changes in the fair value of recognized assets or liabilities or unrecognized firm commitments. In fair value hedging relationships, changes in the fair value of the hedged item and the hedging instrument are recognized and offset in the separate statement of income for the period, presented as financial cost or income. The change in the fair value of the hedged item attributable to the hedged risk is recorded as part of the carrying amount of the hedged item, and is also recognized in the statement of comprehensive income in the statement of income section as finance cost or income.
- Cash flow hedges, when they hedge the exposure to the variation in cash flows attributed either to a particular risk associated with a recognized asset or liability or to a highly probable forecast transaction, or to the exchange rate risk on an unrecognized firm commitment. In cash flow hedging relationships, changes in the fair value of the hedging instrument are recognized directly in separate other comprehensive income for the effective portion of the hedge, the ineffective portion is presented in separate financial income or expense.

Gains or losses recognized in equity are subsequently reclassified to the separate income statement when the hedged item affects the Company's separate results.

In hedging relationships of highly probable transactions, changes in the fair value of the hedging instrument are recognized directly in separate other comprehensive income for the effective portion of the hedge, the ineffective portion is presented in separate financial income or expense. Gains or losses recognized in equity are reclassified at the end of the hedging relationship to the same account as the hedged item.

The effective portion of the gain or loss on the measurement of the hedging instrument is recognized immediately in other comprehensive income, while the ineffective portion is recognized immediately in the statement of comprehensive income in the statement of income section as finance cost.

Amounts recognized in other comprehensive income are reclassified to the statement of comprehensive income in the income statement section when the hedged transaction affects profit or loss, as well as when the hedged financial income or financial expense is recognized, or when the forecast transaction occurs. When the hedged item constitutes the cost of a non-financial asset or liability, the amounts recognized in other comprehensive income are reclassified to the initial carrying amount of the non-financial asset or liability. If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to the statement of comprehensive income in the statement of income section.

If the hedging instrument expires or is sold, terminated, or exercised without a successive replacement or renewal of a hedging instrument with another hedging instrument, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognized in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss.

Derivatives that are not designated as hedges for accounting purposes under IFRS 9 are measured at fair value.

2. Provisions for decommissioning, restoration and rehabilitation

The Company recognizes as part of the cost of an item of property, plant and equipment, when there is a legal or constructive obligation to dismantle an asset or restore the site where it was constructed, the present value of the estimated future costs expected to be incurred to perform the dismantling or restoration.

The provision for decommissioning or restoration is recognized at the present value of the estimated future disbursements to settle the obligation. Cash flows adjusted to reflect the risks of the liability are discounted at a pre-tax risk-free rate.

The estimate of future decommissioning or restoration cash flows is reviewed periodically. Changes in the estimate, in the expected dates of disbursements or in the discount rate used to discount the cash flows are recognized as an increase or decrease in the cost of dismantling included in the item of property, plant and equipment. The change in the value of the provision associated with the passage of time is recognized as a financial expense in the statement of comprehensive income.

3. Exploration and evaluation disbursements

The Company recognizes as an expense of the period for evaluation and exploration of mineral resources, those disbursements incurred before demonstrating the technical feasibility and commercial viability of the exploitation project, even if they are directly related or associated with the activity of exploration and evaluation of the mineral resource. If the expenditures meet the conditions for recognition, they are recorded as intangible assets. These expenses will be recognized at the value disbursed at the time they are incurred.

4. Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of all financial assets and liabilities is determined at the date of presentation of the financial statements, for recognition or disclosure in the notes to the separate financial statements. Judgments include inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Several of the Company's accounting policies and disclosures require fair value measurements for both financial and non-financial assets and financial and non-financial liabilities.

5. Foreign currency

Transactions in foreign currencies, which correspond to those transactions in currencies other than the entity's functional currency, are initially recorded at the exchange rates of the functional currency in effect at the date of the transaction. Subsequently, monetary assets and liabilities in foreign currencies are translated at the exchange rate of the functional currency in effect at the end of the period; non-monetary items that are measured at fair value are translated using the exchange rates at the date on which their fair value is determined and non-monetary items that are measured at historical cost are translated using the exchange rates in effect at the date of the original transactions, and have not been retranslated.

All exchange differences on monetary items are recognized in the statement of income except for monetary items that provide an effective hedge for a net investment in a foreign operation and those arising from investments in shares classified as at fair value through equity. For the presentation of the Company's separate financial statements, the assets and liabilities of foreign operations are translated into Colombian pesos at the exchange rate in effect at the end of the reporting period. Revenues, costs and expenses and cash flows are translated at the average exchange rates for the period, unless they fluctuate significantly during the period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (attributed to non-controlling interests when appropriate).

All exchange differences on monetary items are recognized in the statement of income except for monetary items that provide an effective hedge for a net investment in a foreign operation and those arising from investments in shares classified as at fair value through equity. For the presentation of the Company's separate financial statements, the assets and liabilities of foreign operations are translated into Colombian pesos at the exchange rate in effect at the end of the reporting period. Revenues, costs and expenses and cash flows are translated at the average exchange rates for the period, unless they fluctuate significantly during the period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (attributed to non-controlling interests when appropriate).

On the disposal of a foreign operation, which includes the disposal of the Company's entire interest in a foreign operation and a disposal involving a partial sale of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset, all accumulated exchange differences in equity relating to that operation attributable to the owners of the Company are reclassified from equity to profit or loss for the separate period.

Additionally, with respect to the partial disposal of a subsidiary (which includes a foreign operation), the entity shall re-attribute the proportionate share of the cumulative amount of the exchange differences to non-controlling interests and not recognized in profit or loss. In any other partial disposal (i.e., partial disposal of associates or joint arrangements that do not involve the loss of significant influence and joint control by the Company), the entity shall reclassify to profit or loss only the proportionate share of the cumulative amount of the exchange differences.

Adjustments corresponding to goodwill and the fair value of identifiable assets and liabilities acquired in the acquisition of a foreign operation are considered as assets and liabilities of such operation and are translated at the exchange rate in effect at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

6. Impairment of non-financial assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. If there are indications of impairment or at least annually for goodwill, intangible assets with indefinite useful lives and intangible assets not yet in use, the recoverable amount of the asset or cash-generating unit(s) is estimated, the latter level when it is not possible to estimate the recoverable amount of the individual asset. When a reasonable and consistent basis of allocation is identified, the common assets are also allocated to the cash-generating units, or distributed to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount of an asset is the higher of the fair value less costs to sell of either an asset or a cash-generating unit and its value in use. In estimating value in use, the estimated future cash flows are discounted from the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

When an impairment loss is subsequently reversed, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for that asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized in income.

7. Taxes

Income tax expense represents the sum of current income tax payable and deferred income tax.

Current income tax

Current income tax assets and liabilities for the period are measured at the amounts expected to be recovered or paid to the tax authorities. The income tax expense is recognized in current tax according to the adjustment made between the taxable income and the accounting profit or loss affected by the income tax rate of the current year and in accordance with the provisions of the tax regulations of each country. The tax rates and regulations used to compute these values are those that are enacted or substantively enacted at the end of the reporting period in the countries in which the Group operates and generates taxable income.

Deferred tax

Deferred income tax is recognized using the liability method calculated on the temporary differences between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are recognized for taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and for the future offset of unused tax credits and tax losses, to the extent that it is probable that future taxable profits will be available against which they can be utilized. These assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit.

A deferred liability for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures should be recognized, except where the Company is able to control the reversal of the temporary difference and where there is a possibility that the temporary difference may not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that future taxable profit

will be available against which the temporary differences can be utilized and when it is probable that the temporary differences will be reversed in the foreseeable future.

The carrying amount of a deferred tax asset should be reviewed at the end of each reporting period and reduced to the extent that it is probable that sufficient taxable profit will not be available in the future to allow all or part of the asset to be recovered. Deferred tax assets and liabilities should be measured using the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that at the end of the reporting period have been enacted or substantively enacted and the enactment process is substantially complete. The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred taxes are not discounted.

Deferred tax is recognized in profit or loss for the period, except for that related to items recognized outside profit or loss, in which case it is presented in other comprehensive income or directly in equity. In the case of a business combination when the current tax or deferred tax arises from the initial accounting for the business combination, the tax effect is considered within the accounting for the business combination.

See note 2.1. on treatment adopted in accordance with decree 2617 of December 29, 2022.

8. Intangible Assets

Intangible assets acquired separately are initially measured at cost. The cost of intangible assets acquired in business combinations is recognized separately from goodwill at their fair value at the acquisition date (which is considered to be their cost). After initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Costs of internally generated intangible assets, except for development costs that meet the recognition criteria, are not capitalized and on disbursement are recognized in the statement of comprehensive income when incurred.

Expenditures arising from research activities are recognized as an expense in the period in which they are incurred. An intangible asset generated internally as a result of development activities (or the development phase of an internal project) is recognized if, and only if, the following conditions are met:

- Technically, it is possible to complete the production of the intangible asset so that it can be available for use or sale;
- Your intention to complete the intangible asset in question, to use it or sell it;
- Its ability to use or sell the intangible asset;
- The manner in which the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial or other resources to complete the development and to use or sell the intangible asset; and
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for an internally generated intangible asset shall be the sum of the expenditures incurred from the time the item meets the conditions for recognition established above. Subsequent to initial recognition, an internally generated intangible asset shall be carried at cost less accumulated amortization and accumulated impairment losses on the same basis as intangible assets that are acquired separately.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the estimated useful life of the asset are recognized prospectively. Amortization expense for intangible assets with finite useful lives is recognized in the statement of comprehensive income. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in consolidated profit or loss when the asset is derecognized.

9. Investment in associates and joint ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to intervene in the financial and operating policy decisions of the investee, without having absolute control or joint control of the investee.

A joint venture is a joint arrangement whereby the parties that have joint control are entitled to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The results, assets and liabilities of the associate or joint venture are incorporated in the separate financial statements using the equity method, except if the investment or a portion thereof is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under this method, the investment is initially recorded at cost, adjusted for changes in the Company's interest and subsequently

adjusted to account for the Company's share of profit or loss and other comprehensive income of the associate or joint venture, less any impairment loss on the investment.

When the Company's share of losses of an associate or joint venture exceeds the Company's interest in the associate or joint venture (which includes any long-term interest that, in substance, forms part of the Company's net investment in the associate or joint venture), the Company discontinues recognizing its share of future losses. Additional losses are recognized to the extent that the Company has incurred any legal or constructive obligations or made payments on behalf of the associate or joint venture.

When the equity method is applicable, the necessary adjustments are made to conform the accounting policies of the associate or joint venture to the Company's accounting policies, the Company's share of realized and unrealized gains or losses from transactions between the Company and the associate or joint venture is incorporated. The equity method is applied from the date on which the investee becomes an associate or joint venture. This is so, for example, because it can be done in stages, and is not the date of acquisition; until when significant influence or joint control over the entity is lost. On acquisition of the investment in the associate or joint venture, any excess of the cost of the investment over the net fair value allocation of the investee's identifiable assets and liabilities is recognized as goodwill, which is included within the carrying amount of the investment.

Any excess in the Company's distribution of the net fair value of identifiable assets and liabilities over the cost of investment, after revaluation, is recognized immediately in profit or loss in the period in which the investment was acquired. The requirements of IFRS 9 are applied in determining whether any impairment loss is required to be recognized in respect of the Company's investment in an associate or joint venture. The entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as an individual asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of such impairment loss is recognized in accordance with IAS 36 until the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Company holds an interest in a former associate or joint venture and the interest held is a financial asset, the Company measures the interest held at fair value at that date and the fair value is considered to be its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or joint venture at the date the use of the equity method was discontinued and the fair value of any retained interest and any gain or loss on the sale of a portion of the interest in the associate or joint venture is included in the determination of the gain or loss on the sale of the associate or joint venture.

In addition, the Company records all amounts previously recognized in other comprehensive income in respect of that associate or joint venture on the same basis as would have been required had the associate or joint venture sold the financial assets or liabilities directly. Therefore, if a gain or loss previously recognized in other comprehensive income by the associate or joint venture would have been reclassified to profit or loss upon the sale of the related assets or liabilities, the Company would reclassify the gain or loss from equity to profit or loss (as a reclassification adjustment) at the time it discontinues the use of the equity method.

The Company continues to use the equity method when an investment in an associate becomes an investment in a joint venture, or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value at the time of such changes in ownership interests. When the Company reduces its ownership interest in an associate or a joint venture, but continues to use the equity method, the Company reclassifies to profit or loss the proportion of the gain or loss that has previously been recognized in other comprehensive income in relation to that reduction in ownership interest, if that gain or loss would be reclassified to profit or loss on the sale of the related assets or liabilities.

If a Company entity enters into a transaction with an associate or joint venture of the Company, gains and losses resulting from such transactions are recognized in the Company's separate financial statements only for the portion of the interest in the associate or joint venture that is unrelated to the Company. Goodwill arising on the acquisition of an associate or joint venture is included in the carrying amount of the investment and is not amortized or individually tested for impairment.

10. Investment properties

Investment properties are properties (land or buildings, considered in whole or in part, or both) held (by the Company or by the lessee under a finance lease) to earn rentals, for capital appreciation or both, rather than for a) use in the production or supply of goods or services, or for administrative purposes, or b) sale in the ordinary course of business, including investment properties under construction for such purposes; are initially measured at acquisition cost, plus all associated transaction costs and non-recoverable indirect taxes, after deducting financial or trade discounts, and directly attributable costs to bring the investment property to the condition necessary for it to be capable of operating in the manner intended by management. Subsequent to initial recognition, investment properties are measured at fair value, with reference to the price that would be received, at the measurement date, upon disposal of the asset in a market transaction. In determining fair value, the Company engages independent experts with recognized professional competence and experience in the valuation of real estate. Changes in the fair value of investment properties are recognized in income for the period when they arise. Investment properties may be transferred to and from property, plant and equipment.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected to be received from the sale. Any gain or loss arising on derecognition of the property (calculated as the difference between the net sales proceeds and the carrying amount of the asset) is included in the results of the separate period in which the property was derecognized.

11. Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use; these assets or disposal groups are presented separately as current assets and liabilities in the statement of financial position at the lower of their carrying amount or fair value less costs to sell and are not depreciated or amortized from the date of classification.

This condition is considered to be met only when the sale is highly probable and the asset (or group of assets for disposal) is available for immediate sale in its present condition subject only to terms that are customary and appropriate for sales of those assets (or group of assets for disposal). Management must commit to the sale, which should be recognized as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan that involves the loss of control in a subsidiary, all assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Company will retain a non-controlling interest in its former subsidiary after the sale.

When the Company is committed to a sale plan involving the sale of an investment, or a portion of an investment, in an associate or joint venture, the investment or portion of the investment to be sold is classified as held for sale when the criteria described above are met, and the Company discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Company discontinues the use of the equity method at the time of sale when the sale results in the Company losing significant influence over the associate or joint venture.

The commitment to sell the subsidiary signed in September 2023 did not result in the classification of the net assets of the subsidiary as non-current assets held for sale, considering that, as of December 31, 2023, the transaction was not highly probable as it was subject to approval by Summit Materials' shareholders, which approval was given during January 2024. This transaction is a subsequent event that does not require adjustment in accordance with IAS 10 paragraph 22.

After the sale is completed, the Company accounts for any retained interest in the associate or joint venture in accordance with IFRS 9, unless the retained interest remains an associate or joint venture, in which case the Company uses the equity method (see the accounting policy that refers to influence over the associate or joint venture). In cases where the Company is committed to distribute an asset (or group of assets for disposal) to owners, such non-current asset (or group of assets for disposal) is classified as held for distribution to owners. For this to be the case, the assets must be available for immediate distribution in their present condition, and the distribution must be highly probable, i.e., activities to complete the distribution must have commenced and be expected to be completed within one year from the date of classification. The Company has classified its subsidiaries in liquidation proceedings as groups of assets for distribution to owners.

Income, costs and expenses from a discontinued operation are presented separately from those from continuing operations, in a single line item after income tax, in the separate statement of comprehensive income for the current and prior year comparative periods, even though the Company retains a non-controlling interest in the subsidiary after the sale.

The Company impairs a net investment in an associate or joint venture if, and only if, objective evidence indicates that one or more events, which occurred after initial recognition, have had an impact on the future cash flows of the net investment and that impact can be reliably estimated. The following events make it possible to establish whether there is objective evidence that these investments may be impaired:

- Significant financial difficulties of the associate or joint venture.
- Breaches of the contract, such as defaults or delays in payment by the associate or joint venture.
- The granting of concessions to associates and joint ventures that would not otherwise have been granted.
- It becomes probable that the associate or joint venture will enter bankruptcy or other form of financial reorganization.
- The disappearance of an active market for the net investment due to financial difficulties of the associate or joint venture.
- Significant changes with adverse effect that have taken place in the technological, market, economic or legal environment in which the associate or joint venture operates; or
- A significant and prolonged decline in the fair value of an investment in an associate or joint venture that is an equity instrument below its cost.

12. Property, plant and equipment

Property, plant and equipment includes the amount of land, real estate, furniture, vehicles, computer equipment and other facilities owned by consolidated entities and used in the operation of the entity. The Company recognizes an item of property, plant and equipment when it is probable that the asset will generate future economic benefits, it is expected to be used for a period of more than one year, all risks and rewards inherent to the asset have been received and its value can be measured reliably. Spare parts and permanent maintenance equipment are recognized as an item of property, plant and equipment when they meet the recognition criteria.

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Trade discounts, rebates and other similar items are deducted from the acquisition cost of fixed assets. Property under construction for administrative, production or service supply purposes is recorded at cost less any recognized impairment loss. Cost includes professional fees, direct dismantling and removal costs and, in the case of qualifying assets, borrowing costs capitalized in accordance with the

Company's accounting policy. Such properties are classified in the appropriate categories of property, plant and equipment upon completion and when ready for their intended use. Depreciation of these assets, as in the case of other property assets, begins when the assets are ready for their intended use. Depreciation begins when the asset is available for use and is calculated on a straight-line basis over the estimated technical useful life of the asset as follows:

Construction and buildings	40 to 70 years
Aqueduct, communication networks and roads	20 to 40 years
Machinery and production equipment	10 to 30 years
Office, computer and communication equipment	3 to 10 years
Ground transportation equipment	3 to 10 years
River fleet	3 to 45 years
Mines, quarries and deposits	2 to 38 years

Land owned is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when future economic benefits are no longer expected to arise from the continued use of the asset.

The gain or loss arising from the retirement or disposal of an asset of property, plant and equipment is calculated as the difference between the sales proceeds and the carrying amount of the asset, and recognized in profit or loss. The residual values, useful lives and depreciation methods of assets are reviewed and adjusted prospectively at each year-end, if required.

13. Leases

The Company recognizes leases, subleases and contracts with similar characteristics and circumstances taking into consideration the quality of the lessor or lessee, the underlying asset and the term of the contract.

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract transfers the right to control the use of an identified asset for a period of time in exchange for consideration. In assessing whether a contract transfers the right to control the use of identified assets, the Company uses the definition of a lease in IFRS 16.

The Company as lessee

As lessee, at the inception or modification of a lease containing a lease component, the Company allocates consideration in the lease to each lease component based on their relative independent prices.

The Company initially recognizes at the lease commencement date a right-of-use asset representing the right to use the underlying lease asset and a lease liability representing its obligation to make the lease payments agreed to in the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and are adjusted with the remeasurement of lease liabilities. The cost of right-of-use assets includes the value of lease liabilities recognized, initial direct costs incurred and lease payments made prior to the lease commencement date less any lease incentives received. Unless the Company has reasonable assurance of obtaining ownership of the leased asset at the end of the lease term, assets recognized for right-of-use are amortized on a straight-line basis over the lease term. Right-of-use assets are subject to impairment.

At the lease commencement date, the Company recognizes lease liabilities at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments (including fixed-in-lieu payments) less lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments include the exercise price of a purchase option when the Company has reasonable assurance that it will exercise the option and lease termination penalties if the lease term reflects that the Company will exercise an option to terminate the lease. Variable lease payments that are not index or rate dependent are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease cannot be readily determined. After the commencement date, the value of the lease liabilities is increased to reflect the accrual of interest and reduced by the lease payments made. In addition, the carrying value of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments in substance or a change in the assessment to acquire the underlying asset.

The Company recognizes depreciation of right-of-use assets and allocates lease payments between interest expense and reduction of lease obligations. Interest expense is charged directly to income, unless it is directly attributable to qualifying assets, in which case it is capitalized in accordance with the general borrowing cost policy. The Company recognizes lease payments for leases with a lease term of 12 months or less and without a purchase option or leases with a low underlying asset value (i.e., assets with a new value of \$3,500 or less for operating assets and \$5,000 for administrative assets), as a lease expense less related lease incentives on a straight-line basis over the term of the lease, unless another systematic basis of allocation is more representative to more appropriately reflect the time pattern of lease benefits to the lessee.

The Company presents right-of-use lease assets and lease liabilities separately in the consolidated statement of financial position. Right-of-use assets that meet the definition of investment property are presented within the investment property line.

The Company presents interest expense on the lease liability separately from the depreciation charge on the right-of-use lease asset. Interest expense on the lease liability is a component of finance costs, which are presented separately in the separate statement of comprehensive income.

The Company classifies in the separate statement of cash flows, cash payments for principal and interest on lease payments as financing activities and payments for short-term leases and lease payments for low-value assets as operating activities.

Short-term leases and leases of low-value assets.

The Company has elected not to recognize right-of-use lease assets and lease liabilities for leases with a lease term equal to or less than 12 months and no purchase option (short-term leases), and leases whose underlying asset is of low value (i.e., assets whose value as new is equal to or less than \$3,500 for assets intended for operation and \$5,000 for assets for administrative use), including IT equipment. The Company recognizes the lease payment associated with these leases as a straight-line lease expense over the lease term.

The Company as lessor

At inception or upon modification of a lease containing a lease component, the Company allocates consideration in the lease to each lease component based on their relative independent prices.

As lessor, at the inception of the lease, the Company classifies leases as finance or operating leases by evaluating the extent to which the risks and rewards incidental to ownership of the asset affect the Company. The Company classifies a lease as a finance lease when substantially all the risks and rewards incidental to ownership are transferred, and an operating lease when substantially all the risks and rewards incidental to ownership are not transferred.

The Company recognizes amounts due from lessees under capital leases as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated over the accounting periods to reflect a constant regular rate of return on the Company's outstanding net investment in the leases.

Rental income under operating leases is recognized using the straight-line method over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

14. Borrowing costs

The Company capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, if such costs could have been avoided had no expenditures been made for the asset. Borrowing costs are capitalized as part of the cost of assets when it is probable that they will generate future economic benefits and can be measured reliably. The capitalization of borrowing costs as part of the costs of a qualifying asset begins on the date on which the following conditions are met: a. Expenditures are incurred in relation to the asset, b. Borrowing costs are incurred, and c. Activities necessary for the asset to be classified as a qualifying asset are carried out. Activities necessary to prepare the asset for its intended use or sale are performed.

The Company suspends the capitalization of borrowing costs during periods in which the development of activities of a qualifying asset is interrupted. However, the capitalization of borrowing costs is not suspended during a period if significant technical or administrative actions are in progress. Nor will capitalization of borrowing costs be suspended when a temporary delay is necessary as part of the process of preparing a qualifying asset for use or sale.

Capitalization of borrowing costs ceases when substantially all activities necessary to prepare the qualifying asset for use or sale have been completed. In the event that the asset has components and these components can be used separately while construction continues, capitalization of borrowing costs on these components should stop.

15. Biological assets

The Company recognizes a biological asset or agricultural produce when it controls the biological asset or agricultural produce as a result of past events, it is probable that future economic benefits will flow to the Company and the cost of the biological asset or agricultural produce can be measured reliably.

The Company measures biological assets, both at the beginning and at the end of the period, at fair value less costs to sell. The fair value of a biological asset is given by the quoted price in an active market. If there are different active markets for the same biological asset, the fair value of the asset is the price quoted in the most relevant active market. If there is no active market, the Company uses the following information to determine the fair value, provided it is available and selects the most reliable: a) the price of the most recent transaction in the market, assuming that there is no significant change in economic circumstances between the date of the transaction and the end of the reporting period, b) the market price of similar assets, adjusted to reflect existing differences, c) industry benchmarks, such as the value of plantations expressed in terms of surface areas, units of capacity, weight or volume.

Gains or losses arising from the initial recognition of a biological asset or agricultural product at fair value less costs to sell and from a change in this value are included in profit or loss for the separate period when generated.

16. Provisions

Provisions are recorded when the Company has a present legal or constructive obligation as a result of a past event, it is probable that the Company will have to give up resources to settle the obligation, and a reliable estimate can be made of the value of the obligation. Where the Company expects that the provision will be partially or fully reimbursed, the reimbursement is recognized as a separate asset only where such reimbursement is virtually certain and the amount of the receivable can be reliably measured.

Provisions are measured at management's best estimate of the future disbursements required to settle the present obligation and are discounted using a risk-free rate. The expense corresponding to provisions is presented in the statement of income, net of any reimbursement. The increase in the provision due to the passage of time is recognized as a financial expense in the statement of income. The Company recognizes present obligations arising from an onerous contract as provisions. An onerous contract is one in which the unavoidable costs of fulfilling the obligations it entails exceed the economic benefits expected to be received from it.

Contingent liabilities

Possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control are not recognized in the separate statement of financial position, but are disclosed as contingent liabilities.

Contingent liabilities acquired in a business combination are initially measured at their fair values at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would have been recognized in accordance with IAS 37 and the amount initially recognized less accumulated amortization recognized in accordance with IFRS 15 Revenue from ordinary activities.

17. Post-employment benefit plans

The Company recognizes pension liabilities, pension securities and bonds, retirement premiums and other post-employment benefits in accordance with the requirements of IAS 19 Employee Benefits.

On December 22, 2016, the Ministry of Commerce, Industry and Tourism issued Decree 2131 by which it is required to disclose the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016 and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the differences with the calculation made in accordance with IAS 19 - Employee Benefits. This information is included in note 23 employee benefits.

The Company recognizes benefit plans classified as contribution plans in the separate statement of income as an administrative expense, sales or cost of goods sold in accordance with a presentation by function on the date on which they occur. The Company recognizes benefit plans classified as defined benefit plans as an asset or liability in the statement of financial position, at the difference between the fair value of the plan assets and the present value of the plan obligation, using the Projected Unit Credit Method to determine the present value of its defined benefit obligation and the related current service cost and where applicable past service cost, at least annually. Plan assets are measured at fair value, which is based on market price information and in the case of listed securities is the published purchase price.

The Projected Unit Credit treats each service period as generating an additional unit of benefit entitlement and measures each unit separately to arrive at the final obligation. The Company discounts the full value of the postemployment benefit obligation, even if a portion of the obligation is to be paid within twelve months after the reporting period. The estimate of the postemployment benefit liability is made by an independent actuary.

Actuarial gains or losses, the return on plan assets and changes in the effect of the asset ceiling, excluding the values included in the net interest on the net defined benefit liability (asset), are recognized in other comprehensive income. Actuarial gains or losses comprise the effects of changes in actuarial assumptions as well as experience adjustments. Net interest on the net defined benefit liability (asset) comprises interest income on plan assets, interest costs on the defined benefit obligation and interest on the effect of the asset ceiling.

The current service cost, past service cost, any settlement or curtailment of the plan is recognized immediately in the statement of comprehensive income in the statement of income section in the period in which they arise.

18. Investments in subsidiaries

A subordinate or controlled company is a company whose decision-making power is subject to the will of another or others that will be its parent or controlling company, either directly, in which case it will be called a subsidiary, or through the subordinates of the parent, in which case it will be called a subsidiary. Control is given by the fulfillment of one or more of the following cases:

- a). Power over the investee.
- b). Exposure, or right, to variable returns from its involvement in the investee.
- c). Ability to use its power over the investee to influence the amount of the investor's returns.

Investments in subsidiaries are incorporated in the separate financial statements using the equity method, except if the investment or a portion thereof is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. With respect to the equity method, investments in subsidiaries are initially recognized in the statement of financial position at cost, and are subsequently adjusted to account for the Company's share of profit or loss and other comprehensive income of the subsidiary.

19. Inventories

Goods acquired with the intention of selling them in the ordinary course of business or consuming them in the process of rendering services are classified as inventories. Inventories of raw materials, work in process, merchandise not manufactured for sale and finished products are measured at acquisition cost. The Company recognizes a decrease in the value of inventories of finished goods, materials, spare parts and accessories if the cost exceeds the net realizable value. Net realizable value is the estimated selling price in the normal course of business, less estimated costs of completion and estimated costs necessary to make the sale. Inventories include goods in stock that do not require transformation, materials such as minor spare parts and accessories for the rendering of services and goods in transit and held by third parties.

Inventories are valued using the weighted average method and their cost includes costs directly related to acquisition and those incurred to bring them to their present condition and location.

20. Revenue

IFRS 15 requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration that the entity expects to receive in exchange for those goods or services, through the application of a five-step approach: Step 1: Identify the contract(s) with the customer; Step 2: Identify the performance obligations within the contract; Step 3: Determine the transaction price; Step 4: Allocate the transaction price to each performance obligation based on the individual relative selling price of each good or service; and Step 5: Recognize revenue when (or to the extent that) the entity satisfies the performance obligations by transferring control over the promised goods or services to the customer. Performance obligations may be satisfied at a point in time or over a period of time.

Sale of goods

In the sale of goods, a single performance obligation is established. The Company recognizes revenue when the obligation is satisfied, that is, when control of the goods or services underlying the performance obligation has been transferred to the customer at a point in time.

Provision of services

The Company provides some services that are sold on their own in contracts with customers or bundled together with the sale of goods to a customer. In both scenarios, revenue from service contracts is satisfied at one point in time.

IFRS 15 excludes in its scope the requirements for recognition of dividend and interest income and operating leases; therefore, the Company continues to apply the same accounting treatment.

Dividend and interest income

Dividend income from investments is recognized once the shareholders' rights to receive this payment have been established (provided that it is probable that the economic benefits will flow to the company and that ordinary income can be measured reliably). Dividend income generated from investments where the equity method of accounting has previously been recognized on distributed earnings is recognized as a reduction in the value of the investment.

Interest income from a financial asset is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue from ordinary activities can be measured reliably. Interest income is recognized on a time basis, by reference to the principal outstanding and the applicable effective interest rate, which is the discount rate that exactly matches the estimated cash flows receivable or payable over the expected life of the financial instrument to the net carrying amount of the financial asset on initial recognition.

Operating lease income

The Company's policy for the recognition of income from operating leases is to recognize payments received as income in the income statement on a straight-line basis over the useful life of the lease, unless another basis of allocation is considered more representative.

21. Related parties

The Company considers as related parties subsidiaries and direct associates and joint ventures, entities that exercise joint control or significant influence over Cementos Argos S.A., and key management personnel, including members of the Board of Directors, Nomination and Compensation Committee, Audit and Finance Committee, Sustainability and Corporate Governance Committee, Steering

Committee (consisting of the President and Vice Presidents), and any other committee that reports directly to the Boards of Directors of Cementos Argos S.A., and managers who have the ability to direct, plan and control activities and their immediate family members.

Related party transactions are considered to be all transfers of resources, services and obligations between the Company and a related party, as well as outstanding balances between them at the date of preparation of the separate financial statements, including any commitments and guarantees given or received between them.

Related party disclosures are provided according to the categories established by IAS 24 Related Party Disclosures, which correspond to transactions with: (a) the parent, (b) entities with joint control or significant influence over the entity, (c) subsidiaries, (d) associates, (e) joint ventures, (f) key management personnel and (g) other related parties. Likewise, items of a similar nature are grouped together for disclosure purposes.

The characteristics of transactions with related parties do not differ from those with third parties and do not imply differences between market prices for similar transactions.

2.2.3 MATERIALITY

The Company considers information to be material if its omission, inadequate expression or overstatement could reasonably be expected to influence the decisions of the primary users of the financial statements. Cementos Argos' materiality assessment is carried out through the following 4 phases:

- Phase 1: Cementos Argos identifies information about transactions and conditions that key users may need to understand in order to make decisions about the flow of resources to the Company. The primary users are investors, lenders and other existing and potential creditors. The Company seeks to satisfy common information needs, including resources, rights acquired (assets), obligations, commitments, rights against (liabilities and equity), changes in those resources (revenues and expenses) and the extent to which the Company's management and governing bodies have efficiently and effectively discharged their responsibilities for the use of the entity's resources.

- Phase 2: Cementos Argos assesses whether the information identified in phase 1 is material. The assessment includes elements judged in relation to the Company's specific circumstances in terms of their nature, magnitude and a combination of both

In this phase, quantitative and qualitative factors are evaluated. For the determination of the quantitative factor, the Company takes as reference revenues, profitability, level of assets, liabilities and equity. Within the qualitative evaluation we consider internal factors (unusual transactions, with related parties, among others) and external factors (social, political, environmental, economic conditions, among others).

- Phase 3: The information identified in Phase 2 is classified and organized so that it is adequately disclosed

- Phase 4: This last phase allows a reassessment from an overall perspective of the financial position, financial performance and cash flows, to conclude that the information identified and disclosed is still material to the primary users. This review may lead to additional information, different disaggregation or elimination of non-material information.

2.2.4. GOING CONCERN

The separate financial statements have been prepared under the going concern assumption, in accordance with International Financial Reporting Standards (IFRS) and the provisions of Decree 1378 of October 28, 2021. As of December 31, 2024 and March 31, 2024, there are no material uncertainties related to events or conditions that could cast significant doubt on the ability to continue as a going concern.

Cementos Argos S.A. has sufficient liquidity and solvency to sustain the continuity of its operations in the foreseeable future. The financial statements, available financial information and the company's projections are continuously monitored in order to identify potential impairment and insolvency risks. Although the current ratio indicator is below 1, this situation stems from the company's current financial strategy, which prioritizes obtaining short-term financial obligations. This decision is supported by the expectation of receiving solid cash flow from our related companies abroad, which will be used to a large extent to settle these obligations in the short term.

NOTE 3: ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

3.1 IFRS INCORPORATED IN COLOMBIA

3.1.1 Standards incorporated in Colombia as of January 1, 2024 - Regulatory Decree 1611 dated August 5, 2022

- **Amendment to IAS 8** - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

- **Amendment to IAS 1** - Presentation of Financial Statements and Practice Statement No. 2 - Making Judgments about Materiality: Disclosure of Accounting Policies. Although the amendments did not result in any change in the accounting policies themselves, they had an effect on the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material' accounting policies rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to the disclosure of accounting policies, helping entities to provide useful information about accounting policy and entity-specific information that users need to understand other information included in the financial statements.

- **Amendment to IFRS 16** - Leases: Lease concessions related to COVID-19 after June 30, 2021.

- **Amendment to IAS 12** - Income Taxes: Deferred Taxes Relating to Assets and Liabilities Arising from a One-Time Transaction

The standards incorporated in Colombia as of January 1, 2024 did not have an impact on the financial statements separated from the Company.

3.1.2 Standards incorporated in Colombia as from October 15, 2024 - Regulatory Decree 1271 of October 15, 2024

- **IFRS 17** - Insurance Contracts: Seeks to unify the delivery of results of insurance sector entities .

- **Initial Application of IFRS 17** - Insurance Contracts and IFRS 9 - Comparative Information: Adds a transition option relating to comparative information on financial assets, which is presented upon initial application of IFRS 17 - Insurance Contracts.

Decree 1271 of 2024 establishes that IFRS 17 will be applicable for the general purpose financial statements of entities classified in Group 1 as from January 1, 2027.

3.2 Standards issued by the IASB that have not been incorporated in Colombia

The following standards have been issued by the IASB, but have not yet been incorporated by Decree in Colombia:

- **Amendment to IFRS 16** - Leases: Lease liabilities on a sale and leaseback sale.

- **Amendment to IAS 7** - Statement of Cash Flows and IFRS 7 - Financial Instruments: Disclosures: Supplier Financing Arrangements

- **Amendments to IAS 12** - Income Taxes: International Tax Reform Pillar 2 Model Rules

- **Amendments to IAS 21** - The Effects of Changes in Foreign Exchange Rates: Lack of Convertibility

- **IFRS 18** - Disclosures in Financial Statements: Seeks to help investors analyze the financial performance of companies.

- **IFRS 19** - Non-Publicly Accountable Subsidiaries: Disclosures: Simplifies the preparation of financial statements of subsidiaries with reduced disclosure requirements.

The Company will quantify the impact on the separate financial statements in a timely manner, so that once the Decree that incorporates this standard into the Colombian Technical Regulatory Framework is issued, all the activities necessary for its implementation will be carried out.

As of December 31, 2024, the Company has not early adopted any standards or improvements to standards.

NOTE 4: CRITICAL ACCOUNTING JUDGMENTS AND KEY ESTIMATION SOURCES

4.1. Assumptions made about the future and other causes of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities within the next accounting period.

The relevant accounting judgments and estimates and the key sources of uncertainty applied to these separate financial statements as of December 31, 2024, are the same as those applied by the group in its separate financial statements for the period ended March 31, 2024.

4.2. Current and deferred income taxes

The Company recognizes significant amounts of current and deferred income tax in its separate financial statements given the volume of its operations and the multiple countries in which it operates, the determination of current and deferred tax is based on management's best interpretation of current and applicable laws and best practices in the jurisdictions in which it operates. The reasonableness of this estimate depends significantly on management's ability to integrate complex tax and accounting standards, to consider changes in applicable laws, and the assessment, for purposes of recognizing the deferred tax asset, of the existence of sufficient taxable profit for its realization.

An uncertain tax treatment is a tax treatment for which there is uncertainty as to whether the tax authority will accept the tax treatment under the tax law. The Company recognizes uncertain tax positions in accordance with the requirements of IFRIC 23. The probability analysis for recognizing uncertain tax positions is based on expert opinions and the interpretation of current tax regulations in the applicable jurisdiction.

Recognition of Deferred Tax Assets from Unused Tax Losses or Tax Credits

Management applies its judgment in determining the value and recognizing deferred tax assets arising from unused tax losses or unused tax credits by assessing whether it is probable that sufficient taxable profit will be available for offset and/or recovery in subsequent periods, together with future tax planning strategies.

4.3. Other judgments and estimates made

In preparing the financial statements, the Company makes judgments and estimates in the application of accounting policies.

These judgments and estimates do not have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities. Some of these judgments and estimates are detailed below:

- Conversion to NCIF of financial statements of subsidiaries, associates and joint ventures, for the application of the equity method.
- Determination of cash generating units
- Determination of average exchange rates for the translation of financial statements. The Company uses the moving average rate at the cut-off date of each issuance of financial statements, except in the case of one-time transactions, which can be separated from other transactions, and have a material effect on the financial statements. Such transactions are translated at the exchange rate at the transaction date.
- Determination of Average Exchange Rates for the Translation of Financial Statements
- Determining whether an instrument meets the requirements for hedge accounting under IAS
- Impairment Evaluation Of Non-Financial Assets
- Determination of the Lease Term for Leases with Renewal Options and Leases Whose Term is Automatically Extended at the End of the Original Term
- Fair Value Of Derivatives And Financial Assets
- Fair Value Of Investment Properties
- Determination of Expected Credit Losses from Trade Accounts Receivable
- Provisions for decommissioning, retirement or reclamation
- Provisions for Contingencies, Litigation and Claims
- Estimated Useful Life And Residual Values Of Property, Plant And Equipment And Intangible Assets
- Pension and Other Post-Employment Defined Benefit Plans Liabilities

NOTE 5: SEASONALITY

Cementos Argos S.A. is a multinational organization, producer and marketer of cement, the construction activity and, therefore, the demand for our products decreases considerably during the cold or rainy seasons in the region of Colombia, holidays and the number of working days of the period.

NOTE 6: CASH AND CASH EQUIVALENTS

For purposes of the separate statement of cash flows, cash and cash equivalents include cash and banks. Cash and cash equivalents at the end of the reporting period in the separate statement of cash flows and in the separate statement of financial position are:

	December 2024	March 2024
Cash and banks	610.177	145.857
Cash and cash equivalents restricted or unavailable for use	681	649

As of December 31, 2024, the Company maintains balances of cash and cash equivalents restricted by agreements entered into with the Universidad de Antioquia, which is a research and development project that will allow increasing capacities in microalgae pilot plant in Cartagena plant in terms of microalgae cultivation systems and advance in the knowledge of biodiesel production to continue in the research. The concepts considered in the project to execute the resources co-financed by the Ministry of Science are the following: equipment, academic events, technological services, materials and inputs, publications and dissemination of results and specialized consultancy. The main executor in the call for proposals is the Universidad de Antioquia, which receives the resources from the Ministry of Science and disburses them to the other actors involved in the project.

The Company's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 26.3.2. and 26.5. respectively.

NOTE 7: DERIVATIVE FINANCIAL INSTRUMENTS

	December 2024	March 2024
Active financial derivatives designated as cash flow hedging instruments recorded at fair value	147.400	63.865
Active financial derivatives	147.400	63.865
Current	645	37.680
Non-current	146.755	26.185
Active financial derivatives	147.400	63.865

	December 2024	March 2024
Financial derivative liabilities designated as cash flow hedging instruments recorded at fair value	111.288	199.720
Financial derivatives liabilities	111.288	199.720
Current	28.874	65.329
Non-current	82.414	134.391
Financial derivatives liabilities	111.288	199.720
Net short position in financial derivatives	36.112	(135.855)

The Company's financial derivative transactions as of December 31, 2024 and March 31, 2024 are as follows

Swap transactions:

Swap type	Underlying	Underlying rate	SWAP	Expiration	Underlying value SWAP amount		Fair value	
					December 2024	March 2024	December 2024	March 2024
Currency	Long Term Credit	Libor 3m + 1.32%.	TF + 5.39%.	18/02/2026	USD 15,000	USD 15,000	14.693	7.992
Currency	Long Term Credit	Libor 3m + 1.32%.	TF + 11.67%.	18/02/2026	USD 15,000	USD 15,000	12.290	4.533
Interest rate	Bonds	CPI +7.19%.	TF + 7.87%.	28/04/2024	USD 100,000	USD 100,000	-	(6)
Interest rate	Bonds	CPI +2.24%.	TF + 9.60%.	25/08/2024	USD 50,000	USD 50,000	-	(1.084)
Interest rate	Bonds	CPI +2.24%.	TF + 9.55%.	25/08/2024	USD 50,000	USD 50,000	-	(1.072)
Interest rate	Bonds	CPI +2.24%.	TF + 9.74%.	25/08/2024	USD 50,000	USD 50,000	-	(1.120)
Interest rate	Bonds	CPI +4.5%.	TF + 9.69%.	16/08/2024	USD 150,000	USD 150,000	-	(2.954)
Interest rate	Bonds	CPI +3.64%.	TF + 9.93%.	24/08/2024	USD 50,000	USD 50,000	-	(1.168)
Interest rate	Bonds	CPI +3.64%.	IBR+1.65% IBR+1.65% IBR+1.65	24/08/2027	USD 50,000	USD 50,000	941	1.045
Interest rate	Bonds	CPI +3.64%.	TF + 11.28%.	24/05/2026	USD 100,000	USD 100,000	(4.717)	(4.832)
Interest rate	Bonds	CPI +3.64%.	TF + 11.62%.	24/08/2026	USD 100,000	USD 100,000	(6.718)	(6.252)
Interest rate	Bonds	CPI +3.75%.	TF + 11.47%.	27/09/2026	USD 150,000	USD 150,000	(9.592)	(9.186)
Interest rate	Bonds	CPI +4.04%.	TF + 11.60%.	27/09/2026	USD 100,000	USD 100,000	(6.071)	(5.874)
Interest rate	Bonds	CPI +4.47%.	TF + 8.30%.	27/05/2027	USD 200,000	USD 200,000	(14.968)	(14.027)
Interest rate	Bonds	CPI +4.21%.	TF + 8.30%.	13/07/2027	USD 150,000	USD 150,000	(12.246)	(10.990)
Interest rate	Bonds	CPI+3.99%.	IBR+ 2%	24/08/2027	USD 150,000	USD 150,000	2.812	2.792
Interest rate	Bonds	CPI+3.99%.	IBR+ 2%	24/08/2027	USD 150,000	USD 150,000	2.812	3.228
Interest rate	Bonds	CPI+3.99%.	IBR+ 2.46%.	24/08/2027	USD 50,000	USD 50,000	376	160
Currency	Long Term Credit	SOFR 3m + 2.90% SOFR 3m + 2.90% SOFR 3m + 2.90% SOFR 3m + 2.90%	TF + 15.40%.	10/11/2025	USD 40,000	USD 40,000	(28.706)	(55.228)
Currency	Long Term Credit	TF+7.43%.	TF + 14.46%.	26/05/2026	USD 10,000	USD 10,000	-	(6.896)
Currency	Long Term Credit	SOFR 3m + 3.58% SOFR 3m + 3.58% SOFR 3m	TF + 15.10%.	26/05/2026	USD 20,000	USD 20,000	-	(13.127)
Interest rate	Long Term Credit	IBR + 4.93%.	TF + 9.37%.	24/07/2025	USD 100,000	USD 100,000	-	2.039
Interest rate	Long-Term Credit	IBR + 4.93%.	TF + 8.69%.	24/07/2026	USD 100,000	USD 100,000	-	4.397
Interest rate	Bonds	CPI +4.04%.	TF + 1.50%.	27/06/2038	COP 25,850	COP 25,850	(2.946)	(2.714)
Interest rate	Bonds	CPI +3.64%.	TF+1.03% TF+1.03% TF+1.03% TF+1.03% TF+1.03	24/08/2017	COP 88,145	-	8.585	-
Interest rate	Bonds	CPI +4.47%.	TF + 3.12%.	13/04/2031	COP 23,650	COP 23,650	(1.161)	(510)
Interest rate	Bonds	CPI +4.21%.	TF + 5.15%.	27/05/2026	COP 100,000	COP 100,000	(443)	-

Interest rate	Bonds	CPI +3.99%.	TF + 1.03%.	24/05/2042	COP 50,500	COP 50,500	(5.683)	(4.756)
Interest rate	Bonds	CPI +3.99%.	TF + 1.03%.	24/05/2042	COP 88,145	COP 88,145	(17.870)	-
Currency	Long Term Credit	SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2%	TF+12.30%.	10/04/2027	USD 50,000	USD 50,000	25.570	-
Currency	Long Term Credit	SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2%	TF+3.76% TF+3.76	10/04/2027	USD 50,000	USD 50,000	25.646	-
Fair value of swap transaction							(17.396)	(115.610)

Forward transactions:

					Fair value	
Type of forward	Underlying	Underlying value ⁽¹⁾	Forward rate	Expiration	December 2024	March 2024
Purchase	Intercompany	USD 27,000	4.907,29	17/06/2024	-	(27.638)
Purchase	Short-term loans	USD 8,000	4.487,98	16/07/2024	-	(4.499)
Purchase	Short-term loans	USD 15,059	4.537,50	12/07/2024	-	(9.236)
Purchase	Short-term loans	USD 40,000	4.240,47	25/07/2024	-	(12.664)
Purchase	Short-term loans	USD 8,000	4.455,49	17/09/2024	-	(3.888)
For sale	Working capital	USD 125,000	4.011,50	30/04/2024	-	18.817
For sale	Working capital	USD 70,000	4.046,05	20/12/2024	-	2.950
For sale	Dividends	USD 22,810	4.136,60	26/12/2024	-	2.814
For sale	Dividends	USD 21,758	3.976,03	30/04/2024	-	2.511
For sale	Dividends	USD 3,751	3.942,55	30/04/2024	-	308
For sale	Dividends	USD 3,751	4.072,75	26/11/2024	-	297
For sale	Dividends	USD 10,894	4.581,05	27/06/2025	645	-
Fair value of forward transactions					645	(30.228)

Operations option:

					Fair value	
Type(buy - sell)	Underlying	Underlying value ⁽¹⁾	Option rate	Expiration	December 2024	March 2024
Calls spread - Purchase	Coupon Only Swap with USDCOP Call to maturity ⁽¹⁾	USD 92,721.35	4.175,10	20/09/2029	149.204	-
Calls spread - Sale	Coupon Only Swap with USDCOP Call at maturity ⁽²⁾	USD 92,721.35	5.175,10	20/09/2029	(96.173)	-
Fair value of transactions					53.031	-
Fair value of swap, forward, option transactions					36.280	(145.838)

(1) The value of the underlying is rounded to the nearest million when expressed in Colombian pesos and to the nearest thousand when expressed in dollars.

(2) Corresponds to the premium payable for the option

NOTE 8: OTHER FINANCIAL ASSETS

	December 2024	March 2024
Financial assets measured at fair value through other comprehensive income (see note 26)	1.061.833	870.394
Financial assets measured at fair value through profit or loss (see note 26)	3.101	2.984
Financial assets measured at amortized cost (See note 26)	2.276	2.276
Other financial assets	1.067.210	875.654
Current	-	260
Non-current	1.067.210	875.394
Other financial assets	1.067.210	875.654

As of December 31, 2024, none of these assets are past due or impaired.

The category of other financial assets at fair value through other comprehensive income includes the investments held by the Company in Grupo de Inversiones Suramericana S.A, Occipital, Carvajal Pulpa Y Papel S.A. and Sociedad de Transporte Férreo S.A. The investment is measured at fair value through other comprehensive income on a monthly basis. Financial assets measured at fair value with changes in other comprehensive income, details the value of this investment for the periods reported.

8.1 Inhibition of Shares in Grupo Sura S.A.

During the third quarter of 2024, Cementos Argos S.A. initiated a process to contribute a portion of its common shares in Grupo Sura S.A. to an autonomous patrimony. This autonomous patrimony has irrevocable instructions to refrain from exercising the voting rights associated with these shares. This transaction is part of the share repurchase program implemented by Grupo Sura S.A., according to the relevant information disclosed to the market by said company.

Once the contributions of the shares to the autonomous equity are made, Cementos Argos S.A. will continue to retain a significant percentage interest in the outstanding ordinary shares of Grupo Sura S.A. However, such interest will not reach the level required to be considered significant influence under IAS 28 "Investments in Associates and Joint Ventures". Consequently, the investment will continue to be accounted for as a financial asset in accordance with the requirements of IFRS 9 "Financial Instruments" and will continue to be measured at fair value through other comprehensive income.

It is important to note that, despite the inhibition of the political rights, Cementos Argos S.A. will continue to receive the economic rights derived from the shares contributed to the autonomous equity, including dividends. The irrevocable instruction not to exercise the political rights does not affect the nature of the expected cash flows from the investment, which will continue to be recognized in the Company's results.

The shares at the end of the reporting period are detailed below:

	Total Shares	Shares Contributed to the Autonomous Equity	Direct Actions
Suramericana Group shares	28.394.940	24.300.000	4.094.940

NOTE 9: TRADE AND OTHER ACCOUNTS RECEIVABLE

	December 2024	March 2024
Trade accounts receivable	166.686	198.951
Other accounts receivable	211.788	519.481
Impairment for expected credit losses and impairment for doubtful accounts	(1.101)	(1.391)
	377.373	717.041
Current	364.425	658.916
Non-current	12.948	58.125
Trade and other receivables	377.373	717.041

Following is the movement in impairment for expected credit losses on trade and other receivables as of December 31 and March 31, 2024:

	December 2024	March 2024
Movement in expected credit losses and doubtful accounts impairment		
Balance at beginning of period	(1.391)	(1.640)
Reimbursement (Loss) for impairment recognized on accounts receivable ⁽¹⁾	53	(129)
Write-off of amounts considered uncollectible ⁽²⁾	34	156
Reversed impairment losses	203	222
Balance at end of period	(1.101)	(1.391)

⁽¹⁾ Cementos Argos S.A. adopted the simplified approach for the measurement of impairment losses on trade receivables, contract assets and lease receivables, retroactively with the option not to restate comparative information. For presentation purposes, the movement in the impairment of expected credit losses for the year 2024 is presented in accordance with the new guidelines of IFRS 9 Financial Instruments.

⁽²⁾ The contractual amounts of financial assets written off during the reporting period that are still subject to enforcement activities are \$34 (March 2024 \$ (156)).

For each range of days past due on the portfolio, the following table presents the value of trade and other receivables subject to credit risk before recognizing any impairment loss, the values of expected losses determined individually and collectively, the value of receivables after considering the expected impairment, at the end of the reporting period, and the percentage of expected credit loss determined using the transition matrix methodology according to the Markov chain theory.

December 2024	Expected credit loss rate	Gross accounts receivable	Impairment expected credit loss	Accounts receivable net
Explanation of impairment due to expected credit losses				
Undeclared	0,11%	268.905	(41)	268.
Between 0 and 30 days	0,15%	57.893	(13)	57.880
Between 31-60 days	0,61%	4.774	(2)	4.772
Between 61-90 days	1,60%	2.829	(8)	2.821
Between 91-120 days	2,35%	2.367	(1)	2.366
Between 121-150 days	3,72%	1.511	(2)	1.509
Between 151-180 days	8,22%	(364)	(8)	(372)
Between 181-360 days	13,33%	21.095	(12)	21.083
More than one year	45,87%	19.464	(1.014)	18.450
Total		378.474	(1.101)	377.373

March 2024	Expected credit loss rate	Gross accounts receivable	Impairment expected credit loss	Accounts receivable net
Explanation of impairment due to expected credit losses				
Undeclared	0,12%	457.852	(46)	457.
Between 0 and 30 days	0,16%	132.840	(14)	132.826
Between 31-60 days	0,62%	48.454	(10)	48.444
Between 61-90 days	1,48%	16.773	(12)	16.761
Between 91-120 days	2,44%	3.856	(13)	3.843
Between 121-150 days	3,40%	3.883	(6)	3.877
Between 151-180 days	5,37%	1.174	(1)	1.173
Between 181-360 days	10,64%	6.696	(56)	6.640
More than one year	1,10%	46.904	(1.233)	45.
Total		718.432	(1.391)	717.041

The average credit period on the sale of goods is 30 days. No interest is charged on trade accounts receivable after the average credit period. Cementos Argos S.A. assesses at the end of the reporting period and with the same periodicity of financial reporting whether there is objective evidence that financial assets are impaired, and if this is the case, recognizes in the separate income statement an impairment loss. Cementos Argos S.A. recognizes impairment on individual customers when they are in a state of economic insolvency or when a financing agreement or restructuring of the account receivable is agreed and collectively grouping the portfolio by ranges of days of default and applying to these values the percentages of default using the methodology of transition matrices according to the Markov chain theory. In determining the recoverability of a trade account receivable, Cementos Argos S.A. considers any change in the credit quality of the account from the date the credit was initially granted until the end of the reporting period. The concentration of credit risk is limited because the customer base is large and independent.

Cementos Argos S.A. as of December 31, 2024 and March 31, 2024 sold trade and other debtors to Bancolombia, BBVA and Bancóldex for \$187,285 (March 2024 \$ 31,758) with an effect on income of \$3,346 (March 2024 \$ 663).

NOTE 10: INCOME TAX

The applicable tax provisions in force in Colombia establish the following:

- Income tax in Colombia is calculated at a rate of 35% for the year 2024 (year 2023 35%).
- Occasional gains are taxed at a rate of 15%.
- For 2024 and 2023, the minimum percentage for determining income tax is 0%.
- Companies may offset losses against ordinary net income obtained in the following twelve (12) periods.
- The excess of presumptive income over ordinary income generated as from 2003 may only be offset against ordinary net income within the following five (5) years.
- In accordance with the provisions of Laws 788 of 2002 and 863 of 2003, income taxpayers that carry out operations with foreign related parties are required to determine the transfer pricing study for income tax and complementary tax purposes; As of the date of the statement of financial position, the Company has not completed the study with the operations of 2024; however, considering that the operations carried out with foreign related parties during 2024 had a similar behavior to those carried out in 2023, Management considers that it will not generate an impact on the income tax return for the period.
- As from 2017, the references contained in the tax regulations to the accounting standards will be to the International Financial Reporting Standards applicable in Colombia with the adjustments established by the National Government.
- Law 1819 of 2016, determined through article 22 that for the 2017 and following years, the determination of income tax and

complementary taxes, in the value of assets, liabilities, equity, income, costs and expenses, of the taxpayers of this tax obliged to keep accounting, will apply the recognition and measurement systems, in accordance with the technical accounting regulatory frameworks in force in Colombia, when the tax law expressly refers to them and in the cases in which this does not regulate the matter. In any case, the tax law may expressly provide for a different treatment, in accordance with Article 4 of Law 1314 of 2009.

- Income tax returns for taxable years 2023,2022,2021, 2020, 2019, 2019, 2018,2017 and 2016 are subject to review and acceptance by the tax authorities.

- The general term of finality of the returns is 3 years (5 years for taxpayers who determine or offset tax losses or who are subject to the transfer pricing regime).

- Starting in 2019, the 4-year time limit for the use of the tax credit for taxes paid abroad is eliminated.

Tax Reform

On December 13, 2022, the National Government issued Law 2277, Reform for Equality and Social Justice, which introduces significant tax changes effective as of January 1, 2023. The most significant changes for income and complementary tax purposes were the following:

- The general income tax rate is maintained at 35% for national companies and their assimilated companies obliged to file the annual income tax return in Colombia.

- A minimum tax rate of 15% is established, which requires the effective tax rate to be calculated based on the taxes paid and the adjusted accounting profit. In the event that the effective tax rate is lower than 15%, the tax must be adjusted to reach this rate. It is allowed to partially adjust the accounting profit with the equity method, the income not constituting income or occasional gain, some exempt income and the compensation of tax losses and excess of presumptive income. Taxpayers tax residents in Colombia whose financial statements are subject to consolidation and individually do not comply with the minimum rate, must determine the adjusted tax rate based on the results of the Group.

Exempt from this rule are the Economic and Social Zones - ZESE during the period that their income rate is zero (0%), taxpayers whose adjusted profit is equal to or less than zero, those who are governed by the provisions of Article 32 of the Tax Statute (Concessions), industrial and commercial companies of the state or mixed economy companies that exercise monopolies of luck, chance and liquor; hotels and theme parks provided they are not required to submit country by country report.

- The amount of the sum of certain income not constituting income, special deductions, exempt income and tax discounts is limited to 3% per year of ordinary net income.

- Article 158-1 is repealed, eliminating the possibility of deducting costs and expenses associated with investments in Science, Technology and Innovation (CTel), i.e. these investments will only be entitled to a tax discount. The possibility of taking as tax discount 30% of the investments in Science, Technology and Innovation (CTel) that have the approval of the National Council of Tax Benefits (CNBT) is maintained; the previous regulation established a discount of 25%.

- The possibility of deducting royalty payments referred to in Articles 360 and 361 of the National Constitution is eliminated, regardless of the denomination of the payment, the accounting treatment and the form of payment (money or in kind), the non-deductible amount corresponds to the total cost of production of non-renewable resources. (Rule that was discussed and declared deductible again by order 1240 of 2024 of the Constitutional Court).

- 100% of the taxes, rates and contributions effectively paid in the taxable year, which have a causal relationship with the generation of income (except income tax), will continue to be deductible; 50% of the tax on financial movements (GMF) will be deductible, regardless of whether or not it has a causal relationship with the income-generating activity.

- Payments for memberships to social clubs, labor expenses of housing support personnel or other activities unrelated to the income-producing activity, personal expenses of members, participants, shareholders, clients and/or their relatives, all of which will be considered income in kind for their beneficiaries, will not be deductible.

- It is established that the non-deductible amounts for sentences arising from administrative, judicial or arbitration proceedings correspond to the amounts that are of a punitive, sanctioning or compensatory nature (Section 3 of Article 105 of the E.T.).

- The occasional income tax rate is established at 15%.

- A withholding tax rate of 10% is established for dividends received by domestic companies that do not constitute income or occasional profit (previously 7.5%), which will be transferable to the resident individual or foreign investor. The exceptions established in the current regulations are maintained. Dividends and participations received by permanent establishments of national foreign companies that do not constitute income or occasional profit will be taxed at the special rate of 20%.

■ It was provided that the tax on taxable dividends will be determined: (i) by applying the income tax rate corresponding to the year in which they are declared (35%) and (ii) on the remainder, the rate corresponding to the non-taxed dividend will be applied, depending on the beneficiary (if it is a resident individual or an unliquidated succession of a resident deceased person, the table of article 241 of the Tax Statute will be applied).

■ Dividends declared against profits of 2016 and prior years will retain the treatment in effect at that time; and those corresponding to profits of 2017 and 2018 and 2019 that are declared as of 2020 will be governed by the rates set forth in the 2010 Law.

10.1. Income tax recognized in the income statement for the period

For the nine months ended December 31, 2024 and 2023 | Millions of Colombian Pesos

	Current Tax	
	April - December 2024	April - December 2023 (Unaudited)
With respect to the current year	37.974	32.252
Compared to the previous year	6.680	1.480
Current Tax	44.654	33.732
Origination and reversal of temporary differences	(136.933)	54.585
Deferred tax	(136.933)	54.585
Total taxes related to continuing operations	(92.279)	88.317

In both years, the tax on net income was settled, using the tax discounts up to the maximum limit established by law, and the tax on occasional gain was generated.

The variation in the deferred tax expense was mainly due to the use of tax discounts in the year 2024, the differences generated by the tax treatment of financial instruments and the movements of the exchange difference generated by the fluctuation of the TRM during the year.

Effective rate reconciliation:

	April - December 2024		April - December 2023 (Unaudited)	
	Value	%	Value	%
Income before taxes	108.974		329.885	
Theoretical Tax	38.141	(35%)	115.	(35%)
Equity method	(176.864)	(166,6%)	(261.989)	(79,2%)
Dividends, net	162.	148,8%	208.	67,2%
ECE Regime	7.	7,0%	18.	5,7%
Indirect Tax Credits	(16.063)	(14,6%)	(8.833)	(2,7%)
Non-deductible expenses		93,6%	10.	3,1%
Non-deductible donations	2.565	6,6%	2.	1,1%
Taxes for prior years	5.	8,5%	9.	2,7%
Other tax effects	(115.838)	(202,9%)	(6.199)	(6,2%)
Total current and deferred income tax	(92.279)	(84.7%)	88.317	26.7%

The Company's effective tax rate is -84.7% for 2024 (2023 26.7%), the variation with the theoretical rate is mainly generated by the net effect between the equity method and taxable dividends, tax effects such as differences in the useful lives of fixed assets, loss on asset retirements due to obsolescence, effects on financial derivatives and adjustments to provisions without tax effect, in addition to adjustments to deferred tax of previous years, the impact of the passive income of the Ece Regime and the effects of the sale of Argos USA shares.

The calculation of the tax under the ordinary income tax system is as follows:

	April - December 2024	April - December 2023 (Unaudited)
Net Taxable Income	393.905	100.500
Rental Rate	35%	35%
Current income tax	137.867	(35.175)
Occasional income	5	(638)
Discounts Applied	(105.753)	8.833
Income from previous years	6.680	1.481
Foreign expenses not originating in Colombia	5.855	5.271
Deferred tax	(136.933)	54.586
Total tax expense related to continuing operations	(92.279)	88.317

10.2. Income tax recognized directly in equity

	Deferred tax	
	December 2024	March 2024
Generated by income and expenses recognized in other comprehensive income:		
Difference in foreign exchange foreign investments	(6.907)	(1.222)
New defined benefit plan measures	(5.875)	-
Cash flow hedges	(7.385)	(2.068)
Changes in tax laws and rates	-	-
Total income tax recognized in comprehensive income	(20.167)	(3.290)

10.3. Current tax assets and liabilities and deferred tax balances

	Current tax	
	December 2024	March 2024
Assets taxes	108.778	145.637
Current tax liabilities	-	(39)
Net current tax assets	108.778	145.598

	Deferred tax	
	December 2024	March 2024
Deferred tax	570.171	645.731
Deferred tax liabilities	(765.806)	(958.132)
Total deferred tax liabilities	(195.635)	(312.401)

10.4. Deferred tax behavior

The analysis of the liabilities presented in the December 2024 statement of financial position and comparative periods is presented below:

December 2024	Balance at beginning of period	Recognized in results	Recognized in other comprehensive income	Balance at end of period
Other current assets	282	(83)	-	199
Associated	(11.142)	8.846	(6.907)	(9.203)
Property, plant and equipment	(249.431)	7.701	-	(241.730)
Other equity investments	(322.417)	238.509	-	(83.908)
Intangible assets	(10.929)	(5.867)	-	(16.796)
Other non-current assets	(858)	(2.872)	-	(3.730)
Provisions	17.044	6.518	-	23.562
Employee benefits	(1.397)	(6.178)	(5.875)	(13.450)
Financial liabilities	(1.111)	(525)	-	(1.636)
Convertible instruments	39.019	(6.539)	(7.385)	25.095
Finance leases	2.397	85	-	2.482
Unused tax credits	97.167	(97.167)	-	-
Unused tax losses	123.480	-	-	123.480
Unused surplus of presumptive income	5.495	(5.495)	-	-
Total deferred tax liabilities	(312.401)	136.933	(20.167)	(195.635)

March 2024	Balance at beginning of period	Recognized in results	Recognized in other comprehensive income	Balance at end of period
Other current assets	362	(80)	-	282
Associated	(9.591)	(329)	(1.222)	(11.142)
Other equity investments	-	(322.417)	-	(322.417)
Property, plant and equipment	(242.196)	(7.235)	-	(249.431)
Intangible assets	(26.805)	15.876	-	(10.929)
Other non-current assets	(1.464)	606	-	(858)

Provisions	24.670	(7.626)	-	17.044
Employee benefits	(1.528)	131	-	(1.397)
Financial liabilities	(714)	(397)	-	(1.111)
Convertible instruments	41.063	24	(2.068)	39.019
Finance leases	2.280	117	-	2.397
Unused tax credits	220.612	(123.445)	-	97.167
Unused tax losses	123.480	-	-	123.480
Unused surplus of presumptive income	5.495	-	-	5.495
Total net deferred tax liabilities	135.	(444.775)	(3.290)	(312.401)

The Company recognizes deferred tax assets which will be offset by the reversal of current deductible temporary differences; however, if due to the timing of the reversal of taxable differences the deferred tax asset depends on future earnings, the Company bases the deferred tax asset on the projection of the generation of future taxable income. When in the development of the analysis it is determined that there is a high probability of rejection of the tax asset by the tax authorities or that it will not be possible to use the deferred tax asset before its expiration, the deferred tax asset is not recognized. Both situations affect the income tax expense in the period in which it is determined.

In compliance with IAS 12, the Company did not record deferred tax liabilities related to temporary differences on investments in subsidiaries, mainly for items corresponding to undistributed earnings and tax adjustments on investments. This is due to the fact that: i) the Company has control of the subsidiaries and, therefore, can decide on the reversal of such temporary differences; and ii) the Company does not expect to realize them in the medium term; therefore, it is probable that such temporary differences will not be reversed in the foreseeable future.

	December 2024	March 2024
Investments in subsidiaries	8.849.188	7.723.264
Investments in associates	(3.864)	(4.235)

The provisions of the amendment to IAS 12 were reviewed and it was concluded that no modifications were identified that would impact the current application.

The company availed itself of the voluntary exemption established in Article 1 of Decree 1311 of 2021 on the recognition of the effect of the change in the occasional gain rate from 10% to 15%, which established that it could be recognized in the entity's equity in the Retained earnings of previous years.

10.5. Unrecognized deductible temporary differences, unused tax loss carryforwards and unused tax credits

At year-end 2024, the Company has no tax credits without recognition of deferred tax assets.

10.6. Income tax impact of the potential payment of dividends to shareholders

The Company does not foresee any potential income tax consequences in the event of dividend payments to its shareholders.

The Company does not present dividends proposed or declared before the financial statements have been authorized for issuance, which could have an expected income tax impact.

10.7. Uncertainties in open tax positions

No additional taxes are expected on the occasion of possible visits by the tax authorities or due to the existence of uncertainties related to tax positions applied by the Company.

NOTE 11: INVENTORIES

	December 2024	March 2024
Materials, spare parts and accessories	79.706	93.748
Product in process	68.746	64.954
Raw materials and direct materials	33.577	38.702
Finished product	21.998	28.973
Inventory and transit	8.047	3.802
Inventory to be developed	3.291	5.636
Inventory of containers and packaging	2.518	3.709
Completed housing inventory	2.092	-
Inventory of goods not manufactured by the company	651	441
Advances for inventory purchases	171	-
Impairment of spare parts and accessories	-	83

Cementos Argos S.A. measures its inventory at the lower of cost and net realizable value.

The cost of inventories recognized as cost of goods sold during the period, with respect to operations in the separate statement of comprehensive income, corresponds to \$975,563 (2023\$ 1,099,559) of which correspond to unabsorbed costs\$ 43,472 (2023 \$ 53,458), distribution costs \$162,714 (2023 \$ 198,988).

During the period and comparatives there was no reversal of value of inventories. The value of the decrease in inventories to net realizable value corresponds to \$2,586 (2023 \$ 3,273) Cementos Argos S.A. expects to realize its inventories in a period of less than 12 months.

As of December 31, 2024 and March 31, 2024, Cementos Argos S.A. has no inventories pledged as collateral for liabilities.

NOTE 12: OTHER NON-FINANCIAL ASSETS AND LIABILITIES

12.1 Other non-financial assets

	December 2024	March 2024
Prepaid expenses	30.472	29.173
VAT, ICA and other tax assets	16.720	27.510
Other non-financial assets	47.192	56.683
Current	40.568	50.106
Non-current	6.624	6.577
Other non-financial assets	47.192	56.683

12.2 Other non-financial liabilities

	December 2024	March 2024
Advances received	117.449	134.785
VAT, ICA and other tax liabilities	68.563	37.784
Deferred Income	1.279	1.118
Other non-financial liabilities	187.291	173.687
Current	115.007	92.226
Non Current ⁽¹⁾	72.284	81.461
Other non-financial liabilities	187.291	173.687

⁽¹⁾ The sales agreement between Cementos Argos and Summit Materials, established the transfer of the use of the 'Argos' trademark in the United States, by virtue of this agreement, the parties executed a seven (7) year valuation on the trademark for US\$21,400,000. The value was invoiced by Cementos Argos in Colombia and paid by Summit in the United States. This payment had a withholding tax of 30% for US\$6,420,000. The invoiced amount was recognized for accounting purposes as income received in advance and will be amortized monthly in operating income for a period of seven (7) years.

NOTE 13: BIOLOGICAL ASSETS

	December 2024	March 2024
Balance at beginning of year	15.879	16.164
Additions	285	-
Changes in fair value less costs to sell	1.786	-
Sale of biological assets	(1.212)	(285)
Biological assets	16.738	15.879

Cementos Argos S.A. carries out agricultural activities through forestry projects. The Company's biological assets are measured at fair value less estimated costs to sell at the point of harvest, considering significant Level 3 observable inputs. Changes in the fair value of biological assets are presented in the statement of comprehensive income as valuation income or expense as appropriate.

The discounted cash flow model was used for the valuation of the plantations, taking into account that the future economic benefits associated with the forest flight are expected to be realized 3 or 4 times in time, as follows: at the moment when the 2 or 3 thinning operations are carried out, which depend on the age and diameter of the plantation, and at the last moment when the clear-cutting is carried out.

In this regard, fair value is determined by applying a discount rate to future net cash flows, which, for this purpose, the weighted average cost of capital (WACC) was used, which was estimated at 10.67% for 2024 (March 2024 12.4%).

Sales price, volume, determined based on experience and forestry studies, and estimated costs and expenses are significant unobservable inputs to the measurement.

Valuation losses were recognized amounting to \$1,786 (March 2024 \$ 0). The valuation was based on market prices, which remain constant and costs grow with the CPI throughout the projection.

During 2024, a total of 119 hectares of Eucalyptus plantations were sold for a value of \$2,403, leaving a profit of \$1,191.

The biological assets of Cementos Argos S.A. consist of plantations, as follows:

	December 2024	March 2024
Plantations (Hectares planted = Ha)	843	936

As of December 31, 2024 and comparative, plantations include mainly teak, eucalyptus, pine, rubber, acacia and melina, distributed throughout the country in Boyacá, Riosucio (Caldas), Montebello (Antioquia), Rioclaro (Antioquia), Cartagena (Bolívar), Victoria (Caldas), Puerto Nare (Antioquia).

At the end of the reporting and comparative periods, there are no restrictions on the ownership of the biological assets of Cementos Argos S.A., nor contractual commitments for their development or acquisition, and they have not been pledged as collateral for the fulfillment of debts.

NOTE 14: INVESTMENTS IN ASSOCIATES

14.1. Investments in associates

Summarized financial information with respect to each of Cementos Argos S.A.'s associates is presented below, this information represents amounts presented in the associate's financial statements prepared in accordance with IFRS:

	SUMMA - Integral Corporate Services S.A.S.		Credit Solutions S.A.S.		Saint-Gobain Colombia S.A.S.	
	December 2024	March 2024	December 2024	March 2024	December 2024	March 2024
Current assets	49.030	79.787	-	576	6.910	5.062
Non-current assets	11.246	7.253	-	4	5.127	6.030
Current liabilities	50.593	78.136	-	6	5.622	1.992
Non-current liabilities	3.798	2.668	-	-	0	-
Ordinary income (Unaudited March 2023)	35.904	8.584	-	76	10.913	2.296
Net income (Unaudited March 2023)	(350)	363	-	(37)	(2.685)	(489)
Total comprehensive income (Unaudited March 2023)	(350)	363	-	(37)	(2.685)	(489)

The reconciliation of the summarized financial information to the carrying value of the associates in the separate financial statements is as follows:

	SUMMA - Integral Corporate Services S.A.S.		Credit Solutions S.A.S.		Saint-Gobain Colombia S.A.S.		Total investees	
	December 2024	March 2024	December 2024	March 2024	December 2024	March 2024	December 2024	March 2024
Net assets of the investee	1.472	1.559		281	3.925	4.894	5.397	6.734

Participation in the investee	25%	25%	0%	49%	40%	40%	25%-0%-40%	25%-49%-40%
Carrying value of investee							5.397	6.734

■ On September 27, 2024, in an extraordinary meeting, it was reported that Soluciones de Crédito S.A.S. was liquidated. As a result of such liquidation, the total net assets to be distributed amounted to Ps. 394 million.

The distribution of these assets was made among the three shareholders of the company, according to the percentage of participation in their shares. In this context, Cementos Argos S.A., with a 48.98% interest, received a remaining value of \$193 million pesos.

All associates are accounted for using the equity method in the separate financial statements. None of the investments in associates held by Cementos Argos S.A. are listed in a domestic or foreign stock market; therefore, there is no quoted market price for the investment.

In the reported periods, investments in associates did not declare dividends.

14.2. Significant restrictions

As of December 31, 2024 and comparative periods there are no significant restrictions on the ability of associates to transfer funds to Cementos Argos S.A., in the form of cash dividends, or for the repayment of loans or advances made by the Company. The Company has no contingent liabilities related to its investments in associates.

NOTE 15: SUBSIDIARIES

15.1. General information on investments in subsidiaries

ARGOS PANAMA S.A.

A corporation incorporated under the laws of the Republic of Panama on June 25, 1943; its main purpose is the manufacture, sale, import and export of cement and its derivatives; as well as the import of all types of raw materials, machinery, equipment, and spare parts for the manufacture and sale of cement. The main domicile of the company is located in Panama City, Republic of Panama, and the term of duration is indefinite. This Company consolidates with Concreto S.A., and Terminal Granelera Bahía Las Minas S.A.

ARGOS SEM, LLC.

Incorporated on March 21, 2014 in Panama City, (and redomiciled in December 2018 to Delaware, United States, at which time the name Argos SEM S.A. also changed to Argos SEM, LLC), its purpose is to establish and operate as a Multinational Company Headquarters to provide any and all management and/or administrative services for operations in a specific geographic area or globally for a company in a specific geographic or global area. by Argos SEM, LLC), aims to establish and operate as a Multinational Company Headquarters to provide all and any of the management and/or administration services for the operations in a specific geographic or global area of a company of the business group, to engage internationally in the manufacture and marketing of goods of all kinds, as well as the marketing of services of all kinds, as permitted by the law of the respective state or jurisdiction. In May 2018, it absorbed International Cement Company S.A., an entity incorporated in Panama on November 24, 1997, with the purpose of acquiring, owning, administering, encumbering, leasing, disposing and disposing in any way of all kinds of goods, either for its own account or for the account of third parties.

BMR LTD.

Incorporated under the laws of Bermuda on April 19, 2022; its principal place of business is at Crawford House, 50 Cedar avenue, Hamilton, Pembroke, HM 11, Bermuda, its corporate purpose is reinsurance for the management of the company's risks. Its term of duration is indefinite.

CEMENTOS DE CALDAS S.A.

Incorporated under the laws of Colombia on July 17, 2007; its main domicile is located in Villamaría, department of Caldas; its corporate purpose is the exploitation of the cement industry and the production of concrete mixes and its derivatives. Its term of duration is until July 22, 2054.

C.I. DEL MAR CARIBE (BVI) INC.

Incorporated under the laws of the British Virgin Islands on June 2, 2004; its principal place of business is in Tortola and its corporate purpose is the trading of cement, clinker and lime. Its term of duration is perpetual.

COLCARIBE HOLDINGS, S.A.

Incorporated under Panamanian law on June 25, 1996; its main domicile is in Panama City; its corporate purpose is to negotiate or dispose of securities, bonds, participations in other companies and rights of any kind either on its own account or on behalf of third

parties, as well as to open, operate, close accounts and deposits in financial institutions, lend or accept money in loans and give guarantees in favor of third parties in any currency of the world. Its term of duration is perpetual.

CONCRETOS ARGOS S.A.S.

Simplified joint stock company incorporated under Colombian law on April 22, 1985; its main purpose is the exploration, exploitation, transportation, processing, integral use, marketing and sale of stone minerals such as sand, cement, gravel, ready-mix concrete and precast concrete elements, concrete blocks and any other materials and elements, accessories and complementary elements used in the construction industry. The principal domicile of the Company is in Bogotá and the term of duration is until September 8, 2093.

CORPORATIONS AND INVESTMENTS OF THE CARIBBEAN SEA S.A.S.

Incorporated under Colombian law on December 14, 1982, its main domicile is in the city of Medellín and the term of duration is indefinite; the Company's corporate purpose is to carry out any lawful economic activity both in Colombia and abroad. It is currently engaged in the investment in shares or quotas of interest. This Company consolidates with Argos USVI Corp., Argos (Dominica) Ltd., Argos Saint Maarten N.V. and Cementos Argos Company Limited.

HAITI CEMENT HOLDING, S.A.

Incorporated and domiciled in Panama City, Republic of Panama on October 7, 1997. Its main activity is to acquire, purchase, invest in securities, bonds, shares, participations in other companies, as well as any lawful business permitted by the laws of the Republic of Panama. The duration of the corporation is perpetual. This company consolidates with Cimenterie Nationale S.E.M. (CINA).

TRANSPORTATION LOGISTICS S.A.

Incorporated in accordance with Colombian law on April 16, 1996; its main domicile is located in the city of Medellín; its corporate purpose is the transportation of persons and all types of cargo within or outside the country in any of its modalities, by land, air, river and sea, whether in vehicles, vessels or aircraft owned by it or by third parties affiliated to it. The Company's term expires on April 16, 2026.

TRANSATLANTIC CEMENT CARRIERS, INC.

Incorporated in accordance with Panamanian law on July 26, 1974; its main domicile is in Panama City and its term of duration is indefinite. Its corporate purpose is maritime transportation, especially cement, clinker and the purchase and sale of these same products. In June 2018, through a merger, it absorbed Compañía Marítima de Graneles S.A., which had been incorporated under Panamanian law on December 29, 1978 and which was engaged in maritime transportation, especially cement and clinker transportation and the purchase and sale of these same products, ship chartering and especially the provisioning of these same products.

VALLE CEMENT INVESTMENTS INC.

Incorporated under the laws of the British Virgin Islands on November 18, 1998; its principal place of business is in the British Virgin Islands (and redomiciled in March 2021 to Panama, at which time the name Valle Cement Investments Limited was also changed to Valle Cement Investments INC), and its corporate purpose is to make investments of any kind. The term of the company's duration is indefinite.

FREE TRADE ZONE ARGOS S.A.S.

Incorporated under Colombian law on July 5, 2007, its main domicile is in the city of Cartagena and its term of duration is indefinite. Its corporate purpose is the exploitation of the cement industry, the production of concrete mixes and any other materials or articles based on cement, lime or clay, the acquisition and sale of minerals or deposits of minerals that can be used in the cement industry and its similar, of rights to explore and exploit minerals of the aforementioned, whether by concession, privilege, lease or any other title, to direct, administer, supervise, promote and develop a free zone, to carry out all the activities that in its condition of sole user of a special free zone are convenient, pertinent or necessary, to perform the following activities as port operator: loading and unloading, port storage, import and export of goods and services, general cargo handling, containerized cargo handling. It was declared a permanent special free zone in 2007.

15.2. Information on direct participation in investments in subsidiaries

Name of subsidiary	Main activity	Place of incorporation and operations	Proportion of ownership interest		Carrying amount	
			December 2024	March 2024	December 2024	March 2024
Argos SEM, LLC	Investments	United States	100,00%	100,00%	9.959.698	9.774.817
Argos S.A.S. Free Trade Zone.	Cement industry	Colombia	100,00%	100,00%	1.567.040	1.433.474
Valle Cement Investments INC	Investments	Virgin Islands	100,00%	100,00%	1.057.398	491.089
Colcaribe Holding S.A.	Investments	Panama	100,00%	100,00%	78.378	67.990
Argos Panamá S.A.	Cement and concrete industry	Panama	83,35%	83,35%	861.117	797.597
Concretos Argos S.A.S.	Extraction of stone minerals	Colombia	100,00%	93,12%	196.254	175.774
C.I. del Mar Caribe BVI	Marketing	Virgin Islands	93,88%	93,88%	29.616	24.777
Corporations and Investments of the Caribbean Sea S.A.S.	Investments	Colombia	100,00%	100,00%	204.065	158.549
Transatlantic Cement Carriers, INC	Maritime transportation	Panama	100,00%	100,00%	190.288	151.272

Transportation Logistics S.A.	Transportation	Colombia	100,00%	100,00%	26.843	26.426
Haiti Cement Holding S.A.	Investments	Panama	50,00%	50,00%	(20.611)	2.832
Cementos de Caldas S.A.	Cement production	Colombia	40,07%	40,07%	3.827	3.818
BMR	Insurance	Bermuda shorts	100,00%	100,00%	2.243	2.410
					14.156.156	13.110.825

15.3. Information on indirect shareholdings in investments in subsidiaries

Name of subsidiary	Main activity	Place of incorporation and operations	Proportion of ownership interest	
			December 2024	March 2024
Argos (Dominica) Ltd.	Cement distribution	Dominica	100,00%	100,00%
Argos Dominicana S.A., and subsidiaries	Exploitation of clinker and cement; marketing.	Dominican Rep.	79,99%	79,99%
BMR Ltda	Reinsurance	Bermuda	100,00%	100,00%
Argos Guatemala	Import and marketing of cement	Guatemala	100,00%	100,00%
Argos Guyane S.A.S.	Exploitation and commercialization of cement	French Guiana	100,00%	100,00%
Argos Honduras S.A. de C.V. and subsidiaries	Exploitation and commercialization of cement and cement derivatives	Honduras	53,29%	53,29%
Argos Panamá, S.A., and subsidiaries	Cement and concrete industry and marketing	Panama	83,35%	83,35%
Concrete S.A.	Ready-mix concrete plant	Panama	83,35%	83,35%
Bahía Las Minas S.A. Bulk Terminal.	Operation of seaports	Panama	83,35%	83,35%
Argos Puerto Rico Corp.	Distribution and sale of cement	Puerto Rico	60,00%	60,00%
Argos SEM, LLC	Investments	United States	100,00%	100,00%
Argos St. Maarten N.V.	Cement distribution	St. Maarten	100,00%	100,00%
Argos Trading Puerto Rico LLC	Exports from Puerto Rico of cement and related products	Puerto Rico	60,00%	60,00%
Argos USVI Corp.	Cement distribution	U.S. Virgin Islands	100,00%	100,00%
Cement and Mining Engineering Inc.	Investments	Panama	100,00%	100,00%
Cementos Argos Company Limited	Cement distribution	Antigua	100,00%	100,00%
Cementos de Caldas S.A.	Cement production	Colombia	99,64%	99,64%
CI del Mar Caribe (BVI) Inc.	Marketing	British Virgin Islands	100,00%	100,00%
Cimenterie Nationale S.E.M. (CINA)	Cement industry and marketing	Haiti	65,00%	65,00%
Colcaribe Holdings, S.A.	Investments	Panama	100,00%	100,00%
Concretos Argos S.A.	Stone mineral exploitation	Colombia	100,00%	99,99%
Corporations and Investments of the Caribbean Sea S.A.S.	Investments	Colombia	100,00%	100,00%
Framing Colombia S.A.S. BIC	Investments	Colombia	70,00%	70,00%
Haiti Cement Holding, S.A.	Investments	Panama	100,00%	100,00%
Property Miraflores S.A.	Property management	Panama	100,00%	100,00%
Transportation Logistics S.A.	Transportation	Colombia	100,00%	100,00%
Argos S.A.S. Modular Solutions.	Prefabricated concrete	Colombia	99,99%	99,99%
Surcol Houdstermaatschappij N.V.	Investments	Suriname	50,00%	50,00%
Transatlantic Cement Carriers, Inc.	Maritime transportation	Panama	100,00%	100,00%
Valle Cement Investments Limited	Investments	British Virgin Islands	100,00%	100,00%
Venezuela Ports Company, S.A.	Investments	Panama	100,00%	100,00%
Vensur N.V.	Cement production and marketing	Suriname	42,10%	42,10%
Argos S.A.S. Free Trade Zone.	Cement industry	Colombia	100,00%	100,00%

Subsidiary	Colombia		Caribbean and Central America		United States	
	December 2024	March 2024	December 2024	March 2024	December 2024	March 2024
Number of wholly owned subsidiaries	4	3	15	15	1	1
Number of partially owned subsidiaries	3	4	10	10	0	0

In 2024, the following movements were recorded in the subsidiaries and business acquisitions:

■ On December 23, 2024, the Board of Directors of ARGOS SEM approved the distribution of USD \$20,475,000 in cash to Cementos Argos S.A., corresponding to the profits generated by the sale of the shares of Argos North America Corp. during the first quarter of 2024. Additionally, the return in cash of capital contributions to Cementos Argos S.A. for an amount of USD \$250,025,000 was approved.

■ Grupo Cementos Argos informs that Summit Materials, a company in which it holds a 31% interest through its subsidiaries Argos SEM, LLC and Valle Cement Investments INC, has signed a definitive agreement to be acquired by Quikrete Holdings. The latter is a recognized leader in the ready-to-use building materials segment and one of the largest privately held corporations in the industry in the United States.

Since the decision to sell its interest in Summit Materials has already been made public and is considered highly probable, the subsidiaries Valle Cement Investments INC and Argos SEM, LLC have reclassified this investment in their financial statements as "held for sale".

■ The increase the balance of investments is mainly due to the valuation under the equity method.

■ On September 17, 2024, Cementos Argos S.A. capitalized the company Valle Cement for USD \$112,602,709 through an investment in additional paid-in capital. Since the Company has only one shareholder, Panamanian law allows the capitalization to be made without issuing shares.

■ On September 13, 2024, Cementos Argos S.A. acquired 100% of the shares of its subsidiary Concretos Argos S.A.S., purchasing the participations held by Valle Cement Investments INC, Corporaciones e Inversiones del Mar Caribe S.A.S., Logística de Transporte S.A. and Grupo Argos S.A. in that company. With this transaction, Cementos Argos consolidated its total participation in the subsidiary, aligning this operation with its expansion strategy in the ready-mix concrete business.

15.4. Summarized financial information of subsidiaries

Summarized financial information with respect to each of the subsidiaries to which Cementos Argos S.A. applies the equity method is presented below. The summarized financial information below represents amounts before eliminations between group companies, and includes business combination adjustments, when applicable:

December 2024	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Ordinary income	Net income	Other comprehensive income	Total comprehensive income
Argos SEM, LLC.	35.218	2.061.083	1.105	-	-	132.475	3.249.219	(3.480.222)
Valle Cement Investments Limited	3.820	20.503	37.014	-	-	(21.272)	495.095	(516.797)
Argos Panamá, S.A. and subsidiaries	208.592	617.700	222.627	10.902	290.890	1.815	423.411	(423.956)
Colcaribe Holdings S.A.	57.886	74.999	36.583	-	86	1.180	279.469	(277.918)
Argos S.A.S. Free Trade Zone.	457.312	1.271.406	107.332	54.346	676.417	133.105	461	(461)
CI del Mar Caribe (BVI) Inc.	202.331	-	170.784	-	488.845	1.164	74.608	(74.608)
Corporations and Investments of the Caribbean Sea S.A.S.	36.635	180.258	7.902	5.066	-	25.842	47.384	(3.404)
Transatlantic Cement Carriers Inc.	170.552	75.216	6.576	48.905	194.828	15.428	40.334	(40.334)
Concretos Argos S.A.S	218.706	371.957	379.912	14.353	820.787	7.045	4.568	(113)
Haiti Cement Holding S.A.	4.165	(45.387)	-	-	-	(43.662)	(43)	(30.142)
Transportation Logistics S.A.	30.537	673	4.359	8	6.719	421	5	-
BMR Ltda	14.484	-	12.241	-	3.611	(483)	34	(34)
Cementos de Caldas S.A.	6.871	3.356	118	558	40	22	(9)	(1)

March 2024	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Ordinary income	Net income	Other comprehensive income	Total comprehensive income
Argos SEM, LLC.	1.503.268	8.586.647	128.758	-	-	13.823	2.126.319	(426.640)
Valle Cement Investments Limited	1.083.391	898.839	1.531.972	-	-	(6.576)	409.044	(344.573)
Argos Panamá, S.A. and subsidiaries	246.067	543.512	258.736	9.601	113.666	18.942	347.495	(25.695)
Colcaribe Holdings S.A.	50358.	49.683	31.866	-	-	(2.323)	25.976	-
Argos S.A.S. Free Trade Zone.	506.243	1.273.314	292.305	53.778	224.874	56.818	-	(70.507)
CI del Mar Caribe (BVI) Inc.	214.351	-	187.958	-	141.938	444	70.635	(4.399)
Corporations and Investments of the Caribbean Sea S.A.S.	6.360	161.463	6.901	3.644	-	2.148	27.005	(16.380)
Transatlantic Cement Carriers Inc.	145.230	86.082	37.422	42.617	70.070	6.744	17.008	(113)
Concretos Argos S.A.S	262.544	375.610	387.475	61.644	262.225	1.638	4.252	(28.884)
Haiti Cement Holding S.A.	3.630	2.035	-	-	-	(2.575)	3.212	0
Transportation Logistics S.A.	32.597	1.151	7.317	4	2.244	301	5	263
BMR Ltda	7.375	-	4.965	-	-	499	(263)	(1)
Cementos de Caldas S.A.	6.857	3.356	127	558	13	(42)	22	(426.640)

Significant restrictions

Cementos Argos S.A. has no subsidiaries with significant restrictions to transfer and/or receive assets from other Group Companies, nor are there any protective rights to non-controlling interests that may significantly restrict the Company's ability to access or use

the assets and settle the liabilities of the subsidiaries; nor are there any guarantees or other requirements that may restrict dividends and other capital distributions payable within the Group.

As of December 31, 2024 and comparatives, Cementos Argos S.A. has not provided financial support without having any contractual obligation to do so to any investee, nor has it assisted in obtaining financial support

15.6. Analysis of signs of impairment

At the end of each period, the evidence of impairment associated with each investment is reviewed, based on available external and internal information. For investments with at least one indication of impairment, an impairment test was performed.

Cementos Argos S.A. reviews the carrying value of investments for impairment whenever events or circumstances indicate that the carrying value may not be recoverable. If the total discounted future cash flows are less than the carrying amount, the carrying amount of the investment is not recoverable, and an impairment loss is recognized in the separate statement of income.

At the end of the reporting and comparative periods, no investments in subsidiaries presented impairment indicators, nor were impairment losses recognized.

NOTE 16: INTANGIBLE ASSETS, NET

16.1. Reconciliation of cost, accumulated depreciation and impairment of intangible assets

Dec-24	Balance at beginning of period	Additions	Amortization	Sale/Retirement Intangibles	Other Changes	Balances at end of period
Intangible assets with indefinite useful lives	115.389	-	-	-	-	115.389
Mines	252.999	-	-	(22.796)	-	230.203
Patents, licenses and software	197.978	-	-	(38)	1.769	199.609
Intangible asset projects	52	307	-	(250)	26	135
Intangible assets under construction	26.406	-	-	-	-	26.406
Total historical cost	592.824	307	-	(23.184)	1.795	571.742
Mines	(233.015)	-	(8.267)	22.784	-	(218.498)
Patents, licenses and software	(193.892)	-	(595)	138	-	(194.349)
Total depreciation and impairment	(426.907)	-	(8.862)	22.922	-	(412.847)
Intangible assets, net	165.917					158.895

March 2024	Balance at beginning of period	Additions	Amortization	Other Changes	Balances at end of period
Intangible assets with indefinite useful lives	115.389	-	-	-	115.389
Mines	252.205	-	-	794	252.999
Patents, licenses and software	197.978	-	-	-	197.978
Intangible asset projects	475	10	-	(433)	52
Intangible assets under construction	26.406	-	-	-	26.406
Total historical cost	592.453	10	-	361	592.824
Mines	(228.630)	-	(4.401)	16	(233.015)
Patents, licenses and software	(193.509)	-	(383)	-	(193.892)
Total depreciation and impairment	(422.139)	-	(4.784)	16	(426.907)
Intangible assets, net	170.314				165.917

During the period, the Company made withdrawals of Intangibles for an amount of (\$261). These retirements did not represent cash movements, and therefore have been recognized as a write-down of income in the statement of cash flows, in accordance with the Company's accounting policies. Any gain or loss associated with these withdrawals has been reflected in the statement of income.

As of December 31, 2024 and comparative, intangible assets in progress do not include capitalized borrowing costs. The useful lives of other intangible assets are:

	Useful life ranges in years	Depreciation method
Argos Brand	Indefinite	
Rights	Finite: 1-28 Years	Linear
Concessions, franchises and licenses	Finite: by agreement	Linear
Licenses, patents and software	Finite: 1-12 Years	Linear

Amortization of intangibles is recognized under the straight-line method as an expense in the statement of comprehensive income, in the cost of sales, administrative expenses and selling expenses line, and impairment losses are recognized as an expense in the statement of comprehensive income in the asset impairment line.

As of December 31, 2024 there are no restrictions on the realization of intangible assets, Cementos Argos S.A. has no contractual obligations to acquire or develop intangible assets.

The carrying value as of December 31, 2024 and comparative, and the remaining amortization period for the significant assets is as follows

	Remaining amortization period	December 2024	March 2024
Intangible assets with indefinite useful life	Indefinite useful life	115.389	115.389

Management determined that the Argos trademark acquired from Grupo Argos S.A. in December 2005 for \$115,389 is an intangible asset with an indefinite useful life since it is not possible to estimate a foreseeable limit of time over which it is expected to generate future economic benefits for the Company.

Disbursements for research and development projects recognized as expenses in the statement of comprehensive income during the period amounted to \$ 9,239 (March 2024 \$ 2,164). As of December 31 there are no restrictions on the realization of intangible assets, Cementos Argos S.A. has no contractual obligations to acquire or develop intangible assets.

The Argos brand does not present any event or circumstance that constitutes an impairment indicator; however, since it is an intangible asset with an indefinite useful life, an impairment test was performed to verify its value, allowing concluding that for the year 2022 the brand does not present decreases in value due to impairment. The recoverable value was determined using the value in use, the projection of cash flows was made at a consolidated level for a period of 10 years, considering the expected business conditions for each Regional.

The discount rate applied to the cash flow projections was a pre-tax WACC of 10.67%. It was calculated using the CAPM methodology, including risk-free rate, average country risk considering the geographies where Argos has presence, equity market premium, sector beta, implicit devaluations, average tax rate, D/E ratio, cost of debt of Cementos Argos S.A. and perpetual growth rate: 2.5%.

NOTE 17: PROPERTY, PLANT AND EQUIPMENT

17.1. Reconciliation of the cost, accumulated depreciation and impairment of property, plant and equipment

December 2024	Balance at beginning of period	Additions and depreciation	Sales and withdrawals	Other changes	Balances at end of period
Land	386.217	-	(4.295)	715	382.637
Assets under construction, assembly and transit	655.350	99.762	-	(91.539)	663.573
Construction and buildings	326.545	401	(6.307)	868	321.507
Machinery and production equipment	2.061.192	312	(148.901)	88.091	2.000.694
Office, computer and communication equipment	70.127	3.262	(4.073)	2.376	71.692
Mines, quarries and deposits	145.942	-	(49)	3.955	149.848
Ground transportation equipment	24.633	-	(121)	1.351	25.863
River fleet	2.151	-	-	549	2.700
Aqueduct, communication networks and roads	60.022	-	(1.921)	205	58.306
Advances to third parties	4.829	-	-	(3.855)	974
Total historical cost	3.737.008	103.737	(165.667)	2.716	3.677.794
Construction and buildings	(139.536)	(11.617)	6.307	-	(144.846)
Machinery and production equipment	(1.014.117)	(91.726)	147.755	(48)	(958.136)
Office, computer and communication equipment	(49.986)	(3.991)	4.071	(520)	(50.426)
Mines, quarries and deposits	(108.252)	(4.623)	49	110	(112.716)
Ground transportation equipment	(16.581)	(863)	119	-	(17.325)
River fleet	(1.043)	(88)	-	-	(1.131)
Aqueduct, communication networks and roads	(32.512)	(3.245)	1.921	-	(33.836)
Total depreciation and impairment	(1.362.027)	(116.153)	160.222	(458)	(1.318.416)
Property, plant and equipment, net	2.374.981				2.359.378

March 2024	Balance at beginning of period	Additions and depreciation	Sales and withdrawals	Other changes	Balances at end of period
Land	378.364	-	-	7.853	386.217
Assets under construction, assembly and transit	666.775	12.259	-	(23.684)	655.350
Construction and buildings	312.082	338	-	(7.741)	304.679
Machinery and production equipment	2.049.108	-	(5.132)	17.216	2.061.192
Office, computer and communication equipment	63.416	237	(469)	6.943	70.127
Mines, quarries and deposits	145.948	-	-	(6)	145.942
Ground transportation equipment	24.633	-	-	-	24.633
River fleet	2.151	-	-	-	2.151
Aqueduct, communication networks and roads	60.024	-	(2)	-	60.022
Other assets	21.866	-	-	-	21.866
Advances to third parties	5.802	-	-	(973)	4.829
Total historical cost	3.730.169	12.834	(5.603)	(392)	3.737.008
Construction and buildings	(132.047)	(1.978)	-	-	(134.025)
Machinery and production equipment	(997.820)	(21.334)	5.037	-	(1.014.117)
Office, computer and communication equipment	(49.231)	(1.176)	470	(49)	(49.986)
Mines, quarries and deposits	(106.785)	(1.467)	-	-	(108.252)
Ground transportation equipment	(16.277)	(304)	-	-	(16.581)
River fleet	(1.016)	(27)	-	-	(1.043)
Aqueduct, communication networks and roads	(31.787)	(727)	2	-	(32.512)
Other assets	(5.328)	(183)	-	-	(5.511)
Total depreciation and impairment	(1.340.291)	(27.196)	5.509	(49)	(1.362.027)
Property, plant and equipment, net	2.389.878				2.374.981

During the period, the Company made retirements of property, plant and equipment for an amount of (\$1,088). These retirements did not represent cash movements and therefore have been recognized as a write-down of income in the statement of cash flows, in accordance with the Company's accounting policies. Any gain or loss associated with these withdrawals has been reflected in the statement of income.

No new capitalized borrowing costs were incurred in 2024.

The item construction in progress, equipment in assembly and transit includes the assets of the Helios project, which to date has an investment of \$583,546 million pesos, of which \$526,681 and \$526,789 million pesos are still in progress for the years of December 2024 and March 2024, respectively, corresponding to the construction and updating project of one of the cement plants, which is part of the existing integrated network for Colombia and is expected to start operating in 2025.

As of December 31, 2024 and March 2024, there are no assets pledged as collateral for the fulfillment of property, plant and equipment obligations.

At the end of the reporting and comparative periods there are no restrictions on the realization of property, plant and equipment, nor contractual commitments for the acquisition of property, plant and equipment. Cementos Argos S.A. did not obtain compensation from third parties for impaired, lost or abandoned property, plant and equipment.

NOTE 18: INVESTMENT PROPERTIES

18.1. Reconciliation of investment properties

	December 2024	March 2024
Opening balance	107.623	107.027
Additions	-	596
Net gain on fair value adjustments	3.868	-
Transfers to non current assets held for sale	(608)	-
Sales	-	-
Total investment properties	110.883	107.623

The fair value of investment properties is determined by the independent valuation company Activos e Inventarios Ltda. The valuation firm used the comparative market approach methodology and/or residual technique to estimate the fair value.

The inputs for the fair value estimate are classified as level 2 inputs within the fair value hierarchy, a hierarchy that also corresponds to the complete estimate, since they correspond to bid prices, appraisals or transactions of similar properties that are observable, either directly or indirectly, in the market, and that have been adjusted or homogenized by factors such as area, access roads, immediate neighborhood, finishes, improvements, state of preservation, among others.

Rental income from investment properties for the period amounted to \$766 (March 2024 \$ 232). Direct expenses related to investment properties are \$2,409 (March 2024 \$ 1,031)

As of December 31, 2024 and March 2024, the Company has no contractual obligations to acquire, construct or develop investment properties, nor are there any restrictions on any properties.

NOTE 19: ASSETS HELD FOR SALE

Cementos Argos S.A. has assets that are expected to be realized through a sale transaction rather than held for continuing use and for which a sale plan has been initiated, these assets have been classified as held for sale in accordance with IFRS 5. The assets are available for immediate sale and their sale is highly probable.

As of December 31, 2024 and March 31, 2024 Cementos Argos S.A. has no discontinued operations classified as non-current assets held for sale or disposed of during the period. For these periods, the balance of non-current assets held for sale is as follows:

The items mentioned above are detailed below:

December 2024	Balance at beginning of period	Other changes	Balance at end of period
Property, plant and equipment	-	-	-
Other assets ⁽¹⁾		608	608
Historical cost 2024	-	608	608

March 2024	Balance at beginning of period	Sales	Balance at end of period
Property, plant and equipment	236	(236)	-
Historical cost 2024	236	(236)	-

¹. In December 2024, three assets were reclassified to Non-current assets held for sale, for a total value of \$ 608 million. This reclassification was made due to the expectation of their sale during 2025.

NOTE 20: FINANCIAL OBLIGATIONS

	December 2024	March 2024
Promissory notes in local currency	402.000	562.000
Promissory notes in foreign currency	746.213	553.229
Interest Bank obligations	17.688	23.861
Other obligations	1.118.508	543.703
	2.284.409	1.682.793
Current	633.482	1.011.994
Non-current	1.650.927	670.799
Financial obligations	2.284.409	1.682.793

20.1. Summary of loan agreements

Financial obligations in both local and foreign currency comprise both short-term and long-term loans. Among the most significant are the following credits:

20.1.1. Financial obligations December 2024

Category	Entity	Concept	Expiration	Currency	Contractual Value (COP)
					2024
Domestic banks	BBVA	Working capital loan	2025	COP	30.000
Domestic banks	Banco de Occidente	Working capital loan	2025	COP	100.000
Domestic banks	Banco de Bogotá	Working capital loan	2025	COP	272.000

Category	Entity	Concept	Expiration	Currency	Contract Value (USD)	
					2024	
Foreign bank	NATIXIS	Working capital loan	2025	Dollar	40.000	
Foreign bank	Banco Santander	Working capital loan	2025	Dollar	15.000	
Foreign bank	Banco Santander	Working capital loan	2026	Dollar	15.000	
Foreign bank	Banco Popular	Working capital loan	2027	Dollar	100.000	

20.1.2. Financial Obligations March 2024

Category	Entity	Concept	Expiration	Currency	Contractual Value (COP)	
					March 2024	
Domestic banks	BBVA	Working capital loan	2025	COP	50.000	
Domestic banks	BBVA	Working capital loan	2026	COP	30.000	
Domestic banks	Banco de Bogotá	Working capital loan	2028	COP	272.000	
Domestic banks	Bancolombia	Working capital loan	2025	COP	210.000	

Category	Entity	Concept	Expiration	Currency	Contract Value (USD)	
					March 2024	
Domestic banks	BBVA	Working capital loan	2024	Dollar	40.000	
Foreign bank	BCP	Working capital loan	2024	Dollar	8.000	
Foreign bank	BCP	Working capital loan	2026	Dollar	25.984	
Foreign bank	NATIXIS	Working capital loan	2025	Dollar	40.000	
Foreign bank	Banco Santander	Working capital loan	2025	Dollar	15.000	
Foreign bank	Banco Santander	Working capital loan	2026	Dollar	15.000	

20.2. Breach of loan agreement

During the reported periods, the Company did not default on principal or interest payments of financial liabilities and/or loans payable. In turn, during 2024 there were no material modifications to the credit agreements that already existed.

20.3. Reconciliation between the opening and closing balances of liabilities arising from financing activities:

	Financial Obligations	Financial obligations - Related	Obligations Rights of use	Bonds	Coverage	Dividends	Total
Balance as of April 1, 2024	1.139.091	543.702	39.604	2.563.389	263.586	210.759	4.760.131
Changes in financing cash flows	-	-	-	-	-	-	-
Amounts from loans	1.725.564	1.239.797	-	-	-	-	2.965.361
Payments of loans and debt instruments	(1.781.865)	(514.623)	-	-	-	-	(2.296.488)
Interest Paid	(131.029)	-	(5.594)	(204.559)	(133.598)	-	(474.780)
Dividends paid on common stock	-	-	-	-	-	(355.205)	(355.205)
Dividends paid on preferred stock	-	-	-	-	-	(24.396)	(24.396)
Payment of outstanding bonds	-	-	-	(302.415)	-	-	(302.415)
Lease liability payments	-	-	(8.873)	-	-	-	(8.873)
Collection of financial derivatives	-	-	-	-	11.466	-	11.466
Total changes in financing cash flows	(187.330)	725.174	(14.467)	(506.974)	(122.132)	(379.601)	(485.330)
Other changes in other EFE lines	214.140	(150.369)	6.728	190.846	48.410	380.184	689.939
Balance as of December 31, 2024	1.165.901	1.118.507	31.865	2.247.261	99.879	211.342	4.874.755

	Financial Obligations	Financial Obligations - Related	Obligations Rights of use	Bonds	Coverage	Dividends	Total
Balance as of April 1, 2023 (Unaudited)	1.776.061	613.496	42.028	3.147.024	49.883	200.450	5.828.942
Changes in financing cash flows	-	-	-	-	-	-	-
Amounts from loans	824.349	458.454	-	-	-	-	1.282.803
Payments of loans and debt instruments	(973.163)	(396.068)	-	-	-	-	(1.369.231)
Payment of outstanding bonds	-	-	-	(477.384)	-	-	(477.384)
Dividends paid on common stock	-	-	-	-	-	(377.527)	(377.527)
Dividends paid on preferred stock	-	-	-	-	-	(67.474)	(67.474)
Interest Paid	(124.091)	-	(5.857)	(356.661)	(36.867)	-	(523.476)

Lease liability payments	-	-	(9.805)	-	-	-	(9.805)
Payments of financial derivatives	-	-	-	-	15.874	-	15.874
Total changes in financing cash flows	(272.905)	62.386	(15.662)	(834.045)	(20.993)	(445.001)	(1.526.220)
Other Changes in other lines of the statement of cash flows	(10.905)	(71.508)	15.495	338.065	267.946	296.669	835.762
Balance as of December 31, 2023 (Unaudited)	1.492.251	604.374	41.861	2.651.044	296.836	52.118	5.138.484

NOTE 21: RIGHT-OF-USE LEASE ASSETS AND LIABILITIES

21.1. Leases as tenant

21.1.1. Lease Agreements

In the ordinary course of business, Cementos Argos S.A. enters into lease agreements for land, buildings, yellow machinery, vehicles, including concrete mixer trucks and equipment, which are accounted for as right-of-use assets under lease in the separate financial statements, except for those leases whose lease term is less than twelve months or the underlying asset of the lease as new is less than US\$3,000 for administrative assets and US\$5,000 for operating assets.

On the other hand, there are no significant lease agreements that stipulate significant restrictions related to dividend distributions, additional indebtedness or new lease contracts, nor are there significant contingent installments, renewal options or escalation clauses.

As of December 31, 2024, the majority of recognized real estate leases are tied to the consumer price index of each jurisdiction in which they were entered into. Few leases are benchmarked to reference rates or payments that vary to reflect changes in market rental prices.

21.1.2. Assets and liabilities for right-of-use

The balance of assets and liabilities for leasehold rights of use comprises:

December 2024	Assets under lease right-of-use					Closing balance of lease liability
	Beginning balance	Additions	Depreciation	Other changes	Ending balance	
Land	-	201	-	(201)	-	-
Construction and buildings	19.060	(47)	(4.593)	(189)	14.231	10.966
Machinery and production equipment	17.749	2.054	(5.199)	(1.621)	12.985	12.040
Ground transportation equipment	6.516	5.464	(2.420)	(813)	8.747	8.859
Assets and liabilities, net	43.325	7.672	(12.212)	(2.824)	35.963	31.865

March 2024	Assets under lease right-of-use					Closing balance of lease liability
	Beginning balance	Additions	Depreciation	Other changes	Ending balance	
Land	(1)	-	-	-	(1)	-
Construction and buildings	21.233	(656)	(1.517)	-	19.060	13.427
Machinery and production equipment	17.170	2.362	(1.781)	(2)	17.749	19.452
Ground transportation equipment	7.375	(11)	(847)	-	6.517	6.726
Assets and liabilities, net	45.777	1.695	(4.145)	(2)	43.325	39.605

During the period, the Company made withdrawals of assets and liabilities for right of use in lease for an amount of (\$1,634). These retirements did not represent cash movements and therefore have been recognized as a write-down of income in the statement of cash flows, in accordance with the Company's accounting policies. Any gain or loss associated with these withdrawals has been reflected in the statement of income.

Contractual cash flows from lease liabilities classified by maturity as of December 31, 2024 and March 2024 are:

	December 2024	March 2024
One year or less	17.463	18.028
From 1 to 3 years old	18.871	27.092
3 to 5 years old	9.574	12.336
From 5 to 10 years old	849	4.088
Total contractual cash flows of lease liabilities	46.757	61.544
Effect of discounting of lease liabilities	(14.892)	(21.939)
Total lease liabilities	31.865	39.605
Current	8.675	9.403
Non-current	23.190	30.202

Total lease liabilities	31.865	39.605
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21.1.3. Items recognized in the statement of income and cash flows from leases

	December 2024	March 2024
Leases under IFRS 16		
Interest expense on lease liabilities	5.594	1.278
Expenses related to short-term leases and variable leases	5.258	1.776
Expenses related to leases of low-value assets	1.615	509
Total Expenses	12.467	3.563

21.1.4. Renewal options

Most of the company's leases contain renewal options that can be exercised to extend the lease term from one year to 20 years, and can be exercised up to one year before the end of the non-cancelable period of the lease. Generally, the company exercises these renewal options because of the financial and operating facilities they provide. The renewal options are exercisable only by Cementos Argos S.A. and not by the lessor. The company assesses at the lease commencement date whether it is reasonably certain to exercise the renewal options and considers them in determining the term of the lease.

21.2. Leases as lessors

21.2.1. Finance leases

The Company has no finance lease agreements in which it acts as lessor.

21.2.2. Operating leases

Cementos Argos S.A. enters into leases as lessor of commercial premises, warehouses, apartments and houses, and leases of operating machinery and equipment and transportation fleet and equipment. All leases are classified as operating leases from the lessor's perspective. The minimum future lease rights of non-cancelable operating leases by year ranges and in total consisted of the following:

	December 2024	March 2024
Leases under IFRS 16		
1 year or less	-	587
Non-cancelable operating lease rights	-	587

Lease income recognized by the Company during 2024 was \$766.

NOTE 22: COMMERCIAL LIABILITIES AND OTHER ACCOUNTS PAYABLE

	December 2024	March 2024
Commercial current accounts	134.392	165.537
Domestic suppliers	103.563	109.192
Dividends payable	211.254	165.924
Sundry creditors	5.981	3.074
Other accounts payable	30.918	32.816
Costs and expenses payable	1.300	597
Foreign suppliers	12.362	7.568
Accounts payable to contractors	389	218
Trade and other accounts payable	500.159	484.926
Current	500.159	484.926
Trade and other accounts payable	500.159	484.926

The average credit period for the Company's purchases ranges from 8 to 60 days. No interest is paid to suppliers for 60-day payments.

NOTE 23: EMPLOYEE BENEFIT LIABILITIES

	December 2024	March 2024
Short-term employee benefits	60.800	43.095
Post-employment employee benefits defined benefit plans	216.840	240.826
Post-employment employee benefits without actuarial calculation	840	5.409
Employee termination benefits	7	99
Employee benefits	278.487	289.429
Current	103.410	88.641

Non-current	175.077	200.788
Employee benefits	278.487	289.429

23.1. Post-employment benefit plans - defined benefit plans

Pension liabilities, pension securities and bonds, retirement premiums and other post-employment benefits are accounted for in accordance with the requirements of IAS 19.

The actuarial valuation of plan assets and the present value of the defined benefit obligation are performed annually by independent actuarial consultants. The present value of the defined benefit obligation, and the related current service cost and past service cost were measured using the projected unit credit method.

On December 22, 2016, the Ministry of Commerce, Industry and Tourism issued Decree 2131 requiring disclosure of the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016 and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the differences with the calculation made in accordance with IAS 19 - Employee Benefits.

For the year 2024 the amount included in the statement of financial position derived from the entity's obligation with respect to the defined benefit plans, the movement in the present value of the defined benefit obligation in the current year is presented below:

	Pension plan	Pension securities and bonds	Seniority premium and similar	Retirement bonus	Other defined benefit plans	Total
Present value of obligations at April 1, 2024	196.851	36.833	12.871	3.532	284	250.371
Current service cost	-	-	780	159	1	940
Interest cost in defined benefit obligation	19.820	3.410	1.056	355	24	24.665
(Gain)/Loss at actuarial gains and losses due to changes in:						
Experience	3.515	2.580	-	118	28	6.241
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(20.868)	(302)	(112)	(367)	(18)	(21.667)
Benefits paid directly by the Company	(23.236)	(7.460)	-	(352)	(118)	(31.166)
Cost of past services	-	-	-	-	-	-
Present value of obligations at December 31, 2024	176.082	35.061	14.595	3.445	201	229.384
Present value of plan assets as of January 1, 2024	-	-	9.921	-	-	9.921
Risk-free interest income	-	-	768	-	-	768
Return on plan assets, excluding interest	-	-	1.359	-	-	1.359
Contributions made by the Company	-	-	496	-	-	496
Payments made by the plan	-	-	-	-	-	-
Present value of plan assets as of December 31, 2024	-	-	12.544	-	-	12.544
Net present value of obligations at December 31, 2024	176.082	35.061	2.051	3.445	201	216.840

	Pension plan	Pension securities and bonds	Seniority premium and similar	Retirement bonus	Other defined benefit plans	Total
Present value of obligations at April 1, 2023	151.773	28.299	8.908	2.491	389	191.860
Current service cost	-	-	579	109	5	693
Interest cost in defined benefit obligation	19.180	3.429	864	328	41	23.842
Actuarial (gain)/loss from changes in:						
Experience	7.979	5.497	-	69	(39)	13.506
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	39.410	1.824	2.520	691	54	44.499
Benefits paid directly by the Company	(21.491)	(5.037)	-	(156)	(166)	(26.850)
Cost of past services	-	2.821	-	-	-	2.821
Present value of obligations at December 31, 2023	196.851	36.833	12.871	3.532	284	250.371
Present value of plan assets as of January 1, 2023	-	-	8.720	-	-	8.720
Risk-free interest income	-	-	876	-	-	876
Return on plan assets, excluding interest	-	-	(174)	-	-	(174)
Contributions made by the Company	-	-	499	-	-	499
Payments made by the plan	-	-	-	-	-	-
Present value of plan assets as of December 31,	-	-	9.921	-	-	9.921

Net present value of the obligations as of December 31, 2023	196.851	36.833	2.950	3.532	284	240.450
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The fair value of plan assets is composed as follows:

	December 2024	March 2024
Investment funds	12.544	9.921
Fair value of plan assets	12.544	9.921

23.1.1. Comparative liabilities for defined benefit pension plans, pension securities and bonds

On December 22, 2016, the Ministry of Commerce, Industry and Tourism issued Decree 2131 by which it is required to disclose the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016 and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the differences with the calculation made in accordance with IAS 19 - Employee Benefits. Below is the comparative between the liability of defined benefit pension plans, pension securities and bonds calculated in accordance with Decree 1625 of 2016 and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the calculation made in accordance with IAS 19 - Employee Benefits, as of December 31, 2024 and 2023:

	Calculation in accordance with the IAS 19 - Employee Benefits	Calculation in accordance with Decree 1625 of 2016.	Comparison between the liabilities calculated in accordance with the IAS 19 and Decree 1625
Present value of obligations at:			
December 31, 2024	211.143	255.268	(44.125)
December 31, 2023	233.684	244.818	(11.134)

The main actuarial assumptions used to determine the defined benefit plan obligations are as follows:

	2024	2023
Inflation rate (%)	4,50%	4,50%
Discount rate (%)	11,74%	10,51%
Salary increase (%)	5,50%	5,50%
Minimum wage increase (%)	5,50%	5,50%
Mortality table	Valid annuitants 2008	Valid annuitants 2008
Rotation table	75% SOA Pension turnover	75% SOA Pension turnover

The total expense recognized in the statement of income for the period represents contributions for the defined contribution plans 2024 \$ 39,112 (2023 \$35,959). The Company expects to make contributions for the next annual period of 2024 \$72,177.

23.2. Pension plans, pension bonds and securities

In accordance with the Colombian labor code, pension benefits granted to employees under the new social security regime (Law 100 of 1993), are accounted for as defined contribution plans, the Company covers its pension obligation through the payment of contributions to the Social Security Institute (ISS), and/or to private pension funds under the terms and conditions contemplated in said law.

Pension benefits granted to employees not covered by the new social security regime (Law 100 of 1993), which essentially correspond to former employees, are accounted for as unfunded defined benefit plans, the Company must pay retirement pensions or issue pension bonds to its employees or beneficiaries who meet certain requirements as to age and length of service.

The benefit entitles the beneficiary to a lifetime monthly retirement pension or old age pension, equivalent to seventy-five percent (75%) of the average salary earned in the last year of service, subject to a minimum payment of one minimum monthly salary and a maximum of 25 minimum monthly salaries. In addition, two additional payments are made, one in June and the other in December.

When the participant is in expectation of receiving benefits with the Social Security Institute (ISS), these benefits are deducted from the benefits payable under the Company's plan, thereby reducing the Company's obligation. Pensions in payment increase in accordance with inflation. When a participant receives a pension equal to the minimum wage, the pension increases in accordance with increases in the minimum wage.

On the other hand, the Death Benefit occurs in the event of death after retirement, where the beneficiary receives 100% of the pension, for a term that will depend on each beneficiary. The social security pension contribution to the Pension Fund Administrators is paid by the Company, as the employer.

For workers who have retired from the company due to the recognition of a conventional or early pension, which in any case is shared, the company continues to make contributions to the pension system until the pensioner meets the old age pension requirements of the ISS (Colpensiones). Thus, the company is responsible for 100% of the pension contribution until the requirements are met. The contribution is calculated on the value of the pension. In addition, Cementos Argos S.A. partially assumes the percentage of the pensioner's contribution.

In addition, the defined benefit obligation for retirement pensions includes the employees of Compañía Industrial Hullera S.A., in liquidation, as a result of the process of normalization of pension liabilities in which Cementos Argos S.A. definitively assumes the proportion of the obligation that corresponds to it according to the Official Letter of October 9, 2012, issued by the Ministry of Labor.

23.3. Retirement bonus

For employees covered by any of the collective bargaining agreements, when an employee's contract is terminated due to the recognition of a retirement, disability or old age pension, a bonus equivalent to 5 minimum legal salaries in force is granted.

23.4. Pension bonds and securities plan

In accordance with the Colombian Labor Code, employers must pay retirement pensions or issue pension bonds to their employees who meet certain age and length of service requirements. The Company has issued pension securities, Bono Pensional Tipo A Modalidad 2 and Bono Pensional Tipo A Modalidad 1. This obligation applies to some areas where the ISS did not have pension coverage prior to 1994.

The benefit is granted at the time of retirement from the Company until the participant retires from the Colombian Social Security system. During this period, the Company makes contributions to the pension system on behalf of the employee. The pension bonds and securities constitute resources destined to contribute to the formation of the capital necessary to finance the pensions of the members of the Colombian General Pension System.

23.5. Other defined benefit plans

For retired employees in Colombia, a death benefit is granted, which is increased in accordance with the Consumer Price Index (CPI), equivalent to 5 minimum legal salaries in force (SMLV). For retired employees of the Valle plant in Colombia, the education allowance is granted until their death and also to the children of retirees until they reach 25 years of age. The beneficiary receives the amount regardless of the employee's survival. Each year the benefit is increased in accordance with the Consumer Price Index (CPI), as well as the dental benefit until death provided that they formally request the service, with an annual increase in accordance with the Consumer Price Index (CPI).

Pension gap benefit upon retirement

The benefit of this benefit consists of the granting of a single premium at the time of separation from the entity to enjoy the old age pension, the value of which corresponds to the money needed to close the pension gap of the executive. This benefit currently has contributions in private pension funds that will be used only at the time of compliance with the requirements to obtain the benefit.

Retroactive Severance Plan

In accordance with Colombian labor regulations, employees hired before the entry into force of Law 50 of 1990, are entitled to receive, upon termination of the employment contract, one month's salary for each year of service and proportionally for a fraction of a year as severance benefit, for any cause that terminates the employment, including: retirement, disability, death, etc. The benefit is liquidated at the time of retirement of the employee based on the last salary received.

As of December 31, 2024 and 2023, the Company has no reimbursement rights related to defined benefit plan obligations.

The average duration in years of the defined benefit obligation is as follows:

	Pension plan	Pension securities and bonds	Retirement bonus	Other defined benefit plans	Total average duration
Average duration 2024	6,38	2,07	6,01	4,79	4,81
Average duration 2023	7,77	2,47	6,79	5,19	5,44

The significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonable possible changes in the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	2024		2023	
	Decrease	Increase	Decrease	Increase
Discount rate 100 basis points higher (lower)	226.550	204.283	252.288	224.419
Expected wage growth increases (decreases) by 1%.	3.269	3.699	3.388	3.885
Life expectancy increases (decreases) in one year	181.352	171.254	203.280	190.997

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation, as the change in assumptions is not likely to occur in isolation from each other, as some of the assumptions may be correlated.

In addition, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the statement of financial position.

NOTE 24: PROVISIONS

	Litigation, claims and other contingencies ⁽ⁱ⁾	Dismantling ⁽ⁱⁱ⁾	Environmental ⁽ⁱⁱⁱ⁾	Other provisions ^(iv)	Total
Carrying value as of April 1, 2024	9.424	28.246	8.761	5.774	52.205
Provisions made	5.690	2.081	710	16.890	25.371
Use of provisions	(4.545)	(2.015)	(3.897)	(21.325)	(31.782)
Reversals made	-	(1.557)	7	-	(1.550)
Adjustment for discount rate	(1.973)	3.052	1.763	-	2.842
Carrying value as of December 31, 2024	8.596	29.807	7.344	1.339	47.086
Current	8.596	2.812	7.344	1.339	20.091
Non-current	-	26.995	-	-	26.995
Carrying value as of December 31, 2024	8.596	29.807	7.344	1.339	47.086

	Litigation, claims and other contingencies ⁽ⁱ⁾	Dismantling ⁽ⁱⁱ⁾	Environmental ⁽ⁱⁱⁱ⁾	Other provisions ^(iv)	Total
Carrying value as of January 1, 2024	8.605	27.976	8.856	4.309	49.746
Provisions made	2.477	552	87	7.320	10.436
Use of provisions	(1.406)	(291)	(346)	(5.855)	(7.898)
Reversals made	-	(615)	4	-	(611)
Adjustment for discount rate	(252)	624	160	-	532
Carrying value as of March 31, 2024	9.424	28.246	8.761	5.774	52.205
Current	8.446	2.987	8.425	5.774	25.632
Non-current	978	25.259	336	-	26.573
Carrying value as of March 31, 2024	9.424	28.246	8.761	5.774	52.205

(i) Cementos Argos S.A. is a party in legal proceedings of different nature, acting both as plaintiff and plaintiff, which are being diligently attended by qualified lawyers hired by the Company. The conflicts are of labor, civil, administrative, criminal and tax nature; this type of litigation are those that arise in the ordinary course of business developed by any Company of the size of operations of Cementos Argos S.A. and that the Company expects will probably result in an outflow of resources.

For these processes, the corresponding reserves have been estimated based on criteria such as the nature of the process, the evidence, economic factors, the possible projected sentence, etc., to cover possible sentences or unfavorable decisions that may occur. We consider that the estimated time of completion of these processes ranges between three (3) and eight (8) years approximately.

(ii) Cementos Argos S.A. is obliged to incur future costs for compliance with legal mining regulations, regarding the exploitation of mineral resources, corresponding to the dismantling of assets and restoration of the environment where these assets were built, which is carried out at the time a mining operation is terminated or a mining title expires, whichever date is less.

The decommissioning obligations have as a maximum execution date the expiration date of the mining title concession, so the disbursement of economic resources is estimated in a period of five years before the legal requirement. However, in some cases, where the operation of an area covered by a title that is still in force for more than five years has been completed, the disbursement of the provision is estimated to be made within the five years following the completion of the operation. In determining the best estimate for settlement, management considers the areas affected by mining, the mining schedule and the costs incurred in past decommissioning operations.

- (iii) Cementos Argos S.A. is obliged to incur costs for environmental obligations related to forestry compensation for quarrying and logging, costs for the removal and subsequent disposal of hazardous waste, specifically PCB's (polychlorinated biphenyls), previously stored. For forestry compensations, Cementos Argos S.A. has committed to settle its environmental obligations in a maximum period of five years or as indicated in the Resolution corresponding to each environmental liability identified. In determining the best estimate to settle, Management considers mainly financial variables and the costs of planting, isolation and maintenance for a period of four years. In estimating the disposal of PCBs, the disbursements for packaging, transportation and disposal are mainly considered.

NOTE 25: OUTSTANDING BONDS AND PREFERRED SHARES

	December 2024	March 2024
Bonds outstanding	2.247.263	2.563.389
Preferred shares classified as compound financial instruments	88	44.835
	2.247.351	2.608.224
Current	271.221	145.347
Non-current	1.976.130	2.462.877
Present value of obligations at December 31	2.247.351	2.608.224

25.1. Outstanding bonds

The outstanding bonds issued by Cementos Argos S.A., with cutoff at December 31, 2024 and March 31, 2024 comprised the following:

Broadcast	Date of placement	Deadline	Effective rate	Form of payment interest	Securities issued	
					December 2024	March 2024
Issue 2009	April 28, 2009	15 years	CPI + 7.19%.	Overdue quarter		106.130
Issuance 2012	May 16, 2012	15 years	CPI + 4.50%.	Overdue quarter	303.082	303.082
Issue 2014	November 27, 2014	10 years	CPI + 3.80%.	Overdue quarter	-	167.385
Issue 2014	November 27, 2014	15 years	CPI + 4.21	Overdue quarter	311.707	311.707
Issue 2016	April 13, 2016	10 years ⁽¹⁾	CPI + 4.19%.	Overdue quarter	116.575	121.075
Issue 2016	April 13, 2016	15 years ⁽¹⁾	CPI + 4.47%.	Overdue quarter	184.157	184.157
Issuance 2017	May 24, 2017	13 years ⁽²⁾	CPI + 3.64%.	Overdue quarter	388.145	388.145
Issuance 2017	May 24, 2017	25 years ⁽²⁾	CPI + 3.99%.	Overdue quarter	400.500	400.500
Issue 2018	June 27, 2018	10 years ⁽³⁾	CPI + 3.75%.	Overdue quarter	158.550	158.550
Issue 2018	June 27, 2018	20 years ⁽³⁾	CPI+ 4.04%.	Overdue quarter	125.850	125.850
Issuance 2020	November 25, 2020	5 years ⁽³⁾	CPI+ 2.24%.	Overdue quarter	144.347	168.747
Reopening 2022 Issue 2020	December 1, 2022	2 years	CPI + 8.75% ⁽⁴⁾	Overdue quarter	102.350	102.350
					2.235.263	2.537.678

(1) The issuance is part of the issuance and placement program of ordinary bonds and commercial paper under a global quota of \$1,000,000 approved by Resolution No. 0422 of the Financial Superintendency of Colombia on March 23, 2012.

(2) The issuance is part of the issuance and placement program of ordinary bonds and commercial paper under a global quota of \$1,000,000 approved by Resolution No. 0518 of the Financial Superintendency of Colombia on April 03, 2017. Previously, the increase of such quota had been approved by Resolution 0422 of 2012.

(3) The issuance is part of the issuance and placement program of ordinary bonds and commercial paper under a global quota of \$1 billion approved by Resolution No. 0585 of the Superintendencia Financiera de Colombia ("SFC") of May 10, 2018.

(4) The issuance constitutes the second lot of the second issue of ordinary bonds corresponding to the program of issuance and placement of bonds and commercial papers of Cementos Argos S.A. in the main market. The Company awarded in the market one hundred and two thousand three hundred and fifty million pesos (\$102,350).

On December 31, 2024 and March 31, 2024 the bonds with a nominal balance of \$0 (2023 \$ 273,515) matured. The payment made on these bonds is \$242,843 (2023: \$76,500).

All issues are rated AA with stable outlook by the rating agency Fitch Ratings Colombia S.A. and are nominative securities, issued to order and negotiable in the secondary market through the Colombian Stock Exchange; on September 21, 2023, the aforementioned rating agency placed the company's long-term ratings on positive watch.

The financial expense associated with bonds and commercial paper during the year was Ch\$190,847 million.

25.2 Preferred stock

In accordance with the approval of the General Shareholders' Meeting of March 15, 2013, Cementos Argos S.A. carried out the issuance and placement of preferred dividend shares without voting rights (hereinafter, preferred shares) in May 2013, for \$1,610,824 awarding 209,197,850 preferred shares, at a subscription price of \$7,700 per preferred share, determined by the Company's Board of Directors.

The issuance of preferred shares is a compound financial instrument. The issuer, for its recognition and subsequent measurement, identified the debt and equity components by evaluating the contractual terms of the instrument and the issuer's obligations. Given the issuer's contractual obligation to pay the minimum annual dividend to the holders of the shares if the Company generates profits, the issue incorporates a financial liability component. Once this liability is measured, the difference between the value received and the value of the obligation constitutes an equity component. The portion corresponding to the financial liability must be measured at least in each interim period and its effects recognized in profit or loss for the period, the equity component is not subject to subsequent measurement.

Cementos Argos S.A. determined the liability component by discounting the cash flows corresponding to the minimum preferred dividend, which were calculated in perpetuity; the discount rate applied corresponded to the market rate at the date of issuance of similar instruments that did not incorporate an equity component. Considering the difficulty of identifying in the market a financial instrument with the same characteristics of the issue, the discount rate of the financial liability was determined with reference to the current yield of the bonds issued by Cementos Argos S.A. for longer terms denominated in Colombian pesos. For these purposes, the valuation rate of the Cementos Argos S.A. 2024 bond issue, issued in May 2012, long-term (15 years) indexed to CPI.

The preferred shares had a minimum dividend of 3% per annum on the subscription price which was paid in the first 12 quarters from the placement. In April 2016, this last minimum dividend corresponding to 3% per annum on the subscription price was paid, and as of the thirteenth quarter the minimum annual dividend will be \$10 per share which will be increased by the annual CPI at the close of each year. The prospectus does not contain call or put options on the preferred shares.

The holders of shares with preferential dividend and without voting rights will be entitled to receive a minimum dividend on a preferential basis with respect to that corresponding to the common shares, provided that distributable profits have been generated in the immediately preceding accounting period. In no case may the dividend received by the holders of the common shares be higher than that declared in favor of the preferred shares; to the preferential reimbursement of their contributions, once the external liabilities have been paid, in the event of dissolution and liquidation of the issuer; and the other rights provided in the issuer's bylaws for the holders of common shares, except (i) the right to preferentially subscribe common shares, and (ii) the right to vote the proposals at the issuer's General Shareholders' Meeting. By way of exception, the preferred shares will give their holders the right to vote in the events indicated in the placement and issuance prospectus.

The liability recognized for the issuance of preferred stock is comprised of the valuation of the debt component and the reduction of the direct issuance costs allocated to the liability component, according to the percentage participation of each component in the amount of the issuance. The debt component is measured at amortized cost using the effective interest rate. The effective interest rate for subsequent measurement of the debt component at amortized cost was determined by matching the estimated cash flows receivable or payable over the expected life of the financial instrument with the net carrying amount of the liability component at initial recognition. The financial liability is increased by the recognition of interest at the effective interest rate and decreased as minimum dividends to preferred stockholders are recognized.

As of December 31, 2024 and March 31, 2024, \$67,512 (\$1,662,272) preferred shares were repurchased, leaving a balance of 464,508 shares outstanding.

NOTE 26: FINANCIAL INSTRUMENTS

26.1. Capital risk management

Cementos Argos S.A. manages its capital from a long-term perspective, seeking to maintain a balanced, efficient and flexible capital structure that accompanies and safely supports the growth process of the organization. The Company considers as capital the issued shares, both common and preferred, financial obligations and ordinary bonds. Cementos Argos S.A. is not subject to external capital requirements.

The Company uses the Net Debt / EBTIDA + dividends indicator at the consolidated level to monitor the capital structure. Net debt is composed of financial obligations less cash and temporary investments. This indicator makes it possible to establish the Company's level of leverage with respect to its cash generation. In addition, this indicator is included in the Company's long-term credit contracts. Other indicators such as the short and long term debt ratio, average maturity, and free cash flow are also taken into account to analyze the capital structure.

The Company periodically monitors that the leverage indicator Net Debt / EBITDA + dividends remains within a specific range that allows for sustainable growth and compliance with the objectives established by Management.

For the management of other indicators such as average life of the debt and its long and short term distribution, there is ample access to credit through approved lines of credit with national and international banks and the possibility of accessing the capital market through the issuance of ordinary bonds and/or commercial paper in the local market.

The composition of the Group's liabilities shows an adequate balance between currencies, taking advantage of natural hedges between assets and liabilities denominated in the same currency. The Group's capital structure considers the match between the dollar-denominated debt and the EBITDA generated in the operations of the Central American and Caribbean countries, which generate their cash flows mainly in dollars.

In 2024 and comparative period, there have been no significant changes in the Company's capital management objectives, policies or processes.

26.2. Categories of financial instruments

	Financial Assets	
	December 2024	March 2024
Cash and banks (See Note 6)	610.177	145.857
Derivative instruments in hedging relationships (See note 7)	147.400	63.865
Financial assets measured at amortized cost (See note 9)	377.373	717.041
Financial assets measured at fair value through other comprehensive income (see note 8)	1.061.833	870.394
Financial assets	2.196.783	1.797.157

	Financial liabilities	
	December 2024	March 2024
Derivative instruments in hedging relationships (See note 7)	111.288	199.720
Financial liabilities measured at amortized cost	5.031.918	4.775.943
Financial liabilities	5.143.206	4.975.663
Financial liabilities, net	(2.946.424)	(3.178.505)

26.2.1. Financial assets measured at fair value with changes in other comprehensive income

	December 2024	March 2024
Grupo de Inversiones Suramericana S.A.	1.056.291	865.477
Occipital INC	4.850	4.225
Carvajal Pulp and Paper S.A.	620	620
Railroad Transportation Company S.A.	72	72
	1.061.833	870.394
Dividends recognized during the period related to investments that:		
Remain recognized at the end of the period	-	39.753
Total dividends recognized during the period related to investments	-	39.753

The equity investment indicated in the table above is not held for trading purposes, instead, it is held for medium and long-term strategic purposes. The Company's management considers that this classification for this strategic investment provides more reliable financial information than reflecting the changes in its fair value immediately in the results of the period.

Cementos Argos S.A. has investments in subsidiaries accounted for in foreign currency (dollar) which are restated on a quarterly basis using the equity method, these translation effects are recognized in equity within Other Comprehensive Income (OCI). When there is a disposal or sale of an investment, the translation gain or loss associated with these investments is transferred from ORI to income for the period.

Cementos Argos S.A. had two hedges designated as Net Investment Hedge (NIH), whose hedged item corresponds to a portion of the investment in Argos SEM. In December 2024, these hedges were liquidated due to the restitution of capital made by Argos SEM.

The accumulated balance of the hedge of net investment in foreign subsidiaries, recorded in Other Comprehensive Income (ORI), is only reclassified to income if any of the following events occur:

- **Total sale of the foreign operation.**
- **Partial sale resulting in loss of control.**
- **Liquidation or significant closure.**
- **Exchanges that do not meet the definition of a foreign operation.**

If none of the events (total sale, partial sale with loss of control, liquidation or closure, or changes in the classification of foreign operation) occurs, the accumulated balance of the hedge in Other Comprehensive Income (ORI) remains there indefinitely.

26.2.2. Reclassification of financial assets

During the current and prior periods, there have been no changes in the business model for the management and administration of financial assets; therefore, no financial assets have been reclassified from fair value to amortized cost or vice versa.

26.3. Financial risk management objectives

The financial policies of Cementos Argos S.A. are defined by the Corporate Finance Committee and administered by the Corporate Finance Management, and seek to ensure a sound financial structure and maintain the Company's market, liquidity and credit risk exposure levels at optimal levels, according to the nature of the operations. The Company is exposed to exchange rate risk, interest rate risk, credit risk and liquidity risk, among others. The risk is mitigated through the use of natural hedges or financial derivatives, to the extent permitted by the market. The use of financial derivatives for speculative purposes is not permitted.

Special transactions such as acquisitions and issuances of shares or bonds may temporarily exceed the limit established by Management, a situation that is controlled through permanent monitoring of volatility and the execution of the investment plans associated with the specific transaction carried out.

26.3.1. Foreign Exchange Risk Management

The Company is exposed to exchange rate risk as a result of its investments in subsidiaries with functional currencies other than the Colombian peso, transactions carried out in currencies other than its functional currency and financing sources denominated in currencies other than its local currency. Fluctuations in exchange rates have a direct impact on cash and on the separate financial statements.

The analysis of exposure to exchange rate risk is performed on assets, liabilities, income and expenses in currencies other than the functional currency, and where the local currency floats freely without exchange controls, since those subsidiaries located in countries with foreign exchange controls have low volatility in exchange rate fluctuations. The statement of financial position exposure is determined by calculating the net dollar position, comprised of the dollar liabilities and assets of such companies. The company uses different natural hedging mechanisms to meet its objective of minimizing the volatility of the exchange difference item in the separate statement of income. Cash flow exposure is monitored by analyzing the offsetting of foreign currency inflows and outflows, seeking to maximize the match between cash inflows and outflows in the same currency in order to minimize purchases or sales of dollars in the spot market. When there is certainty about the occurrence of a short or long cash flow in foreign currency, hedges are made through financial derivatives if an imbalance with the natural position is found.

In the subsidiaries of the Colombia geographic segment, the net position at the end of 2024 is US\$209 million short (March 2024 US\$175 million short).

The carrying amounts of monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are as follows:

	Monetary assets		Monetary liabilities		Net exposure	
	December 2024	March 2024	December 2024	March 2024	December 2024	March 2024
U.S. dollar, expressed in millions of pesos	811.496	837.591	1.920.574	1.035.174	1.109.078	197.583
Euro, expressed in millions of pesos	170	153	3.114	1.545	2.944	1.392

26.3.2. Interest rate and inflation index risk management

The concentration of interest rate risk materializes when a very high exposure to a particular indexer is detected in the financial debt portfolio. The Company considers a minimum fixed rate exposure of 20% to 30% of its total consolidated debt to be optimal. The Company's debt profile is reported monthly to management, indicating the levels of fixed vs. variable rate concentration, distribution by term (short term vs. long term) and distribution by currency (COP vs. USD vs. other currencies). With the results presented, decisions are made to manage the debt portfolio, such as the prepayment of obligations, the structuring of financial derivatives to balance the position in interest rates and/or currencies, etc. As of December 31, 2024, 52% of the consolidated debt was at fixed interest rates, including hedges (March 2024: 73%).

The financial market reference interest rates that generate exposure to the Group are IPC, IBR, SOFR and TONAR. The Group has not considered exposure to other local or international rates.

26.3.3. Credit Risk Management

The credit risk arising from financial assets involving the risk of counterparty default is reduced by evaluations and valuations of customers with exposure or requiring credit beyond established limits and collateral. The maximum exposure to credit risk is represented by the balance of financial assets. Management has developed policies for the authorization of credit to customers. Credit risk exposure is constantly monitored according to the payment behavior of debtors.

The credit risk derived from the Company's investments in the financial system is monitored through the use of an issuer quota model, which stipulates the maximum amount that the Company may have invested in an American, European, Honduran or Colombian bank, in which most of the Company's cash is concentrated. The policy restricts investment amounts in banks to the limit calculated by the quota model, without the authorization of the Financial Vice-Presidency. The models incorporate variables such as national and international ratings, leverage indicators, and liquidity indicators of the banks. When the amounts invested in a bank exceed the

values calculated by the quota model, it is considered that the risk is highly concentrated in a single issuer. The Company balances this concentration, when the market allows it, by divesting the issuer that has exceeded the amount stipulated by the model and recomposing the investments in the different alternatives, according to the calculated quotas. For banks that are not part of the model, the Company does not measure the issuer quota risk. In turn, the banks that are not part of the model are entities with which there are no significant investments as of the date of this report.

26.3.4. Liquidity Risk Management

The Company has financial obligations with counterparties in the banking system and the capital market. To mitigate liquidity risk in the possible renewals of these loans, the Company plans maturity concentrations by month so as not to accumulate very high maturities in a given month of the year. In addition, the Company has a broad portfolio of liquidity providers in different currencies, types of indexers and terms, including domestic banks, international banks, commercial finance companies, stockbrokers and issuance of bonds and commercial paper in the capital market as a recurring issuer.

The balance between the distribution of debt by maturity is another clear objective of management, with the goal of not concentrating more than 30% of the maturities of financial liabilities in the short term. The years of duration of financial liabilities are monitored month by month, and the objective is for the average life of the portfolio to be greater than 3.5 years. Likewise, the Company has uncommitted credit quotas with domestic and international banks in an amount sufficient to cover any eventuality. The Company is also exposed to liquidity risk due to non-compliance with its financial commitments, which would trigger cross compliance clauses in other contracts. To mitigate this risk, the financial obligations in the credit agreements are monitored monthly and reported to management.

financial commitments (covenant):

As of December 31, the company has no financial commitments (covenants), because on August 30, 2024 an additional agreement was signed between Cementos Argos S.A. and BBVA, where a loan was taken for a term of 3 years and an amount of COP\$30,000 million. The interest rate of this loan is linked to sustainability indicators, specifically to specific net CO2 emissions and specific water consumption in the cement business.

As of March 31, 2024, the company has the following financial commitments (covenant):

- Cementos Loan with BBVA COP 30,000, with the following financial commitment:
Net Debt/EBITDA ratio: Less than 4 times throughout the life of the loan, measured at the end of each quarter.
Interest coverage: Equal to or less than 2.5 times during the entire term of the loan.
- Cementos loan with Santander USD 30,000, with a covenant associated with the debtor's debt to EBITDA ratio at a separate level (6x in the 1st year, 5x in the 2nd year, 4.5x in the 3rd year).
- ESG loan with Banco de Bogotá, for COP 272,000, whose maintenance or reduction of the interest rate depends on compliance with sustainability KPIs: Specific net CO2 emissions.
Number of suppliers evaluated for sustainability in the last three years.
- Cementos loan with Santander USD 30,000,000. The non-compliance may be generated by the failure to send the compliance certificate.

Accounting working capital, defined as current assets minus current liabilities, shows a negative balance. This is mostly due to short-term loans and reclassifications of long-term loans maturing within the next 12 months. At the end of December, the company has available uncommitted quotas and is a recurring issuer in the Colombian securities market, with a quota in its program for issuing and placing bonds and commercial paper. These bank and stock market quotas allow the structuring of sufficient financing alternatives to renew the current portion of the debt, together with the internal generation of the company's liquid assets.

26.4. Foreign currency sensitivity analysis

The Company is mainly exposed to the USD currency. The following table shows the impact on net income of a 20% depreciation or appreciation in the Colombian peso against the relevant foreign currencies after considering the effect of hedge accounting. The 20% represents the sensitivity rate used when reporting foreign exchange risk internally to key management personnel and represents management's assessment of a possible but extreme scenario.

The sensitivity analysis includes only outstanding monetary items denominated in foreign currencies and adjusts their translation at the end of the period for a 20% change in exchange rates. The sensitivity analysis includes external loans, as well as loans for foreign operations within the Company where the denomination of the loan is in a currency other than the currency of the lender and the borrower. An appreciation of the Colombian peso has a positive impact on net income. Depreciation has the opposite effect.

During the period there have been changes in the methods and assumptions used for the sensitivity analysis from 25% to 20% in accordance with the policies established by the Company.

	December 2024	March 2024
20% increase in the U.S. dollar with respect to functional currency		
Income before income taxes, expressed in millions of pesos	(221.816)	(39.517)
Heritage	53.528	154.845

26.5. Sensitivity analysis of interest rates and inflation indexes

The following sensitivity analyses have been determined based on the exposure to interest rates and inflation indexes for both derivative and non-derivative instruments at the end of the reporting period. For variable rate liabilities, a sensitization is performed assuming that the amount of the liability outstanding at the end of the reporting period has been the liability outstanding for the entire year. When reporting internally to key management personnel on interest rate risk, an increase or decrease of 100 basis points over the spot rate of the indicator is used, which represents management's assessment of the reasonable potential change in interest rates.

During the period there have been changes in the methods and assumptions used for the sensitivity analysis going from 25% to 100PB over the sport rate of the indexer as a homologation to the policies established by the Company.

	IPC		SOF		IBR	
	December 2024	March 2024	December 2024	March 2024	December 2024	March 2024
100PB increase over the spot rate of the indexer						
Income before income taxes, expressed in millions of Mexican pesos	6.664	7.877			2.720	3.352
Other comprehensive income	30.557	35.715	11.969	4.748	(6.259)	(6.663)

26.6. Foreign currency derivative contracts

The following table details the foreign currency derivative contracts under hedge accounting outstanding at the end of the reporting period:

	Average rate derivative contract		Notional value of the underlying in Colombian pesos ⁽¹⁾		Fair value of assets (liabilities)	
	December 2024	March 2024	December 2024	March 2024	December 2024	March 2024
United States dollar						
1 year or less, forward of purchase	-	4.507	-	376.772	-	(57.925)
1 to 5 years, swap purchase	3.930	4.185	749.556	384.230	49.493	(62.725)
1 year or less, forward of sale	-	4.030	-	949.316	-	27.697
Total foreign currency derivative contracts			749.556	1.710.318	49.493	(92.953)

⁽¹⁾ The notional value of the underlying includes values in U.S. dollars, for disclosure purposes these amounts have been converted to Colombian peso applying the closing exchange rate in effect for each reporting date.

The following tables detail the notional principal amounts and remaining terms of the forward and swap contracts outstanding at the end of the reporting period.

26.7. Interest rate and liquidity risk tables

The following tables detail the remaining contractual maturity of Cementos Argos S.A. for its non-derivative financial liabilities with agreed repayment periods. The tables have been designed based on the undiscounted cash flows of the financial liabilities at the date on which the Company is required to make payments. The tables include both interest and principal cash flows. To the extent that interest is at a variable rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the minimum date on which the Company must make payment.

	Weighted average effective rate	1 year or less	From 1 to 5 years old	5 years or more	Total contractual cash flows	Value in books
December 31, 2024						
Floating rate instruments	11,48%	719.204	2.035.547	1.691.260	4.446.011	3.002.945
Fixed interest rate instruments	12,23%	166.522	316.540	-	483.062	410.219
Other liabilities		5	21	354	380	88
		885.731	2.352.108	1.691.614	4.929.453	3.413.252
March 31, 2024						
Floating rate instruments	13,91%	1.318.970	1.962.129	2.282.814	5.563.913	3.441.093
Fixed interest rate instruments	13,34%	174.121	122.136	-	296.257	261.387
Other liabilities		2.516	10.710	186.211	199.437	44.835
		1.495.607	2.094.975	2.469.025	6.059.607	3.747.315

The following table details the Company's liquidity analysis for its derivative financial instruments. The table has been designed based on the discounted contractual net cash flows that cancel on a net basis, and the gross discounted cash flow on those derivatives that

require a gross payment. Where the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to projected interest rates as illustrated by yield curves at the end of the reporting period.

As of December 31, 2024 and March 31, 2024 the Company has no derivative contracts that are settled on a gross basis.

	December 31, 2024				March 31, 2024			
	1 year or less	From 1 to 5 years old	5 years and older	Total	1 year or less	From 1 to 5 years old	5 years and older	Total
Net settled amount:								
Forward	645	-	-	645	(30.228)	-	-	(30.228)
Swaps	(28.706)	38.969	(27.659)	(17.396)	(7.403)	(100.226)	(7.980)	(115.610)
Options	-	53.031	-	53.031	-	-	-	-
	(28.061)	92.000	(27.659)	36.280	(37.631)	(100.226)	(7.980)	(145.838)

26.8. Collateral guarantee

In 2024, the financial assets pledged as collateral are as follows:

- 27,194,423 shares of the issuer Grupo de Inversiones Suramericana S.A. to the financial entity Banco Santander as collateral for two loans for USD 130 million taken in 2021 and 2024. For such operation, U\$2,055,958.98 are also pledged as collateral.
- The subsidiary Argos SEM LLC, has pledged 360,600 shares of Argos Puerto Rico Corp. common stock to secure the credit facility between Argos Puerto Rico Corp. and Banco Popular de Puerto Rico. Under this credit facility, the accounts receivable, deposit accounts and inventory of Argos Puerto Rico Corp. were also pledged.

At the end of 2024 the company has no shares of Grupo de Inversiones Suramericana as collateral for repo liabilities.

26.9. Fair value of financial assets and liabilities

The Company determines the fair value of all its financial assets and liabilities in the reporting period for measurement or disclosure in the financial statements.

The following table shows for each of the fair value hierarchy levels, the Company's assets and liabilities measured at fair value as of December 31, 2024 and March 31, 2024:

	December 31, 2024			March 31, 2024		
	Level 1	Level 2	Total fair value	Level 1	Level 2	Total fair value
Financial derivatives	-	111.288	111.288	-	199.720	199.720
Financial liabilities at fair value	-	111.288	111.288	-	199.720	199.720
<i>Financial assets at fair value:</i>						
In the results		3.100	3.100		2.984	2.984
In other comprehensive income (see note 8)	1.056.911	4.921	1.061.832	866.097	4.298	870.395
Financial derivatives	-	147.399	147.399	-	63.865	63.865
Financial assets at fair value	1.056.911	155.420	1.212.331	866.097	71.147	937.244
Net assets (liabilities) at fair value	1.056.911	44.132	1.101.043	866.097	(128.573)	737.524

The carrying amounts and estimated fair values of assets and liabilities of Cementos Argos S.A. that are not recognized at fair value in the separate statement of financial position, but require disclosure at fair value as of December 31, 2024 and March 31, 2024 are as follows:

	December 31, 2024		March 31, 2024	
	Book value	Fair value, Level 2	Book value	Fair value, Level 2
Non-interest bearing financial liabilities	500.159	500.159	484.926	484.926
Floating rate instruments	3.002.945	2.868.799	3.441.093	3.333.563
Fixed interest rate instruments	410.219	423.245	261.387	266.533
Other liabilities	88	76	44.835	30.711
Financial liabilities measured at value	3.913.411	3.792.279	4.232.241	4.115.733
Cash and cash equivalents	610.177	610.177	145.857	145.857
Accounts receivable	377.373	377.373	717.041	723.612
Financial assets measured at fair value	987.550	987.550	862.898	869.469
Net financial liabilities measured at fair value	(2.925.861)	(2.804.729)	(3.369.343)	(3.246.264)

As of December 31, 2024 and March 31, 2024, there were no transfers between fair value hierarchy levels and no changes in assets and liabilities measured at fair value on a recurring basis using unobservable inputs classified in level 3 of the fair value hierarchy.

NOTE 27: ISSUED CAPITAL

As of December 31, 2024 and March 31, 2024, the authorized capital is comprised of 1,500,000,000 shares with a par value in pesos of \$416 each, for a total value of \$624,000. The subscribed and paid-in capital consists of 1,411,481,471 (1,234,054,317) common shares and 464,508 (209,197,850) preferred shares with a par value in pesos of \$416 for a total of \$587,176 (\$513,367) and \$193 (\$87,026), respectively. Own shares repurchased are 109,677,767 (84,018,157). As of December 31, 2024 and March 31, 2024, outstanding shares are 1,302,268,212 (1,359,234,010). The separate statement of changes in shareholders' equity includes additional paid-in capital of \$1,702,849 (\$1,642,158).

27.1. Conversion of preferred and non-voting dividend shares into stock

Cementos Argos S.A. successfully concluded the process of converting its non-voting preferred dividend shares ("preferred shares") into common shares at a ratio of 0.85 common shares for one preferred share, as approved by the Shareholders' Meeting on March 18 and subsequently by the Colombian Financial Superintendency.

The conversion was carried out after a period of 10 business days for receipt of notices of non-conversion, during which those shareholders who decided to keep their preferred shares communicated such decision to the Company. As a result of this process, 99.8% of the preferred shares were converted into common shares and, thus, the latter now represent 99.96% of the Company's outstanding shares.

The preferred shares issued by Cementos Argos S.A. in 2013 did not contemplate conversion mechanisms, so their replacement by common shares in May 2024 entails the decision of the holders of the preferred shares, who were already shareholders of the Company, but without voting rights, to anticipate their maturity in order to achieve new conditions for their securities that now basically allow them to vote but without having the right to the preferred dividend.

Considering the foregoing and that the conversion of the preferred shares did not involve cash payments, it was concluded that the transaction does not involve either a repurchase or a payment of liabilities with shares, but is more related to the capitalization of a liability, in accordance with which the accounting management should be aligned with the provisions of either paragraph 16F or paragraph AG32 of IAS 32, according to which the amounts recognized in equity of the preferred shares should be transferred to common stock accounts considering the par value of the shares and the differential increasing or decreasing the additional paid-in capital, and the liability that remains recorded in the accounting at its amortized cost should be derecognized from the liability and recorded in equity increasing the additional paid-in capital of the common shares, without generating any gain or loss in the recording.

27.2. Share repurchase program

On March 18, 2024, the Shareholders' Meeting approved the second phase of the common and preferred share repurchase program for an amount of \$125,000 million. The term to carry out the program is two (2) years as from its approval by the Shareholders' Meeting, that is, until March 18, 2026.

On June 13, 2024, the Shareholders' Meeting authorized, with the required majority, the extension of the Share Repurchase Program and consequently approved the allocation of \$375,000 million from the share repurchase reserve to such program. With this approval, the value of the Share Repurchase Program amounts to \$500,000 million, whose term of execution will be until March 18, 2026.

The Company's investments in associates and joint ventures do not hold any common or preferred shares of Cementos Argos S.A. or any of its subsidiaries at the reporting date or in comparative periods. The Company has not reserved any common or preferred shares under option contracts or contracts for the sale of shares.

Cementos Argos S.A. may only acquire its own shares by decision of the General Shareholders' Meeting with the favorable vote of the number of subscribed shares determined by law, with funds taken from liquid profits and provided that such shares are fully paid up.

27.3. Reconciliation of common stock

		Number of shares	Capital stock	Additional paid-in capital
Balance sheet as of March 31, 2024	Paid-in shares of common stock	1.234.054.317	513.367	268.089
Balance sheet as of March 31, 2024	Preferred stock	209.197.850	87.026	1.374.069
Balance sheet as of December 31, 2024	Paid-in shares of common stock	1.411.481.471	587.176	1.699.798
Balance sheet as of December 31, 2024	Preferred stock	464.508	193	3.051

Each ordinary share confers on its owner the right to participate in the decisions of the General Shareholders' Meeting and to vote therein, to freely negotiate the shares, to freely inspect the corporate books and papers within fifteen (15) business days prior to the meetings of the General Meeting at which the year-end financial statements are examined and to receive a proportional part of the

corporate assets, at the time of liquidation and once the company's external liabilities have been paid, among others included in the corporate bylaws.

Shareholders holding common shares shall have the right to subscribe preferentially in any new issue of common shares, an amount proportional to those held on the date on which the competent corporate body approves the subscription regulations.

NOTE 28: RESERVES AND OTHER COMPREHENSIVE INCOME

28.1. Reserves

Legal reserve

The company is obliged to appropriate 10% of its annual net income as a legal reserve until the balance of this reserve is equivalent to 50% of the subscribed capital. As of December 31, 2024 and March 31, 2024, the value of the legal reserve amounts to \$303,546 and \$272,646, respectively, and increases from one period to the other due to the considerations described in the plan of action. distribution of income for the year 2024. The value of the legal reserve without including other equity adjustments such as the equity method of accounting.

The Company's equity in the net income of subsidiaries amounted to \$293,686 and \$262,786, respectively.

The reserve is not distributable prior to the liquidation of the Company, but must be used to absorb or reduce net losses. annual appropriations. Appropriations made in excess of 50% of the amount previously disbursed are freely available by the General Shareholders' Meeting. mentioned.

Reserve for share repurchase

This reserve, on repurchased treasury stock, in accordance with the provisions of the Commercial Code, is distributable only to shareholders until the shares are sold again. As long as the shares are owned by the Company, they will remain in rights inherent to them are suspended.

On June 13, 2024, the Shareholders' Meeting authorized, with the required majority, the extension of the Repurchase Program. The Company approved the allocation of \$375,000 million from the share repurchase reserve to the share repurchase program. With this approval, the value of the Share Repurchase Program amounts to \$500,000 million, whose term of execution will be until March 18, 2026.

As of December 31, 2024 and March 31, 2024, the value of the share repurchase reserve is:

	December 2024	March 2024
Reserve for share repurchase	738.797	363.797
Own shares repurchased	(452.506)	(238.797)

In addition to the reserves established by law or the bylaws, the General Shareholders' Meeting may establish reserves with the following amounts unrestricted and earmarked. It is increased from one period to another due to the considerations described in the 2024 profit distribution plan.

Reserves for equity enhancement

In addition to the reserves established by law or the bylaws, the General Shareholders' Meeting may establish reserves with free availability and specific destination. It is increased from one period to another due to the considerations described in the profit distribution plan for the year 2024.

NOTE 29: RETAINED EARNINGS AND DIVIDENDS

Retained earnings

	December 2024	March 2024
Balance at beginning of year	6.758.564	1.770.796
Loss attributable to owners of the Company	(297.932)	(536.911)
Common and preferred dividends distributed in cash	43.263	291.250
Dividends recovered Repurchase of Common Stock	5.197	-
Dividends recovered on repurchase of Preferred Stock	62	-
Establishment of reserves	493.650	287.855
Equity in the net income of subsidiaries	(5.356.639)	4.946.513
Other variations	(40)	(939)

29.2 Dividends declared

The Extraordinary Stockholders' Meeting held on June 13, 2024 declared cash dividends on the common and preferred stock of \$324.06 per share per year, payable in three (3) installments, as follows:

In July 2024, between the 15th and 26th of the month, a share of \$83.8 pesos per share, of which \$83 will be distributed in cash and \$0.8 will be distributed as retained earnings.

In October 2024, between the 15th and 25th of the month, a share of \$83.8 pesos per share, of which \$83 will be distributed in cash and \$0.8 will be distributed as retained earnings.

In January 2025, between the 8th and 22nd of the month, a share of \$156.46 pesos per share, of which \$155 will be distributed in cash and \$1.46 will be distributed as retentions to be carried forward.

The dividend payment was made on April 17, 2023, for a total amount of \$127,992 corresponding to \$108,585 and \$19,407 of common and preferred shares, respectively.

Additionally, in an extraordinary meeting held on June 22, 2023, an extraordinary dividend payment was approved on common and preferred shares at the rate of \$229.77 per share, for a total of \$317,008, to be paid in three cash installments corresponding to \$89,647 and 16,022 of common and preferred shares, in July, October and December 2023.

During the period, Cementos Argos S.A. declared the following dividends:

Dividends declared	Shares	April 1 through December 31, 2024		April 1 to December 31, 2023 (Unaudited)	
		dividend per share	Total	dividend per share	Total
Cementos Argos S.A.					
Ordinary (extraordinary) dividend	1.322.314.765 (1.170.478.742)	324.06 per year	428.509	229.77 per year	268.941
Preferred dividend (extraordinary)	464.508 (209.197.850)	324.06 per year	151	229.77 per year	48.066
Total dividends declared			428.660		317.007

During the period, Cementos Argos S.A. made the following dividend payments:

Dividends declared	Shares	April 1 through December 31, 2024		April 1 to December 31, 2023 (Unaudited)	
		dividend per share	Total	dividend per share	Total
Cementos Argos S.A.					
Ordinary dividend	1.154.508.739 (1.170.478.742)	⁽¹⁾ 441.60 per annum	355.205	322.54 per year	377.527
Preferred dividend	206.897.961 (209.197.850)	⁽¹⁾ 441.60 per annum	24.396	322.54 per year	67.474
			379.601		445.001

(1) (The \$441.60 pesos per share corresponds to earnings distributed as of December 31, 2023 of \$117.54 and earnings distributed from January 1 to March 31, 2024 of \$324.06).

NOTE 30: INCOME FROM ORDINARY ACTIVITIES

Below is an analysis of Cementos Argos S.A.'s income for the period for continuing operations (excluding financial income - see note 34).

	April 1 to December 31, 2024	2023 (Unaudited)
Income from sale of goods	1.287.658	1.425.635
Income from services rendered	56.443	109.502
	1.344.101	1.535.137
Net equity in income of investees	499.185	740.520
	1.843.286	2.275.657

Cementos Argos S.A. has no commitments that are estimated to generate losses.

Cementos Argos S.A.'s operating income is generated primarily from the sale of cement. Sales are highly dependent on the performance of the construction industry, including residential, commercial and infrastructure projects, in each of the countries where Cementos Argos S.A. operates or products are sold. Fluctuations in the performance of the construction industry significantly affect the volumes of cement the Company is able to sell, as well as the sales prices the Company is able to receive for its products.

30.1. Net equity in income of investees

	2024	2023 (Unaudited)
Argos SEM, LLC	334.967	477.214

Argos Free Trade Zone	133.105	114.130
Corporations and Investments of the Caribbean Sea S.A.S.	24.711	41.862
Valle Cement Investments INC	4.118	62.934
Transatlantic Cement	15.428	34.592
Concretos Argos S.A.S.	7.045	(3.131)
C.I. del Mar Caribe BVI	1.394	3.833
Argos Panamá S.A.	391	10.222
Colcaribe Holding S.A.	1.072	(1.652)
Transportation Logistics S.A.	421	1.715
BMR Ltd	(483)	153
Cementos de Caldas S.A.	9	19
Credit Solutions S.A.S.	-	(348)
SUMMA - Integral Corporate Services S.A.S.	(88)	82
Saint-Gobain Colombia S.A.S.	(1.074)	(919)
Haiti Cement Holding S.A.	(21.831)	(186)
	499.185	740.520

30.2. Contractual balances of contracts with customers

The changes in the contract liabilities during the period are presented below:

	December 2024	March 2024
Balance at beginning of period	53.324	58.866
Advances and revenues received in advance customers nations	44.814	53.015
Amounts included in contract liabilities that were recognized as current period revenue	(53.324)	(58.866)
Advances and revenues received in advance from foreign customers	352	309
Balance at end of period	45.165	53.324

30.3. Performance obligations

The final balance of the performance obligations of \$45,165 (March 2024 \$ 53,324), is expected to be satisfied in a period of less than one year. As of December 31, 2024 and March 31, 2024, the Company has no commitments that are expected to result in losses.

NOTE 31: ADMINISTRATIVE EXPENSES

Administrative expenses as of December 31 included the following:

	2024	(Unaudited)
Personnel expenses	124.852	116.334
Services	45.900	40.832
Fees	20.915	9.380
Maintenance and repairs	8.261	10.330
Insurance	7.983	8.101
Travel expenses	7.277	6.298
Depreciation of property, plant and equipment	7.183	5.992
Contributions and affiliations	3.404	2.493
Taxes	2.611	5.213
Leases	2.178	2.311
Amortization of intangible assets	664	5.448
Transportation	625	546
Legal expenses	438	237
Casino and restaurant	405	385
Adequacy and repairs	237	543
Commissions	135	51
supplies and stationery	85	118
Representation and public relations expenses	63	103
Impairment of accounts receivable	31	45
Various	(1.192)	4.680
	232.055	219.440

NOTE 32: SELLING EXPENSES

Selling expenses as of December 31 included the following:

	2024	2023 (Unaudited)
Personnel expenses	31,924	28,950
Services	16,910	19,866
Taxes	10,050	12,443
Travel expenses	2,065	1,722
Depreciation of property, plant and equipment	807	756
Contributions and affiliations	795	747
Transportation	725	834
Insurance	565	468
Fees	537	(501)
Maintenance and repairs	348	1,228
Casino and restaurant	160	151
Legal expenses	57	23
Leases	30	30
Supplies and stationery	7	21
Representation and public relations expenses	3	136
Adequacy and installation	3	6
Amortization of intangible assets	-	31
Impairment of accounts receivable	(84)	731
Various	889	1,494
Grand Total	65,791	69,136

NOTE 33: OTHER NET OPERATING (EXPENSES) INCOME

Other net operating income as of December 31 included the following:

	2024	2023 (Unaudited)
Gain on recoveries	9,909	7,050
Gain on sale of fixed assets and other assets	2,817	6,542
Valuation income (loss)	5,654	2,574
Gain on use	1,980	1,497
Assumed tax loss 4*1000	(16,219)	(16,343)
Gain on subsidies	76	-
Litigation loss	(6,603)	(4,053)
(Loss) gain on disposal of portfolio and fixed assets	277	(863)
Loss on donations	(1,189)	(1,972)
Loss from other taxes assumed	(2,309)	(4,029)
(Loss) other income and expenses	(15,445)	(1,190)
(Loss) gain on severance indemnities	28	-
	(21,024)	(10,787)

NOTE 34: FINANCIAL INCOME

	2024	2023 (Unaudited)
Interest income	27,628	42,883
Other financial income	36,519	9,712
Total financial income	64,147	52,595

NOTE 35: FINANCIAL EXPENSES

	2024	2023 (Unaudited)
Interest on bonds and preferred stock	197,047	317,338
Interest from financial derivatives	88,192	36,616

Interest on overdrafts and bank loans	128.390	145.898
Interest on related party loans	43.712	38.110
Other financial expenses	6.766	5.295
Total interest expense on financial liabilities	464.107	543.257
Less amounts included in the cost of qualifying assets	-	-
Total interest expense on financial liabilities recorded in the income statement	464.107	543.257
Interest expense on lease liabilities (See note 21)	5.594	5.857
Effect of discounting provisions and employee benefits	17.494	21.786
Total financial expenses	487.195	570.900

NOTE 36: INCOME FOR THE YEAR FROM CONTINUING OPERATIONS

Income for the year from continuing operations is attributable to:

	2024	2023 (Unaudited)
Company Controllers	201.253	241.568

Income for the year from continuing operations amounted to the amounts expressed above, after the following charges (credits):

36.1. Impairment losses on financial assets

	December 2024	March 2024
Impairment losses on trade receivables	53	129
Reversal of impairment losses on trade accounts receivable	203	222

36.2. Depreciation and amortization expense

	December 2024	March 2024
Depreciation of property, plant and equipment ⁽¹⁾	115.601	18.613
Amortization of intangible assets	8.862	4.784
Depreciation of right-of-use assets ⁽²⁾	12.253	3.554
Total depreciation and amortization expense	136.716	26.951

⁽¹⁾ The total depreciation value of Property, plant and equipment (note 17) corresponds to \$116,153 (March 2024 \$ 27,196) of which \$552 (March 2024 \$ 8,583) is capitalized in inventory.

⁽²⁾ The total depreciation value of the assets for rights of use in leases (note 21) corresponds to \$12,212 (March 2024 \$ 4,145) of which \$41 (March 2024 \$ 591) is capitalized in inventory.

NOTE 37: RELATED PARTY DISCLOSURES

The immediate parent company of Cementos Argos S.A. is Grupo Argos S.A. with its principal place of business in Medellín, Colombia, which holds a 54.22% interest in the Company (March 2024 61.23%).

37.1. Qualitative information about relationships between related parties.

37.1.1. Relationships that take place between Cementos Argos S.A. and subsidiaries or between the same subsidiaries

- Purchase and sale of clinker between Cementos Argos S.A. and its subsidiaries and between our subsidiaries themselves, regardless of the region in which they are located; the transaction consists of clinker producing companies selling clinker to cement producing companies, and the latter use it as raw material for cement production.

- Purchase and sale of cement between Cementos Argos S.A. and its subsidiaries and among our subsidiaries themselves, regardless of the region where they are located; the transaction consists of cement producing companies selling cement to concrete producing companies, and the latter use it as raw material for concrete production. In the case of sales and purchases between cement companies, cement is transferred for the purpose of trading.

- Purchase and sale of aggregates between Cementos Argos S.A. and its subsidiaries and between our subsidiaries themselves, regardless of the region in which they are located; the transaction consists of aggregates producing companies selling aggregates to cement or concrete producing companies, which use them as raw materials for their products.

- Provision of transportation services between Logitrans S.A. and Cementos Argos S.A., Concretos Argos S.A.S. and Zona Franca S.A.S.; the transaction consists of Logitrans S.A., as freight intermediary, subcontracting with third parties the transportation of Cementos Argos S.A.'s products or raw materials.

- Management support contracts between Cementos Argos S.A., with Argos Honduras S.A., Argos Dominicana S.A., Cimenterie Nationale S.E.M., Vensur NV, Argos Puerto Rico LLC, Argos Panamá and Ciments Guyanais; the transaction consists of Cementos Argos S.A. providing management support services to the aforementioned subsidiaries in exchange for consideration. Among the services rendered are basically administrative management services.

- Lease agreements between Cementos Argos S.A. and its subsidiaries and between our subsidiaries themselves, the transaction consists of the lessor delivering as lessee the right to use real estate and the river transportation fleet for the development of its activities.

- Provision of maritime transportation services between Transatlantic Cement Carriers Inc. and Cementos Argos S.A. and/or its subsidiaries. The transaction consists of Transatlantic Cement Carriers Inc. acting as a maritime transportation intermediary, subcontracting with third parties the transportation of products or raw materials of Cementos Argos S.A. and/or its subsidiaries.

37.1.2. Relationships that take place between Grupo Argos S.A. with Cementos Argos S.A. and/or with its subsidiaries

- Lease of real estate between Grupo Argos S.A. and/or its subsidiaries and Cementos Argos S.A. and/or its subsidiaries; the transaction consists of Grupo Argos S.A. and/or its subsidiaries leasing space (offices, warehouses and/or lots) to Cementos Argos S.A. and/or its subsidiaries, so that the latter may develop their activities, either productive or administrative.

37.1.3. Relationships occurring between entities exercising significant influence over the ultimate parent company and the group.

- Cementos Argos S.A. and its subsidiaries take out property, casualty and personal insurance, mainly through the life and general insurance companies that are part of the Suramericana Investment Group. This operation is carried out to cover property losses in all the regions, using the risk retention and distribution schemes negotiated jointly with these insurers, all in accordance with the regulations applicable in the corresponding jurisdiction.

37.1.4. Relationships between Cementos Argos S.A. and subsidiaries of Grupo Argos.

- Purchase and sale of energy between Celsia S.A. and Zona Franca Argos S.A.S.; the transaction consists of Zona Franca Argos S.A.S. supplying energy to Celsia S.A. for the purpose of being marketed.

37.1.5. Relationships occurring between the Group and investments in associates

- Sale of cement and concrete to Summit Materials INC. an associate of Cementos Argos S.A.; the transaction consists of the sale of cement and concrete to the associate for the elaboration of infrastructure works in the United States region.

- Rendering of business services. The transaction consists of SUMMA Servicios Corporativos Integrales S.A.S., an associate of the Group, and Cementos Argos S.A., providing financial and administrative support business services to the associate Summit Materials INC.

- Rendering of business services. The transaction consists of SUMMA Servicios Corporativos Integrales S.A.S. rendering specialized business and administrative support services to Cementos Argos S.A. through the execution of an operating mandate contract without representation, in exchange for a consideration for such services. Among the services rendered are basically financial, administrative, legal assistance, purchasing, human resources, risk and insurance, communications and information technology services, among others. Under the mandate contract, SUMMA Servicios Corporativos Integrales S.A.S. pays all expenses necessary to carry out its operations and at the end of each period requests reimbursement from Cementos Argos S.A. for such expenses.

- Air transportation service between Internacional Ejecutiva de Aviación S.A.S. and Cementos Argos S.A.; the transaction consists of Internacional Ejecutiva de Aviación S.A.S. providing air transportation to Cementos Argos S.A.'s senior executives.

37.1.6. Relationships occurring between the group and investments in joint ventures

- Sale of cement and concrete to joint ventures of Odinsa S.A. subsidiary of Grupo Argos S.A.; the transaction consists of the sale of cement and concrete to consortiums of Odinsa S.A. for the elaboration of infrastructure works in different regions of the country.

- Provision of Ocean Freight Service between Transatlantic Cement Carriers Inc. and Trans Atlantic Shipmanagement Ltd. The transaction consists of Trans Atlantic Shipmanagement Ltd. (among other suppliers) providing the service of maritime chartering and leasing of vessels to Transatlantic Cement Carriers Inc. for the transportation of raw materials and finished products for Cementos Argos S.A. and/or its subsidiaries.

37.2. Transactions between related parties

	Matrix	Entities with significant influence in the Group	Subsidiaries	Associated	Joint ventures	Key management personnel	Total related parties
2024							
Sale of goods and other income	207	-	1,509,966	15,244	-	-	1,525,427
Purchase of goods and other expenses	-	26,022	78,026	4,414	-	45,293	153,755
Amounts receivable	26	9,398	168,412	1,791	-	-	180,167
Amounts payable	110,450	1,974	1,260,984	4,268	-	-	1,377,676
Lease assets	-	-	11	3,035	-	-	3,046
Lease liabilities	-	-	16	5,398	-	-	5,414
2023							
Sale of goods and other income (Unaudited)	548	-	767,769	(13)	-	-	768,868
Purchase of goods and other expenses (Unaudited)	(198)	16,528	52,424	1,557	-	37,557	107,868
Amounts receivable	1,372	9,094	196,503	180	-	-	207,149
Amounts payable	16	1,898	618,633	4,278	-	-	624,825
Lease assets	-	-	5,806	-	-	-	5,806
Lease liabilities	-	-	11,759	-	-	-	11,759

As of December 31, 2024 and March 2024 Cementos Argos S.A. has not recognized impairment and impairment expense for securities receivable from related parties. Cementos Argos S.A. has not received or granted any guarantees of balances receivable from or payable to related parties. Transactions between the reporting company and its related parties are carried out under conditions equivalent to those existing in transactions between independent parties.

The average term of accounts receivable from related parties with respect to the sale of goods is 30 days; accounts payable between related parties have an average term of 30 days. The average term of loans made by the Company for the year 2024 is 1 month in pesos and 60 months in dollars, agreed at a rate in pesos of 12.88% and 6.16%, respectively. The average term of loans for the year 2024 is 3 months in pesos, agreed at a rate in pesos of 14.00%.

37.3. Compensation of the Board of Directors and key management personnel

	2024	2023
Salaries and other short-term employee benefits	41,699	34,857
Pensions and other post-employment benefits	3,594	2,700
Total key management personnel compensation for the period	45,293	37,557

Members of key management personnel include members of the Board of Directors, Nomination and Compensation Committee, Audit and Finance Committee, Sustainability and Corporate Governance Committee, Steering Committee (comprised of the President and Vice Presidents), and any other committee reporting directly to the Boards of Cementos Argos S.A. and Grupo Argos S.A., and Managers and their immediate families.

NOTE 38: EXCHANGE DIFFERENCE

	2024	2023 (Unaudited)
Exchange difference income ⁽¹⁾	138,166	151,250
Exchange difference expense ⁽²⁾	154,997	179,779
Foreign exchange loss, net	(16,831)	(28,529)

⁽¹⁾ Of the exchange difference income \$ 132,094 is realized and \$6,072 is unrealized.

⁽²⁾ Of the exchange difference expense \$142,599 is realized and \$ 12,397 is unrealized.

NOTE 39: CONTINGENT ASSETS AND LIABILITIES

As of the date the financial statements are issued, there are certain contingent conditions that may result in a loss for Cementos Argos S.A. or its subsidiaries. These contingencies are estimated by Management and its legal advisors based on their professional judgment. Considering the variability of the processes, it is possible that the probability of occurrence may vary in the future.

In estimating contingencies, legal counsel evaluates, among other aspects, the merits of the claims, related case law and the status of each of the proceedings to date. It is believed that these matters will be resolved without any material effect on our operations, financial position or results of operations.

39.1 CONTINGENT ASSETS

At the date of preparation of the notes to the financial statements, Cementos Argos S.A. and its subsidiaries are parties to legal proceedings, acting as plaintiff, where the income or recovery of contingent assets exceeding \$5,000 (five billion pesos) individually is expected; in any case, there are executive proceedings initiated by Cementos Argos S.A. and its subsidiaries against third parties for the recovery of the portfolio through the judicial process. Cementos Argos S.A. considers that the estimated time of termination of these processes ranges between three (3) and eight (8) years approximately.

39.2 CONTINGENT LIABILITIES

As of the date of preparation of the notes to the financial statements, we state that Cementos Argos S.A. or its subsidiaries are parties to legal proceedings of different nature, acting both as plaintiffs and defendants, which are being diligently attended by qualified lawyers hired by each company. The disputes are civil, administrative, criminal and fiscal; these types of litigation are those that arise in the ordinary course of business carried out by any company of the size of Cementos Argos S.A. and its subsidiaries. We consider that the estimated time of completion of these processes ranges between three (3) and eight (8) years approximately.

VALORIZATION PUERTO NARE

In December 2018 Cementos Argos S.A. filed a claim for nullity and reestablishment of rights against a valuation contribution resolution for the rectification and paving of the "Puerto Nare - Puerto Triunfo" road in the department of Antioquia for COP 18,000 million. The claim was admitted and in the answer to the claim, the Department of Antioquia called as guarantor the firm that performed the valuation study. The company filed a written statement on the answer to the claim and again requested the suspension of the administrative act containing the valuation contribution. The tests were performed and the first instance ruling is pending. We have not recorded any accounting provision as we consider that we have sufficient arguments to disprove the payment obligation attributed to the company.

39.3 COMMITMENTS MADE

In December 2023 a coal purchase commitment agreement was signed with the supplier Sator S.A.S., where Cementos Argos S.A. and Zona Franca Argos S.A.S., commit to purchase 320,000 tons of total coal during January to April 2025. The value per ton will be COP\$225,000 (pesos). There will be no automatic extension, but the parties may extend its term by signing an additional agreement. In the event of a default in the purchase of coal by the companies, the value not purchased and committed to the supplier must be paid.

NOTE 40: EVENTS AFTER THE REPORTING PERIOD

The company evaluated subsequent events up to January 29, 2025, the date on which the separate financial statements were approved by the board of directors. The company concluded that no significant events have occurred that require recognition or disclosure in the separate financial statements.

ANNEX G

Financial Statements for Grupo Argos

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GRUPO ARGOS
Investments that transform



Grupo Argos S.A.

Separate Financial Statements
as at 31 December 2024 and 2023

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CERTIFICATION OF THE LEGAL REPRESENTATIVE OF THE COMPANY

Medellin, 30 January 2025

To the Shareholders of Grupo Argos S.A.

In my capacity as Legal Representative, I hereby certify that the Separate Financial Statements as of the closing date of 31 December 2024 that are being disclosed do not contain defects, inaccuracies or material errors that would prevent knowing the true financial position or the transactions performed by Grupo Argos S.A. during the corresponding period.



Jorge Mario Velásquez Jaramillo
CEO
Legal Representative

CERTIFICATION OF THE LEGAL REPRESENTATIVE AND THE ACCOUNTANT OF THE COMPANY

Medellin, 30 January 2025

To the Shareholders of Grupo Argos S.A.

The undersigned Legal Representative and the Accountant of Grupo Argos S.A. (hereinafter the Company), certify that the Separate Financial Statements of the Company as at 31 December 2024 and 2023, have been faithfully taken from the accounting records and that before making them available to you and third parties, the following statements contained therein have been verified:

- a) Assets and liabilities included in the Company's financial statements as at 31 December 2024 and 2023 exist and all transactions included in said statements have been made during the years ended on those dates.
- b) The economic events completed by the Company during the years ended 31 December 2024 and 2023 have been recognized in the financial statements.
- c) Assets represent probable future economic benefits (rights) and liabilities represent probable future economic sacrifices (obligations), obtained or at the expense of the Company as at 31 December 2024 and 2023.
- d) All items have been recognized at their appropriate values in accordance with the Accounting and Financial Reporting Standards accepted in Colombia.
- e) All economic events affecting the Company have been correctly classified, described and disclosed in the financial statements.



Jorge Mario Velásquez Jaramillo
CEO
Legal Representative



Claudia Patricia Álvarez Agudelo
Accountant
Registration 69447-T

(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
STATUTORY AUDITOR'S REPORT

To the Shareholders
Grupo Argos:

Report on the audit of the financial statements

Opinion

I have audited the separate financial statements of Grupo Argos (the Company), which comprise the separate statement of financial position as of December 31, 2024, and the separate statements of income, other comprehensive income, changes in equity and cash flows for the year then ended, and the related notes, which comprise the material accounting policies and other explanatory information.

In my opinion, the aforementioned separate financial statements, prepared in accordance with information fairly extracted from the books and attached to this report, present fairly, in all material respects, the separate financial position of the Company as of December 31, 2024, the separate results of its operations and its separate cash flows for the year then ended in accordance with the Colombian Accounting and Financial Reporting Standards, applied on a basis consistent with that of the preceding year.

Basis for opinion

I conducted my audit in accordance with the International Standards on Auditing accepted in Colombia (ISAs). My responsibilities in accordance with those standards are described in the section "Responsibilities of the statutory auditor in connection with the audit of the separate financial statements" of my report. I am independent in relation to the Company, in accordance with the Code of Ethics for Accounting Professionals issued by the International Ethics Standards Board for Accountants (IESBA Code) included in the Information Assurance Standards accepted in Colombia together with the ethical requirements that are relevant to my audit of the separate financial statements established in Colombia and I have complied with my other ethical responsibilities in accordance with these requirements and the abovementioned IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the separate financial statements of the current period. These matters were addressed in the context of my audit of the separate financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Evaluation of the share exchange transaction (see note 40.3 to the separate financial statements)

Key Audit Matter	How it was addressed in the Audit
<p>As indicated in note 40.3 to the separate financial statements, in year 2024 the Company presented a share exchange transaction, which was carried out in four relevant moments 1) First exchange. 2) Public takeover bid 3) Second share exchange and 4) Liquidation of Sociedad Portafolio S.A., as a result of the above, the most representative accounting movements in the separate financial statements are the following:</p> <ul style="list-style-type: none"> • Decrease in non-current assets held for sale of \$ 2,094,787 million (Note 17) • Increase in investments in associates and joint ventures of \$ 2,574,512 million (Note 15.3) • Reclassification of \$ 1,619,808 million to retained earnings from other comprehensive income (ORI for) and from retained earnings from the first-time adoption of IFRS. <p>I considered this transaction as a key audit matter because it is a material unusual transaction. Significant audit effort was required to evaluate the related evidence, including the involvement of professionals with specific skills in legal matters.</p>	<p>My audit procedures for this exchange transaction included, among other things:</p> <ul style="list-style-type: none"> • Evaluation of certain internal controls related to the Company's process for approving unusual transactions and verifying their proper accounting in compliance with the accounting framework. These controls included: 1) Board approval of the transaction, and 2) evaluation of the design, implementation and operating effectiveness of the control established by the Company, which includes (i) identification of unusual and/or significant transactions (ii) identification of the accounting treatment to validate whether it complies with the Company's policies. • Evaluation of the competence and capability of the Company's accounting, tax and legal professionals, who evaluated the share exchange transaction in accordance with the applicable regulations in Colombia. • With the involvement of professionals with specialized knowledge I evaluated the conclusions reached by the Company. The legal affairs area assisted me in validating the legal positions related to the legal mechanism to avoid a control situation. • Evaluation of the adequacy of the disclosures on the exchange of shares in the notes to the separate financial statements.

Evaluation of the recoverability of investments in subsidiaries and a significant associate (See Notes 15 and 16 to the separate financial statements)

Key Audit Matter	How it was addressed in the Audit
<p>The Company's separate statement of financial position as of December 31, 2024 includes investments in subsidiaries and a significant associate for \$17,848,730 million, representing 81% of the Company's total assets.</p> <p>I have identified the assessment of the recoverability of these investments as a key audit matter because it involves significant judgment in identifying impairment indicators for these investments. Additionally, due to the materiality of the balance, it is considered one of the areas of highest attention in the audit.</p>	<p>My audit procedures for assessing the recoverability of investments in subsidiaries and a significant associate included, among others, the following:</p> <ul style="list-style-type: none"> – Identification of events, facts and/or circumstances that would point to the existence of objective evidence of impairment in the value of investments, based on the impairment tests of the different cash generating units in the context of the audit of the separate financial statements. – Evaluation of the work performed by the audit team of significant subsidiaries in relation to the identification of objective evidence of impairment in the underlying assets of the investees. – Professionals with relevant industry knowledge and experience assisted me in: (1) evaluating the key assumptions used in the impairment test performed by the Company on its investment in this significant associate, including input data; (2) performing independent recalculations supported by information obtained from external sources on the discount rate and macroeconomic variables used; and (3) comparing the result of the calculations obtained with those performed by the Company.

Evaluation of the valuation of investment properties in accordance with the provisions of IAS 40 - Investment Properties (See note 14 to the separate financial statements)

Key Audit Matter	How it was addressed in the Audit
<p>The Company's separate statement of financial position as of December 31, 2024 includes a significant amount of investment property of \$1,742,975 million, mainly represented by land measured at fair value through profit or loss.</p> <p>The Company engages qualified external experts for the periodic determination of the fair value of its investment properties, who use significant judgments in the determination of key valuation assumptions such as: the use of market comparables, estimated future cash flows, discount rates applied and expected market growth.</p> <p>The main reasons for considering this a key audit matter are: (1) there was significant judgment on the part of the Company to determine the key assumptions for the valuation of investment properties; and (2) there was significant audit judgment and effort to evaluate the evidence obtained related to the appraisals performed, as well as audit effort involving the use of professionals with specialized skills and knowledge in real estate valuation.</p>	<p>My audit procedures for assessing the valuation of investment property in accordance with IAS 40 included, among others, the following:</p> <ul style="list-style-type: none"> - Evaluation of the design, implementation and operating effectiveness of the key control established by the Company to determine and recognize, for accounting purposes, the fair value of investment properties, specifically in the review and approval by the Real Estate Strategy Department of appraisals performed by external professionals with expertise in real estate valuation hired by the Company. - Evaluation of the competence and capacity of the external professionals hired by the Company, who determined the fair value of the investment properties. - Involvement of a professional with relevant knowledge and expertise in real estate valuation, who assisted me in assessing the key assumptions used by the external professionals hired by the Company for the determination of the fair value of investment properties, and whether the procedures and techniques applied are in accordance with IFRS 13 - Fair Value Measurement, and with the International Valuation Standards.

Other matters

The separate financial statements as at and for the year ended December 31, 2023 are presented solely for comparative purposes. These were audited by myself and in my Report dated February 23, 2024, I expressed an unqualified opinion thereon.

Other information

The Management is responsible for the other information. The other information comprises information included in the integrated report but does not include the separate financial statements and my corresponding Audit Report, nor the management report on which I pronounce myself in the "Report on Other Legal And Regulatory Requirements" section, in accordance with the provisions of Article 38 of Law 222 of 1995. The information contained in the integrated report is expected to be available to me after the date of this Audit Report.

My report on the separate financial statements does not cover the other information and I do not express any form of assurance conclusion on it.

In connection with my audit of the separate financial statements, my responsibility is to read the other identified information when available and, in doing so, consider whether there is a material inconsistency between that information and the separate financial statements, or my knowledge obtained in the audit, or whether in any way, there appears to be a material misstatement.

When I read the contents of the integrated report, if I were to conclude that there is a material misstatement in that other information, I am required to report this fact to Those Charged With Governance and describe the applicable actions.

Responsibilities of Management and those charged with the Company's governance in relation for the separate financial statements

The Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes designing, implementing, and maintaining such internal control as Management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the separate financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Statutory auditor's responsibilities in relation to the audit of the separate financial statements

My objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I were to conclude that a material uncertainty exists, I am required to draw attention in my Auditor's Report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the separate financial statements, including the disclosures, and whether the separate financial statements present the underlying transactions and events so as to achieve a fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Entities or business activities within the Group to express an opinion on the Group's financial statements. I am responsible for the direction, supervision, and performance of the Group's audit. I remain solely responsible for my audit opinion.

I communicate with Those Charged with the Company's Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during my audit.

I also provide Those Charged with Governance with confirmation that I have complied with relevant ethical requirements for independence and that I have disclosed to them all relationships and other matters that might reasonably be considered to bear on my independence and, where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, I determine the matters that were of most significance in the audit of the current period's separate financial statements and, therefore, are the key audit matters. I describe these matters in my Auditor's Report unless law or regulation prevents public disclosure about the matter or when, in extremely exceptional circumstances, I determine that a matter should not be communicated in my Report because the adverse consequences of doing so would reasonably outweigh the benefits to the public interest of such communication.

Report on other legal and regulatory requirements

Based on my test results, in my opinion, during 2024:

- a) The bookkeeping of the Company has been kept in accordance with legal regulations and accounting techniques.
- b) The transactions recorded in the ledgers are in accordance with the bylaws and the decisions of the General Shareholders' Meeting.
- c) Correspondence, account vouchers, minute books, and share registry books are duly kept and maintained.
- d) There is a concordance between the accompanying financial statements and the Management Report prepared by the administrators, which includes the Management's acknowledgment of the free circulation of invoices issued by vendors or suppliers.
- e) The information contained in the returns of contribution to the Comprehensive Social Security System, particularly that related to affiliates and their contribution base income, has been taken from the accounting records and supporting documentation. The Company is up to date in its contributions to the Comprehensive Social Security System.

- f) There has been compliance with the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism - SIPLA, as established in Chapter VII of Title I of Part III of the Basic Legal Circular of the Superintendence of Finance of Colombia.

In order to comply with the requirements of Articles 1.2.1.2. and 1.2.1.5. of the Single Regulatory Decree 2420 of 2015, in development of the responsibilities of the Statutory Auditor contained in the 1st) and 3rd) Numerals of Article 209 of the Commercial Code, related to the evaluation of whether the acts of the Company's administrators are in accordance with the bylaws and the orders or instructions of the General Shareholders' Meeting and whether there are adequate measures of internal control, and conservation and custody of the Company's assets or those of third parties in its possession, I issued a separate report dated January 30, 2025.

(Original version issued and signed in Spanish by)
Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of Grupo Argos S.A.
Registration 43668 - T
Member of KPMG S.A.S.

January 30, 2025

(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
STATUTORY AUDITOR'S INDEPENDENT REPORT ON THE COMPLIANCE WITH THE 1ST
AND 3RD NUMERALS OF ARTICLE 209 OF THE CODE OF COMMERCE

To the Shareholders
Grupo Argos S.A.:

Main Matter Description

As part of my duties as Statutory Auditor and in compliance with Articles 1.2.1.2 and 1.2.1.5 of Single Regulatory Decree 2420 of 2015, amended by Articles 4 and 5 of Decree 2496 of 2015, respectively, I must report on compliance with the 1st) and 3rd) Numerals of Article 209 of the Code of Commerce, detailed as follows, by Grupo Argos S.A. hereinafter "the Society" as of December 31, 2024, as a conclusion of independent reasonable assurance, that the management performance has complied with the statutory and the General Shareholders' Meeting provisions and that there are adequate internal control measures, in all material aspects, by the criteria indicated in the paragraph called Criteria of this report:

1st) If the Society's management performance conforms with the bylaws and the instructions or decisions of the General Shareholders' Meeting, and

3rd) If there are and are adequate measures of internal control, maintenance, and custody of the Society's assets or third parties' assets in its possession.

Responsibility of management

The Society's Management is responsible for the compliance with the bylaws and the General Shareholders' Meeting decisions and designing, implementing, by and maintaining adequate internal control measures, including the Comprehensive Money Laundering and Terrorism Financing Prevention System for the maintenance and custody of the Society's assets and third parties' assets in its possession, in accordance with what is required in the internal control system implemented by the management and in Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia.

Statutory auditor's responsibility

My responsibility is to examine whether the Society's management performance conforms to the bylaws and the General Shareholders' Meeting's decisions and if there are and are adequate the internal control, maintenance, and custody measures of the Society's assets or third parties' assets in its possession and report thereon expressing an independent reasonable security conclusion based on the evidence obtained. I performed my procedures by the International Standard on Assurance Engagements 3000 (Review) accepted in Colombia (International Standard on Assurance Engagements - ISAE 3000, issued by the International Auditing and

Assurance Standards Board (IAASB), that was translated into Spanish and issued in 2018. Such standard requires that I plan and perform the procedures necessary to obtain reasonable assurance about compliance with the bylaws and the General Shareholders' Meeting decisions and whether there are and are adequate the measures of internal control which include the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism, conservation and custody of the assets of the Society or third parties in its possession, in accordance with the requirements of Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia and the internal control system implemented by management, in all material aspects.

The Accountants Firm to which I belong and who appointed me as the Society's statutory auditor, applies the International Quality Control Standard No. 1 and, consequently, maintains a complete quality control system that includes policies and procedures documented in compliance with ethical requirements, applicable legal and regulatory professional standards.

I have complied with the independence and ethics requirements of the Code of Ethics for Accounting Professionals issued by the International Ethics Standards Board for Accountants - IESBA, which is based on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behavior.

The procedures selected depend on my professional judgment, including the risk assessment that the management performance does not conform to the bylaws and decisions of the General Shareholders' Meeting and that the internal control measures That include the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism, the conservation and custody of the Society's assets or those of third parties in its possession, in accordance with the requirements of Part III, Title V, Chapter I of the Basic Legal Circular of the Superintendency of Finance of Colombia and the internal control system implemented by management.

This reasonable assurance engagement includes obtaining evidence for the year ending December 31, 2024. Procedures include:

- Obtaining a written representation from Management about whether the management performance conforms to the bylaws and the General Shareholders' Meeting's decisions and if there are adequate measures of internal control which include the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism, the conservation and custody of the Society's assets or those of third parties in its possession, in accordance with the requirements of Part III, Title V, Chapter I of the Basic Legal Circular of the Superintendency of Finance of Colombia and the internal control system implemented by management.
- Reading and verifying compliance with the Society's bylaws.
- Obtaining a certification from Management of the General Shareholders' Meetings, documented in the minutes.

- Reading the General Shareholders Meeting's minutes and the bylaws and verification of whether the management performance conforms to them.
- Inquiries with Management regarding changes or proposed changes to the Company's bylaws during the period covered and validation of their implementation.
- Evaluation of the existence and adequacy of internal control measures, including the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism, the conservation and custody of the Society's assets or those of third parties in its possession, in accordance with the requirements of Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia and the internal control system implemented by management, which includes:
 - Design, implementation, and operating effectiveness tests on the relevant controls of the internal control components on the financial report, that included the requirements in External Circular 012 of 2022, immersed in Chapter I, Title V of Part III of the Basic Legal Circular of the Financial Superintendency of Colombia and the elements established by the Society, such as control environment, risk assessment process by the entity, the information systems, control activities, and monitoring to controls.
 - Evaluation of the design, implementation, and operating effectiveness of relevant, manual, and automatic controls of the key business processes related to the significant accounts of the financial statements.
 - Verification of proper compliance with regulations and instructions on the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism.

Inherent limitations

Due to the inherent limitations to any internal control structure, there may be effective controls at the date of my examination that change that condition in future periods, because my report is based on selective tests and for the evaluation of internal control has the risk of becoming inadequate due to changes in the conditions or because the degree of compliance with the policies and procedures may deteriorate. On the other hand, the inherent limitations of internal control include human error, failures due to the collusion of two or more people, or inappropriate oversight of controls by management.

Criteria

The criteria considered for the evaluation of the matters mentioned in the "Description of the main subject matter" paragraph include: (a) the bylaws and the minutes of the Shareholders' Meeting and, (b) the internal control components implemented by the Society, such as the control environment, risk assessment procedures, its information and communications systems and the

monitoring of controls by management and those in charge of corporate governance, which are based on the provisions of Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia and the internal control system implemented by management.

Conclusion

My conclusion is based on the evidence obtained on the matters described and is subject to the inherent limitations outlined in this report. I believe that the audit evidence I have obtained provides a reasonable assurance basis for my conclusion expressed below:

In my opinion, the acts of the administrators are in accordance with the bylaws and the decisions of the Shareholders' Meeting and the internal control measures are adequate, including the Comprehensive System for the Prevention and Control of Money Laundering and Financing of Terrorism, the conservation and custody of the assets of the Society or of third parties in its possession, in all material aspects, in accordance with the requirements of Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia and the internal control system implemented by management.

(Original version signed and issued in Spanish by)
Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of Grupo Argos S.A.
Registration 43668 - T
Miembro de KPMG S.A.S.

January 30, 2025

Grupo Argos S.A.

SEPARATE STATEMENT OF FINANCIAL POSITION

Figures stated in millions of Colombian pesos

	Note	2024	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	17,735	410,866
Derivative financial instruments	7	-	9,936
Other finance assets	11	-	43,954
Trade and other receivables, net	8	342,497	328,287
Inventories, net	9	338,725	293,414
Tax assets	10	39	79,583
Prepaid expenses and other non-finance assets	12	15,695	24,178
CURRENT ASSETS		714,691	1,190,218
Non-current Assets Held for Sale	17	-	2,035,970
TOTAL CURRENT ASSETS		714,691	3,226,188
NON-CURRENT ASSETS			
Trade and other receivables, net	8	115,261	127,049
Right-of-use assets of property, plant and equipment	19	4,158	4,970
Property, plant and equipment, net	13	2,245	2,546
Investment property	14	1,742,975	1,958,064
Investments in associates and joint ventures	15	7,898,115	5,360,686
Investments in subsidiaries	16	11,058,879	8,109,749
Other finance assets	11	477,334	818,528
Prepaid expenses and other non-finance assets	12	1,015	2,353
TOTAL NON-CURRENT ASSETS		21,299,982	16,383,945
TOTAL ASSETS		22,014,673	19,610,133


Grupo Argos S.A.

SEPARATE STATEMENT OF FINANCIAL POSITION

Figures stated in millions of Colombian pesos

	Note	2024	2023
LIABILITIES			
CURRENT LIABILITIES			
Finance liabilities	18	27,369	26,841
Lease liabilities	19	2,050	1,318
Employee Benefits Liabilities	20	18,737	16,519
Provisions	21	55	257
Trade and other payables	22	154,061	139,079
Tax liabilities	10	218,015	21,602
Derivative financial instruments	7	3,730	1
Bonds and compound financial instruments	24	164,744	145,326
Other non-finance liabilities	23	153,881	163,814
TOTAL CURRENT LIABILITIES		742,642	514,757
NON-CURRENT LIABILITIES			
Finance liabilities	18	892,491	620,814
Lease liabilities	19	2,813	4,149
Deferred tax, net	10	934,868	622,842
Employee Benefits Liabilities	20	1,897	2,040
Derivative financial instruments	7	1,167	1,805
Bonds and compound financial instruments	24	671,105	860,778
TOTAL NON-CURRENT LIABILITIES		2,504,341	2,112,428
TOTAL LIABILITIES		3,246,983	2,627,185
EQUITY			
Share capital	25	54,697	54,697
Additional paid-in capital	25	1,503,373	1,503,373
Repurchased shares	26	(428,360)	(68,994)
Retained earnings		10,254,655	8,480,217
Reserves	27	3,344,004	3,094,653
Profit for the year		2,531,987	789,341
Other components of equity	28	396,439	352,533
Other comprehensive income	27	1,110,895	2,777,128
TOTAL EQUITY		18,767,690	16,982,948
TOTAL LIABILITIES AND EQUITY		22,014,673	19,610,133

The accompanying notes are an integral part of the Separate Financial Statements.


Jorge Mario Velásquez Jaramillo
 CEO
 Legal Representative


Claudia Patricia Álvarez Agudelo
 Accountant
 Registration 69447-T

Original version issued in Spanish and
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Grupo Argos S.A.

SEPARATE STATEMENT OF PROFIT OR LOSS

Years ended as at 31 December | Figures stated in millions of Colombian pesos, except net profit per share

	Note	2024	2023
Income from financial activity	30	265,723	618,222
Income from real estate business	30	189,189	306,780
Equity-accounted investees net in the results of subsidiaries	30	3,080,748	502,214
REVENUE		3,535,660	1,427,216
Cost of ordinary activities	31	(183,549)	(298,839)
GROSS PROFIT		3,352,111	1,128,377
Administrative expenses	32	(187,878)	(169,872)
Selling expenses	33	(2,131)	(1,255)
STRUCTURE EXPENSES		(190,009)	(171,127)
Other income (expenses), net	35	58,168	(15,025)
PROFIT FROM OPERATING ACTIVITIES		3,220,270	942,225
Finance income	36	114,818	182,000
Finance expenses	36	(248,452)	(265,364)
Foreign exchange difference, net	36	10,467	(23,067)
PROFIT BEFORE TAX		3,097,103	835,794
Income tax	10	(565,116)	(46,453)
PROFIT FOR THE YEAR		2,531,987	789,341
NET EARNINGS PER SHARE FROM CONTINUING OPERATIONS (*)			
Attributable to shareholders			
Basic	37	2,967.46	909.47
Diluted	37	2,967.46	909.47

(*) Figures stated in Colombian pesos.

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Grupo Argos S.A.

SEPARATE STATEMENT OF OTHER COMPREHENSIVE INCOME

Years ended as at 31 December | Figures stated in millions of Colombian pesos

	Note	2024	2023
PROFIT FOR THE YEAR		2,531,987	789,341
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	27.2	90,484	39,616
(loss) Gains of equity investments		(43,987)	298,951
Deferred tax on equity investments		(4,180)	(24,917)
Remeasurement of employee defined benefit liabilities		(131)	(4,872)
Net interests in other comprehensive income of subsidiaries		138,782	(229,546)
ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	27.2	39,462	(1,990,608)
Net gains from instruments under cash flow hedges		(2,576)	(5,183)
Deferred tax of cash flow hedging instruments		1,259	1,687
Net interests in other comprehensive income of subsidiaries		40,779	(1,987,112)
OTHER COMPREHENSIVE INCOME, NET OF TAX	27.2	129,946	(1,950,992)
TOTAL COMPREHENSIVE INCOME		2,661,933	(1,161,651)

The accompanying notes are an integral part of the Separate Financial Statements.



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Grupo Argos S.A.

SEPARATE STATEMENT OF CHANGES IN EQUITY

Years ended as at 31 December | Figures stated in millions of Colombian pesos.

	Note	Share capital and additional paid-in capital	Repurchase of shares	Legal reserve	Other reserves	Other comprehensive income	Retained earnings and profit for the year	Other components of equity	Total Equity
Balance as at 1 January 2023		1,558,070	-	29,665	3,211,434	4,728,222	8,819,311	300,068	18,646,770
Profit for the year		-	-	-	-	-	789,341	-	789,341
Other comprehensive income for the year, net of tax	27.2	-	-	-	-	(1,950,992)	-	-	(1,950,992)
Comprehensive income for the period 2023		-	-	-	-	(1,950,992)	789,341	-	(1,161,651)
Repurchase of ordinary shares	26 – 27.1	-	(56,523)	-	1,145	-	-	-	(55,378)
Repurchase of preferred shares	26 – 27.1	-	(6,484)	-	206	-	-	-	(6,278)
Ordinary cash dividends declared	29	-	-	-	-	-	(377,835)	-	(377,835)
Preferred cash dividends declared	29	-	-	-	-	-	(121,739)	-	(121,739)
Constitution of reserves	27.1	-	-	-	8,163	-	(8,163)	-	-
Release of reserves	27.1	-	-	-	(161,948)	-	161,948	-	-
Transfers to retained earnings		-	-	-	-	(102)	102	-	-
Other Variations		-	(5,987)	-	5,988	-	6,593	52,465	59,059
Balance as at 31 December 2023		1,558,070	(68,994)	29,665	3,064,988	2,777,128	9,269,558	352,533	16,982,948
Balance as at 1 January 2024		1,558,070	(68,994)	29,665	3,064,988	2,777,128	9,269,558	352,533	16,982,948
Profit for the year		-	-	-	-	-	2,531,987	-	2,531,987
Other comprehensive income for the year, net of tax	27.2	-	-	-	-	129,946	-	-	129,946
Comprehensive income for the period 2024		-	-	-	-	129,946	2,531,987	-	2,661,933
Repurchase of ordinary shares	26 – 27.1	-	(343,832)	-	6,527	-	-	-	(337,305)
Repurchase of preferred shares	26 – 27.1	-	(15,534)	-	387	-	-	-	(15,147)
Ordinary cash dividends declared	29	-	-	-	-	-	(413,079)	-	(413,079)
Preferred cash dividends declared	29	-	-	-	-	-	(133,825)	-	(133,825)
Constitution of reserves	27.1	-	-	-	250,237	-	(250,237)	-	-
Release of reserves	27.1	-	-	-	(7,800)	-	7,800	-	-
Transfers to retained earnings	27.1	-	-	-	-	(1,796,179)	1,796,179	-	-
Other Variations		-	-	-	-	-	(21,741)	43,906	22,165
Balance as at 31 December 2024		1,558,070	(428,360)	29,665	3,314,339	1,110,895	12,786,642	396,439	18,767,690

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Grupo Argos S.A.

SEPARATE STATEMENT OF CASH FLOWS

Years ended as at 31 December | Figures stated in millions of Colombian pesos

	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
PROFIT FOR THE YEAR		2,531,987	789,341
Adjustments by:			
Dividend and equity income		(281,632)	(251,927)
Income tax		565,116	46,453
Equity-accounted investees net in the results of subsidiaries	30	(3,080,748)	(502,214)
Finance expenses, net recognized through profit or loss		125,760	113,596
Profit recognized in respect to employee benefits and provisions		(172)	(103)
Profit on disposal of non-current assets		(79,028)	(256,540)
Loss (Gain) on fair value measurement		58,472	(72,241)
Depreciation and amortization of non-current assets	13.19	2,783	2,430
Impairment of finance assets, net	8	1,997	323
Impairment of non-current assets and inventory, net		-	328
Foreign exchange gains and losses recognized on financial instruments, net	36	(10,467)	23,067
Other adjustments		(49)	(5,570)
		(165,981)	(113,057)
CHANGES IN WORKING CAPITAL OF:			
Trade and other receivables		(97,182)	9,272
Inventories		39,881	63,493
Other assets		(8,195)	(777)
Trade and other payables		52,191	(25,498)
Provisions		(30)	(1,271)
Other Liabilities		1,218	(837)
CASH FLOWS USED IN OPERATING ACTIVITIES		(178,098)	(68,675)
Dividends received and income from other interests	6	662,574	992,632
Income tax reimbursed (paid)		13,513	(40,541)
NET CASH FLOWS FROM OPERATING ACTIVITIES		497,989	883,416

Grupo Argos S.A.

SEPARATE STATEMENT OF CASH FLOWS

Years ended as at 31 December | Figures stated in millions of Colombian pesos

	Note	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Financial interest received		100,349	107,466
Acquisition of property, plant and equipment	13	(308)	(1,443)
Proceeds from the sale of property, plant and equipment		-	20
Acquisition of investment property	14	(11,373)	(11,701)
Proceeds from the sale of investment property		26,228	-
Proceeds from the sale of interests in subsidiaries	6	123,532	274,554
Proceeds from the sale of interests in associates and joint ventures		96,358	-
Acquisition of finance assets		(470,837)	(534,510)
Proceeds from the sale of finance assets		131,924	230,000
Proceeds from repayment of loans granted to third parties		38,158	7,269
Proceeds from financial derivative arrangements		13,467	-
Contribution refunds	11	-	52
NET CASH FLOW GENERATED IN INVESTING ACTIVITIES		47,498	71,707
CASH FLOWS FROM FINANCING ACTIVITIES			
Repurchase of ordinary shares	26	(133,431)	(56,523)
Repurchase of preferred shares	26	(15,534)	(6,484)
Payment of bonds and commercial papers	40	(168,062)	-
Acquisition of other financing instruments	7.7	1,367,713	767,065
Payment of other financing instruments	7.7	(1,246,668)	(538,649)
Payment of lease liabilities	7.7	(1,118)	(1,845)
Acquisition of non-controlling interests in subsidiaries	16	(14,608)	(54,137)
Dividends paid on ordinary shares	29	(399,862)	(365,620)
Dividends paid on preferred shares	29	(129,267)	(116,539)
Interest paid	7.7	(206,645)	(221,338)
Other cash outflows		-	(180)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	7.7	(947,482)	(594,250)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(401,995)	360,873
Cash and cash equivalents at the beginning of the period	6	410,866	72,319
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies		8,864	(22,326)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	17,735	410,866

The accompanying notes are an integral part of the Separate Financial Statements.



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Grupo Argos S.A.

NOTES TO SEPARATE FINANCIAL STATEMENTS

As at 31 December 2024 and 2023

(Figures stated in millions of Colombian pesos, except where otherwise indicated)

NOTE 1: OVERVIEW

Grupo Argos S.A. (hereinafter the company) is a Colombian company incorporated by public deed No. 472 of 27 February 1934, of the Second Notary of Medellín. Its main domicile is in the city of Medellín (Colombia), with address Carrera 43A 1A sur 143. Its term expires on 27 February 2033, extendable.

The purpose of the Company is to invest in all types of movable and immovable property, and especially in shares, quotas or parts of interests or any other kind of participation in companies, bodies, organizations, funds, or any other legal entity that permits investment of resources. It may also invest in fixed or variable income papers or documents, whether they are registered on the public securities market. In any case, the issuers and/or receivers of the investment may be public, private, or mixed, national, or foreign. The Company can form civil or commercial companies of any kind or join as a partner those already established. The association permitted by this provision may include companies whose activity is different from its own if it is convenient for its interests.

In addition, the company has sufficient capacity to act as a promoter, investor, structurer, or developer of real estate projects of any kind, for which it may acquire movable or immovable assets necessary for the development of the corporate business, which may have the character of fixed or movable assets according to their purpose.

Grupo Argos S.A. is the parent company of Grupo Empresarial Argos and, through its subsidiaries, it participates in strategic sectors of the economy: cement, energy, concessions and large-scale infrastructure, coal and real estate.

Its legal status corresponds to an anonymous company, registered in the Colombian Stock Exchange with a solid investment portfolio. The company has strategic investments in companies whose shares and bonds are listed on the stock exchange, such as Cementos Argos S.A. and Celsia S.A., as well as in companies with bonds listed in the stock market as Odinsa S.A., whose shares were listed in the Colombian Stock Market until 13 March 2018, and other companies not listed. In the Colombian stock market, Grupo Argos S.A. is an issuer of ordinary and preferred shares, targeting the public represented by strategic investors, private investment funds, pension funds, brokerage firms and investors in general (individuals and companies), interested in participating in the country's stock market.

On 30 January 2025 the Board of Directors authorized the issuance of the Separate Financial Statements of the Company for the year ended 31 December 2024 and their respective comparatives.

NOTE 2: BASIS OF PRESENTATION AND MATERIAL ACCOUNTING POLICIES

2.1 Compliance status

The Separate Financial Statements (hereinafter referred to as the "Financial Statements") for the period ended as of 31 December 2024 and 31 December 2023, have been prepared in accordance with the Accepted Financial Reporting and Accounting Standards in Colombia (NCIF), which are based on International Financial Reporting Standards (IFRS), along with their interpretations, translated into Spanish and issued by the International Accounting Standards Board (IASB, by its acronym in English) to the second half of 2020 and the incorporation of the amendment to the IFRS - 16 Leases: rent reductions related to Covid-19 issued in 2020. The NCIF were established by Law 1314 of 2009, regulated by Unique Regulatory Decree 2420 of 2015, amended on 23 December 2015 by Regulatory Decree 2496, on 22 December 2016 by Regulatory Decree 2131, on 22 December 2017 by Regulatory Decree 2170, on 28 December 2018 by Regulatory Decree 2483 and on 13 December 2019 by Regulatory Decree 2270, on 5 November 2020 by Decree 1432, on 19 August 2021 by Decree 938, on 5 August 2022 by Decree 1611, and on 15 October 2024 by Regulatory Decree 1271.

Additionally, in compliance with laws, decrees and other regulations in force, the Company applies the following accounting criteria issued specifically for Colombia by the regulatory entities:

- Decree 2617 of 29 December 2022, which establishes an accounting alternative to mitigate the effects of the change in the income tax rate and the change in the occasional gains tax rate for the taxable period 2022. This alternative consists in that the value of the deferred tax derived from the changes in these rates introduced by Law 2277 of 2022, which must be reflected in the result of the 2022 period, may be recognized in the entity's equity in the retained earnings of previous years. Those who choose this alternative shall disclose it in the notes to the financial statements indicating its effect on the financial information.
- Decree 1311 of 20 October 2021, whereby an accounting alternative is established to mitigate the effects of the change in the income tax rate in the taxable period 2021. This alternative consists in the value of the deferred tax derived from the change in the income tax rate, generated by the amendment of article 240 of the Colombian Tax Code introduced by article 7 of Law 2155 of 2021, which must be reflected in the result of the 2021 period, that may be recognized within the equity of the entity in the retained earnings of previous years. Those who choose this alternative shall disclose it in the notes to the financial statements indicating its effect on the financial information.
- External Circular Letter 36 of 2014 of the Superintendence of Finance of Colombia by means of which it indicates the accounting treatment of positive net differences generated in the first application of the NCIF (Colombian Financial Reporting Standards), may not be distributed to wipe out losses, make capitalization processes, distribute profits and/or dividends, or be recognized as reserves and may only be available when they have been effectively made with third parties, different from those who are related parties, according with the principles of the NCIF. Negative net differences shall not count towards the legal controls applicable to preparers of financial information issuing securities subject to control.
- Decree 2496 of 23 December 2015, which determines that the parameters for establishing post-employment benefits in accordance with IAS 19, Employee Benefits, should correspond to Decree 2783 of 2001 as the best market approximation. For the year 2016, Decree 2131 of 22 December 2016, eliminated the obligation to apply these assumptions for the measurement of post-employment benefits, and continues to be applicable only for financial disclosure purposes. Decree 1625 of 2016 determines that the calculation of pension liabilities must be disclosed in accordance with the parameters established in that standard and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the differences with the calculation made in accordance with IAS 19 Employee Benefits.

The Separate Financial statements have been prepared in compliance with the legal provisions to which the Company is subject as an independent legal entity; some accounting principles may differ from those applied in the consolidated financial statements and, additionally, do not include the adjustments and eliminations necessary for the presentation of the consolidated financial position and consolidated comprehensive income of the Company and its subsidiaries. Consequently, the separate financial statements should be read in conjunction with the consolidated financial statements of Grupo Argos and its subsidiaries. Investments in subsidiary companies are recorded as Equity-accounted investees as indicated below.

For legal purposes in Colombia, the Separate Financial Statements are the main financial statements.

2.2 Going concern basis

The Separate Financial Statements have been prepared on a going concern basis and there are no material uncertainties at 31 December 2024 related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern. The Company has the required liquidity and solvency to continue operating the business for the foreseeable future.

Financial indicators or criteria for establishing equity impairment and insolvency risks

According to the provisions of Article 1 of Decree 1378 of 28 October 2021, the Company performed the analysis of the reference indicators to establish equity impairment and insolvency risks, concluding that at the end of December 2024 there are no indications of non-compliance with the going concern basis:

Indicator	Dimension	Formula	December 2024	Conclusion
Negative equity position	equity impairment	Total equity < \$0	Total equity for the year 2024 \$18,767,690	The Company complies with the guidelines of the going concern basis by the equity position indicator.
Two Consecutive Closing Periods with negative profit for the year	equity impairment	(Profit of previous year < 0) and (Profit of last year < 0)	Profit at December 2023 \$789,341 > 0 and profit at December 2024 \$2,531,987 > 0	The Company complies with the guidelines of the going concern basis by the profit for the year indicator.
Two consecutive closing periods with current ratio below 1.0 con razón corriente inferior a 1,0	Insolvency Risk	(Current Assets / Current Liabilities < 1.0, for the previous year) and (Current Assets / Current Liabilities < 1.0, for the last year) Corriente < 1,0, del ejercicio anterior) y (Activo Corriente / Pasivo Corriente < 1,0, del último ejercicio)	current ratio for the year 2023 \$3,226,188 / \$514,757 = 6.27 > 1 and Current ratio for the year 2024 \$714.691 / \$742.642= 0,96 < 1	The Company complies with the guidelines of the going concern basis by the current ratio indicator.

2.3 Basis of preparation

The Company has defined in its bylaws to make an audit of its accounts, prepare, and distribute general purpose financial statements once a year, as of 31 December of each period. For legal purposes in Colombia, the annual Separate Financial Statements are the basis for the distribution of dividends and other appropriations, are expressed in Colombian pesos as this is the functional currency, which corresponds to the currency of the main economic environment in which the Company operates, and the presentation currency for all purposes, rounded to the nearest thousand, while dollar values are presented at their exact amounts, unless otherwise indicated.

The Company's Separated Financial Statements as of 31 December 2024, have been prepared on an accrual basis of accounting, except for the statement of cash flows. The measurement basis is historical cost; however, some financial instruments, such as finance assets and liabilities designated at fair value, investment property, and associates considered as investment entities, are measured at fair value at the end of each reporting period, the land and buildings component of property, plant and equipment for administrative use is measured at revalued cost every four years as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in the exchange of goods and services in the initial measurement.

The Company must make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue, costs and expenses, and their respective disclosures at the date of the separated Financial Statements. Note 4 provides details of the significant accounting judgments and key sources of estimates used by the Company.

Fair value measurements

The Company measures financial instruments, such as derivatives and finance assets and liabilities designated for measurement at fair value, non-finance assets, such as investment property, and associates considered investment entities at fair value. Likewise, it uses fair value measurements to determine the revalued value of land and buildings for administrative use classified as property, plant and equipment at the revaluation date.

Fair value is the price that would be received for selling an asset or paid for transferring a liability in an orderly transaction between market participants at the measurement date. The fair value of some finance assets and liabilities and of investment property is determined at a date near the date of presentation of the financial statements for recognition and disclosure.

Judgments include inputs such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instruments.

Fair value measurement assumes that the transaction to sell an asset or transfer a liability takes place:

- In the main market for the asset or liability, or
- In the absence of a main market, in the most advantageous market for the asset or liability.

The main or most advantageous market must be accessible by the Company.

In estimating fair value, the Company considers the characteristics of the asset or liability if market participants consider those characteristics when making the valuation at the measurement date. Fair value for measurement and/or disclosure purposes in the separate financial statements is determined on the basis indicated, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment, if any, lease transactions, within the scope of IFRS 16 Leases, and measurements that have certain similarities to fair value but are not, such as net realizable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient inputs are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurements are categorized into Level 1, 2 or 3 based on the extent to which the inputs to those measurements are observable, and in accordance with the significance of those inputs to the measurements, which are described below:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities for which the entity has access at the measurement date.
- Level 2 inputs are those other than the quoted prices included in Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable data for an asset or liability, that shall reflect the assumptions that market participants would use in pricing the asset or liability including the assumptions on risk.

For assets and liabilities recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers between levels in the hierarchy have occurred by reassessing the categorization (based on the lowest level of input data that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has an established control framework regarding measurement of fair value. This includes a valuation team that has the primary responsibility of overseeing all significant fair value measurements, including Level 3 fair values, who report directly to the Vice President of Finance, and in the case of the valuation of investment property, to the Urban Development Business Management.

Independent valuation firms are involved on a recurring basis in the valuation of major assets, such as investment property, and in specific cases for relevant non-recurring valuations. The selection criteria for these firms include their extensive experience and knowledge of the market, reputation, and independence.

The valuation team regularly reviews significant unobservable inputs, the procedures used for the determination of fair value and changes in fair value measurements from period to period. Also, if the determination of fair value was made by independent third parties, the valuation team evaluates the evidence obtained from the third parties to support the conclusion that valuations meet the requirements of the standards, including the level in the fair value hierarchy in which the valuations should be classified, as well as the valuation techniques to be used for each case.

For the purposes of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability, and the level of the fair value hierarchy, as explained above.

Disclosures related to fair value for financial instruments and non-finance assets that are measured at fair value or where fair values are disclosed are summarized in the following notes:

- Finance assets and liabilities - Note 7.5 Fair value
- Investment property - Note 14 Investment property
- Investments classified for sale - Note 17 Non-current assets held for sale

The Company has applied the accounting policies, judgements, estimates and significant accounting assumptions described in Note 2 Basis of presentation and material accounting policies and Note 4 Significant accounting judgements and key sources of estimates. The judgments include inputs such as exchange rate risk, cost escalation risk, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instruments.

The Financial Statements were prepared to comply with legal reporting requirements to which the Company is subject as a separate legal entity and, therefore, do not consolidate the assets, liabilities, equity or profit or loss of subordinate companies, nor do they include the adjustments or eliminations necessary for the presentation of the consolidated financial position and results of the Company and its subordinates. Investment in these companies are recorded as Equity-accounted investees as indicated below. These should be read together with the Consolidated Financial Statements.

Differences between the consolidated controlling equity of the business group and the equity of the Company

The controlling equity of the Consolidated Financial Statements of Grupo Argos presents differences compared to its separate equity mainly due to the selection, since the adoption of the Accounting and Financial Reporting Standards Accepted in Colombia - NCIF, of the subsequent measurement model for associates and joint ventures, which for the separate financial statement is at cost in accordance with paragraph 10 of IAS 27 Separate Financial Statements, while for the consolidated financial statement it is through the use of the equity method. The cost model selected for associates and joint ventures in the separate financial statements makes it possible to reflect the results obtained by the Company that would be eligible for distribution.

The difference in the measurement models causes the following adjustments, among others, to be made in the consolidated financial statement: (a) elimination of dividends from associates and joint ventures recognized in the Separate Financial Statements, (b) application of the equity method of associates and joint ventures in the consolidated financial statements, (c) recording of the deferred tax associated with the application of the equity method in the consolidated financial statements and (d) recognition of a higher or lower cost on sale of investments (together with the associated effects from the realization of the components of other comprehensive income in the result for the period or in retained earnings, as applicable), when there is disposition and/or contribution of associates and joint ventures in the consolidated financial statements.

Additionally, there are differences between the consolidated controlling equity of the business group and the equity of the Company, since current accounting standards require adjustments in the consolidated financial statements such as: (a) write-off of profits or losses resulting from transactions between the companies that are part of the business group, which may in turn give rise to deferred tax expenses or income, (b) recognition in the controlling equity, when there are increases or decreases in the interest in subsidiaries without obtaining or losing control, of the differences between the value at which non-controlling interests are adjusted and the fair value of the consideration paid or received and (c) recognition of those differences arising from a change in the use of an asset at the consolidated level.

2.4 Material accounting policies

The Company adopted Disclosure of Accounting Policy (Amendments to IAS 1 Presentation of Financial Statements and IFRS Statement of Practice No. 2) as of 1 January 2024. Although the amendments did not result in any change in the accounting policies themselves, they had an effect on the accounting policy information disclosed in the financial statements.

The amendments require disclosure of “material” accounting policies rather than “significant” accounting policies. Amendments also provide guidance on the application of materiality to the disclosure of accounting policies, helping entities to provide useful information about accounting policy and specific Company information that users need to understand other information included in the financial statements.

The Company's management reviewed the accounting policies and updated the information disclosed in this note in certain cases in accordance with the modifications.

Below are the material accounting policies applied by the Company in the preparation of its separated Financial Statements:

2.4.1 Cash and cash equivalents

Cash and cash equivalents in the separated statement of financial position and the separate statement of cash flows include cash and cash equivalents and highly liquid investments that are readily convertible to a specified amount of cash and are subject to an insignificant risk of changes in value, with a maturity of three months or less from the date of acquisition.

Interest income generated by cash equivalents is recognized through profit for the period.

2.4.2 Finance assets

Upon initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income - debt instruments; fair value through other comprehensive income - equity instruments; or fair value through profit or loss.

Finance assets are initially recognized at fair value; for finance assets measured at amortized cost, directly attributable transaction costs are included. Finance assets are not reclassified after initial recognition, unless the Company changes its business model for managing finance assets, in which case all affected finance assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company subsequently measures finance assets at amortized cost or fair value, depending on the business model for managing the finance assets and the characteristics of the contractual cash flows of the instrument.

A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to hold it to obtain the contractual cash flows and the terms of the business model give rise on specific dates to cash flows that are solely payments of principal and interest on the value of the outstanding principal.

Finance assets other than those at amortized cost are subsequently measured at: (i) fair value through other comprehensive income (OCI), if they are debt instruments that are held within a business model whose objective is achieved through the collection of contractual cash flows and the sale of finance assets, and the contractual terms of the asset give rise on specific dates to cash flows that are solely payments of principal and interest on the amount of principal; and (ii) fair value through profit or loss, being these all other finance assets that do not meet the criteria for classification at amortized cost or at fair value through other comprehensive income (OCI). This category includes all derivative finance assets. However, the Company may elect at initial recognition and on an irrevocable basis, to present

gains or losses from measuring finance assets at fair value through other comprehensive income (OCI), for investments in equity instruments that are not held for trading purposes, on an investment-by-investment basis.

The Company has chosen to measure some of its investments in equity instruments at fair value through other comprehensive income (OCI). In the disposal of investments at fair value through other comprehensive income (OCI), the accumulated value of the gains or losses is transferred directly to retained earnings, not reclassified to profit or loss. Dividends received in cash from these investments are recognized in the statement of income.

2.4.2.1 Impairment of finance assets

The Company records expected credit losses on its debt securities, trade receivables, contract assets and lease receivables at the end of the reporting period. In the calculation of expected credit losses under IFRS 9 Financial Instruments, the Company applies a simplified approach on a collective basis which allows it not to track changes in credit risk, but rather to recognize a loss provision based on expected credit losses over the useful life of the asset at each reporting date, i.e., to recognize expected credit losses resulting from possible events of default over the expected useful life of the financial instrument. Where there is objective evidence that a financial asset is impaired, the Company recognizes an individual impairment loss provision and excludes the item from collective evaluation under the expected credit loss model.

The Company has established an impairment matrix based on experience regarding payment collection, an increase in the number of past due payments in the portfolio that exceeds the average credit period, as well as observable changes in local and national economic conditions that are related to default. For trade receivables, which are reported net, said impairment is recorded in a separate account and the loss is recognized through administrative and selling expenses in the Company's separate statement of income. When there is confirmation that the receivable shall not be recoverable, the carrying amount of the account receivable is derecognized against the associated provision.

2.4.2.2 Subsequent measurement and profit and loss

Finance assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. Amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, and impairment are recognized through profit or loss. Any gain or loss from derecognition is recognized through profit or loss.
Debt investments at fair value through other comprehensive income (OCI)	These assets are subsequently measured at fair value. Interest income is calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized through profit or loss. Other net gains and losses are recognized through other comprehensive income (OCI). On disposal of these assets, the accumulated gains and losses in OCI are reclassified to profit or loss.
Equity investments at fair value through other comprehensive income (OCI) cambios en otro resultado integral (ORI)	These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of income unless the dividend clearly represents a recovery of a portion for the investment cost. Other net gains and losses are recognized through other comprehensive income OCI and are never reclassified through profit or loss.
Finance assets at fair value through profit or loss	These assets are subsequently measured at fair value. Net gains and losses, including interest or dividend income, are recognized through profit or loss.

2.4.2.3 Derecognition of finance assets

A financial asset, or a portion thereof, is derecognized from the separated statement of financial position when the contractual rights to the cash flows from the financial asset expire or when the financial asset is transferred, and the transfer qualifies for derecognition.

A financial asset is transferred if the contractual entitlements to receive the cash flows of an asset have been transferred or if the contractual rights to receive the cash flows of the financial asset are retained but the entity assumes a contractual obligation to pay them to one or more recipients. When the Company transfers a financial asset, it shall assess the extent to which it retains the risks and rewards of ownership.

When a financial asset or part of it is derecognized, the difference between its carrying amount and the sum of the consideration received (including any new asset obtained less any liability assumed) must be recognized through profit or loss. The accumulated loss or gain that has been recognized directly through equity within other comprehensive income (OCI), and is related to finance assets derecognized, must be reclassified to retained earnings.

2.4.3 Inventories

Are classified as inventories those goods acquired with the intention of selling them in the ordinary course of business or of consuming them in the process of providing services, or those that were classified as investment property in the acquisition and are then intended for sale in the ordinary course of business.

The inventory is initially measured at cost of acquisition plus expenses and disbursements necessary to place the asset in condition to be sold. The Company recognizes a decrease in the value of inventories if the cost is higher than the net realizable value. When a real estate inventory is transferred from investment property to inventories, the transfer is made at fair value, which corresponds to the new cost of the inventory for purposes of applying IAS 2 Inventories.

The Company classifies inventories into current and non-current according to their business cycle. That is, according to the time that elapses from the purchase or classification of a real estate property as an inventory through its realization. Generally, inventory items are realized within the financial year when sale conditions do not require prior execution of development work by the Company and delivery of the property is agreed over periods of up to one year. In these cases, they are classified as current inventories. Otherwise, they are classified as non-current inventories.

Net realizable value is the estimated selling price in the normal course of business, less estimated costs of completion and estimated costs necessary to make the sale. Inventories include mainly costs for lots, urbanization works, and real estate for sale.

The Company shall recognize inventories when sold, at book value, as costs in the period in which the corresponding income is recognized.

Disbursements for the maintenance of inventories are presented as operating expenses.

Property tax corresponding to inventories of real estate for sale of Grupo Argos S.A. shall be recognized in full as an operating expense at the beginning of each year, in accordance with the legal causation of this tax in Colombia.

2.4.4 Impairment of tangible and intangible assets

At the end of each reporting period, the Company assesses the carrying amounts of its tangible and intangible assets to determine whether there is any indication that these assets have suffered any impairment. If so, the recoverable amount of the asset is calculated to determine the extent of the impairment (if any). When it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is estimated. When a reasonable and consistent basis for allocation is identified, common assets are also allocated to the individual cash-generating units or allocated to the smallest group of cash-generating units for which a reasonable and consistent basis for allocation can be identified.

Intangible assets with an indefinite useful life or not yet available for use should be tested for impairment annually, or with a higher frequency if there is any indication that they may be impaired.

The Company determines the recoverable amount of an asset or cash-generating unit by comparing the higher between:

- Its fair value less selling costs.
- Its value in use.

If either of these two values exceeds the book value of the asset under analysis, no impairment is considered, and it is not necessary to estimate the other.

Sometimes it is not possible to determine the fair value of the asset less selling costs. In this case the entity could use the asset's value in use as its recoverable amount.

If there is no reason to believe that an asset's value in use significantly exceeds its fair value less selling costs, the latter is its recoverable amount.

The recoverable amount of an individual asset cannot be determined when:

- The asset's value in use cannot be estimated to be close to its fair value less selling costs (for example, when future cash flows from continuing use of the asset cannot be determined because they are negligible).
- The asset does not generate cash inflows that are largely independent of those from other assets.

In such cases, the value in use and, therefore, the recoverable amount, may be determined only for the cash-generating unit.

Criteria for estimating fair value

The Company uses an appropriate valuation model, or an indicator of the fair value of assets, to determine fair value and must consider the following criteria, with evidence supporting those estimates:

- The existence of a price within a formal commitment to sell, in a transaction carried out under conditions of mutual independence, adjusted by the incremental costs directly attributable to the sale or disposal of the asset.
- If there is no formal commitment to sell, but the asset is traded in an active market, fair value is the market price less selling or disposal costs.
- If there is neither a firm sale agreement nor an active market, fair value is calculated based on the best information available to reflect the value that the Company can obtain (such as replacement cost at new less impairment) at the date of the statement of financial position, in an arm's length transaction between knowledgeable, willing parties, after deducting selling or disposal costs. To determine this value, the Company considers the results of recent transactions with similar assets in the same sector.

For cases in which it is not possible to estimate the fair value reliably, the recoverable value is the value in use.

Criteria for the estimation of value in use

The following elements should be reflected in the calculation of the value in use:

- The estimated future cash flows of the asset or cash-generating unit, based on the time the Company expects to use the asset or the period of the cash-generating unit, if defined.
- The expectations about possible variations in the amount or timing of those future cash flows.
- The value of money over time.

- The price for the uncertainty inherent in the asset.
- Other factors, such as the illiquidity that market participants would reflect in pricing the future cash flows that the Company expects to derive from the asset.

The following variables should be excluded from the estimate of future cash flows that the Company expects to obtain:

- Cash outflows relating to obligations recorded as liabilities or costs and expenses generated during construction of the asset.
- Future cash inflows or outflows that are expected to arise from a future restructuring in which the Company is not yet committed; or the improvement or increase in the asset's performance.
- Flows related to tax payments or payments related to the financing of the asset.
- Cash inflows from other assets that are largely independent of the cash inflows from the asset in question.

Future cash flows are discounted to their present value using a pre-tax discount rate corresponding to current market rates and that reflects the time value of money and the risks specific to the cash-generating unit or group of cash-generating units.

If the recoverable amount of an asset or a cash-generating unit is less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized immediately through profit or loss, except if the asset is recorded under the revaluation model, in which case the impairment loss must be considered as a decrease in the revaluation, until it is completely exhausted if necessary, and any outstanding impairment must be recorded against profit or loss.

The Company assesses whether previously recognized impairment losses no longer exist or have decreased; in this case, the carrying amount of the cash-generating unit or groups of cash-generating units is increased to the revised estimate of the recoverable amount to the extent that it does not exceed the carrying amount that would have been determined had no impairment been previously recognized. This reversal is recognized as income in the statement of income for the period, except for goodwill, the impairment of which is not reversed under any circumstance.

2.4.5 Investment property

Investment property are those real estate properties held to generate value and/or to lease, but not for sale in the normal course of business, use in the production or supply of goods or services, or for administrative purposes.

An investment property is initially measured at cost, which comprises: the purchase price and all costs directly attributable to the investment property. The cost of investment property built by the Company includes: materials, direct labor and other directly attributable costs to bring the asset to its intended use by management, including capitalizable borrowing costs.

Costs arising from the maintenance of the asset are excluded from the initial recognition of an investment property. Such costs should be recognized through profit or loss of the period in which they are incurred. Also, should be excluded:

- Commissioning costs (unless necessary to bring the investment property into use conditions).
- Operating losses incurred before the investment property achieves the planned level of occupancy.
- Abnormal amounts of waste materials, labor, or other resources incurred in the construction or development of the property.
- Expenses for routine maintenance of investment property.

In its subsequent measurement, the Company measures investment property under the fair value model, i.e., taking as a reference the price that shall be received upon disposal of the asset in a market transaction, at a given measurement date.

To determine the fair value, the Company hires independent experts with recognized professional capacity and experience in the valuation of real estate.

Changes in the fair value of investment property is recognized through profit or loss in the period in which they arise.

Subsequent disbursements related to additions to investment properties that are capitalizable correspond to:

- The purchase price of lots that increase the area of investment property.
- Costs of new construction that generate a higher fair value of the property.

Such values must be regarded by independent experts in the valuation immediately following the additions.

Investment property may be transferred to property, plant and equipment or inventories; at the time of transfer, they are reclassified to their fair value, which becomes the cost for accounting purposes.

An investment property shall be transferred to inventory when the Company establishes plans for its real estate development as inventory, that is, when it has formally applied for urbanization, construction, subdivision, subdivision and/or public space intervention licenses, to prepare a property for sale on an individual basis, either directly or through agreements with potential buyers.

However, in the case of parceling licenses that do not allow their execution in phases, the Company shall review the portion of lots on which it contemplates the intention to begin a specific development plan to facilitate its disposition as an urbanized lot and that portion shall be the one to be reclassified to inventory.

An investment property is withdrawn or derecognized from the statement of financial position at the time of its disposal or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Disposal of investment property may occur either by sale or by incorporation into a financial lease. Any gain or loss on the sale of investment property (calculated as the difference between the consideration obtained on disposal and the carrying amount of the asset) is recognized through profit or loss in the period in which the withdrawal or disposal occurs. When an investment property that was previously classified as property, plant and equipment is sold, any amount included in the revaluation reserve in other comprehensive income (OCI) is transferred to retained earnings.

Disbursements for maintenance of investment property are presented as operating expenses.

Property tax corresponding to investment property of Grupo Argos S.A. shall be recognized in its entirety as an operating expense at the beginning of each year, in accordance with the legal causation of this tax in Colombia.

2.4.6 Investments in associates and joint ventures

An associate is an entity over which the Company exercises significant influence, i.e., the power to participate in the financial policy and operating decisions of the investee without having control or joint control.

A joint arrangement is one in which there is joint control, i.e., decisions on relevant activities require the unanimous consent of the parties sharing control and may be a joint venture or a joint operation.

A joint venture is an arrangement whereby the parties involved are entitled to the net assets.

A joint operation is an arrangement whereby the parties involved are entitled to assets and income and obligations in respect of liabilities and expenses relating to the terms of the arrangement.

The Company has elected to account for investments in associates and joint ventures at cost in its separate financial statements, in accordance with the measurement models permitted by IAS 27. Therefore, it recognizes investments in associates and joint ventures under the cost method; subsequently, they continue at cost except for associates considered as investment entities, which are accounted for at fair value using the exception in IAS 28 Investments in Associates and Joint Ventures, paragraph 19.

The Company impairs a net investment in an associate or joint venture if, and only if, objective evidence indicates that one or more events, which occurred after initial recognition, have had an impact on the future cash flows of the net investment and that impact can be reliably estimated. The following events make it possible to establish whether there is objective evidence that these investments may be impaired:

- Significant financial difficulties of the associate or joint Venture;
- Breaches of the contract, such as defaults or delays in payment by the associate or joint Venture;
- The granting of concessions to associates and joint ventures that would not have been granted in other circumstances;
- It becomes probable that the associate or joint venture shall enter bankruptcy or other form of financial reorganization;
- The disappearance of an active market for the net investment due to the associate's or joint venture's financial difficulties;
- Significant changes with adverse effect that have taken place in the technological, market, economic or legal environment in which the associate or joint venture operates; or
- A significant and prolonged decline in the fair value of an investment in an associate or joint venture that is an equity instrument below its cost.

2.4.7 Investments in subsidiaries

The Company controls an investee when it has power over, is exposed to, or is entitled to, variable returns from its involvement in the investee and can influence those returns through its power over the investee. The Company assesses whether it controls an investee if facts and circumstances indicate that there are changes in one or more of the three elements of control mentioned above. In assessing control, it considers existing substantive voting rights, contractual arrangements between the entity and other parties, and the rights and ability to appoint and remove key management personnel, among other aspects. When the Company has less than most of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to unilaterally direct the relevant activities of the investee. The Company considers all relevant facts and circumstances in assessing whether voting rights in an investee are sufficient to confer power on the investee, including:

- The size of the Company's voting rights relative to the size and dispersion of the percentages of other voting rights holders.
- Potential voting rights held by the Company, other shareholders, or other parties.
- Rights arising from contractual agreements.
- Any additional facts or circumstances indicating that the Company has, or does not have, the actual ability to direct the relevant activities at the time decisions need to be made, including voting patterns at previous shareholders' meetings.

Investments in subsidiaries are accounted for in the separated financial statements using the equity method, unless the investment or a portion thereof is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Under the equity method, investments in subsidiaries are initially recorded in the separated statement of financial position at cost and are subsequently adjusted to account for the Company's share of profit or loss and other comprehensive income (OCI).

2.4.8 Non-current Assets Held for Sale and Discontinued Operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount is recovered through a sale transaction rather than through continuing use. These assets or groups of assets are presented separately as current assets and liabilities in the statement of financial position at the lower of carrying amount or fair value less selling costs and are not depreciated or amortized from the date of classification.

Any impairment loss recognized on a group of assets for disposal is allocated first to the goodwill associated with that group of assets, when applicable, and then to the other assigned assets pro rata based on their book value. This loss is not distributed to finance assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Company's other accounting policies. Impairment on the initial classification of assets as held for sale and subsequent gains and losses arising from the remeasurement are recognized through profit or loss.

The condition for the classification of an asset as a non-current asset held for sale (or disposal group) is met only when the sale is highly probable, and the asset (or disposal group) is available for immediate sale in its current state subject only to terms that are customary and adapted for sales of such assets (or disposal group). Management must be committed to the sale, which should be recognized as a completed sale within one year of the date of classification.

When there is a sales plan involving the loss of control in a subsidiary, all assets and liabilities of that subsidiary are classified as held for sale provided that the above-described criteria are met, regardless of whether a non-controlling interest in its former subsidiary will be retained after the sale.

When the Company is committed to a sales plan that involves the sale of an investment, or a portion of an investment, in a subsidiary, associate or joint venture, the investment or the portion of the investment to be sold is classified as held for sale when the above-described criteria are met.

The Company discontinues the use of the equity method in subsidiaries in relation to the portion that is classified as held for sale. Any retained portion of an investment in a subsidiary that is not classified as held for sale continues to be accounted for under the equity method; if at the time of sale of the retained portion of the subsidiary there is a loss of control, the use of the equity method is discontinued and any retained interest in the subsidiary is recognized in accordance with the applicable regulations following its classification.

In case the Company commits to distribute an asset (or disposal group) to the owners, that non-current asset (or disposal group) is classified as held for distribution to the owners. For this to be the case, the assets must be available for immediate distribution in their current condition, and the distribution must be highly probable, i.e., activities to complete the distribution must have commenced and be expected to be completed within one year from the date of classification.

The measurement criteria of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are not applicable to investment property measured at fair value, finance assets within the scope of IFRS 9 Financial Instruments, deferred tax assets, assets arising from employee benefits, among others indicated by this IFRS.

A discontinued operation is a component of an entity that has been disposed of, or otherwise classified as held for sale and:

- (a) represents a line of business or a geographic area, which is significant and can be considered separate from the rest;
- (b) is part of a single coordinated plan to dispose of a line of business or geographic area of the operation that is significant and can be considered as separate from the rest; or
- (c) is a subsidiary entity acquired solely for the purpose of resale.

Income, costs, and expenses from a discontinued operation are presented separately from those from continuing operations, in a single item after income tax, in the statement of comprehensive income for the current and comparative periods of the previous year.

2.4.9 Finance liabilities and equity instruments

- a. Classification as debt or equity.** Debt and equity instruments are classified as finance liabilities or equity, in accordance with the substance of the contractual arrangement and the definitions of financial liability and equity instrument.
- b. Equity instruments.** An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognized at the value received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly from equity.

Repurchase of the Company's own equity instruments is recognized and deducted directly from equity for the value of the paid consideration. No gain or loss is recognized in the results of the purchase, sale, issue, or cancellation of own equity instruments.

- c. Compound instruments.** Components of compound instruments, such as mandatory convertible bonds issued by the Company, are classified separately as finance liabilities and equity, depending on the substance of the contractual arrangement and the definitions of financial liability and equity instrument. A conversion option that shall be cancelled through the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's equity instruments is considered an equity instrument.

At the date of issue, the fair value of the liability component is calculated using the prevailing market interest rate for similar non-convertible debt. This amount is recorded as a liability on an amortized cost basis, using the effective interest method, until it is extinguished upon conversion or upon maturity of the instrument.

The portion classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument. This value is recognized and included in equity, net of income tax effects, and cannot be measured subsequently. Additionally, the portion classified as equity remains in equity until it has been exercised, in which case, the balance recognized through equity is transferred to additional paid-in capital. When the conversion option remains unexercised at the maturity date of the convertible instrument, the balance recognized through equity is transferred to Retained earnings. No gain or loss should be recognized through profit or loss upon conversion or expiration of the conversion option.

Transaction costs related to the issuance of convertible instruments are allocated to the liability and equity components, in proportion to the distribution of the gross amounts received. Transaction costs related to the equity component are recognized directly in equity.

Transaction costs related to the liability component are included in the book value of the liability and are amortized over the life of the convertible instruments using the effective interest rate method.

- d. Finance liabilities.** Are classified at fair value through profit or loss or at amortized cost, using the effective interest method. The Company determines the classification of finance liabilities at initial recognition.

i. Finance liabilities at fair value through profit or loss

A finance liability is classified as held for negotiation if:

- It has been acquired primarily for the purpose of short-term repurchase.
- At initial recognition it forms part of a portfolio of financial instruments managed by the Company and there is evidence of a recent current pattern of short-term profits.
- It is a derivative that has not been designated as a hedging instrument or as financial guarantee.
- It is an embedded derivative that is recognized separately, unless it is designated as an effective hedging instrument.

A financial liability that is not held for negotiation could also be designated as a financial liability at fair value through profit or loss at initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that may arise.
- The finance liability forms part of a group of finance assets or liabilities, or both, which is managed - and its performance is evaluated - on the fair value basis, in accordance with the risk management documented by the Company in its investment strategy, with the information provided internally on that basis.
- It is part of an arrangement that contains one or more embedded instruments. IFRS 9 Financial Instruments allows the entire combined contract to be designated at fair value through profit or loss.

Finance liabilities at fair value through profit or loss are recorded at fair value, with any gain or loss arising from the remeasurement recognized through the results of the period. The net gain or loss recognized through profit or loss incorporates any interest paid on the finance liability. The fair value is determined in the manner described in the fair value measurement policy, described in section 2.

- ii. **Other finance liabilities.** Other finance liabilities (including borrowings, trade payables and others) are subsequently measured at amortized cost using the effective interest rate method.

The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating the finance expense over the term. The effective interest rate is the discount rate that exactly matches the cash flows receivable or payable (including all fees and points paid or received that are part of the effective interest rate, transaction costs and other premiums or discounts) estimated over the expected life of the financial liability, or when appropriate, a shorter period, with the net carrying amount at initial recognition.

- iii. **Finance derivatives.** The Company holds financial derivative instruments to cover its exposures to foreign currency and interest rate risk. Finance derivatives are measured at fair value through profit or loss. Some derivatives embedded in other financial instruments or contracts (embedded derivatives) are treated as separate derivatives when their risk and characteristics are not closely related to those of the host contract and are not recorded at fair value.

Certain transactions with derivatives that do not qualify for hedge accounting are treated and reported as derivatives held for negotiating, even though they provide an effective hedge for managing risk positions.

Derecognition of finance liabilities. The Company derecognizes a financial liability if, and only if, the obligations expire, are cancelled, or fulfilled. The difference between the carrying amount of the derecognized finance liability and the consideration paid and payable is recognized through profit or loss.

When an existing finance liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such replacement or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized through the statement of income. In the opposite case, where there is no substantial change in the terms of the liability, such replacement or modification is not treated as a derecognition of the original liability but as a modification of the existing liability, and it is necessary to calculate the present value of the future contractual cash flows under the new conditions discounted at the effective interest rate of the original liability. The difference between the carrying amount of the original liability and the present value of the modified cash flows is recognized in the statement of income.

The terms shall be materially different if the present value of the discounted cash flows under the new terms, including any fees paid net of any fees received, and using the original effective interest rate for discounting, differs by at least 10 percent from the discounted present value of the cash flows remaining on the original finance liability.

For replacements or modifications of liabilities that are not accounted for as a derecognition, the costs and fees paid by the Group shall adjust the carrying amount of the liability and shall be amortized over the remaining life of the modified liability.

2.4.10 Hedge accounting

The Company continues applying the hedge accounting requirements of IAS 39 Financial Instruments: Recognition and Measurement, in accordance with the exceptions permitted by the adoption of IFRS 9 Financial Instruments.

For derivatives that qualify for hedge accounting, at the inception of the hedging relationship, the Company designates and formally documents the relationship, the risk management objective, and the strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Company shall assess the effectiveness of changes in the fair value of the hedging

instrument in offsetting the exposure to changes in the fair value of the hedged item or in the cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine whether they have been effective over the reporting periods for which they were designated.

For hedge accounting purposes and those applicable to the Company, hedges are classified and accounted for as follows, once the criteria for hedge accounting are met:

- 1. Fair value hedges.** When hedging exposure to changes in the fair value of recognized assets or liabilities or unrecognized firm commitments.

Change in the fair value of a derivative that is a hedging instrument is recognized in the statement of comprehensive income in the statement of income section, as finance cost or income. The change in the fair value of the hedged item attributable to the hedged risk is recorded as part of the book value of the hedged item and is also recognized in the statement of comprehensive income in the statement of income section as finance cost or finance income.

- 2. Cash flow hedges.** When hedging exposure to changes in cash flows attributed either to a particular risk associated with a recognized asset or liability or to a highly probable forecast transaction, or to exchange rate risk in an unrecognized firm commitment.

The purpose of cash flow hedge accounting is to recognize in other comprehensive income (OCI), the changes in fair value of the hedging instrument to apply them to the statement of income when and at the rate that the hedged item affects them.

The effective portion of the gain or loss on the measurement of the hedging instrument is immediately recognized through other comprehensive income (OCI). Only the ineffective portion of the derivative is recognized in the profit or loss account as they arise, as finance cost.

The amounts recognized through other comprehensive income (OCI) are reclassified to income when the hedged transaction affects income, when the hedged finance income or expense is recognized, or when the forecasted transaction takes place. When the hedged item constitutes the cost of a non-financial asset or liability, the values recognized through other comprehensive income (OCI) are reclassified to the initial book value of the non-finance asset or liability. If the forecasted transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized through other comprehensive income is reclassified to profit or loss.

If the hedging instrument expires or is sold, terminated, or exercised without a successive replacement or renewal of a hedging instrument by another hedging instrument, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognized through other comprehensive income (OCI) remains there until the forecast transaction or firm commitment affects profit or loss.

- 3. Hedges of net investment in a foreign operation.** When hedging differences in foreign currency arising between the functional currency of the foreign operation and the functional currency of the controlling company, regardless of whether the net investment is held directly or through an intermediate controlling company.

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognized through other comprehensive income (OCI) to the extent that the hedge is effective and presented in the equity translation reserve. To the extent that the hedge is not effective, such differences are recognized through profit or loss. When part of the hedge of a net investment is eliminated, the corresponding amount recognized through other comprehensive income (OCI) is transferred to income as part of the gain or loss on disposal.

2.4.11 Employee benefits

Post-employment benefit and defined contribution plans.

The Company Recognizes liabilities for pension, pension securities and bonds, retirement premiums and other post-employment benefits in accordance with the requirements of IAS 19 Employee Benefits.

The Company recognizes benefit plans classified as contribution plans in profit or loss as an administrative, sales or cost of goods sold as the related service is rendered. Contributions paid in advance are recognized as an asset, to the extent that a cash refund or reduction in future payments is available.

The Company recognizes benefit plans classified as defined benefit plans as an asset or liability in the separate statement of financial position. This is done by the difference between the fair value of the plan assets and the present value of the plan obligation of said plan, using the Projected Credit Unit Method to determine the present value of its defined benefit obligation and the related current service cost, and where applicable, past service cost, at least annually. Plan assets are measured at fair value, which is based on market price information and, in the case of listed securities, constitutes the published listing price.

The Projected Credit Unit treats each period of service as generating an additional unit of benefit entitlement and measures each unit separately to conform to the final liability. The Company discounts the total value of the obligation for post-employment benefits, even if a portion of the obligation is to be paid within 12 months of the reporting period.

Actuarial gains or losses, returns on plan assets and changes in the effect of the asset ceiling, excluding amounts included in net interest on net defined benefit liabilities (assets), are recognized through other comprehensive income (OCI). Actuarial gains or losses include the effects of changes in actuarial assumptions as well as experience adjustments. The net interest on the net defined benefit liability (asset) comprises interest income on the plan assets, interest costs on the defined benefit obligation and interest expense on the effect of the asset ceiling.

Current service cost, past service cost, any settlement or curtailment of the plan are recognized in the statement of income in the period in which they arise.

The estimate of the post-employment benefit liability is made by an independent actuary.

Short-term benefits

Are those values that the Company intends to pay to employees within 12 months after the end of the period in which the employee has rendered services, some examples are salaries, wages, bonuses, vacations, paid absences, among others.

The Company records short-term benefits in the reporting period based on the undiscounted amount of the balances expected to be paid in consideration of the work performed by the employee.

Termination benefits

Correspond to the benefits granted to employees when it is decided to terminate the employment contract before the normal retirement date, or when the employee accepts an offer of benefits in exchange for the termination of the employment contract. Termination benefits are recognized as an expense in the results of the period when the Company cannot withdraw the offer related to the benefits or when the Company recognizes the costs for a restructuring, whichever occurs first. If the benefits are not expected to be settled in full within 12 months after the end of the reporting period, they are discounted.

2.4.12 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation because of a past event and it is probable that resources shall be required to settle the obligation and a reliable estimate can be made of the value of the obligation. In cases where the provision is expected to be partially or fully reimbursed, the reimbursement

is recognized as a separate asset only in cases where such reimbursement is practically certain, and the amount of the receivable can be reliably measured.

Provisions are measured by the Company's best estimate of future expenditures required to settle the present obligation and are discounted using a discount rate according to the nature of the obligation. The provision expense is presented in the separated statement of income, net of any reimbursement. The increase in the provision due to the passing of time is recognized as a finance expense in the statement of income.

The Company recognizes present obligations arising from an onerous contract as provisions for the lesser of expected costs to terminate the contract or the expected net cost to continue with the contract. An onerous contract is one in which the unavoidable costs of fulfilling the obligations involved exceed the economic benefits expected to be received from the contract. The Company recognizes any impairment loss on the assets associated with the contract.

A restructuring provision is recognized when the Company has approved a detailed and formal restructuring plan and the restructuring itself has commenced or has been publicly announced. Future operating costs are not provisioned.

Contingent liabilities

Possible obligations that arise from past events and whose existence shall be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Company's control are not recognized in the separate statement of financial position but are disclosed as contingent liabilities.

2.4.13 Taxes

Income tax expense represents the sum of current and deferred tax.

- a. Current income tax.** Current income tax assets and liabilities for the period are measured at amounts expected to be recovered or paid to the tax authority. The tax expense is recognized as current, in accordance with the comparison made between the taxable income and the accounting profit or loss affected by the income tax rate for the current year and in accordance with the provisions of the country's tax regulations. Until 2020, current tax expense included at least the amount settled by the presumptive income system in those periods in which there was no taxable income, which was zero or less than 0.5% of the taxable equity (0% from 2021 and onward) for companies located in Colombia. The tax rates and regulations used to compute such values are those enacted or approved at the end of the reporting period and that generate taxable income.

Current tax assets and liabilities are offset for presentation purposes at the end of each annual period, if they are related to the same tax authority, there is a legal right to do so, and the Company intends to settle them simultaneously.

- b. Deferred tax.** Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities included in the financial statements and the corresponding tax bases used to determine taxable income. The deferred tax liability is generally recognized for all temporary tax differences. The deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profit shall be available against which the entity can charge the deductible temporary differences. These assets and liabilities are not recognized if the temporary differences arise from the initial recognition of assets and liabilities in a transaction that does not affect either taxable profit or accounting profit, and does not give rise to deductible and taxable temporary differences of equal amount.

The Company recognizes a deferred tax liability for taxable temporary differences relating to investments in subsidiaries and associates, and interests in joint ventures, except where it can control the reversal of the temporary difference and where there is a possibility that the temporary difference shall not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that future taxable profit shall be available against which the

temporary difference can be utilized and that there is a possibility that the temporary difference shall reverse in the foreseeable future.

The carrying amount of a deferred tax asset should be reviewed at the end of each reporting period and reduced if the Company considers it probable that sufficient taxable profit shall not be available in the future to allow the asset to be recovered in full or in part.

Deferred tax assets and liabilities should be measured using the tax rates expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted at the end of the reporting period.

Measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the way the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset for presentation purposes at the closing of each period, if they are related to the same tax authority, there is a legal right to do so, and the Company intends to settle them simultaneously.

2.4.14 Foreign currency

Transactions in currencies other than the entity's functional currency (foreign currency) are recorded using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rates prevailing at the date the fair value was determined. Non-monetary items that are measured at historical cost are not retranslated.

Exchange differences on monetary items are recognized in the results of operations in the period in which they arise, except for:

- Exchange differences arising from loans denominated in foreign currencies related to assets under construction for future productive use, which are included in the cost of such assets as an adjustment to interest costs on such loans denominated in foreign currencies, provided they do not exceed the borrowing costs of a liability with similar characteristics in the functional currency.
- Exchange rate differences arising from transactions related to exchange rate risk hedges.
- Equity instruments measured at fair value through other comprehensive income (except in the case of impairment when foreign currency differences that have been recognized through other comprehensive income (OCI) are reclassified to income).
- A financial liability designated as a hedge of the net investment in a foreign operation provided that the hedging is effective.
- Cash flow hedges provided the hedging is effective, which are recognized through other comprehensive income (OCI).

2.4.15 Income recognition

The Company's income arises mainly from the sale of goods, the rendering of services, returns on investments and the equity method on investments. Its obligations from contracts with customers are fulfilled at a given time and revenue recognition is made at that time.

Most of the Company's revenue arise from fixed-price contracts and, therefore, the value of revenue to be obtained from each contract is determined by reference to those fixed prices.

Exceptionally, income from a small number of leases and easements contracts is determined in relation to the volume of mineral material extracted by the lessee and the beneficiary of the easement.

Also, in most contracts, there is no judgment involved in assigning the contract price because there is a fixed unit price for each good or service sold. Therefore, the assignment of the transaction price is the total contract price divided by the number of units (for the sale of goods) or services delivered (for the rendering of services). When the sales prices of each good or service are different, the determination of the price is established by reference to the independent sales prices of each good or service, when it is possible to separate them.

a. Sale of goods. A single performance obligation is established for the sale of goods. The Company recognizes revenue when the obligation is satisfied, i.e., when control of the goods or services underlying the performance obligation has been transferred to the customer, at some point in time. This performance obligation is fulfilled at the time of delivery of the asset to the customer. There is no significant financing component associated with the sale of goods. Revenue is reduced by discounts or rebates and other similar allowances estimated for the customers.

The Company sells developed property with revenue generally recognized over time, since the customer receives the benefits of the performance obligation as the asset is partially delivered. In these cases the Company recognizes revenue based on the progress of the percentage of the asset delivered, which is estimated by comparing the costs executed at the date of the project with the total budgeted costs.

b. Rendering of services. The Company provides certain services that are sold on their own under contracts with customers or grouped together with the sale of goods to a customer. In both scenarios, revenue from service contracts is satisfied at some point in time.

The Company provides some services for the development of lots whose performance obligation is fulfilled over time and income is recognized at the time when progress is made in fulfilling the obligation. In these contracts, advance payments are required before the service is provided.

c. Income from dividends and interests. Dividend income from investments is recognized once the rights to receive said payment have been established. In the case of subsidiaries, it is recorded as a reduction in value of the investment. For all other equity investments, it is recorded through profit or loss.

Interest income on a financial asset is recognized when it is probable that the Company shall receive the economic benefits associated with the transaction and the value of the income from ordinary activities can be measured reliably. Interest income is recorded on a time basis, with reference to the principal outstanding and the applicable effective interest rate.

d. Income from equity method. Corresponds to the recognition of the participation in the results of subsidiaries. This is recognized at the end of the reporting period considering the percentage of equity interest and the profits or losses obtained by the subsidiaries.

e. Lease income. The policy for recognition of income from investment property under operating leases is described in the lease policy.

f. Contract balances

Contract assets: a contract asset is the right to receive consideration in exchange for goods or services transferred to the customer, when that right is conditional on a different variable being present over time. If the Company transfers control of goods or services to a customer before the customer pays the consideration, a contract asset is recognized for the consideration earned that is conditional on the performance of one or more variables.

Trade receivables: a receivable represents the Company's unconditional right to a consideration for the transfer of goods or services to a customer. It is unconditional because only the passing of time is required for payment of the consideration.

Contract Liabilities: a contract liability is the obligation to transfer goods or services to a customer for which the Company has previously received consideration from the customer. The payment of a consideration by a customer

before the Company transfers goods or services to the customer is recognized as a contract liability at the time the payment is made or when the payment is due (whichever occurs first). Contract liabilities are recognized as income once the Company transfers the goods or services to the customer.

2.4.16 Materiality

In accordance with IAS 1 Presentation of Financial Statements, the Company considers information to be material if its omission or inappropriate expression could influence the decisions of users of the separated financial information.

Materiality depends on the size and nature or magnitude of information, or both. Accordingly, in assessing whether accounting policy information is material, the Company is required to consider not only the size of the transactions, other events or conditions to which the accounting policy information relates, but also the nature of those transactions, other events or conditions.

Disclosure of accounting policy information that relates to transactions, other events or conditions that lack materiality is not required because it is not material. However, it may be material because of the nature of the related transactions, other events or conditions, even when the amounts are not material.

Likewise, not all information on accounting policies related to material transactions, other events or conditions is, by itself, material. Such information would be expected to be material if users of the Company's financial statements would need it to understand other material information in those financial statements. This is the case, for example, when information about accounting policies relates to transactions, other events or conditions that are material and:

- The Company modified its accounting policy during the reporting period that resulted in a material change in the information of the financial statements;
- The Company made an accounting policy choice from one or more options permitted by IFRS;
- The accounting policy was developed in accordance with IAS 8, in the absence of a specifically applicable IFRS;
- The accounting policy relates to an area for which the Company is required to make significant judgments or assumptions in applying an accounting policy, and discloses those judgments or assumptions; or
- The accounting required for them is complex and users of the Company's financial statements would not otherwise understand those material transactions, other events or conditions (this is the case when an entity applies more than one IFRS to a class of transactions that are material).

Information about accounting policies that focuses on how the Company has applied the requirements of IFRS to its own circumstances provides specific information that is more useful to users of financial statements than standardized information or information that merely duplicates or summarizes the requirements of IFRS.

The company defines its materiality in terms of the following aspects:

- Relevance of the financial component to the Company's financial position;
- Influence on investors' decision making and;
- Regulatory compliance;

2.4.17 Statement of cash flows

The Company prepares the separate statement of cash flows using the indirect method based on net profit (loss), broken down into three sections:

- a. **Cash flows from operating activities:** flows from operations that constitute the company's main source of revenue, and from those activities that cannot be classified as investing or financing activities. These flows include, among others, taxes, transaction costs for acquisitions of subsidiaries, dividends received from associates, joint ventures and financial instruments.

- b. **Cash flows from investment activities:** a. Cash flows from investing activities: cash flows from the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents. These flows include, among others, flows related to the acquisition of subsidiaries, associates and joint ventures (excluding for subsidiaries, transaction costs that are presented as cash flows from operating activities), contingent considerations paid for business combinations during the measurement period and up to the amount of the identified liability, cash flows from sales of subsidiaries with loss of control, associates and joint ventures; acquisitions and disposals of intangible assets and property, plant and equipment (including transaction costs and deferred payments at the time of receipt or delivery of the flows), and interest received from investments.
- c. **Cash flows from financing activities:** flows from activities that result in a change in the Company's capital structure, whether by the Company's own resources or from third parties. These flows include, among others, issues of equity instruments, obtaining and repayment of loans, issuance of bonds and commercial papers and their cancellation, derivatives hedging finance liabilities, and dividend payments.

The Company considers that those transactions that result in compensation for obligations in its charge with claims in its favor, as in the case of payments of financial obligations with collections of dividends receivable, constitute monetary transactions since they have required the use of cash and should be reflected in the corresponding activities in the Consolidated Statement of Cash Flows.

The foregoing applies even when the debtors, acting on behalf of the Company, have made payments directly to the Company's creditors and when the Company does the same to settle its obligations.

On the other hand, when these types of transactions occur in-kind, i.e., when they do not involve the use of cash, they shall be considered as non-cash transactions and shall not be reflected in the Statement of Cash Flows and shall be subject to disclosure.

2.4.18 Related parties

For the purposes of IAS 24 Related Party Disclosures, the Company considers as related parties its associates and joint ventures, the entities that exercise joint control or significant influence over Grupo Argos S.A., its subsidiaries and the key management personnel, which includes members of the Board of Directors, Nomination and Remuneration Committee, Audit, Finance and risks Committee, Sustainability and Corporate Governance Committee, Steering Committee (formed by the President and Vice Presidents), and any Committee that reports directly to the Boards of Directors of Grupo Argos S.A. and its subsidiaries, as well as corporate business managers who have the capacity to direct, plan and control activities.

Transactions between related parties are any transfer of resources, services and obligations between the Company and a related party, as well as outstanding balances between them at the date of preparation of the consolidated financial statements, including any commitments and guarantees given or received between them.

Related party disclosures are provided according to the categories established by IAS 24 Related Party Disclosures, which correspond to transactions with: (a) the parent, (b) entities with joint control or significant influence over the entity, (c) subsidiaries, (d) associates, (e) joint ventures, (f) key management personnel and (g) other related parties. Likewise, items of a similar nature are grouped together for disclosure purposes.

The characteristics of transactions with related parties do not differ from those with third parties and do not imply differences between market prices for similar transactions.

NOTE 3: STANDARDS ISSUED BY THE IASB

3.1 Standards incorporated in Colombia

3.1.1 Standards Incorporated in Colombia as of 1 January 2023 – Regulatory Decree 938 of 19 August 2021.

Financial information Standard	Subject of the amendment	Detail
Amendment to IAS 1 - Presentation of Financial Statements	Classification of Liabilities as Current or Non-Current	<p>Paragraphs 72A, 75A, 76A, 768 and 139U are incorporated; paragraph 139D is deleted and paragraphs 69, 73, 74 and 76 are amended.</p> <p>The requirement to classify a liability as current is amended by establishing that a liability is classified as current when it does not have the right at the end of the reporting period to defer settlement of the liability, for at least twelve months after the reporting period.</p> <p>This amendment applies from 1 January 2023 for general purpose financial statements of entities classified in IFRS Group 1.</p>
Amendment to IAS 16 - Property, Plant and Equipment	Proceeds Before Intended Use	<p>Paragraphs 17 and 74 are amended and paragraphs 20a, 74a, 80D and 81N are incorporated.</p> <p>From the effective date of the amendment, proceeds from the sale of goods (e.g., test products) obtained before the related property, plant and equipment is available for use are no longer deducted from cost. Instead, such income shall be recognized in profit or loss, along with the production costs of those items.</p> <p>In addition, companies should clearly distinguish (in their financial statements or disclosures) between revenue and costs of producing and selling items obtained before the intended use of the property, plant and equipment, from revenue and costs generated as a result of the entity's ordinary activities.</p> <p>This amendment applies from 1 January 2023 for general purpose financial statements of entities classified in IFRS Group 1.</p>
Amendment to IAS 37 - Provisions, Contingent Liabilities and Contingent Assets	Onerous contracts: cost of fulfilling a contract	<p>Paragraphs 68A, 94A and 105 are added, and paragraph 69 is amended.</p> <p>It is clarified that the cost of fulfilling a contract comprises costs directly related to the contract (direct labor and material costs, and the allocation of costs directly related to the contract).</p> <p>The effect of the application of the amendment will not restate comparative information. Instead, the cumulative effect of the initial application of the amendments will be recognized as an adjustment to the opening balance of retained earnings or other</p>

Financial information Standard	Subject of the amendment	Detail
		<p>component of equity, as appropriate, at the date of initial application.</p> <p>This amendment applies from 1 January 2023 for general purpose financial statements of entities classified in IFRS Group 1.</p>
<p>Amendment to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement</p>	<p>Reform of the Benchmark Interest Rate</p>	<p>Paragraphs 6.8.1 to 6.8.12 of IFRS 9 are added, regarding temporary exceptions to the application of specific hedge accounting requirements.</p> <p>Paragraphs 102A to 102N and 108G are incorporated, regarding temporary exceptions to the application of the specific hedge accounting requirements of IAS 39.</p> <p>Paragraphs 24H on uncertainty arising from the reform of the benchmark interest rate, 44DE and 44DF of IFRS 7 are incorporated.</p> <p>A hedging relationship is directly affected by the reform of the benchmark interest rate only if the reform gives rise to uncertainties on such rate designated as a hedged risk or on the timing or amount of cash flows based on such rate.</p> <p>This amendment applies from 1 January 2023 for general purpose financial statements of entities classified in IFRS Group 1. Early application of the Reference Interest Rate is allowed as from fiscal year 2021.</p>
<p>Amendment to IFRS 3 Business Combinations</p>	<p>Reference to the Conceptual Framework</p>	<p>Amendment to the references to align them with the conceptual framework issued by IASB in 2018 and incorporated to the Colombian regulatory framework. In this sense, the identifiable assets acquired and liabilities assumed in a business combination, at the transaction date, shall correspond to those that meet the definition of assets and liabilities described in the conceptual framework.</p> <p>Paragraphs 21A, 21B and 21C are incorporated regarding the exceptions to the recognition principle for liabilities and contingent liabilities within the scope of IAS 37 and IFRIC 21. Paragraph 23A is incorporated to define a contingent asset and clarify that the acquirer in a business combination shall not recognize a contingent asset at the acquisition date.</p> <p>This amendment applies from 1 January 2023 for general purpose financial statements of entities classified in IFRS Group 1.</p>
<p>Annual improvements to IFRS Financial Information Standards 2018-2020</p>	<p>Amendments approved by the IASB</p>	<p>IFRS 1 First-time Adoption of International Financial Reporting Standards: Subsidiary adopting IFRS for the first time. Paragraph D13A of IFRS 1 is added, incorporating an exemption for subsidiaries that adopt IFRS for the first time and take as balances in the opening statement of financial position the carrying amounts included in the financial statements of the parent company (paragraph D16 "a" of IFRS 1) so it may</p>

Financial information Standard	Subject of the amendment	Detail
		<p>measure the foreign exchange differences due to cumulative translation for the carrying amount of such item in the consolidated financial statements of the parent company (also applies to associates and joint ventures).</p> <p>IFRS 9 Financial Instruments: Fees on the "10% test" regarding derecognition of finance liabilities. A text is added to paragraph B3.3.6, and paragraph B3.3.6A is added, to clarify the recognition of fees paid (to profit or loss if it is a derecognition of the liability, or as a reduction in the value of the liability if it is not treated as a derecognition).</p>
IFRS 9 Financial Instruments	Reform to benchmark interest rate phase 2	<p>Adds paragraphs 5.4.5 to 5.4.9 Changes in the basis for the determination of contractual cash flows because of the reform of the benchmark interest rate (measurement at amortized cost), 6.8.13 Termination of the application of the temporary exception in hedge accounting, 6.9.1 to 6.9.13 Additional temporary exceptions arising from the reform of the benchmark interest rate, 7.1.10 Effective date, and 7.2.43 to 7.2.46 Transition for the reform of the benchmark interest rate Phase 2 to IFRS 9.</p> <p>Amendment to IAS 39 Financial Instruments: Recognition and Measurement: Paragraph 102M Termination of the application of the temporary exception in hedge accounting, paragraphs 102_0 to 102_Z3 Additional temporary exceptions arising from the reform of the benchmark interest rate and 108H to 108K Effective date and transition, and new headings are added.</p> <p>Amendment to IFRS 7 Financial Instruments: Disclosures: Paragraphs 24_I, 24_J Additional disclosures related to the reform of the benchmark interest rate, 44GG and 44HH Effective date and transition, and new headings are added.</p> <p>Amendment to IFRS 4 Insurance Contracts: Paragraphs 20R and 20S Changes in the basis for determining contractual cash flows because of the reform of the benchmark interest rate, and paragraphs 50 and 51 Effective date and transition, and new headings are added.</p> <p>Amendment to IFRS 16 Leases: Paragraphs 104 to 106 Temporary exception arising from benchmark interest rate reform are amended, and paragraphs C20C and C20D Benchmark interest rate reform phase 2 are added.</p> <p>These amendments apply from 1 January 2023 for general purpose financial statements of entities classified in IFRS Group 1. Early application of the Benchmark Interest Rate is allowed from fiscal year 2021.</p>

The standards incorporated in Colombia as of 1 January 2023 did not generate impacts on the Company's separate financial statements.

3.1.2 Standards incorporated in Colombia as of 1 January 2024 – Regulatory Decree 1611 of 5 August 2022.

Financial information Standard	Subject of the amendment	Detail
Amendment to IAS 1 Presentation of Financial Statements and Practice Statement No. 2 Making Materiality Judgments Materialidad o Importancia Relativa	Disclosure of accounting policies	<p>Companies must disclose material information about their accounting policies, and in that sense, the amendment requires the application of the concept of materiality to the disclosures of accounting policies.</p> <p>This amendment will be effective for annual periods beginning on or after 1 January 2023, with early adoption allowed.</p>
Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	Definition of accounting estimates	<p>The amendment clarifies how companies should differentiate changes in accounting policies from changes in accounting estimates. This considering that only the effects of changes in estimates are to be applied prospectively.</p> <p>This amendment will be effective for annual periods beginning on or after 1 January 2023, with early adoption allowed.</p>
Amendment to IFRS 16 Leases	Covid-19-Related Rent Concessions beyond 30 June 2021	<p>The amendment extended the availability of the practical expedient for the accounting treatment of rent concessions granted to lessees as a direct consequence of the COVID-19 pandemic of paragraph 46A of IFRS 16 for one year. The 2021 amendment resulted in the practical expedient being applied to lease concessions for which any reduction in lease payments affects only payments originally payable on or before 30 June 2022, provided that the other conditions for applying the practical expedient are met.</p> <p>It is indicated that lessees who have applied the initial practical expedient should also apply the extended scope of the practical expedient proposed in this second amendment for leases with similar characteristics and circumstances.</p> <p>This proposal cannot be applied by lessees that have already established an accounting policy of not applying the practical expedient to eligible lease concessions with similar characteristics and circumstances.</p> <p>This amendment will be effective for annual periods beginning on or beyond 1 April 2021. Early adoption is allowed, including in financial statements not yet authorized for issue as of 31 March 2022.</p> <p>The application of this amendment shall be made retrospectively, with the cumulative effect of initial application recognized as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment. Disclosure of paragraph 28(f) of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors is not required.</p>

Financial information Standard	Subject of the amendment	Detail
Amendment to IAS 12 Income Taxes	Deferred Taxes related to Assets and Liabilities arising from a Single Transaction	<p>The amendment clarifies how companies should account for deferred taxes on transactions such as leases and decommissioning provisions.</p> <p>IAS 12 - Income Taxes specifies how an entity accounts for income tax, including deferred tax, which represent tax payable or recoverable in future periods.</p> <p>Under given circumstances, entities are exempt from recognizing deferred taxes when they first recognize assets or liabilities. Previously, there was some uncertainty as to whether the exemption applied to transactions such as leases and decommissioning provisions, transactions for which entities initially recognize both an asset and a liability.</p> <p>The amendment clarifies that the exemption does not apply, and entities are required to recognize deferred taxes on leases and decommissioning provisions.</p> <p>This amendment will be effective for annual reporting periods beginning on or after 1 January 2023 and early adoption is allowed, in which case this fact must be disclosed.</p> <p>An entity shall apply this amendment to transactions occurring on or after the beginning of the earliest comparative period presented.</p>

The Company has adopted deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12 Income Taxes) from 1 January 2024. The amendments limit the scope of the exemption from initial recognition to exclude transactions that give rise to temporary differences that are offset. For all other transactions, the Company applies the modifications to transactions occurring on or after the beginning of the earliest period presented. The Company's position is to recognize deferred tax by considering the asset and liability separately.

The standards incorporated in Colombia as of 1 January 2024 did not generate impacts on the Company's separate financial statements.

3.1.3 Standards incorporated in Colombia as of 1 January 2027 – Regulatory Decree 1271 of 15 October 2024.

Financial information Standard	Subject of the amendment	Detail
IFRS 17 Insurance Contracts	It seeks to unify the delivery of results from insurance sector entities around the world.	IFRS 17 - Insurance Contracts became effective on 1 January 2023, following the amendment issued in June 2020 that allows its early application provided that IFRS 9 also applies, within the Colombian regulatory framework IFRS 17 will be applicable for general purpose financial statements as of 1 January 2027, in accordance with Article 4 of Decree 1271 of 2024. Early adoption of this standard must be disclosed.
Simplifications for the implementation of IFRS 17 to be applied by Group 1 financial information preparers supervised by the	Simplifications for individual and separate financial statements in the implementation of IFRS 17 The	The preparers of financial information supervised by the Financial Superintendency of Colombia must consider some simplifications for the implementation of IFRS 17..

Financial information Standard	Subject of the amendment	Detail
Superintendence of Finance of Colombia.	financial information preparers supervised by the Superintendence of Finance of Colombia must consider some simplifications for the implementation of IFRS 17.	

The Company is not required to quantify the impact on the separate financial statements since these new standards are not applicable to it.

3.2 Standards issued by the IASB not incorporated in Colombia

The following standards have been issued by the IASB, but have not yet been incorporated by Decree in Colombia:

Financial information Standard	Subject of the amendment	Detail
Amendment to IFRS 16 Leases	Lease liabilities on a sale and leaseback.	The amendments require a seller-lessee to subsequently measure lease liabilities arising from a sale-leaseback transaction so that it does not recognize any amount of gain or loss that relates to the right-of-use it retains.
Amendment to IAS 1 - Presentation of Financial Statements	Non-Current Liabilities with Covenants.	<p>In October 2022, the International Accounting Standards Board (IASB, by its acronym in English) issued the amendments to IAS 1 Presentation of Financial Statements for the purpose of improving the information an entity provides on liabilities arising from loan arrangements for which an entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to it meeting the conditions specified in the loan arrangement (liabilities with covenants; and responds to their concerns about the results of applying the amendments in Classification of Liabilities as Current or Non-Current issued in 2020.</p> <p>The IASB decided to modify the requirements of IAS 1 - Presentation of Financial Statements regarding:</p> <ol style="list-style-type: none"> The classification of liabilities with covenants as current or non-current. Disclosures on Non-current liabilities with covenants.
Amendment to IAS 7 Statement of Cash Flows and IFRS 7 Financial instruments: Disclosures.	Supplier Finance Arrangements	<p>In May 2023, the International Accounting Standards Board (IASB) issued Supplier financing arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.</p> <p>The amendments supplement the requirements already contained in IFRS and require disclosure:</p>

Financial information Standard	Subject of the amendment	Detail
		<ul style="list-style-type: none"> • Terms and conditions of the financing arrangements. • The amount of the finance liabilities that form part of the arrangements by breaking down the amounts for which the suppliers have already received payments from the financial suppliers, and indicating where the liabilities are on the statement of financial position. • Ranges of payment maturity dates. • Information of liquidity risk and concentration risk.
Amendments to IAS 12 Income taxes	International Tax Reform: Pillar 2 model Rules	<p>In May 2023, the International Accounting Standards Board (IASB) issued the amendment International Tax Reform related to the Pillar 2 model rules established by the Organization for Economic Cooperation and Development (OECD), including the tax legislation that applies the qualified national minimum supplementary taxes described in such rules, which aims to address the fiscal challenges arising from the digitization of the economy. Such tax legislation, and the income taxes derived therefrom, are referred to as “Pillar 2 legislation” and “Pillar 2 income taxes”.</p> <p>The amendment introduces a temporary exception to the requirements for recognizing and disclosing deferred tax asset and liability information related to Pillar 2 income taxes; and disclosure requirements specific to affected entities.</p>
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	Absence of Convertibility	<p>In August 2023, the International Accounting Standards Board (IASB) issued the Absence of Convertibility amendment, which aims to ensure that entities apply a consistent approach when evaluating whether a currency is convertible into another currency and, where not possible, determining the exchange rate to be used, the accounting requirements to be applied and the information to be disclosed.</p> <p>The amendments apply to annual periods beginning on or after 1 January 2025. Early application is allowed. However, an entity shall not restate comparative information.</p>
IFRS 18 Presentation and Disclosures in Financial Statements	Seeks to help investors analyze the financial performance of companies.	<p>IFRS 18 - Presentation and Disclosures in Financial Statements, introduces three sets of new requirements to improve companies' disclosures about their financial performance and provide investors with a better basis for analyzing and comparing companies:</p> <ul style="list-style-type: none"> • Improved comparability in the statement of profit or loss (income statement): FRS 18 introduces three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and requires all companies to provide new defined subtotals, including operating profit.

Financial information Standard	Subject of the amendment	Detail
		<ul style="list-style-type: none"> • Enhanced transparency of management-defined performance measures: IFRS 18 requires companies to disclose explanations of those company-specific measures that are related to the income statement, referred to as management-defined performance measures. • More useful grouping of information in the financial statements: IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires companies to provide more transparency about operating expenses, helping investors to find and understand the information they need. <p>IFRS 18 replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged. IFRS 18 does not require companies to provide management-defined performance measures, but does require the company to explain them if they are provided. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.</p>
IFRS 19 Subsidiaries without Public Accountability: Disclosures	Simplifies the preparation of financial statements of subsidiaries with reduced disclosure requirements	<p>IFRS 19 Subsidiaries without Public Accountability: Disclosures allows qualifying subsidiaries to apply the disclosure requirements of this Standard and the recognition, measurement and presentation requirements of IFRS.</p> <p>An entity is permitted to apply IFRS 19 in its consolidated, separate or individual financial statements if, and only if, at the end of its reporting period:</p> <ul style="list-style-type: none"> a. It is a subsidiary, b. It does not have public accountability; and c. It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. <p>An entity has public accountability if its debt or equity instruments are traded in a public market, or if it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.</p> <p>The entity that elects to apply this Standard shall apply IFRS Standards, except for the disclosure requirements listed in this Standard, which are replaced by the disclosure requirements listed in IFRS 19.</p> <p>This standard is effective for annual reporting periods beginning on or after 1 January 2027, but early application is allowed.</p>

Financial information Standard	Subject of the amendment	Detail
Amendments to the Classification and Measurement of Financial Instruments	Amendments to IFRS 9 and IFRS 7	<p>In May 2024, the International Accounting Standards Board (IASB) issued Amendments to IFRS 9 and IFRS 7.</p> <p>The amendment to IFRS 9 refers to the derecognition of a financial liability settled through electronic transfer, to clarify that an entity is required to apply settlement date accounting when derecognizing a financial asset or financial liability, and to permit an entity to consider a financial liability that is settled by an electronic payment system to be satisfied before the settlement date if specified criteria are met. It also clarifies the application guidance for assessing the contractual cash flow characteristics of finance assets, including:</p> <ul style="list-style-type: none"> a. Financial asset with contractual terms that could change the timing or amount of contractual cash flows, for example, those with ESG-linked features; b. Finance assets with non-recourse features; and c. Contractually linked finance assets. <p>Additionally, regarding to IFRS 7, this amendment includes changes to disclosures of investments in equity instruments designated as at fair value through other comprehensive income and financial instruments with contractual terms that could change the timing or amount of contractual cash flows if a contingent event occurs (or not)</p> <p>An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2026. Early application is allowed.</p>
Annual improvements to IFRS standards Volume 11	Amendments approved by the IASB	<p>IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment improves consistency with the requirements of IFRS 9 Financial Instruments regarding hedge accounting, and adds cross-references to improve the accessibility and understandability of IFRS.</p> <p>IFRS 7 - Financial instruments Disclosures. The amendment updates the cross-referencing to other standards regarding gain or loss on derecognition.</p> <p>IFRS 9 - Financial Instruments. The amendment includes a cross-reference within the same IFRS that resolves potential confusion for a lessee applying the derecognition requirements of this standard. It also clarifies the use of the term “transaction price” in the standard.</p> <p>IFRS 10 - Consolidated Financial Statements. The amendment removes an inconsistency in the standard regarding the determination of a ‘de facto agent’, specifying that a party could be a de facto agent when those directing the investor’s activities have the ability to direct that party to act on its behalf.</p> <p>IAS 7 - Statement of Cash Flows The amendment eliminates a reference to the “cost method” regarding investments in subsidiaries, associates and joint ventures, since it is not defined in IFRS.</p>

Financial information Standard	Subject of the amendment	Detail
		Amendments will be effective 1 January 2026. Early application is allowed, in which case this fact must be disclosed.
Renewable Electricity Contracts	Amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments Disclosures	<p>In December 2024, the International Accounting Standards Board (IASB) issued an amendment to IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments Disclosures. The amendment to IFRS 9 includes within its scope renewable electricity contracts, which correspond to those contracts in which the entity is exposed to the variability of an underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions, such as the weather. Renewable electricity contracts include both purchase or sale contracts, as well as financial instruments that refer to such electricity.</p> <p>This amendment allows the inclusion of renewable electricity contracts as hedging instruments in hedging relationships of forecasted electricity transactions, specifying additional requirements to satisfy hedge accounting.</p> <p>Also, additional disclosures were included in the amendment to IFRS 7, under which an entity must disclose in its financial statements information related to renewable electricity contracts, including quantitative and qualitative information about the effects on the entity's financial performance derived from such contracts.</p> <p>An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2026. Early application is allowed.</p>

The Company shall quantify the impact on the separate financial statements in a timely manner, so that once the Decree incorporating this standard into the Colombian Technical Regulations Framework is issued, all the necessary activities for its implementation are being advanced.

As at 31 December 2024 the Company has chosen not to adopt any standards or improvements to standards in advance.

NOTE 4: SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATES

In applying the Company's accounting policies, which are described in Note 2 Basis of presentation and significant accounting policies, the management must make judgements and estimates that affect the amounts reported in the separate financial statements. The estimates and associated assumptions are based on historical experience and other factors considered relevant. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed regularly by the management. Revisions to accounting estimates are recognized in the period of revision, if the revision only affects that period, or in future periods if the revision affects both the current period and subsequent periods.

4.1 Significant judgements and estimates when applying accounting policies that do not present a significant risk of significantly affecting the subsequent period

In accordance with paragraph 122 of IAS 1 Presentation of Financial Statements, the following are the judgements and significant estimates made by the Management in the process of applying the Company's accounting policies that have a significant effect on the amounts recognized in the Separate Financial Statements. These judgements and estimates differ from the estimates referred to in paragraph 125 of the same IAS, since in the Management's opinion they are not identified as presenting a significant risk of causing significant adjustments in the subsequent reporting period.

4.1.1 Interests in other entities

The Company has equity investments in companies that under Colombian Financial Information Standards are classified as subsidiaries, associates, joint ventures and financial instruments, according to the degree of relationship with the investee: control, significant influence and the type of joint venture. The degree of relationship was determined in accordance with IFRS 10 Consolidated Financial Statements, IAS 28 Investments in Associates and Joint Ventures and IFRS 11 Joint Arrangements.

The significant judgements and assumptions applied in making this classification are described below:

a. Subsidiaries - Entities over which the Company has control

In determining control, the Company assesses the existence of power over the entity, exposure, or entitlement, to variable returns from its involvement with the entity and the ability to use its power over the entity to influence the value of the returns. Judgement is applied in determining the relevant activities of each entity and the capacity to make decisions about these activities; for this, the purpose and design of the entity is assessed, the activities that most impact its performance are identified and how decisions about the relevant activities are made. The assessment of decision-making considers existing voting rights, potential voting rights, contractual arrangements between the entity and other parties, and the rights and ability to appoint and remove key management personnel, among other aspects. Judgement is also applied in identifying variable returns and exposure to them. Variable returns include, but are not limited to, dividends and other distributions of economic benefits from the entity, remuneration for managing the entity's assets or liabilities, fees and exposure to loss from providing credit or liquidity support.

The judgements and assumptions made to determine that the Company controls a company even when less than half the voting rights are retained are:

(a) P.A. Ganadería Rio Grande: Management has evaluated the degree of influence that the Company has over this entity and determined that it exercises control over the entity even though it maintains a percentage of ownership equal to 13.39%, given that the Company is exposed to the variable returns from this investment and has the capacity to influence them through the exercise of its power by making relevant decisions.

The judgements and assumptions made to determine that the Company does not control a company even though it holds more than half of the voting rights are:

(b) Consorcio Mantenimiento Opain (liquidated 28 June 2024) and P.A. Contingencias Consorcio Nuevo Dorado: Management has assessed the degree of influence that the Company has over these consortiums and determined that it does not exercise control over them even though it holds a percentage of more than 50%, given that the quorum for financial and administrative decisions requires the favorable vote of all the consortium members, giving rise to a relationship of joint control.

(c) Patrimonio Autónomo Hacienda Niquía: Management assessed the degree of influence that the Company has over this entity and determined that it does not exercise control over it even though it holds an interest of over 50%, since the Company does not have the current capacity to decide on the activities that most impact the entity's performance.

b. Associates - Entities over which the Company has significant influence

Judgment is applied in assessing significant influence. The Company is deemed to have significant influence over an associate when it has the power to intervene in the associate's financial and operating policy decisions. To this end,

the Company considers the existence and effect of potential voting rights that may be exercised or converted at that time, including potential voting rights held by other companies, to assess whether it exercises significant influence over an investment. It should not consider those that cannot be exercised or converted until a future date, or until a future event has occurred.

As of December 2024, the Company has suspended voting rights on the investment in Grupo de Inversiones Suramericana S.A. through the inhibition of the voting rights of 155,200,000 shares held in the FAP Grupo Argos Inhibitor Autonomous Equity, the purpose of which is not to exercise the voting rights; if these shares had not been inhibited, the percentage of voting interest as of December 2024 would be 64.29%.

Since the Company does not exercise the voting rights on the inhibited shares, it does not have the power to make decisions on the relevant activities of Grupo de Inversiones Suramericana S.A., however, although less than 20% of the voting rights remain, Grupo Argos S.A. maintains its significant influence over the entity, since it maintains its representation on the Board of Directors of the company and its capacity to intervene in the financial and operating policy decisions of the company.

c. Joint arrangements as a joint operation or a joint venture

Once the existence of a joint arrangement is determined by assessing the contractual arrangement in which two or more parties exercise joint control in an arrangement, the Company applies significant judgements and assumptions to determine whether the arrangement is a joint venture or a joint operation; That is, (i) if a joint operation exists despite having a separate vehicle, for example, if the Company is granted rights to the assets and obligations in respect of the liabilities relating to the arrangement and not rights to the net assets of the arrangement; or (ii) if a joint venture exists, through a contractual arrangement that is structured through a separate vehicle or not and grants rights to the net assets of the arrangement but not rights to the assets and obligations relating to the arrangement.

The Company should consider the following in recognizing a joint venture when it is formed through a separate vehicle: (i) the legal form of the separate vehicle; (ii) the terms of the contractual arrangement; and (iii) where appropriate, other factors and circumstances.

4.1.2 Functional currency

Management uses its judgment in determining its functional currency. The determination of the Parent Company's functional currency and each of its investments in subsidiaries, associates and joint ventures is determined by evaluating the principle and indicators set forth in IAS 21 The Effects of Changes in Foreign Exchange Rates.

4.1.3 Hedge accounting

Management applies its judgment to establish whether a hedging relationship meets the requirements of IAS 39 Financial Instruments: Recognition and Measurement for hedge accounting, as well as the assessment of hedge effectiveness and sources of ineffectiveness. The Company applies fair value and cash flow hedge accounting in its financial statements to hedge primarily foreign currency and interest rate risk. The decision to apply hedge accounting may have a significant impact on the Company's financial statements.

4.1.4 Determination of the term of the lease of contracts with renewal options

Under certain leases, there is the option to lease the assets for additional periods. The Company applies its judgement in assessing whether it is reasonably safe to exercise the renewal option, i.e., it considers all the relevant factors that create an economic incentive to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in the circumstances under its control that affect its ability to exercise (or not exercise) the renewal option. In addition, the Company enters leases contracts that are automatically renewed at the end of the original lease term for another term of the same duration, or on a month-to-month basis, without any action being taken by the Company or the lessor.

4.1.5 Distinction of investment property from inventories

The Company requires the application of professional judgment to determine whether a property meets the requirements to be classified as investment property or to be classified as inventory. Given the nature of the assets currently held by the Company, this classification may be complex. Therefore, the Company has developed criteria to exercise such judgment in a manner consistent with the standard, such as:

- The separation of whether the property is held for income or capital appreciation or for sale in the ordinary course of operations.
- Land held for undetermined future use is held for capital appreciation and, therefore, is held as investment property.
- The commencement of a development with intent to sell it in the ordinary course of business is considered a change in use and therefore involves the transfer of investment property to inventory.
- When the Company decides to dispose of an investment property without carrying out a specific development, it maintains the asset in investment property until it is derecognized and does not treat it as an inventory item.

4.1.6 Current income tax

The Company recognizes current income tax amounts in the Financial Statements given the volume of transactions. The determination of current tax is based on Management's best interpretation of current and applicable laws and best practices in the jurisdictions in which it operates. The reasonableness of this estimate depends on Management's ability to integrate complex tax and accounting standards and to consider changes in applicable laws.

An uncertain tax treatment is a tax treatment for which there is uncertainty as to whether the tax authority shall accept the tax treatment under the tax law. For legal processes in force, provision is recognized only for processes qualified as probable, and not recognized for those qualified as remote or possible. The probability analysis is based on expert opinions and on the interpretation of the tax regulations in force in the applicable jurisdiction.

4.1.7 Pension plans and other defined post-employment benefits

The liability for pension plans and other post-employment benefits is estimated using the projected credit unit technique, which requires the use of financial and demographic assumptions, including, but not limited to, discount rates, inflation rates, expected salary increases, life expectancy and employee turnover rates. The estimate of the liability, as well as the determination of the values of the assumptions used in the valuation, is made by an independent external actuary, considering the market conditions existing at the measurement date.

Given the long-term horizon of these benefit plans, the estimates are subject to a degree of uncertainty. Any change in actuarial assumptions directly impacts the value of the pension obligation and other post-employment benefits.

4.1.8 Recognition of revenue and costs from construction activities

Since recognition of revenue and costs from construction activities that have not yet been invoiced is related to the execution of contracts, the estimate of the proportion that corresponds to the reporting period is assigned by evaluating the degree of progress of the construction projects through the cost method. These estimates do not normally vary significantly from subsequent actual measurements.

4.2 Key data on uncertainty in estimates that represent a significant risk of significantly affecting the following period

Following are the assumptions made about the future and other sources of uncertainty used in applying the accounting policies for the preparation of the financial statements for the reporting period, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the following reporting period:

4.2.1 Provisions, contingent assets and liabilities

Certain contingent conditions may exist at the date the financial statements are issued, which may result in a loss for the Company and, in the case of contingent assets, an income for the Company, but shall only be resolved in the future when one or more events occur or may occur.

The Company considers that a past event has given rise to a present obligation if, considering all the evidence available at the reporting date, it is probable that a present obligation exists, independent of future events. A provision is recognized when it is more likely than not that an event shall occur. Possible obligations that arise from past events and whose existence shall be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Company's control are not recognized in the statement of financial position but are disclosed as contingent liabilities; the occurrence of events that are estimated to be remote is not recorded or disclosed. Events giving rise to contingent assets is not recorded but disclosed (Note 21 Provisions and Note 39 Contingent assets and liabilities).

To determine the possibility of the occurrence of a present obligation, the professional judgment of internal and external specialist lawyers is involved. In estimating the provision, management considers assumptions such as, but not limited to, inflation rates, attorneys' fees, estimated duration of the lawsuit, statistical information of processes with similar characteristics, among others.

4.2.2 Impairment of assets, investments in associates and joint ventures, and property, plant and equipment.

The Company assesses at least at each annual closing date of the statement of financial position or whenever market or business conditions present significant changes, whether there is any indication of impairment of assets. If such an indication exists, the Company estimates the recoverable amount of the asset or the cash-generating unit.

For assessing the appropriateness of performing the full impairment test, the Company shall perform a review of the critical business variables that affect the fair value of the assets in each market. The indicator matrix is defined for each geography or market in which the business is conducted and is reviewed periodically with the different areas to ensure its validity. The general indicators are:

- Observable evidence that the value of the assets has decreased over the period significantly more than would be expected because of the passing of time or normal use.
- Changes in the legal, social, ecologic or market environment that may reduce the value of the asset.
- Changes in prices that affect future income.
- Changes in their capacity to generate income.
- Changes in its total cost.

The purpose of the impairment test is to determine the recoverable amount, which is the higher of fair value less disposal costs and value in use, as mentioned in Note 2.4.4 Impairment of tangible and intangible assets.

For associates and joint ventures, the events that allow establishing whether there is objective evidence that these investments may be impaired can be seen in Note 2.4.6 Investments in associates and joint arrangements.

If there is objective evidence of impairment due to the occurrence of one or more events, an impairment loss on associates and joint ventures shall have occurred if the event (or events) causing the loss has an impact on the estimated future cash flows of the investment (Note 15.6 Impairment analysis investments in associates and joint ventures).

4.2.3 Fair value of investment property

To determine the fair value, the Company opted to hire independent experts with recognized professional capacity and experience in the valuation of real estate.

For the valuation process, these experts select one of three approaches: market approach, cost approach, or income approach (Note 14 Investment Property).

4.2.4 Deferred income tax

The Company recognizes deferred income tax amounts in the Financial Statements given the volume of transactions. The determination of deferred tax is based on management's best interpretation of current and applicable laws and best practices in the jurisdictions in which it operates. The reasonableness of this estimate depends on management's ability to integrate complex tax and accounting standards, to consider changes in applicable laws, and to evaluate, for purposes of recognition of the deferred tax asset, the existence of sufficient taxable income to realize it.

Exception from IAS 12 Income Tax, on investments: The Company applies its judgment not to recognize in its separate financial statements deferred tax liabilities on investments in subsidiaries, considering that it is able to control the timing of the reversal of temporary differences and it is probable that these shall not reverse in the foreseeable future, in line with the exception allowed by IAS 12 Income tax on this type of investments.

4.2.5 Fair value of financial instruments

The Company uses assumptions that reflect the most reliable fair value of financial instruments including finance derivatives, which do not have an active market or have no observable market price, using valuation techniques widely known in the market.

Fair value measurements are performed using a fair value hierarchy that reflects the significance of the inputs used in the measurement (Note 2.3 Basis of preparation) for Level 2 and Level 3 inputs Management must apply judgment to select the appropriate valuation method for the asset or liability being measured and maximizes the use of observable inputs.

The assumptions are consistent with market conditions at the measurement date and the information that market participants would consider in estimating the price of the instrument. Management considers that the valuation models selected, and the assumptions used are appropriate in determining the fair value of financial instruments. Notwithstanding the foregoing, the limitations of the valuation models and the parameters required by these models may result in the estimated fair value of an asset or liability not exactly matching the price at which the asset or liability could be delivered or settled at the measurement date. Additionally, changes in internal assumptions and rates used in the valuation may significantly affect the fair value of finance derivatives. The periodicity of the valuation of these instruments is monthly. (Note 7.5 Fair value).

NOTE 5: CHANGE IN POLICIES AND RECLASSIFICATIONS OF ITEMS IN THE FINANCIAL STATEMENTS

5.1 Change in policies

During 2024, the Company made no changes to its accounting policies.

5.2 Reclassification of Items in the Financial Statements

During 2024, the Company did not reclassify its comparative figures.

NOTE 6: CASH AND CASH EQUIVALENTS

The total balance of this item at the end of the reporting period, as shown in the Separated Statement of Cash Flows, can be reconciled to the related items in the Separated Statement of Financial Position as follows:

	2024	2023
Cash equivalents (1)	17,256	385,809

	2024	2023
Cash and banks (2)	479	25,057
Total cash and cash equivalents	17,735	410,866

(1) The following are the cash equivalents held by the Company at the end of the reporting period:

	2024	2023
Trusts and collective investment funds (*)	17,256	12,624
Fixed-term deposits (**)	-	373,185
Total cash equivalents	17,256	385,809

(*) Valores Bancolombia S.A. for \$10,139 (2023 \$1,004), BTG Pactual S.A. for \$6,797 (2023 \$11,403), Corredores Davivienda S.A. for \$278 (2023 \$209), other trusts and investment funds for \$42 (2023 \$8).

(**) Includes Time Deposit transactions for \$0 (2023 \$373,185). The decrease is due to the maturity of the Time Deposit transactions and the use of resources in the acquisition of shares of Grupo Nutresa S.A. through the Tender Offer, in which 10,042,108 shares of Grupo Nutresa S.A. were acquired, of which 9,572,605 shares were paid in cash for a value of \$432,403 (Note 40 Relevant Events).

(2) During 2024, financing instruments for \$1,367,713 were obtained, dividends for \$662,574 were received, of which \$221,299 were received from Grupo de Inversiones Suramericana S.A., Cementos Argos S.A. \$200,144, Celsia S.A. \$171,749, Sator S.A.S. \$26,590, Pactia Private Equity Fund \$13,818, Grupo Nutresa S.A. \$4,364 and others for \$24,610, redemption of finance assets for \$131,924, proceeds from the sale of Valle Cement Investments Inc for \$123,532, interest received for \$100,349, proceeds from the sale of 6,851,487 units of Fondo de Capital Privado Pactia Inmobiliario for \$96,358, loan repayments to third parties for \$38,158, as a result of the sale of investment properties for \$26,228, recovery of favorable income tax balance with TIDIS for \$71,008 and proceeds from financial derivative arrangements \$13,467.

Payments associated with other financing instruments were made for (\$1,246,668), dividends for (\$529,129), interest for (\$206,645), maturity of bonds and commercial papers for (\$168,062), repurchase of shares for (\$148,965), payment of withholding at source with TIDIS for (\$57,495), payment of taxes mainly for property tax (\$86,377), payment of fees and services (\$65,234), constitution of collateral on stock hedging transactions for (\$42,682), investment in finance assets (Cell Captive) for (\$38,434), purchase of interests in investments for (\$14,608), acquisition of investment properties (\$11,373), and other payments related to the normal operation of the business for (\$40,217).

Cash equivalents correspond to resources available to the Company managed through liquidity funds easily convertible into a determined amount of cash and subject to a minimum risk of value change, with a maturity of three months or less from the date of acquisition. These resources are managed at the discretion of the Company in accordance with its treasury policies.

Significant non-cash transactions

- On 6 February 2024, the first share Exchange of Grupo Nutresa S.A. was made, result of the Framework Agreement signed in June 2023, where the Company exchanged all the ordinary shares that it held in Grupo Nutresa S.A. (45,243,781 shares) in exchange for 36,070,836 ordinary shares of Grupo de Inversiones Suramericana S.A. and 14,932,413 ordinary shares of Sociedad Portafolio S.A. Liquidada (Note 40 Relevant events).

On 11 April 2024, compliance with the Tender offer on ordinary shares of Grupo Nutresa S.A. was granted. According to the Company's interests in the offer, 10,042,108 shares of Grupo Nutresa S.A. were awarded to the Company, of which 9,572,605 were paid in cash and 469,503 were paid in kind, by delivering 349,196 shares of Grupo de Inversiones Suramericana S.A. and 265,254 shares of Sociedad Portafolio S.A. Liquidada for \$21.209.

Following compliance with the Tender offer, on 25 April 2024, the second share exchange of Grupo Nutresa S.A. was carried out, where the Company exchanged the shares acquired in the Tender Offer (10,042,108 shares) in exchange for 5,049,057 ordinary shares of Grupo de Inversiones Suramericana S.A. and 16,304,046 ordinary shares of Sociedad Portafolio S.A. Liquidada (Note 15 Investments in associates and joint ventures and Note 40 Relevant events).

- During 2024, stock hedging transactions were performed for \$141,677. This financial instrument generated on its initial recognition a finance liability that did not involve cash inflow. The liquidation of this instrument may imply cash movements (Note 18 Financial obligations).
- After approval of the final liquidation account of Sociedad Portafolio S.A. Liquidada, on 4 October 2024, Deceval made the respective entry in the Company's name for 13,702,692 shares of Grupo Argos S.A., which were recognized as own shares repurchased for \$210,400; additionally, 10,328,121 shares of Grupo de Inversiones Suramericana S.A. were received for \$342,762.
- As of December 2024 Sator S.A.S. delivered as payment in kind 596,313 shares of Grupo de Inversiones Suramericana S.A. for \$22,120.
- In December, the lot Nueva Castellana Block 10 was delivered for \$18,387 in an exchange transaction through which three lots (Pen Block C, E and F) were received again for \$24,556 and the receivable from the initial sale of these lots for \$6,480 was cancelled. The transaction generated minor expenses of \$311.

During 2023, the following significant non-cash transactions took place:

- Grupo Argos S.A. recognized the investment in the company Sociedad Portafolio S.A. Liquidada, which corresponds to the spin-off of Grupo Nutresa S.A. registered by Public Deed No. 3838 of 14 December 2023, for \$280,926 (Note 17 Non-current Assets held for sale and Note 40 Relevant Events).
- The Company gave as payment in kind the land called San Antonio Santana Isla Barú to the company Barú Partners and Community Entrepreneur S.A.S. for \$3,625 (Note 14 Investment properties and Note 21 Provisions).

The Company, as at 31 December 2024 and 2023, has no current or non-current restricted cash or cash equivalents.

NOTE 7: FINANCIAL INSTRUMENTS

7.1 Capital risk management

The Company's capital structure is based on net financial debt consisting of short- and long-term finance liabilities, bonds, and equity, consisting of issued shares, both preferred and ordinary, reserves, retained earnings and other components of equity, as disclosed in Note 18 Financial obligations, Note 24 Bonds and compound financial instruments, Note 27 Reserves and other comprehensive income, and Note 28 other components of equity.

The Company manages its capital to ensure the ability to continue as going concern. Similarly, it strategically designs an efficient and flexible capital structure, consistent with growth, investment, and credit rating plans. To this end, indicators of leverage, hedging, solvency and profitability have been established. Said structure is reviewed periodically or whenever there are relevant changes in the strategy.

In the same way, the company manages capital risk through the rotation of portfolio assets and the management of healthy debt levels (measured mainly in terms of net debt / dividends and net debt / portfolio value) that allow it to develop its strategy and seek to maximize the generation of shareholder value.

The Company is not subject to external capital requirements, which is why all leverage decisions and target capital levels are made with the premise of generating value for shareholders, while pursuing keeping the best credit rating. Also, debt term and composition are consistent with the capital cycles of each investment.

7.2 Financial instrument categories

	2024	2023
Finance assets		
Cash and cash equivalents (Note 6)	17,735	410,866
Finance assets measured at fair value through profit or loss (Note 11)	462,590	570,157
Finance assets measured at fair value through other comprehensive income (OCI) (Note 11)	14,744	292,325
Finance assets measured at amortized cost (Note 8)	457,758	455,336
Derivatives in hedging relationships	-	9,936
Total finance assets	952,827	1,738,620
Finance assets classified as non-current assets held for sale (Note 17)	-	2,035,970
Total finance assets including non-current assets held for sale	952,827	3,774,590
Finance liabilities		
Derivatives in hedging relationships	4,897	1,806
Finance liabilities measured at amortized cost (Notes 18, 22, and 24)	1,909,770	1,792,838
Total Finance liabilities	1,914,667	1,794,644

7.2.1 Finance liabilities measured at amortized cost

	2024	2023
Finance liabilities (Note 18)	919,860	647,655
Outstanding bonds and commercial papers (Note 24)	825,376	995,563
Trade liabilities and other payables (Note 22)	154,061	139,079
Preferred shares classified as compound financial instruments (Note 24)	10,473	10,541
Total finance liabilities measured at amortized cost	1,909,770	1,792,838

At the closing of 2024 and 2023, finance liabilities of the Company correspond to short- and long-term loans, ordinary bonds, suppliers, and payables.

7.2.2 Reclassification of finance assets

During 2024 and 2023, the Company did not make changes in the business model for managing and administering finance assets were made, and therefore no finance assets have been reclassified from the fair value category to amortized cost, or vice versa.

7.2.3 Offsetting of finance assets and liabilities for presentation purposes

During 2024 and 2023 the Company, for presentation purposes, did not offset finance assets and liabilities and has no relevant offsetting agreements.

7.3 Financial risk management objectives

The Company's financial policies are defined by the Treasury Committee and managed and seek to ensure a sound financial structure and to maintain the exposure to market risk, liquidity, and credit at tolerable levels, depending on the nature of the operations and in accordance with the policies, exposure limits and attribution defined. The Company is exposed to exchange rate, interest rate, credit, and liquidity risks. The risk is mitigated towards tolerable exposure levels using natural hedging or finance derivatives, to the extent that the market permits. It is not a policy of the Company to use finance derivatives for speculative purposes.

Special operations such as acquisitions and issuance of shares or bonds may temporarily exceed the limit established by management, a situation that is controlled through permanent monitoring of volatility and the execution of investment plans associated with the specific transaction performed.

7.3.1 Market risk

Financial risks include market risks. These risks are derived from fluctuations in macroeconomic and microeconomic variables that can generate changes in the value of assets and liabilities, affecting profit and therefore profitability for shareholders.

Investments in subsidiaries, associates and joint ventures, as well as other finance assets recognized in the Company's financial statements, are exposed to market risk. Investments in subsidiaries, associates and joint ventures are considered as permanent investments, since they are not held for trading purposes, and their accounting recognition is made in accordance with the Company's accounting policies (Note 15 Investments in associates and joint ventures and Note 16 Investments in subsidiaries).

The Company's other finance assets are mainly composed of investments in equity instruments, time deposits, and other securities, some of which are listed on the Colombian Stock Exchange and are measured at fair value through profit or loss or other comprehensive income depending on the specific characteristics of each instrument; however, they are not held for trading purposes (Note 11 Other finance assets).

Likewise, the Company has financial obligations, bonds, and compound financial instruments with exposure to market risk, mainly for those instruments whose interest rate is indexed to variable indicators (Note 18 Financial obligations and Note 24 Bonds and compound financial instruments).

The Company is exposed in the management of its financial instruments to risk factors such as exchange rates, interest rates, and price levels, such as stock market price and others. These risks are managed considering the guidelines established in the Company's policies and the exposures to market risks are measured using different quantitative models, such as Value at Risk (VaR), scenario simulation, and sensitivity analysis.

The fair values of these instruments are included in note 7.5 Fair values and 7.6 Description of significant inputs for valuation. The fair values of subsidiaries, associates and joint ventures of those companies whose securities are traded on a stock exchange are disclosed in their respective notes. Additionally, the contractual terms and estimated maturity dates of those instruments for which applicable are disclosed in the specified notes.

The following sections disclose the degree of exposure to different market risk factors to which the Company is exposed (stock price, exchange rate and interest rate).

Sensitivity analysis of finance assets

A 1% change in the CPI and Banking Benchmark Indicator in the valuation of Fixed-Rate Certificate of Deposit would generate an annual finance income of \$1,833 and \$1,447, respectively.

7.3.2 Foreign exchange risk management

The Company is exposed to exchange rate risk because of the operations of its subsidiaries with a functional currency other than the Colombian peso, and for transactions carried out in currencies other than its functional currency, fluctuations in exchange rates have a direct impact on cash and on the financial statements. The Company monitors foreign exchange rate risk by analyzing balance and cash flow exposure.

The Company's general policy is to limit the effects of exposure to foreign exchange risk. When the Company makes investment, financing and operating activities, it is possible to manage this risk by selecting the appropriate hedging instrument. The following options are available for this purpose:

1. Natural hedges, consisting of taking two positions that are reflected in the assets and liabilities in the statement of financial position, such as a dollar investment and a dollar liability.
2. Financial hedges, realized with derivative instruments such as forwards, futures, options, swaps, among others.

Cash flow exposure is monitored by analyzing the offsetting of income and expenses in foreign currency, seeking to generate equivalent income and expenses during the period to minimize purchases or sales of dollars in the spot market.

The Company's exposure to changes in the exchange rate against the U.S. dollar, based on the nominal amounts of monetary assets and liabilities after incorporating hedges made with derivative financial instruments, is presented below:

Exposure to U.S. dollar (In thousands of dollars)	2024	2023
Monetary assets	31,830	138,008
Monetary liabilities	(36)	(81)
Net exposure	31,794	137,927

Exposure to U.S. dollar (In millions of Colombian pesos)	2024	2023
Monetary assets (*)	140,115	527,473
Monetary liabilities	(160)	(308)
Net exposure	139,955	527,165

(*) Variation mainly corresponds to the liquidation of Time Deposit for (\$373,185), proceeds from the sale of Valle Cement Investments Inc for (\$115,211), the constitution of collaterals for \$42,682 and an increase in the Cell Captive investment for \$38,434.

7.3.2.1 Foreign currency sensitivity analysis

The Company's general policy is to limit the effects of exposure to foreign exchange risk. When the Company makes investment, financing and operating activities, it is possible to manage this risk by selecting the appropriate hedging instrument.

The Company performs sensitivity analysis in order to quantify the impact of exchange rates on its financial statements. In general terms, it benefits from exchange rate differences from the translation of foreign operations by application of the equity method with increases in exchange rates, which is largely explained by the weight of the investments in Cementos Argos S.A., Celsia S.A., Odinsa S.A. and the exposure that these companies have to the markets of the United States, the Caribbean and Ecuador. The hedging structures of the Company allow it to maintain a balanced net position in the statement of income and of financial position.

At the profit or loss level, the Company is mainly exposed to the U.S. dollar currency due to its items in that currency. The following table details the Group's sensitivity to a 20% increase or decrease in the Colombian peso against the U.S. dollar after considering the effect of hedge accounting when applicable. 20% represents the sensitivity percentage used when reporting foreign exchange risk internally to key management personnel and represents management's assessment on the reasonable possible change in exchange rates. The sensitivity analysis includes only the outstanding monetary items denominated in foreign currencies and adjusts their translation at the end of the period for a 20% change in exchange rates. A positive figure below indicates an increase in results where the Colombian peso weakens by 20% against the relevant currency. If there were to be a 20% strengthening in the functional currency against the reference currency, then there would be an opposite impact on profit or loss.

The sensitivity analysis to foreign currency risk shows that a 20% devaluation of the Colombian peso against the U.S. dollar would have the following impact on income before taxes:

	In millions of Colombian pesos	
	2024	2023
Impact on profit before taxes	27,991	105,433

A 20% strengthening of the Colombian peso against the U.S. dollar would have produced the opposite effect. For the analysis it is assumed that all other variables are constant.

7.3.2.2 Foreign currency derivative contracts

Finance derivatives are recognized in the statement of financial position at their fair values, considering the market curves in force at the valuation date. Accounting for changes in the fair value of derivatives depends on the use of the derivative and its designation as an accounting hedge instrument.

Derivative instruments contracted by the Company to hedge foreign exchange risk can be designated as Fair value or cash flow hedge instruments.

At the closing of 2024 and 2023, the Company has no outstanding foreign exchange derivative instruments.

Type of instrument	Hedged item	Underlying rate	Notional value of the underlying - Amount of the derivative instrument		Rate of the derivative instrument	Maturity of the derivative instrument	Fair value of the asset (liability) derivative instrument	
			2024	2023 (*)			2024	2023
Sales forward de venta	Receivable	N/A	-	USD 30,143,771	4,421.31	27/12/2024	-	9,338
Total derivative instruments hedging foreign currency, net							-	9,338

* Figures stated in US dollars.

The breakdown of notional principal amounts and remaining terms of the forward exchange rate contract outstanding at the end of the reporting period is shown in the table below:

	Notional value of the hedged item in Colombian pesos		Fair value of the asset (liability) derivative instrument	
	2024	2023	2024	2023
Fair value hedge				
1 year or less	-	115,211	-	9,338
Derivative instruments hedging foreign currency	-	115,211	-	9,338

7.3.3 Interest rate risk management and inflation indexes

The Company is exposed to interest rate risks because of the disbursement of borrowings at rates that can be variable. This risk is managed based on market readings of the macroeconomic environment and of the counterparties, monitoring risk premiums, investment returns and the cost of debt, in real terms.

Benchmark interest rates in the Colombian financial market that generate exposure to the Company are the CPI and IBR, and the international reference rate SOFR for loans in U.S. dollars, when the company accesses them.

This monitoring is done through the Treasury Committee, considering the cash flow projections in the short and medium term, to establish the efficient index and term compositions. For support, quantitative models are used that allow analyzing the duration, using interest rate curves. Another efficient mechanism for the management of this risk is the interest rate derivatives.

The Company believes that most of its debt should be indexed to indicators such as CPI and Banking Benchmark Indicator, due to the structure of income, costs and expenses. At the closing of 2024, the Company had financial obligations, hedging transactions over shares, and bonds payable with a par value of \$1,72 trillion pesos (2023 \$1.61 trillion pesos), with an average life of 2.3 years (2023 4.0 years) and a net cost of debt of 8% EAR (2023 9.4% EAR).

The following sensitivity analyses have been determined based on the exposure to interest rates and inflation indexes for both derivative and non-derivative instruments at the end of the reporting period. For variable rate liabilities, an analysis is prepared assuming that the amount of the outstanding liability at the end of the reporting period has been the outstanding liability for the entire year.

Based on the exposure of the Company's debt to market rates, an increase of 100 PBS (basic points) in the CPI would affect financial expenditure by \$7,993 (2023 \$9,264); an increase of the same magnitude in the Banking Benchmark Indicator, would increase it by \$9,309 (2023 \$6,454). These risks have been partially hedged through derivative financial instruments or temporary investments that function as natural hedges, mitigating the net impact of a 100 PBS increase in CPI or Banking Benchmark Indicator at the closing of 2024 by \$4,197 and \$7,861, respectively.

7.3.3.1 Contracts arising from interest rates and inflation indexes

Derivative instruments entered by the Company to cover interest rate risk are designated as cash flow hedging instruments. The Company does not hold any derivative instruments to cover this risk that have not been designated as hedging instruments. The value recognized through other comprehensive income (OCI) for the valuation of these derivative instruments is detailed in Note 27 Reserves and other comprehensive income.

The breakdown of outstanding derivative instruments hedging interest rates as at 31 December 2024 and 2023:

Type of instrument	Hedged item	Underlying rate	Notional value of the underlying - Amount of the derivative instrument (*)		Rate of the derivative instrument	Maturity of the derivative instrument	Fair value of the asset (liability) derivative instrument	
			2024	2023			2024	2023
CPI Swap	Ordinary Bonds	CPI+4.24%	50,000	50,000	CPI:6.84%	10/12/2025	(1,164)	229
						10/06/2026	(595)	(935)
CPI Swap	Ordinary Bonds	CPI+4.24%	50,000	50,000	CPI:6.74%	10/12/2025	(1,116)	276
						10/06/2026	(572)	(870)
CPI Swap	Ordinary Bonds	CPI+4.24%	100,000	-	CPI:5.92%	10/12/2025	(1,450)	-
						10/12/2025	-	-
Asset Swap	CD	IBR+6.6%	-	5,000	IBR+18.38%	18/01/2024	-	(1)

Asset Swap	CD	IBR+6.6%	-	10,000	IBR+18.05%	18/07/2024	-	3
Asset Swap	CD	CPI+ 7,3%	-	35,000	CPI:18.90%	24/01/2024	-	90
Total derivative instruments hedging interest rate, net							(4,897)	(1,208)

* Figures stated in millions of Colombian pesos or US dollars.

The breakdown of notional principal amounts and remaining terms of the interest rate swap contracts outstanding at the end of the reporting period is shown in the table below:

	Notional value of the hedged item in millions of Colombian pesos		Fair value of the asset (liability) derivative instrument	
	2024	2023	2024	2023
Cash flow hedge				
1 year or less	100,000	50,000	(1,450)	597
1 to 5 years	100,000	100,000	(3,447)	(1,805)
Total cash flow hedging derivative instruments on interest rates	200,000	150,000	(4,897)	(1,208)

7.3.4 Credit risk management

Credit risk is defined as the potential failure to meet contractual obligations arising from the Company's business activities. The Company's cash inflows mainly come from four main sources:

- Dividends from subsidiaries and associates.
- Lot sales.
- Portfolio activities.
- Financial returns.

Of the sources of income for the Company, there are no credit risks on resources coming from divestments, financial returns, and dividends, due to the nature of these flows. In the case of lot sales, this risk is managed through the following mechanisms:

- Analysis of counterparties and their technical, financial, and administrative qualities, using qualitative and quantitative criteria.
- Disposal policies that require advance payment of a percentage of the value of the property.
- Definition of maximum client concentration thresholds in relation to the total portfolio.
- Contractual clauses and required collaterals.

The Company periodically performs impairment analysis of its finance assets, including an analysis of expected losses in the portfolio. Details of trade current and other receivables are shown in Note 8 trade and other receivables, net. As of 31 December 2024 and 2023, these balances constitute the maximum credit risk exposure.

7.3.5 Liquidity risk management

Liquidity risk is generated when there is no close relationship between the capital structure and the return on investments. This risk is managed based on financial planning and cash management exercises, with permanent monitoring of the cash flow of the Company and working capital needs. Likewise, through the design and monitoring of the capital structure, the Company efficiently plans sources and uses, guaranteeing financial flexibility, risk management and return.

To minimize liquidity risk in the maturities of principal and renewals of financial obligations, the Company monitors the concentration of debt maturities periodically, what allows to manage maturities in advance. In addition, it has a broad

portfolio of liquidity providers in different currencies, types of indexes and maturities, including domestic banks, international banks, commercial finance companies, stockbrokers, as well as issuance of bonds and commercial papers in the capital market as a recurring issuer. In addition, the Company has uncommitted credit quotas with domestic and international banks in an amount sufficient to meet any eventuality.

The balance between the distribution of debt by term is another clear objective of the Management, with the goal of not concentrating more than 30% of maturities of finance liabilities in the short term. The duration in years of finance liabilities is monitored every month, and the goal is to maintain the average life level of debt consistent with the return-on-investment cycle of each of the subsidiaries. These debt duration objectives may be affected at specific times by acquisitions, divestitures, or other movements, involving the taking of short-term loans while adjusting the capital structure to the set goals.

In the scenario of uncertainty due to inflationary risks and the consequent increase in debt indexation rates, the Company adjusted its minimum cash and debt amortization policies with liquidity surpluses to seek investment alternatives in AAA-rated fixed rate securities, which serve as a natural hedge against increases in the cost of debt while reducing the need to take new debt in a market with reduced liquidity.

7.3.5.1 Maturity of non-derivative finance liabilities

The maturity profile of the Company's non-derivative finance liabilities previously agreed upon is detailed below. The tables have been designed based on the undiscounted cash flows of the finance liabilities, considering the date on which payments must be made. Additionally, they include both interest and principal cash flows. To the extent that interest is floating rate, the undiscounted amount is derived from the last known interest rate at the end of the reporting period. The contractual maturity is based on the minimum date on which payment must be made:

31 December 2024	Weighted average interest rate	3 months to 1 year	1 to 5 years	5 years and more	Total	Book value
Non-interest-bearing		154,062	-	-	154,062	154,062
Variable interest rate instruments	8%	365,295	1,696,495	234,990	2,296,780	1,745,235
Other Liabilities		838	3,351	6,284	10,473	10,473
Total 31 December 2024		520,195	1,699,846	241,274	2,461,315	1,909,770
31 December 2023						
Non-interest-bearing		139,079	-	-	139,079	139,079
Variable interest rate instruments	9.4%	358,962	1,470,039	726,003	2,555,004	1,643,218
Other Liabilities		843	3,373	6,325	10,541	10,541
Total 31 December 2023		498,884	1,473,412	732,328	2,704,624	1,792,838

7.3.5.2 Maturity of derivative finance assets and liabilities

At the closing of 2024 and 2023 the Company has no derivative finance assets and liabilities. The detail of the maturity profile of the Company's derivative finance assets and liabilities is as follows:

	1 year or less	1 to 5 years	Total Book Value
31 December 2024			
Swaps (net)	(3,730)	(1,167)	(4,897)
Total (net)	(3,730)	(1,167)	(4,897)

	1 year or less	1 to 5 years	Total Book Value
31 December 2023			
Forward	9,338	-	9,338
Swaps (net)	598	(1,806)	(1,208)
Total (net)	9,936	(1,806)	8,130

7.4 Collaterals

Following is the breakdown of Collateral guarantees for finance assets and liabilities provided by the Company:

Subsidiary	Type of collateral	Description, concept, and relevant changes in the collateral	Counterparty	Term	Currency	Amount in USD	Pledged amount 2024	Pledged amount 2023
Grupo Argos S.A.	Equity instruments	Correspond to 32,110,000 shares of the issuer Grupo de Inversiones Suramericana S.A. (2023 - 36,110,000 shares). Of the pledged shares, 26,110,000 (2023 - 28,110,000 shares) guarantee Bancolombia S.A. loan for \$392,200 and 6,000,000 shares (2023 - 8,000,000 shares) guarantee the loan with Sumitomo Mitsui Bank Corporation of \$232,453, granted in February 2023. Of the shares pledged as collateral, 26,110,000 shares are held in a voting inhibitor trust as of 2024.	Bancolombia S.A./Sumitomo Mitsui Bank Corporation	28-Apr-2026/29-Jan-2027	COP	Not applicable	\$1,194,492	\$1,047,190
Grupo Argos S.A.	Fixed-Rate Certificate of Deposit (CD)	Fixed-Rate Certificate of Deposit - (CD) of Banco de Occidente S.A. for a par value of \$77,000 and of Bancolombia S.A. for a par value of \$61,000.	Sumitomo Mitsui Bank Corporation	29-Jan-27	COP	Not applicable	\$138,000	-
Grupo Argos S.A.	Cash and cash equivalents	Collateral on shares hedging transactions for \$144,954.	Banco Santander S.A. of Spain	Average 2 years	USD	10,531,034.60	\$46,357	-

Additionally, on 18 October 2024, the Company signed a collateral agreement in favor of Odinsa Aeropuertos S.A.S, to guarantee before the Colombian Infrastructure Agency – ANI the capital contributions to be made to the special purpose vehicle to be created in case Odinsa Aeropuertos S.A.S. is awarded the concession arrangement of the Private Initiative “El Dorado Máximo Desarrollo - IP EDMAX”, which is in the feasibility stage. The effectiveness of this collateral shall be activated only when the concession arrangement is formalized; therefore, it is subject to a suspensive condition and does not have immediate effects.

7.5 Fair value

The following is a comparison, by class, of the carrying amounts and fair values of the Company's finance assets and liabilities:

	Book value	Fair value	Book value	Fair value
	2024		2023	
Measured at fair value through OCI				
Equity investments (a) (1)	14,744	14,744	2,328,295	2,328,295
Derivative financial instruments <i>swap</i> (5)	-	-	505	505
Measured at fair value through profit and loss				
Other investments (b) (1)	462,590	462,590	570,157	570,157
Derivative financial instruments <i>forward and swap</i> (5)	-	-	9,431	9,431
Measured at amortized cost				
Cash and cash equivalents	17,735	17,735	410,866	410,866
Trade and other receivables (2) and (3) (Note 8)	457,758	460,490	455,336	463,095
Total finance assets	952,827	955,559	3,774,590	3,782,349
Measured at fair value through OCI				
Derivative financial instruments <i>swap</i> (5)	4,897	4,897	1,805	1,805
Measured at fair value through profit and loss				
Derivative financial instruments <i>swap</i> (5)	-	-	1	1
Measured at amortized cost				
Financial obligations (2) (Note 18)	919,860	970,070	647,655	685,347
Outstanding bonds and securities (4)	825,376	788,871	995,563	1,010,224
Preferred shares classified as debt (2)	10,473	10,421	10,541	8,852
Trade and other payables (c) (3)	154,061	154,061	139,079	139,079
Total finance liabilities	1,914,667	1,928,320	1,794,644	1,845,308

(a) The variation in equity investments is mainly due to the execution of the stages of the Framework Arrangement to transfer the investment in the food business of Grupo Nutresa S.A. in exchange for shares of Grupo de Inversiones Suramericana S.A. and of Sociedad Portafolio S.A. Liquidada (Note 11 Other finance assets and Note 40 Relevant events), which involved:

- The delivery in February 2024 of 45,243,781 shares of Grupo Nutresa S.A. for \$2,094,787.
- The receipt in the exchanges of 31,236,459 shares of ordinary shares of Sociedad Portafolio S.A. Liquidada for \$387,702. This investment was liquidated in November 2024, at the time of liquidation the investment was decreased by \$560,535.
- The delivery of 265,254 shares of Sociedad Portafolio S.A. Liquidada for \$3,135 (book value \$1,923) as a means of payment in compliance with the Tender Offer for ordinary shares of Grupo Nutresa S.A.

Additionally, there was a variation in the valuation of the Interests in Grupo Nutresa S.A. for \$58,817 (2023 \$22,621), Sociedad Portafolio S.A. Liquidada for (\$104,450) (2023 (\$1,720)), Quantela Inc. and Occipital Inc. for \$1,780 (2023 (\$2,997)) and Fondo de Capital Privado Progresá (\$134) (2023 \$120).

Also, on 3 September 2024, the redemption of the interests units of the Fondo de Capital Privado Progresá was made for \$21, and for the year 2023, 17,468.12 units were returned from this same fund for \$52 (Note 11 Other finance assets).

(b) Includes Fixed-Rate Certificate of Deposit for par value of \$345,000 (2023 \$445,000), per indexation: \$15,000 (2023 115,000) at an average fixed rate of 17.78% and maturity in 2027 \$188,000 (2023 \$188,000) indexed to CPI, with an weighted average spread of 7.16% and maturity in 2027 \$142,000 (2023 \$142,000) indexed to Banking Benchmark Indicator, with an average spread of 6.25% and maturity in 2027. Additionally, *Time Deposit* for the year 2023 for USD 10,000,000 with a par value of \$39,509 and investment in the Cell Captive through Sura SAC LTD for \$93,863 (2023 \$45,133). The remaining balance mainly corresponds to the valuation and returns of the Fixed-Rate Certificate of Deposit (CD).

(c) The balance includes \$141,964 (2023 \$131,120) of dividends payable declared at the General Shareholders' Meeting of the Company.

In section 7.6, numerals (1), (2), (3), (4) and (5) that correspond to the significant variables for valuation for each of the finance assets and liabilities described above.

7.6 Description of significant inputs for valuation

The techniques and significant variables used in fair value measurement of financial instruments as at 31 December 2024 and at 31 December 2023 are shown below:

	Hierarchy Level	Valuation technique	Technical description of valuation	Significant variables
Finance assets, measured at:				
Fair value through OCI				
Equity investments	1 and 2	Market prices	(1)	Share price
Derivative financial instruments	2	Discounted cash flows	(5)	CPI Swap: Projected CPI and OIS-IBR curves
Fair value through profit or loss				
Other investments	1 and 2	Market prices	(1)	Market price and Unit Value.
Derivative financial instruments	2	Discounted cash flows	(5)	Forward exchange rate COP/USD: COP/USD rate, forward points, USD and COP interest rate. Asset swap: Market Curves
Amortized Cost				
Trade and other receivables	2	Discounted cash flows	(2) and (3)	The discount rate used corresponds to the effective rate agreed and indexed to the CPI or the Company's average debt rate in the absence of the agreed rate.
Finance liabilities, measured at:				
Fair value through OCI				
Derivative financial instruments	2	Discounted cash flows	(5)	CPI Swap: Projected CPI and OIS-IBR curves
Fair value through profit or loss				
Derivative financial instruments	2	Discounted cash flows	(5)	Asset swap: Market Curves
Measured at amortized cost				
Financial obligations	2	Discounted cash flows	(2)	The discount rate used corresponds to the market rate for loans in similar conditions.
Outstanding bonds and securities	2	Discounted cash flows	(4)	Discount rate associated with the Company's zero-coupon issuance curve.
Preferred shares classified as debt	2	Discounted cash flows	(2)	The discount rate used corresponds to the Company's average debt rate.
Trade and other payables	2	Discounted cash flows	(3)	The discount rate used corresponds to the effective rate agreed and indexed to the CPI.

The following are the valuation techniques used for disclosure purposes of the Company's fair value of its finance assets and liabilities:

- 1) Fair value of these investments is derived from: (a) quoted prices in active markets (Colombian Stock Exchange) and valuation techniques with market approach for the financial instrument in question; and (b) resources provided by the Company to Sura SAC LTD for risk management.
- 2) Discounted cash flows: future cash flows are discounted to present value at the market rate for loans with similar conditions on the measurement date according to the days of maturity or in its absence at the Company's average debt rate.
- 3) The Company assessed that the fair values of receivables, dividends receivable and payable, suppliers, payables and other current liabilities approximate their carrying values due largely to the short-term maturities of these

instruments. Future cash flows of receivables or payables maturing in more than 12 months are discounted to present value at the market rate for loans in similar conditions at the measurement date, according to the days of maturity.

- 4) The fair value is calculated by discounting the future cash flows with the zero-coupon curve of the ordinary bonds issued by the Company.
- 5) The measurement method of the *swap* financial and derivative financial instruments uses the derivative financial instrument's own cash flows, which are then discounted to their present value. The right is projected using the CPI curve and the obligation is calculated according to the agreed rate and the payment periods during the life of the instrument. Since both flows correspond to future values, they are discounted to present value using the rates of the OIS COP curve (Overnight Index Swap, on the Banking Benchmark Indicator Overnight rate negotiated in the OTC market). The difference between the inflow of the right and the outflow of the obligation represents the net value of the derivative at the evaluated cut-off.

For Forward derivative instruments, the difference between the market rate and the forward rate on the valuation date corresponding to the remaining term of the derivative financial instrument is established and discounted to its present value using an interest rate in USD and COP, respectively. The amount of the valuation is the difference between the present value of the right and the obligation.

7.7 Reconciliation between changes in assets and liabilities and cash flows arising from financing activities

	Finance liabilities	Bonds and compound financial instruments	Lease liabilities	Dividend liabilities	Trade liabilities and other liabilities	Derivative (Assets) / liabilities for finance liabilities hedging	Equity	Cash flow from financing activities for finance liabilities
Balance at the beginning of the period 1 January 2024	647,655	1,006,104	5,467	131,119	7,960	(8,130)	-	1,790,175
Repurchase of ordinary shares	-	-	-	-	-	-	(133,431)	(133,431)
Repurchase of preferred shares	-	-	-	-	-	-	(15,534)	(15,534)
Payment of bonds and commercial papers	-	(168,062)	-	-	-	-	-	(168,062)
Increase in other financing instruments	1,367,713	-	-	-	-	-	-	1,367,713
Decrease in other financing instruments	(1,246,668)	-	-	-	-	-	-	(1,246,668)
Payment of lease liabilities	-	-	(1,118)	-	-	-	-	(1,118)
Acquisition of non-controlling interests in subsidiaries	-	-	-	-	(14,608)	-	-	(14,608)
Dividends paid on ordinary shares	-	-	-	(399,862)	-	-	-	(399,862)
Dividends paid on preferred shares	-	-	-	(129,267)	-	-	-	(129,267)
Interest paid	(97,711)	(102,650)	(805)	-	(5,479)	-	-	(206,645)
Total changes by cash flows from financing activities	23,334	(270,712)	(1,923)	(529,129)	(20,087)	-	(148,965)	(947,482)
Unrealized exchange rate difference (effect of changes in foreign exchange rates)	-	-	-	-	(3,210)	-	-	(3,210)
Fair value measurement	-	-	-	-	-	2,576	-	2,576
Interest caused	107,490	100,457	805	-	4,182	1,020	-	213,954
Other changes	141,381	-	514	539,974	23,252	9,431	-	714,552
Total changes other than cash flows in finance liabilities	248,871	100,457	1,319	539,974	24,224	13,027	-	927,872
Balance at the end of the period 31 December 2024	919,860	835,849	4,863	141,964	12,097	4,897	(148,965)	1,770,565

	Finance liabilities	Bonds and compound financial instruments	Lease liabilities	Dividend liabilities	Trade liabilities and other liabilities	Derivative (Assets) / liabilities for finance liabilities hedging	Equity	Cash flow from financing activities for finance liabilities
Balance at the beginning of the period 1 January 2023	401,217	1,004,724	7,323	115,053	33,869	(3,521)	-	1,558,665
Repurchase of ordinary shares	-	-	-	-	-	-	(56,523)	(56,523)
Repurchase of preferred shares	-	-	-	-	-	-	(6,484)	(6,484)
Increase in other financing instruments	767,065	-	-	-	-	-	-	767,065
Decrease in other financing instruments	(538,649)	-	-	-	-	-	-	(538,649)
Payment of lease liabilities	-	-	(1,845)	-	-	-	-	(1,845)
Collections from financial derivative contracts with financial liability hedging	-	-	-	-	(54,137)	-	-	(54,137)
Dividends paid on ordinary shares	-	-	-	(365,620)	-	-	-	(365,620)
Dividends paid on preferred shares	-	-	-	(116,539)	-	-	-	(116,539)
Interest paid	(69,396)	(149,998)	(989)	-	(955)	-	-	(221,338)
Other cash outflows	-	-	-	-	(180)	-	-	(180)
Total changes by cash flows from financing activities	159,020	(149,998)	(2,834)	(482,159)	(55,272)	-	(63,007)	(594,250)
Unrealized exchange rate difference (effect of changes in foreign exchange rates)	(495)	-	-	-	(329)	-	-	(824)
New leases	-	-	88	-	-	-	-	88
Fair value measurement	-	-	-	-	-	7,504	-	7,504
Interest caused	95,180	151,378	989	-	997	(2,684)	-	245,860
Other changes	(7,267)	-	(99)	498,225	28,695	(9,429)	-	510,125
Total changes other than cash flows in finance liabilities	87,418	151,378	978	498,225	29,363	(4,609)	-	762,753
Balance at the end of the period 31 December 2023	647,655	1,006,104	5,467	131,119	7,960	(8,130)	(63,007)	1,727,168

NOTE 8: TRADE AND OTHER RECEIVABLES, NET

The balance of current trade and other receivables, net, as at 31 December comprises:

	2024	2023
Trade receivables		
Domestic customers (1)	155,936	145,585
Other receivables		
Receivables from related parties (Note 38)	244,226	284,047
Other receivables (2)	57,740	24,085
Employee receivables (3)	5,416	5,182
Provision for expected credit losses	(5,560)	(3,563)
Total trade and other receivables, net	457,758	455,336
Current	342,497	328,287
Non-current	115,261	127,049
Total trade and other receivables, net	457,758	455,336

(1) At the closing of 2024, mainly comprises receivable of \$155,789 derived from the sale of the following projects: La Fortuna, Calablanca Lot E4, Nueva Castellana (Blocks 10.1, 10.2, 11, 12, and 14), La Pradera, Pochueica, Portal del Genovés (D1 and D3), Lago Alto, Missoni (Block 21.2), Alejandria Stage III (Blocks 13 and 21.1), Ciudad Mallorquín (Blocks 12, and 15.3), San José del Norte (Block 1A), Don Jaca, Palma Real and PEN II (Block F).

At the closing of 2023, mainly comprises receivable of \$120,324 derived from the sale of the following projects: PEN III (C3, C4, E1, E2, E3, E4, F1, F2, F3, F4), Remainder Insignares La Playa, Alejandria Stage V (Block 46 A1), Alejandria Stage III (Block 13), Volador Urvisa, Hacienda Portonao Barú Lot 7A, Alejandria Stage III (Block 21.1), Barú Calablanca Lot E4 and Pajonal Stage III (Blocks 11, 12, 13.1, 13.2, 15.1 and 15.2).

(2) At the closing of 2024, it mainly corresponds to the collaterals of share hedging operations for \$46,357 (2023 \$0) and pro-hospital stamp processes with the District of Barranquilla for \$5,073 (2023 \$4,830). Additionally, in 2023, dividends receivable from Grupo Nutresa S.A. are included. for \$15,273, which have no balance at the closing of 2024.

(3) Employee receivables do not include balances of key management personnel at the main level, these are grouped in receivables from related parties.

Long-term receivables are measured at amortized cost under the effective interest rate method and short-term receivables are presented at their nominal amount.

Following is a detail of the maturities for trade and other receivables as of 31 December:

	2024	2023
Unmatured trade receivables	457,728	444,642
Matured trade receivables not impaired (1)	30	10,694
Impaired trade receivables (2)	5,560	3,563
Total gross receivables	463,318	458,899
Provision for expected credit losses	(5,560)	(3,563)
Total net receivables	457,758	455,336

(1) Age of matured but not impaired receivables

Age of matured but not impaired receivables	2024	2023
Matured between 91-180 days	-	9,462

Age of matured but not impaired receivables	2024	2023
Matured between 181-360	-	82
More than a year	30	1,150
Total matured receivables not impaired	30	10,694
Average age (days)	678	340

(2) Age of impaired receivables:

Age of impaired receivables:	2024	2023
Matured between 0-90 days	1,018	3,403
Matured between 181-360	4,453	58
Matured between 1-3 years	89	102
Total impaired receivables	5,560	3,563

The movement in impairment for doubtful accounts at 31 December is detailed below:

	2024	2023
Balance at the beginning of the year	3,563	341
Impairment losses	2,019	3,524
Derecognition of amounts considered uncollectible	-	(279)
Recovered balances	(22)	(23)
Balance at end of year	5,560	3,563

NOTE 9: INVENTORIES, NET

The balance of inventories, net, comprises:

	2024	2023
Lots (1)	338,642	293,323
Goods not manufactured by the company (2)	83	91
Total current inventories, net	338,725	293,414

(1) The variation between 2023 and 2024 corresponds to:

- Transfers from investment property to inventories for \$111,735 of lots: Alejandría Stage IV (Block 4.1, 4.2, 9, 10.1, 10.2, 11, 12 and 14), Pavas Sur project Alejandría Stage VI (Block 50, 51.1 and 51.2), Lot Pajonal project Polideportivotecnos, La Pedrera and Finca Pocihueica.
- Withdrawal of inventory for sale for (\$167,368) of the following lots: Pajonal Stage III (Blocks 14.1, 14.2, 15.3 and 16), Polideportivotecnos, Pajonal Stage II (Ribera Mallorquín II and Block 10.3), Alejandría Stage VI (Block 51. 1), La Pedrera, Pocihueica, Mendihuaca (Lots 1 and 3), Alejandría Etapa IV (Blocks 9, 10.1, 10.2, 11, 12 and 14), Palma Real, Portal Genoves II (Lots D1 and D3) and Portal Empresarial Del Norte II (Block F "Nueva Castellana Block 10").
- Capitalization of urban planning and other disbursements to inventory of \$76,396.
- Repurchase of three lots (Pen Block C, E and F) for \$24,556 given the exchange operation for the lot New Castellana Block 10.

(2) Corresponds to corporate apparel available for sale to employees.

The amount of inventories recognized as selling costs at 31 December 2024 is \$170,204 (2023 \$160,929) (Note 31 Cost of ordinary activities).

None of the inventory lots are pledged as collateral for liabilities, nor do they have restrictions or encumbrances limiting their disposition.

NOTE 10: CURRENT AND DEFERRED INCOME TAX

Current and deferred income tax presented in the separate statement of financial position as of December 31 corresponds to:

	2024	2023
Current tax assets	39	79,583
Current tax liabilities	(218,015)	(21,602)
Total current tax, net	(217,976)	57,981
	2024	2023
Deferred tax asset	399,134	358,359
Deferred tax liability	(1,334,002)	(981,201)
Total deferred tax liability	(934,868)	(622,842)

The Company offsets its tax assets and liabilities for presentation purposes if they are related to the same tax authority, there is a legal right to do so, and it intends to settle them simultaneously.

10.1 Current tax assets

Current tax assets at 31 December comprise:

	2024	2023
Balance in favor in private liquidation of income tax (1)	39	71,034
Dividend withholdings made (2)	-	8,549
Total current tax assets	39	79,583

(1) For 2024, it corresponds to a Balance in favor for income tax of Industrias Metalúrgicas Apolo for \$39 and for 2023 it mainly consists of:

- Self-withholdings for \$72,350.
- Withholding at source made to the Company for \$2,713.
- Current income tax liability (\$4,067).
- Balance in favor private liquidation income Industrias Metalúrgicas Apollo (liquidated) \$39.

(2) For the year 2023 corresponds to withholdings at source for dividends paid to the Company for \$8,549.

10.2 Current tax liabilities

Current tax liabilities at 31 December comprise:

	2024	2023
Income tax (1)	209,732	-
Self-withholdings (2)	8,283	21,602
Total current tax liabilities	218,015	21.602

(1) For the year 2024. the income tax liability mainly corresponds to:

- Current tax on the share exchange of Grupo Nutresa S.A. for \$230,712, of which \$222,787 was recognized in retained earnings resulting from the realization of components of Other Comprehensive Income.
- Indirect taxes \$2,868 associated with the share exchange of Grupo Nutresa S.A.
- Current tax associated with the Liquidation of Sociedad Portafolio S.A. Liquidada for \$17,202. This amount was reclassified from Other Comprehensive Income - OCI to retained earnings.
- Current tax for the sale of investment property \$2,582.

- Self-withholdings and other withholdings made by third parties during the taxable period for (\$43,632).

(2) Corresponds to self-withholdings mainly carried out by sale of lots \$8,283 (2023 \$21,602) and financial returns.

Tax provisions applicable and in force

According to Law 2277 of 2022, income tax in Colombia is settled at a rate of 35% for 2024 and 2023 . Tax income for occasional gains tax is taxed at the rate of 15% for 2024 and 2023, respectively, due to the amendments introduced by Law 2277 of 2022.

Other relevant provisions:

- The costs and expenses associated with investments in Science, Technology and Innovation (ST&I) are not deductible, these investments shall only entitle to a tax discount of 30% of the investments in Science, Technology and Innovation (ST&I) that have been approved by the Colombian Council of Tax Benefits.
- Article 10 of Law 2277 of 2022, which added paragraph 6 to Article 240 of the Colombian Tax Code in relation to the Minimum Tax Rate has been subject to unconstitutionality lawsuits during the year 2024, the Colombian Constitutional Court through Rulings C-219 of 12 June 2024, and C-488 of 21 November 2024, determined that this rule complies with the principles of the Colombian Constitution and thus declared it enforceable.
- The Fourth Section of the Colombian Council of State by Order of December 16, 2024, provisionally suspended numerals 12 and 20 of the DIAN Concept No. 100208192-202 of March 2024, related to the Minimum Taxation Rate (TMT), with this, for the Council of State: i) The TMT must not be liquidated when the companies present an accounting loss, given that Law 2277 of 2022 only contemplated the obligation of the calculation, for companies with an accounting profit before taxes, ii) For the calculation of the maximum profits to be distributed as untaxed to shareholders (Article 49 of the Income Colombian Tax Code), the basic income tax must not include the additional tax determined under the TMT without also increasing the base of the untaxed profit. The measure taken by the Colombian Council of State is provisional.
- Taxes, fees and contributions accrued and paid during the taxable year or period that are related to the generation of income (except income tax) and provided that they are paid prior to the initial presentation of income tax are 100% deductible. 50% of the levy on financial movements (GMF) shall be deductible, regardless of whether or not it has a causal relationship with the income-generating activity and provided that it is duly certified by the withholding agent.
- Taxes applicable to profits distributed as dividends establish a withholding at source tax rate of 10% for dividends received by national companies that are not constituting income or occasional gain, which shall be transferred to the physical person resident or investor resident abroad. The exceptions established in the current regulations are maintained.
- Dividends and shares received by persons without residence, foreign companies and entities, permanent establishments of foreign companies that have the nature of no income or occasional gain shall be taxed at the special rate of 20%.
- Taxed dividends shall be determined: (i) applying the rental rate corresponding to the year in which they are decreed today (35%) and (ii) on the remainder, untaxed dividend, the dividend tax shall be applied to the corresponding rate depending on the recipient.
- Dividends declared from profits for 2016 and prior years shall retain the treatment in force at that time, to which dividend tax does not apply.

- For 2024, the minimum basis for determining tax on presumptive income is 0.0% of the net worth on the last day of the immediately preceding taxable year.
- Companies may offset tax losses against ordinary liquid income obtained in the following twelve periods. Tax losses generated before the entry into force of Law 1819 of 2016 may be offset without any time limitation.
- From 2004 income taxpayers who enter transactions with economic associates or related parties abroad are required to determine for income tax and supplementary tax purposes the transfer pricing study, in accordance with current regulations.
- Companies may apply tax discounts for taxes paid abroad, donations, and for paid industry and commerce tax, and others according to current standards and limitations.
- For companies, the limit on the sum of some non-taxable income nor occasional gain, special deductions, exempt income and tax discounts is in force, which may not exceed three (3%) per year of the ordinary liquid income before said items.
- Since 2023, the industry and commerce taxes paid can be taken as a deduction.
- Within the framework of the carbon tax, a tax on coal was introduced, except for coking coal, at a rate of \$52,215 per ton applicable as from 2023 in a gradual manner starting at \$0 for 2023 and 2024 and reaching the full rate as from 2028. This tax is deductible from income tax. Likewise, those that are certified as carbon neutral are established as not subject to the carbon tax, but said benefit may not exceed 50% of the tax that is caused.
- The treatment as non-taxable income or occasional gain for the proceeds from the sale of shares registered in the Colombian stock exchange continues, but the limit of sale is modified from 10% to 3% of the outstanding shares of the respective company, per taxable year.
- Sales of real estate under any title are subject to stamp tax, with rates of 1.5% for sales between 20,000 and 50,000 Colombian Tax Value Units and 3% for those over 50,000 UVT. Colombian Tax Value Units.

10.3 Income tax recognized through profit or loss for the period

	2024	2023
Current tax		
For the current year	11,113	4,067
Previous year adjustment	-	176
Total current tax expense	11,113	4,243
Deferred tax		
Changes in temporary differences	124,625	726
Changes in temporary differences investment in associates	450,533	
Losses, tax credits and excess presumptive income used, net	(21,155)	41,484
Total deferred tax expense for the year	554,003	42,210
Total income tax expense	565,116	46,453

The determination of the effective rate applicable to the Company is as follows:

	2024	2023
Income tax		
Earnings before income tax	3,097,103	835,794
Income tax (current and deferred)	565,116	46,453
Effective tax rate	18.25%	5.56%

(*) The effective tax rate is calculated based on the profit generated during 2024 recognized in the statement of income for the year. If the profits are considered, net reclassified from the other comprehensive income (OCI) and from the adjustments of adoption of IFRS to retained earnings, as a result of the share exchange of Grupo Nutresa S.A., for shares of Grupo de Inversiones Suramericana S.A. and of Sociedad Portafolio S.A. Liquidada, the effective tax rate would be 17.21%.

In compliance with the provisions of paragraph 6 of article 240 of the Colombian Tax Code, the calculation of the Group's Adjusted Tax Rate (TTDG) was made, whose result generated an adjustment to income tax expense, while the result of the Adjusted Effective Tax Rate according to the minimum tax system is greater than 15%.

The reconciliation between earnings before taxes and taxable liquid income is as follows:

Reconciliation of the effective tax rate	Reconciliation of current accounting and fiscal tax			Reconciliation of the effective tax rate		
	Deferred tax for the year	Reconciliation of the effective tax rate	Deferred tax for the year	Reconciliation of current accounting and fiscal tax	Deferred tax for the year	Reconciliation of the effective tax rate
	2024			2023		
Earnings (loss) before income tax and discontinued operations	3,097,103	-	3,097,103	835,794	-	835,794
Statutory tax rate in (%)	35%	-	35%	35%	-	35%
Current tax expense at the legal rate applicable to the Company	1,083,986	-	1,083,986	292,527	-	292,527
Effect of permanent tax differences and others	-	-	-	-	-	-
Untaxed dividends and shares	(91,062)	-	(91,062)	(283,841)	-	(283,841)
Sale of listed investments and untaxed fixed assets	-	-	-	(89,782)	-	(89,782)
Non-deductible expenses	43,104	-	43,104	62,746	-	62,746
Income from measurement at fair value and other untaxed income	(1,077,151)	-	(1,077,151)	(199,632)	-	(199,632)
Expenses or other similar items not taxed	-	-	-	222,225	-	222,225
Effect of temporary differences						
Receivables, other items	(9,210)	1,327	(7,883)	-	(1,949)	(1,949)
Investments	(41,514)	478,509	436,995	-	(302,335)	(302,335)
property, plant and equipment	31,723	91,243	122,966	-	294,561	294,561
Financial obligations	10,961	(2,831)	8,130	-	(989)	(989)
Employee benefits	1,901	(54)	1,847	-	(65)	(65)
Provisions	-	(1,826)	(1,826)	-	3,870	3,870
Other items	58,375	(12,365)	46,010	-	49,117	49,117
	11,113	554,003	565,116	4,243	42,210	46,453

Current tax and deferred tax in profit or loss

	2024	2023
Deferred tax	560,363	42,210
Current tax for this year	11,113	4,243
Adjustment of deferred tax estimate for previous years	(6,360)	-
Current and deferred tax	565,116	46,453

Effective tax rate (in %)	18.25%	5.56%
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The income tax rate applicable to the 2024 and 2023 taxable period is 35%.

10.4 Income tax recognized directly in equity and other comprehensive income (OCI)

Balances of deferred taxes recognized through equity, generated by temporary differences of transactions recognized through Other Comprehensive Income – OCI are detailed as follows:

Deferred tax	2024	2023
Cash flow hedges	(1,714)	(455)
Valuation of financial instruments (1)	865	294,625
Total deferred tax recognized through other comprehensive income (OCI) (*)	(849)	294,170

(*) Does not include the effect of the application of the equity method of subsidiaries.

(1) the effect of the valuation of financial instruments and the changes introduced by Law 2277 of 2022, for the year 2023, corresponded mainly to the deferred tax of the investment in Grupo Nutresa S.A. for \$267,002 and in Sociedad Portafolio S.A. Liquidada for \$27,024. During 2024, these amounts were reclassified to the retained earnings given the divestment and liquidation thereof, respectively.

10.5 Deferred tax assets and liabilities

Below is the balance of deferred tax assets and liabilities, which is presented net in non-current liabilities:

	2024	2023
Deferred tax asset	399,134	358,359
Deferred tax liability	(1,334,002)	(981,201)
Total deferred tax liability	(934,868)	(622,842)

Changes in deferred tax assets and liabilities are as follows:

2024	Opening balance	Included in profit or loss	Included in other comprehensive income	Other changes	Closing balance
Current assets	(54,315)	1,595	-	-	(52,720)
Associates and joint ventures	(2,684)	(457,773)	-	-	(460,457)
Other equity investments	(363,066)	(20,736)	(4,180)	244,898	(143,084)
property, plant and equipment	39,989	384	-	-	40,373
Investment property	(330,524)	(91,609)	-	-	(422,133)
Intangible Assets	1,854	-	-	-	1,854
Other non-current assets	(6,911)	(8,878)	-	-	(15,789)
Provisions	2,351	1,826	-	-	4,177
Employee benefits	(84)	(54)	-	-	(138)
Finance liabilities	1,996	87	1,259	-	3,342
Deferred tax without tax credits	(711,394)	(575,158)	(2,921)	244,898	(1,044,575)
Tax losses and credits	88,552	21,155	-	-	109,707
Tax losses and credits	88,552	21,155	-	-	109,707
Total deferred tax	(622,842)	(554,003)	(2,921)	244,898	(934,868)

2023	Opening Balance	Included in profit or loss	Included in other comprehensive income	Other changes	Closing balance
Current assets	(56,263)	1,948	-	-	(54,315)
Associates and joint ventures	(6,181)	3,497	-	-	(2,684)
Other equity investments	(336,386)	(1,763)	(24,917)	-	(363,066)
property, plant and equipment	39,196	793	-	-	39,989
Investment property	(337,459)	6,935	-	-	(330,524)
Intangible Assets	1,869	(15)	-	-	1,854
Other non-current assets	1,335	(8,246)	-	-	(6,911)
Provisions	6,222	(3,871)	-	-	2,351
Employee benefits	-149	65	-	-	(84)
Finance liabilities	378	(69)	1,687	-	1,996
Deferred tax without tax credits	(687,438)	(726)	(23,230)	-	(711,394)
Tax losses	123,461	(34,909)	-	-	88,552
Excess presumptive income	6,575	(6,575)	-	-	-
Tax Credits	130,036	(41,484)	-	-	88,552
Total deferred tax	(557,402)	(42,210)	(23,230)	-	(622,842)

10.6 Unrecognized deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, excess presumptive income, recognized and pending realization tax losses are:

Unused losses and tax credits	2024	2023
Up to twelve years	137,729	73,680
No time limit	169,590	169,590
Total Unused tax losses and credits	307,319	243,270
Total unused tax benefits (*)	307,319	243,270

(*) Tax shields on which deferred tax was calculated.

The variation between 2024 and 2023 corresponds to the recognition of shields for tax losses of \$48,947 and to the correction of the income statement for the year 2023 for a lower offset of tax shields of \$15,102. No tax shields were offset during 2024 (2023 \$143,578).

Unrecognized tax losses and credits are:

Unrecognized tax losses and credits	2024	2023
Tax shields for which no deferred tax was recognized	13,567	-
Total unrecognized tax benefits	13,567	-

Finality of declarations

Currently in Colombia the general term of finality of tax returns is three (3) years from the expiration of the period to declare. In the case of returns where tax losses are determined or compensated, finality depends on the year of filing:

Year of presentation	Term of finality
Until 2016	Statements in which losses were liquidated and/or offset become final within five (5) years of filing.
2017 to 2019	For returns that resulted in tax losses, the finality is twelve (6) years.
From 2020 onwards	For returns in which tax losses are liquidated and/or offset, the finality is five (5) years.

For the returns submitted by taxpayers subject to the transfer pricing regime, the term of finality shall be five (5) years.

Likewise, the declarations in which favorable balances are presented shall acquire finality if within three (3) years after the date of submission of the request for return or offsetting, no special requirement has been notified. When said balance in favor is imputed in subsequent period statements, finality is acquired within three (3) years following the expiration date of the term to be declared.

Likewise, the income statement shall be final if, after the term to review the declaration, it is not notified.

Tax returns for the years 2018, 2019, 2020, 2021, 2022, and 2023 are subject to review by the tax authority as they have not yet become final. Management and the tax legal advisers consider that the amount recorded as taxes payable is sufficient to cover any liabilities that may be established with respect to those years.

10.7 Unrecognized taxable temporary differences from investments in subsidiaries, associates and joint Ventures

Temporary differences are detailed below:

	2024	2023
Investments in subsidiaries (*)	5,370,226	2,427,289
Investments in associates and joint ventures	288,880	2,852,566

(*) Includes temporary differences generated in Grupo Argos S.A. by investments in subsidiaries held directly.

In accordance with paragraph 39 of IAS 12 Income Taxes, the Company applied the deferred tax recognition exception to investments in subsidiaries, associates, and joint ventures in which the timing of the reversal of the temporary difference is controlled and it is not likely to divest in the foreseeable future.

NOTE 11: OTHER FINANCE ASSETS

The composition of the other finance assets, at the closing of the indicated periods, corresponds to:

	2024	2023
Finance assets at fair value through Other comprehensive income (1) (Note 7.2)	14,744	292,325
Finance assets at fair value through profit or loss (2) (Note 7.2)	462,590	570,157
Total Other finance assets	477,334	862,482
Current	-	43,954
Non-current	477,334	818,528
Total Other finance assets	477,334	862,482

(1) Finance assets measured at fair value through other comprehensive income are detailed below:

	2024	2023
Sociedad Portafolio S.A. Liquidada (a)	-	279,206
Other investments (b)	14,744	13,119
Total investments measured at fair value through other comprehensive income	14,744	292,325

On 6 February 2024, the first exchange of Grupo Nutresa S.A. shares took place, product of the Framework Arrangement signed in June 2023, where the Company exchanged all the ordinary shares it held in Grupo Nutresa S.A. (45,243,781 shares) for a value of \$2,094,787 in exchange for 36,070,836 ordinary shares of Grupo de Inversiones Suramericana S.A. for \$1,971,864 and 14,932,413 ordinary shares of Sociedad Portafolio S.A. Liquidada for \$186,666.

On 11 April 2024, the Tender Offer for ordinary shares of Grupo Nutresa S.A. was completed, in which 10,042,108 shares of Grupo Nutresa S.A. were awarded for \$453,612, of which 469,503 shares were paid in kind, through the delivery of 349,196 shares of Grupo de Inversiones Suramericana S.A. for \$18,074 (book value \$13,345) and 265,254 shares of Sociedad Portafolio S.A. Liquidada for \$3,135 (book value \$1,923).

Following compliance with the Tender offer, on 25 April 2024, the second share exchange of Grupo Nutresa S.A. was carried out, where the Company exchanged the shares acquired in the Tender Offer (10,042,108 shares) in exchange for 5,049,057 ordinary shares of Grupo de Inversiones Suramericana S.A. and 16,304,046 ordinary shares of Sociedad Portafolio S.A. Liquidada (Note 15 Investments in associates and joint ventures and Note 40 Relevant events).

During the period, valuations of Sociedad Portafolio S.A. Liquidada were made for (\$104,450), whose accounting recognition was made through other comprehensive income (OCI).

On 9 May 2024, the General Shareholders' Meeting of Sociedad Portafolio S.A. Liquidada approved, by means of a bylaw amendment, the reduction of the company's term of duration, establishing 5 June 2024 as the new termination date. As a result, on 6 June 2024, the Company entered into a state of liquidation, which caused the Company to cease to be listed on the Colombian Stock Exchange. Subsequently, on 24 September 2024, the final liquidation account was approved at an Extraordinary Shareholders' Meeting and on 14 November 2024, the liquidation process culminated with the registration of the company's final liquidation account with the Mercantile Registry. At the time of the liquidation of the company, the investment was reduced by \$560,535.

As of 31 December 2023, the investment in Sociedad Portafolio S.A. Liquidada amounted to \$279,206, of which \$280,926 corresponded to the spin-off of Grupo Nutresa S.A. registered through Public Deed No. 3838 of 14 December 2023 and (\$1,720) corresponded to the decrease in value of this investment given the valuation made at this cut-off date (Note 15 Investments in associates and joint ventures Note 17 Non-current assets held for sale and Note 40 Relevant events).

During the year 2024 period, cash dividends were received from Sociedad Portafolio S.A. Liquidada for \$2,610 (2023 \$0).

(b) The balance of the other investments comprises:

	2024	2023
Quantela Inc. (*)	8,521	7,387
Occipital Inc. (*)	4,850	4,204
Plaza Mayor Medellín Convenciones y Exposiciones (**)	507	507
Fondo Regional de Garantías del Caribe Colombiano S.A. (**)	461	461
Triple A Barranquilla S.A. E.S.P. (**)	252	252
Aeropuerto de Barranquilla S.A. (**)	153	153
Fondo de Capital Privado Progresá Capital (Liquidated) (*)	-	155
Total other investments	14,744	13,119

(*) (*) At 31 December 2024, the change recorded in investments correspond to the valuations generated and the restatement due to the difference in the exchange rate during the period from January to December. Unlisted investments are valued using financing rounds and the value of the trust unit (Note 7.5 fair value).

(**) Considering that some investments do not have Level 1 input data (quoted prices) and their figures are not representative, the Company assumes to hold them at cost.

On 3 September 2024, the Fondo de Capital Privado Progresá redeemed the total of Interests units, equivalent to \$21, which generated a realization of the component of other comprehensive income to retained earnings of (\$452). In 2023, Fondo de Capital Privado Progresá, made a contribution refund for \$52.

During the year 2024 cash dividends for \$43 (2023 \$34) were received from Fondo Regional de Garantías del Caribe Colombiano S.A.

(2) Finance assets measured at fair value through profit or loss are as follows:

	2024	2023
Term Certificates of Deposit (CD) and <i>Time Deposit</i> (a)	368,724	530,080
Other investments (b)	93,863	40,073
Other finance assets	3	4
Total investments measured at fair value through profit or loss	462,590	570,157

(a) The balance corresponds to Fixed-Rate Certificate of Deposit (CD) with domestic banks and *Time Deposit* with foreign banks for \$368,724 (2023 \$530,080). During the twelve-month period, securities were redeemed and valued, with a net effect of (\$161,356). These securities shall mature in February 2027,

During the year 2024, Fixed-Rate Certificate of Deposit (CD) were pledged from Banco de Occidente S.A. with par value of \$77,000 and Bancolombia S.A. par value of \$61,000, as collateral for Sumitomo Mitsui Bank Corporation's credit (Note 7.4 Collateral Collateral and Note 18 Financial Obligations).

(b) The balance corresponds to the investment in Sura SAC LTD for \$93,863 (2023 \$40,073), and includes a capitalization during the year for USD 9,700,000, equivalent to \$38,434, delivered by the Company to the Cell Captive for the hedging of risks.

According to the operation of the Cell, the resources invested in Sura SAC LTD. do not meet the condition of obtaining contractual cash flows with specific dates of payment of principal and interest. Therefore, they are classified as an investments measured at fair value through profit or loss.

In the event of any claim, any obligation shall be supported by the existing resources in the captive company cell. In this situation, the change in the fair value of the financial asset shall be recognized as a result of the claim, charged to profit for the year. If the loss generates an obligation greater than the resources available in the cell, an obligation must be recognized in favor of Sura SAC LTD for the resources to be paid and which cannot be covered with the funds held in the cell.

NOTE 12: PREPAID EXPENSES AND OTHER NON-FINANCE ASSETS

The balance of prepaid expenses and other non-finance assets at 31 December comprises:

	2024	2023
Other current tax assets (1)	9,061	9,437
Prepayment for purchases of services (2)	5,113	12,884
Insurance (3)	1,491	1,482
Employee benefit plan assets, net (4)	1,015	2,354
Other prepaid expenses	30	374

	2024	2023
Total prepaid expenses and other non-finance assets	16,710	26,531
Current	15,695	24,178
Non-current	1,015	2,353
Total prepaid expenses and other non-finance assets	16,710	26,531

(1) Corresponds to self-withholdings and favorable balances for industry and commerce taxes of \$9,035 (2023 \$9,411) and balance in favor in VAT of \$26 (2023 \$26).

(2) In 2024, corresponds to prepayments of construction contracts for \$4,573 (2023 \$12,511) and purchase of goods and services for \$540 (2023 \$373).

(3) Corresponds to the insurance policy for civil and extracontractual liability.

In 2024 and 2023, corresponds to resources managed by Protección S.A. to fund the pension gap closure plan, net of the liability of the actuarial calculation of the same benefit (Note 20 Employee Benefits Liabilities).

NOTE 13: PROPERTY, PLANT AND EQUIPMENT, NET

The balance of property, plant and equipment, net as of 31 December, comprises:

	2024	2023
Transport equipment and other assets	1,755	2,008
Constructions and buildings	270	280
Furniture, office, computer and communication equipment	138	161
Machinery and equipment	82	97
Total property, plant and equipment, net	2,245	2,546

	Machinery and equipment	Furniture, office, computer and communication equipment	Constructions and buildings	Transport equipment and other assets	Total
1 January 2024	177	4,753	350	2,766	8,046
Additions	-	11	-	297	308
Historical cost	177	4,764	350	3,063	8,354
1 January 2024	80	4,592	70	758	5,500
Depreciation for the period	15	34	10	550	609
Depreciation	95	4,626	80	1,308	6,109
Total property, plant and equipment at 31 December 2024	82	138	270	1,755	2,245

	Machinery and equipment	Furniture, office, computer and communication equipment	Constructions and buildings	Transport equipment and other assets	Total
1 January 2023	177	4,857	350	1,430	6,814
Additions	-	107	-	1,336	1,443
Withdrawals	-	(211)	-	-	(211)
Historical cost	177	4,753	350	2,766	8,046
1 January 2023	66	4,772	60	425	5,323
Depreciation for the period	14	30	10	333	387
Withdrawals	-	(210)	-	-	(210)
Depreciation	80	4,592	70	758	5,500
Total property, plant and equipment at 31 December 2023	97	161	280	2,008	2,546

As at 31 December 2024 and 2023, no property, plant and equipment assets have been pledged as collateral for the fulfillment of obligations or payables to third parties.

The Company has no contractual commitments for the acquisition of property, plant and equipment; additionally, no compensation was obtained by third parties for impaired, lost or abandoned property, plant and equipment. The Company has adequate insurance policies to protect its productive assets, whose coverage comprises mainly property damage caused by fire, earthquake, weak current, natural disasters, terrorism, and other risks.

NOTE 14: INVESTMENT PROPERTY

The balance of investment property comprises:

	2024	2023
Land	1,742,975	1,957,569
Constructions and buildings	-	495
Total	1,742,975	1,958,064

For determination of the fair value of the investment property, independent firms with extensive experience and recognition in the market were hired. To estimate these fair values, the firms used the appropriate valuation techniques for the case, using the guidelines of IFRS 13 Fair Value Measurement and International Valuation Standards (IVS), the most used for the case being the market comparison approach and the residual value approach.

All valuations are made under the comparative market value approach and with the residual value technique. Both valuation methodologies are internationally recognized. The resulting differences in value opinions were reconciled into a final commercial value opinion for the property.

Input data for the fair value estimate is classified as Level 2 input data within the fair value hierarchy, which also corresponds to the complete estimate, associated with offer prices, appraisals, or similar property transactions observable, either directly or indirectly, in the market, and which have been adjusted or homogenized by factors such as area, access roads, immediate neighborhood, finishes, improvements, state of conservation, among others.

The following are the Company's income and expenses directly related to investment property:

	2024	2023
Lease income of investment Property	3,307	2,707
Direct expenses related to investment property	6,716	33,787
Direct expenses related to investment property that did not generate lease income	33,327	20,702

Reconciliation of investment property

The following is the movement of investment property during the period:

	2024	2023
Book value at 1 January	1,958,064	2,020,317
Transfers from investment property to inventories (1) (Note 9)	(111,735)	(87,061)
(Loss) Gain from fair value measurement (2) (Note 30)	(87,852)	16,732
Additions (3)	11,373	11,701
Withdrawals (4)	(26,875)	(3,625)
Book value at 31 December	1,742,975	1,958,064

- (1) As at 31 December 2024, the following lots were transferred from investment property to inventories: Pavas Norte estate project Alejandría Stage IV property, Pavas Sur project Alejandría Stage VI, Pajonal project Polydeportivotecnos Lot, La Pedrera and Finca Pocihueica.

As at 31 December 2023, the following lots were transferred from investment property to inventories: Lot 7 Hacienda Portonao Barú, Alexandria Stage V (Blocks 46 A1, 46 A2, 46 B and 54) and Remanente Insignares La Playa.

- (2) Corresponds to the adjustment by fair value measurement of investment property, mainly of the following land: Agua Viva, Bocatocino, Loma China, Pavas Molina, Barú, Finca la Fortuna, Pajonal, Volador Oriental, Don Jaca, Pradomar, Miramar Puerto Colombia, Agua Dulce, Minas Lili, Campo Alegre and Insignares, and Tamalameque for (\$87,852) (2023 \$16,732).
- (3) They correspond to capitalized disbursements for the preparation of Pavas Molina, Miramar and Barú land during the year 2024 and 2023.
- (4) At 31 December 2024, the following lands were sold: Hacienda Campoalegre lot, Don Jaca lot, Estaca, and Cabaña La Fortuna. The net cost of these lands at the time of derecognition was (\$26,875).

For the year 2023, it corresponds to the partial dation in lieu of payment of the land San Antonio Santana Isla Barú to the company Barú Partners and Community Entrepreneur S.A.S.

As of 31 December 2024 and 2023, the Company has no contractual obligations to acquire, construct, nor develop investment property, nor are there any restrictions on them.

NOTE 15: INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

15.1 General information on associates and joint ventures

The overview on associates and joint ventures during the indicated periods is as follows:

Company name associate or joint venture	Main activity	Country	Voting interests (*)		Investment classification	Book value (**)	
			December 2024	December 2023		December 2024	December 2023
Grupo de Inversiones Suramericana S.A. (*)	Financiamiento	Colombia	9.38%	27.86%	Associate	6,971,797	4,375,166
Fondo de Capital Privado Pactia Inmobiliario	Real estate investment	Colombia	37.45%	37.39%	Associate	886,598	945,800
P.A. Fideicomiso Hotel Calablanca Barú	Real estate management	Colombia	20.00%	20.00%	Associate	35,607	35,607
Internacional Ejecutiva de Aviación S.A.S.	Executive air transport	Colombia	25.00%	25.00%	Associate	3,443	3,443
P.A. Contingencias Consorcio Constructor Nuevo Dorado	Resource and payment management	Colombia	30.00%	30.00%	Joint venture	664	664
Pactia S.A.S.	Real estate management	Colombia	50.00%	50.00%	Joint venture	5	5
P.A Fideicomiso Operación Hotel Calablanca Barú	Real estate investment in hotels	Colombia	20.00%	20.00%	Associate	1	1
Total investments in associates and joint ventures						7,898,115	5,360,686

(*) Regarding the associate Grupo de Inversiones Suramericana S.A. the percentage of interests of economic rights as of December 2024 is 45.99% and 2023 is 22.45%, is different from the percentage with voting rights of 9.38% (2023 27.86%). The foregoing considering that the issuer has shares with preferred dividend and no voting rights and that the Company contributed to the Autonomous Equity FAP Grupo Argos Vote Inhibitor

155,200,000 shares in order not to exercise the political rights over them. For the other investments in associates and joint ventures, the percentage of interests indicated is equal to the percentage of economic interests.

The 155,200,000 inhibited shares represent the suspension of voting rights of 54.91% of political rights. If these shares had not been inhibited, the percentage of voting interest as of December 2024 would be 64.29%.

(**) In 2024 and 2023, the Company maintains a direct investment in P.A. Hacienda Niquía and in 2023 in the Consorcio Mantenimiento Opain (liquidated), which have no book value.

All investments in associates and joint ventures are accounted for at cost except for Fondo de Capital Privado Pactia Inmobiliario which is accounted for at fair value. Of these investments, the only one listed on the stock market is Grupo de Inversiones Suramericana S.A. whose exchange value, at 31 December 2024, is \$37,200 (2023 \$29,000) Colombian pesos for each ordinary share; this information is for informational purposes only since the investment in Grupo de Inversiones Suramericana S.A. is recognized, in the Company's Separate Financial Statements, by the acquisition cost. Although the value of the share in the market is less than the book value, no impairment is generated because the business fundamentals and the performed valuation do not indicate an impairment loss.

The unit value of Fondo Capital Privado Pactia Inmobiliario is \$14,017.22 (2023 \$13,490.90) Colombian pesos per unit. The fair value hierarchy of this investment is Level 2, considering that the underlying assets of the trust rights are represented in real estate, which are measured at fair value. The valuation technique used is based on technical valuations performed by independent evaluators. The value of the properties is updated daily according to changes in the RVU (Real Value Unit) index, in accordance with Colombian legislation. Subsequently, with the realization of a new annual appraisal for each of the assets, the corresponding update is made. The Fund includes investment property for \$3,066,207 (2023 \$3,018,800).

15.2 Corporate purpose of associates and joint ventures and nature of the relationship

Grupo de Inversiones Suramericana S.A. – Grupo Sura S.A.: Is a company with strategic investments in the banking, insurance, pension, savings, and investment sectors. Its main domicile is in Medellín (Colombia).

With Grupo de Inversiones Suramericana S.A. significant influence is exercised through its position to nominate the members of the Board of Directors to be elected by the Shareholders' Meeting, in accordance with the legal provisions in Colombia.

Fondo de Capital Privado Pactia Inmobiliario: A closed-end private equity fund which is made up of all the resources transferred to the fund by the contributors in kind and in money. The private equity fund is the sole trust holder and beneficiary of Patrimonio Autónomo Pactia.

The fund's main objective is to make long-term strategic investments in assets for economic exploitation and to obtain an attractive return for its investors with a moderate level of risk. Each of the real estate assets in which the fund invests has a defined management, business and brand strategy, whose focus is the generation of value for the fund. This Fund is managed according to the instructions given by the professional manager Pactia S.A.S. Its main domicile is in Colombia. The fund has a duration of 30 years extendable for an additional 10-year period.

P.A Fideicomiso Operación Hotel Calablanca Barú: Its purpose is the development and execution of the administrative activities of trust assets, in addition to obtaining permits, entering contracts, agreements and the management of the resources required to initiate and execute the operational stage of the Calablanca Barú Hotel. This trust is under the management of Patrimonio Autónomo Fiduciaria Corficolombiana S.A.

Internacional Ejecutiva de Aviación S.A.S. – IEA S.A.S.: Its main corporate purpose is the provision of public, unscheduled commercial air transport services for passengers and cargo, including the performance of charter flights on domestic and international routes in accordance with the regulations in force and international conventions on civil aviation, as well as the performance of activities and services complementary and related to such air transport service. Likewise, the company may provide all ground handling and aircraft handling services

at the airport, in accordance with the national and international regulations in force. Its main domicile is in Medellín (Colombia).

P.A Contingencias Consorcio Constructor Nuevo Dorado: Its purpose is the reception and management of the resources intended to make restitutions in favor of the Trustors and/or payments in favor of third parties according to the contingencies that may arise from the liquidation of the Consorcio Constructor Nuevo Dorado.

Pactia S.A.S.: Its main corporate purpose is the professional management and administration of a portfolio of real estate assets, regardless of their legal form, including, but not limited to, the operation and lease of shopping centers, corporate buildings, warehouses, distribution centers, logistics parks, hotels, and other similar projects. Its main domicile is in Medellín (Colombia). The Board of Directors is comprised of four principal members, the Company participates with two principal members and two alternate members.

P.A Fideicomiso Hotel Calablanca Barú: Its purpose is the Real Estate Management for the development of the Barú Calablanca Hotel project. This trust is under the management of Alianza Fiduciaria S.A.

Patrimonio Autónomo Hacienda Niquía – P.A. Niquía: Alliance between Grupo Argos S.A., Londoño Gómez S.A.S., Arquitectura y Concreto S.A.S. and Situm S.A.S. (merged with Grupo Argos S.A. in 2017), which aims to execute the Hacienda Niquía project. It acts solely and exclusively through its spokesperson and administrator Fiduciaria Bancolombia S.A. The binding agreement was signed on 6 December 2013, which defines the general terms and conditions of the alliance, including the rules for the contribution of assets. Its main domicile is in Medellín (Colombia).

Consorcio Mantenimiento Opain (liquidated): Consortium formed under the civil consortium modality, its object was to provide maintenance services for the works that are part of the modernization and expansion stage of Bogota's El Dorado International Airport, as well as complementary works and services, in accordance with the provisions set forth in the Concession Contract and the EPC Contract. The services provided by the consortium could be executed directly by the parties or subcontracted with third parties. The process of liquidation was initiated on 25 January 2020 and completed on 28 June 2024.

The Consorcio Mantenimiento Opain was classified as a joint venture because decisions are taken unanimously by the members of the Administrative Committee, regardless of the Interests of each consortium member.

15.3 Contributions, restitution of contributions, changes in ownership interests and distribution of dividends in associates and joint ventures

Below are the changes in ownership interests in associates and joint ventures during the periods indicated:

Grupo de Inversiones Suramericana S.A.: On 6 February 2024, the first exchange of Grupo Nutresa S.A. shares took place, product of the Framework Arrangement signed in June 2023, where the Company exchanged all the ordinary shares it held in Grupo Nutresa S.A. (45,243,781 shares) in exchange for 36,070,836 ordinary shares of Grupo de Inversiones Suramericana S.A. for \$1,971,864 and 14,932,413 ordinary shares of Sociedad Portafolio S.A. Liquidada for \$186,666 (Note 11 Other finance assets).

On 11 April 2024, compliance with the Tender offer on ordinary shares of Grupo Nutresa S.A. was granted. According to the Company's interests in the offer, 10,042,108 shares of Grupo Nutresa S.A. were awarded to the Company, of which 9,572,605 were paid in cash and 469,503 were paid in kind, by delivering 349,196 shares of Grupo de Inversiones Suramericana S.A. for (\$13,345) and 265,254 shares of Sociedad Portafolio S.A. Liquidada for (\$1.923). (Note 11 Other finance assets).

Following compliance with the Tender offer, on 25 April 2024, the second share exchange of Grupo Nutresa S.A. was carried out, where the Company exchanged the shares acquired in the Tender Offer (10,042,108 shares) in exchange for 5,049,057 ordinary shares of Grupo de Inversiones Suramericana S.A. for \$273,231 and 16,304,046 ordinary shares of Sociedad Portafolio S.A. Liquidada for 201,036 (Note 11 Other finance assets and Note 40 Relevant events).

Considering that the Company as an infrastructure holding company does not have the intention nor vocation to become a controlling party of Grupo de Inversiones Suramericana S.A., Grupo Argos S.A. contributed 155,200,000 shares of Grupo de Inversiones Suramericana S.A. to a trust that has the irrevocable instruction not to exercise political rights for value of \$5,961,537.

Subsequently, in November 2024, 10,328,121 shares of Grupo de Inversión Suramericana S.A. were received for a value of \$342,762, given the liquidation of Sociedad Portafolio S.A. Liquidada. The net increase derived from the execution of the stages described above, to comply with the agreement to transfer the investment in the food business of Grupo Nutresa S.A. in exchange for shares of Grupo de Inversiones Suramericana S.A. and Sociedad Portafolio S.A. Liquidada is \$2,574,512.

As of December 2024, Sator S.A.S. delivered by way of payment 596,313 shares of Grupo de Inversiones Sura S.A. for \$22,120.

During 2024, cash dividends for \$221,299 were received from this associate, which include dividends declared in 2023 for \$40,587. Likewise, in 2024, dividend income declared for \$244,559 was recognized.

Fondo de Capital Privado Pactia Inmobiliario: as of December 2024, the Company sold 6,851,487 units for \$96,358 and received a distribution of returns for \$13,818. Likewise, the Fund's interests increased from 37.39% to 37.45% due to the decrease in the outstanding units, that went from 187.517.359 to 168.905.231 units.

Pactia S.A.S.: As at 31 December 2023, the Group received dividends for \$5,122. There were no changes in interests.

P.A Fideicomiso Operación Hotel Calablanca Barú: As of 31 December 2024, a distribution of returns was declared for \$5,454, and a \$7,070 cash prepayment of profits was received. The above did not result in any changes in interests.

Consorcio Mantenimiento Opain (liquidated): on 28 June 2024, the liquidation of the consortium was formalized, resulting in the receipt of cash for \$17, based on the percentage of interests the Company held at the time of liquidation.

Patrimonio Autónomo Hacienda Niquia- P.A Niquia: As of 31 December 2023, returns for \$2,193 were received. There were no changes in interests.

During 2023, the following changes in interests of Associates and joint ventures were made:

Grupo de Inversiones Suramericana S.A.: As at 31 December 2023, cash dividends of \$123,582 were received for dividends decreed in 2022 and dividends decreed in 2023 were recognized for \$152,016. There were no changes in interests.

Fondo de Capital Privado Pactia Inmobiliario: as of 31 December 2023, la Company received profit distribution of \$16,450, no changes in interests.

Pactia S.A.S.: as of 31 December 2024, dividends of \$5,175 were recognized, There were no changes in interests.

P.A Fideicomiso Operación Hotel Calablanca Barú: As of 31 December 2023, a \$3,232 distribution of returns was decreed, of which \$1,050 returns and a \$4,434 advance of profits were received. This did not involve changes in interests.

Patrimonio Autónomo Hacienda Niquia- P.A Niquia: As of 31 December 2023, profits of \$1,609 were recognized. There were no changes in interests.

Promotora de Proyectos S.A. (liquidated): on 18 January 2023, the final liquidation of the company with minutes 46 of 16 August 2022 was registered in the Chamber of Commerce.

Consortio Constructor Nuevo Dorado (Liquidated): by means of minutes 212, it was requested to initiate the liquidation of the consortium, said liquidation was completed on 30 November 2023 without any restitution to the consortium members.

15.4 Summary financial information

Summary financial information included in the following tables represents the values reported to the Company by its most significant associates or joint ventures to be presented in its financial statements and has been prepared according to the Accounting and Financial Reporting Standards accepted in Colombia.

	Grupo de Inversiones Suramericana S.A. (i)	FCP Pactia Inmobiliario (iii)	Other Associates and Joint Ventures
	September 2024	December 2024	December 2024
Current assets	Not applicable	513,553	110,690
Non-current assets	Not applicable	3,154,033	312,145
Total assets	95,589,530	3,667,586	422,835
Current liabilities	Not applicable	189,321	86,015
Non-current liabilities	Not applicable	935,019	117,592
Total liabilities	65,934,194	1,124,340	203,607
Equity	29,655,336	2,543,246	219,228
Revenue	29,887,194	448,447	125,767
Net income from continuing operations	5,938,486	133,013	37,275
Net income after discontinued operations	5,955,975	133,013	37,275
Other comprehensive income	121,665	7,808	513
Total comprehensive income	6,077,640	140,821	37,788
Dividends or returns paid to the owner	221,299	13,818	14,455

	Grupo de Inversiones Suramericana S.A. (i) (ii)	FCP Pactia Inmobiliario (iii)	Other Associates and Joint Ventures
December 2023			
Current assets	Not applicable	819,417	99,046
Non-current assets	Not applicable	3,103,798	328,295
Total assets	93,504,776	3,923,215	427,341
Current liabilities	Not applicable	182,408	97,651
Non-current liabilities	Not applicable	1,070,990	107,524
Total liabilities	61,069,539	1,253,398	205,175
Equity	32,435,237	2,669,817	222,166
Revenue	35,529,206	400,551	123,765
Net income from continuing operations	2,032,389	127,589	40,464
Net income after discontinued operations	1,934,978	127,589	40,464
Other comprehensive income	(4,580,535)	(17,762)	551
Total comprehensive income	(2,645,557)	109,827	41,015
Dividends or returns paid to the owner	123,582	16,450	12,215

(i) The associate Grupo de Inversiones Suramericana S.A. presents the statement of financial position in order of liquidity, and therefore does not include the breakdown of current and non-current assets and liabilities.

(ii) The comparative financial information of the associate Grupo de Inversiones Suramericana S.A. presented reclassifications in its statement of financial position and its comparative statement of income according to the last official financial statements issued by such entity, which do not affect the total profit or loss.

(iii) The financial statements presented for the Fondo de Capital Privado Pactia Inmobiliario for this disclosure correspond to the Fund's consolidated financial statements prepared for consolidation purposes. The unit

value used for the Fund's fair value accounting recognition is calculated from the Fund's separate financial statements.

Additional summary financial information for significant associates and joint ventures is broken down below:

	Grupo Inversiones Suramericana S.A. (i)	FCP Pactia Inmobiliario (iii)	Other Associates and Joint Ventures
	September 2024	December 2024	December 2024
Cash and cash equivalents	3,118,442	93,602	32,293
Current finance liabilities (1)	Not applicable	148,767	45,805
Non-current finance liabilities (1)	Not applicable	935,018	117,592
Finance liabilities (1)	11,729,292	1,083,785	163,397
Depreciation and amortization expense	412,554	528	8,576
Interest income	2,215,195	13,272	1,167
Interest Expenses	1,086,418	142,332	11,947
Income tax expense (income)	978,916	(10)	6,639

	Grupo Inversiones Suramericana S.A. (i)	FCP Pactia Inmobiliario (iii)	Other Associates and Joint Ventures
	(ii)		
December 2023			
Cash and cash equivalents	3,305,577	60,022	32,723
Current finance liabilities (1)	Not applicable	182,408	50,595
Non-current finance liabilities (1)	Not applicable	1,070,990	107,524
Finance liabilities (1)	10,076,618	1,253,398	158,119
Depreciation and amortization expense	625,109	578	11,313
Interest income	2,928,946	13,295	13,613
Interest Expenses	1,128,275	162,577	12,418
Income tax expense	1,569,142	-	8,887

- (i) The associate Grupo de Inversiones Suramericana S.A. presents the statement of financial position in order of liquidity, and therefore does not include the breakdown of current and non-current assets and liabilities.
- (ii) The comparative financial information of the associate Grupo de Inversiones Suramericana S.A. presented reclassifications in its statement of financial position and its comparative statement of income according to the last official financial statements issued by such entity, which do not affect the total profit or loss.
- (iii) The financial statements presented for the Fondo de Capital Privado Pactia Inmobiliario for this disclosure correspond to the Fund's consolidated financial statements prepared for consolidation purposes. The unit value used for the Fund's fair value accounting recognition is calculated from the Fund's separate financial statements.
- (1) trade and other payables are excluded for presentation purposes. The finance liabilities of the associate Fondo de Capital Privado Pactia Inmobiliario include lease liabilities mostly with financial institutions for \$841,278 (2023 \$901,344).

15.5 Significant restrictions and commitments

There are no significant restrictions on the ability of joint ventures and associated companies to transfer funds through dividends, loan repayments, prepayments, or other items.

As at 31 December 2024 and 2023, there are no unrecognized commitments to joint ventures nor to associated companies that may result in future cash outflows or other resources.

As at 31 December 2024, the stock exchange value of the Company's finance assets pledged as collateral for finance liabilities is \$1,194,492 (2023 \$1,047,190). These collaterals correspond to 32,110,000 shares of Grupo de Inversiones Suramericana S.A. (2023 - 36,110,000 shares), of the shares given as collateral, for 2024,

26,110,000 shares are in the Autonomous Equity FAP Grupo Argos Vote Inhibitor (Note 7.4 Collaterals and Note 18 Financial obligations).

15.6 Impairment analysis

The Company assesses at least at each annual closing date of the statement of financial position or whenever market or business conditions change significantly, whether there is objective evidence of impairment of assets. If such evidence exists, the Company tests the assets for impairment.

For publicly traded companies, their fair values were compared with the share prices as of 31 December 2024, subtracting the transaction or sale costs on the stock Exchange. As at 31 December 2024 and 2023, although the value of the share of Grupo de Inversiones Suramericana S.A. in the market is less than the book value, no impairment is generated because the business fundamentals and the performed valuation do not indicate an impairment loss.

None of the investments in associates and joint ventures were impaired as at 31 December 2024, because the fundamentals of the businesses analyzed on that date do not provide objective evidence of impairment of assets.

15.7 Reciprocal interests

In the course of its operations, Grupo de Inversiones Suramericana S.A. and its subsidiaries in turn have equity interests in Grupo Argos S.A. This cross equity interests is permitted by Colombian regulations since the shareholders are not subordinate companies of Grupo Argos S.A. The shareholding that the associate Grupo de Inversiones Suramericana S.A. and its subsidiaries has in Grupo Argos S.A. and that Grupo Argos S.A. has in Grupo de Inversiones Suramericana S.A. in the indicated dates is:

	% Voting interests on the investment		% Interests with economic right on the investment	
	2024	2023	2024	2023
Grupo de Inversiones Suramericana S.A. in Grupo Argos S.A. (*)	45.38%	36.28%	34.06%	27.42%
Grupo Argos S.A. in Grupo de Inversiones Suramericana S.A. (**)	9.38%	27.86%	45.99%	22.45%

(*) Includes the number of shares held by any subsidiary of Grupo de Inversiones Suramericana S.A. and the P.A. SP shares.

(**) In 2024, the 9.38% voting interests includes 155.200.000 shares of Grupo de Inversiones Suramericana S.A. found in the Autonomous Equity FAP Grupo Argos Vote Inhibitor in order not to exercise political rights over them (Note 40 Relevant Events).

The Company recognizes interests in the associate Grupo de Inversiones Suramericana S.A. at cost in its separate financial statements, as described in Note 2.4.6 Investments in associates and joint arrangements.

On 18 December 2024 Grupo Argos S.A. and Grupo de Inversiones Sura S.A. signed a Spin-off Agreement, whereby they agreed to the operation to dispose of the cross-shares that they have had for more than 46 years and that have made them possible today to be leading and benchmark organizations in their sectors. This shall initially be achieved through absorption cleaves, which shall be subject to the approval of the Shareholders' Meetings of the companies and are subject to regulatory approvals (Note 40 Relevant Events).

NOTE 16: INVESTMENTS IN SUBSIDIARIES

16.1 Overview and corporate purpose of subsidiaries

The overview of subsidiaries directly held by the Company during the periods indicated is broken down below:

Name of the subsidiary	Main activity	Place of incorporation and operations	Functional Currency	Voting interests (*)		Book value (**)	
				December 2024	December 2023	December 2024	December 2023
Cementos Argos S.A.	Cements and related products	Colombia	Colombian Pesos	54.22%	60.66%	7,247,308	4,426,318
Celsia S.A.	Energía	Colombia	Colombian Pesos	53.89%	52.94%	2,013,169	2,059,887
Odinsa S.A.	Ingeniería y arquitectura	Colombia	Colombian Pesos	94.99%	94.99%	1,616,456	1,450,194
Sator S.A.S.	Coal mining exploitation	Colombia	Colombian Pesos	97.54%	97.39%	174,236	166,055
P.A. Ganadería Río Grande.	Livestock Business	Colombia	Colombian Pesos	13.39%	13.39%	6,239	5,827
Summa - Servicios Corporativos Integrales S.A.S.	Rendering of corporate services	Colombia	Colombian Pesos	25.00%	25.00%	1,471	1,468
Total						11,058,879	8,109,749

(*) For the subsidiary Cementos Argos S.A. the percentage of economic right interests as of December 2024 and December 2023 of 54.21% and 51.46%, respectively, is different from the percentage with voting rights of 54.22% and 60.66%, respectively. The foregoing considering that such subsidiary has shares with preferred dividend and without voting rights.

(**) As at 31 December 2023, the Company held a direct investment in Concretos Argos S.A.S. whose book value is not representative.

All investments in subsidiaries are accounted for as equity-accounted investees. Of these investments, the only ones listed on the stock market are Cementos Argos S.A. and Celsia S.A. At 31 December 2024, the stock exchange value of the ordinary shares of Cementos Argos S.A. is \$10,200 (2023 \$6,110) Colombian pesos per share. In turn, the stock exchange value of Celsia S.A. shares. as of that same date is \$3,680 (2023 \$2,960) Colombian pesos per share.

Cementos Argos S.A.: a commercial company incorporated under Colombian law on 14 August 1944. Its corporate purpose includes the exploitation of the cement industry, the production of concrete mixtures and other cement, lime or clay based materials or products. It also includes the acquisition and disposal of minerals or useful ore deposits in the Cements and related products industry, as well as obtaining rights to explore and exploit such minerals, whether by concession, privilege, lease or any other security. In addition, to provide port services and to act as a contractor, builder, consultant, controller, designer or projector of civil or other works, both for public and private entities. Its main domicile is in Barranquilla (Colombia) and its term expires on 14 August 2060.

Celsia S.A.: Incorporated under Colombian law on 4 October 2001, its principal place of business is in Medellín (Colombia). The main purpose of the company is the management, precaution or increase of its assets through the promotion and promotion of industrial or commercial activities, mainly through investment in companies or other legal entities, or through interests in other corporate structures related to the energy industry, public utilities and its related or complementary activities. It may also do so by participating in entities, organizations, funds or any other legal capacity, whether as a founding partner, making subsequent capital contributions or acquiring interests. Likewise, it may invest in all types of movable and real estate property, fixed and variable income papers or documents, or any kind of securities, whether they are registered in the public securities market. The Company may also provide advice on economic, administrative, and financial matters to all types of companies. Its legal duration is until 4 April 2069.

Odinsa S.A.: Incorporated under the Colombian law on 16 July 1992. Its main corporate purpose is the study, implementation, financing and operation of all activities and works of engineering and architecture in all its forms and specialties, inside or outside the country. Its main domicile until May 2016 was Bogotá (Colombia) when it changed its company name and address to Medellín (Colombia). Its term expires on 31 December 2100.

Sator S.A.S.: incorporated under Colombian law on 28 October 1981, its main domicile is in Medellín (Colombia) and its term is indefinite. Its corporate purpose includes the prospecting, exploration, exploitation, production, use, transformation, acquisition, disposal, marketing, transport of coal, as well as any other mineral substance associated with coal. In addition, the company can be engaged in the import, export, marketing and supply thereof of raw materials, supplies, equipment and machinery necessary for the mining of coal and other minerals.

Patrimonio Autónomo Ganadería Río Grande: incorporated on 14 August 2017, its corporate purpose includes all activities related to the operation and management of the business of breeding and marketing of livestock, biotechnology, and maintenance of the farms where the heads of livestock are located. Through the execution of a joint account agreement, in which the assets associated with the livestock business were contributed, the Fundación Grupo Argos, as managing participant, manages and operates the assets related to this business on its own.

Summa - Servicios Corporativos Integrales S.A.S.: incorporated on 7 December 2016, its corporate purpose is the rendering of specialized business services in Colombia and abroad, both to companies linked to the Argos Business Group and to third parties, in any area that generates value for its customers. It also provides consulting or audit services in the businesses of the companies that make up the Argos Business Group or to third parties. In addition, the company may perform all activities necessary to exercise rights and comply with legal or contractual obligations arising from its existence and activities. It may also carry out any other lawful economic activity, both in Colombia and abroad. Its main domicile is in Medellín (Colombia).

Concretos Argos S.A.S.: Incorporated on 22 April 1985. Its corporate purpose is the exploration, exploitation, transport, benefit, integral use, marketing, and sale of stone minerals such as: sand, cement, gravel, premixed concrete and prefabricated concrete elements, concrete blocks and any other material and elements of its own, accessories and complementary used in the construction industry. Its domicile is in Bogotá (Colombia) and its term is indefinite. Control of this company is held through Cementos Argos S.A.

16.2 Changes in the ownership interests and distribution of dividends in subsidiaries.

As of 31 December 2024, the following changes were made in interests on subsidiaries:

Cementos Argos S.A.: During the year 2024, 116,910 ordinary shares were acquired for \$966, resulting in the recognition of dividends as a lower investment value of \$38 and a net equity increase of \$92. Ordinary dividends were recognized in March as a lower investment value of \$82,961, which were received in cash in April. At the extraordinary shareholders' meeting held in May 2024, extraordinary dividends of \$228,764 were approved, also recognized as a lower value of the investment. \$117,183 has been received from these dividends. In addition, an indirect equity increase of \$173,697 was recognized, of which \$147,270 came from the process of translating preferred shares into ordinary shares of Cementos Argos S.A., and \$26,427 from the repurchase of shares program.

The process of translating shares with preferred dividend and without voting rights ("preferred shares") into ordinary shares of Cementos Argos S.A. was successfully concluded, with a list of 0.85 ordinary shares for each preferred share, as approved by the Shareholders' Meeting on March 18 and subsequently authorized by the Superintendence of Finance of Colombia. The translation was made after a period of receipt of non-conversion notifications of 10 business days, during which those shareholders who decided to retain their preferred shares communicated such decision to the company. As a result of this process, 99.8% of the preferred shares became ordinary shares and in this way, the latter become 99.96% of the company's outstanding shares.

In terms of shareholding, the Company, who is the controlling shareholder of Cementos Argos S.A., is left with an economic right interests at 31 December 2024, of 54.21% (2023 51.46%) and voting rights of 54.22% (2023 60.66%). The foregoing considering that the issuer has shares with preferred dividend and no voting rights.

Celsia S.A.: During 2024, a \$5,171 equity decrease was recognized as a result of the beginning of the repurchase of shares program, which generated an indirect increase in the shareholding of 0.95%. In addition, dividends of \$175,572 were decreed, which were recognized as a lower value of the investment, and cash dividends of \$171,749 were received.

Sator S.A.S.: the Sator S.A.S. General Shareholders' Meeting approved, on 9 January 2024, through Minutes No. 97, an issue of shares without subject to preference rights, allowing Grupo Argos S.A. contributed in kind the usufruct on 45,001,357 shares of Grupo Inversiones Suramericana S.A. This usufruct conferred all political and economic rights inherent in the shareholder's capacity, except those of alienating, encumbering, or receiving the reimbursement of the shares at the time of liquidation.

In February 2024, usufruct was cancelled early, resulting in a financial effect of (\$210). Complying with section 3.1. of the Regulations for Issuance and Placement of Shares of Sator S.A.S., the Company made a contribution of \$13,641 for the capitalization of 626,823 ordinary shares, which generated an increase in the stake of 0.15% in the company.

During 2024, dividends for \$8,005, recognized as a lower value of the investment, were declared and \$7,551 was received. In September 2024, extraordinary dividends of \$20,176 were decreed, which were also recognized as a lower value of the investment and \$19,039 was received.

Odinsa S.A.: During 2024, 140 shares were acquired for \$1, representing a 0.003% share increase. No dividends have been declared during the year.

As of 31 December 2023, the following changes were made in interests on subsidiaries:

Sociedad Concesionaria Operadora Aeroportuaria Internacional Opain S.A.: on 29 September 2022, the Company entered into an agreement with Macquarie Asset Management for the sale of the 30% interests in the company equivalent to 91,770 shares and the rights associated therewith, for the creation of an investment platform focused on the management of airport assets in which the Company shall participate through its subsidiary Odinsa S.A.

Once the conditions precedent for the closing of the operation have been met before the corresponding authorities, financial institutions, insurers and shareholders of the concessions, the companies Macquarie Asset Management, Odinsa S.A. and Grupo Argos S.A. announced on 29 June 2023 the perfection of its strategic alliance and reported the start of operations of Odinsa Aeropuertos S.A.S., which was incorporated after the negotiation with Macquarie of the 30% interests that Grupo Argos S.A. had in Opain S.A. for \$274,554, the 2.5% of interests of Odinsa S.A. in Opain S.A. for \$22,788 and the sale of other assets related to the airport business held by Odinsa S.A. These events implied the loss of control that the Company maintained over Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. at June 2023.

Cementos Argos S.A.: shares of \$54,051 were acquired, corresponding to 17,928,000 shares, this represents an increase in the share of 1.53%, ordinary dividends for (\$1,658) were generated, and a net equity increase of \$87,132. In addition, extraordinary dividends decreed at an extraordinary meeting held in June 2023 for (\$162,175) were recognized, a net equity increase of \$4,262 was recognized as a result of an indirect increase in interests in accordance with the execution of the repurchase of shares program. Cash dividends of \$276,606 were received.

Valle Cement Investments Inc.: During 2023, the sale of 8.19% of the interests represented in 712,836 shares was made for \$119,877 (USD 30,143,771) and with a cost to sell investments of (\$46.583).

Celsia S.A.: during 2023, recognized a net equity increase of \$68 as a result of an indirect increase in interests in accordance with the execution of the repurchase of shares program. Cash dividends of \$163,961 were received.

Sator S.A.S.: Cash dividends of \$39,863 were received in 2023. On 30 June 2023, the usufruct on 45,001,357 shares that Grupo de Inversiones Suramericana S.A. had with the Company ended.

Odinsa S.A.: \$86 worth of shares were acquired corresponding to 8,581 shares, representing an increase in shareholding of 0.003% and a net equity decrease of (\$6). Cash dividends of \$303,977 were received.

16.3 Significant restrictions and commitments

As at 31 December 2024 and 2023 there are no significant restrictions on the ability of direct subsidiaries to transfer funds to the Company in the form of cash dividends, loan repayments, prepayments, or others.

16.4 Impairment analysis

The Company assesses at least at each annual closing date of the statement of financial position or whenever market or business conditions change significantly, whether there is any indication of impairment of assets. If such an indication exists, the Company performs impairment tests on the assets.

For publicly traded companies, the fair values of the shares were compared with the prices of the shares as at 31 December 2024, subtracting the transaction or sale costs on the stock exchange. The market value of the shares of Cementos Argos S.A. and Celsia S.A. listed on the Colombian Stock Exchange is higher than the book value and, therefore, no impairment of value is generated; in addition, the fundamentals of the business and the valuation performed by the Company do not show any indication of loss of value.

NOTE 17: NON-CURRENT ASSETS HELD FOR SALE

The balance of the non-current assets held for sale corresponds to:

	2024	2023
Investments	-	2,035,970
Total, Non-current Assets Held for Sale	-	2,035,970

As at 31 December 2023, the investment classified as held for sale corresponding to 45,243,781 shares of Grupo Nutresa S.A. for \$2,035,970. Arrangement to transfer investment in the food business of Grupo Nutresa S.A. in exchange for shares of Grupo de Inversiones Suramericana S.A. and of Sociedad Portafolio S.A. Liquidada, company holding shares of Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A., that is:

On 24 May 2023, the Company signed with JGDB Holding S.A.S, Nugil S.A.S, IHC Capital Holding L.L.C, AFLAJ Investment L.L.C, Grupo Nutresa S.A., and Grupo de Inversiones Suramericana S.A. (the “Parties”), the Memorandum of Understanding (MOU), to enter into a series of transactions that allow JGDB Holding S.A.S. and Nugil S.A.S. to be the majority and controlling shareholders of Grupo Nutresa S.A.

Subsequently, in June 2023, the Framework Arrangement was signed between the Parties that establishes the terms of exchange of Group’s interests in Grupo Nutresa S.A.’s food business. Said arrangement establishes that the Company shall exchange its shares in the food business of Grupo Nutresa S.A., receiving shares of Grupo de Inversiones Suramericana S.A. and of Sociedad Portafolio S.A. Liquidada, a company holding shares of Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A.

On 14 December 2023, Public Deed No. 3838 was granted by means of which the spin-off of Grupo Nutresa S.A. was notarized. and the company Sociedad Portafolio S.A. Liquidada. The foregoing led to the reclassification of the carrying amount of the investment by \$280,926, from non-current assets held for sale to financial instruments measured at fair value through Other comprehensive income.

On 6 February 2024, the first exchange of Grupo Nutresa S.A. shares took place, product of the Framework Arrangement signed in June 2023, where the Company exchanged all the ordinary shares it held in Grupo Nutresa S.A. (45,243,781 shares) that, restated to their stock market value prior to the exchange, were equivalent to \$2,094,787 in exchange for 36,070,836 ordinary shares of Grupo de Inversiones Suramericana S.A. and 14,932,413 ordinary shares of Sociedad Portafolio S.A. Liquidada.

Since this investment was measured at fair value through other comprehensive income (OCI), the profit on the delivery of the shares is reflected in by the reclassification of the accumulated balance in the OCI resulting from the fair value measurements of the investment that includes its tax for a net value of \$1,656,584, and the effect of first-time adoption of IFRS of (\$149,750), to retained earnings generating a net income available for distribution to shareholders for \$1,506,834.

On 11 April 2024, compliance with the Tender offer on ordinary shares of Grupo Nutresa S.A. was granted. According to the Company's interests in the offer, 10,042,108 shares of Grupo Nutresa S.A. equivalent to \$453,612 were awarded to the Company, of which 9,572,605 were paid in cash and 469,503 were paid in kind, by delivering 349,196 shares of Grupo de Inversiones Suramericana S.A. and 265,254 shares of Sociedad Portafolio S.A. Liquidada.

Following compliance with the Tender offer, on 25 April 2024, the second share exchange of Grupo Nutresa S.A. was carried out, where the Company exchanged the shares acquired in the Tender Offer (10,042,108 shares) equivalent to \$453,612 in exchange for 5,049,057 ordinary shares of Grupo de Inversiones Suramericana S.A. and 16,304,046 ordinary shares of Sociedad Portafolio S.A. Liquidada.

Once the share exchange was completed, the Parties completed all the operations provided for in the Framework Arrangement, so Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. no longer own shares in Grupo Nutresa S.A., and IHC Capital Holding L.L.C, JGDB Holding S.A.S. and Nugil S.A.S no longer own shares in Grupo de Inversiones Suramericana S.A. nor in Sociedad Portafolio S.A. Liquidada. For its part, Grupo Nutresa S.A. does not have a shareholding in Grupo Argos S.A. or in Grupo de Inversiones Suramericana S.A. (Note 15 Investments in associates and joint ventures, Note 17 Non-current assets held for sale and Note 40 Relevant events).

During the year 2024 period, cash dividends were received from Grupo Nutresa S.A. for \$4,364 (2023 \$56,544).

NOTE 18: FINANCIAL OBLIGATIONS

The balance of financial obligations comprises:

	2024	2023
financial obligations in local currency (1)	774,906	647,655
Other obligations (2)	144,954	-
Total financial obligations	919,860	647,655
Current	27,369	26,841
Non-current	892,491	620,814
Total financial obligations	919,860	647,655

(1) Financial obligations correspond to loans acquired in local currency whose nominal balance as of 31 December 2024 is \$754,653 (2023 \$624,653), and are measured at amortized cost.

Of the total 32,110,000 (36,110,000) pledged shares of Grupo de Inversiones Suramericana pledged, a total of 26,110,000 (2023 28,110,000) shares guarantee the loan with Bancolombia S.A. and 6,000,000 (2023 8,000,000) shares guarantee the loan with Sumitomo Mitsui Bank Corporation. During 2024, 4,000,000 shares of Grupo de Inversiones Suramericana S.A. were released and fixed-rate certificate of deposit (CD) of Banco de Occidente S.A. for a par value of \$77,000 and of Bancolombia S.A. for a par value of \$61,000 were pledged in favor of the loan of Sumitomo Mitsui Bank Corporation (Note 7.4 Collateral guarantees).

The Company's main financial obligations are presented below at their par value, expressed in the original currency, and their book values at the end of the reporting period.

Category	Financial institution	Maturity	Currency	Par value (*)		Book value	
				2024	2023	2024	2023
Domestic Banks	Bancolombia S.A.	2026	COP	392,200	392,200	396,801	399,625
Banks Overseas	Sumitomo Mitsui Bank Corporation	2027	COP	232,453	232,453	247,231	248,030
Domestic Banks	Banco de Bogotá S.A.	2028	COP	130,000	-	130,874	-

Category	Financial institution	Maturity	Currency	Par value (*)		Book value	
				2024	2023	2024	2023
Total financial obligations in local currency						774,906	647,655
Current						24,092	26,841
Non-current						750,814	620,814

The book value of financial obligations in local currency by maturity year is as follows:

	2024	2023
Maturity		
Year 2025	24,092	26,841
Year 2026	362,200	362,200
Year 2027	232,453	-
Year 2028	156,161	258,614
Total financial obligations in local currency	774,906	647,655

During the third quarter of 2024, a loan for \$130,000 was obtained with Banco de Bogotá S.A, due in 2028, under the modality of quarterly due interest payment and payment of the principal at maturity.

The loan with Bancolombia is linked to compliance with ESG indicators on which the Company has been working for more than five years. Annually, the Company must report annually its progress in terms of compliance with the goals previously defined within the loan in terms of gender equity and climate change to benefit from a reduction of up to 100 basis points in the interest rate during the term of the loan, which extends from 2025 to 2026.

On 1 November 2023, addendum No. 2 to the credit agreement with Bancolombia S.A. The modifications did not represent substantially different terms, so the operation did not generate the derecognition of the current liability but its modification in accordance with the Company's accounting policies (Note 2.4.9 Finance liabilities and equity instruments) and did not increase the Company's indebtedness. Also, it did not increase the Company's level of indebtedness on that date.

(2) During 2024, the Company carried out share hedging operations (Note 25 Share Capital), which at the end of the reporting period represent a finance liability of \$141,677 and interest recognition of \$3,277. On the initial date, the collateral is fixed as a percentage of the value of the transactions. If the relationship between the collateral and the guaranteed amount changes, it may be necessary to deliver an additional collateral or to refund part of the constituted one. As at 31 December 2024, the guarantees associated with these transactions amount to \$46,357 (USD 10,479,526.09) (Note 7.4 Collateral guarantees).

At the end of 2024 and 2023, the Company has no repurchase agreements ("Repo") nor simultaneous contracts.

NOTE 19: LEASES

19.1 Leases as a lessee

19.1.1 Lease arrangements

The Company performed the evaluation of lease agreements and the terms of the most significant non-cancellable leases vary among 8 years for building leases, and 3 years for vehicle leases, signed with Leasing Bancolombia S.A., which mature in 2026. Additionally, it was identified that there are no significant lease arrangements that provide restrictions related to dividend distribution, additional indebtedness or to new lease arrangements, nor are there contingent quotas, renewal options or escalation clauses.

As at 31 December 2024 and 2023, recognized real estate lease arrangements are linked to the consumer price index (CPI).

19.1.2 Right-of-use assets and liabilities

The balance of right-of-use leased assets and liabilities comprises:

2024	Right-of-use leased assets					Closing balance of lease liabilities
	Opening balance	Additions	Depreciation	Other changes	Closing balance	
Constructions and buildings	4,618	-	(1,706)	504	3,416	4,058
Land transport equipment	352	681	(468)	177	742	805
Right-of-use assets / liabilities, net	4,970	681	(2,174)	681	4,158	4,863

2023	Right-of-use leased assets					Closing balance of lease liabilities
	Opening balance	Additions	Depreciation	Other changes	Closing balance	
Constructions and buildings	6,353	-	(1,660)	(75)	4,618	5,085
Land transport equipment	668	88	(383)	(21)	352	382
Right-of-use assets / liabilities, net	7,021	88	(2,043)	(96)	4,970	5,467

Lease liabilities as of 31 December are as follows:

	2024	2023
Lease liabilities		
Current	2,050	1,318
Non-current	2,813	4,149
Total lease liabilities	4,863	5,467

19.1.3 Items recognized in the statement of income and cash flow from leases

Leases	2024	2023
Interest expense on lease liabilities	805	989
Expenses related to short-term leases	572	373
Expenses related to low value asset leases	580	466
Cash flows from leases (including interest)	(1,923)	(2,834)

19.1.4 Renewal Options

The Company's leases contain renewal options that can be exercised to extend the lease term from one year to six years, and that can be exercised up to one year before the end of the non-cancellable period of the contract.

Generally, the Company can exercise these renewal options because of the financial and operating facilities they provide. Renewal options are only exercisable by the Company and not by the lessor. The Company assesses at the commencement date of the lease whether it is reasonably safe to exercise the renewal options and considers them in determining the lease term, meanwhile, it reassesses whether there is a significant event or change in the circumstances under its control.

19.1 Leases as a lessor

19.2.1 Financial leases

The Company does not have any financial lease arrangements in which it acts as the lessor.

19.2.2 Operating leases

The Company enters lease arrangements as lessor mainly on land, constructions, and buildings on Pajonal, Corporative Lot and Hacienda Campo Alegre.

During the year 2024 Lease income recognized by the Company during 2023 was \$3,307 (2023 \$2,707).

NOTE 20: EMPLOYEE BENEFITS LIABILITIES

Employee benefits are classified as:

	2024	2023
Short-term employee benefits	18,234	15,987
Post-employment benefits	2,400	2,572
Total employee benefits	20,634	18,559
Current	18,737	16,519
Non-current	1,897	2,040
Total employee benefits	20,634	18,559

20.1 Short-term employee benefits

The following are recognized as short-term employee benefits: vacations, bonuses, extralegal premiums, collective life insurance, health insurance and education policies, among others.

For retired employees in Colombia, a death benefit is granted which is increased in accordance with the Consumer Price Index (CPI), up to the equivalent of five times the current legal minimum monthly wage (SMLV).

20.2 Post-Employment Employee Benefits

The actuarial valuation of plan assets and the present value of the defined benefit obligation is performed annually by independent actuarial consultants. The present value of the defined benefit obligation and the current service cost and related past service cost were measured using the projected credit unit method. The Company's employees belong to a public retirement benefit plan managed by the Government, or a private pension fund. The Company is required to contribute a specific percentage of the payroll costs to the retirement benefit scheme.

Regarding the retirement pensions assumed by the Company, the most recent actuarial valuation of the present value of the defined benefit obligation was performed as of 31 December 2024. The present value of the defined benefit obligation, current service cost and related past service cost were measured using the projected unit credit method.

The benefit for pension gap at the time of retirement consists of the granting of a single premium at the time of separation from the Company to enjoy the old-age pension, the value of which corresponds to the money needed to close the executive's pension gap. This benefit currently has contributions in private pension funds that shall be used only when the requirements for obtaining the benefit are met.

The amount included in the Statement of Financial Position for the entity's obligation under defined benefit plans, defined contribution plans, the movement in the present value of the benefit obligation in the current year and changes in the fair value of plan assets in the current period are as follows:

	2024	2023
Present value of obligations at 1 January	48,221	45,166

	2024	2023
Cost of current service	1,412	1,087
Interest Expenses	3,760	3,911
Actuarial gain (loss) from changes in:		
Financial assumptions	4,022	2,679
Experience assumptions	(69)	4,175
Change of plan assets	(40,275)	(8,797)
Present value of obligations at 31 December	17,071	48,221
Post-employment benefits		
Retirement benefits	2,210	2,355
Non-pension post-employment benefits	14,861	45,866
Total Post-employment benefits under defined benefit plans	17,071	48,221
Fair value of plan assets associated with non-pension benefits	(15,876)	(48,218)
Present value of obligations at 31 December, net	1,195	3

	2024	2023
Non-pension post-employment benefits		
Present value of obligations at 31 December	14,861	45,866
Fair value of plan assets associated with non-pension benefits	(15,876)	(48,218)
Present value of obligations at 31 December, net (*)	(1,015)	(2,352)

(*) The excess of plan assets over the post-employment benefit liability is reclassified to other non-finance assets (Note 12 Prepaid expenses and other non-finance assets).

	2024	2023
Post-employment benefits		
Present value of pension obligations at 31 December	2,210	2,355
Liabilities for defined contribution plans	190	217
Total Post-employment benefits	2,400	2,572

Retirement benefit

The retirement benefit is equal to 75% of the average monthly salary, payable for life, subject to the following limits:

- Minimum payment equal to the minimum monthly wage.
- Maximum payment equal to 25 minimum monthly wages.

In addition, two additional payments are made, one in June and one in December. For participants who retire after 25 July 2005, the June payment is eliminated, except for participants who receive less than three minimum wages. After 31 July 2011, all participants who retire are not eligible for the June payment, therefore, they receive only 13 annual payments.

When the participant expects to receive benefits from Colpensiones, these benefits are deducted from the benefits payable by the Company's plan, thereby reducing the obligation.

Pensions in payment increase in accordance with inflation. When a participant receives a pension equal to the minimum wage, the pension increases in accordance with increases in the minimum wage.

In the event of the participant's death after retirement, the beneficiary receives 100% of the pension. The beneficiary or beneficiaries are those established by legal provisions.

A funeral allowance benefit is granted to participants who do not receive benefits from Colpensiones, which consists of a single payment equal to the participant's monthly pension, subject to the following limits:

- a) Minimum payment of 5 minimum monthly wages.
- b) Maximum payment of 10 minimum monthly wages.

Social Security Contribution Benefit

Corresponds to a post-retirement benefit in addition to the statutory pension plan (retirement benefit), in which the Company assumes the payment of health contributions to social security entities. The beneficiary or beneficiaries are those established by legal provisions.

The following is the expenditure of defined contributions for 2024 and 2023, which includes the expenditure of compulsory pension contributions and severance payments:

	2024	2023
Defined contribution expenses	2,786	2,580

Main actuarial assumptions

(1) The main actuarial assumptions used to determine defined benefit plan obligations are as follows:

	2024	2023
Discount rate	9.78%	9.63%
Salary increase	4.75%	4.75%
Pension increase	2.25%	2.25%
Inflation rate (%)	3.75%	3.75%

(2) Below is a detail of the mortality rates used to determine plan longevity conditions:

Age	2024		2023	
	Women	Men	Women	Men
35	0.06%	0.11%	0.06%	0.11%
40	0.09%	0.16%	0.09%	0.16%
45	0.13%	0.23%	0.13%	0.23%
50	0.19%	0.34%	0.19%	0.34%
55	0.28%	0.51%	0.28%	0.51%
60	0.43%	0.77%	0.43%	0.77%
65	0.69%	1.27%	0.69%	1.27%
70	1.14%	2.11%	1.14%	2.11%
75	1.92%	3.40%	1.92%	3.40%

Sensitivity analysis

The following table shows the effect of a 1% change in the inflation rate and a 1% change in the discount rate on the defined post-employment benefit plan obligation:

	Total
Change in discount rate	
Increase in discount rate by +10% The new balance of the pension gap liability would be	15,450
Decrease in the discount rate by -1% The new balance of the pension gap liability would be	18,914
Change in salary increase rate	
Increase in salary by +1% The new balance of the pension gap liability would be	16,585
Decrease in salary increase rate by -1% The new balance of the pension gap liability would be	13,320

Change in mortality rate

Increase in mortality rate by +10% The new balance of the retirement liability would be	2,136
Decrease in mortality rate by -10% The new balance of the retirement liability would be	2,293

There was no change in the methods and assumptions used in preparing the sensitivity analysis of previous years.

Expected contributions for the next few years financed from own resources:

	2024
2024	313
2025	315
2026	313
2027	307
2028	298
Assessment date +6 years to assessment date +10 years (5 years)	1,287

As required by Decree 2131 of 2016, the principal assumptions used for purposes of actuarial valuations under Decree 1625 of 2016 and partial pension commutations under Decree 1833 of 2016 are as follows:

	2024
Inflation rate (%)	9.95%
Discount rate (%)	4.80%
Minimum salary increase (%)	9.95%

Below is the difference between the calculation of defined benefit plans and pension commutations, under the methodology described in Decree 2131 of 2016 and the methodology applicable to comply with the technical regulations framework applicable in Colombia, as of 31 December 2024:

	Assumptions Decree 1625 of 2016 (Decree 2131 of 2016)	Assumptions Employee Benefits (IAS 19)	Difference
Present value of defined benefit plan obligations at 31 December 2024	2,610	2,210	(400)
Present value of defined benefit plan obligations at 31 December 2023	2,598	2,355	(243)

NOTE 21: PROVISIONS

The balance of provisions corresponds to:

	2024	2023
Litigation, lawsuits and other contingencies (1)	-	202
Decommissioning (2)	55	55
Total current provisions	55	257

(1) Recovery of provisions for \$202 corresponding to the claim process related to a portion of the San Antonio property located in Barú.

(2) The balance of \$55 corresponds to the requirement of the Colombian Environmental Licensing Authority (ANLA) for the dismantling of Tamalameque.

Changes in provisions are as follows:

	Litigation, lawsuits and other contingencies	Decommissioning	Total
1 January 2024	202	55	257
Reversal	(202)	-	(202)
Total provisions at 31 December 2024	-	55	55
1 January 2023	4,494	761	5,255
Provisions made (1)	18	-	18
Provisions used (2)	(4,310)	(706)	(5,016)
Total provisions at 31 December 2023	202	55	257

NOTE 22: TRADE AND OTHER PAYABLES

Trade liabilities and other payables at 31 December comprise:

	2024	2023
Dividends payable (1)	141,964	131,120
Payables to related companies (2) (Note 38)	6,049	-
Domestic suppliers	3,357	5,018
Other payables	1,529	899
Suppliers of related companies (Note 38)	1,078	1,770
Overseas suppliers	84	272
Total trade liabilities and other payables	154,061	139,079
Current	154,061	139,079
Total trade liabilities and other payables	154,061	139,079

- (1) The increase in Trade and other payables mainly corresponds to the increase in the dividend liabilities of Grupo de Inversiones Sura S.A., whose dividends payable at 31 December 2024 is \$45,101 (2023 \$35,514).
- (2) The variation corresponds to the profit advances delivered during the year for the Patrimonio Autónomo Hotel Calablanca.

The Company has implemented financial risk management policies to ensure that all payables are paid in accordance with pre-agreed credit terms.

NOTE 23: OTHER NON-FINANCE LIABILITIES

The balance of the other liabilities at December 31 includes

	2024	2023
Income received in advance (1)	133,307	115,376
Industry and commerce tax	10,583	10,602
Other prepayments and advances received (2)	8,199	35,715
Withholding at source	1,520	1,504
Sales tax withheld	168	491
Sales tax	104	126
Total other non-finance liabilities	153,881	163,814
Current	153,881	163,814
Total other non-finance liabilities	153,881	163,814

- (1) The increase during 2024 corresponds to the net income related to the costs of urban planning pending to be executed in the sold lots Miramar IV, CIC, Alejandría Stage I, Alejandría Stage II, Alejandría Stage III, Alejandría Stage IV, Alejandría Stage V, Lago Alto, Villa Carolina Villa, Carolina VIII, Polideportivotecnos, PEN III, PEN IV, Pajonal Stage I, Pajonal Stage II, Pajonal Stage III, Pajonal North Stage, Portal Genovés, Barú

Polonia, Barú Calablanca, Barú Hotel, Barú Lot 7A, Barú Lot E4, net of amortization of previous periods recognized in results in the current period.

- (2) The decrease corresponds mainly to the compensation of advances from customers of the real estate business projects for \$27,516.

NOTE 24: BONDS AND COMPOUND FINANCIAL INSTRUMENTS

Bonds and compound financial instruments are detailed as follows:

	2024	2023
Outstanding bonds and commercial paper (1)	825,376	995,563
Preferred shares classified as compound financial instruments (2)	10,473	10,541
Total bonds and compound financial instruments	835,849	1,006,104
Current	164,744	145,326
Non-current	671,105	860,778
Total bonds and compound financial instruments	835,849	1,006,104

(1) During 2024, for the floating rate bonds series (CPI + 3.95%) maturing in September 2024, a repurchase was made for \$9,690, and the remaining balance was paid in full at maturity, in turn, the following repurchases were made: the variable rate series (CPI + 2.44%) maturing in August 2025 for \$1,000 and the variable rate series (CPI + 2.65%) maturing in October 2027 for \$32,000.

Below are the par values of the outstanding series with their different terms and amounts:

Issuer	Placement Date	Term	Rate	Issues standing at:	
				2024	2023
Bonds					
Grupo Argos S.A.	10/09/2014	15 years	CPI + 4.24% EAR	390,104	390,104
Grupo Argos S.A.	28/08/2019	15 years	CPI + 3.20% EAR	168,535	168,535
Grupo Argos S.A.	28/08/2019	6 years	CPI + 2.44% EAR	156,965	157,965
Grupo Argos S.A.	28/10/2020	7 years	CPI + 2.65% EAR	104,500	136,500
Grupo Argos S.A.	10/09/2014	10 years	CPI + 3.95% EAR	-	134,818
Total				820,104	987,922

The Company's preferred shares entitle the holders to receive a preferred dividend of \$4 Colombian pesos per share, which shall be paid preferred with respect to that corresponding to the ordinary shares, provided that a dividend has been declared from the funds legally available for this purpose. In no case may the dividend received by the holders of the ordinary shares be greater than that declared in favor of the preferred shares.

For subsequent recognition and measurement, the Company identified the debt and equity components by evaluating the contractual terms of the instrument and the obligations as issuer. Given the contractual obligation of the issuer to pay the minimum annual dividend to the holders of the shares, the issuance incorporates a finance liability component. Once this liability is measured, the difference between the value received and the value of the obligation constitutes an equity component. The finance liability component must be measured at least in each interim period and its effects Recognized in profit or loss for the period. The equity component is not subject to subsequent measurement.

The Company determined the liability component by discounting the cash flows corresponding to the minimum preferred dividend, which were calculated in perpetuity. Considering the difficulty of identifying in the market a financial instrument with the same characteristics of the issuance, the discount rate of the financial liability was determined with reference to the average cost of the Company's debt.

At the closing of each reporting period, 209,467,547 outstanding preferred shares (2023 210,811,080 shares).

NOTE 25: SHARE CAPITAL

The balance of the share capital issued comprises:

	2024	2023
Authorized capital		
1,200,000,000 ordinary shares with a par value of \$62.5	75,000	75,000
subscribed and paid capital		
663,331,535 ordinary shares with a par value of \$62.5 (2023 663,331,535 shares)	41,458	41,458
211,827,180 preferred shares with a par value of \$62.5 (2023 211,827,180 shares)	13,239	13,239
Total issued capital	54,697	54,697

Preferred shares confer the following rights on the holders:

- 1) To receive a preferred dividend of \$4 Colombian pesos per share, which shall be paid in preference to that corresponding to the ordinary shares, provided that a dividend has been declared from the funds legally available for this purpose. In no case may the dividend received by the holders of ordinary shares be greater than that declared in favor of the preferred shares.

In no case may preferred dividend be accumulated for subsequent years. In each case, the first payment of dividends shall correspond to those that the Company decrees after the shares are subscribed.

- 2) To participate jointly with the holders of ordinary shares in the distributable profits, in proportion to their participation in the subscribed capital of the Company, after payment of the preferred dividend and the ordinary dividend that is equal to the preferred dividend.
- 3) To have priority in the reimbursement of contributions in the liquidation process, provided that the Company's external liabilities have been fully covered.
- 4) To be called to Shareholders Meetings in the same manner and within the same time limits as the holders of ordinary shares.
- 5) To participate in Shareholders Meetings and to vote thereat only in the following situations:
 - a) When it is a matter of approving modifications that may deteriorate the conditions or rights established for the preferred shares. In this case, the favorable vote of 70% of the shares into which the subscribed capital is divided shall be required, including in said percentage and in the same proportion the favorable vote of the preferred shares.
 - b) When voting on the conversion of preferred shares into ordinary shares unless the respective regulations specifically regulate the possibility of conversion and the terms on which it is to be made. If it is decided to approve a conversion different from that approved in the regulations or that the regulations have not contemplated this option, the same majority indicated in the preceding paragraph shall be applied.
 - c) If at the end of a corporate year the company does not generate distributable profits that allow it to cancel the preferred dividend, and the Superintendence of Finance of Colombia, ex-officio or at the request of holders of preferred shares that represent at least 10% of these shares, establishes that benefits that reduce distributable profits have been hidden or distracted, may determine that the owners of these shares participate with voice and vote in the meetings of the shareholders' meeting, until it is verified that the irregularities that gave rise to this measure have disappeared, in accordance with the provisions of Article 64 of Law 222 of 1995.

- d) To exercise the right of inspection in the same cases, terms, and conditions as the holders of ordinary shares.

Ordinary shares held by associates are 285,834,388 shares (2023 236,465,932 shares).

Reconciliation of ordinary and preferred shares:

	Number of shares	Share capital	Additional paid-in capital
Reconciliation of ordinary shares			
Balance at 31 December 2023 (1)	663,331,535	41,458	149,167
Balance at 31 December 2024 (1)	663,331,535	41,458	149,167
Reconciliation of preferred shares			
Balance as at 31 December 2023 (1)	211,827,180	13,239	1,354,206
Balance at 31 December 2024 (1)	211,827,180	13,239	1,354,206
Total ordinary and preferred shares at 31 December 2023	875,158,715	54,697	1,503,373
Total ordinary and preferred shares at 31 December 2024	875,158,715	54,697	1,503,373

(1) As at 31 December 2024, the company holds 35,831,170 (2023- 12,626,674) repurchased own shares, of which 33,471,537 (2023 11,610,574) corresponds to ordinary shares and 2,359,633 (2023 - 1,016,100) to preferred shares.

As at 31 December 2024, outstanding ordinary shares are 629,859,998 (2023 651,720,961) and preferred shares are 209,467,547 (2023 210,811,080). The Company has hedging transactions on ordinary shares (Note 18 Financial obligations and Note 28 Other components of equity).

NOTE 26: REPURCHASED SHARES

The following table presents the detail of the number of repurchased shares and their corresponding amount for the periods indicated:

	Number of shares		Amount	
	2024	2023	2024	2023
Repurchased ordinary shares	33,471,537	11,610,574	406,342	62,510
Repurchased preferred shares	2,359,633	1,016,100	22,018	6,484
Total Repurchased shares	35,831,170	12,626,674	428,360	68,994

During 2023, the Company's Board of Directors authorized the start of the execution of the share repurchase program, which was approved at the ordinary meeting of the General Shareholders' Meeting of 2020, and that a proposal be presented at the ordinary meeting of the General Shareholders' Meeting of 2023 to carry out a new repurchase program for up to \$500,000, in order to give continuity to the 2020 program in force, which expired in March 2023.

In March 2023, the Company's General Shareholders' Meeting:

1. Authorized the transfer of \$106,000 from reserves for future investments taxed to the reserve for repurchase of shares.
2. Authorized the repurchase of ordinary shares and preferred dividend and non-voting shares of the Company through a repurchase program, up to \$500,000, within three years.

- It empowered the Board of Directors to regulate the Repurchase Program indicated in the previous section, and to define and approve the terms and conditions of the same. The repurchase must be made by means of mechanisms that guarantee equal conditions for all shareholders and the repurchase price for each type of share shall be set based on technically recognized procedures, in compliance with current regulations. In the event that the Board of Directors considers that the appropriate internal or market conditions are not presented to carry out the repurchase of shares, the company shall not be obliged to implement, in whole or in part, the repurchase of shares.

During the twelve months of the year 2023, the Company executed part of the 2020 repurchase of shares program and started the execution of the program approved in March 2023, thus repurchasing 5,908,142 ordinary shares for \$56,523 and 1,016,100 preferred shares for \$6,484, which for control purposes were recognized in the subaccount of own shares repurchased in equity. In turn, \$5,988 was transferred from the occasional reserve of future investments corresponding to 5,702,432 of its own shares repurchased from previous years, to the aforementioned subaccount, in order to have control over the total repurchased shares.

During 2024, the Company executed part of the 2023 repurchase of shares program, whereby it repurchased 8,158,271 ordinary shares for \$133,431 and 1,343,533 preferred shares for \$15,534.

The Extraordinary Shareholders' Meeting held on 31 July 2024, authorized the following:

- Treat ordinary shares of Grupo Argos S.A. that the Company receives upon the liquidation of Sociedad Portafolio S.A. as reacquired shares.
- The transfer of up to \$240,000 of taxed reserves for future investments generated prior to 2017 to a new reserve to be called "Reserve for Repurchase of shares - Sociedad Portafolio S.A.".
- Upon completion of the repurchase of shares, if there is a remaining balance in the Reserve for Share Repurchase - Sociedad Portafolio S.A., the balance shall be returned to taxed reserves for future investments generated prior to 2017.

After approval of the final liquidation account of Sociedad Portafolio S.A. Liquidada, on 4 October 2024, Deceval made the respective entry in the Company's name for 13,702,692 shares of Grupo Argos S.A., which were recognized as own shares repurchased for \$210,400. (Note 40 Relevant Events)

In total, repurchases for the 2024 period amount to 21,860,963 shares of ordinary shares for \$343,832 and 1,343,533 preferred shares for \$15,534.

NOTE 27: RESERVES AND OTHER COMPREHENSIVE INCOME

27.1 Reserves

The balance of reserves comprises:

	2024	2023
Legal reserve (1)	29,665	29,665
Mandatory reserves (2)	722,388	511,988
Other occasional reserves (3)	2,591,951	2,553,000
Total reserves	3,344,004	3,094,653

1. Legal reserve

The Company is required to appropriate 10% of its net annual profits as a legal reserve until the balance of this reserve reaches 50% of the subscribed capital. The reserve is not distributable prior to the liquidation of the

company but must be used to absorb or reduce annual net losses. Appropriations made for more than the mentioned 50% are freely available to the shareholders at the General Shareholders Meeting.

2. Mandatory reserves

Mandatory reserves include the balance of the reserve for repurchase of \$722,388 (2023 \$511,988) shares (Note 26 Repurchase of shares). In the extraordinary Shareholders' Meeting of 31 July 2024, authorized the transfer of up to \$240,000 of the reserves taxed for future investments generated prior to 2017 to a new reserve called "Reserve for Repurchase of Shares - Sociedad Portafolio S.A.". Upon completion of the repurchase of shares, if there is a remaining balance in the Reserve for Repurchase of Shares - Sociedad Portafolio S.A., the balance shall be returned to taxed reserves for future investments generated prior to 2017.

After approval of the final liquidation account of Sociedad Portafolio S.A. Liquidada, on 4 October 2024, Deceval made the respective entry in the Company's name for 13,702,692 shares of Grupo Argos S.A., which were recognized as own shares repurchased for \$210,400. Likewise, in compliance with the provisions of the Extraordinary Shareholders' Meeting of 31 July 2024, the remaining balance of the reserve for Repurchase of Shares - Sociedad Portafolio S.A. Liquidada for (\$29,600), it was returned to the reserves taxed for future investments generated prior to 2017.

In accordance with the foregoing, as at 31 December 2024, the reserve for the repurchase of shares available amounts to \$294,027 (2023 \$442,993).

3. Other occasional reserves

The balance of other reserves comprises:

	2024	2023
Reserves for future investments	2,420,024	2,381,773
Reserves for future expansion	163,427	163,427
Reserves for social responsibility activities	8,500	7,800
Other occasional reserves	2,591,951	2,553,000

The other occasional reserves are freely available to shareholders.

The General Shareholders' Meeting of Grupo Argos S.A. at the ordinary meeting held on 21 March 2024 released taxed and untaxed reserves social responsibility activities for \$7,800 and appropriated \$8,500. Additionally, it increased the reserve for future investments by \$241,737, which includes the value corresponding to the dividend per share of the shares that were repurchased between February 23 and March 21, 2024, as a higher value of the appropriation of reserves for future investments by \$65.

Also, in the Extraordinary Shareholders meeting of 31 July 2024, authorized the transfer of up to (\$240,000) of the reserves taxed for future investments generated prior to 2017 to a new reserve called "Reserve for the Repurchase of shares - Sociedad Portafolio S.A." In addition, in compliance with the provisions of the Extraordinary Shareholders' Meeting of 31 July 2024, the remaining balance of the reserve for "Repurchase of shares - Sociedad Portafolio S.A." for \$29,600 was returned to the reserves taxed for future investments generated prior to 2017.

During 2024 and 2023, in accordance with the repurchase of shares program, 23,204,496 shares (2023,6,924,242) were repurchased for \$359,366 (2023, \$63,007), generating an increase in the reserve for future investments of \$6,914 (2023, \$1,351) for the Restitution of dividends payable associated with the repurchased shares during the year. This figure includes an increase of \$65 (2023 \$363) in the reserve for future investments, recorded as the highest value of the reserves in the General Shareholders' Meeting of 21 March 2024.

The General Shareholders' Meeting of Grupo Argos S.A. at the ordinary meeting held on 30 March 2023 released taxed and non-taxed reserves for future investments \$155,048, from the reserve intended for social responsibility activities released \$6,900 and appropriated \$7,800. Additionally, transfers were made for own

shares repurchased for (\$5,988), transferred \$106,000 from the Reserve for the Repurchase of shares, and appropriated \$363 corresponding to the dividend of 631,772 own shares repurchased between 2 March and 24 March 2023, as higher value of reserves for future investments. Additionally, in accordance with the repurchase of shares program, during the year 2023 6,924,242 shares were purchased for \$63,007, generating an increase in the reserve for future investments for \$1,351.

27.2 Other comprehensive income (OCI)

	2024	2023
Net profit on equity investments (1)	4,218	1,843,221
Loss on remeasurement of defined benefit liabilities	(13,177)	(13,046)
Cash flow hedges (2)	(3,038)	(1,721)
Interests on the other comprehensive income of subsidiaries recognized through equity-accounted investees	1,122,892	948,674
Total other comprehensive income (OCI)	1,110,895	2,777,128

(1) The balance corresponds to net gains from the measurement of equity investments at their fair value of investments held directly by the Company for \$5,083 (2023 \$2,137,846), and its corresponding deferred tax of (\$865) (2023 (\$294,625)). The net profit associated with direct equity investments corresponds mainly to: Quantela INC. for \$4,038 (2023 \$3,400), Sociedad Portafolio S.A. Liquidada for \$0 (2023 \$229,332) and Grupo Nutresa S.A. for \$0 (2023 \$1,611,502), which includes its respective deferred tax.

Gains (losses) on measuring equity investments at fair value showed the following movements during the year:

- Net decrease in the value of equity investments by (\$48,167) due to the valuation of the following investments: Grupo Nutresa S.A. for \$58,817, Fondo de Capital Privado Progres Capital for (\$134), Sociedad Portafolio S.A. Liquidada for (\$104,450), Corporate Venture Project related investments of \$1,780. In addition, the corresponding deferred tax of (\$4,180) was recognized.
- The following are the realization of retained earnings, from the other comprehensive income (OCI) and from retained earnings of the First-time Adoption of IFRS:

	Realizations to retained earnings			
	IFRS adoption	Other comprehensive income		Net realization
		Valuation of Investments	Income tax	
Grupo Nutresa S.A. (*)	149,750	(1,937,321)	280,737	(1,506,834)
Sociedad Portafolio S.A. Liquidada (**)	21,730	(151,907)	17,203	(112,974)
Liquidation Fondo Progres	-	452	-	452
Liquidation of Inversiones El Duero	(170,228)	-	-	(170,228)
Sale of investment property	(715,979)	-	-	(715,979)
Other realizations	(86,867)	-	-	(86,867)
Total realization to retained earnings	(801,594)	(2,088,776)	297,940	(2,592,430)

(*) The realization is associated with the share exchange of Grupo Nutresa S.A. as part of the Framework Arrangement to transfer investment in Grupo Nutresa S.A.'s food business. in exchange for shares of Grupo de Inversiones Suramericana S.A. and of Sociedad Portafolio S.A. Liquidada.

(**) The realization is associated with the delivery of shares of Sociedad Portafolio S.A. Liquidada as a means of payment in the Tender offer on shares of Grupo Nutresa S.A., and the liquidation of this entity.

(2) During 2024, net losses of (\$1,317) from the fair value measurement of derivative financial instruments under cash flow hedge accounting were recognized in other comprehensive income. This value includes the transfer of losses to profit for the year of \$1,020.

(3) The balances of other comprehensive income of subsidiaries recognized through equity-accounted investees correspond to:

	2024	2023
Exchange rate difference due to translation of foreign operations	1,472,865	1,364,025
Gains and losses on equity investments (a)	(298,441)	(432,873)
Remeasurement of defined benefit liabilities (a)	(13,683)	(12,946)
Cash flow hedges	(43,238)	24,824
Revaluation of property, plant and equipment (a)	5,389	5,644
Total other comprehensive income (OCI) of subsidiaries recognized using equity-accounted investees	1,122,892	948,674

During 2024, net profits for \$179,561 for the application of equity-accounted investees in subsidiaries corresponding to translation differences for \$108,840, cash flow hedges for (\$68,062), valuation of equity investments for \$134,227, measurement of defined benefit obligations for \$4,499, and revaluation of property, plant and equipment for \$57 were recognized in other comprehensive income for the period.

Additionally, transfers of profits were made, net between the other comprehensive income (OCI) and to retained earnings or profit for the year, as appropriate for (\$5,343), obligations for defined benefits for (\$5,236), revaluation of property, plant and equipment for (\$312) and for the measurement of equity investments for \$205 recognized in the application of equity-accounted investees in subsidiaries.

For the comparative period ended on 31 December 2023, movements for (\$1,950,993), detailed as follows, were recognized through other comprehensive income (OCI):

- Changes in investments measured at fair value: Sociedad Portafolio S.A. Liquidada \$256,357, Grupo Nutresa S.A. \$45,471, Fondo de Capital Privado Progresá Capital for \$120 and other investments Proyecto Ventures Corporativo (\$2,997)
- Net loss of cash flow hedging instruments for (\$5,183).
- Deferred tax of equity investments (\$24,917) and cash flow hedges \$1,687.
- Remeasurement of defined benefit liabilities for (\$4,872).
- Movements of the equity-accounted investees in subsidiaries: revaluation of property, plant and equipment \$58, measurements of defined benefit liabilities (\$26,732), gains and losses on equity investments (\$202,873), net gains from cash flow hedging instruments \$35,941 and foreign exchange difference on translation of foreign operations (\$2,023,453).

Likewise, during that same period of 2023, the Company made transfers from other comprehensive income (OCI) to retained earnings of (\$102), for revaluation of property, plant and equipment.

NOTE 28: OTHER COMPONENTS OF EQUITY

The balances of other components of equity correspond to equity-accounted investees for other equity variations of subsidiaries, including changes in interests of subsidiaries for transactions with non-controlling interests.

During 2024, the Company decreased its percentage of voting interests in Cementos Argos S.A. by 6.44% and increased its Interests with economic right by 2.75%, due to the process of converting preferred shares into ordinary shares, executed by this subsidiary on 6 May 2024, and compliance with its repurchase of shares program. This resulted in an equity increase of \$173,605 for the application of equity-accounted investees. In addition, the Company increased its interests in Celsia S.A. by 0.9%, as a result of compliance with this subsidiary's repurchase of shares program, which implied a equity decrease of (\$5,171).

During 2024, the equity-accounted investees on equity variations of subsidiaries amounted to \$21,156 (2023 (\$38,991)).

The balance of share hedging contracts, recognized as a component of equity, amounts to (\$145,785), which includes disbursements directly associated with these contracts. During the year, other transactions were presented that generated a net equity increase of \$101.

During 2023, the company recognized a \$87,126 equity increase derived from the purchase of 17,928,000 shares of Cementos Argos S.A. and 8,511 shares of Odinsa S.A., which represented an increase in net equity share in the investment.

NOTE 29: DIVIDENDS

Dividends declared

The General Shareholders' Meeting of the Company, held on 21 March 2024 (in 2023 held on 30 March), declared dividends on 649,495,950 ordinary shares (2023 657,104,864) of \$636 Colombian pesos per share (2023 \$575), payable in four quarterly installments of \$159 pesos per share (2023 \$143.75) as of April 2024 and 2023, respectively, for a total amount of \$413,079 (2023 \$377,835).

Additionally, preferred dividends corresponding to 210,417,381 preferred shares (2023 211,719,647) were declared at a rate of \$636 Colombian pesos per share (2023 \$575), payable in four quarterly installments of \$159 pesos per share (2023 \$143,75), starting in April 2024 and 2023, respectively, for a total amount of \$133,825 (2023 \$121,739).

Dividends declared 2024	Shares	\$ per year per share	2024
Ordinary dividend (*)	649,495,950	636	413,079
Preferred dividend (*)	210,417,381	636	133,825
Total	859,913,331		546,904

Dividends declared 2023	Shares	\$ per year per share	2023
Ordinary dividend (*)	657,104,864	575	377,835
Preferred dividend (*)	211,719,647	575	121,739
Total	868,824,511		499,574

(*) Corresponds to the number of ordinary and preferred shares outstanding at the time of the approval of the profit distribution project by the General Shareholders' Meeting (Note 25 Share Capital).

Dividends paid

As at 31 December 2024 and 2023, ordinary dividends of \$399,862 (2023 \$365,620) and preferred dividends of \$129,267 (2023 \$116,539) were paid.

NOTE 30: REVENUE

Below is a breakdown of the Company's revenue:

	2024	2023
Equity-accounted investees (1)	3,080,748	502,214
Financial activity (2)	265,723	618,222
Real estate (3)	239,980	275,417
Income from valuation of Private Equity Fund (4)	37,061	14,631
Income from valuation of Investment Property (5)	(87,852)	16,732
Total revenue	3,535,660	1,427,216

1) Corresponds to the recognition of equity-accounted investees of the following subsidiaries:

	2024	2023
Cementos Argos S.A.	2,852,242	165,810
Celsia S.A.	118,910	212,566
Odinsa S.A.	91,061	102,416
Sator S.A.S.	18,057	14,944
P.A. Ganadería Rio Grande.	475	23
Summa - Servicios Corporativos Integrales S.A.S.	3	287
Valle Cement Investments Inc.	-	6,168
Total equity-accounted investees	3,080,748	502,214

The income variation by equity-accounted investees in the income of subsidiaries comes mainly from Cementos Argos S.A. due to the United States regional asset divestment transaction, with an effect of \$2,730,327 (Note 40 Relevant events).

2) Income from financial activity corresponds to:

a. Dividends of \$247,473 (2023 \$213,145), which were declared by:

- Grupo de Inversiones Suramericana S.A. \$244,559 (2023 \$152,016).
- Sociedad Portafolio S.A. Liquidada \$2,871 (2023 \$0)
- Fondo Regional de Garantías del Caribe Colombiano S.A. \$43 (2023 \$34)
- Grupo Nutresa S.A. \$0 (2023 \$61,095)

b. In compliance with the Tender offer on shares of Grupo Nutresa S.A., 349,196 shares of Grupo de Inversiones Suramericana S.A. were delivered as a means of payment for \$18,074 (Note 15 Investments in Associates and Joint Ventures and Note 40 Relevant events).

c. Price adjustment on the sale of the 8.19% interests of Valle Cement Investments Inc for \$176 in accordance with what was agreed upon at the time of sale.

d. Sale of 2 shares of Concretos Argos S.A.S.

e. Income from the contribution of usufruct of shares to Sator S.A.S. \$0 (2023 \$10,646).

f. For the year 2023, income from the sale of the 30% stake in the Sociedad Concesionaria Operadora Aeroportuaria Internacional - Opain S.A for \$274,554, equivalent to 91,770 shares and the sale of the 8.19% stake in Valle Cement Investments Inc. for \$119,877, which is equivalent to 712,836 shares.

3) Income from the real estate business is:

- Deferred income recognition from projects: Portal Empresarial III and IV, Miramar IV, Centro Internacional del Caribe, Villa Carolina VIII, Pajonal San José Norte, Barú Calablanca y Barú Polonia, Alejandría Stage I, II, III, IV, V, and VI, Pajonal Stage I, II (Ribera Mallorquín II) and III, and Polideportivotecnos. Likewise, the sale of the following lots: Pajonal Stage II (Ribera Mallorquín II) (Block 10.3), Pajonal Stage III (Blocks 14.1, 14.2, 15.3, and 16), Polideportivotecnos, Alejandría Stage VI (Block 51.1), La Pedrera, Pocihueica, Mendihuaca (Lot 1 and 3), Alejandría Stage IV (Blocks 9, 10.1, 10.2, 11, 12, and 14), Palma Real and Portal Empresarial Del Norte (Block F) for \$202.457.

For the year 2023, it corresponds to the recognition of deferred income from the projects: Portal Empresarial del Norte III, Miramar IV, Centro Internacional Caribe, Lago Alto, Villa Carolina VIII, Pajonal San José Norte, Barú Calablanca, Portal Empresarial del Norte IV, Alejandría Stage I, Santa Isabel, Pajonal Stage I, Barú Polonia, Alejandría Stage II, Alejandría Stage III, Pajonal Stage II (Ribera Mallorquín

II), Pajonal Stage III y Alejandría Stage V and the sale of lots Portal Empresarial del Norte III (C3 - C4 - E1 - E2 - E3 - E4 - F1 - F2 - F3 - F4), Remanente Insignares la Playa, Alejandría Stage V (Manzana 46 A1), Alejandría Stage III (Manzana 13), Volador Urvisa, Hacienda Portonao Barú Lot 7A, Alejandría Stage III (Manzana 21.1), Barú Calablanca Lot E4 y Pajonal Stage III (Blocks 11, 12, 13.1, 13.2, 15.1 y 15.2) for \$233,869.

- Income from returns associated with real estate funds and/or consortia: Fondo de Capital Privado Pactia Inmobiliario for \$13,818 (2023 \$16,450), Fiduciaria Bogotá - Alameda del Río for \$7,501 (2023 \$12,369), Patrimonio Autónomo Operaciones Hotel Calablanca for \$5,454 (2023 \$3,232), Patrimonio Autónomo Hacienda Niquía for \$2,193 (2023 \$1,609) and Consorcio Mantenimiento Opain for \$17 (2023 \$0).
 - Dividend income from Pactia S.A.S. for \$5,175 (2023 \$5,122), for leases \$3,307 (2023 \$2,707) and for easement for \$58 (2023 \$59).
- 4) Corresponds to the adjustment for fair value measurement of the investment in the associate Fondo de Capital Privado Pactia Inmobiliario \$37,061 (2023 \$14,631).
- 5) Corresponds to the adjustment by fair value measurement of investment property, mainly of the following land: Agua Viva, Bocatocino, Loma China, Pavas Molina, Barú, Finca la Fortuna, Pajonal, Volador Oriental, Don Jaca, Pradomar, Miramar Puerto Colombia, Agua Dulce, Minas Lili, Campo Alegre and Insignares, and Tamalameque for (\$87,852) (2023 \$16,732).

Outstanding performance obligations

The Company's contracts are primarily for the delivery of goods and the rendering of services within the short and medium term; therefore, revenue related to outstanding performance obligations are expected to be recognized in such time ranges.

Contractual balances from contracts with customers

The balance of receivables, contract assets, and contract liabilities arising from contracts with customers, as of 31 December comprises:

	2024	2023
Trade receivables	155,936	145,585
Contract liabilities	141,506	151,091

NOTE 31: COST OF ORDINARY ACTIVITIES

The cost of ordinary activities at 31 December includes:

	2024	2023
Cost of real estate business (1)	170,204	160,929
Cost of financial activity (2)	13,345	137,910
Total cost of ordinary activities	183,549	298,839

(1) As at 31 December 2024 The selling costs of lots consists of the delivery of the asset, the urban planning costs associated with it and the disbursements necessary for its sale. These are mainly related to the sale of the following lots: Pajonal Stage III (Blocks 14.1, 14.2, 15.3 and 16), Polideportivotecnos, Pajonal Stage II (Ribera Mallorquín II) (Block 10.3), Alejandría Stage VI (Block 51.1), La Pedrera, Pocihueica, Mendihuaca (Lots 1 and 3), Alejandria Stage IV (Blocks 9, 10.1, 10.2, 11, 12 and 14) and Palma Real, Portal Genoves II (Lots D1 y D3).

For the year 2023, mainly corresponds to the following projects: Portal Empresarial del Norte III, Miramar IV, Centro Internacional Caribe, Lago Alto, Villa Carolina VIII, Pajonal San José Norte, Barú Calablanca, Portal Empresarial del Norte IV, Alejandría Stage I, Santa Isabel, Pajonal Stage I, Barú Polonia, Alejandría Stage II, Alejandría Stage III, Pajonal Stage II (Ribera Mallorquín II), Pajonal Stage III and Alejandría Stage V.

(2) Corresponds to compliance with the Tender offer on shares of Grupo Nutresa S.A., in which 349,196 shares of Grupo de Inversiones Suramericana S.A. were delivered as a means of payment for \$13,345 (Note 40 Relevant events).

For the year 2023, corresponds to selling costs of the shares in the following investments: 30% in the Sociedad Concesionaria Operadora Aeroportuaria Internacional - Opain S.A. equivalent to 91,770 shares and the rights associated therewith for \$91,327 and 8.19% in the company Valle Cement Investments Inc equivalent to 712,836 shares for \$46,583.

NOTE 32: ADMINISTRATIVE EXPENSES

Administrative expenses as of 31 December comprise:

	2024	2023
Staff expenses (1)	62,153	50,799
Fees (2)	41,680	44,875
Taxes (3)	37,635	31,640
Services (4)	23,685	21,097
Travel expenses	6,323	6,003
Maintenance and repairs	5,086	4,874
Miscellaneous	3,127	3,149
Depreciation of property, plant and equipment	2,783	2,430
Memberships, insurance and other minor expenses	2,439	3,821
Impairment (5)	1,826	345
Leases	1,141	839
Total administrative expenses	187,878	169,872

(1) The increase is mainly reflected in salaries and premiums for organizational results.

(2) Mainly corresponds to fees for strategic financial advisory of special projects for \$20,502 (2023 \$19,152), legal advice for \$12,718 (2023 \$18,728) and technical assistance for \$5,752 (2023 \$4,521).

(3) The increase corresponds mainly to property tax.

(4) The balance corresponds mainly to surveillance services for \$9,896 (2023 \$8,860), technical assistance for \$7,395 (2023 \$7,136) and publicity \$3,610 (2023 \$2,716).

(5) The increase corresponds to portfolio impairment.

NOTE 33: SELLING EXPENSES

Selling expenses at 31 December include:

	2024	2023
Staff expenses (1)	938	835
Legal (2)	724	16
Fees	181	182
Travel expenses	82	56
Services	80	49
Miscellaneous	76	93
Contributions and memberships	34	18
Leases	12	1
Insurance	4	5
Total selling expenses	2,131	1,255

(1) The increase is mainly in present salaries and bonuses.

(2) The increase corresponds to notary legal costs resulting from the sales of lots and properties of the urban development business.

NOTE 34: EMPLOYEE BENEFITS EXPENSES

The balance of employee benefits expenses incurred during the periods presented for each significant category is as follows:

	2024	2023
Salaries	27,914	25,797
Social security contributions	3,218	2,861
Other Short-term employee benefits	26,070	17,765
Total short-term employee benefits expenses	57,202	46,423
Post-employment benefits expenses, defined contribution plans	2,786	2,580
Post-employment benefits expenses, defined benefit plans	2,220	1,234
Total post-employment employee benefits expenses	5,006	3,814
Other staff expenses	883	1,397
Total other employee benefits expenses	883	1,397
Total selling and administrative employee benefits expenses	63,091	51,634
Other post-employment and defined benefit plans expenses	-	-
Total employee benefits expenses	63,091	51,634

The increase in employee benefits expenses corresponds mainly to salaries and bonuses.

NOTE 35: OTHER INCOME (EXPENSES), NET

Other income (expenses) as of 31 December comprise:

	2024	2023
Gains on share Exchange (1)	74,700	-
Gains on disposal of investment property	1,722	-
Other income	3,300	1,324
Total other income	79,722	1,324
Donations	(8,599)	(6,977)
Other taxes (2)	(6,941)	(8,606)
Other losses	(3,622)	(764)
Losses on disposal of investment property	(2,369)	-
Net loss on disposal of other assets	(23)	(2)
Total other expenses	(21,554)	(16,349)
Total other income (expenses), net	58,168	(15,025)

- (1) The profit from the share exchange of Grupo Nutresa S.A. recognized through profit for the year for \$ 73,488 corresponds to the difference between the exchange value and the stock value at which the share was at the date of exchange, given that the relevant profit generated by the transaction did not affect the statement of income, given that the investment was measured at fair value through Other Comprehensive Income OCI, which caused the net profit to be \$1,506,834. It shall be reclassified to retained earnings for disposal of shareholders (Note 17 Non-current assets held for sale and Note 40 Relevant events). Likewise, a profit of \$1,212 was recognized in the delivery of shares of Sociedad Portafolio S.A. Liquidada as a means of payment in the Tender Offer of shares of Grupo Nutresa S.A.
- (2) The balance corresponds to the levy on financial movements of \$3,898 (2023 \$4,493) and the withholdings assumed of \$3,043 (2023 \$4,113).

NOTE 36: FINANCE EXPENSES, NET

Net finance expenses as at 31 December, comprise:

	2024	2023
Interest income (1)	96,897	133,131
Income from valuation of financial instruments (2)	9,248	48,869
Other finance income (3)	8,673	-
Total finance income	114,818	182,000
Interest (4)	(225,712)	(250,284)
Loss on valuation of financial instruments (2)	(16,929)	(10,978)
Other finance expenses (5)	(5,811)	(4,102)
Total Finance expenses	(248,452)	(265,364)
Foreign exchange difference income (6)	60,098	49,918
Foreign exchange difference expenses (6)	(49,631)	(72,985)
Total foreign exchange difference, net	10,467	(23,067)
Total Finance expenses, net	(123,167)	(106,431)

- 1) For 2024, it corresponds mainly to the interest generated from Fixed-Rate Certificate of Deposit (CD) and other finance assets for \$48,713, interest on cash and cash equivalents for \$8,352, interest generated by the account receivable from Sator S.A.S. for \$13,634 and other customers for \$15,051.

For the year 2023, mainly corresponds to interest on cash equivalents and other finance assets for \$82,600, receivable from Sator S.A.S. for \$15,772 and from other customers for \$21,197.

- 2) Mainly corresponds to the market value measurement of the Fixed-Rate Certificate of Deposit (CD) and derivative financial instruments with domestic banks.

- 3) Mainly corresponds to the premium generated in the sale of Fixed-Rate Certificate of Deposit (CD) and the premium for the repurchase of bonds.
- 4) Mostly corresponds to the interest generated by the Company's bonds and financial obligations. The variation recorded is due to fluctuations in the interest rates of CPI and IBR during the year.
- 5) It corresponds mainly to commissions paid in the Tender offer on ordinary shares of Grupo Nutresa S.A., as well as fees paid to different banks.
- 6) Mainly corresponds to differences in the exchange rate associated with cash and cash equivalents, investments and accounts receivable from foreign customers.

NOTE 37: EARNINGS PER SHARE

Earnings per share correspond to:

	2024	2023
Basic earnings per share		
From continuing operations (*)	2,967.46	909.47
Total basic earnings per share (*)	2,967.46	909.47
Diluted earnings per share		
From continuing operations (*)	2,967.46	909.47
Total diluted earnings per share (*)	2,967.46	909.47

(*) Figures stated in Colombian pesos (Colombian pesos per share).

The Company does not maintain financial instruments or other contracts associated with potential ordinary shares with dilutive effects that imply an adjustment to the calculation of diluted earnings per share, so diluted earnings per share equals basic earnings per share.

37.1 Basic earnings per ordinary share

Earnings and the weighted average number of ordinary shares used in calculating basic earnings per share are as follows:

	2024	2023
Profit for the year attributable to controllers of the company	2,531,987	789,341
Profit used in the calculation of basic earnings per share	2,531,987	789,341
Profit used in the calculation of basic earnings per share from continuing operations	2,531,987	789,341
Weighted average number of ordinary shares for basic earnings per share purposes	853,249,907	867,910,345

37.2 Diluted earnings per share

Profit used in the calculation of diluted earnings per share are as follows:

	2024	2023
Earnings used in the calculation of total basic earnings per share	2,531,987	789,341
Earnings used in the calculation of total diluted earnings per share	2,531,987	789,341
Earnings used in the calculation of diluted earnings per share from continuing operations	2,531,987	789,341

The weighted average number of ordinary shares for diluted earnings per share purposes is reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	2024	2023
Weighted average number of ordinary shares used in calculation of basic earnings per share	853,249,907	867,910,345
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	853,249,907	867,910,345

NOTE 38: RELATED PARTIES

Transactions with related parties - Income and expenses	Entities with significant influence on the Company		Investments in associates		Investments in joint ventures		Investments in subsidiaries		Members of the Board of Directors		Key Management Personnel		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Dividend income	244,559	152,016	21,466	21,291	5,192	5,122	-	10,646	-	-	-	-	271,217	189,075
Leases as a lessor	-	-	-	-	-	-	1,840	1,751	-	-	-	-	1,840	1,751
Income from the sale of goods and rendering of services	-	-	93	-	-	-	178	-	-	-	-	-	271	-
Transfers according to financial arrangements to the entity	-	-	-	-	-	-	14,195	17,039	-	-	449	427	14,644	17,466
Total income	244,559	152,016	21,559	21,291	5,192	5,122	16,213	29,436	-	-	449	427	287,972	208,292
Services received and compensation	3,246	3,235	4,843	4,253	-	-	328	381	1,437	1,448	35,598	31,686	45,452	41,003
Leases as a lessee	-	-	1,953	1,507	-	-	-	-	-	-	-	-	1,953	1,507
Transfers according to financial arrangements from the entity	-	-	1,462	830	-	-	210	-	-	-	-	-	1,672	830
Total expenses	3,246	3,235	8,258	6,590	-	-	538	381	1,437	1,448	35,598	31,686	49,077	43,340

Transactions with related parties - Receivables and Payables	Entities with significant influence on the Company		Investments in associates		Investments in subsidiaries		Key Management Personnel		Overall Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Business Current Accounts (*)	-	-	-	-	16,245	195,123	-	-	16,245	195,123
Dividends and/or interests receivable	63,389	41,604	-	-	154,343	40,070	-	-	217,732	81,674
Management employees receivables	-	-	-	-	-	-	10,249	7,250	10,249	7,250
Total receivables	63,389	41,604	-	-	170,588	235,193	10,249	7,250	244,226	284,047
Suppliers related companies	-	-	24	-	1,054	1,770	-	-	1,078	1,770
Payables to related companies	-	-	6,049	-	-	-	-	-	6,049	-
Dividends payable	45,101	35,514	-	-	-	-	-	-	45,101	35,514
Total payables	45,101	35,514	6,073	-	1,054	1,770	-	-	52,228	37,284
Right-of-use assets	-	-	2,769	3,404	-	-	-	-	2,769	3,404
Right-of-use liabilities	-	-	3,346	4,366	-	-	-	-	3,346	4,366

Outstanding and payable amounts are not guaranteed and shall be settled in cash. No collaterals have been given nor received. These amounts are measured at amortized cost since they have agreed remuneration condition. The rate for these effects on receivables is the cost of the Company's short-term debt plus two hundred additional basis points. For Payables is the cost of the Company's debt.

The Company has loaned key management personnel at preferred interest rates, but subsequently performs the instrument valuation using comparable market rates.

Transactions between reporting companies and their related parties are made under conditions equivalent to those existing in transactions between independent parties.

The average term of receivables from related parties for the sale of goods is 30 days, except for companies in liquidation which is 12 months.

As at 31 December 2024, receivables from related parties mainly include \$15,877 (2023 \$68,728) from the sale of 9,704,318 shares of Odinsa S.A. to subsidiary Sator S.A.S., and, by 2023, loans and others for \$9,928. During 2024, the receivable balance of Valle Cement Investment Inc was canceled, which as of December 2023 amounted to \$116,448. During 2024, Sator S.A.S. delivered as payment in kind 596,313 shares of Grupo de Inversiones Suramericana S.A. for \$22,120 and made payments to Grupo Argos S.A. during the year for \$38,158.

Payables for key management personnel have an average term of 60 days. Loans for 2024 and 2023 have an average loan term of 7 years, agreed at a rate of 4.08% EAR.

In 2023, the Company has not received or granted collaterals of balances receivable or payable to related parties, except in the case of loans to key management personnel where the Company is secured on the disbursement made.

Compensation to key management personnel

Compensation given to key management personnel was as follows:

	2024	2023
Short-term benefits	34,771	32,410
Post-employment benefits	827	724
Total Compensation awarded to key management personnel	35,598	33,134

NOTE 39: CONTINGENT ASSETS AND LIABILITIES

Certain contingent conditions may exist as of the date the financial statements are issued, which may result in income or expense to the Company. These contingencies shall be resolved in the future when one or more events occur or the likelihood of occurrence varies. Such contingencies are estimated by the management and its legal advisors. The estimation of contingencies involving income or expense necessarily involves an exercise of professional judgment and is a matter of opinion. In estimating contingencies in legal proceedings that are pending in favor of or against the Company, the legal advisors evaluate, among other aspects, the merits of the claims, past rulings of the courts in this respect and the status of the proceedings on a case-by-case basis.

The Company believes that these matters shall be resolved without any material effect on our operations, financial position, or results of operations.

The most significant contingencies that were not recognized as provisions in the separated financial statements are indicated below:

39.1 Contingent assets

As at 31 December 2024, the Company has the following contingent assets:

- To reestablish Grupo Argos S.A.'s right to the money paid due to the liquidation of the first and second level pro-hospital stamps, to condemn the District of Barranquilla, to pay the costs of the process including the legal agencies in the amount of \$524.
- To reestablish its right to be returned the payment of the undue amount made for the “First and Second Level of Care Pro-Hospital Stamp of the Department of Atlántico in the Special, Industrial and Portuary District of Barranquilla” worth \$141 as a result of the sale of the property with real estate registration 040-452796, as stated in Public Deed 3771 of 30 September 2015, which includes default interest as of the effective date of the payment made on 29 December 2015, according to payment receipt No. 196100.
- Ownership of Camajoru property in Tubará (Department of Atlántico) for \$186.

39.2 Contingent liabilities

As at 31 December 2024, the Company presents the following contingent liabilities, rated with a probability of possible loss:

- For claims of recognition of an employment relationship for \$130.
- The Colombian Environmental Licensing Authority (ANLA) issued Order No. 7004 of 31 August 2021, by which an environmental sanction procedure was ordered to be initiated against the Company for an amount between 500 and 1,500 Colombian Legal Minimum Monthly Salaries. Later, the Company filed the disclaimers of the project called “Puerto Fluvial en el Río Magdalena” in May 2023 within the legal term and providing documentary evidence. By means of Order No. 010551 of 18 December 2023, the requested proofs were accepted and the process is in the evidentiary stage pending the next action by the Colombian Environmental Licensing Authority, where the Company's responsibility or shall not be defined, which must be done by administrative act.
- Environmental Sanctions Atlántico Regional Autonomous Corporation - CRA; The maximum amount of an environmental fine is 100,000 Colombian Legal Minimum Monthly Salaries. It is estimated that, due to the nature of the environmental violation, a fine of 800 - 2,000 Colombian Legal Minimum Monthly Salaries may be imposed. In addition, compensatory measures may be imposed for alleged impacts on natural resources.

NOTE 40: RELEVANT EVENTS

During the year, the following relevant events took place:

40.1 Spin-off Agreement by means of which the shareholders of Grupo Argos S.A. directly receive the investment in Grupo de Inversiones Suramericana S.A.

Grupo Argos S.A. and Grupo de Inversiones Sura S.A. signed on 18 December a Spin-off Agreement, whereby they agreed to the operation to dispose of the cross-shares that they have had for more than 46 years and that have made them possible today to be leading and benchmark organizations in their sectors. Subsequently, on 27 December, an amendment was signed to the spin-off Agreement by which Cementos Argos S.A. was linked to the operation. The disposition of cross-shares shall be achieved through absorption spin-offs that shall be approved and perfected simultaneously. This operation shall allow: i) that the shareholders of Grupo Argos S.A. retain their direct interests in Grupo Argos S.A. and receive direct interests in Grupo de Inversiones Suramericana S.A., maintaining the economic value they initially had; ii) simplify the shareholding and portfolio structure of Grupo Argos S.A. in line with current market trends and investor desires; and iii) deepen Grupo Argos' focus on the

constructions materials and infrastructure sectors, leveraging its capabilities and business plan. The spin-offs shall be subject to the approval of the Shareholders' Meetings of the companies and are subject to regulatory approvals.

Transaction Summary

- Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. agreed to dispose of the cross shares by means of absorption spin-offs that shall be perfected substantially simultaneously. Cementos Argos S.A. was linked to the transaction and agreed to dispose of its interest in Grupo de Inversiones Suramericana S.A. by means of a spin-off by absorption that shall be a step prior to the absorption of the spin-off of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. These spin-off absorptions are conditioned, among other aspects, on the approval of the three spin-offs.
- Each shareholder of Cementos Argos S.A. shall hold its shares and additionally receive at least 0.02 shares of Grupo de Inversiones Suramericana S.A. for each share of Cementos Argos S.A. that they initially held.
- considering the shares of Grupo de Inversiones Suramericana S.A. that Grupo Argos S.A. received as shareholder of Cementos Argos S.A. as a result of the spin-off of Cementos Argos S.A., each shareholder of Grupo Argos S.A. shall retain its shares and, additionally, shall receive at least 0.23 shares of Grupo de Inversiones Suramericana S.A. for each share of Grupo Argos S.A. that they initially held. In turn, each shareholder of Grupo de Inversiones Suramericana S.A. shall retain its shares in the company and shall receive at least 0.72 shares of Grupo Argos S.A. for each share of Grupo de Inversiones Suramericana S.A. they held prior to the transaction..
- The shareholders of Grupo Argos S.A. shall obtain direct interests in both Grupo Argos S.A. as in Grupo de Inversiones Suramericana S.A., maintaining the economic value they initially held in a company, now represented in equity in the two companies.
- This transaction is consistent with the objectives set by the Company to efficiently dispose of its participation in Grupo de Inversiones Suramericana S.A., to terminate the cross-shares between Grupo Argos S.A. in an organized manner. and Grupo de Inversiones Suramericana S.A., deepen the specialization of Grupo Argos S.A. as an investment manager in infrastructure, to continue the organization's business plan, and to ensure the fair treatment of all shareholders of the companies involved.

Detailed step-by-step transaction

This is a single transaction whose result shall be that each shareholder of Grupo Argos S.A. retains their interests in Grupo Argos S.A. and receive direct interests in Grupo de Inversiones Suramericana S.A., ending the cross-shareholding:

1. Spin-off:

- Cementos Argos S.A. shall spin-off its investment in Grupo de Inversiones Suramericana S.A. in favor of Grupo de Inversiones Suramericana S.A. and as a result, Grupo de Inversiones Suramericana S.A. shall issue shares to the shareholders of Cementos Argos S.A., including Grupo Argos S.A.
- Considering the shares of Grupo de Inversiones Suramericana S.A. to be received by Grupo Argos S.A. as shareholder of Cementos Argos S.A., Grupo Argos S.A. shall spin-off its investment in Grupo de Inversiones Suramericana S.A. in favor of Grupo Sura. In turn, Grupo de Inversiones Suramericana S.A. shall spin-off its investment in Grupo Argos S.A. in favor of Grupo Argos.

2. Absorption: Grupo Argos S.A. shall absorb the investment that Grupo de Inversiones Suramericana S.A. had in Grupo Argos S.A. At the time of this absorption, the shares shall be cancelled. Likewise, Grupo de Inversiones Suramericana S.A. shall absorb the investment that Grupo Argos S.A. had in Grupo de Inversiones Suramericana S.A. At the time of this absorption, the shares shall be cancelled.

3. Share issue: Grupo Argos S.A. shall issue shares in favor of all shareholders of Grupo de Inversiones Suramericana S.A. as a result of the own shares it received from Grupo de Inversiones Suramericana S.A. Considering that Grupo Argos S.A. was one of the shareholders of Grupo de Inversiones Suramericana S.A., the shares corresponding to it shall be cancelled, increasing the interests of all other shareholders of Grupo Argos

S.A. simultaneously, Grupo de Inversiones Suramericana S.A. shall issue shares in favor of all shareholders of Grupo Argos S.A., including Grupo de Inversiones Suramericana S.A., as a result of the own shares it received from Grupo Argos S.A. Considering that Grupo de Inversiones Suramericana S.A. was one of the shareholders of Grupo Argos S.A., the shares corresponding to it shall be cancelled, increasing the interests of all other shareholders of Grupo de Inversiones Suramericana S.A. Ordinary shareholders of the spin-off company shall receive ordinary shares of the beneficiary company. Preferred shareholders shall receive preferred shares. At the end of the transaction, each shareholder of Grupo Argos S.A. shall maintain its current shares of Grupo Argos S.A. and shall receive at least 0.23 shares of Grupo de Inversiones Suramericana S.A. for each share it initially held. For Grupo de Inversiones Suramericana S.A., each shareholder shall maintain its current shares of Grupo de Inversiones Suramericana S.A. and shall receive at least 0.72 shares of Grupo Argos S.A. for each share held prior to the transaction.

This transaction shall be submitted for consideration by the Shareholders' Meetings of Grupo Argos S.A., Cementos Argos S.A. and Grupo de Inversiones Suramericana S.A., in accordance with corporate governance guidelines and applicable regulations. The required governmental and other authorizations shall be processed, including those to be issued by the Superintendence of Finance of Colombia.

40.2 Signature of Summit Materials Agreement to be Acquired by Quikrete

On 25 November 2024, Summit Materials, a company in which Cementos Argos S.A. holds 31% interests, announced the signing of an agreement to be acquired by Quikrete Holdings, a leader in the ready-to-use construction materials segment and one of the largest privately held corporations in the industry in the country. The transaction was unanimously approved by Summit and Quikrete boards of directors, and is expected to close in the first half of 2025, subject to Summit shareholder approval, regulatory approvals, and other customary closing conditions.

Quikrete's acquisition bid was USD 52.5 per share, representing a total company value of USD 11.500 million. This means that the sale of the nearly 55 million shares that Cementos Argos S.A. holds at Summit generates cash value of close to USD 2.875 million.

During the fourth quarter of 2024, the investment in Summit Materials was classified by Cementos Argos S.A. as a non-current asset held for sale, thus the application of equity-accounted investees on this entity was suspended.

40.3 Arrangement to transfer investment in the food business of Grupo Nutresa S.A. in exchange for shares of Grupo de Inversiones Suramericana S.A. and a company holding shares of Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A.

On 24 May 2023, a Memorandum of Understanding (MOU) was signed in Madrid, Spain between the Company, JGDB Holding S.A.S, Nugil S.A.S, IHC Capital Holding L.L.C, AFLAJ Investment L.L.C, Grupo Nutresa S.A., and Grupo de Inversiones Suramericana S.A. (the Parties).

Said MOU established initial terms, on which it was agreed to enter a series of operations between the Parties. These operations shall be aimed at JGDB Holding S.A.S. and Nugil S.A.S. result in the majority and controlling shareholders of Grupo Nutresa S.A. with a minimum share of 87% of the voting shares, and JGDB Holding S.A.S. and Nugil S.A.S., cease to be direct and indirect shareholders of Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. Likewise, Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A., shall no longer be shareholders of Grupo Nutresa S.A.'s food business, and Grupo Nutresa S.A. shall no longer be a shareholder of Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A.

For the purpose of investors of the ordinary and preferred shares of Grupo Argos S.A. have sufficient information to make their investment decisions. On 25 May the Superintendence of Finance of Colombia was requested to suspend the negotiation of the share series GRUPOARGOS and PFGRUPOARG, which was granted, and was effective between 25 May 2023 and 15 June 2023 inclusive.

In June 2023, by means of Relevant Information, the Company announced that it signed the Framework Arrangement with the other Parties, except AFLAJ Investments L.L.C., that established the terms of exchange of its participation in the food business of Grupo Nutresa S.A. This arrangement established that the Company shall exchange its interests in the food business of Grupo Nutresa S.A., receiving shares of Grupo de Inversiones Suramericana S.A. and interests in the share portfolio of Grupo Nutresa S.A., which in turn was made up of ordinary shares of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A.

This exchange of shares was made in two moments when considering the sum of what was delivered and what was received in the first and second exchanges, Grupo Argos S.A. received for one share (1) of Grupo Nutresa S.A., 0.74 shares of Grupo de Inversiones de Suramericana S.A. and 0.56 shares of Sociedad Portafolio S.A. Liquidada, the beneficiary company of the spin-off of Grupo Nutresa S.A. that received the Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. share portfolio.

Grupo de Inversiones Suramericana S.A. received its own shares in the exchanges, generating a decrease in its number of shares outstanding, which meant that all its shareholders, including Grupo Argos S.A., increased their share percentage.

Considering that the intention of Grupo Argos S.A. is to continue to consolidate as an infrastructure asset manager and not to control Grupo de Inversiones Suramericana S.A., once it received the shares of that company, that additional interests was transferred to an irrevocable trust that is intended not to exercise political rights, retaining only the economic rights of such shares, until a divestment mechanism or other alternatives are established to capture value on that portfolio.

The transaction summary is detailed below, which involved a series of steps that were carried out considering the authorizations of the Corporate Governance bodies, as well as those of law that are necessary, including, but not limited to, those to be given by the Superintendence of Finance of Colombia and other control entities:

Summary of Transaction Steps

1. Grupo Nutresa S.A. mirror spin-off

The transaction foresees submitting for authorization by the Shareholders' Meeting of Grupo Nutresa S.A. the company's mirror spin-off. This authorization was issued on 18 September 2023. On 28 November 2023, the Financial Superintendence issued Resolution 2058 by means of which it authorized Grupo Nutresa S.A. to make official the statutory reform of corporate reorganization consisting of a symmetrical spin-off by creation, according to the decisions of the Shareholders' Meeting of Grupo Nutresa S.A. On 14 December 2023, Grupo Nutresa S.A. announced the notarization of the statutory reform by means of Public Deed 3838, in accordance with the decisions adopted by the Shareholders' Meeting of said company on 18 September 2023. The aforementioned Public Deed was registered in the Chamber of Commerce of Medellín for Antioquia, thus establishing Sociedad Portafolio S.A. As a result of the mirror spin-off, two companies were listed on the Colombian Stock Exchange: one that continued to own the operating business (food), and a new company, called Sociedad Portafolio S.A., which now owns the investments that Grupo Nutresa S.A. held in Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. For each share of Grupo Nutresa S.A., each shareholder held one share of the food company and received one share of Sociedad Portafolio S.A. Liquidada.

After the spin-off Grupo Argos S.A. had 45,243,781 shares of Grupo Nutresa S.A. and 45,243,781 shares of Sociedad Portafolio S.A. Liquidada equivalent to 9.88% of the outstanding shares of each company.

As a result of the spin-off of Grupo Nutresa S.A., there was a change in Grupo Argos S.A. shareholdings, from the transfer of the total shares owned by Grupo Nutresa S.A. in Grupo Argos S.A. in favor of Sociedad Portafolio S.A. Liquidada, which corresponded to 12.63% of the outstanding ordinary shares and 9.54% of the total outstanding shares of Grupo Argos S.A. on said date.

2. First share exchange

Upon spin-off, on 6 February 2024, Grupo Argos S.A. made the first exchange of its interests in Grupo Nutresa S.A. by shares of Grupo de Inversiones Suramericana S.A. and of Sociedad Portafolio S.A. Liquidada, by means of which, Grupo Argos S.A. exchanged all of the shares held in Grupo Nutresa S.A. in exchange for 36,070,836 ordinary shares of Grupo de Inversiones Suramericana S.A. and 14,932,413 ordinary shares of Sociedad Portafolio S.A. Liquidada.

Grupo de Inversiones Suramericana S.A. received on the exchange own shares whose rights are suspended by legal provision (Art. 396 of the Colombian Code of Commerce). With this transaction, the number of outstanding shares of Grupo de Inversiones Suramericana S.A. decreased, implying that all of its shareholders increased their share percentage.

Given the increase in the shareholding of Grupo Argos S.A. in Grupo de Inversiones Suramericana S.A. and considering that Grupo Argos S.A. as an infrastructure holding company does not have the intention nor vocation to become a controlling party of Grupo de Inversiones Suramericana S.A., Grupo Argos S.A. contributed shares of Grupo de Inversiones Suramericana S.A. to Patrimonio Autónomo FAP Grupo Argos that has the irrevocable instruction not to exercise political rights.

At the close of the first exchange, the investment in Grupo Nutresa S.A. was recognised as a financial instrument measured at fair value through other comprehensive income (OCI), therefore, the profit generated by the transfer of the shares of Grupo Nutresa S.A. net of taxes, as well as the IFRS adoption adjustment, were reflected in retained earnings as a reclassification from the OCI. The other effects associated with the transaction were recognized in the separate statement of income, so both should be considered jointly to show the net economic profit of the transaction.

3. Tender offer of up to 23% shares of Grupo Nutresa S.A.

Following the execution of the Framework Arrangement and in compliance with the provisions of Decree 079 of 2024, on 9 March 2024, Grupo Argos S.A., Grupo de Inversiones Suramericana S.A., Graystone Holdings S.A. (linked to IHC Capital Holding L.L.C.), JGDB Holding S.A.S. and Nugil S.A.S. made a joint and several offer for up to 23.1% of the outstanding ordinary shares of Grupo Nutresa S.A. For such purposes, Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. offered to acquire, on a pro rata basis, up to 10.0976% of the outstanding shares of Grupo de Inversiones Suramericana S.A. for consideration consisting of a combination of shares of Grupo de Inversiones Suramericana S.A. and Sociedad Portafolio S.A. Liquidada or USD 12 per share. Graystone Holdings S.A., offered to acquire in cash at the same price (USD 12 per share) the shares exceeding 10.0976% of the outstanding shares, up to a maximum of 12.9982%, and JGDB Holding S.A.S. and Nugil S.A.S. offered to purchase shares exceeding 12.9982% of Graystone Holdings S.A. in cash at the same price (USD 12). and up to 0.0009% each, thus completing the offer for 23.1% of the outstanding shares of Grupo Nutresa S.A.

On 11 April 2024, compliance with the Tender offer on ordinary shares of Grupo Nutresa S.A. was granted. According to Grupo Argos S.A. interests in the offer, 10,042,108 shares of Grupo Nutresa S.A. were awarded to it, of which 9,572,605 shares were paid in cash and 469,503 shares were paid in kind, by delivering 349,196 shares of Grupo de Inversiones Suramericana S.A. and 265,254 shares of Sociedad Portafolio S.A. Liquidada.

4. Second Share Exchange

Once the Tender Offer was finalized, on 25 April 2024, Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. performed the second share exchange with JGDB Holding S.A.S., Nugil S.A.S. and IHC Capital Holding L.L.C. Grupo Argos S.A. exchanged the 10,042,108 ordinary shares of Grupo Nutresa S.A. acquired in the Tender Offer of said company, and received 5,049,057 ordinary shares of Grupo de Inversiones Suramericana S.A. and 16,304,046 ordinary shares of Sociedad Portafolio S.A. Liquidada.

Whereas Grupo de Inversiones Suramericana S.A. also received its own shares in this second exchange, and that while these shares are reacquired their rights are suspended by legal provision, prior to the second exchange, Grupo Argos S.A. made additional contributions of such company shares to the Patrimonio Autónomo FAP Grupo Argos, that has the irrevocable instruction not to exercise political rights.

5. Post-exchange structure

Once the share exchange was completed, the Parties completed all the operations provided for in the Framework Arrangement, so Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. no longer own shares in Grupo Nutresa S.A., and IHC Capital Holding L.L.C, JGDB Holding S.A.S. and Nugil S.A.S no longer own shares in Grupo de Inversiones Suramericana S.A. nor in Sociedad Portafolio S.A. Liquidada. For its part, Grupo Nutresa S.A. has no interests in Grupo Argos S.A. or in Grupo de Inversiones Suramericana S.A.

6. Liquidation of Sociedad Portafolio S.A. Liquidada

On the 9 May 2024 Shareholders' Meeting of Sociedad Portafolio S.A. Liquidada an amendment to the by-laws to modify the company's term of duration to 5 June 2024 was submitted for consideration. The amendment was approved and, consequently, as of 6 June 2024, the company entered into liquidation process due to maturity of the term of duration. Because of this process, the share species ceased to be listed on the Colombian Stock Exchange (BVC). Subsequently, on 24 September 2024, the final liquidation account was approved at an Extraordinary Shareholders' Meeting and on 14 November 2024, the liquidation process culminated with the registration of the company's final liquidation account with the Mercantile Registry. The measurement of this investment was made taking as reference the last financial statements in liquidation of the company, which valued the shares held by this company of Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. by the average of the daily stock exchange closing prices from 14 December 2023 (date on which the company was incorporated) to 31 August 2024.

In line with the provisions of the Corporate Bylaws, at the time of the liquidation of Sociedad Portafolio S.A. Liquidada, the shares of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. that were owned by the company were distributed in kind. For these purposes, the following relationship was determined: for each share (1) of Sociedad Portafolio S.A. Liquidada, each shareholder received 0.135513 shares of Grupo de Inversiones Suramericana S.A. and 0.179790 shares of Grupo Argos S.A.

On 4 October 2024, Deceval made the respective annotation in the Company's behalf of 13,702,692 shares of Grupo Argos S.A., and on 8 November 2024, of 10,328,121 shares of Grupo de Inversiones Suramericana S.A. Shares received from the Company were recognized own shares repurchased for \$210,400, and shares received from Grupo de Inversiones Suramericana S.A. as a greater value of that investment by \$342,762. Likewise, in October 2024, a net cash amounting to \$6,649 was received as a liquidation remnant from the company.

7. Accounting effects of the transaction

The main accounting effects of the execution of the framework arrangement and the liquidation of Sociedad Portafolio S.A. Liquidada are detailed below:

- Net decrease in cash and equivalents for \$456,471 mainly due to the use of resources in the acquisition of shares of Grupo Nutresa S.A. through the Tender Offer for \$432,403 (Note 6 Cash and cash equivalents).
- Decrease in non-current assets held for sale by \$2,094,787 given the delivery of the shares held by Grupo Nutresa S.A. (Note 17 Non-current assets held for sale).
- Increase in investments in associates and joint ventures by \$2,574,512 given the receipt of the shares of Grupo de Inversiones Suramericana S.A. in the first and second exchanges, and in the liquidation of Sociedad Portafolio S.A. Liquidada, at the same time, that the delivery of shares of Grupo de Inversiones Suramericana S.A. as a means of payment in the Tender Offer on ordinary shares of Grupo Nutresa S.A. (Note 15 Investments in associates and joint ventures).
- Increase in other finance assets by \$385,779 given the receipt of shares of Sociedad Portafolio S.A. Liquidada in the first and second share exchanges, at the same time, that, the delivery of shares of Sociedad Portafolio S.A. Liquidated as a means of payment in the Tender Offer on ordinary shares of Grupo Nutresa

S.A. At the time of the liquidation of the company, the investment was reduced by \$560,535 (Note 11 Other finance assets).

- Increase in current tax liability of \$250,782 due to the tax payable associated with the delivery of Grupo Nutresa S.A. shares. and the liquidation of Sociedad Portafolio S.A. Liquidada (Note 10.2 Current tax liabilities).
- Net increase in deferred tax liability of \$194,355 given a release of \$256,178 due to the current tax liability associated with the delivery of Grupo Nutresa S.A. shares. and the liquidation of Sociedad Portafolio S.A. Liquidada, and an increase of \$450,533 for the recognition of deferred tax associated with excess shares received from Grupo de Inversiones Suramericana S.A. (Note 10.5 Deferred tax assets and liabilities)
- Increase in the own shares repurchased by \$210,400 given the shares of its own received in the liquidation of Sociedad Portafolio S.A. Liquidada (Note 26 Repurchase of shares)
- A net gain of \$1,619,808 was reclassified to retained earnings from other comprehensive income (OCI) and from retained earnings from the first-time adoption of IFRS, of which \$1,506,833 corresponds to the share exchange of Grupo Nutresa S.A. and \$112,975 mainly to the liquidation of Sociedad Portafolio S.A. Liquidada.

	2024
Valuation of equity investments measured at fair value (1)	2,089,228
Associated income tax (2)	(297,940)
Total reclassification from other comprehensive income (OCI) to retained earnings	1,791,288
Accumulated losses from first-time adoption of IFRS (3)	(171,480)
Total reclassification from other comprehensive income (OCI) and retained earnings by first-time adoption of IFRS	1,619,808

(1) Corresponds \$1,937,321 to Grupo Nutresa S.A. and \$151,907 to Sociedad Portafolio S.A. Liquidada.

(2) Corresponds to \$280,737 to Grupo Nutresa S.A. and \$17,203 to Sociedad Portafolio S.A. Liquidada.

(3) Corresponds to \$149,750 to Grupo Nutresa S.A. and \$21,730 to Sociedad Portafolio S.A. Liquidada.

- The statement of income had a negative effect of \$402,445, which comes mainly from deferred tax expense recognized by excess shares received from Grupo de Inversiones Suramericana S.A. for \$450,533.

40.4 Arrangement between Cementos Argos S.A. and Summit Materials. Inc. (Summit)

On 7 September 2023, Cementos Argos S.A. and two of its subsidiaries entered into an agreement with Summit Materials, Inc. (Summit), a US construction materials company listed on the New York Stock Exchange since 2015, and which operates in more than 20 states in the US and Canada in the cement, concrete, aggregate and other complementary businesses. The agreement relates to the sale of the group of assets associated with the United States regional, which includes the subsidiaries Argos North America Corp., Argos USA LLC, and Argos Ports LLC.

At the Meeting held on 11 January 2024, Summit Materials Inc. shareholders approved this transaction and on 12 January after meeting certain conditions, the transaction was successfully completed where Cementos Argos S.A. received the following in consideration: 1. Cash: \$482 million dollars in cash and, 2. Shares: 54,720,000 ordinary shares and one (1) preferred share of Summit Materials Inc., equivalent to a 31% interests, appointing three members of the Board of Directors, which may have up to eleven members. Additionally, under this arrangement, Summit paid off financial debt of Argos USA LLC for \$664 million dollars and transaction expenses for \$21 million dollars.

This transaction generated, at the level of the subsidiary Cementos Argos S.A., a profit for \$5,295,446. net of taxes, after the final price adjustment of the transaction, which it represents for Grupo Argos S.A. a net income by equity-accounted investees of \$2,730,327 in the separate statement of income (Note 30 Revenue).

NOTE 41: EVENTS AFTER THE REPORTING PERIOD.

Between 31 December 2023 and the date of issuance of the Company's Separate Financial Statements, the following subsequent events considered significant, not subject to adjustment occurred:

ANNEX H

Financial Statements for Grupo Sura

Separate financial statements

As of December 31, 2024 and
December 31, 2023

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SEPARATE FINANCIAL STATEMENTS

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RESPONSIBILITIES OF THE DIRECTORS OVER THE ACCOUNTS

Medellin, January 30, 2025

As Legal Representative and Accountant of Grupo de Inversiones Suramericana S.A., each within our respective areas of competence, we report that:

1. The accompanying separate financial statements present fairly the financial position, results of operations and cash flows of the Company as of December 31, 2024 and December 31, 2023.
2. Appropriate accounting policies have been selected and then consistently applied so that the information contained in the financial statements is relevant, reliable, comparable and understandable.
3. Reasonable and prudent judgments and estimates have been used.
4. The separate financial statements attached have been prepared according to the accounting and financial reporting standards accepted in Colombia, established in Colombia by Law 1314 of 2009, regulated by Decree 2420 of 2015 “Single Regulatory Decree of the Accounting and Financial Reporting and Information Assurance Standards” (*Decreto Único Reglamentario de las Normas de Contabilidad y de Información Financiera y de aseguramiento de la información. Spanish original*) and other amending decrees. These accounting and financial reporting standards correspond to the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned decrees.
5. The enclosed separate financial statements have been prepared under the assumption that the Company will continue to operate as a going concern.
6. We are responsible for maintaining appropriate accounting records that reasonably reflect the Company's financial position.
7. We are responsible for safeguarding the assets of the Company and for establishing appropriate internal control measures for the prevention and detection of fraud and other irregularities.

Signed Original

Ricardo Jaramillo Mejía
Legal Representative

Signed Original

Juan Guillermo Chica Ramírez
Accountant
Professional Card 64093-T

CERTIFICATION OF THE LEGAL REPRESENTATIVE AND ACCOUNTANT

Medellin, January 30, 2025

Acting as Legal Representative and Accountant of Grupo de Inversiones Suramericana S.A. (the Company), each within their competencies and under whose responsibility the attached separate financial statements were prepared, we certify that these separate financial statements have been faithfully taken from the books and that before being made available to you and third parties, the following statements contained therein have been verified:

Existence: The assets and liabilities included in the separate financial statements of the Company exist and all transactions included in said financial statements have been carried out during the annual periods ending on December 31, 2024 and December 31, 2023.

Completeness: All economic events performed by the Company during the annual periods ended December 31, 2024 and December 31, 2023 have been recognized in the separate financial statements.

Rights and obligations: Assets represent probable future economic benefits (rights) and liabilities represent probable future economic sacrifices (obligations), obtained or payable by the Company at December 31, 2024 and December 31, 2023.

Valuation: All items have been recognized at appropriate amounts.

Presentation and disclosure: All economic events affecting the Company have been properly classified, described and disclosed in the separate financial statements.

The foregoing statements are certified according to Article 37 of Law 222 of 1995.

Furthermore, as Legal Representative of Grupo de Inversiones Suramericana S.A., I certify that the separate financial statements of the Company as of December 31, 2024 and December 31, 2023 do not contain any defects, inaccuracies or errors that prevent its true financial position from being known.

The above statement is certified according to Article 46 of Law 964 of 2005.

Signed Original

Ricardo Jaramillo Mejía
Legal Representative

Signed Original

Juan Guillermo Chica Ramírez
Accountant
Professional Card 64093-T

Financial statements

GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate financial position statement
At 31 December, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

	Note	December 31, 2024	December 31, 2023
Assets			
Cash and cash equivalents	6	132,040	442,550
Investments	6	59,209	60,110
Derivative financial instruments	6	711,184	302,091
Dividends receivable from related parties	7	252,852	439,832
Receivables		431	1,973
Current tax assets, net	8	-	143
Investments in associates	9	11,266,829	11,436,146
Investments in subsidiaries	9	18,381,470	17,546,364
Non-current assets held for sale	10	-	3,054,016
Property and equipment, net		1,826	1,932
Right-of-use assets		14,895	16,040
Deferred tax assets, net	8	133,150	-
Other assets		10,805	244
Total assets		30,964,691	33,301,441
Liabilities			
Financial liabilities	6	4,309,771	2,860,073
Derivative financial instruments	6	116,952	204,820
Lease liabilities		11,572	11,872
Accounts payable to related entities	7	177,747	223,603
Accounts payable	6	60,087	77,453
Current tax liabilities, net	8	754,820	-
Employee benefits	11	18,352	13,443
Bonds issued	6	3,623,356	3,487,199
Deferred tax liabilities, net	8	-	277,295
Preferred shares liability	12	459,821	459,834
Total liabilities		9,532,478	7,615,592
Equity			
Issued share capital	13	109,121	109,121
Premium on the issue of share	13	3,290,767	3,290,767
Reserves	13	566,470	138,795
Reserve for acquisition of treasury shares	13	136,776	7,261,206
Net earnings for the year		5,331,776	1,056,655
Retained earnings	13	9,735,037	12,008,392
Other comprehensive income	15	2,262,266	1,820,913
Total equity		21,432,213	25,685,849
Total equity and liabilities		30,964,691	33,301,441

The notes are an integral part of the separate financial statements.

Signed Original

Ricardo Jaramillo Mejía
Legal Representative

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Daniel Andrés Jaramillo Valencia
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Designated by Ernst & Young Audit S.A.S. TR-530
(See report dated January 30, 2025)

GRUPO DE INVERSIONES SURAMERICANA S.A.

Separate income statement

January 1 to December 31, 2024 and January 1 to December 31, 2023

(Amounts expressed in millions of Colombian pesos)

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
Income			
Dividends	16	1,008,421	1,161,899
Net investment income	16	33,959	33,348
Net loss on investments measured at fair value	16	(30,533)	(19,130)
Income from equity method	16	1,210,240	1,187,172
Gain from sale of non-current assets held for sale	16	4,686,293	-
Other income	16	930	32,217
Operational income		6,909,310	2,395,506
Operational expenses			
Administrative expenses	17	(99,633)	(82,671)
Employee benefits	11	(48,335)	(41,204)
Fees	18	(35,835)	(50,537)
Depreciation		(2,645)	(2,429)
Other expenses		(1,678)	(72)
Other expenses		(188,126)	(176,913)
Operating profit		6,721,184	2,218,593
Net gain (loss) from fair value financial derivatives	19	156,737	(170,263)
Net foreign exchange difference	19	(205,079)	53,823
Interest expense	19	(883,064)	(661,031)
Other financial expenses	19	(17,577)	-
Net financial result		(948,983)	(777,471)
Profits before tax		5,772,201	1,441,122
Income tax	8	(440,425)	(384,467)
Profit for the period		5,331,776	1,056,655
Net earnings per share (common), expressed in Colombian pesos	20	12,263	1,894
Net earnings per diluted share, expressed in Colombian pesos	20	11,453	1,779

The notes are an integral part of the financial statements.

Signed Original

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(See report dated January 30, 2025)

GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate Statement of Comprehensive Income
January 1 to December 31, 2024 and January 1 to December 31, 2023
(Amounts expressed in millions of Colombian pesos)

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
Net income for the period		5,331,776	1,056,655
Other comprehensive income			
Items that will not be reclassified to income for the period, net of taxes			
(Loss) from investments in equity instruments	15	(8,091)	(16,381)
New defined benefit plan measures	15	652	(4,379)
Share of other comprehensive income of subsidiaries accounted for under the equity method	15	(10,361)	88,397
Total other comprehensive income that will not be reclassified to the results of the period, net of taxes		(17,800)	67,637
Items to be reclassified to income for the period, net of taxes			
Gain from cash flows hedges	15	18,939	80,655
Share of other comprehensive income of subsidiaries accounted for under the equity method	15	440,214	(2,562,919)
Total other comprehensive income to be reclassified to profit or loss, net of taxes		459,173	(2,482,264)
Total other comprehensive income		441,353	(2,414,627)
Total comprehensive income		5,773,129	(1,357,972)

The notes are an integral part of these financial statements.

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(See report dated January 30, 2025)

GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate Statement of Changes in Equity
At 31 December, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

	Note	Issued share capital	Premium on the issue of share	Reserves	Reserves for acquisition of treasury shares	Net income for the period	Retained earnings	Other Comprehensive Income (OCI)	Total equity
At December 31, 2022		109,121	3,290,767	6,837,602	244,848	1,058,964	11,925,247	4,235,540	27,702,089
Other comprehensive income	15	-	-	-	-	-	-	(2,414,627)	(2,414,627)
Net profit for the period		-	-	-	-	1,056,655	-	-	1,056,655
Total net comprehensive income for the period		-	-	-	-	1,056,655	-	(2,414,627)	(1,357,972)
Allocation to discretionary reserves		-	-	1,058,964	-	(1,058,964)	-	-	-
Ordinary dividend (\$1,280 Colombian pesos per share) recognized as distributions to owners		-	-	(741,413)	-	-	-	-	(741,413)
Allocation of reserves for acquisition of treasury shares		-	-	(7,016,358)	7,016,358	-	-	-	-
Minimum dividends, preferred shares	12	-	-	-	-	-	40,475	-	40,475
Withholding tax attributable to shareholder		-	-	-	-	-	-	2,062	2,062
Movement from prior periods – subsidiaries	9	-	-	-	-	-	40,608	-	40,608
At December 31, 2023		109,121	3,290,767	138,795	7,261,206	1,056,655	12,008,392	1,820,913	25,685,849
Other comprehensive income	15	-	-	-	-	-	-	441,353	441,353
Net profit for the period		-	-	-	-	5,331,776	-	-	5,331,776
Total net comprehensive income for the period		-	-	-	-	5,331,776	-	441,353	5,773,129
Allocation to discretionary reserves		-	-	1,056,655	-	(1,056,655)	-	-	-
Ordinary dividend (\$1,400 Colombian pesos per share) recognized as distributions to owners	14	-	-	(628,980)	-	-	-	-	(628,980)
Allocation of reserves for acquisition of treasury shares	13	-	-	-	2,358,416	-	(2,358,416)	-	-
Acquisition of treasury shares	13	-	-	-	(9,482,846)	-	-	-	(9,482,846)
Minimum dividends, preferred shares	12	-	-	-	-	-	40,475	-	40,475
Withholding tax attributable to shareholder		-	-	-	-	-	-	(550)	(550)
Lower dividend payable due to acquisition of treasury shares	14	-	-	-	-	-	43,825	-	43,825
Recognition of other comprehensive income from employee benefits	15	-	-	-	-	-	1,316	-	1,316
Other changes in equity		-	-	-	-	-	(5)	-	(5)
At December 31, 2024		109,121	3,290,767	566,470	136,776	5,331,776	9,735,037	2,262,266	21,432,213

The accompanying notes are an integral part of the financial statements.

Signed Original

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(See report dated January 30, 2025)

GRUPO DE INVERSIONES SURAMERICANA S.A.

Separate Cash Flow Statement

January 1 to December 31, 2024 and January 1 to December 31, 2023

(Amounts expressed in millions of Colombian pesos)

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
Cash flows from operating activities			
Net profit for the period, before income tax		5,772,201	1,441,122
Adjustments to reconcile net income			
Interest	19.2.	883,064	661,031
Depreciation and amortization expense		2,645	2,429
Unrealized foreign currency loss (gain)		386,110	(76,859)
Fair value - financial derivatives instruments and investments		(163,927)	172,071
Earnings from equity method	9.2.1.	(1,210,240)	(1,187,172)
Usufruct amortization	16	-	(32,177)
Gain on sale of non-current assets held for sale	10	(4,686,293)	-
Changes in operating assets and liabilities			
(Decrease) increase in other accounts payable		(17,366)	42,762
Decrease (increase) in other accounts receivable		1,542	(936)
Increase in accounts receivable from related parties		(947,077)	(1,161,977)
Adjustment for employee benefits		5,561	2,174
Withholding tax on dividends received		(550)	2,062
Other cash adjustments		33,516	-
Dividends received from associates and subsidiaries		1,899,071	1,788,998
Income tax (paid)		(106,107)	(2,425)
Interest paid		-	(4,874)
Cash flows from operating activities		1,852,150	1,646,229
Cash flows in investing activities			
Cash flows from decrease in subsidiaries	9.2.1.	668	-
Other payments to acquire equity or debt instruments	10	(1,557,870)	-
Other proceeds from the sale of equity or debt instruments	9.1.2.	23,958	-
Equipment purchases		(395)	(140)
Proceeds from sale of equipment		61	145
Cash flows (used in) from investment activities		(1,533,578)	5
Cash flows in financing activities			
(Proceeds) from derivative financial instruments		(117,934)	(173,939)
Amounts from loans		2,980,888	1,654,086
Loan repayments		(865,265)	(310,610)
Payment of financial lease liabilities		(1,103)	(1,994)
Dividends paid		(675,285)	(669,174)
Interest paid		(871,095)	(1,087,609)
Amounts paid to co-investors	6.2.4.4.	(1,050,470)	(612,818)
Cash flows (used in) from financing activities		(600,264)	(1,202,058)
Net (decrease) increase in cash and cash equivalents		(281,692)	444,176
Effect of exchange rate changes on cash and cash equivalents		(28,818)	(6,651)
Cash and cash equivalents at the beginning of the period		442,550	5,025
Cash and cash equivalents at the end of the period		132,040	442,550

The notes are an integral part of the financial statements.

Signed Original

Ricardo Jaramillo Mejia
Legal Representative

Signed Original

Juan Guillermo Chica Ramirez
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Daniel Andrés Jaramillo Valencia
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(See report dated January 30, 2025)

Notes to the financial statements

GRUPO DE INVERSIONES SURAMERICANA S.A.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
As of December 31, 2024 and December 31, 2023

(Amounts expressed in millions of Colombian pesos except net earnings per share and exchange rates expressed in Colombian pesos).

NOTE 1. REPORTING ENTITY

Grupo de Inversiones Suramericana S.A., (hereinafter the Company) is a corporation, incorporated and domiciled in Colombia, whose shares are listed on the Colombian Stock Exchange. Its main domicile is at Carrera 43A, number 5A - 113, 14th Floor, Medellín, Colombia, but it may have branches, agencies, offices and representations in other cities in the country and abroad, when so determined by its Board of Directors. The term of duration of the Company is until 2120.

Its main corporate purpose is investment in real estate and personal property. Regarding investment in personal property, as well as any kind of personal property, investments may be in shares, quotas or parts in companies, entities, organizations, funds or any other legal figure that allows investment of resources. Similarly, it may invest in fixed or variable income securities or documents, whether or not they are registered on the public securities market. Regardless, the issuers as well as the recipients of the investment may be public or private, national or foreign.

The Company is subject to the supervision of the Financial Superintendence of Colombia (*SFC, acronym for the Spanish original*) and is listed on the Colombian Stock Exchange. Additionally, it is identified as a “*financial holding company*” in the SURA-Bancolombia financial conglomerate through resolution 156 of February 6, 2019 issued by the Financial Superintendence of Colombia.

NOTE 2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Note 2.1. Statement of compliance

The separate financial statements of the Company for the years ended December 31, 2024 and December 31, 2023, have been prepared according to the accounting and financial reporting standards accepted in Colombia, established in Colombia by Law 1314 of 2009, regulated by Decree 2420 of 2015 “Single Regulatory Decree of Accounting and Financial Reporting Standards and of Information Assurance” (*Decreto Único Reglamentario de las Normas de Contabilidad y de Información Financiera y de aseguramiento de la información. Spanish original*) and the other amending decrees. These accounting and financial reporting standards correspond to the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned decrees. The application of these international standards in Colombia is subject to some exceptions established by the regulatory bodies and contained in Decree 2420 of 2015 and the other amending decrees. The Company did not make use of any of the exceptions to IFRS that are set out in these decrees.

SEPARATE FINANCIAL STATEMENTS

Note 2.2. Basis of presentation

The separate financial statements of the Company include the statement of financial position and the statement of changes in equity as of December 31, 2024 and December 31, 2023, and the statement of income, the statement of comprehensive income and the statement of cash flows for the years ended December 31, 2024 and December 31, 2023.

These separate financial statements are prepared and contain all the financial information disclosures required in the annual financial statements presented under IAS 1.

The Company has prepared the separate financial statements under the assumption that it will continue to operate as a going concern.

The separate financial statements have been prepared on the historical cost basis except for the following items:

- Financial instruments measured at fair value through other comprehensive income (FVTOCI),
- Financial liabilities measured at amortized cost using the effective interest rate,
- Employee benefits, which are measured at the present value of the defined benefit obligation, and
- Investments in subsidiaries measured under the equity method.

The separate statement of financial position presents assets and liabilities on the basis of their liquidity, since it is considered that this provides reliable information that is more relevant than that provided by an approach based on the distinction between current and non-current items.

The separate income statement and other comprehensive income are presented separately. The items in the income statement are broken down according to the nature of expense method, so as to provide reliable and more relevant information.

The separate cash flow statement is presented using the indirect method, whereby cash flows from operating activities are determined by adjusting profit for the effects of items not affecting cash flow, net changes in assets and liabilities related to operating activities and any other effects of items not classified as investing or financing activities. Interest income and expense are presented as components of operating activities.

The separate financial statements are presented in millions of Colombian pesos, unless otherwise indicated. The functional currency of the Company is the Colombian peso, the currency of the primary economic environment in which it operates, and which also reflects the currency that influences the structure of its costs and revenues.

The Company is in a non-hyperinflationary economy, which is why these separate financial statements do not include adjustments for inflation.

Note 2.3. Significant accounting policies

These separate financial statements as of December 31, 2024, have been prepared using the same accounting policies, measurements and bases used for the preparation and presentation of the separate financial statements as of December 31, 2023, except for the standards, new interpretations and amendments applicable as of January 1, 2024.

SEPARATE FINANCIAL STATEMENTS

The adoption of the new standards in force from January 1, 2024, mentioned in Note 4.1, did not generate significant changes in these accounting policies compared to those used in the preparation of the separate financial statements as of December 31, 2023, and there were no significant impacts on their adoption.

The main policies used for the preparation of these separate financial statements are as follows:

Note 2.3.1. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position and in the statement of cash flows include cash on hand and at banks, highly liquid investments and money market transactions readily convertible into a specified amount of cash and subject to an insignificant risk of changes in value, with a maturity of three months or less from the date of acquisition.

In the statement of financial position, the accounts showing existing overdrafts at the level of the financial institution are classified as financial obligations. In the statement of cash flows, these overdrafts are presented as a component of cash and cash equivalents provided that they form an integral part of the cash management of the Company.

Note 2.3.2. Financial instruments

A financial instrument is any contract that gives rise simultaneously to a financial asset in one entity and a financial liability or equity instrument in another entity.

Financial assets

a) Definition

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contract that will or may be settled using equity instruments of the entity, or
- a contractual right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity on terms that are potentially favorable to the entity.

Accordingly, the Company has classified its financial assets as: cash and cash equivalents, investments, derivative instruments, accounts receivable and accounts receivable from related parties.

b) Classification of financial instruments included in investments

Financial assets are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company classifies its financial assets as investments in debt securities and subsequently measures them taking into account its business model for managing them and the characteristics of the contractual flows of the financial asset in the following groups:

- At fair value through profit or loss,
- At fair value with adjustment to OCI
- At amortized cost.

SEPARATE FINANCIAL STATEMENTS

According to its liquidity and risk level strategy, the Company has classified most of its investments in debt securities as financial assets at fair value through profit or loss, and a smaller portion as debt securities at amortized cost. How the Company manages the investment business model is detailed in Note 3, Significant accounting judgments, estimates and uncertainties in the preparation of the financial statements.

For financial assets in equity instruments, the Company irrevocably elects to present subsequent changes in the fair value of the investment that is not held for trading in other comprehensive income in equity. Therefore, equity investments where there is no control or significant influence are recorded at fair value with changes in other comprehensive income.

c) Initial measurement

Regular purchases and sales of financial assets are recognized on the date on which The Company and its subsidiaries commit to purchase or sell securities. Financial assets at fair value through profit or loss are initially recognized at fair value and transaction costs are recognized as an expense when incurred. Financial assets classified as at amortized cost are recorded at acquisition or grant at their transaction value in the case of investments, or at their nominal value which, unless there is evidence to the contrary, coincides with their fair value, plus transaction costs directly attributable to their acquisition or grant.

d) Subsequent recognition

After initial recognition, investments are measured as follows:

- Investments classified and measured at fair value through profit or loss: profits and losses resulting from changes in fair value are presented net in the income statement in the account for net profit or loss on investments at fair value;
- Investments in debt securities measured at fair value with changes in OCI: changes in their fair value are recorded in the equity account of OCI. The accumulated value in this account is transferred to the retained earnings account when the investments are realized.
- Investments in equity instruments that are not classified as held for trading: changes in their fair value are recorded in the equity account of OCI. The accumulated value in this account is transferred to the retained earnings account when the investments are realized.
- Investment debt securities classified as at amortized cost, subsequent to their initial recording, they are adjusted with a credit to income based on the effective interest rate method, deducting payments or credits received from the issuers.

e) Effective interest rate method

The effective interest rate is the rate that exactly equals the estimated future cash payments or collections over the expected life of the financial instrument; or, when appropriate, for a shorter period, with the net book value of the asset at the initial time. To calculate the effective interest rate, the Company estimates cash flows considering the contractual terms of the financial instrument, except for future credit losses, and considering in the initial balance, transaction costs and premiums granted, less commissions and discounts received that are an integral part of the effective rate.

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f) Impairment of financial instruments

At each reporting date, the Company measures and records through profit or loss the allowance for losses of a financial instrument at an amount equal to the expected credit loss over the life of the asset, if the credit risk of that financial instrument has increased significantly since its initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the allowance for losses for that financial instrument at an amount equal to the expected credit losses over the next 12 months.

g) Offsetting of financial instruments in the statement of financial position

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when legally there is a right to offset the recognized amounts and there is a management intention to settle them on a net basis or to realize the asset and settle the liability simultaneously.

h) Derecognition of Financial Assets

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to receive the cash flows from the financial asset are transferred.

Operations with derivative financial instruments and hedge accounting

A derivative is a financial instrument (a) whose value changes over time in reaction to changes in a variable known as the underlying (a specified interest rate, the price of a financial instrument, the price of a listed commodity, a foreign exchange rate, among others); (b) does not require a net initial investment or requires an investment lower than that which would be required for other types of contracts in relation to the underlying asset, and (c) is settled at a future date.

In the development of its operations, the Company and its subordinated entities trade in the financial markets with forward contracts, futures contracts, swaps and options that meet the definition of a derivative.

Derivative transactions are initially recorded at fair value. Subsequent changes in fair value are adjusted with a charge or credit to income, as appropriate, unless the derivative instrument is designated as a hedge and, if so, it will depend on the nature of the hedged item, in accordance with the following:

- a) Fair value hedges of recognized assets or liabilities or firm commitments, in which case changes in the fair value of the derivative are recorded in the statement of income, as well as any change in the fair value of the asset, liability or firm commitment attributable to the hedged risk.
- b) Cash flow hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction, in which case the effective portion of the changes in the fair value of the derivatives is recognized in "other comprehensive income" in equity.
- c) The profit or loss on the derivative related to the portion that is not effective to the hedge or that does not correspond to the hedged risk is recognized immediately in the statement of income. The amounts accumulated in the other comprehensive income account are transferred to profit or loss in the same period in which the hedged item is taken to profit or loss.

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- d) Hedges of a net investment in a foreign currency, which are recorded in a manner similar to cash flow hedges: the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income and the ineffective portion is recognized in profit or loss. The gain or loss on the hedging instrument accumulated in equity is recorded in the statement of income when the net investment in a foreign subsidiary is fully sold or proportionally when it is partially sold.

The Company documents at the beginning of the transaction the relationship between the hedging instrument and the hedged item as well as the risk objective and the strategy for undertaking the hedging relationship.

Financial liabilities

A financial liability is any contractual obligation to deliver cash or another financial asset to another entity or third party, or to exchange financial assets or financial liabilities under conditions that are potentially unfavorable to the Company, or a contract that will or may be settled using the equity instruments of the entity.

Financial liabilities are recognized in the statement of financial position when the Company becomes a party, according to the contractual conditions of an instrument.

Financial liabilities are initially recognized at their transaction value, which, unless otherwise determined, is similar to their fair value minus the transaction costs that are directly attributable to their issuance. Subsequently, these financial liabilities are measured at amortized cost or at fair value with changes in results.

Financial liabilities measured at fair value through profit or loss include derivative financial instruments and are classified in this category when they are held for trading or are designated at fair value through profit or loss from the inception.

Financial liabilities measured at amortized cost include loans received and bonds issued, both of which are initially measured at their transaction value and the amount of cash received, net of transaction costs, and are later measured at amortized cost using the effective interest rate method, recognizing interest expenses on the basis of effective profitability.

Financial liabilities are derecognized from the statement of financial position when the contractual obligations have expired.

Non-voting preferred shares liability

The Company, as the issuer of a non-derivative financial instrument, assesses the conditions of this instrument to determine whether it contains liability and equity components. These components are classified separately as financial liabilities or equity instruments, as appropriate.

Based on the above and with regard to the non-voting preferred shares issued, the liability component, which is recorded at amortized cost, was initially separated from the equity component, which is recorded in equity, as the difference between the value received for the shares issued and the value determined as a liability.

The direct costs incurred at the time of placing the preferred shares were allocated and recorded proportionally in the liabilities and in the equity component of the shares.

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Purchase and sale options with non-controlling interests

Exit options with non-controlling interests are classified as a derivative at fair value through profit and loss, with the exception of those in which it is considered that there are agreements that give rise to a present ownership interest in the underlying shares.

In the event that there is a present interest in the ownership of the underlying shares, the measurement effects are as follows:

- The shares subject to the call option are accounted for as acquired and a financial liability measured at the present value of the exercise price is recognized, and
- Subsequent changes in the liability are recognized in the income statement.

When it is determined that it is a derivative measured at fair value through profit or loss, and the option exercise price and the fair value of the underlying asset (shares subject to the contract) are at fair value, the net effect of the derivative is considered to be zero; that is:

- The value that would be paid for the option would be the same value received for the shares and
- In the separate financial statement there is no non-controlling interest

When the period for exercising the call or put option expires, the financial liability is derecognized, with a charge to the income statement if it has not been exercised. When the issued call or put option is exercised, the financial liability is derecognized with an adjustment to the cost of the shares subject to the option.

Interest income

Interest income is recognized using the effective interest rate method.

Note 2.3.3. Taxes

The Company is liable for taxes, fees, and contributions at the national and regional levels. These include, among others, income and supplementary taxes, as well as the industry and commerce tax.

Current income tax

Current income tax is calculated according to the adjustment made between the net taxable income and the accounting profit or loss. The tax rate and regulations used are those approved at the end of each financial year-end and in compliance with the Colombian tax regulations.

The Company constantly assesses the positions taken in tax returns regarding situations in which there may be certain interpretations in tax laws in order to adequately record the amounts expected to be paid.

Current income tax assets and liabilities for the period are measured at the amounts expected to be recovered from or paid to the taxation authority. Additionally, these are offset for presentation purposes if there is a legally enforceable right to do so with the same taxation authority and it is intended to settle them at net value or to realize the asset and settle the liability simultaneously.

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Deferred income tax

Deferred income tax arises from temporary differences between the accounting base and the tax base of assets and liabilities. Deferred tax is recognized using the liability method. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting period.

The deferred income tax liability is recognized for all taxable temporary differences.

The deferred income tax asset is recognized for all deductible temporary differences and for the future offsetting of unused tax credits and tax losses only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss. Additionally, in the case of deferred tax liabilities, they are not recognized when they arise from the initial recognition of goodwill.

Deferred tax liabilities, related to investments in subsidiaries, associates, and interests in joint ventures, are not recognized when the timing of the reversal of temporary differences can be controlled, and it is probable that these differences will not reverse in the near future.

Deferred taxes assets related to investments in subsidiaries, associates, and interests in joint ventures, are recognized only to the extent that it is probable that temporary differences will be reversed, in the near future and the availability of future taxable profits to offset deductible differences is likely.

The book value of deferred tax assets is reviewed at each reporting date it is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to offset, the deferred tax asset in whole or in part. Unrecognized deferred tax assets are reassessed, at each reporting date, and are recognized to the extent that it is probable that future taxable income will be available.

The effect of deferred tax is recognized in profit or loss for the period or in other comprehensive income depending on where the gains or losses that gave rise to it were recorded and is presented in the statement of financial position under non-current items.

Deferred assets and liabilities are offset if, and only if:

- There is a legal recognition of the right to compensate, before the tax authorities, the amounts recognized in those items. and
- If they are derived from income tax corresponding to the same tax authority, which is levied on:
 - The same entity or fiscal subject. or
 - different entities, or subjects, for tax purposes that expect either to settle the current fiscal assets and liabilities for their net amount, or to realize the assets and to pay the liabilities simultaneously, in each of the future periods in which it is expected to settle, or recover significant amounts of assets or liabilities, for deferred taxes.

Deferred taxes are not discounted.

Note 2.3.4. Investments in subsidiaries and associates

Investment in subsidiaries

A subsidiary is an entity controlled directly or indirectly by the Company. Control exists when the Company has the power to manage the relevant activities of the subsidiary, which are generally operating and financing activities, with the aim of obtaining benefits from its activities and is exposed to or has rights to the variable returns of the subsidiary.

As of the date of acquisition, the excess of the acquisition cost over the share in the net fair value of the identifiable assets, liabilities and contingent liabilities assumed from the subsidiary is recognized as goodwill but is included in the acquisition cost.

Investments in subsidiaries are recognized using the equity method, whereby the investment is initially recorded at cost and subsequently adjusted to recognize changes in the Company's share of net assets after the acquisition date. This share is recognized in profit or loss for the period or in other comprehensive income, as appropriate.

Dividends are recognized when the right to receive payment is established and are deducted from the carrying amount of the investment.

The financial statements of the subsidiary are prepared for the same period as that reported by the Company. Where necessary, adjustments are made to align the accounting policies of the Company.

Unrealized gains or losses on transactions between the Company and its subsidiaries are eliminated by applying the equity method in proportion to the interest of the Company in said entities.

Transactions involving a loss of control in the subsidiary are accounted for by recognizing any retained interest at its fair value and the gain or loss resulting from the transaction is recognized in profit or loss for the period, including the corresponding items of other comprehensive income.

In transactions that do not involve a loss of control in a subsidiary, the equity method continues to be applied, and the portion of the gain or loss recognized in OCI relative to the reduction in ownership interest is reclassified to profit or loss.

If the share of the Company in the losses of a subsidiary equals or exceeds its interest, the Company ceases to recognize its share in the additional losses. Once the share of the Company is reduced to zero, a provision will be recognized, only to the extent that the Company has incurred legal or implicit obligations.

Investments in associates

An associate is an entity over which the Company has significant influence but not control or joint control, through the power to participate in the financial and operating policy decisions of the investee.

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The Company is presumed to exercise significant influence in the following cases:

- It holds more than 20% or more of the voting power in the associate, unless it can be demonstrated that such influence does not exist through the management bodies;
- Even if it directly or indirectly holds less than 20% of the voting power in the associate, it can clearly demonstrate that significant influence exists through the management bodies, and
- When, through participation in the Board of Directors or equivalent body and in the course of the Board of Directors elections held by the General Meetings of Shareholders of the associates, political rights are exercised in proportion to their shareholding.

Investments are recognized at the cost of the transaction at the initial moment and dividends received in cash from the associate are recognized in income for the year.

Transactions involving a loss of significant influence in the associate are accounted for by recognizing any retained interest at fair value and the gain or loss resulting from the transaction is recognized in profit or loss for the period, including the corresponding items of OCI.

Impairment of investments in subsidiaries and associates

The Company analyzes periodically and on the date of presentation of its financial statements whether it is necessary to recognize an impairment loss on investments in subsidiaries and associates and on each date of presentation of financial statements it determines whether there is objective evidence that the investments have been impaired. If such evidence exists, the Company calculates the amount of the impairment as the difference between the recoverable amount (the greater of value in use and fair value less costs to sell) of the subsidiary and associate and its carrying amount, and then recognizes the loss in the income statement.

The identification of impairment is a key step in the evaluation process, as it determines whether or not an impairment test is necessary. For the subsidiaries and associates of the Company, the following facts and circumstances are considered to establish whether there is evidence of impairment.

- Loss in the operation or negative cash flows in the current period, compared to that budgeted.
- Increases during the year in interest rates associated with investments and debt.
- Significant technological changes, defined as the risk associated with losses arising from technology or the use of technology.
- Significant changes in the legal environment, defined as losses due to sanctions or lawsuits due to non-compliance with regulations or contractual obligations.
- Significant changes in the regulatory environment in which the investment operates.
- Changes in the competitive environment of the investment, new competitors or aggressiveness of current ones, revenue shortfall, among others.
- Significant changes in the way or the extent to which the investment is used or expected to be used.
- Issuance of new debt for investment.

Note 2.3.5. Non-current assets held for sale and discontinued operations

Non-current assets

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use; these assets or disposal groups are presented separately as non-current assets and liabilities in the statement of financial position at the lower of their carrying amount or fair value less transaction costs and are not depreciated or amortized from the date of classification.

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If the asset or group of assets is available for immediate sale in its current condition, and the sale is highly probable and expected to take place within one year of the date of classification, it meets the criteria for classification as held for sale.

For a sale to be highly probable, the management of the Company must be committed to a plan to sell the asset or group of assets and must also consider the following:

- There is a commitment from the Company and a plan to proceed with the sale;
- The search for a buyer is already in progress and the necessary actions to carry out the sales plan have been initiated;
- A reasonable sales price has been set based on the market value of the asset, and
- It is expected that the sale will be completed within one year of the date of classification and the actions taken to execute the sale plan make it unlikely that significant changes to the plan will be made or that the plan will not be completed.

Discontinued operations

The Company shall identify a discontinued operation as a component or a transaction considered material that has been sold or otherwise disposed of or has been classified as held for sale and that, in addition:

- Represents a line of business or geographic area that is significant and can be considered separate from the rest,
- It is part of a single coordinated plan to divest or otherwise dispose of a line of business or geographic area of operation that is significant and can be considered separate from the rest or,
- It is a subsidiary acquired exclusively for the purpose of resale

In the income statement for the current period and the comparative prior period, the revenues, costs, and expenses of a discontinued operation are presented separately from those of continuing operations, in a single line item as post-tax results of discontinued operations. Additionally, in the cash flow statement for the same periods, cash flows are presented as cash flows from discontinued operations, separated from other cash flows.

Note 2.3.6. Properties and equipment

The Company defines property and equipment as those tangible assets that will be used in more than one accounting period and whose cost is expected to be recovered through use rather than sale.

Property and equipment are initially measured at cost; subsequently they are measured at cost less accumulated depreciation and less any accumulated impairment losses.

The cost of property and equipment includes the initial acquisition cost, import duties, non-recoverable indirect taxes and directly attributable costs to bring the asset to the location and condition of use intended by the management of the Company, net of trade discounts and rebates.

Maintenance and repair costs that do not generate future economic benefits are recorded as expenses.

All items of property and equipment are depreciated on a straight-line basis over their estimated useful lives.

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Depreciation begins when the assets are in the location and condition necessary for them to be capable of operating and ceases when they are no longer used according to their estimated useful lives or at the time the asset is classified as held for sale or as investment property measured at fair value.

Property and equipment groups and useful lives are as follows:

- Furniture, fixtures, and equipment, between 6 and 10 years and
- Vehicles, between 4 and 10 years.

The useful lives and depreciation methods are reviewed at least at the end of each annual period and the changes, if any, are applied prospectively.

An item of property and equipment is derecognized upon its sale or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an asset is calculated as the difference between the net sale proceeds, if any, and the carrying amount of the asset, and is recognized in profit or loss for the period.

Note 2.3.7. Leases

The Company assesses at contract initiation whether a contract is, or contains, a lease. That is, whether the contract grants the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets that represent the right to use the underlying assets.

Initial recognition

The Company recognizes right-of-use assets on the lease commencement date, which is the date when the underlying asset is available for use.

Right-of-use assets are measured at cost, less any depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and payments made on or before the commencement date less lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. Furthermore, they are subject to review for impairment losses.

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments, less any lease incentives receivable, if applicable. They also include the exercise price of a purchase option that the Company is reasonably certain to exercise and penalties for terminating the lease if the lease term reflects that the Company will exercise said option.

In calculating the present value of lease payments, the interest rate implicit in the lease is used when it is readily determinable; if it is not readily determinable, the incremental borrowing rate at the inception of the lease is used.

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Subsequent measurement

After the commencement date, the carrying amount of lease liabilities is increased to reflect the accrual of interest and reduced by lease payments made. Additionally, the carrying amount of lease liabilities is remeasured when there is a modification, a change in the lease term, a change in lease payments, or a change in the assessment of an option to purchase the underlying asset.

Note 2.3.8. Employee benefits

Employee benefits comprise all payments made by the Company in exchange for services received.

Short-term benefits

These are benefits expected to be paid within twelve months and after the closing date of the financial statements in which the employees render the services. Liabilities for short-term benefits are recognized in profit or loss to the extent that the employees render the services and are measured based on the best estimate of the disbursement that would be required to settle the obligation at the reporting date.

Including:

- Social security contributions and benefits mandated by legal requirements;
- Short-term performance incentives for employee profit sharing determined based on the fulfillment of corporate objectives previously set and communicated in a timely manner;
- Other short-term benefits, such as vacation bonus, extra-legal service bonus and Christmas bonus.

Post-employment benefits

These are all benefits granted to employees after retirement or termination of employment, other than severance payments. The Company has specific assets to support post-employment benefit plans.

Includes benefits for lump-sum retirement payments and lump-sum retirement payments.

One-time retirement payments apply to employees who retire for old age under any pension plan and who have had a labor relationship of 20 years of continuous or discontinuous service with the Company.

The liability for post-employment benefit plans is determined with the assistance of independent third parties based on the present value of estimated future payments, calculated based on actuarial studies prepared by the projected unit credit method, using actuarial assumptions as of the date of the reporting period, such as expectations of salary increases, life expectancy and interest rates determined based on current market yields of end-of-period bonds issued by the national government or high quality corporate bonds.

Under the projected unit credit method, the post-employment benefits to be paid to employees are allocated to each accounting period in which the employee provides service. Accordingly, the corresponding expense for these benefits recorded in the financial statements includes the present service cost allocated in the actuarial calculation plus the financial cost of the calculated liability.

Changes in the liability for changes in actuarial assumptions are recorded in other comprehensive income. Interest expense is recognized in the results of the period as financial costs, as well as any settlement or curtailment of the plan.

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Defined contribution plans

These are post-employment benefit plans in which there is an obligation to make contributions of a predetermined nature to a separate entity (pension funds or insurance companies) and there is no legal or constructive obligation to make additional contributions. These contributions are recognized as expenses in the statement of income as the obligation to make the respective contribution is incurred.

Long-term benefits

These are all benefits additional to and different from short-term benefits, expected to be paid more than 12 months after the reporting date in which employees render their services and before their retirement or termination. These benefits include seniority bonuses. The Company does not have specific assets allocated to support long-term benefits.

Liabilities for long-term employee benefits are determined in the same way as post-employment benefits. Current service cost, past service cost, interest cost, actuarial gains and losses, as well as any plan settlements or curtailments, are recognized immediately in profit or loss.

Termination benefits

Termination benefits are early retirement payments or severance payments and therefore are recognized only when the employment contract is terminated before the normal retirement date, or when the employee accepts an offer of benefits in exchange for the termination of the employment contract or when it is part of the costs of a restructuring process.

Note 2.3.9. Provisions and contingencies

The Company recognizes as provisions liabilities that arise as a result of a past event and for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed periodically and are quantified taking into consideration the best information available at the date of the statement of financial position. Provisions are recognized at the present value of the best estimate of the expenditure required to settle the obligation, considering the risks and uncertainties in making the estimate.

Provisions for onerous contracts are recognized as a provision when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

A restructuring provision is recognized when there is a constructive obligation to restructure, that is, when a detailed, formal plan has been developed and there is a valid expectation among those affected that the restructuring will be carried out by announcing its main features before the end of the reporting period.

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Contingent liabilities are (a) obligations that arise from past events and whose existence is subject to the occurrence or non-occurrence of future events not wholly within the control of the Company, or (b) present obligations that arise from past events for which the amount of the obligation cannot be reliably estimated or it is not probable that an outflow of resources will be required to settle the obligation. Contingent liabilities are not recorded in the financial statements but are disclosed in notes to the financial statements.

Contingent assets are assets of a possible nature, arising from past events, whose existence will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. Contingent assets are not recognized in the statement of financial position until the realization of their realization is virtually certain but are disclosed in notes to the financial statements.

Note 2.3.10. Income

Revenue is measured at the fair value of the consideration received or receivable, net of rebates, commercial discounts, financial discounts, and volume discounts, and excludes sales taxes.

Dividend income

The Company recognizes dividend income from its non-subsiary investments when:

- The right to receive the dividend payment is established,
- It is probable that the economic benefits associated with the dividend will be received, and
- The value of the dividend can be measured reliably.

Income from equity method

Correspond to income resulting from the valuation of investments in subsidiaries, as detailed in the investments in subsidiaries policy in Note 2.3.4.

Note 2.3.11. Earnings per share

Common earnings per share are calculated by dividing the net income for the period attributable to the Company by the weighted average number of outstanding shares during the period, excluding, if applicable, common shares acquired and held by the Company as treasury shares.

Diluted earnings per share is calculated by adjusting the average number of shares outstanding to simulate the effects of all dilutive potential common shares, if any.

Put option contracts and commitments with non-controlling stockholders that may be settled with Company shares (Note 6.2.4.) could represent dilutive effects.

Note 2.3.12. Expenses

Expenses are recognized in profit or loss when (a) a decrease in economic benefits related to a decrease in assets or an increase in liabilities has occurred and its value is reliably measurable and (b) a disbursement does not generate future economic benefits or when it does not qualify for recognition as an asset.

NOTE 3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND CAUSES OF UNCERTAINTY IN THE PREPARATION OF THE FINANCIAL STATEMENTS

The preparation of financial statements requires making judgments, estimates and assumptions that impact the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the year; however, uncertainty about these assumptions and estimates could result in outcomes that would require material adjustments to the carrying amount of the affected asset or liability in future periods. The relevant estimates and assumptions are reviewed regularly and their results are recognized in the period in which the estimate is revised and in the future periods affected.

The determination of said estimates and assumptions involves internal control procedures and approvals, for which internal and external studies, industry statistics, environmental factors and trends, and regulatory and normative requirements, among others, are considered.

Estimates have been made based on the best information available on the events analyzed at the date of preparation of the financial statements, which may result in future modifications due to possible situations that may occur and that would require recognition prospectively, which would be treated as a change in an accounting estimate in future financial statements.

In the process of applying accounting policies the Company has made the following estimates, which have a significant impact on the amounts recognized in the separate financial statements:

Estimates:

- The assumptions used to calculate the fair value of financial instruments, (Note 21.);
- The valuation of expected losses on financial assets, (Note 6.1.);
- The evaluation of future profits for the recognition of deferred tax assets, (Note 8.2.);
- The estimate of useful life and residual value of property and equipment;
- The estimate in the measurement of the lease liability;
- The estimate of the probability of occurrence and the value to be recognized as provisions related to litigation and the evaluation of the existence of contingent liabilities;
- The assumptions used in the calculation of post-employment benefits and long-term employee benefits, such as inflation rates, mortality, discount rate and the consideration of future salary increases (Note 11.), and
- The assumptions used by independent third parties to determine the fair value of the equity instruments with which the direct exchanges of shares of the framework agreement were carried out (Note 10. and Note 13.3.3.).

Note 3.1. Fair value of financial instruments

The fair value of financial instruments where there is no active market or where quoted prices are not available are determined using valuation techniques. In these cases, fair values are estimated based on observable inputs for similar financial instruments or using models. Where observable market inputs are not available, they are estimated based on appropriate assumptions.

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When valuation techniques (e.g., financial models) are used to determine fair values, they are validated and reviewed periodically by qualified personnel independent of those who obtained them. All models are certified prior to use and the models are calibrated to ensure that the results reflect actual data and comparative market prices. To the extent possible, the models use only observable data; however, areas such as credit risk (both own and counterparty credit risk), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 21 for fair value.

Business model of the Company

The structural portfolio has alternative investments which, due to their nature, do not meet the requirements to be classified at amortized cost, therefore, they must be classified at fair value through profit or loss. These include, but are not limited to, fixed-income securities with prepayment options, private equity funds, and structured products, among others. This type of investment may be acquired, with the objective of matching liabilities and maintaining them for a prolonged period, so that they may be part of the structural portfolio of the Company.

At initial recognition, the Company can irrevocably designate an equity instrument of other companies, that is not held for trading, such as at fair value through Other Comprehensive Income (OCI), this means that in its subsequent measurements, the changes in the fair value will not impact the income statement, but the equity of the Company.

Calculation of credit risk in derivatives

IFRS 13 introduced the requirement to incorporate credit default risk in fair value calculations: Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

Options present only one risk, and Cross Currency Swaps (CCS) present both risks, since the former can only be settled in favor or against depending on whether the right or the obligation is held, while CCS can be settled in both directions depending on market movements.

The Company has defined the following assumptions for the calculation of this credit risk, taking into account that IFRS 13 does not establish a single methodology:

- The calculation of CVA and DVA is performed per transaction and corresponds to an additional component within the valuation of transactions.
- To calculate the counterparty, risk the Expected Loss methodology is used, which has 3 components, Potential Future Exposure (PFE), Probability of Default (PD), Recovery Rate (RR).
 - Potential Future Exposure, which is defined as the maximum credit exposure expected during a specific period of time calculated with some level of confidence, by calculating the CVA (positive) as the DVA (negative).
 - Probability of Default is defined as the measure of credit rating given to a contract for the purpose of estimating its probability of default.
 - Recovery Rate, the percentage of the exposure at risk that is not expected to be recovered in the event of default.

Determining efficacy in derivatives

The hedging relationship will be considered effective as long as the hedging instrument minimizes the risk of the hedged item; that is, its effectiveness will be accepted as long as the hedging relationship has a lower exposure to the exchange rate than the item being hedged and regardless of the designated hedging instrument.

The Company has defined the following judgments to qualitatively assess hedge effectiveness, taking into account IFRS 9:

- Economic relationship: The value of the defined hedged item (USD foreign currency denominated debt issue) and the value of the designated hedging instrument (spot item) in this hedging relationship will change systematically and oppositely in response to movements in the USD/COP exchange rate, which is the hedged risk.
- Non-dominance of credit risk: The Company will monitor on a quarterly basis that there are no significant decreases in the credit rating of its counterparty, in order to maintain the high probability of future compliance with the flows of the derivative designated as a hedge.
- Proportional hedging relationship: Provided that, during the life of the hedging relationship, the USD/COP exchange rate is below USD/COP 6,000 (highly probable scenario); the hedging ratio between the hedged item and the hedging instrument will be one to one, fully effectively offsetting the exchange rate risk generated by the principal of the foreign currency (USD) denominated debt issue for the company).
In a different scenario, when the exchange rate of the Colombian peso to the U.S. dollar during the life of the hedging relationship is above \$6,000 Colombian pesos (low probability scenario), the hedge ratio between the hedged item and the instrument designated as a hedge will be, in a very extreme scenario, 0.78 to 1, partially offsetting the exchange rate risk generated by the principal of the debt issue denominated in foreign currency (U.S. dollars).

Note 3.2. Expected losses on financial assets

For the calculation of expected losses on financial assets, the future cash flows of the respective financial asset are estimated. See Note 2.3.2. of financial instruments, in the impairment section.

Note 3.3. Recognition of deferred tax asset

The deferred tax asset generated by deductible temporary differences is recognized to the extent that it is probable that future taxable profits will be available to offset those deductible temporary differences. Significant judgment by management is required to determine the amount of deferred tax asset to recognize, based on the probable expectation of generating future taxable profits and the tax planning strategies of the Company.

Note 3.4. The useful life and residual values of property and equipment,

The Company reviews the useful lives and residual values of property and equipment at least at the end of each accounting period. The effects of changes in useful lives are recognized prospectively over the remaining life of the asset.

Note 3.5. Measurement of lease liabilities

When determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. The assessment is reviewed if a significant event or change in circumstances occurs that affects this assessment.

Note 3.6. Provisions and contingent liabilities

The Company evaluates the existence of provisions and contingent liabilities related to legal and regulatory proceedings, arbitration glosses, taxes and other claims arising from the performance of its activities.

These provisions and contingent liabilities are evaluated taking into account the probability or possibility of occurrence and best estimates.

Based on these aspects and the probability of occurrence (probable, possible or remote), the necessary provisions are recorded whenever the available information indicates that their occurrence is probable. The opinions of internal and external experts are taken into account to make an adequate evaluation of the probability and estimate of the amounts to be recorded.

When the available information indicates that its occurrence is possible, the contingent liability is disclosed.

During the existence of a provision or contingency, the Company may obtain additional information that may affect the assessments related to the probability of occurrence or the estimated amounts; this additional information may lead to changes in the provisions or contingencies.

The Company considers the estimates used to determine the provisions as critical estimates, since the probability of occurrence and the necessary future disbursements are based on the criteria of management and its internal and external experts, which may not necessarily coincide with future results.

Note 3.8. Post-employment and long-term benefits

The measurement of post-employment and long-term benefit obligations involves a variety of assumptions and the making of assumptions that include the determination of key actuarial assumptions that allow the calculation of the value of the liability. Key assumptions include inflation rates, mortality rates, discount rates and consideration of future salary increases.

The projected unit credit method is used to determine the present value of the defined benefit obligation and the associated cost. Future measurements of the obligations may vary significantly from those presented in the financial statements, among others, due to changes in economic and demographic assumptions and significant events. See Note 11. employee benefits.

NOTE 4. NEW AND AMENDED STANDARDS AND INTERPRETATIONS**Note 4.1. New and amended standards and interpretations issued**

The Company applied new interpretations and amendments to IFRS issued by the International Accounting Standards Board (IASB) and regulated in Colombia, which are effective for periods beginning on or after January 1, 2024. The new standards adopted are as follows:

Standard	Description	Applicable period / Impact
Amendment to IAS 1 - Non-Current Liabilities with Agreed Conditions	<p>This Amendment, which amends IAS 1 - Presentation of Financial Statements, is intended to improve the information that entities provide about long-term debt with covenants by enabling investors to understand the risk of early repayment of debt.</p> <p>IAS 1 requires an entity to classify debt as non-current only if the enterprise can avoid settling the debt within 12 months of the reporting date. However, the ability of an entity to do so is often subject to compliance with covenants. For example, an entity might have long-term debt that could be repayable within 12 months if the entity does not comply with the covenants within that 12-month period.</p> <p>The amendment requires an entity to disclose information about these covenants in the notes to the financial statements.</p>	These changes had no impact on the financial statements. Prior to the issuance of this Amendment, the Company reviewed non-financial covenants to disclose compliance.
Amendment to IFRS 16 - Sale and Leaseback Transactions	This Amendment, which amends IFRS 16 - Leases, provides guidance on the subsequent measurement to be applied by an entity when it sells an asset and subsequently leases the same asset to the new owner.	These changes had no impact on the financial statements.
Amendment to IAS 7 and IFRS 7 - Supplier Financing Arrangements	This Amendment, which amends IAS 7 - Statement of Cash Flows and IFRS 7 - Financial Instruments: Disclosures, is intended to improve disclosures about its vendor financing arrangements by enabling users of financial statements to evaluate the effects of those arrangements on the entity's liabilities and cash flows and on the exposure of the entity to liquidity risk.	These changes had no impact on the financial statements. Prior to the issuance of this Amendment, the Company already disclosed these liabilities.

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Standard	Description	Applicable period / Impact
	<p>The Amendment requires disclosing the amount of liabilities included in such arrangements. It also requires a breakdown of amounts for which suppliers have already received payments from funding providers. Additionally, it should indicate where these liabilities appear on the balance sheet, along with the terms and conditions, ranges of payment due dates, and relevant liquidity risk information.</p> <p>Supplier financing arrangements are characterized by one or more financing providers offering to pay amounts that an entity owes to its supplier, according to the terms and conditions agreed upon between the entity and the financing provider.</p>	
<p>IFRS S1 - General requirements for disclosures of sustainability-related financial information</p>	<p>The objective of IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information is to require an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity cash flows, access to financing, or cost of capital in the short, medium, or long term.</p> <p>These risks and opportunities are collectively referred to as “sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of the entity”. The information is expected to be useful to primary users of general-purpose financial reports in making decisions regarding the provision of resources to the entity.</p>	<p>The Company is in the process of implementing the necessary disclosures in the financial statements.</p>
<p>IFRS S2 - Climate-related Disclosures</p>	<p>The objective of IFRS S2 - Climate-related disclosures is to require an entity to disclose information about all climate-related risks and opportunities that could reasonably be expected to affect the cash flows of the entity, its access to finance or the cost of capital in the short, medium or long term (collectively referred to as "climate information"). The information is expected to be useful to primary users of general-purpose financial reports in making decisions related to the provision of resources to the entity.</p>	<p>The Company is in the process of implementing the necessary disclosures in the financial statements.</p>

Note 4.2. New and amended standards and interpretations issued and not yet effective

The Company has not early adopted the following new and amended Standards, which have already been issued by the International Accounting Standards Board (IASB) but are not yet effective in Colombia as of the date of issuance of the financial statements:

Standard	Description	Applicable period / Impact
Amendment to IAS 21 - Lack of Exchangeability	<p>This amendment to IAS 21 – The Effects of Changes in Foreign Exchange Rates aims to establish accounting requirements for situations where one currency is not exchangeable for another. Specifically, it specifies the exchange rate to be used and the information that must be disclosed in the financial statements.</p> <p>The amendment will enable entities to provide more useful information in their financial statements and assist investors by addressing an issue previously not covered in the accounting requirements for the effects of exchange rate variations.</p>	January 1, 2025, with early adoption permitted. No significant impacts are expected from the application of this amendment.
IFRS 18 – Presentation and Disclosure in Financial Statements	<p>This standard replaces IAS 1 – Presentation of Financial Statements, carrying forward many of its requirements without significant changes.</p> <p>It aims to help investors analyze the financial performance of entities by providing more transparent and comparable information to make better investment decisions.</p> <p>It introduces three sets of new requirements:</p> <ul style="list-style-type: none"> - Improved comparability of the income statement, as there is currently no specific structure for it. Entities choose the subtotals they want to include, declaring an operating result, but the way it is calculated varies from one entity to another, reducing comparability. The standard introduces three defined categories of income and expenses (operating, investing, and financing) to enhance the income statement’s structure and requires all entities to present newly defined subtotals. 	January 1, 2027, with early adoption permitted. The Company is evaluating the impacts of the application of this IFRS.

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Standard	Description	Applicable period / Impact
	<ul style="list-style-type: none"> - Greater transparency of management-defined performance measures: Most entities do not provide enough information for investors to understand how performance measures are calculated and how they relate to the subtotals in the income statement. The standard requires entities to disclose explanations about specific measurements related to the income statement, referred to as management-defined performance measures. - A more useful grouping of information in the financial statements: analysis of results by investors is hampered if the information disclosed is too summarized or detailed. The standard provides more detailed guidance on how to organize the information and its inclusion in the main financial statements or in the notes. 	
<p>IFRS 19 - Subsidiaries without public accountability: Disclosures</p>	<p>Simplifies reporting systems and processes for entities, reducing the costs of preparing financial statements of subsidiaries, while maintaining the usefulness of those financial statements for their users.</p> <p>Subsidiaries that apply IFRS for SMEs or national accounting standards in preparing their financial statements frequently have two sets of accounting records because the requirements of these standards differ from those of IFRS Accounting Standards.</p> <p>This standard will address these challenges in the following manner:</p> <ul style="list-style-type: none"> - Allowing subsidiaries to have a single set of accounting records to meet the needs of both their parent company and the users of their financial statements; and - Reducing disclosure requirements and tailoring them to the needs of the users of their financial statements. 	<p>January 1, 2027. The Company is evaluating the impacts of the application of this IFRS.</p>

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Standard	Description	Applicable period / Impact
	<p>A subsidiary applies IFRS 19 if, and only if:</p> <ul style="list-style-type: none"> - It does not hold public accountability (generally, it is not publicly traded and is not a financial institution); and - The intermediate or ultimate parent of the subsidiaries produces consolidated financial statements that are available for public use and comply with IFRS Accounting Standards. 	
<p>Amendment to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments</p>	<p>This Amendment clarifies the classification of financial assets with environmental, social, corporate governance and similar characteristics. According to the characteristics of contractual cash flows there is confusion whether these assets are measured at amortized cost or at fair value.</p> <p>With these amendments, additional disclosure requirements have been introduced to improve transparency for investors regarding investments in equity instruments designated at fair value through other financial instruments and comprehensive income with contingent characteristics; for example, aspects related to environmental, social and corporate governance issues.</p> <p>Additionally, these amendments clarify the derecognition requirements for the settlement of financial assets or liabilities through electronic payment systems. The amendments clarify the date on which a financial asset or liability is derecognized.</p>	<p>January 1, 2026. The application of these amendments is not expected to have a significant impact.</p>
<p>Annual improvements to IFRS accounting standards</p>	<p>This document introduces several minor amendments to IFRS 1 First-time Adoption, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows. These amendments include clarifications, updates on cross-referencing within standards and outdated references, changes to illustrative examples, and adjustments to the wording of certain paragraphs to enhance the understandability of these standards and avoid ambiguities in their interpretation.</p>	<p>The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. No significant impacts are expected from the application of these Improvements.</p>

Note 4.3. New and amended standards and interpretations issued but not yet applied

New standards and interpretations that have been published and issued as of January 1, 2024 but have not been applied by the Company at the date of the financial statements are presented below. The Company will adopt these standards on the date they become effective, according to the decrees issued by the local Colombian authorities.

Standard	Description	Applicable period / Impact
IFRS 17 – Insurance Contracts, issued in May 2017	<p>New comprehensive standard for insurance contracts covering measurement, recognition, presentation, and disclosure.</p> <p>IFRS 17 replaced IFRS 4 and applies to all types of insurance contracts, regardless of the type of entities issuing them, as well as certain guarantees and financial instruments with discretionary participation features.</p> <p>The overall objective of the standard is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. Unlike the requirements of IFRS 4, which primarily aimed to preserve previous local accounting policies, IFRS 17 offers a comprehensive model for these contracts, covering all relevant aspects.</p> <p>The essence of this standard is a general model supplemented by a specific adaptation for contracts with direct participation features (the variable fee approach) and a simplified approach (the premium allocation approach), mainly for short-duration contracts.</p>	<p>It was included in the Colombian accounting framework through Decree 1271 of October 15, 2024, which will be effective as of January 1, 2027. The Company is evaluating the impacts of the application of this IFRS.</p>
Amendment to IAS 12: International Tax Reform – Pillar Two Model Rules.	<p>The amendments to IAS 12 have been introduced in response to the OECD’s Pillar Two rules on preventing base erosion and profit shifting and include:</p> <ul style="list-style-type: none"> ▪ A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from jurisdictional implementation of the second pillar model rules; and 	

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Standard	Description	Applicable period / Impact
	<ul style="list-style-type: none">Disclosure requirements for affected entities to assist users of financial statements to better understand the exposure of an entity to second pillar income taxes arising from such legislation, in particular before its effective date.	

NOTE 5. RELEVANT FACTS

The events and situations that in the opinion of the Management of the Company are relevant are presented below.

Completion of the framework agreement

On April 25, 2024 the second part of the direct exchange of shares was carried out, which finalized the execution of the framework agreement signed on June 15, 2023 and its subsequent amendments. As a result of this second part of the exchange, and as provided in the agreements, the Company and Grupo Argos S.A. ceased to be shareholders of Grupo Nutresa S.A., and JGDB Holding S.A.S., Nugil S.A.S. and IHC Capital Holding LLC ceased to be shareholders of the Company.

More details are disclosed in Note 10.

Liquidation of Sociedad Portafolio S.A. (in liquidation)

On May 9, 2024 the General Meeting of Shareholders of Sociedad Portafolio S.A. (in liquidation) approved an amendment to Article 3 of its Bylaws regarding the terms of duration of the company, adjusting the expiration date from August 12, 2050 to June 5, 2024.

In June 2024, management initiated the liquidation plan, as established in article 92 of the bylaws.

On September 24, 2024, the General Meeting of Shareholders of Sociedad Portafolio S.A. (in liquidation) approved the final liquidation account and the distribution of shares of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. to its shareholders in proportion to their ownership.

Further details are disclosed in Note 9.1.

Signing of the Memorandum of Understanding and Spin-Off Agreement

On October 25, 2024 the Company entered into a Memorandum of Understanding with Grupo Argos S.A. with the objective of exclusively negotiating and proposing to their respective boards of directors a transaction structure that would result in two independent companies, so that, to the extent possible, the Company and Grupo Argos S.A. would not be reciprocal investors, either directly or indirectly.

Accordingly, on December 18, 2024 the Company entered into a spin-off agreement with Grupo Argos S.A., to which Cementos Argos S.A. adhered on December 27, 2024, with the purpose of disposing of the crossed participations, through spin-offs by reciprocal absorption.

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Consequently, Cementos Argos S.A. will first spin off its investment in the Company in favor of the Company and, subsequently, the Company will issue common and preferred shares to the shareholders of Cementos Argos S.A. in proportion to the participation they have in the latter company at the time of the spin-off. Once this operation is completed, the Company and Grupo Argos S.A. will proceed with the reciprocal spin-offs.

All shareholders will maintain the rights they had before the transaction and will receive from the other company the same type of shares they currently hold: common shareholders will receive common shares and preferred shareholders will receive preferred shares. At the end of the transaction, the shareholders of each company will retain the economic value they initially held, divided into direct participations in the two companies.

The spin-off project that materializes this transaction is subject to the approval of the General Meetings of Shareholders of the Company, Grupo Argos S.A. and Cementos Argos S.A., as well as the respective Meetings of Bondholders. Subsequent to such approval, it will be submitted for approval by the Financial Superintendence of Colombia and other pertinent authorities.

Statement of Objections of the Financial Superintendence of Colombia

On November 5, 2024 the Company received a statement of objections from the Colombian Superintendency of Finance related to the accounting record and disclosure in the notes to the financial statements of the exit agreements with non-controlling interests as of September 30, 2022. The Company responded to the statement of objections on December 18, 2024 without any further action having been taken in the process.

Termination of the agreement with Grupo Bolívar S.A. and Compañía de Seguros Bolívar S.A.

On December 12, 2024, once all the conditions of the agreement were fulfilled, including obtaining the necessary regulatory authorizations, the shares of Sura Asset Management S.A. were effectively transferred to the Company, Inversiones y Construcciones Estratégicas S.A.S. and Fundación SURA, and the remaining two installments were paid in full to finalize the transaction.

More details are disclosed in Note 6.2.4.

NOTE 6. FINANCIAL INSTRUMENTS

Note 6.1. Financial Assets

Note 6.1.1. Cash and cash equivalents

Cash and cash equivalents correspond to:

	December 31, 2024	December 31, 2023
Cash and banks	25	8
National banks	105,529	196,164
Foreign Bank	12	628
Cash equivalents (1)	26,474	245,750
Total cash and cash equivalents (2)	132,040	442,550

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(1) Corresponds to simultaneous operations for \$21,685 (December 31, 2023 -\$) and to fiduciary assignments for \$4,789 (December 31, 2023 - \$245,750).

(2) The decrease is mainly due to cash used for dividend payments.

Balances with banks bear interest at variable rates based on daily bank deposit rates. Short-term placements are made for varying periods of between one day and three months, depending on the immediate cash needs of the Company. At December 31, 2024 the Company recorded returns on cash and cash equivalents of \$27,028 (December 31, 2023 - \$24,763), which were recorded as income, as detailed in Note 16.

As of December 31, 2024 and December 31, 2023, there are no restrictions on cash and cash equivalents that limit their use or availability.

Note 6.1.2. Investments

The breakdown of investments is as follows:

	December 31, 2024	December 31, 2023
At fair value through profit or loss	33,749	26,559
At fair value through OCI (1)	25,460	33,551
Total Non-current investments	59,209	60,110

(1) The decrease is due to the drop in the share price of Enka de Colombia S.A.

The detail of investments by type is as follows:

	December 31, 2024	December 31, 2023
Sura SAC Ltd (1)	33,749	26,559
At fair value through profit or loss	33,749	26,559
Enka de Colombia S.A.	25,460	33,551
At fair value through OCI	25,460	33,551

(1) Account established in July 2022 in Bermuda after entering into a participation agreement with the third party Sura SAC Ltd. According to the nature of the investment, the funds invested do not meet the condition of generating contractual cash flows with specific payment dates for principal and interest. This investment was made to enable a retention scheme by the Company for risks associated with potential third-party claims. In the event of a loss, any obligation will be covered by the existing resources in the investment.

As of December 31, 2024 and December 31, 2023, there are no restrictions on the investment item that limit its use or availability.

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The effect on the statement of income of the movements and valuations of investments measured at fair value through profit or loss is presented below.

	January 1 to December 31, 2024	January 1 to December 31, 2023
Effect of changes in fair value	2,907	(1,808)
Effect of changes in exchange rates (Note 16.)	4,283	(5,278)
Total	7,190	(7,086)

The effect on other comprehensive income, unrealized gain or (loss), of movements and valuations of investments measured at fair value through other comprehensive income is presented below (Note 15).

	January 1 to December 31, 2024	January 1 to December 31, 2023
Enka de Colombia S.A.	(8,091)	(16,381)

Note 6.1.3. Derivative financial instruments

The balance of derivative financial instruments is as follows:

	Note	December 31, 2024	December 31, 2023
Hedge Derivatives	6.2.2.1.	590,694	288,383
Trading Derivatives (1)	6.2.2.2.	120,490	13,708
Total derivatives (2)		711,184	302,091
Current		64,223	-
Non-current		646,961	302,091

(1) Includes \$52,145 (December 31, 2023 - \$-) with related parties (Note 7.3.).

(2) The variation in the asset position compared to the previous period is basically due to the effects in the valuation of the instruments, mainly due to the change in the market exchange rate.

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Note 6.2. Financial liabilities

The balance of financial liabilities, including accounts payable and accounts payable to related parties, is as follows:

	Note	December 31, 2024	December 31, 2023
Financial liabilities	6.2.1.	4,309,771	2,860,073
Bonds issued	6.2.3.	3,623,356	3,487,199
Preferred shares	12	459,821	459,834
Financial liabilities		8,392,948	6,807,106
Derivative financial instruments	6.2.2.	116,952	204,820
Accounts payable to related parties	7.3.	177,747	223,603
Accounts payable	6.2.5.	60,087	77,453
Other financial liabilities		354,786	505,876
Total financial liabilities		8,747,734	7,312,982

Financial liabilities classified as current and non-current and their valuation methodology are presented below:

	December 31, 2024			
	Note	Amortized cost	Fair value	Total
Current				
Financial liabilities	6.2.1.	450,819	-	450,819
Derivative financial instruments	6.2.2.	-	1,171	1,171
Accounts payable to related parties	7.3.	142,442	-	142,442
Accounts payable	6.2.5.	46,575	-	46,575
Total current		639,836	1,171	641,007
Non-current				
Financial liabilities	6.2.1.	3,858,952	-	3,858,952
Derivative financial instruments	6.2.2.	-	115,781	115,781
Accounts payable to related parties	7.3.	35,305	-	35,305
Accounts payable	6.2.5.	13,512	-	13,512
Bonds issued	6.2.3.	3,623,356	-	3,623,356
Preferred shares liability	12	459,821	-	459,821
Total non-current		7,990,946	115,781	8,106,727
Total financial liabilities		8,630,782	116,952	8,747,734

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	December 31, 2023			Total
	Note	Amortized cost	Fair value	
Current				
Financial liabilities	6.2.1.	1,430,394	-	1,430,394
Derivative financial instruments	6.2.2.	-	68,638	68,638
Accounts payable to related parties	7.3.	188,746	-	188,746
Accounts payable	6.2.5.	36,530	-	36,530
Bonds issued	6.2.3.	167,502	-	167,502
Total current		1,823,172	68,638	1,891,810
Non-current				
Financial liabilities	6.2.1.	1,429,679	-	1,429,679
Derivative financial instruments	6.2.2.	-	136,182	136,182
Accounts payable to related parties	7.3.	34,857	-	34,857
Accounts payable	6.2.5.	40,923	-	40,923
Bonds issued	6.2.3.	3,319,697	-	3,319,697
Preferred shares liability	12	459,834	-	459,834
Total non-current		5,284,990	136,182	5,421,172
Total financial liabilities		7,108,162	204,820	7,312,982

Note 6.2.1. Financial liabilities

The balance of financial liabilities is as follows:

	December 31, 2024	December 31, 2023
Banks (1)	3,001,336	1,878,070
Club Deal (2)	1,308,435	-
Commitments with co-investors (3)	-	982,003
Total	4,309,771	2,860,073
Current	450,819	1,430,394
Non-current	3,858,952	1,429,679

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(1) Corresponds to the following credits:

	December 31, 2024		
	\$	Interest rate	Year of maturity
Bancolombia S.A.	228,979	IBR+1.70%	2025
Banco Davivienda S.A. Miami	90,416	SOFR 6 months+1.8%	2025
Banco Davivienda S.A. Miami	88,778	SOFR 6 meses	2025
Banco Bilbao Vizcaya Argentaria S.A. (*)	42,646	13.6% EAR	2025
Banco de Bogotá S.A.	133,144	IBR 3 months + 2.70%	2027
Banco Bilbao Vizcaya Argentaria S.A.	102,484	13.95% EAR	2028
Banco Davivienda S.A. (*)	255,457	IBR 3 months +2.85%	2029
Banco Davivienda S.A. (*)	201,214	12.25% EAR	2029
Bancolombia S.A. (*)	402,399	IBR 3 months +2.55%	2030
Bancolombia S.A.	355,291	IBR+3.07%	2030
Bancolombia S.A. (*)	400,614	IBR+3.53%	2032
Bancolombia S.A.	448,393	IBR+2.95%	2033
Bancolombia S.A. (*)	251,521	IBR 3 months +2.71%	2033
Total	3,001,336		

	December 31, 2023		
	\$	Interest rate	Year of maturity
Bancolombia S.A.	202,808	IBR+0.40%	2024
Bancolombia S.A.	102,192	IBR+3.90%	2024
Bancolombia S.A.	98,682	IBR+2.20%	2024
Banco Bilbao Vizcaya Argentaria S.A.	44,709	15.9% EAR	2024
Bancolombia S.A.	231,501	IBR+1.70%	2025
Banco de Bogotá S.A.	130,270	IBR 1 month + 3.00%	2025
Banco Davivienda S.A. Miami	78,546	SOFR 6 months +1.8%	2025
Banco Davivienda S.A. Miami	77,111	SOFR 6 meses	2025
Banco Bilbao Vizcaya Argentaria S.A.	102,694	15% EAR	2028
Bancolombia S.A.	358,791	IBR+3.07%	2030
Bancolombia S.A.	450,766	IBR+2.95%	2033
Total	1,878,070		

The variation with respect to December 2023 corresponds mainly to the payment of loans maturing in 2024 and the acquisition of new loans referenced with (*) in the tables above.

The loans with Bancolombia S.A. are subject to standard acceleration events for treasury loans, including among others, changes of control.

Includes \$1,858,218 with related parties as of December 31, 2024 and \$1,444,739 as of December 31, 2023. Note 7.3.

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(2) In March 2024 the Company signed a “Club Deal” type credit agreement with Citibank National Association (administrative agent), Banco Bilbao Vizcaya Argentaria S.A., Itaú Corpbanca S.A., Banco Latinoamericano de Comercio Exterior, S.A. and Banco General S.A. for USD 500 million in order to comply with the obligations of the Takeover Bid for the shares of Grupo Nutresa S.A. On April 3, 2024, USD 300 million were disbursed. This credit has an availability commission stipulated for a period of 6 months and in September 2024 it was extended for an additional 6 months until March 2025. The term of the loan is 5 years and has an agreed SORF (3 months) + 2.65 rate. The Company has pledged 45,250,000 common shares of Bancolombia S.A. to guarantee the operation.

This credit agreement includes restrictions on granting guarantees, guidelines to be followed in case of corporate reorganizations, prepayment rules in the event of asset disposals, and the obligation to maintain a net debt/dividend leverage ratio, among others.

(3) Corresponded to obligation with Grupo Bolívar S.A. and Compañía de Seguros Bolívar S.A. for the acquisition of 254,428 shares of Sura Asset Management S.A. This obligation was cancelled in December 2024. (Note 6.2.4.).

Note 6.2.2. Derivative financial instruments

The balance of derivative financial instruments is as follows:

	Note	December 31, 2024	December 31, 2023
Hedge derivatives	6.2.2.1.	97,999	106,551
Trading derivatives (1)	6.2.2.2.	18,953	98,269
Total derivative financial instruments (2)		116,952	204,820
Current		1,171	68,638
Non-current		115,781	136,182

(1) Includes \$1,171 with related parties (December 31, 2023 - \$67,715). Note 7.3.

(2) The variation in the liability position compared to the previous period is basically due to the valuation of the instruments.

Note 6.2.2.1. Hedging derivative financial instruments

The Company accesses international markets to obtain effective sources of funds. As part of this process, it assumes exposure to foreign currencies, mainly the U.S. dollar (USD). In accordance with the financial risk policy, the Company uses hedge accounting to hedge the exchange rate risk due to variations in cash flows from foreign currency obligations.

The foreign currency risk component is managed and mitigated using instruments such as cross-currency swaps and options, which exchange foreign currency payments for principal payments in the Company's functional currency. These instruments are applied to match the maturity profile of the estimated payments of debt instruments.

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The foreign currency risk component is determined as the change in cash flows of foreign currency debt resulting solely from changes in the exchange rate for the related foreign currency swaps and options. Such changes constitute a significant portion of the overall changes in the cash flows of the instrument.

The effectiveness of these strategies is assessed by comparing changes in the fair value of the cross-currency swaps and options with changes in the fair value of the hedged debt attributable to the foreign currency risk of the hedged foreign currency obligations using the symmetry method of the critical elements of the hedging instruments and the hedged instruments.

The Company establishes the hedge ratio by crossing the notional value of the derivative with the principal amount of the point-in-time debt instrument being hedged. The possible sources of ineffectiveness are as follows:

- Differences in the timing of cash flows between debt instruments and hedging operations.
- Differences in the discount between the hedged item and the hedging instrument.
- The hedging of derivatives with a fair value different from zero at the initial date of designation as hedging instruments; and
- Counterparty credit risk, which impacts the fair value of uncollateralized hedging transactions, but does not affect the hedged items.
- The impact on the fair value of hedging instruments, caused by interest rate movements and volatilities of these instruments.

Since 2021 the Company implemented cash flow hedge accounting for bonds issued in 2026 (Note 6.2.2.3) with the following transactions:

- Twenty-two (22) principal-only cross currency swap;
- Four (4) call spread structures (call option bought + call option sold) and,
- Six (6) out-of-the-money call options sold that are part of the structure and are included in the CCS contracts.

Following the initial designation, modifications have been made to improve the range of coverage for the hedged portion, which has limited coverage over USD 255 million. This has implied:

- The modification of four (4) Sold Calls;
- The substitution of two (2) Call Purchased for two (2) CCS;
- The constitution of two (2) Seagull structures;
- Early termination of one (1) Call Spread structure;
- Five (5) call spread structures (call option bought + call option sold), the purpose of which is to widen the hedging range, and
- Modification of 3 main CCS and its ceiling.

As of December 31, 2024, and following the modifications implemented, the Company uses the following hedging instruments:

- Twenty-three (23) Principal-Only Cross Currency Swap (Principal-Only CCS).
- Two (2) call spread structures (call option bought + call option sold).
- Five (5) call spread structures (call option bought + call option sold), the purpose of which is to widen the hedging range.
- Two (2) Seagull structures (call option bought + call option sold + put option sold), whose purpose is to widen the hedging range of the two call spread structures.
- Seven (7) out-of-the-money call options sold that are part of the structure and are included in the CCS contracts.

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In this set of structures, the company acquires the right to receive USD \$530 million at maturity and semi-annual flows in USD at a fixed rate of 0% NASV; and in consideration it is obliged to pay an agreed amount and a specific fixed rate in COP in each of the derivatives that make up the structure.

According to the hedging strategies, the Company has decided to record the time value of the options and swaps in other comprehensive income and amortize it systematically to income over the term of the hedges.

The nominal value and fair value for each type of hedging derivative financial instrument are as follows:

	December 31, 2024		December 31, 2023	
	Nominal value (*)	Fair value	Nominal value (*)	Fair value
Assets				
Cross currency swap	1,464,913	375,948	942,059	129,623
Currency call option	1,456,210	214,746	1,456,210	158,760
Total assets	2,921,123	590,694	2,398,269	288,383
Liabilities				
Cross currency swap	-	-	522,854	7,500
Currency call option	2,733,685	97,712	2,733,685	92,249
Currency put option	329,650	287	329,650	6,802
Total liabilities	3,063,335	97,999	3,586,189	106,551

(*) The nominal value of CCS and forwards corresponds to the amount hedged in foreign currency multiplied by the hedging rate and in the case of options, the amount hedged/exposed by the exercise value of the option.

The effect on the income statement of the movements and valuations of derivative financial instruments for hedging, options and swaps (Note 19.1) is presented below:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Effect of changes in fair value	311,163	(494,284)

The effect on other comprehensive income, unrealized gain or (loss), of the movements and valuations of derivative financial instruments for hedging, options and swaps (Note 15.3.) is presented below:

	Note	Balance \$
Balance as of December 31, 2022	15.3.	(205,163)
Effect of changes in fair value		231,482
Amortization of temporary differences – Effect on Results	19.2.	(107,396)
Balance as of December 31, 2023	15.3.	(81,077)
Effect of changes in fair value		135,316
Amortization of temporary differences – Effect on Results	19.2.	(106,180)
Balance as of December 31, 2024	15.3.	(51,941)

As of December 31, 2024, the number of derivative financial instruments for hedging is 50 (December 31, 2023 - 50).

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Note 6.2.2.2. Trading derivative financial instruments

The Company has derivative financial instruments for trading purposes, especially cross currency swap and forward contracts. Although they are trading derivatives, the objective is to cover obligations in foreign currency, but they have not been designated as hedge accounting.

The nominal value and fair value for each type of trading derivative financial instrument are as follows:

	December 31, 2024		December 31, 2023	
	Nominal value (*)	Fair value	Nominal value (*)	Fair value
Assets				
Forward	802,154	59,671	-	-
Cross currency swap	2,047,610	60,819	1,562,983	13,708
Total assets	2,849,764	120,490	1,562,983	13,708
Liabilities				
Forward	91,063	1,171	1,291,199	76,640
Cross currency swap	769,262	17,782	848,262	21,629
Total liabilities	860,325	18,953	2,139,461	98,269

(*) The nominal value of CCS and forwards corresponds to the amount hedged in foreign currency multiplied by the hedging rate and in the case of options, the amount hedged/exposed by the exercise value of the option.

The effect of the movements of trading derivative financial instruments on the income statement is presented below (Note 19.):

	January 1 to December 31, 2024	January 1 to December 31, 2023
Income generated	2,638,362	105,780
Expenses incurred	(2,481,625)	(276,043)
Total	156,737	(170,263)

As of December 31, 2024, the number of derivative financial instruments held for trading is 23 (December 31, 2023 - 36).

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Note 6.2.3. Bonds issued

Details of the bonds issued are presented below:

Date of issue	Maturity date	Nominal value	Emission rate	December 31, 2024		December 31, 2023	
				Amortized cost	Fair value	Amortized cost	Fair value
November 25, 2009	November 25, 2029	98,000	CPI + 5.90%	97,625	98,195	98,559	103,698
November 25, 2009	November 25, 2049	97,500	CPI + 6.98%	95,735	93,688	96,852	113,445
May 7, 2014	May 7, 2030	100,000	CPI + 4.15%	100,737	108,334	101,029	99,288
April 29, 2016 (1)	April 29, 2026	USD 530	5.50%	2,352,569	2,340,574	2,035,515	2,014,082
February 23, 2017	February 23, 2029	190,936	CPI + 3.58%	190,448	177,231	192,279	185,500
February 23, 2017 (2)	February 23, 2024	165,515	CPI + 3.19%	-	-	167,502	168,100
August 11, 2020	August 11, 2027	296,350	CPI + 2.54%	299,475	278,797	303,066	282,653
August 11, 2020	August 11, 2032	180,320	CPI + 3.39%	182,712	158,557	184,890	173,201
August 11, 2020	August 11, 2040	299,580	CPI + 3.78%	304,055	257,468	307,507	287,375
Total				3,623,356	3,512,844	3,487,199	3,427,342
Current				-	-	167,502	168,100
Non-current				3,623,356	3,512,844	3,319,697	3,259,242

(1) On April 29, 2016, the Company incurred a liability for the issuance of foreign currency bonds amounting to USD 550 million, with a single principal maturity on April 29, 2026, and a fixed interest rate of 5.50%, payable semi-annually. Subsequently, in 2022, USD 20 million were repurchase.

The bond covenants include a buyback clause in the event of a change of control, limitations on the granting of guarantees and guidelines that must be observed in the event of corporate reorganizations, among others. All the bond conditions are publicly available for investors to consult on the company's website.

(2) Bond due February 23, 2024.

As of December 31, 2024, and December 31, 2023, the Company had not defaulted on the payment of principal or interest or otherwise breached any covenants regarding these obligations.

Note 6.2.4. Commitments with non-controlling shareholders

The Company, as the parent company of the subsidiaries Suramericana S.A. and Sura Asset Management S.A., has entered into shareholder agreements through which rules have been formalized for the management of the participation of strategic partners in some of the subsidiaries of the Company. These agreements have established long-term relationships based on the mutual interest of sharing knowledge and business strategies in each of these subsidiaries. They have also been developed with the support of expert advisors in financial, legal, accounting and tax matters, among others, in line with the strategic objectives defined by the Company.

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These agreements include corporate governance provisions, minimum shareholder tenure periods, declarations, exit mechanisms and, in general, the usual clauses for this type of contract in companies not listed on a stock market, and may eventually generate future commitments.

The general terms of these agreements are as follows:

Note 6.2.4.1. Agreement with Münchener Rückversicherungs - Gesellschaft Aktiengesellschaft, also known as Münchener Rück AG, or Munich Re (hereinafter "MRE") as shareholder of the subsidiary Suramericana S.A., holder of an 18.87% equity interest in such subsidiary.

The agreement signed in 2001 and amended in 2007 and 2010 establishes, among other matters, mechanisms by which an eventual divestment of MRE would be implemented. The contract establishes an option in which MRE can sell its 18.87% stake in Suramericana S.A. to the Company; the price of said stake would be determined by an independent third party using commonly accepted valuation methodologies and determining a fair market value for a minority investment. The option may only be exercised between March 1 and 31 of each year.

Note 6.2.4.2. Agreement with Caisse De Dépôt Et Placement Du Québec (hereinafter "CDPQ") as shareholder in the subsidiary Sura Asset Management S.A., holder of a 6.68% equity interest in said subsidiary.

Adopted in 2019, amended in 2022 and 2024, with the last amendment establishing that the Company may, during the period between February and May 2025, sell up to 3.3% of the shares of the subsidiary Sura Asset Management S.A., without exceeding a total CDPQ participation of 9.9%, at fair market value, which will be determined by independent third parties

In addition, this agreement establishes the mechanisms by which an eventual divestment by CDPQ would be implemented, starting in April 2029, once the agreed period of permanence has ended. The agreement establishes that, after April 2029, as long as Sura Asset Management S.A. has not been listed on a recognized stock exchange or securities market and CDPQ has not executed a sale to a third party, CDPQ may sell its shares in Sura Asset Management S.A. to the Company at fair market value, which will be determined by independent third parties and paid in cash or with equity instruments, at the discretion of the Company, applying in all cases the corporate procedures required by Colombian law

Note 6.2.4.3. Agreement with Grupo Bolívar S.A. and Compañía de Seguros Bolívar S.A. (hereinafter "GB") as shareholders in the subsidiary Sura Asset Management S.A., former holders of a 9.74% equity interest in said subsidiary and the execution of a share purchase and sale agreement.

This Agreement was entered into in 2011, amended in 2013 and establishes the following mechanisms through which an eventual divestment of GB would be implemented: i) direct sale to third parties, ii) acquisition funded with dividends declared by Sura AM, and iii) exchange for the Company's own equity instruments (preferred shares), applying in all cases the corporate procedures required by Colombian law.

This agreement was terminated on November 30, 2023 by mutual agreement of the parties by signing a share purchase agreement, amended on January 16, 2024 and December 11, 2024. Through this contract, the Company undertook to acquire all 254,930 ordinary shares owned by GB, equivalent to a 9.74% shareholding in the subsidiary Sura Asset Management S.A. The acquisition was agreed as follows: the Company acquired 254,928 ordinary shares, the subsidiary Inversiones y Construcciones Estratégicas S.A.S. acquired 1 ordinary share and Fundación SURA acquired 1 ordinary share.

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The transaction price amounted to \$1,615,573, minus the value of the dividends paid to GB between November 1, 2023, and the date on which the shares are effectively transferred. On the date the contract was signed, the price to be paid, discounting the extraordinary dividends paid by Sura Asset Management S.A. to GB on November 29, 2023, was \$1,582,162. Thereafter, between the date of signature of the share purchase agreement and the date of transfer of the shares, this price was gradually adjusted to the extent that additional dividends were paid by Sura Asset Management S.A. to GB.

Initially the payment was agreed in three installments: one installment of \$612,818 which was paid at the signing of the share purchase agreement and two remaining installments, each of \$484,672 less the gross aggregate value of the capital distributions declared by Sura Asset Management S.A. and paid to the sellers between the day following the date of the first payment and the effective date of the respective payments, which were to be paid (i) within five business days following the closing of May 2024 or when the shares are effectively transferred, whichever occurs last, and (ii) within five business days following the closing of November 2024 or when the shares are effectively transferred, whichever occurs last.

During the last quarter of 2024, all conditions precedent were met, including obtaining the applicable regulatory approvals, and the share purchase agreement signed on November 30, 2023 was closed. To this extent, on December 12, 2024 the shares were effectively transferred in favor of the Company, Inversiones y Construcciones Estratégicas S.A.S. and Fundación SURA (according to the abovementioned participations) and the total payment of the two remaining installments for \$1,050,470 was made to finalize the transaction.

Note 6.2.4.4. Exit option with non-controlling shareholders

The fair value of the financial derivatives arising from the commitments with CDPQ and MRE is \$0, considering that the exercise price and the underlying asset (shares subject of the contract) are at fair value.

Valuations are prepared and reviewed periodically by qualified internal personnel and are compared with other accepted methodologies under international standards such as multiples of comparable companies and precedent transactions.

The estimated value of the commitments with non-controlling shareholders (MRE and CDPQ) was calculated based on the Dividend Discount Model discounted cash flow valuation methodology.

The most significant variables used in the calculation are as follows:

- Sum of shares of the main business units of the subsidiaries Sura Asset Management and Suramericana S.A;
- Dividends discounted over a 10-year horizon;
- Projections based on the business plans of the companies;
- Discount rate based on CAPM methodology and
- Macroeconomic assumptions according to the average expectation of market analysts.

On a quarterly basis, the estimate of commitments with non-controlling shareholders is updated with the discount rate, exchange rate and cash flow dates.

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Note 6.2.5. Other accounts payable

Details of other accounts payable are shown below:

	December 31, 2024	December 31, 2023
Other accounts payable (1)	49,227	69,922
Suppliers	9,426	6,167
Taxes payable	1,434	1,364
Total	60,087	77,453
Current	46,575	36,530
Con-current	13,512	40,923

(1) Corresponds mainly to accounts payable for derivative premiums and withholdings at source. Includes \$26 from related parties (December 31, 2023 - \$866). Note 7.3

NOTE 7. RELATED PARTIES

Subsidiaries, associates, key management personnel and entities over which key management personnel may exercise control are considered related parties of the Company.

Note 7.1. Significant agreements

Transactions with related parties mainly refer to those between the Company and its subsidiaries and associates and are accounted for substantially according to the terms and conditions agreed between the parties and were carried out at market prices and conditions. The agreements are detailed below:

- Bancolombia S.A., provision of financial services and contracting of financial assets and liabilities.
- Seguros de Vida Suramericana S.A., and Seguros Generales Suramericana S.A., insurance acquisition.
- Inversiones y Construcciones Estratégicas S.A.S., reciprocal contracting of active and passive financial instruments.
- Arus S.A.S., provision of technology and data processing services, among others.

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Note 7.2. Related party transactions

Transactions with related parties correspond to dividend income and expenses related to services received.

The value of income and expenses with related parties is as follows:

	December 31, 2024			December 31, 2023		
	Key management personnel	Associates	Subsidiaries	Key management personnel	Associates	Subsidiaries
Income						
Dividends (Note 16)	-	1,006,053	-	-	1,161,109	-
Usufruct amortization	-	-	-	-	-	32,177
Others	-	-	-	-	-	13
Total income	-	1,006,053	-	-	1,161,109	32,190
Expenses						
Financial expenses	-	183,839	-	-	112,070	-
Administrative costs	-	-	6,918	-	-	5,070
Employee benefits	24,154	-	-	14,508	-	-
Fees	2,329	-	-	2,090	-	-
Total expenses	26,483	183,839	6,918	16,598	112,070	5,070

The value of revenues with each related party is as follows:

	December 31, 2024		December 31, 2023	
	Associates	Subsidiaries	Associates	Subsidiaries
Inversiones y Construcciones Estratégicas S.A.S.	-	-	-	32,177
Suramericana S.A.	-	-	-	13
Bancolombia S.A.	831,004	-	831,004	-
Grupo Argos S.A.	164,705	-	134,714	-
Sociedad Portafolio S.A. (in liquidation)	10,344	-	-	-
Grupo Nutresa S.A.	-	-	195,391	-
Total income	1,006,053	-	1,161,109	32,190

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The value of the expenses with each related party is as follows:

	December 31, 2024		December 31, 2023	
	Associates	Subsidiaries	Associates	Subsidiaries
Bancolombia S.A.	183,839	-	112,070	-
Inversiones y Construcciones Estratégicas S.A.S.	-	3,740	-	3,502
Consultoría en Gestión de Riesgos S.A.S.	-	51	-	38
Seguros de Vida Suramericana S.A.	-	866	-	595
Seguros Generales Suramericana S.A.	-	1,829	-	599
Operaciones Generales Suramericana S.A.S.	-	28	-	25
Sura Asset Management S.A.	-	17	-	-
Arus S.A.S.	-	386	-	306
Servicios de Salud IPS Suramericana S.A.S.	-	1	-	5
Total expenses	183,839	6,918	112,070	5,070

The value of employee benefit expenses for each of the benefit categories is as follows:

	December 31, 2024	December 31, 2023
Short-term benefits	12,589	10,253
Post-employment benefits	11,565	4,255
Total employee benefits	24,154	14,508

Note 7.3. Accounts receivable and accounts payable to related parties

The balance of accounts receivable from related parties is as follows:

	Associates		Subsidiaries		Total	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Dividend receivable	252,852	296,459	-	143,373	252,852	439,832

The balance of other accounts receivable from related parties, included in the balances of the respective asset accounts in the statement of financial position, is as follows:

	December 31, 2024		December 31, 2023	
	Associates	Subsidiaries	Associates	Subsidiaries
Derivative financial instruments (Note 6.1.3)	52,145	-	-	-
Other accounts receivable	-	130	-	1,731
Other assets	-	6,103	-	-

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The balance of accounts receivable from each related party is as follows:

	December 31, 2024		December 31, 2023	
	Associates	Subsidiaries	Associates	Subsidiaries
Accounts receivable dividends				
Bancolombia S.A.	207,751	-	207,751	-
Grupo Argos S.A.	45,101	-	33,679	-
Grupo Nutresa S.A. (1)	-	-	55,029	-
Sura Asset Management S.A.	-	-	-	143,295
Others	-	-	-	78
Total accounts receivable dividends	252,852	-	296,459	143,373
Derivative financial instruments				
Bancolombia S.A.	52,145	-	-	-
Total derivative financial instruments	52,145	-	-	-
Other accounts receivable				
Suramericana S.A.	-	130	-	1,420
Sura Asset Management S.A.	-	-	-	311
Total other accounts receivable	-	130	-	1,731

(1) Associate reclassified as a non-current asset available for sale in June 2023; the sale was completed in February 2024 (See Note 10).

The balance of accounts payable to related parties is as follows:

	Associates		Subsidiaries		Total	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Dividends payable	142,442	188,746	-	-	142,442	188,746
Loans payable	-	-	35,305	34,857	35,305	34,857
Total					177,747	223,603

The balance of other payables to related parties, included in the respective liability accounts in the statement of financial position, is as follows

	December 31, 2024			December 31, 2023		
	Key management personnel	Associates	Subsidiaries	Key management personnel	Associates	Subsidiaries
Other accounts payable (Note 6.2.5.)	-	-	26	-	-	866
Derivative financial instruments (Note 6.2.2.)	-	1,171	-	-	67,715	-
Post-employment employee benefits (Note 11.3.)	17,533	-	-	43,937	-	-
Financial obligations (Note 6.2.1.)	-	1,858,218	-	-	1,444,739	-

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The balance of accounts payable to each related party is as follows:

	December 31, 2024			December 31, 2023		
	Key management personnel	Associates	Subsidiaries	Key management personnel	Associates	Subsidiaries
Dividends and loans payable						
Grupo Argos S.A. (1)	-	73,652	-	-	41,604	-
Grupo Nutresa S.A.	-	-	-	-	19,850	-
Sociedad Portafolio S.A. (in liquidation)	-	-	-	-	-	-
JDGB Holding S.A.S. (2)	-	-	-	-	60,566	-
Other stockholders	-	68,790	-	-	66,726	-
Inversiones y Construcciones Estratégicas S.A.S.	-	-	35,305	-	-	34,827
Sura Asset Management S.A.	-	-	-	-	-	30
Total dividends and loans payable	-	142,442	35,305	-	188,746	34,857
Other accounts payable						
Servicios Generales S.A.S.	-	-	24	-	-	167
Seguros de Vida Suramericana S.A.	-	-	2	-	-	663
Consultoría en Gestión de Riesgos S.A.S	-	-	-	-	-	-
Arus S.A.S.	-	-	-	-	-	26
Seguros Generales Suramericana S.A.	-	-	-	-	-	5
Servicios de Salud IPS Suramericana S.A.S.	-	-	-	-	-	6
Total other accounts payable			26			867
Derivative financial instruments						
Bancolombia S.A.	-	1,171	-	-	67,715	-
Total derivative financial instruments		1,171			67,715	
Financial obligations						
Bancolombia S.A.	-	1,858,218	-	-	1,444,739	-
Total financial obligations	-	1,858,218	-	-	1,444,739	-

(1) Includes dividend payable to Cementos Argos S.A., Sator S.A.S., Celsia S.A. and FAP Grupo Argos.

(2) Includes dividends payable from IHC Capital Holding L.L.C. and Nugil S.A.S.

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NOTE 8. TAXES

The following are the taxes recognized in the statement of financial position:

Tax assets:

	Note	December 31, 2024	December 31, 2023
Current tax assets (net)	8.1.	-	143
Deferred tax asset (net)	8.2.	133,150	-

Tax liabilities:

	Note	December 31, 2024	December 31, 2023
Current tax liabilities (net)	8.1.	754,820	-
Deferred tax liabilities (net)	8.2.	-	277,295

Note 8.1. Current income tax

Note 8.1.1. Current income tax assets and liabilities

The balance of current income tax assets and (liabilities) recognized in the statement of financial position is as follows:

	December 31, 2024	December 31, 2023
Income tax asset receivable	-	143
Income tax and supplementary tax liability	(754,820)	-
Total current tax (liability) asset	(754,820)	143

The Company expects to recover and pay its current taxes as follows:

	December 31, 2024	December 31, 2023
Current tax assets recoverable within 12 months	-	143
Current tax (liability) payable within 12 months	(754,820)	-

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Note 8.1.2. Income tax recognized in profit or loss

The components of the income tax expense recognized in the statement of profit or loss are as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Current tax expense	(861,068)	(1,873)
Prior period adjustment	(2)	(2)
Deferred tax income (expense) (Note 8.2.)	420,645	(382,592)
Total income tax (expense)	(440,425)	(384,467)

Note 8.1.3. Reconciliation of the effective tax rate

The reconciliation of the effective tax rate and the applicable tax rate is as follows:

	Rate	January 1 to December 31, 2024	Rate	January 1 to December 31, 2023
Income before taxes		5,772,201		1,441,122
Income tax at current tax rate	35%	(2,020,270)	35%	(504,393)
Items that increase taxable income		(353,655)		(682,635)
Non-deductible expenses (1)		(338,906)		(248,094)
Financial liabilities		(14,162)		(14,757)
Property and equipment		(587)		-
Capital gains (2)		-		(419,217)
Others		-		(567)
Items that decrease taxable income		1,933,500		802,561
Unrecorded income (3)		423,584		415,510
Capital gains (2)		1,188,943		-
Non-taxable dividends		320,436		362,783
Property and equipment		370		253
Provisions and contingencies		167		11,262
Exempt income		-		12,753
Income tax expense (4)	10%	(440,425)	27%	(384,467)

(1) Includes expenses due to legal limitations associated with non-income income, donations, among others.

(2) It corresponds to the net effect on the income tax at a 35% rate and on the capital gain at a 15% rate, arising from the exchange of Grupo Nutresa S.A. shares in compliance with the framework agreement

(3) Corresponds to income from equity method of subsidiaries.

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(4) The variation in the effective rate is mainly due to the tax effect originated in the exchange of shares of Grupo Nutresa S.A. and in the liquidation of Sociedad Portafolio S.A. (in liquidation). The income tax originated in these transactions is summarized as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Current income tax	(858,445)	-
Deferred income tax on non-current assets held for sale	419,217	(419,217)
Net income tax on share exchange	(439,228)	(419,217)

Note 8.1.4. Current tax movement

The following is the change in the balance of income and supplementary items as of December 31, 2024 and December 31, 2023:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Income tax balance receivable (payable) at the beginning of the period	(143)	407
Current income tax liability	852,036	1,466
Withholding taxes, refunds, and advances	(97,073)	(2,016)
Income tax payable (receivable) balance	754,820	(143)

As a general rule, the income tax return becomes final in 3 years from the date of filing; for returns where a transfer pricing study was carried out, the term of its finality will be 5 years. For the taxable period 2023 the Company availed itself of the audit benefit and its finality will be of 6 months.

Note 8.2. Deferred tax

The movement and net balance of deferred taxes consists of the following items:

Account	December 31, 2024	Effect on results	Effect on other comprehensive income	December 31, 2023	Effect on results	Effect on other comprehensive income	December 31, 2022
Investments	-	120,513	-	(120,513)	(120,513)	-	-
Non-current assets held for sale	-	298,704	-	(298,704)	(298,704)	-	-
Property and equipment	32	(221)	-	253	(111)	-	364
Financial liabilities	129,558	1,709	(10,197)	138,046	35,227	(43,431)	146,250
Employee benefits	2,677	(343)	(2)	3,022	1,252	15	1,755
Rights of use	883	283	-	601	257	-	344
Total	133,150	420,645	(10,199)	(277,295)	(382,592)	(43,416)	148,713

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The Company expects to recover and settle its deferred taxes as follows:

	December 31, 2024	December 31, 2023
Deferred tax asset recoverable within 12 months	-	3,008
Deferred tax asset recoverable after 12 months	326,912	149,256
(Liability) deferred tax due within 12 months	-	(419,217)
(Liability) deferred tax due after 12 months	(193,762)	(10,342)
Total	133,150	(277,295)

Note 8.3. Tax regulations applicable to the Company

- In 2024, the general income tax rate is 35% and 15% for income from occasional gains.
- In the case of financial institutions, a surcharge of 5 percentage points applies from 2022 to 2025.
- Through Law 2294 of 2023 (National Development Plan), the audit benefit is extended for the years 2024 to 2026 to reduce the time for the tax return to become final by 6 or 12 months, provided that the net income tax is increased by 35% or 25% respectively.
- With regard to the minimum tax rate of 15% created by Law 2277 of 2022, considering that the Company is the parent company of a group of entities and is therefore obliged to consolidate the determination of the final tax rate, the details of this calculation are disclosed in the consolidated financial statements.

Note 8.4. Tax credits and unrecognized deferred tax assets

Under current tax legislation, income and supplementary tax losses may be offset against the net income obtained in the following 12 periods, taking into account the formula established in Numeral 5 of Article 290 of the Tax Code. Tax losses determined should not be fiscally readjusted.

The deferred tax asset related to these tax losses has not been recognized because the Company has assessed and concluded that the deferred tax asset related to these losses is not likely to be recoverable.

Tax losses accumulated up to 2016 may be offset against future ordinary net income tax income at any time and without any percentage limitation. Tax losses from subsequent years may be offset against a maximum of the net income of the 12 years following the year in which they occurred.

Following is a detail, by maturity limit, of the deductible temporary differences corresponding to tax loss carryforwards and excess of presumptive income on which the deferred tax asset has not been recognized:

	Tax losses		Excess of presumptive income	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2024
Between 1 and 12 years old	-	-	-	-
No time limit	176,648	174,624	-	-
Total tax credits	176,648	174,624	-	-

Note 8.5. Uncertainty regarding income tax treatments

Considering the criteria and judgments in the determination and recognition of taxes, as of December 31, 2024, no situations have been identified that generate tax uncertainties and that should be recognized for accounting purposes according to the framework defined by IFRIC 23.

NOTE 9. INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES**Note 9.1. Investments in associates****Note 9.1.1. Balance and movements of associates**

The balance and movements in investments in associates are as follows:

	Bancolombia S.A.	Grupo Argos S.A.	Sociedad Portafolio S.A. (in liquidation)	Total
Balance as of December 31, 2023	5,606,586	4,571,347	1,258,213	11,436,146
Addition for share exchange I (1)	-	-	672,527	672,527
Addition for exchange II of shares (1)	-	-	692,774	692,774
Decrease due to share transfer (2)	-	-	(8,511)	(8,511)
Addition due to liquidation of Sociedad Portafolio S.A. (in liquidation) (3)	-	1,088,896	-	1,088,896
Decrease due to liquidation Sociedad Portafolio S.A. (in liquidation) (3)	-	-	(2,615,003)	(2,615,003)
Balance as of December 31, 2024	5,606,586	5,660,243	-	11,266,829

(1) The Company received shares of Sociedad Portafolio S.A. (in liquidation) on February 6, 2024 in the execution of exchange I, and on April 25, 2024 in the execution of exchange II (Note 10).

(2) During the second quarter of 2024 the Company delivered 955,698 shares of Sociedad Portafolio S.A. (in liquidation). (Note 10.)

(3) As a result of the liquidation of Sociedad Portafolio S.A. (in liquidation), 274,589,588 common shares held in this company were withdrawn and 49,368,456 common shares of Grupo Argos S.A. were received (Note 9.1.2.).

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Note 9.1.2. General information on investments in associates

The information on the percentages of ownership and shares held in the associates, all domiciled in Colombia, is as follows:

Associates	December 31, 2024			December 31, 2023		
	Ownership interest (1)	Percentage of voting rights (2)	Number of shares	Ownership interest (1)	Percentage of voting rights (2)	Number of shares
Bancolombia S.A.	24.43%	46.11%	235.012.336	24.43%	46.11%	235.012.336
Grupo Argos S.A. (3)	33.80%	45.03%	283.654.138	27.16%	35.95%	234.285.682
Sociedad Portafolio S.A. (in liquidation) (4)	-	-	-	35.61%	35.61%	163.005.625

(1) Equity interest in the associate based on total shares issued.

(2) Equity in the associate based on the total number of common shares with voting rights.

(3) The increase in the percentage of ownership is generated as a result of the share repurchase program that this associate is executing since 2023 and by the shares received as a result of the liquidation of Sociedad Portafolio S.A. (in liquidation). As of December 31, 2024 the Company has contributed 29,036,085 shares of Grupo Argos S.A. to the autonomous voting inhibitor patrimony called PA Acciones SP.

(4) Associate liquidated in October 2024.

On May 9, 2024, the General Shareholders' Meeting of Sociedad Portafolio S.A. (in liquidation) approved an amendment to Article 3 of its Bylaws regarding the terms of duration of the company, adjusting the expiration date from August 12, 2050 to June 5, 2024. Once the term of duration expired, the associate went into dissolution and immediately and without the need of any additional formality entered into liquidation.

During the third quarter of 2024, the administration of the associate brought forward the liquidation plan as established in Article 92 of its Articles of Association; once the associate is dissolved, the liquidation and division of the company's assets must be brought forward in accordance with legal requirements.

On September 24, 2024, the General Shareholders' Meeting of Sociedad Portafolio S.A. (in liquidation) approved the final liquidation account and the delivery to its shareholders of the shares of the companies Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. in proportion to their participation.

On October 3, 2024 Sociedad Portafolio S.A. (in liquidation) decreased its interest in the Company from 62,028,167 to 10,328,121 outstanding common shares.

In turn, the Company repurchased 15,325,105 common shares directly and 21,885,349 common shares through PA Acciones Sociedad Portafolio S.A., an autonomous equity holding company.

On October 28, 2024, the Company reacquired the 21,885,349 ordinary shares that were in the autonomous equity PA Acciones Sociedad Portafolio S.A. Consequently, this equity was removed from the shareholding base of the Company when its participation was reduced to 0%.

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On November 8, 2024, Sociedad Portafolio S.A. (in liquidation) delivered 10,328,121 common shares of the Company to Grupo Argos S.A. With this transfer, this company ceased to be a shareholder of the Company, reducing its stake to 0%.

The accounting effects of the liquidation of Sociedad Portafolio S.A. (in liquidation) are as follows:

	Note	\$	Description
Investment in associates (Grupo Argos S.A.)	9.1.1	1,088,896	Received 49,368,456 shares of Grupo Argos S.A. common stock.
Cash		23,958	Cash received
Dividend receivable Grupo Argos S.A.		15,699	Recognition of the 3rd and 4th installment of the shares received from Grupo Argos S.A.
Repurchase of treasury shares		(1,502,150)	They receive 37,210,454 ordinary shares in the Company
Dividend payable	14	26,047	Derecognition of dividend payable on shares reacquired in the liquidation.
Total equity effect from the liquidation of Sociedad Portafolio S.A. (in liquidation), net of income statement effect		(1,476,103)	
Total income statement effect from the liquidation of Sociedad Portafolio S.A. (in liquidation) (Note 9.1.5.)		15,699	

Note 9.1.3. Cross shareholding

The associate Grupo Argos S.A. has an equity interest in the Company. Such shareholding is not prohibited by Colombian regulations since the shareholders are not subordinate companies of the Company. The interest that Grupo Argos S.A. has in the Company is as follows:

	December 31, 2024		December 31, 2023	
	Ownership interest	Voting rights percentage	Ownership interest	Voting rights percentage
Grupo Argos S. A. (1)	53.26%	10.95%	27.51%	34.14%
Sociedad Portafolio S.A. (in liquidation) (2)	-	-	10.71%	13.29%

(1) In 2024 Grupo Argos S.A. contributed 179,500,000 ordinary shares of the Company to the autonomous equity inhibitor of the vote called FAP Grupo Argos, which holds 63.51% of the outstanding ordinary shares of the Company. These shares do not give the right to vote.

(2) Associate liquidated in October 2024. (Note 9.1.2.).

Note 9.1.4. Collateral

As of December 31, 2024, the Company has 43,373,328 shares of Grupo Argos S.A. pledged as security for financial obligations with Bancolombia S.A. and has 45,250,000 shares of Bancolombia S.A. pledged as security for the Club Deal credit agreement. (Note 6.2.1).

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Note 9.1.5. Dividend income

Dividend income is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Bancolombia S.A.	831,004	831,004
Grupo Argos S.A. (1)	164,705	134,714
Sociedad de Portafolio S.A. (in liquidation)	10,344	-
Grupo Nutresa S.A. (2)	-	195,391
Total dividends (Note 7.2. and Note 16)	1,006,053	1,161,109

(1) Includes \$15,699 of dividends on shares received from Grupo Argos as part of the liquidation of Sociedad Portafolio S.A. (Note 9.1.2.).

(2) Non-current asset held for sale realized in 2024. See Note 10.

Note 9.1.6. Financial information of associates

The information on the assets, liabilities, equity and results of each of the associates is as follows:

	September 30, 2024					
	Assets	Liabilities	Equity	Income	Results	Other comprehensive income
Bancolombia S.A. (1)	353,413,322	311,498,816	41,914,506	16,152,072	4,666,250	1,573,692
Grupo Argos S.A. (1)	52,358,330	19,926,913	32,431,417	11,533,222	7,339,619	(350,165)

	December 31, 2023					
	Assets	Liabilities	Equity	Income	Results	Other comprehensive income
Bancolombia S.A.	342,928,809	303,879,080	39,049,729	21,089,711	6,214,971	(3,684,055)
Grupo Argos S.A.	49,402,341	21,612,927	27,789,414	22,593,101	1,459,998	(4,342,833)
Sociedad Portafolio S.A. (in liquidation)	2,855,684	326,815	2,528,869	31,681	31,216	(437,298)

(1) Latest published information as of September 30, 2024.

There are no restrictions on the ability of associates to transfer funds to the Company in the form of cash dividends or repayment of loans or advances made.

The Company has no contingent liabilities incurred in connection with its interests in associates.

The Company has no implicit obligations assumed on behalf of its associates whose losses exceed the investment held.

Note 9.2. Investments in subsidiaries**Note 9.2.1. Balance and movements of subsidiaries**

The balance and movements of investments in subsidiaries accounted for using the equity method is as follows:

	December 31, 2023	Additions and (disposals) (1)	Equity method (2)	Dividends	Change in equity (3)	December 31, 2024
SURA Asset Management S.A.	12,482,775	-	826,104	(577,631)	364,519	13,095,767
Suramericana S.A. (4)	4,749,021	-	386,548	(225,678)	55,405	4,965,296
Inversiones y Construcciones Estratégicas S.A.S.	168,024	-	5,169	-	(2,023)	171,170
SURA Ventures S.A.	75,361	-	4,526	-	11,952	91,839
Arus Holding S.A.S.	66,755	-	(12,657)	-	42	54,140
Enlace Operativo S.A.	1,879	-	466	(1,010)	-	1,335
Arus S.A.S.	2,549	(668)	84	-	(42)	1,923
Total	17,546,364	(668)	1,210,240	(804,319)	429,853	18,381,470

(1) The decrease corresponds to the net value between (a) capitalization made in February 2024 for \$1,010 and (b) impairment for (\$1,678) in December 2024.

(2) The equity method in the subsidiary Suramericana S.A. includes the recognition of an expense of \$222,860 and a recovery income of \$35,825, both of which are from adjustments to prior periods of that subsidiary, which were generated by operational errors in the VAT returns of the subsidiaries Seguros de Vida Suramericana S.A., Seguros Generales Suramericana S.A. and Servicios Generales Suramericana S.A. These amounts will be recognized in the income statement of the Company in September and December 2024, the periods in which they were identified, and it is considered that they have no material effect on the financial statements taken as a whole for previous and current periods

The equity method of accounting for the subsidiary Arus Holding S.A.S. includes the recognition of an expense in that subsidiary for the impairment of the subsidiary Arus S.A.S. in the amount of \$22,095.

(3) The variation mainly corresponds to the foreign currency translation adjustment of the companies operating in different countries of the region.

(4) As of June 30, 2024, Suramericana S.A. carries out the deconsolidation of EPS Suramericana S.A., supporting the loss of control as of that date. This situation has no significant effect on the separate financial statements of the Company.

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	December 31, 2022	Additions and (disposals) (1)	Equity method	Dividends	Change in equity (2)	Restatement (3)	December 31, 2023
SURA Asset Management S.A.	12,593,897	1,582,155	760,122	(592,883)	(1,860,516)		12,482,775
Suramericana S.A.	5,094,599	-	415,139	(218,456)	(592,581)	50,320	4,749,021
Inversiones y Construcciones							
Estratégicas S.A.S.	199,983	-	(7,038)	(20,720)	(3,864)	(337)	168,024
SURA Ventures S.A.	75,784	-	17,138	-	(17,561)		75,361
Arus Holding S.A.S.	74,814	-	1,681	(867)	-	(8,873)	66,755
Enlace Operativo S.A.	1,607	-	329	(57)	-		1,879
Arus S.A.S.	3,250	-	(199)	-	-	(502)	2,549
Total	18,043,934	1,582,155	1,187,172	(832,983)	(2,474,522)	40,608	17,546,364

(1) The increase corresponds to the subscription of the share purchase agreement with Grupo Bolivar S.A. (Note 6.2.4.).

(2) The variation mainly corresponds to the foreign currency translation adjustment of the companies operating in different countries.

(3) These correspond to prior period adjustments that are not material to the financial statements of the Company, therefore, they were recognized in the periods in which they were identified.

Note 9.2.2. General information on investments in subsidiaries

The information on ownership percentages, country, and main economic activity of the subsidiaries is as follows:

Subsidiary	Country	Economic activity and date of incorporation	December 31, 2024 and December 31, 2023
Sura Asset Management S.A.	Colombia	Investing entity. Incorporated on September 15, 2011	93.32%
Arus Holding S.A.S.	Colombia	Investments in real estate and personal property. Incorporated on July 11, 2012	100%
Arus S.A.S. (1)	Colombia	Services and commercialization of telecommunications products and solutions. Incorporated on August 16, 1988	100%
Enlace Operativo S.A. (1)	Colombia	Information processing services via outsourcing. Incorporated on May 31, 2006	100%
Inversiones y Construcciones Estratégicas S.A.S.	Colombia	Investing entity. Incorporated on August 30, 2007	100%
Suramericana S.A.	Colombia	Investing entity. Incorporated on May 25, 1999	81.13%
Sura Ventures S.A.	Panama	Investing entity. Incorporated on February 21, 2018	100%

(1) Direct and indirect percentage obtained through its subsidiary Arus Holding S.A.S.

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Note 9.2.3. Financial information of subsidiaries

The information on the assets, liabilities, equity and results of each subsidiary is as follows:

	December 31, 2024					
	Assets	Liabilities	Equity	Results	Other comprehensive income	Income
Sura Asset Management S.A. (1)	36,747,437	24,258,739	12,488,698	885,230	306,814	7,599,604
Arus Holding S.A.S. (1)	132,214	72,841	59,373	(13,138)	-	285,028
Arus S.A.S.	96,839	62,495	34,344	1,585	-	198,008
Enlace Operativo S.A.	34,386	11,103	23,283	8,118	-	86,999
Inversiones y Construcciones Estratégicas S.A.S.	177,353	6,184	171,169	5,168	(13,725)	20,063
Suramericana S.A. (1)	38,425,312	32,305,015	6,120,297	751,158	54,284	23,062,172
Sura Ventures S.A.	92,004	168	91,836	4,527	11,951	4,867

	December 31, 2023					
	Assets	Liabilities	Equity	Results	Other comprehensive income	Income
Sura Asset Management S.A. (1)	31,277,947	19,429,989	11,847,958	901,862	(2,142,341)	6,155,412
Arus Holding S.A.S. (1)	173,635	101,674	71,961	1,745	-	301,846
Arus S.A.S.	122,024	106,877	15,147	(3,848)	-	225,869
Enlace Operativo S.A.	44,028	11,249	32,779	5,748	-	75,937
Inversiones y Construcciones Estratégicas S.A.S.	173,612	5,588	168,024	(7,038)	(3,545)	29,304
Suramericana S.A. (1)	38,402,314	32,548,605	5,853,709	511,701	(613,743)	27,337,599
Sura Ventures S.A.	75,526	168	75,358	17,138	(17,561)	17,295

(1) Figures taken from the consolidated financial statements of subsidiaries.

Note 9.3. Impairment of investments in associates and subsidiaries

Note 9.3.1. Fair value of investments in associates

As of December 31, 2024 and December 31, 2023, the recoverable value of the associates was determined for impairment testing purposes.

Regarding Grupo Argos S.A., the recoverable amount of its portfolio of companies was calculated, including expenses, taxes and corporate-level indebtedness. Additionally, the recoverable amount of its portfolio investments was determined, which also includes the recoverable amount of the Company.

In the case of Bancolombia S.A., a valuation was made based on a discounted dividend model, based on recent results and expectations of future growth and profitability.

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These exercises resulted in a recoverable amount of the associated investments that exceeds their carrying value, confirming that there is no impairment in any of them. In future periods, the recoverable amount of the investments may vary depending on the progress of business plans, risk perceptions, and the sustainability of the businesses that form the basis of the assumptions used in the valuation of each component.

The carrying amounts of investments in associates whose recoverable amounts exceed their recoverable amounts are as follows:

	December 31, 2024	December 31, 2023
Bancolombia S.A.	5,606,586	5,606,586
Grupo Argos S.A.	5,660,243	4,571,347
Sociedad Portafolio S.A. (in liquidation) (1)	-	1,258,213

(1) Associate liquidated in October 2024. (Note 9.1.2.).

Note 9.3.2. Key assumptions

Grupo Argos S.A. and its companies

For the calculation of the recoverable value of Grupo Argos S.A., the sum of parts of its investment portfolio was calculated, also incorporating its expenses, taxes and indebtedness at the corporate level.

In the case of Cementos Argos S.A. a discounted free cash flow model was made, with a projection for a 10-year horizon, this model was made by region (Colombia and Central America and the Caribbean).

The participation of Cementos Argos in Summit Materials Inc. was valued taking into account the acquisition offer made recently by Quikrete Hondings Inc. for 52.5 USD per share, which, for the nearly 55 million shares that Cementos Argos S.A. has in Summit Materials Inc., values its participation in Summit Materials Inc. at 2,875 million USD.

Revenue projections were estimated based on expectations and trends in the main regions. In general, quantity growth was modeled based on the expected economic growth of each region and prices were modeled based on inflation.

With regard to the EBITDA margin, an improvement in margins was also estimated in line with the most recent results of the Company in Colombia, Central America and the Caribbean.

In order to estimate the recoverable value of the associate, the cash flows were discounted using a discount rate based on its risk profile, where the risk of Colombia and Central American countries was weighted.

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With regard to Celsia S.A., the sum of the parts of its investment portfolio was calculated, including its expenses, taxes and indebtedness at corporate level. The sum of parts exercise considers the valuations of Celsia Colombia S.A., and the value of other strategic assets such as Meriléctrica S.A. and other assets such as Caoba Inversiones S.A.S., Termoeléctrica Tesorito S.A.S. ESP, C2 Energía S.A.S. and PA Laurel at their most recent book values. Each asset was valued according to its particular characteristics, such as energy generation capacity, distribution and transmission, and taking into account their respective margin levels. The business of Celsia Colombia S.A. was estimated based on the energy demand projections of the Energy and Gas Regulatory Commission and the Mining and Energy Planning Unit, assuming price growth linked to the Producer Price Index / Consumer Price Index during the term of the tariff agreement, and keeping the EBITDA margin stable in the projection period.

To estimate the recoverable value of the companies, cash flows were discounted using a discount rate based on their risk profile and geography. This rate was calculated in both pesos and dollars in nominal terms, applying the Capital Asset Pricing Model methodology (CAPM).

A nominal growth rate between 2% and 3.5% was used to calculate the terminal value. The other companies in the Grupo Argos S.A. portfolio are valued at their book value as of September 30, 2024.

As for the investment of Grupo Argos S.A. in the Company, a fundamental valuation is performed using a sum-of-the-parts approach, which includes the recoverable value of Grupo Argos S.A.

In all valuation exercises, the respective shareholdings and controlling interests were taken into account.

The year shows a range of recoverable value above the book value recorded, so there is no evidence of impairment in the investment.

Bancolombia S.A.

A discounted dividend valuation exercise was carried out, for which the main financial figures and value levers of Bancolombia S.A. were projected for 10 years.

- Portfolio: consolidated growth in Colombian pesos between 7% and 8% for the period 2025 to 2034;
- Net interest margin: falling from 6.9% to 6% in the projection period, in line with a lower expected intervention rate of the Bank of the Republic
- Provisioning expense - Cost of credit: the cost of credit (provisioning expense/average portfolio) is estimated at between 2.0% and 1.8%, reflecting a normalization of the current cost of credit.
- Expenses and efficiency: Expenses were projected to grow in line with or slightly above revenue during the initial years of the projection, while maintaining an efficiency ratio slightly better than that recorded by the associate in 2023. This ratio is expected to range between 48% and 50% over the projection period;
- TIER I Solvency: the ability to pay dividends is modeled on the basis of maintaining a target basic solvency that is maintained at an average of around 11%;
- Net income and ROE: Based on the assumptions used, net income and the business's implied return on equity (ROE) are expected to range between 14.5% and 16.5% during the projection period, and
- Perpetuity / Discount rate: cash flows were discounted at a discount rate (cost of capital) of 13.7%.

The valuation yields 2024E Price Earnings (P/E) multiples of 9.3x and Price to Book Value (P/BV) multiples of 1.3x, which fall within the valuation range of comparable companies.

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The year shows a range of recoverable value above the book value recorded, so there is no evidence of impairment in the investment.

Note 9.3.3. Fair value of investments in subsidiaries

For the subsidiaries Suramericana S.A. and Sura Asset Management S.A., impairment tests are also carried out in their respective subsidiaries and associates. These exercises include valuations of each of these companies which incorporate estimates of future dividend flows based on the business plans approved by their management and governing bodies.

These plans contain medium and long-term assumptions made by their administrations and are discounted using rates according to the Capital Asset Pricing Model methodology used by the Company.

These exercises reflect the best possible estimate of the administration based on the most recent figures from the companies, the economic outlook, the regulatory outlook and the current applicable legislation in the different geographical areas/industries where the businesses.

The impairment monitoring process will take into account any future material changes in these variables. For instance, a significant shift in the regulatory environment of certain businesses could have a substantial adverse effect on their recoverable amount, potentially leading to the recognition of impairment.

These exercises revealed that the recoverable amount of these companies exceeds the value recorded in the books of the Company, which determines that there is no impairment in any of them.

Lastly, within the impairment testing exercise, valuation models were prepared to estimate the recoverable amount of the subsidiary Arus S.A.S., itself a subsidiary of Arus Holding S.A.S., which incorporate their respective business plans. This exercise revealed that the recoverable amount of Arus S.A.S. is below the value recorded in the books of the Company, and therefore an impairment of the investment is recognized.

The carrying amounts of investments in subsidiaries whose recoverable amounts exceed the recoverable amounts are as follow:

	December 31, 2024	December 31, 2023
Sura Asset Management S.A.	13,095,767	12,482,775
Arus Holding S.A.S.	54,140	66,755
Arus S.A.S.	1,923	2,549
Enlace Operativo S.A.	1,335	1,879
Inversiones y Construcciones Estratégicas S.A.S.	171,170	168,024
Suramericana S.A.	4,965,296	4,749,021
Sura Ventures S.A.	91,839	75,361

NOTE 10. NON-CURRENT ASSETS HELD FOR SALE

The balance of non-current assets held for sale is as follows:

	December 31, 2024	December 31, 2023
Grupo Nutresa S.A.	-	3,054,016

Pursuant to the Framework Agreement signed by the Company on June 15, 2023 to dispose of its shareholding in Grupo Nutresa at the end of December 2023, the shares of Grupo Nutresa S.A. were reclassified to non-current assets held for sale, the spin-off of Sociedad Portafolio S.A. (in liquidation) and the deferred taxes associated with the transaction were recorded.

First direct exchange

On February 6, 2024, the first part of the exchange was executed and, as foreseen in the Framework Agreement, the following situations arose:

- The Company received the following from Nugil S.A.S., JGDB Holding S.A.S. and IHC Capital Holding LLC:
 - Ordinary shares representing 27.8% of the outstanding shares of the Company prior to the exchange were treated as treasury shares, in accordance with the authorization granted by the General Shareholders Meeting on November 24, 2023. Consequently, the economic and voting rights associated with these shares are suspended, reducing the number of shares outstanding in the Company (Note 13.3.3.).
 - Shares of Sociedad Portafolio S.A. (in liquidation), representing 11.8% of the total outstanding shares of that entity (Note 9.1.).
- The Company delivered all of its Grupo Nutresa shares to Nugil S.A.S., JGDB Holding S.A.S. and IHC Capital Holding LLC.

Takeover Bid for the shares of Grupo Nutresa S.A.

Amendment number 3 to the contracts was signed on February 5, 2024. The Company, Grupo Argos S.A., Graystone Holdings S.A. (vehicle of IHC Capital Holding LLC), JGDB Holding S.A.S. and Nugil S.A.S. jointly launched the takeover bid for 23.1% of the shares of Grupo Nutresa S.A. within the framework of the execution of the agreement signed on June 15, 2023.

On March 7, 2024, the agreement for the constitution, administration and execution of guarantees was signed between the Company, Valores Bancolombia S.A. and the Bolsa de Valores de Colombia S.A., as part of the takeover bid process, whereby it was agreed (a) to set up a deposit of two hundred and eighty billion pesos (\$280,000) and (b) to provide a guarantee of 20,441,701 shares in Sociedad Portafolio S.A. (in liquidation) and 26,910,686 shares of the Company, in order to back the obligations arising from the takeover bid for the shares of Grupo Nutresa S.A.

On April 11, 2024, the takeover bid for 23.1% of the shares of Grupo Nutresa S.A. was concluded. launched by the company, Grupo Argos S.A., Graystone Holdings S.A., JGDB Holding S.A.S. and Nugil S.A.S., within the framework of the execution of the agreement signed on June 15, 2023.

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As of June 30, 2024, regarding the guarantees, the following situations arose: (a) the deposited cash amounting to \$280,000 was used for the fulfillment of the takeover bid, (b) 1,258,143 shares of the Company and 955,698 shares of Sociedad Portafolio S.A. (in liquidation) for the exchange and the rest of the shares were released.

The result of the tender offer for Grupo Nutresa S.A. shares was as follows:

Number of acceptances	Number of shares	Percentage of shares outstanding
1583	102.914.771	22.48%

And according to the method of payment:

Payment method	Number of shares	Percentage of outstanding shares	Shares awarded to the Company
In Colombian pesos	90.455,140	19.76%	32.895.537
In U.S. dollars	10.298.598	2.25%	1.592.935
In shares	2.161.033	0.47%	1.691.530
Total	102.914.771	22.48%	

Termination of the Framework Agreement

On April 25, 2024, the second part of the direct exchange of shares took place, thus finalizing the execution of the Framework Agreement signed on June 15, 2023. As a result of this second part of the exchange, and as foreseen in the agreements, the following situations were presented:

- The Company received from Nugil S.A.S., JGDB Holding S.A.S. and IHC Capital Holding LLC:
 - Ordinary shares held by the Company, corresponding to 5.38%, calculated based on the Company's outstanding ordinary shares before the second stage of the exchange, which were treated as reacquired shares, in accordance with the authorization granted by the General Shareholders Meeting on November 24, 2023. As a result, the economic and voting rights associated with these shares will be suspended, leading to a reduction in the number of shares outstanding; and
 - Shares of Sociedad Portafolio S.A. (in liquidation), corresponding to 12.83% of the total outstanding shares of this company.
- The Company delivered 36,180,002 shares of Grupo Nutresa S.A. to Nugil S.A.S., JGDB Holding S.A.S. and IHC Capital Holding LLC, which were acquired in the tender offer that concluded on April 11, 2024.
- Lastly, as a result of this second part of the exchange, the shareholding structure of the Company underwent several changes, including the fact that JGDB Holding S.A.S. is no longer a shareholder of the Company after having handed over the 6.1% of the ordinary shares of that it held in the Company prior to the second part of the exchange. Similarly, Nugil S.A.S. and IHC Capital Holding LLC ceased to be shareholders of the Company

The change in the shareholding structure was reflected at the close of operations on April 25, 2024, in the Company's shareholder register. With these transactions, the obligations outlined in the Framework Agreement were fully executed, fulfilling the objectives agreed upon by the subscribing parties. As a result, both the Company and Grupo Argos S.A. ceased to be shareholders of Grupo Nutresa S.A., and JGDB Holding S.A.S., Nugil S.A.S., and IHC Capital Holding LLC ceased to be shareholders of the Company.

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Below are the accounting effects for each stage of the framework agreement, along with the total impact on the results and equity of the Company:

	\$	Description
Repurchase of treasury stock (Note 13.3.3.)	7,104,288	Receives 129,957,072 shares of the common shares of the Company.
Non-current assets held for sale	(3,054,016)	Delivery of 163,005,625 Grupo Nutresa S.A. shares.
Dividend receivable	(39,306)	Write-off of the 11th and 12th installment of the dividend of Grupo Nutresa S.A.
Investment in Sociedad Portafolio S.A. (in liquidation) (Note 9.1.)	672,527	Receives 53,798,935 shares of Sociedad Portafolio S.A. (in liquidation)
Effect of the write-off of Grupo Nutresa S.A. shares in Exchange I (1)	4,683,493	
Non-current assets held for sale - cash	1,557,870	Acquisition of 34,488,472 from Grupo Nutresa S.A.
Non-current assets held for sale - exchange	65,119	Acquisition of 1,691,530 from Grupo Nutresa S.A.
Non-current assets held for sale - exchange	11,311	
Reallocation of the shares of the Company (Note 13.3.3.)	(65,119)	Delivery of 1,258,143 shares of the Company (repurchased) at average cost.
Shares of Sociedad Portafolio S.A. (in liquidation) (Note 9.1.)	(8,511)	Delivery of 955.698 shares of Sociedad Portafolio S.A. (in liquidation)
Effect of the takeover bid on results	2,800	
Repurchase of treasury stock (Note 13.3.3.)	941,527	Receives 18,190,890 shares of the common shares of the Company.
Investment in Sociedad de Portafolio S.A. (in liquidation) (Note 9.1.)	692,774	Receives 58.740.696 from Sociedad de Portafolio S.A. (in liquidation)
Non-current assets held for sale	(1,634,301)	Delivery of 36,180,002 Grupo Nutresa S.A. shares.
Effect on equity	(3,294,403)	
Effect on income (Note 16)	4,686,293	

The tax effect of the termination of the framework agreement is detailed in Note 8.1.3.

(1) Corresponds to the gain on the exchange generated mainly by the derecognition of the Grupo Nutresa S.A. asset. The value of the asset used in the transaction and which was part of the framework agreement was estimated based on the fair value determined by independent third parties.

NOTE 11. EMPLOYEE BENEFITS

The balance of employee benefits is as follows:

	Note	December 31, 2024	December 31, 2023
Short-term benefits	11.1.	9,760	9,806
Long-term benefits	11.2.	253	239
Post-employment benefits	11.3.	8,339	3,398
Total employee benefits		18,352	13,443

Note 11.1. Short-term benefits

Short-term benefits correspond to salaries, legal and extra-legal bonuses, vacations, severance payments and parafiscal contributions (except pension fund contributions) that are paid within 12 months after the end of the period.

Additionally, short-term benefits include the performance compensation, which acknowledges the contributions of all employees in achieving the goals and generating continued value to the Company. This benefit is defined by a framework of clear, measurable, and achievable performance indicators, which are established at the beginning of each year. These indicators must align with the Company's strategic direction, as well as with the activities and skills necessary to meet the objectives. The key components of this benefit include the measurement period, evaluation framework, monitoring and adjustments, and the definition of the indicators.

The balance of short-term benefits is as follows:

	December 31, 2024	December 31, 2023
Bonus (short-term)	7,400	8,354
Vacations	1,325	796
non-statutory bonuses	782	436
Severance payments	226	198
Interest on severance payments	27	22
Total	9,760	9,806

Note 11.2. Long-term benefits

The long-term benefits plan corresponds to the seniority bonus, which consists of granting employees a benefit associated with their time at work and every time they complete five years of service; they are calculated as days of salary per year worked.

This benefit is valued annually using the projected unit credit method or when significant changes occur. During the annual period ended December 31, 2024, there were no significant changes in the methods and assumptions used in preparing the calculations and sensitivity analyses.

The balance of long-term benefits is as follows:

	December 31, 2024	December 31, 2023
Seniority bonus	253	239

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The balances and movements presented in the long-term benefit plan are as follows:

	\$
Present value as of December 31, 2022	222
Costs incurred during the period	41
Payments to employees	(24)
Present value as of December 31, 2023	239
Costs incurred during the period	64
Effect of rereasurement recognized in profit or loss	(20)
Payments to employees	(30)
Present value as of December 31, 2024	253

The main actuarial variables and assumptions used to determine the obligations for long-term benefit plans are as follows:

	December 31, 2024	December 31, 2023
Discount rate (%)	8.50%	7.60%
Annual rate of salary increases (%)	4.50%	4.50%
Annual inflation rate (%)	3.00%	3.00%

Sensitivity analysis

The following table details a quantitative sensitivity analysis to a change in a significant key assumption (the discount rate and salary increase) that would generate a change in the net long-term benefit plan liability:

December 31, 2024	Discount rate		Salary increases	
	Increase +0.50%	Discount -0.50%	Increase +0.50%	Discount -0.50%
Present value of obligation	246	260	260	246
Variation due to sensitivity in the variables	7	(7)	(7)	7

December 31, 2023	Discount rate		Salary increases	
	Increase +0.50%	Discount -0.50%	Increase +0.50%	Discount -0.50%
Present value of obligation	232	246	246	232
Variation due to sensitivity in the variables	7	(7)	(7)	7

Note 11.3. Post-employment benefits

The Company has the following post-employment benefit plans:

- Retirement Bonus: Refers to a lump sum amount defined by the Company, payable to employees at the time of retirement.
- Severance Bonus: A benefit paid to an employee after completing their employment period. A bonus equivalent to 20 legal minimum monthly salaries will be granted, payable when the employee retires from the Company to enjoy their pension. This bonus is subject to legal withholdings. Employees with a special severance bonus regime will not be eligible for this benefit.

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In Colombia, when employees retire after a certain number of years of age and service, retirement pensions are paid for by public or private pension funds based on defined contribution plans where companies and employees contribute monthly amounts defined by law in order to have access to the pension at the time of retirement.

The balance of post-employment benefits is as follows:

	December 31, 2024	December 31, 2023
Retirement bonus	8,125	3,217
Retirement severance bonus	214	181
Total	8,339	3,398

The balances and movements presented in the post-employment benefit plan are as follows:

	Retirement benefit (1)	Plan asset	Net benefit	Retirement severance bonus	Total
Present value of obligations at December 31, 2022	35,365	35,047	318	115	433
Costs incurred during the period	1,028	-	1,028	15	1,043
Interest costs	3,191	-	3,191	10	3,201
Recognition of plan assets	-	5,673	(5,673)	-	(5,673)
Changes in actuarial assumptions through OCI (Note 15.1.)	4,353	-	4,353	41	4,394
Present value of obligations at December 31, 2023	43,937	40,720	3,217	181	3,398
Costs incurred during the period	9,200	-	9,200	23	9,223
Interest costs	1,944	-	1,944	14	1,958
Recognition of plan assets	-	4,270	(4,270)	-	(4,270)
Changes in actuarial assumptions through OCI (Note 15.1.)	(1,966)	-	(1,966)	(4)	(1,970)
Payments to employees	(35,582)	(35,582)	-	-	-
Present value of obligations at December 31, 2024	17,533	9,408	8,125	214	8,339

(1) Corresponds to transactions with related parties (Note 7.3).

The main actuarial variables and assumptions used to determine the post-employment benefit plan obligations are as follows:

	Retirement bonus		Pension bonus	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Discount rate (%)	8.70%	7.70%	8.60%	7.70%
Annual salary increase rate and benefit (%)	4.00%	4.50%	4.00%	4.50%
Annual inflation rate (%)	3.00%	3.00%	3.00%	3.00%

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Sensitivity analysis

The following table details a quantitative sensitivity analysis to a change in a significant key assumption (the discount rate and salary increase) that would generate a change in the post-employment benefit plan obligation:

December 31, 2024	Retirement bonus			
	Discount rate		Salary increases	
	Increase	Discount	Increase	Discount
	+0.50%	-0.50%	+0.50%	-0.50%
Present value of obligation	16,885	18,212	18,241	16,852
Variation by sensitivity in the variables	648	(678)	(708)	681

December 31, 2023	Retirement bonus			
	Discount rate		Salary increases	
	Increase	Discount	Increase	Discount
	+0.50%	-0.50%	+0.50%	-0.50%
Present value of obligation	43,653	44,236	44,245	43,642
Variation by sensitivity in the variables	284	(299)	(308)	295

December 31, 2024	Pension bonus			
	Discount rate		Benefit Increase	
	Increase	Discount	Increase	Discount
	+0.50%	-0.50%	+0.50%	-0.50%
Present value of obligation	204	224	224	204
Variation by sensitivity in the variables	10	(10)	(10)	10

December 31, 2023	Pension bonus			
	Discount rate		Benefit Increase	
	Increase	Discount	Increase	Discount
	+0.50%	-0.50%	+0.50%	-0.50%
Present value of obligation	172	191	191	172
Variation by sensitivity in the variables	9	(10)	(10)	9

Note 11.4. Defined contribution plans

The Company made contributions to defined contribution plans recognized as an expense in income for 2024 of \$1,374 million and for 2023 of \$1,357 million.

Note 11.5. Employee benefits expense

Employee benefits expense is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Bonuses (1)	(18,980)	(13,020)
Comprehensive salary	(16,019)	(16,364)
Salaries	(2,907)	(2,932)
Vacations	(2,688)	(956)
Vacation bonus	(1,494)	(1,686)
Pension contributions	(1,374)	(1,357)
Contributions to family compensation funds, ICBF, and SENA	(1,299)	(1,244)
Health contributions	(745)	(675)
Other employee benefits	(720)	(189)
Insurance	(409)	(265)
Extra-legal bonus	(397)	(351)
Staff training	(385)	(548)
Severance payments	(274)	(250)
First legal	(273)	(251)
Overtime	(92)	(79)
Disability leave	(74)	(34)
Contributions to occupational risk administrators	(55)	(52)
Indemnities	(47)	(601)
Retirement bonus	(37)	(283)
Seniority bonus	(36)	(41)
Interest on severance payments	(30)	(26)
Total	(48,335)	(41,204)

(1) The variation is basically due to salary increases and compliance with performance indicators for bonus payments.

NOTE 12. PREFERRED SHARES LIABILITY

On November 29, 2011, the issuance of 106,334,963 preferred shares was carried out at a subscription price of COP 32,500 each. From the issuance date and for three years, a quarterly dividend of 3% per annum was paid on the value of the issuance. Starting in 2015, a quarterly dividend of 0.5% per annum is paid on the issuance price.

On June 30, 2017, the Annual General Meeting of Shareholders approved the amendments to the regulations for the issuance and placement of preferred shares issued in 2011, which establish the payment of a minimum preferred dividend equivalent to 1% per annum on the sum equivalent to the reference subscription price (as defined below), provided that the value resulting from this calculation exceeds the dividend declared for ordinary shares; otherwise, the latter will be recognized.

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The reference subscription price shall be understood as the subscription price of preferred shares in any placement of preferred shares by the Company in the most recent primary market transaction approved by the General Meeting of Shareholders, including, but not limited to, public issues and offerings, private issues, capitalization of claims, payment of dividends in shares, among others. In no case shall it be understood that the reference subscription price shall correspond to the trading price of the preferred shares in the secondary market. The General Meeting of Shareholders shall determine the form and dates of payment of the preferred share dividend under the same conditions as the common share dividend.

The former dividend will be paid in preference to the dividend corresponding to the ordinary shares.

On March 31, 2017, the Board of Directors of the Company set the subscription price of the preferred shares that would be delivered as payment of dividends in shares at thirty-five thousand nine hundred and seventy-three pesos (\$35,973 Colombian pesos).

The balance and movement in preferred shares liabilities are as follows:

	Balance \$
Balance as of December 31, 2022	459,955
Recognized Interest	40,354
Interest payments	(40,475)
Balance as of December 31, 2023	459,834
Recognized Interest	40,462
Interest payments	(40,475)
Balance as of December 31, 2024	459,821

NOTE 13. EQUITY

Note 13.1. Issued capital

The authorized capital of the Company consists of 600.000.000 shares with a nominal value of 187.50 Colombian pesos each. The subscribed and paid-up capital is represented by 581.977.548 shares. The balance of the issued capital amounts to 109,121.

As of December 31, 2024, the number of shares outstanding is 395.128.602 (December 31, 2023 – 579.228.875) and the number of treasury shares repurchased is 186.848.946 (December 31, 2023 – 2,748,673).

The balance is as follows:

	December 31, 2024	December 31, 2023
Common shares subscribed and paid	469.037.260	469.037.260
Common repurchased shares (1)	(186.416.831)	(2.316.558)
Total common shares outstanding	282.620.429	466.720.702
Preferred shares subscribed and paid	112.940.288	112.940.288
Preferred shares repurchased	(432.115)	(432.115)
Total preferred shares outstanding	112.508.173	112.508.173
Total shares outstanding	395.128.602	579.228.875

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(1) On February 6, 2024, the Company received 129.957.072 ordinary treasury shares for \$7,104,288 after the first exchange under the Framework Agreement, which were treated as repurchased shares, as authorized by the General Meeting of Shareholders on November 24, 2023; the economic and political rights corresponding to these shares are suspended and generated a 27.8% decrease in the number of outstanding shares of the company.

On April 25, 2024, the Company received 18.190.890 common treasury shares for \$942,670, thus finalizing the execution of the Framework Agreement signed on June 15, 2023, which were treated as repurchased shares, according to the authorization given by the General Meeting of Shareholders on November 24, 2023. Furthermore, 1.258.143 ordinary shares were reallocated to comply with the Public Tender Offer mentioned in Note 10.

On October 3, 2024, the Company reacquired 15.325.105 common shares directly and 21.885.349 common shares through the autonomous equity fund PA Acciones Sociedad Portafolio S.A. as a result of the liquidation of Sociedad Portafolio S.A. (in liquidation).

As of December 31, 2024, there are 186.416.831 (December 31, 2023 – 2.316.558) common shares repurchased and 432.115 (December 31, 2023 – 432.115) preferred shares repurchased, for \$20,438 (December 31, 2023 – \$20,438) and \$18,060 (December 31, 2023 – \$18,060), respectively.

Changes in the shareholder structure

As of December 31, 2024, Grupo Argos S.A. and Cementos Argos S.A. have contributed 179.500.000 ordinary shares of the Company to the autonomous equity accounts that inhibit voting called FAP Grupo Argos and FAP Cementos Argos, equivalent to 63.51% of the outstanding ordinary shares and 45.42% of the total outstanding shares, including the outstanding preferred shares, in order not to exercise the political rights over them.

Note 13.2. Premium on issuance

The share issuance premium represents the excess paid over the nominal value of the shares. According to Colombian legal regulations, this balance can be distributed upon the liquidation of the company or capitalized. Capitalization refers to the transfer of a portion of this premium to a capital account as a result of a dividend distribution paid in shares of the Company.

The balance of additional paid-in capital is \$3,290,767.

Note 13.3. Reserves

The reserves correspond to appropriations made by the General Meeting of Shareholders from the results of previous periods. In addition to the legal reserve, the occasional reserve and the reserve for the repurchase of shares.

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The balance of reserves is as follows:

	Note	December 31, 2024	December 31, 2023
Legal	13.3.1.	138,795	138,795
Occasional	13.3.2.	427,675	-
Total other reserves		566,470	138,795
For share repurchase	13.3.3.	136,776	7,261,206
Total reserves		703,246	7,400,001

Note 13.3.1. Legal reserve

Article 452 of the Colombian Commercial Code establishes that corporations shall constitute a legal reserve amounting to at least fifty percent of the subscribed capital, formed with ten percent of the net profits of each financial year. The legal reserve fulfills two special objectives: (a) to increase and maintain the capital of the Company and (b) to absorb the losses generated in the operation. Additionally, its value cannot be distributed in dividends to the shareholders.

Note 13.3.2. Occasional reserve

These refer to allocations made by shareholders that are available for a specific purpose when deemed necessary.

Note 13.3.3. Reserve for acquisition of treasury shares

The changes in the acquisition of treasury shares reserve are as follows:

	Balance \$
Balance as of December 31, 2022	244,848
Establishment of reserve for acquisition of treasury shares (1)	55,152
Establishment of reserve for acquisition of total treasury shares (2)	6,961,206
Balance as of December 31, 2023	7,261,206
Establishment of reserve for acquisition of total treasury shares (3)	2,358,416
acquisition of treasury shares in exchange I (4)	(7,104,288)
acquisition of treasury shares in exchange II (5)	(941,527)
Placement of shares in compliance with the tender offer (6)	65,119
acquisition of treasury shares in the liquidation of Sociedad de Portafolio S.A. (in liquidation) (7)	(1,502,150)
Balance as of December 31, 2024	136,776

(1) At the General Meeting of Shareholders on March 31, 2023, it was approved to appropriate \$55,152 from the taxed component of the occasional reserve to be allocated to the reserve for the acquisition of treasury shares.

(2) On November 24, 2023, in the decisions of the Extraordinary Meeting of Shareholders, it was decided to appropriate \$6,961,206 from the taxed and untaxed reserves recorded as of September 30, 2023, to add to the reserve for acquisition of treasury shares.

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- (3) In 2024, \$2,358,416 of retained earnings, corresponding to the effect of the first-time adoption of the investment in Grupo Nutresa S.A., was transferred to the reserve for acquisition of treasury shares, according to decisions made at the Extraordinary Meeting of Shareholders on November 24, 2023.
- (4) On February 6, 2024, the first exchange under the framework agreement was presented, in which the Company received 129.957.072 ordinary treasury shares for \$7,104,288 (Note 10).
- (5) On April 25, 2024, the second part of the direct share exchange took place, thus finalizing the execution of the framework agreement signed on June 15, 2023, in which the Company received 18.190.890 ordinary treasury shares for \$941,527 (Note 10).
- (6) Upon completion of the Tender Offer, the Company paid in-kind 0.5% of 1.258.143 shares of the Company for \$65,119 (Note 10).
- (7) On October 3, 2024, the Company directly reacquired 37.120.454 shares as a result of the liquidation of Sociedad Portafolio S.A. (in liquidation), for \$1,502,150.

Note 13.4. Retained earnings

At December 31, 2024 the balance includes mainly the results (gains) from the first-time adoption of IFRS of \$9,017,588 (December 31, 2023 - \$11,376,004).

NOTE 14. DECLARED AND PAID DIVIDENDS

The General Meeting of Shareholders held on March 22, 2024 approved an ordinary dividend of \$628,980, equivalent to an annual dividend of \$1,400 Colombian pesos per share, on 449,271,803 ordinary and preferred shares outstanding at that date. The dividend was declared from the untaxed occasional reserve constituted with profits generated in 2023. This dividend is payable in cash on a quarterly basis in April, July and October 2024 and January 2025. Furthermore, it is 100% tax-free for the shareholder.

	Shares	Annual dividend per share in Colombian pesos	Total dividend declared
Ordinary shares	336.763.630	1,400	471,469
Preferred shares	112.508.173	1,400	157,511
Total	449.271.803		628,980

In April 2024 and pursuant to the framework agreement, the Company repurchased 18.190.890 common shares and resold 1.258.143 common shares, leaving 319.830.883 common shares and 112.508.173 preferred shares outstanding for a total of 432,339,056 total shares outstanding. This implied an adjustment of the dividend payable by \$17,778 considering these movements.

In October 2024, the Company repurchased 37,210,454 common shares as part of the liquidation process of Sociedad Portafolio S.A. This involved an adjustment to the dividend payable of \$26,047 (Note 9.1.3.). With these share movements, the total number of ordinary shares was 282.620.429, the number of preference shares did not vary, giving a total of 395.128.602 shares in circulation. Note 13.1.

Dividends paid during the year ended December 31, 2024 amounted to \$490,095.

NOTE 15. OTHER COMPREHENSIVE INCOME

The balance and movement of each component of other comprehensive income and its tax effect is as follows:

Concept	Note	December 31, 2023	Movement	December 31, 2024
Defined benefit plan measurements	15.1.	184	652	836
Results from investments in equity instruments	15.2.	9,382	(8,091)	1,291
Conversion exchange rate differences		(10,827)	-	(10,827)
Hedging of cash flow derivatives	15.3.	(52,701)	18,939	(33,762)
Effect on other comprehensive income of subsidiaries accounted for using the equity method	15.4.	1,874,875	429,853	2,304,728
Total comprehensive income		1,820,913	441,353	2,262,266

Concept	Note	December 31, 2022	Movement	December 31, 2023
Defined benefit plan measurements	15.1.	4,563	(4,379)	184
Results from investments in equity instruments	15.2.	25,763	(16,381)	9,382
Conversion exchange rate differences		(10,827)	-	(10,827)
Hedging of cash flow derivatives	15.3.	(133,356)	80,655	(52,701)
Effect on other comprehensive income of subsidiaries accounted for using the equity method	15.4.	4,349,397	(2,474,522)	1,874,875
Total comprehensive income		4,235,540	(2,414,627)	1,820,913

Note 15.1. Defined benefit plan measurements

The component of defined benefit plan measures represents the cumulative value of actuarial gains or losses, excluding the values included in the net interest on the net defined benefit liability. The net value of remeasurements is transferred to retained earnings and is not reclassified to profit or loss for the period

The movements of the periods are as follows:

	Note	December 31, 2023	Movement	December 31, 2024
Movement (1)		(210)	(654)	(864)
Tax effect	8.2.	26	2	28
Total		(184)	(652)	(836)

	Note	December 31, 2022	Movement	December 31, 2023
Movement	11.3	(4,604)	4,394	(210)
Tax effect	8.2.	41	(15)	26
Total		(4,563)	4,379	(184)

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(1) Corresponds to the restatement of benefit plans, net of transfer to retained earnings:

Changes in actuarial assumptions through other comprehensive income (Note 11.3.)	(1,970)
Transfer to retained earnings	1,316
Total	(654)

Note 15.2. Results from investments in equity instruments

Corresponds to the change in the investment of Enka de Colombia S.A., which is classified at fair value with changes in equity. Note 6.1.2.

Note 15.3. Cash flow hedge derivatives

The movement of the cash flow hedge derivatives is as follows:

	Note	December 31, 2023	Movement	December 31, 2024
Movement	6.2.2.1.	(81,077)	29,136	(51,941)
Tax effect	8.2.	28,376	(10,197)	18,179
Total		(52,701)	18,939	(33,762)

	Note	December 31, 2022	Movement	December 31, 2023
Movement	6.2.2.1.	(205,163)	124,086	(81,077)
Tax effect	8.2.	71,807	(43,431)	28,376
Total		(133,356)	80,655	(52,701)

Note 15.4. Effect on other comprehensive income of subsidiaries accounted for using the equity method

The changes in equity of subsidiaries that have an effect on other comprehensive income were as follows:

Concept	December 31, 2023	Movement	December 31, 2024
Revaluation surplus on properties.	37,874	192	38,066
Measurement of defined benefit plans	(9,698)	(603)	(10,301)
Gain (loss) on investments in equity instruments	(9,749)	(9,950)	(19,699)
Total other comprehensive income not to be reclassified to income for the period, net of deferred income taxes	18,427	(10,361)	8,066
Gain (loss) on foreign exchange translation differences	1,832,093	398,108	2,230,201
Hedging of cash flow derivatives	24,355	42,106	66,461
Total other comprehensive income to be reclassified to profit or loss, net of taxes	1,856,448	440,214	2,296,662
Total other comprehensive income	1,874,875	429,853	2,304,728

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Concept	December 31, 2022	Movement	December 31, 2023
Revaluation surplus on properties.	(32,317)	70,191	37,874
Measurement of defined benefit plans	(1,444)	(8,254)	(9,698)
Gain (loss) on investments in equity instruments	(36,209)	26,460	(9,749)
Total other comprehensive income not to be reclassified to income for the period, net of deferred income taxes	(69,970)	88,397	18,427
Gain (loss) on foreign exchange translation differences	4,635,318	(2,803,225)	1,832,093
Hedging of cash flow derivatives	(215,951)	240,306	24,355
Total other comprehensive income to be reclassified to profit or loss, net of taxes	4,419,367	(2,562,919)	1,856,448
Total other comprehensive income	4,349,397	(2,474,522)	1,874,875

NOTE 16. INCOME

The following is a detail of income:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Gain on sale of non-current assets held for sale (Note 10)	4,686,293	-
Equity method (Note 9.2.1.)	1,210,240	1,187,172
Dividends (1)	1,008,421	1,161,899
Investment income, cash and cash equivalents (2)	33,959	33,348
Other income (3)	930	32,217
Net loss on investments at fair value (4)	(30,533)	(19,130)
Total	6,909,310	2,395,506

(1) Dividend income is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Dividend income from associates (Note 9.1.5.)	1,006,053	1,161,109
Dividend income from financial instruments	2,368	790
Total	1,008,421	1,161,899

(2) Corresponds to yields on cash, cash equivalents and investments deposited with third parties Bancolombia S.A., Banco Davivienda S.A., Davivienda Corredores S.A., Valores Bancolombia S.A. and Sura SAC Ltd. among others.

	January 1 to December 31, 2024	January 1 to December 31, 2023
Income from cash and cash equivalents (Note 6.1.1.)	27,028	24,763
Investment income	6,931	8,585
Total	33,959	33,348

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(3) The detail of other income is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Recoveries and reimbursements	848	19
Recognition of work disability	82	21
Usufruct (a)	-	32,177
Total	930	32,217

(a) Corresponds to the recognition of income for the amortization of the deferred liability of the usufruct right contract over 73,240,000 shares of Grupo Nutresa S.A., which had a duration of 16 months.

(4) Corresponds to:

	January 1 to December 31, 2024	January 1 to December 31, 2024
Effect of exchange rate fluctuations on investments (Note 6.1.2.)	4,283	(5,278)
Effect of exchange rate fluctuations on cash	(34,816)	(13,852)
Total	(30,533)	(19,130)

NOTE 17. ADMINISTRATIVE EXPENSES

Administrative expenses are as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Commissions (1)	(32,998)	(4,812)
Taxes	(30,918)	(29,953)
Travel	(9,387)	(8,833)
Donations (2)	(7,469)	(20,097)
Insurance	(5,609)	(6,752)
Advertising and subscriptions	(3,970)	(3,452)
Contributions	(2,224)	(2,670)
Other expenses	(1,712)	(1,307)
Maintenance and repairs	(1,487)	(1,100)
Electronic data processing	(955)	(1,071)
Representation expenses	(904)	(1,171)
Utilities	(716)	(699)
Temporary services	(673)	(507)
Leases	(611)	(247)
Total	(99,633)	(82,671)

(1) The variation corresponds mainly to commissions for operations related to the execution of the framework agreement, and also includes the commission for the availability of the "Club Deal" loan.

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(2) The variation is primarily due to the fact that in 2023, a donation to Fundación Suramericana for 20,000 was included.

NOTE 18. FEES

The fees are as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Advisory services (1)	(26,874)	(43,222)
Technical assistance	(4,793)	(3,470)
Board of Directors	(2,329)	(2,090)
Consulting services	(969)	(727)
Statutory audit	(681)	(676)
Technology	(189)	(14)
Other services	-	(338)
Total	(35,835)	(50,537)

(1) The decrease is primarily due to expenses incurred in 2023 related to the execution of the exchange agreement with Grupo Nutresa S.A. for \$31,960, which were not incurred in 2024.

NOTE 19. FINANCIAL RESULT

The financial result is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Gain (loss) on trading financial derivative instruments (Note 6.2.2.2.)	156,737	(170,263)
Net exchange difference (Note 19.1.)	(205,079)	53,823
Interest (Note 19.2.)	(883,064)	(661,031)
Other financial expenses (1)	(17,577)	-
Total	(948,983)	(777,471)

(1) This refers to (a) consent fee expenses associated with a modification to the bond clause and (b) costs incurred in negotiating better market conditions for financial derivative instruments.

Note 19.1. Net exchange difference

The net exchange difference is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Hedging derivative financial instruments (Note 6.2.2.1.)	311,163	(494,284)
Loans in foreign currency	(201,761)	25,491
Bonds	(314,481)	522,616
Total (1)	(205,079)	53,823

(1) The variation is mainly due to the increase in the representative market rate and the establishment of the Club Deal loan.

Note 19.2. Interest

The interests are as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Financial obligations (1)	(340,301)	(122,092)
Bonds issued (2)	(261,438)	(369,292)
Others (3)	(133,681)	(17,533)
Hedging derivative financial instruments (6.2.2.1.)	(106,180)	(107,396)
Preferred shares liabilities	(40,462)	(40,354)
Lease liabilities	(805)	(820)
Repo operations	(197)	(3,544)
Total	(883,064)	(661,031)

(1) The increase is mainly due to new loans acquired.

(2) The variation is basically due to (a) bond maturity (Note 6.2.3.) and (b) the fact that the bonds in Colombian pesos are indexed to the Consumer Price Index, an indicator that decreased compared to 2023.

(3) This basically includes interest on the loan from Grupo Bolívar S.A. and Seguros Bolívar S.A. totaling 129 thousand million pesos. Note 6.2.4.3

NOTE 20. EARNINGS PER SHARE

Basic earnings per common share are calculated based on the weighted average number of common shares outstanding in each category during the year.

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The calculation of basic and diluted earnings per common share is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Profit for the period, net	5,331,776	1,056,655
Plus, interest expense on preferred shares (Note 12.) (1)	40,462	40,354
Less undistributed earnings to preferred shareholders (2)	(1,379,643)	(213,081)
Profit attributable to holders of ordinary equity instruments from continuing operations	3,992,595	883,928
Weighted average number of common shares	325.591.212	466.720.702
Earnings per common share from continuing operations	12,263	1,894
Shares to be issued from commitments with non-controlling interests (3)	30.985.911	37.263.034
Earnings attributable to holders of ordinary equity instruments from continuing operations with dilutive effects	4,083,729	896,808
Earnings per share from continuing operations with dilutive effect	11,453	1,779

(1) Corresponds to the interest on the guaranteed minimum preferred shares dividend accrued as an expense during the period.

(2) Represents the portion of parent company profit attributable to preferred shares that has not been declared as a dividend.

(3) A valuation of the subsidiary Sura Asset Management S.A. in 2024 resulted in an increase compared to 2023. Furthermore, the market price of the shares of the Company at the end of 2024 also rose compared to the closing price in 2023. The possible shares to be issued to non-controlling interests decrease based on the increase in these two variables (share price and valuation of Sura Asset Management S.A.), since as the share price increases, the possible shares to be issued are fewer.

Within the commitments with non-controlling interests described in Note 6.2.4.2., a dilutive effect could arise. For the agreement with Caisse De Dépôt Et Placement Du Québec, which can be settled with shares of some of the subsidiaries, after the end of the Lock Up (10 years after the signing of the Agreement), in the event that payment with ordinary shares of the Company is decided, the diluted effect on earnings per share as of December 31, 2024 is 810 Colombian pesos and 115 Colombian pesos as of December 31, 2023.

NOTE 21. FAIR VALUE

Fair value is the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of assets and financial liabilities traded in active markets, such as financial assets in debt securities, equity instruments, and actively traded derivatives listed on stock exchanges or interbank markets, is based on prices provided by a price source, calculated using price averages taken on the last trading day of the reporting date.

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The fair value of financial assets not traded in an active market is determined using valuation techniques. The Company uses various methods and assumes assumptions based on prevailing market conditions on each reporting date. Valuation techniques include the use of recent comparable transactions under similar conditions, reference to other substantially identical instruments, discounted cash flow analysis, option pricing models, and other valuation techniques commonly used by market participants, making maximum use of market data.

Valuation techniques used for non-standard financial instruments, such as options, currency swaps, and over-the-counter derivatives, include the use of interest rate or currency curves constructed by providers and extrapolated to the specific conditions of the instrument for valuation, discounted cash flow analysis, option pricing models, and other valuation techniques commonly used by market participants based primarily on market data rather than entity-specific data.

The result of a model is always an estimate or approximation of a value that cannot be determined with certainty, and the valuation techniques used may not fully reflect all relevant factors for the Company's positions. Therefore, valuations are adjusted, if necessary, to account for additional factors, including country risk, liquidity risk, and counterparty risk.

Fair value hierarchy

The judgments and estimates used to determine the fair values of financial instruments that are recognized and measured at fair value in the financial statements are as follows.

The Company uses data from the three levels specified by accounting standards:

- Level 1: Level 1 input data are quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date;
- Level 2: Level 2 input data are distinct from quoted prices included in Level 1, as they are observable for assets or liabilities, directly or indirectly, in inactive markets
- Level 3: Level 3 input data are unobservable inputs for the asset or liability.

The fair value hierarchy level within which the fair value measurement is classified in its entirety is determined based on the lowest-level input that is most significant for measuring its total fair value. The relevance of an input is evaluated in relation to the overall fair value measurement. Financial instruments traded in markets not considered active, but valued based on quoted market prices, price quotations from price providers, or alternative price sources supported by observable inputs, are classified in Level 2.

If a fair value measurement uses observable data that require significant adjustments based on unobservable inputs, this measurement is classified as Level 3. Evaluating the significance of a particular input for the overall fair value measurement requires judgment, taking into account factors specific to the asset or liability.

Determining what is considered observable requires significant judgment by the Company. Observable data refers to market data that is already available, distributed, or updated by price providers, and is reliable and verifiable, free from proprietary rights, and provided by independent sources actively participating in the relevant market.

Note 21.1. Fair value measurement on a recurring basis

Fair value measurements on a recurring basis are those required or permitted in the financial statements at the end of each period.

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The following table presents the balance of assets and liabilities measured at fair value on a recurring basis and the hierarchy of the inputs used:

December 31, 2024	Level 1	Level 2
Investments		
At fair value through profit or loss (Note 6.1.2.)	-	33,749
At fair value through other comprehensive income (Note 6.1.2.)	25,460	-
Total investments	25,460	33,749
Derivative financial instruments for trading		
Interest rate swap	-	43,037
Forward	-	58,500
Total derivative financial instruments held for trading (6.2.2.2.) (1)	-	101,537
Hedging derivative financial instruments		
Interest rate swap	-	375,948
Options	-	116,747
Total derivative financial instruments used for hedging (6.2.2.1.) (1)	-	492,695
December 31, 2023		
Investments		
At fair value through profit or loss (Note 6.1.2.)	-	26,559
At fair value through other comprehensive income (Note 6.1.2.)	33,551	-
Total investments	33,551	26,559
Derivative financial instruments for trading		
Interest rate swap	-	(7,921)
Forward	-	(76,640)
Total derivative financial instruments held for trading (6.2.2.2.) (1)	-	(84,561)
Hedging derivative financial instruments		
Interest rate swap	-	122,123
Options	-	59,709
Total derivative financial instruments used for hedging (6.2.2.1.) (1)	-	181,832

(1) Derivative financial instruments are presented net (assets less liabilities).

For assets and liabilities that are recorded at fair value, there were no transfers during the period between the different hierarchy levels, nor changes in the valuation processes, techniques and types of inputs used.

Note 21.2. Determination of fair value

Investments measured at fair value through profit or loss

The Company assigns a price to its debt investments using prices provided by its official price provider and assigns the corresponding hierarchy level based on the procedure described above. For unlisted securities, such as certain bonds issued by other financial institutions, the Company generally determines fair value using standard internal valuation techniques. These techniques include determining future cash flows, which are discounted using applicable currency or interest rate curves, such as the Consumer Price Index (CPI), adjusted with a credit and liquidity risk premium. The interest rate is typically determined using observable market data and benchmark yield curves obtained from quoted interest rates in appropriate time bands, aligning the timing of the cash flows with the maturities of the instruments.

Investments measured at fair value through other comprehensive income

The Company values its equity investments at market prices by applying the prices provided by its official price provider and assigns the corresponding hierarchy level based on the procedure described above. Similarly, the fair value of unlisted equity instruments is based on the individual evaluation of investments using methodologies that include publicly traded comparable, obtained by multiplying a key performance metric (such as earnings before interest, taxes, depreciation, and amortization) by the relevant valuation multiple observed for comparable companies and, if deemed necessary, subject to discounts for lack of liquidity and/or marketability.

Derivative financial instruments

The Company maintains positions in standardized derivative instruments, such as futures on local stocks and the representative market exchange rate (TRM), which are valued using information provided by the official price provider. This valuation corresponds with the information supplied by the central counterparty clearing houses that settle and clear these instruments.

Additionally, the Company records positions in over-the-counter (OTC) derivative financial instruments, which, in the absence of prices, are valued using the inputs and methodologies provided by the price provider. Key inputs depend on the type of derivative financial instrument and the nature of the underlying instrument, and include yield curves, foreign exchange rates, the spot price (market price at a given moment) of the underlying volatility, and credit curves.

Note 21.3. Fair value of financial assets and liabilities measured at amortized cost or other valuation method

The book value and fair value of assets and liabilities measured at a value other than fair value are as follows:

	December 31, 2024		December 31, 2023	
	Book value	Fair value	Book value	Fair value
Related parties receivables (1) (Note 7.3.)	252,852	252,852	439,832	439,832
Other accounts receivable (1)	9,345	9,345	1,973	1,973
Total assets	262,197	262,197	441,805	441,805
Financial obligations (Note 6.2.1.)	4,309,771	4,309,771	2,860,073	2,860,073
Finance lease liabilities	11,572	11,572	11,872	11,872
Related parties payables (1) (Note 7.3.)	177,747	177,747	223,603	223,603
Other accounts payable (1) (Note 6.2.5.)	68,736	68,736	77,453	77,453
Bonds (2) (Note 6.2.3.)	3,623,356	3,512,844	3,487,199	3,427,342
Preferred shares liabilities (3) (Note 12)	459,821	449,927	459,834	401,776
Total liabilities	8,651,003	8,530,597	7,120,034	7,002,119

(1) For these accounts, the book value was considered similar to their fair value, due to their short-term nature.

(2) The fair value of securities issued is determined based on quoted or estimated prices provided by the price provider. This is considered a level 2 valuation.

(3) The fair value of the liability for preferred shares is valued using the TES curve (*TES, Títulos de Tesorería, in Spanish original. Government debt securities issued by the Colombian government*).

NOTE 22. FINANCIAL RISK MANAGEMENT

For the Company, risk management is a dynamic and interactive process, which is a fundamental component of the strategy that supports decision-making processes. Understanding risks as opportunities, preparing for uncertainty, configuring new businesses, exploring geographies, enhancing talent, among other aspects, are essential parts of this management. This management model is consistent with our vision of risks as an investment manager, reaffirms our comprehensive approach to the aggregated risks of the portfolio, and enables us to conduct forward-looking risk analysis considering the correlation between them.

Financial risk refers to the possibility that the results of the Companies and their capital structure may be affected by variations in the prices of assets, the non-payment of their obligations by third parties or risk situations arising from the environment

It is essential for the Company to have optimal capital structures and adequate levels of capital to enable it to meet its obligations to its stakeholders. For this reason, management systems are required to monitor and manage exposure to different financial risks, such as credit, market and liquidity risk.

Below is a detailed description of the management conducted by the Company regarding the main financial risks.

Note 22.1. Credit risk management

Credit risk management seeks to reduce the probability of incurring losses derived from non-compliance with financial obligations contracted by third parties with the Company.

Description of the objectives, policies and processes for risk management.

To manage this risk, treasury resource management has defined guidelines to facilitate the analysis and monitoring of issuers and counterparties, ensuring that investments are always backed by issuers and/or managers with adequate credit strength.

Methods used to measure risk

Risk management teams at the Company analyze counterparties, issuers, and managers to assess their credit support and establish the investment limits to be considered by the treasury.

Summary of quantitative data on credit risk exposure

Cash investments are mostly concentrated in liquid mutual funds managed by high credit quality managers and in bank savings and checking accounts.

To cover the credit risk in derivative financial instruments, the Company deals with local and international banks with adequate credit ratings, all of which are above investment grade.

The following is a list of the counterparties, their credit rating (in international and local scale) and the net exposure with each counterparty:

Net exposure in financial derivatives			
Bank	Rating	December 31, 2024	December 31, 2023
Merrill Lynch & Co., Inc.	A+	187,585	48,118
Citibank National Association	A+	50,974	30,655
JP Morgan Chase Bank N.A.	A+	162,145	75,970
Morgan Stanley & Co International PLC	A+	10,644	8,127
Goldman Sachs International	A+	61,305	13,823
Banco Santander S.A.	A+	-	(11,709)
Banco Bilbao Vizcaya Argentaria S.A.	BB+	24,511	-
Bancolombia S.A.	BB+	97,068	(67,715)

Details of financial assets are shown in Note 6.1.

Other minor assets, not material to the Company, are loans and receivables corresponding to loans to employees and other accounts with low credit risk.

Impairment of assets and receivables

The Company periodically analyzes the existence of impairment indicators and, if necessary, recognizes impairment losses.

Note 22.2. Market risk management

Market risk refers to how changes in market prices affect the income of the Company or the value of its investments.

Market risk in the Company is mainly generated by the following factors and activities:

- Treasury liquidity management through exposure to collective portfolios and issuers of fixed-income instruments; these activities do not generate significant market risk due to their low volatility and short duration;
- Financial liabilities contracted in foreign currencies and those tied to variable rates that result in exposure to exchange rate risk and fixed or variable interest rates, and
- Transactions with derivative financial instruments structured as hedging mechanisms for the financial liabilities that make up the obligations of the Company.

Note 22.2.1. Exchange rate risk

Exchange rate risk refers to the probability that the fair value or future cash flows of a financial instrument may fluctuate as a result of variations in one currency relative to another. The Company is exposed to this risk to the extent that it has assets and liabilities denominated in foreign currencies.

To manage this risk, the Company monitors its exposures in accordance with the policies and guidelines issued by the Board of Directors and, if necessary, determines the convenience of having a hedging scheme.

Methods used to measure risk

The management of exchange rate risk carried out by the treasury department of the Company focuses on analyzing the advisability of hedging to neutralize the impacts that exchange rate variations may have on its results and thus reduce exposure to this risk.

Description of changes in risk exposure

During 2024, the ceilings of certain hedging derivative financial instruments were extended through swaps and options transactions.

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Sensitivity analysis on foreign exchange risk exposure

A sensitivity analysis is presented below to estimate the impact of changes in the exchange rate on U.S. dollar liabilities, derivative financial instruments and income before taxes. These sensitivities are made taking into account simulated variations of +/- 10% in the Colombian peso – U.S dollar exchange rate compared to its closing value:

December 31, 2024		
Representative Market Rate at closing: \$4,409.15 pesos	+10% in the exchange rate	-10% in the exchange rate
Financial liabilities	(384,327)	384,327
Derivative financial instruments	357,105	(364,847)
Total	(27,222)	19,480

December 31, 2023		
Representative Market Rate at closing: \$3,822.05 pesos	+10% in the exchange rate	-10% in the exchange rate
Financial liabilities	(204,906)	204,906
Derivative financial instruments	309,197	(315,558)
Total	104,291	(110,652)

For the analysis of the results, it is important to highlight that the economic effect is the net result of considering the variation of the liability against the valuation of the hedging derivative.

Note 22.2.2. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate as a result of changes in market interest rates. Exposure to this risk arises from holding fixed-income assets and/or liabilities associated with variable interest rates.

To manage exposure to this risk, the Company monitors its exposures and, if necessary, determines the convenience of having a hedging scheme, periodically monitored and aligned with the guidelines issued by its Board of Directors.

Methods used to measure risk

The interest rate risk management performed by the treasury of the Company focuses on the analysis of the convenience of hedging in order to neutralize the impact that interest rate variations may have on its results and thus reduce exposure to this risk.

Description of changes in risk exposure

There were no significant changes in risk exposure.

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Sensitivity analysis of the exposure to interest rate risk

The following is a sensitivity analysis with the objective of estimating the impact that a variation in the interest rate would have on the valuation of hedging derivative financial instruments, based on scenarios of +/- 10 basis points in the interest rate in Colombian pesos:

	December 31, 2024	
	+10bp in the interest rate	-10bp in the interest rate
Financial liabilities	3,817	(3,828)
Derivative financial instruments	(946)	950
Total	2,871	(2,878)

	December 31, 2023	
	+10bp in the interest rate	-10bp in the interest rate
Financial liabilities	397	(398)
Derivative financial instruments	(849)	853
Total	(452)	455

Note 22.2.3. share price risk

Equity price risk is the probability that the fair value of a financial instrument will decline as a result of changes in equity asset prices.

Description of the objectives, policies and processes for risk management.

To manage this risk, treasury resource management has defined guidelines to facilitate the analysis and monitoring of how variations in the market prices of the instruments held could affect the Company.

Methods used to measure risk

The internal risk management system considers the evaluation process in relation to how variations in market prices affect the income of the Company or the value of its investments.

Summary of quantitative data on the risk exposure of the entity.

Given the nature of the portfolio and investments, exposures to this risk are not material. Details of financial assets are shown in Note 6.1.

Note 22.3. Liquidity risk management

Liquidity risk refers to the ability of the Company to generate the necessary resources to meet its obligations and the functioning of its business.

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To manage this risk, the Company orients its actions within the framework of a short- and long-term liquidity management strategy according to the policies and guidelines issued by the Board of Directors and Senior Management, which consider situational and structural aspects, in order to ensure that the obligations acquired are fulfilled under the conditions initially agreed and without incurring cost overruns.

Methods used to measure risk

For the management of this risk, in accordance with the policies and guidelines set by the Board of Directors and Senior Management, cash flow is monitored in the short term to manage collection and payment activities from the treasury, as well as cash flow projections in the medium term, enabling the determination of liquidity position and the anticipation of necessary measures for proper management.

In addition, the Company has credit lines available with financial institutions and has cash investments that could be sold as a mechanism to access liquidity, in addition to other complementary sources of liquidity.

Summary of quantitative data on the risk exposure of the entity

The maturities associated with assets to manage risk are as follows:

December 31, 2024	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Cash and equivalents (Note 6.1.1.)	132,040	-	-	132,040
Investments (Note 6.1.2.)	-	-	25,460	25,460
Related party receivables (Note 7.3.)	252,852	-	-	252,852
Other accounts receivable	9,345	-	-	9,345
Total	394,237	-	25,460	419,697

December 31, 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Cash and equivalents (Note 6.1.1.)	442,550	-	-	442,550
Investments (Note 6.1.2.)	-	-	33,551	33,551
Related party receivables (Note 7.3.)	439,832	-	-	439,832
Other accounts receivable	1,973	-	-	1,973
Total	884,355	-	33,551	917,906

The following are the maturities associated with the financial obligations:

December 31, 2024	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations (Note 6.2.1)	450,819	2,758,424	1,100,528	4,309,771
Derivative financial instruments (Note 6.2.2)	1,171	115,781	-	116,952
Accounts payable to related parties (Note 7.3)	142,442	35,305	-	177,747
Other accounts payable (Note 6.2.5)	55,224	13,512	-	68,736
Bonds issued (Note 6.2.3)	-	2,749,669	873,687	3,623,356
Preferred shares liability (Note 12)	-	-	459,821	459,821
Total	649,656	5,672,691	2,434,036	8,756,383

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December 31, 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations (Note 6.2.1)	1,430,394	620,123	809,556	2,860,073
Derivative financial instruments (Note 6.2.2)	68,638	136,182	-	204,820
Related parties payable (Note 7.3)	188,746	34,857	-	223,603
Other accounts payable (Note 6.2.5)	36,530	40,923	-	77,453
Bonds issued (Note 6.2.3)	167,502	2,338,581	981,116	3,487,199
Preferred shares liability (Note 12)	-	-	459,834	459,834
Total	1,891,810	3,170,666	2,250,506	7,312,982

Description of changes in exposure to risk during the period

Based on the extraordinary obligations that have arisen during 2024, the Company has maintained stable and adequate levels of coverage of expenses over revenues and debt over dividends, which allow us to anticipate, with a reasonable degree of certainty, that the Company has the necessary resources to meet its projected cash commitments.

Below are the events and situations that the Management of the Company believes are relevant to communicate to the different interest parties due to their potential impact on the liquidity situation of the Company:

Agreements with co-investors

Regarding the joint venture agreements with Caisse De Dépôt Et Placement Du Québec (CDPQ) and Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft, also known as Münchener Rück AG, or Munich Re (MRE), to date no enforceable requirements for cash or liquid resources have been identified as a result of these documents. Therefore, these options do not currently represent immediate liquidity pressures.

With regard to the transaction agreement between the Company and Grupo Bolívar S.A., during the last quarter of 2024, all the conditions precedent were met, including the obtaining of the applicable regulatory authorizations, and the closing of the share purchase agreement signed on November 30, 2023, was carried out. Consequently, on the agreed date, the transfer of 254,930 ordinary shares of Sura Asset Management S.A. was completed, equivalent to 9.74% of its capital.

Subscription of material financial contracts

Consistent with previous reports, the guaranteed credit agreement under the Club Deal modality with Banco Bilbao Vizcaya Argentaria S.A. New York Branch, Itaú Chile New York Branch, Banco General S.A., Banco Latinoamericano de Comercio Exterior S.A. and Citibank National Association. for a committed value of USD 500,000,000, of which USD 300,000,000 was disbursed in the second quarter of 2024. The remaining balance is available until March 2025 and is intended to meet the obligations of the framework agreement signed on June 15, 2023 and to reduce or re-profile existing debt levels. The term for repayment of the loan is five years from the date of signing the Contract, including a two-year grace period for repayment of the principal, and interest will be charged based on the SOFR rate plus a spread under market conditions, payable quarterly.

As is common in such transactions, this contract includes certain default clauses that may result in the acceleration of obligations. These events are categorized by materiality, and some of them are subject to cure periods. It is important to note that management continuously monitors the status of these clauses to anticipate and prevent any negative effects for the Company.

SEPARATE FINANCIAL STATEMENTS

Furthermore, to cover the liquidity requirements arising from the operation with Grupo Bolívar S.A., the Company made use of the committed credit lines with Bancolombia S.A. and Davivienda S.A. reported in previous periods. In the case of Bancolombia S.A., the entire committed credit of \$0.65 billion was disbursed. For its part, with Davivienda S.A. there was a committed credit line for up to \$0.82 billion, of which \$0.29 billion was disbursed in the second quarter of 2024 and \$0.20 billion in the fourth quarter of 2024, resulting in an available balance of \$0.33 billion at an effective annual cost of 0.60%. This line of credit remains available at the end of 2024 given that in November 2024 its availability period was extended until February 2025, with interest rates and terms to be agreed at the time of each disbursement, under market conditions for this type of financing.

The funding strategy described above adequately meets the previously outlined requirements, maintaining appropriate levels of indebtedness, liquidity, and solvency. Additionally, the debt service generated by the acquisition of these loans is consistent with the Company's income level and within its current repayment capacity.

Memorandum of Understanding and Spin-off Agreement.

The Company signed an agreement with Grupo Argos S.A. with the aim of disposing of the cross-shareholdings, called the "Spin-off Agreement". This objective will be achieved through a single operation consisting of reciprocal spin-offs by absorption as part of the Memorandum of Understanding signed between the parties, as detailed in Note 5.

According to the aforementioned and given that the transaction does not involve the disbursement of funds or the assumption of additional liabilities, it is estimated that the immediate effect on the liquidity of the Company will be neutral. Nevertheless, as a result of the disposal of one of the dividend-generating assets and one of its operating segments, a decrease in the associated cash flows is expected once the transaction is completed. The dividends received from Grupo Argos S.A. represented 8% of the total dividends received during 2024. Furthermore, the Company is implementing various capital optimization and efficiency strategies in the other investments in its portfolio, with the aim of boosting its capacity to distribute profits, preserving the strength and adequate liquidity of the Company.

Overall, this operation strengthens the strategy of the Company to move towards a portfolio with a greater focus on financial services, favoring its consolidation in the medium and long term without compromising the strength of its liquidity.

SEPARATE FINANCIAL STATEMENTS

Suramericana S.A.

Suramericana S.A. maintains a strong overall liquidity position in its businesses, carrying out proactive monitoring based on short- and medium-term cash flow projections, managing treasury activities and optimizing resource management, always seeking to ensure compliance with adequate levels of reserve matching and solvency. On the basis of the analyses carried out, no events have been identified that could have a potentially significant impact on the short- and medium-term liquidity of Suramericana S.A. and, therefore, of the Company. In the case of the subsidiary EPS Suramericana S.A., and especially regarding the request submitted on May 28, 2020, regarding the Progressive Dismantling Program to the National Health Superintendency, the Company continues to monitor the relevant variables of that business in order to identify in advance those scenarios that could eventually represent risks to its liquidity position. The other subsidiaries and lines of business of Suramericana S.A. in Colombia and Latin America remain within the established risk appetites in relation to the defined levels of liquidity and solvency, reflecting adequate equity strength that allows it to meet its obligations. Liquidity risk is considered moderate and no material threats to the liquidity position are identified in the short and medium term.

Sura Asset Management S.A.

With regard to the savings and retirement business, no events with a significant impact on the liquidity of Sura Asset Management S.A. and, therefore, of the Company, have been identified. Nevertheless, in the case of Asulado S.A., due to the risks associated with the development of the insurance business and the organic growth it is experiencing, capitalization needs may arise in the short term to enable its growth, which will be analyzed in a timely and comprehensive manner by the corporate teams.

NOTE 23. CAPITAL MANAGEMENT

The policy of the Company is to maintain a solid capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital and the level of dividends paid to shareholders.

Management attempts to maintain a balance between the higher returns that can be obtained with higher credit levels and the advantages and security provided by a strong capital position.

The Company monitors capital using an adjusted net debt to equity ratio. To this end, adjusted net debt is defined as total financial liabilities (financial obligations and bonds issued) including interest-bearing loans, plus proposed dividends not yet accrued, minus cash and equivalents.

The adjusted net debt to equity ratio is as follows:

	December 31, 2024	December 31, 2023
Financial liabilities (Note 6.2.) (1)	7,933,127	6,347,272
Cash and cash equivalents (Note 6.1.1.)	(132,040)	(442,550)
Derivative financial instruments, net (Note 6.1.3. y 6.2.2.)	(594,232)	(97,271)
Net debt	7,206,855	5,807,451
Equity	21,432,213	25,685,849
Adjusted debt to equity ratio (2)	33%	22%

SEPARATE FINANCIAL STATEMENTS

(1) Includes financial obligations and bonds issued.

(2) Net Debt/Equity.

NOTE 24. EVENTS AFTER THE REPORTING DATE

Offer to purchase an international bond maturing in 2026

On January 8, 2025, the Company initiated a cash tender offer for up to USD 200,000,000 of its international bonds maturing in 2026. As of January 23, 2025, offers totaling USD 291,799,000 in principle were received. Due to higher investor interest in participating in the tender offer, the maximum amount was increased to USD 230,000,000 in principle. The tender offer is conducted in accordance with the terms and conditions outlined in the document titled "Offer to Purchase," addressed to the bondholders.

The tender offer will expire on February 7, 2025; however, since the maximum amount has already been reached, offers received after January 23, 2025, will not be accepted. Payment for the accepted offers was made on January 30, 2025, applying the proration rules outlined in the offer to purchase.

Purchase and sale agreement for shares of Grupo Argos S.A. between the Company and the subsidiary Inversiones y Construcciones Estratégicas S.A.S.

On January 24, 2025, the Company acquired 2,180,250 common shares of Grupo Argos S.A. for \$42,078 that were owned by the subsidiary Inversiones y Construcciones Estratégicas S.A.S.

With this transaction the Company owns 285,834,388 shares in Grupo Argos S.A.

Arus Holding S.A.S. share purchase and sale agreement between the Company and the subsidiary Inversiones y Construcciones Estratégicas S.A.S.

On January 24, 2025 the Company sold 148,877 shares of Arus Holding S.A.S. common stock for \$103,595 to the subsidiary Inversiones y Construcciones Estratégicas S.A.S.

With this transaction the Company ceased to be a direct shareholder in Arus Holding S.A.S.

Club Deal

In relation to the Club Deal credit agreement signed in March 2024 for USD 500 million, of which USD 300 million was disbursed on April 3, 2024, an additional USD 200 million was disbursed on January 29, 2025. The loan term is 5 years, with an agreed interest rate of SORF (3 months) + 2.65. This disbursement is intended for the payment of the tender offers for the international bonds.

NOTE 25. APPROVAL OF THE FINANCIAL STATEMENTS

The Board of Directors authorized the publication of the financial statements of the Company corresponding to the fiscal year ended December 31, 2024, for presentation to the market and to the General Meeting of Shareholders, as recorded in the minutes of the aforementioned body on January 30, 2025. These financial statements will form part of the annexes to the Spin-off Agreement mentioned in Note 5, which was authorized by the same Board of Directors to be presented to the General Meeting of Shareholders for approval.

Financial indicators

SEPARATE FINANCIAL STATEMENTS

FINANCIAL INDICATORS

The following financial indicators and their analysis, performed by management, are not part of the financial statements presented.

Indicator		December 31, 2024	December 31, 2023
Solidity	Total liabilities	9,532,478	7,615,592
	Total assets	30,964,691	33,301,441
	Total liabilities / Total assets	30.78%	22.87%
	The creditors owned 30.78% as of December 31, 2024 (22.87% as of December 31, 2023), with the shareholders owning 69.22% as of December 31, 2024 (77.13% as of December 31, 2023)		
Debt Ratio			
Total	Total liabilities	9,532,478	7,615,592
	Total assets	30,964,691	33,301,441
	Total liabilities / Total assets	30.78%	22.87%
	For every \$1 peso invested in assets, 30.78% as of December 31, 2024 (22.87% as of December 31, 2023) has been financed by the creditors		
Interest Coverage Ratio	Net income + interest	6,214,840	1,717,686
	Financial expenses	883,064	661,031
	Net income + interest / Financial expenses	703.78%	259.85%
	A net gain of 703.78% at December 31, 2024 (259.85% at December 31, 2023) was generated from interest paid		
Total Leverage	Total liabilities	9,532,478	7,615,592
	Equity	21,432,213	25,685,849
	Total liabilities / Shareholders equity	44.48%	29.65%
	Each \$1 peso of the shareholders is committed at 44.48% as of December 31, 2024 (29.65% as of December 31, 2023).		
Total Financial Leverage	Liabilities with financial entities	8,392,948	6,807,106
	Equity	21,432,213	25,685,849
	Liabilities with financial entities / Equity	39.16%	26.50%
	For every \$1 peso of equity, 39.16% is financially committed as of December 31, 2024 (26.50% as of December 31, 2023)		
Return			
Net Profit Margin	Net profit	5,331,776	1,056,655
	Net revenue	6,909,310	2,395,506
	Net profit / Net revenues	77.17%	44.11%
	The net profit corresponds to 77.17% of the net income as of December 31, 2024 (44.11% as of December 31, 2023)		
Return on Equity	Net profit	5,331,776	1,934,977
	Equity - profit	16,100,437	24,629,194
	Net profit / Equity - retained earnings	33.12%	4.29%
	The net results correspond to 33.12% of equity as of December 31, 2024 (4.29% as of December 31, 2023)		
Return on Assets	Net profit	5,331,776	1,934,977
	Total assets	30,964,691	33,301,441
	Net profit / Total assets	17.22%	3.17%
	The net results relative to total assets correspond to 17.22% as of December 31, 2024 (3.17% as of December 31, 2023)		

ANNEX I

Proforma Financial Statements for Cementos

CEMENTOS ARGOS S.A.
PRO FORMA FINANCIAL INFORMATION
SEPARATE PRO FORMA STATEMENT OF FINANCIAL POSITION

As of December 31, 2024
(Figures in millions of Colombian pesos)

	As of December 31, 2024	Absorption cleavage effect [1].	Pro forma balances 2024
Investment in Grupo Sura and investment in Grupo Sura (PA Inhibitor)	1.056.292	(1.056.292)	-
Other assets	18.366.653	(3.615)	18.363.
Total Assets	\$ 19.422.945	\$ (1.059.907)	\$ 18.363.038
Total Liabilities	\$ 5.883.571	\$ 485.000	\$ 6.368.571
Issued capital	587.370	-	587.370
Additional paid-in capital	1.702.848	-	1.702.848
Share repurchase	(452.506)	-	(452.506)
Reserves	5.826.921	-	5.826.921
Retained earnings	1.444.872	(314.356)	1.130.516
Accumulated other comprehensive income	4.228.616	(1.025.683)	3.202.933
Profit for the period	201.253	(204.868)	(3.615)
Total equity	\$ 13.539.374	\$ (1.544.907)	\$ 11.994.467
Total liabilities and equity	\$ 19.422.945	\$ (1.059.907)	\$ 18.363.038

[1] See footnotes 1, 2 and 3.

NOTE 1. DESCRIPTION OF THE TRANSACTION

Background

Cementos Argos S.A. recognizes the investment in Grupo de Inversiones Suramericana S.A. as a financial instrument measured at fair value with changes in Other Comprehensive Income - ORI

Cementos Argos S.A. has direct participation in Grupo de Inversiones Suramericana S.A. of 4,094,940 ordinary shares representing 1.04% of the outstanding capital of Grupo de Inversiones Suramericana S.A., and 24,300,000 ordinary shares of Grupo de Inversiones Suramericana S.A., representing 6.15% of the outstanding capital of Grupo de Inversiones Suramericana S.A. in the FAP Cementos Argos Inhibidor del Voto Autonomous Equity, an autonomous equity whose sole trustor is Cementos Argos S.A., created for the purpose and with the irrevocable instruction not to exercise the political rights inherent to the shares in trust in any event and under any circumstances.

Pro forma financial information:

The separate pro forma financial information of Cementos Argos S.A. has been prepared to give effect to the following transaction:

Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. signed on December 18 a Spin-Off Agreement, by means of which they agreed on the operation to dispose of the cross-shareholdings that they have had for more than 46 years and that have made it possible for them to be today leading organizations and references in their sectors. Subsequently, on December 27, an amendment to the Spin-Off Agreement was signed by which Cementos Argos S.A. became part of the operation to dispose of its shareholding in Grupo de Inversiones Suramericana S.A. The disposal of the shares will be achieved through partial spin-offs by absorption. This operation will allow: i) Cementos Argos S.A. shareholders to keep their direct participation in Cementos Argos S.A. and receive direct participation in Grupo de Inversiones Suramericana S.A. and Cementos Argos S.A. shareholders who keep their participation in Grupo de Inversiones Suramericana S.A. as a result of the spin-off, would also receive shares of Grupo Argos S.A. as a result of the spin-off of Grupo de Inversiones Suramericana S.A., maintaining the economic value they had initially; ii) Cementos Argos S.A. shareholders who keep their participation in Grupo de Inversiones Suramericana S.A. would also receive shares of Grupo Argos S.A. as a result of the spin-off of Grupo de Inversiones Suramericana S.A., (ii) Cementos Argos will have its investments dedicated to the construction materials sector. The spin-offs will be subject to the approval of the companies' Shareholders' Meetings and are subject to regulatory approvals.

Summary of the transaction

- Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. agreed to dispose of the cross-shareholdings through absorption spin-offs to be completed substantially simultaneously. Cementos Argos S.A. entered into the transaction and agreed to dispose of its interest in Grupo de Inversiones Suramericana S.A. through a partial spin-off by absorption that will be a preliminary step to the spin-offs by absorption of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. These partial spin-offs by absorption are conditioned, among other aspects, to the approval of the three spin-offs and the disposal of the common shares of Grupo de Inversiones Suramericana S.A. owned by Celsia S.A..

- Each shareholder of Cementos Argos S.A. will retain its shares and, in addition, will receive at least 0.02 shares of Grupo de Inversiones Suramericana S.A. for each share of Cementos Argos S.A. that it initially held.
- This operation is consistent with the Company's objectives to efficiently dispose of its participation in Grupo de Inversiones Suramericana S.A., and to be a pure player in the construction materials sector

Detailed step-by-step transaction

This is a single transaction that will result in each shareholder of Cementos Argos S.A. retaining its stake in Cementos Argos S.A. and receiving a direct stake in Grupo de Inversiones Suramericana S.A., thus putting an end to cross-shareholdings:

1. Spin-off:

- Cementos Argos S.A. will spin-off its investment in Grupo de Inversiones Suramericana S.A. to Grupo de Inversiones Suramericana S.A. and as a result, Grupo de Inversiones Suramericana S.A. will issue shares to the shareholders of Cementos Argos S.A., including Grupo Argos S.A.
- Considering the shares of Grupo de Inversiones Suramericana S.A. that Grupo Argos S.A. will receive as a shareholder of Cementos Argos S.A., Grupo Argos S.A. will split its investment in Grupo de Inversiones Suramericana S.A. in favor of Grupo Sura. In turn, Grupo de Inversiones Suramericana S.A. will spin off its investment in Grupo Argos S.A. in favor of Grupo Argos.

2. Absorption: Grupo Argos S.A. will absorb the investment that Grupo de Inversiones Suramericana S.A. had in Grupo Argos S.A. At the time of this absorption, the shares are cancelled. Likewise, Grupo de Inversiones Suramericana S.A. will absorb the investment that Grupo Argos S.A. had in Grupo de Inversiones Suramericana S.A. At the time of this absorption, the shares are cancelled.

3. Issuance: Grupo Argos S.A. will issue shares in favor of all the shareholders of Grupo de Inversiones Suramericana S.A. as a consequence of the own shares it received from Grupo de Inversiones Suramericana S.A. Taking into account that Grupo Argos S.A. was one of the shareholders of Grupo de Inversiones Suramericana S.A., the shares corresponding to Grupo Argos S.A. will be cancelled, increasing the participation of all the other shareholders of Grupo Argos S.A., the shares corresponding to it will be cancelled, increasing the participation of all the other shareholders of Grupo Argos S.A. Simultaneously, Grupo de Inversiones Suramericana S.A. will issue shares in favor of all the shareholders of Grupo Argos S.A., including Grupo de Inversiones Suramericana S.A., including Grupo de Inversiones Suramericana S.A., as a consequence of the own shares it received from Grupo Argos S.A. Considering that Grupo de Inversiones Suramericana S.A. was one of the shareholders of Grupo Argos S.A., the shares corresponding to it will be cancelled, increasing the participation of all the other shareholders of Grupo de Inversiones Suramericana S.A. The common shareholders of the company to be spun-off will receive common shares of the beneficiary company. Preferred shareholders will receive preferred shares. At the end of the transaction, each shareholder of Cementos Argos S.A. will maintain its current shares of Cementos Argos S.A. and will receive at least 0.23 shares of Grupo de Inversiones Suramericana S.A. for each share it initially held. In the case of Grupo de Inversiones Suramericana S.A., each shareholder will maintain its current shares of Grupo de Inversiones Suramericana S.A. and will receive at least 0.72 shares of Grupo Argos S.A. for each share held prior to the transaction. In the case of Cementos Argos S.A., since it is the first spin-off to be completed, the shareholders who keep the shares of Grupo de

Inversiones Suramericana S.A. resulting from the spin-off of such company, will also receive shares of Grupo Argos S.A.

NOTE 2. BASIS OF PREPARATION

The separate pro forma financial information presented should be analyzed in conjunction with:

- The separate financial statements of Cementos Argos S.A. as of December 31, 2024 and their notes.
- The Spin-Off by Absorption project signed between Cementos Argos S.A., Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A.
- The separate pro forma financial information of Cementos Argos S.A. and Grupo de Inversiones Suramericana S.A. as of December 31, 2024.
- The separate pro forma financial information of Cementos Argos S.A. represents the financial information reported in the financial statements as of December 31, 2024, adjusted for the accounting effects of the transaction described in Note 1. The accounting effects of such transaction were determined based on accounting criteria developed in accordance with Accounting and Financial Reporting Standards accepted in Colombia.

Given the special purpose of the pro forma financial information, it should not be understood as general purpose financial statements prepared under Accounting and Financial Reporting Standards accepted in Colombia.

The pro forma financial information does not necessarily indicate the performance or financial position that Cementos Argos S.A. would have had if the described transaction had been completed as of December 31, 2024, and is intended to project the effect of the partial spin-off on both the results and the financial position of Cementos Argos S.A.

The following is a summary of the main accounting criteria applied to the transaction that have the most relevant impact on the pro forma financial information and the accounting step-by-step to arrive at the above results:

1. Reclassification of the investment as a non-current asset for distribution to shareholders in accordance with IFRS 5 - Non-current assets held for sale and discontinued operations.

The investment in Grupo de Inversiones Suramericana S.A. to be spun-off should be classified as a non-current asset classified as held for distribution to owners, in accordance with IFRS 5, once it is established that the transaction is highly probable. Likewise, the asset must be measured at the lower of its carrying amount and its fair value less distribution costs with effect in results in case of impairment, this presentation does not modify its measurement, which will continue to be at fair value with changes in Other Comprehensive Income - ORI.

This is in accordance with paragraph 12A of IFRS 5, which states that "when an entity is committed to distribute the asset (or group of assets for disposal) to owners, the non-current asset (or group of assets for disposal) is classified as held for distribution to owners. For this to be the case, the assets must be available for immediate distribution in their present condition, and the distribution must be highly probable [...]. The likelihood of approval by owners (if required in the jurisdiction) should be considered as part of the assessment of whether the sale is highly probable."

2. Measurement of the investment in Grupo de Inversiones Suramericana S.A. and transfer of the equity block at the time of spin-off

Non-reciprocal distributions to owners, other than in cash, or non-reciprocal distributions to owners with a settlement option other than cash, are accounted for in accordance with IFRIC 17. Distributions within the scope of IFRIC 17 are those made to owners in their capacity as owners (where all owners are treated equally) in the event of a change in control over the assets distributed.

Considering that the asset to be delivered corresponds to a non-monetary asset and that its liquidation is different from cash, and that the owners of each company under a non-reciprocal figure will receive directly the participation in Grupo de Inversiones Suramericana S.A., its accounting treatment would be under IFRIC 17. This means that the distribution of the assets must be made at fair value at the date the spin-off is completed, and any difference between the fair value and the book value of the assets delivered must be recognized in the income statement for the period, in accordance with paragraphs 11 and 14 of IFRIC 17. However, considering that Cementos Argos S.A. measures its investment at fair value with changes in Other Comprehensive Income - ORI, there will be no differences between the carrying value and fair value that may affect the results, given that Cementos Argos S.A., at the time of the spin-off must measure its investment at fair value selected within the valuation range granted by external valuers, and recognize any effect of this measurement in Other Comprehensive Income - ORI.

The fair value per share of Grupo de Inversiones Suramericana S.A. for accounting purposes and preparation of these pro forma financial statements is \$72,806.

The spin-off will reduce the Company's equity since the interest in the associate Grupo de Inversiones Suramericana S.A. will be transferred to the shareholders of Cementos Argos S.A. under the spin-off by total absorption.

The following is a detail of the equity block transferred by Cementos Argos S.A. at fair value:

Equity Block Transferred by Argos	
Asset Account / Equity Account	Carrying value of the transferred equity block
4,094,940 shares of Grupo Sura common stock owned by Cementos Sura.	\$298.136
24,300,000 common shares of Grupo Sura owned by the AP Inhibitor Cementos	\$1.769.186
Total assets to be spun off	\$2.067.322
Accumulated results	\$30.609
Other comprehensive income	\$2.036.713
Total equity to be spun off	\$2.067.322

NOTE 3. PRO FORMA ADJUSTMENTS

	As of December 31, 2024	Previous Stage Effect	Effect of spin-off Cementos	Pro forma balances
Investment in Grupo Sura and investment in Grupo Sura (PA Inhibitor)	\$1,056,292	-	(\$1,056,292)	-
Other assets	\$18,366,653	-	(\$3,615)	\$18,363,038
Total Assets	\$19,422,945	-	(\$1,059,907)	\$18,363,038
Total Liabilities	\$5,883,571	\$485,000	-	\$6,368,571
Issued capital	\$587,370	-	-	\$587,370
Additional paid-in capital	\$1,702,848	-	-	\$1,702,848
Own shares repurchased	(\$452,506)	-	-	(\$452,506)
Reservations	\$5,826,921	-	-	\$5,826,921
Accumulated results	\$1,444,872	(\$283,747)	(\$30,609)	\$1,130,516
Other comprehensive income	\$4,228,616	-	(\$1,025,683)	\$3,202,933
Profit for the year	\$201,253	(\$201,253)	(\$3,615)	(\$3,615)
Total equity	\$13,539,374	(\$485,000)	(\$1,059,907)	\$11,994,467
Total liabilities and equity	\$19,422,945	-	(\$1,059,907)	\$18,363,038

The separate pro forma financial information reflects the adjustments necessary to give effect to the transactions described in Note 1, which mainly include the following:

1. Audited book balances as of December 31, 2024 are taken, which include the results of the period from April 1° to December 31, 2024, due to the extraordinary closing of the Company as of March 31, 2024. Pro forma adjustments correspond to:

Previous Effect contains:

1. The accounting close of the period is simulated, reclassifying profits to retained earnings for Ch\$201,253 million.
2. The estimated dividend declaration of Ch\$485,000 million is simulated, increasing the liability payable to shareholders and reducing retained earnings by the same amount.

Effect of spin-off Cementos:

1. The valuation per share of Grupo de Inversiones Suramericana S.A. is recognized at a fair value per share of \$72.806, which is within the valuation range determined by the external valuers, which generates an increase in the Other Comprehensive Income ORI of \$1,011,030, for a total value of \$2,067,322 million for the 28,394,940 shares held by Cementos Argos S.A. in Grupo de Inversiones Suramericana S.A.
2. The delivery to Grupo de Inversiones Suramericana S.A. of 100% of the shares for Ch\$2,067,322 million is recognized, generating a decrease in the valuation recorded in the Other Comprehensive Income - ORI for Ch\$2,036,713 million and the withdrawal of the surplus related to the historical cost of Ch\$30,609 from retained earnings.
3. The impact of the Tax on Financial Movements - GMF is estimated for the withdrawal of funds from the autonomous patrimony FAP Cementos Argos Inhibidor del Voto, whose current value in the Colombian Stock Exchange - BVC is \$903,960, generating an approximate tax of \$3,615 million.

ANNEX J

Proforma Financial Statements for Grupo Argos

GRUPO ARGOS S.A.
PRO FORMA FINANCIAL INFORMATION
SEPARATE PRO FORMA STATEMENT OF FINANCIAL POSITION
As at 31 December 2024
(Figures in millions of Colombian pesos)

	As at 31 December 2024	Effect of spin-off by absorption (1)	Pro forma balances
Assets			
Investment in Grupo Sura and investment in Grupo Sura (PA Inhibidor)	6,971,797	(6,971,797)	-
Other assets	15,042,876	(732,105)	14,310,771
Total assets	22,014,673	(7,703,902)	14,310,771
Total liabilities	3,246,983	570,781	3,817,764
Equity			
Share capital	54,697	-	54,697
Additional paid-in capital	1,503,373	(1,503,373)	-
Repurchased shares	(428,360)	-	(428,360)
Retained earnings	10,254,655	(5,791,550)	4,463,105
Reserves	3,344,004	(925,983)	2,418,021
Profit for the year	2,531,987	27,515	2,559,502
Other components of equity	396,439	(90,526)	305,913
Other comprehensive income	1,110,895	9,234	1,120,129
Total Equity	18,767,690	(8,274,683)	10,493,007
Total Liabilities and Equity	22,014,673	(7,703,902)	14,310,771

(1) See note 1, 2 and 3

GRUPO ARGOS S.A.
PRO FORMA FINANCIAL INFORMATION
SEPARATE PRO FORMA STATEMENT OF PROFIT OR LOSS
For the year ended 31 December 2024
(Figures in millions of Colombian pesos)

	As at 31 December 2024	Effect of spin- off by absorption (1)	Pro forma balances
Revenue (*)	3,535,660	(1,961)	3,533,699
Cost of ordinary activities	(183,549)	-	(183,549)
Gross profit	3,352,111	(1,961)	3,350,150
Structure expenses	(190,009)	-	(190,009)
Other income (expenses), net	58,168	-	58,168
Profit from operating activities	3,220,270	(1,961)	3,218,309
Net finance expense	(133,634)	-	(133,634)
Foreign exchange difference, net	10,467	-	10,467
Earnings before taxes	3,097,103	(1,961)	3,095,142
Income tax	(565,116)	-	(565,116)
Profit for the year after continuing operations	2,531,987	(1,961)	2,530,026
Net income after discontinued operations (**)	-	2,561,463	2,561,463
Profit for the year	2,531,987	2,559,502	5,091,489

(*) Corresponds to the application of equity-accounted investees on the impact of the tax to the tax on Financial Movements - FTT of Cementos Argos S.A. given the spin-off by absorption of Cementos Argos S.A.

(**) Below is the breakdown of the effects on profit or loss derived from the Total spin-off by absorption operation:

	Effect of spin- off by absorption
Spin-off Income	2,716,401
Derecognition of account receivable associated with dividends pending collection at the date of spin-off	(73,331)
FTT tax	(23,847)
Structuring expenses	(53,690)
Financial expense associated with preferred shares	(4,070)
Spin-off profit before taxes	2,561,463
Income tax	-
Net income after discontinued operations	2,561,463

NOTE 1. DESCRIPTION OF THE TRANSACTION

Background

Grupo Argos S.A. recognizes the investment in Grupo de Inversiones Suramericana S.A. as an investment in an associate and measures it at cost in the separate financial statements and by equity-accounted investees in the consolidated financial statements, isolating the reciprocal shareholding at the time of applying reciprocal interests.

Grupo Argos S.A. has a direct and indirect interests in Grupo de Inversiones Suramericana S.A. through its subsidiaries: Cementos Argos S.A. and Celsia S.A.

As of 31 December 2024, the percentage of direct interests in Grupo de Inversiones Suramericana S.A. with economic rights is 45.99% and the percentage with voting rights is 9.38%. As of December 2024, Grupo Argos S.A. has suspended voting rights on the investment in Grupo de Inversiones Suramericana S.A. through the inhibition of the voting rights of 155,200,000 shares held in the FAP Grupo Argos Inhibidor Autonomous Equity, the purpose of which is not to exercise the voting rights.

Pro forma financial information

The separate pro forma financial information of Grupo Argos S.A. has been prepared to give effect to the following transaction:

Grupo Argos S.A. and Grupo de Inversiones Sura S.A. signed on 18 December a Spin-off Agreement, whereby they agreed to the operation to dispose of the cross-shares that they have had for more than 46 years and that have made them possible today to be leading and benchmark organizations in their sectors. Subsequently, on 27 December, an amendment was signed to the spin-off Agreement by which Cementos Argos S.A. was linked to the operation. The disposition of the cross-shareholding will be achieved through spin-off by absorption that will be approved and perfected simultaneously. This operation will allow: i) that the shareholders of Grupo Argos S.A. retain their direct interests in Grupo Argos S.A. and receive direct interests in Grupo de Inversiones Suramericana S.A., maintaining the economic value they initially had; ii) simplify the shareholding and portfolio structure of Grupo Argos S.A. in line with current market trends and investor desires; and iii) deepen Grupo Argos' focus on the constructions materials and infrastructure sectors, leveraging its capabilities and business plan. The spin-offs will be subject to the approval of the Shareholders' Meetings of the companies and are subject to regulatory approvals.

Transaction Summary

- Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. agreed to dispose of the cross shares by means of spin-off by absorption that will be perfected substantially simultaneously. Cementos Argos S.A. entered into the transaction and agreed to dispose of its interests in Grupo de Inversiones Suramericana S.A. through a spin-off by absorption that will be a preliminary step to the spin-offs by absorption of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. These spin-offs by absorption are conditioned, among other aspects, to the approval of the three spin-offs and the disposal of the ordinary shares of Grupo de Inversiones Suramericana S.A. owned by Celsia S.A. in favor of its shareholders.
- Each shareholder of Cementos Argos S.A. will hold its shares and additionally receive at least 0.02 shares of Grupo de Inversiones Suramericana S.A. for each share of Cementos Argos S.A. that they initially held.

- considering the shares of Grupo de Inversiones Suramericana S.A. that Grupo Argos S.A. received as shareholder of Cementos Argos S.A. as a result of the spin-off of Cementos Argos S.A., each shareholder of Grupo Argos S.A. will retain its shares and, additionally, will receive at least 0.23 shares of Grupo de Inversiones Suramericana S.A. for each share of Grupo Argos S.A. that they initially held. In turn, each shareholder of Grupo de Inversiones Suramericana S.A. will retain its shares in the company and will receive at least 0.72 shares of Grupo Argos S.A. for each share of Grupo de Inversiones Suramericana S.A. they held prior to the transaction..
- The shareholders of Grupo Argos S.A. will obtain direct interests in both Grupo Argos S.A. as in Grupo de Inversiones Suramericana S.A., maintaining the economic value they initially held in a company, now represented in equity in the two companies.
- This transaction is consistent with the objectives set by the Company to efficiently dispose of its participation in Grupo de Inversiones Suramericana S.A., to terminate the cross-shares between Grupo Argos S.A. in an organized manner. and Grupo de Inversiones Suramericana S.A., deepen the specialization of Grupo Argos S.A. as an investment manager in infrastructure, to continue the organization's business plan, and to ensure the fair treatment of all shareholders of the companies involved.

Detailed step-by-step transaction

This is a single transaction whose result will be that each shareholder of Grupo Argos S.A. retains their interests in Grupo Argos S.A. and receive direct interests in Grupo de Inversiones Suramericana S.A., ending the cross-shareholding:

1. Spin-off:

- Cementos Argos S.A. will spin-off its investment in Grupo de Inversiones Suramericana S.A. in favor of Grupo de Inversiones Suramericana S.A. and as a result, Grupo de Inversiones Suramericana S.A. will issue shares to the shareholders of Cementos Argos S.A., including Grupo Argos S.A.
- Considering the shares of Grupo de Inversiones Suramericana S.A. to be received by Grupo Argos S.A. as shareholder of Cementos Argos S.A., Grupo Argos S.A. will spin-off its investment in Grupo de Inversiones Suramericana S.A. in favor of Grupo Sura. In turn, Grupo de Inversiones Suramericana S.A. will spin-off its investment in Grupo Argos S.A. in favor of Grupo Argos.

2. Absorption: Grupo Argos S.A. will absorb the investment that Grupo de Inversiones Suramericana S.A. had in Grupo Argos S.A. At the time of this absorption, the shares shall be cancelled. Likewise, Grupo de Inversiones Suramericana S.A. will absorb the investment that Grupo Argos S.A. had in Grupo de Inversiones Suramericana S.A. At the time of this absorption, the shares shall be cancelled.

3. Share issue: Grupo Argos S.A. shall issue shares in favor of all shareholders of Grupo de Inversiones Suramericana S.A. as a result of the own shares it received from Grupo de Inversiones Suramericana S.A. Considering that Grupo Argos S.A. was one of the shareholders of Grupo de Inversiones Suramericana S.A., the shares corresponding to it shall be cancelled, increasing the interests of all other shareholders of Grupo Argos S.A. Simultaneously, Grupo de Inversiones Suramericana S.A. shall issue shares in favor of all shareholders of Grupo Argos S.A., including Grupo de Inversiones Suramericana S.A., as a result of the own shares it received from Grupo Argos S.A. Considering that Grupo de Inversiones Suramericana S.A. was one of the shareholders of Grupo Argos S.A., the shares corresponding to it shall be cancelled, increasing the interests of all other shareholders of Grupo de Inversiones Suramericana S.A. Ordinary shareholders of the spin-off

company shall receive ordinary shares of the beneficiary company. Preferred shareholders will receive preferred shares. At the end of the transaction, each shareholder of Grupo Argos S.A. shall maintain its current shares of Grupo Argos S.A. and shall receive at least 0.23 shares of Grupo de Inversiones Suramericana S.A. for each share it initially held. For Grupo de Inversiones Suramericana S.A., each shareholder shall maintain its current shares of Grupo de Inversiones Suramericana S.A. and shall receive at least 0.72 shares of Grupo Argos S.A. for each share held prior to the transaction.

This transaction shall be submitted for consideration by the Shareholders' Meetings of Cementos Argos S.A., Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A., in accordance with corporate governance guidelines and applicable regulations. The required governmental and other authorizations will be processed, including those to be issued by the Superintendence of Finance of Colombia.

NOTE 2. BASIS OF PREPARATION

The separate pro forma financial information presented should be discussed in conjunction with:

- The separate financial statements of Grupo Argos S.A. as at 31 December 2024 and its notes.
- The spin-off by absorption project signed between Cementos Argos S.A., Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A.
- The pro forma financial information separate from Cementos Argos S.A. and Grupo de Inversiones Suramericana S.A. as at 31 December 2024.
- The pro forma financial information separate from Grupo Argos S.A. represents the financial information reported in the financial statements as at 31 December 2024, adjusted for the accounting effects of the transaction described in Note 1. The accounting effects of said transaction were determined based on accounting criteria developed in accordance with the Accounting and Financial Reporting Standards accepted in Colombia.

Given the special purpose of pro forma financial information, it should not be understood as general purpose financial statements prepared under Accounting and Financial Reporting Standards accepted in Colombia.

The pro forma financial information does not necessarily indicate the financial performance or situation that Grupo Argos S.A. would have had, if the described transaction had been completed at 31 December 2024, and it is intended to project the effect of the Total spin-off by absorption on both income and the financial position of Grupo Argos S.A.

The main accounting criteria applied to the transaction that have the most relevant impacts on pro forma financial information and the step-by-step accounting to arrive at the previous results are summarized below:

1. Reclassification of the investment as a non-current asset for distribution to owners in accordance with IFRS 5 – Non-current assets held for sale and discontinued operations

The investment in the associated Grupo de Inversiones Suramericana S.A. to be cleaved should be classified as a non-current asset classified as held for distribution to owners, in accordance with IFRS 5, once the transaction is established as highly probable. Likewise, the asset must be measured at the lower of its carrying amount and its fair value less the costs of distribution with effect on income in

the event of impairment, and the application of equity-accounted investees at the level of the consolidated financial statement ceases.

This is in accordance with paragraph 12A of IFRS 5, which states that “A non-current asset (or disposal group) is classified as held for distribution to owners when the entity is committed to distribute the asset (or disposal group) to the owners. For this to be the case, the assets must be available for immediate distribution in their present condition and the distribution must be highly probable [...]. The probability of shareholders’ approval (if required in the jurisdiction) should be considered as part of the assessment of whether the distribution is highly probable”.

Additionally, the effects of the spin-off by absorption should be presented as a discontinued operation since the investment provision represents a line of business that is significant and can be considered separate from the rest and is part of a single coordinated plan to dispose of it. The statement of income for the prior period should be restated in the same manner, and the after-tax profit or loss of the associate presented as a discontinued operation should be disclosed detailing income, expenses, pre-tax profit or loss and the related income tax expense.

2. Measurement of the investment in Grupo de Inversiones Suramericana S.A. and transfer of the equity block at the time of spin-off

Non-reciprocal distributions to owners, other than cash, or non-reciprocal distributions to owners with a non-cash settlement option, are accounted for in accordance with IFRIC 17. Distributions within the scope of IFRIC 17 are those made to owners in their capacity as owners (where all shareholders are treated equally) in the event of a change in control over the assets distributed.

Considering that the asset to be delivered corresponds to a non-monetary asset and that its liquidation is different from cash and that it will be the owners of each company under a non-reciprocating figure who will directly receive the interest in Grupo de Inversiones Suramericana S.A., its accounting treatment would be under IFRIC 17. The foregoing means that the distribution of assets must be made at fair value, on the date the spin-off is perfected, and any difference between the fair value and the book value of the asset delivered must be recognized through profit for the year, in accordance with paragraphs 11 and 14 of IFRIC 17.

The spin-off will reduce the Company’s equity as the interest in the associated Grupo de Inversiones Suramericana S.A. will be transferred to the shareholders under the spin-off by total absorption.

3. Fair value for accounting purposes

Whereas, at the accounting level, Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. have always recorded their investments in associates in their consolidated financial statements under equity-accounted investees, and given that this method requires the elimination of cross-shareholdings, for the selection of the fair value that will give rise to the accounting impacts, the valuation ranges provided by the external valuers will be taken as a starting point. However, the value per share of these ranges must be adjusted using the same methodology applied in equity-accounted investees that includes the elimination of cross holdings, which generates a range of fair value for accounting purposes, within this range the fair value to be used will be selected. This will ensure the homogeneity and comparability of the accounting records. Given that Cementos Argos S.A. does not recognize its investment in Grupo de Inversiones Suramericana S.A. under equity-accounted

investees, it shall not apply this valuation procedure and will select a value within the established valuation range.

The fair value per share of Grupo de Inversiones Suramericana S.A. for the accounting purposes of Grupo Argos S.A. and for the preparation of these pro forma financial statements is \$54,824.

Below is a breakdown of the equity block transferred by Grupo Argos S.A. at fair value:

Equity Block Transferred by Argos	
Assets Item / Equity Item	Carrying amount of the transferred equity block
42,086,669 ordinary shares of Grupo Sura which Grupo Argos owns and will own, as applicable	\$2,307,359
155,200,000 ordinary shares of Grupo Sura held by the PA Inhibidor Grupo Argos	\$8,508,685
Total Asset to be spun-off	\$10,816,044
Additional paid-in capital	\$1,503,373
Reserves	\$925,983
Retained earnings	\$7,756,826
Other components of equity	\$90,784
Other comprehensive income	\$539,078
Total Equity to be spun-off	\$10,816,044

4. Receipt of the investment that Grupo de Inversiones Suramericana S.A. had in Grupo Argos S.A., cancellation thereof and issuance of shares of Grupo Argos S.A. to the shareholders of Grupo de Inversiones Suramericana S.A.

Grupo Argos S.A. will receive the spun-off shares that Grupo de Inversiones Suramericana S.A. had in Grupo Argos S.A. at their nominal value, after receipt, their cancellation will be made at their nominal value, and then, Grupo Argos S.A. issue shares at par value to all shareholders of Grupo de Inversiones Suramericana S.A. according to the spin-off by absorption project. The accounting impact of these movements does not generate accounting variations in equity, since they are recognized at par value and they are offset against each other.

To the extent that Grupo Argos S.A. is part of the shareholders of Grupo de Inversiones Suramericana S.A., the issuance at par value of shares made by Grupo Argos S.A. as a beneficiary company of the spin-off would include the shares that correspond to Grupo Argos S.A., in that sense, there would be an issue of shares both for itself and for the other shareholders. Immediately upon issuance of shares, the issued own shares of Grupo Argos S.A. will be cancelled. This cancellation will be made by proportionally increasing the par value of the other subscribed and paid shares so as not to affect the capital or equity of the company.

Considering that Grupo Argos S.A., as the beneficiary company of the Spin-off of Grupo Sura, is receiving the shares previously held by Grupo de Inversiones Suramericana S.A. from Grupo

Argos S.A. to issue new shares of itself to the shareholders of Grupo de Inversiones Suramericana S.A., and that the company is not incurring any cost to receive the shares, the shares will be recognized at their par value, in line with the provisions of IAS 32.

NOTE 3. PRO FORMA ADJUSTMENTS

	As at 31 December 2024	Preliminary stage Effect	Argos spin-off effect	Sura spin-off effect	Pro forma balances
Investment in Grupo Sura and investment in Grupo Sura (PA Inhibidor)	6,971,797	1,127,846	(8,099,643)	-	-
Other assets	15,042,876	(634,927)	(97,178)	-	14,310,771
Total Assets	22,014,673	492,919	(8,196,821)	-	14,310,771
Total liabilities	3,246,983	566,711	-	4,070	3,817,764
Share capital	54,697	-	-	-	54,697
Additional paid-in capital	1,503,373	-	(1,503,373)	-	-
Repurchased shares	(428,360)	-	-	-	(428,360)
Retained earnings	10,254,655	1,965,276	(7,756,826)	-	4,463,105
Reserves	3,344,004	-	(925,983)	-	2,418,021
Profit for the year	2,531,987	(2,587,638)	2,619,223	(4,070)	2,559,502
Other components of equity	396,439	258	(90,784)	-	305,913
Other comprehensive income	1,110,895	548,312	(539,078)	-	1,120,129
Total Equity	18,767,690	(73,792)	(8,196,821)	(4,070)	10,493,007
Total Liabilities and Equity	22,014,673	492,919	(8,196,821)	-	14,310,771

The separate pro forma financial information reflects the adjustments necessary to effect the transaction described in Note 1, which mainly include the following:

Preliminary stage effect

- The profit for the year 2024 is closed for \$2,531,987 to the retained earnings.
- From the Dividends declared in 2024, a distribution of dividends is projected for 2025 considering an increase of CPI+1%, for an estimated distribution of \$566,711, which decreases the Company's retained earnings. This distribution is an estimate based on historical information.
- Recognition of estimated expenses associated with structuring the spin-off transaction for \$53,690.
- Increase in investment in Grupo Inversiones Suramericana S.A. by delivery of the shares that Celsia S.A. held this company for \$6,677 and a decrease in investment in Celsia S.A. for the same value.
- Given the receipt of shares of Grupo Inversiones Suramericana S.A. due to the spin-off by absorption of Cementos Argos S.A., as a shareholder of Grupo Argos S.A., the following is submitted:
 - An increase in investment in Grupo Inversiones Suramericana S.A. for \$1,121,169, and a decrease in investment in Cementos Argos S.A. for the same value.
 - Previously, an increase in the investment of Cementos Argos S.A. is recognized. for the application of equity-accounted investees on the positive valuation that this entity recognizes at the time of its spin-off for \$548,570. This increase is recognized in turn mainly in the other comprehensive income of Grupo Argos S.A. Likewise, equity-accounted investees is recognized for the expense of tax on the Tax on Financial Movements - FTT given the spin-off of Cementos Argos S.A. for \$1,961.

Argos spin-off effect

- Spin-off income of \$2,716,401 for fair value valuation of the spun-off shares of Grupo Inversiones Suramericana S.A.
- Recognition of expenses associated with spin-off by absorption: account receivable derecognition associated with dividends pending collection at the date of spin-off for \$73,331 and tax levies to the Financial Movements - FTT for the withdrawal of funds from the autonomous equity FAP Grupo Argos Inhibidor for \$23,847.
- Delivery of the spun-off equity block at fair value for \$10,816,044, which generates a net movement of the investment in Grupo Sura of \$8,099,643, given the previously recognized valuation in income \$2,716,401.

Sura spin-off effect

- The shares of Grupo Argos S.A. are received as beneficiary of the spin-off by absorption of Grupo Inversiones Suramericana S.A. at par value of \$17,865.
- Shares of the same value are immediately cancelled.
- Shares are issued in favor of all shareholders of Grupo de Inversiones Suramericana S.A. at par value of \$17,865.
- Recognition of the minimum dividend of the preferred shares issued for \$4,070.

ANNEX K

Proforma Financial Statements for Grupo Sura



**Separate statement of financial position
– pro forma**

GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate statement of financial position – pro forma
As of December 31, 2024
(Amounts expressed in millions of Colombian pesos)

	Note	Accounting balances as of December 31, 2024	Prior stage	Spin-off effect	Absorption effect	Pro forma post spin-off accounting balances
Assets						
Cash and equivalents	3.1.1	132,040	(42,078)			89,962
Investments		59,209				59,209
Derivative financial instruments		711,184				711,184
Dividends receivable from related parties		252,852				252,852
Receivables		431				431
Investments in associates	3.1.2/3.2	11,266,829	871,604	(6,531,847)		5,606,586
Investments in subsidiaries		18,381,470				18,381,470
Property and equipment, net		1,826				1,826
Right-of-use assets		14,895				14,895
Deferred tax assets, net		133,150				133,150
Other assets		10,805				10,805
Total assets		30,964,691	829,526	(6,531,847)	-	25,262,370
Liabilities						
Financial liabilities		4,309,771				4,309,771
Derivative financial instruments		116,952				116,952
Lease liabilities		11,572				11,572
Accounts payable to related entities		177,747				177,747
Accounts payable		60,087				60,087
Current tax liabilities, net		754,820				754,820
Employee benefits		18,352				18,352
Bonds issued		3,623,356				3,623,356
Preferred shares liability	3.3.2	459,821			201,279	661,100
Total liabilities		9,532,478	-	-	201,279	9,733,757
Equity						
Issued share capital	3.3.1	109,121				109,121
Premium on the issue of share	3.2	3,290,767		(2,433,033)		857,734
Reserves	3.2	566,470		(513,000)		53,470
Reserve for acquisition of treasury shares		136,776				136,776
Net earnings for the period	3.1.2/3.3.2	5,331,776	829,526		(201,279)	5,960,023
Retained earnings	3.2	9,735,037		(3,585,814)		6,149,223
Other comprehensive income		2,262,266				2,262,266
Total equity		21,432,213	829,526	(6,531,847)	(201,279)	15,528,613
Total liabilities and equity		30,964,691	829,526	(6,531,847)	-	25,262,370

The accompanying notes are an integral part of the separate statement of financial position – pro forma.

GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate statement of profit or loss – pro forma
For the year ended December 31, 2024
(Amounts expressed in millions of Colombian pesos)

	Note	Accounting balances for the year ended December 31, 2024	Prior stage	Spin-off effect	Absorption effect	Pro forma post spin- off book balances
Income						
Dividends		1,008,421				1,008,421
Investment income, net		33,959				33,959
Net loss on investments measured at fair value		(30,533)				(30,533)
Income from equity method		1,210,240				1,210,240
Gain on sale of non-current assets held for sale		4,686,293				4,686,293
Other income		930				930
Operating income		6,909,310	-	-	-	6,909,310
Operating expenses						
Administrative costs		(99,633)				(99,633)
Employee benefits		(48,335)				(48,335)
Fees		(35,835)				(35,835)
Depreciation		(2,645)				(2,645)
Other expenses		(1,678)				(1,678)
Operating expenses		(188,126)	-	-	-	(188,126)
Operating profit		6,721,184	-	-	-	6,721,184
Net gain from fair value financial derivatives		156,737				156,737
Foreign exchange difference, net		(205,079)				(205,079)
Interest expense	3.3.2	(883,064)			(201,279)	(1,084,343)
Other financial expenses		(17,577)				(17,577)
Net financial result		(948,983)	-	-	(201,279)	(1,150,262)
Profits from continuing operations before income taxes		5,772,201	-	-	(201,279)	5,570,922
Income taxes		(440,425)				(440,425)
Net profit from continuing operations		5,331,776	-	-	(201,279)	5,130,497
Net profit from discontinued operations	3.1.2		829,526			829,526
Net profit for the period		5,331,776	829,526	-	(201,279)	5,960,023

The accompanying notes are an integral part of the separate statement of financial position – pro forma.

**Notes to the separate statement of
financial position and statement of profit
or loss – pro forma**

GRUPO DE INVERSIONES SURAMERICANA S.A.
NOTES TO THE SEPARATE STATEMENT OF FINANCIAL POSITION AND STATEMENT OF PROFIT OR LOSS – PRO FORMA

As of December 31, 2024 and for the year ended December 31, 2024

(Values expressed in millions of Colombian pesos)

NOTE 1. DESCRIPTION OF THE TRANSACTION

The Company recognizes its investment in Grupo Argos S.A. as an investment in an associate and measures it at cost in the separate financial statements, while using the equity method in the consolidated financial statements, isolating the reciprocal shareholding when applying the equity method.

On October 25, 2024, the Company signed a memorandum of understanding with Grupo Argos S.A. with the aim of negotiating exclusively and proposing to their respective boards of directors a transaction structure that would result in two independent companies, ensuring, to the extent possible, that neither the Company nor Grupo Argos S.A. would be reciprocal investors, either directly or indirectly.

Furthermore, on December 18, 2024, the Company signed a spin-off agreement with Grupo Argos S.A., which Cementos Argos S.A. joined on December 27, 2024, with the purpose of eliminating cross-shareholdings through reciprocal absorption spin-offs.

Subsequently, Cementos Argos S.A. will first spin off its investment in the Company, in favor of the Company, latter, as a result, the Company will issue common and preferred shares to the shareholders of Cementos Argos S.A. in proportion to their shareholding in the latter at the time of the spin-off. Once this transaction is completed, reciprocal spin-offs between the Company and Grupo Argos S.A. will take place.

All shareholders will retain the rights they held prior to the transaction and will receive the same type of shares from the other company: common shareholders will receive common shares, and preferred shareholders will receive preferred shares. Upon completion of the transaction, the shareholders of each company will maintain the economic value they initially held, divided into direct interests in both companies.

The spin-off project that formalizes this transaction is subject to approval by the General Meetings of Shareholders of the Company, Grupo Argos S.A., and Cementos Argos S.A., as well as by the respective Meetings of Bondholders. Following these approvals, it will be submitted for approval by the Colombian Financial Superintendency and other relevant authorities.

NOTE 2. BASIS OF PREPARATION

The separate statement of financial position and separate statement of profit or loss – pro forma were prepared and should be read in conjunction with the separate financial statements of Grupo de Inversiones Suramericana S.A. as of December 31, 2024, and their accompanying notes.

The accounting balances of the financial statements as of December 31, 2024, and for the year then ended, which serve as the basis for preparing these pro forma post-spin-off financial statements, have been prepared according to the accounting and financial reporting standards accepted in Colombia, as established by Law 1314 of 2009, regulated by Decree 2420 of 2015, Single Regulatory Decree on Accounting and Financial Reporting Standards and Information Assurance, (*Decreto Único Reglamentario de las Normas de Contabilidad y de Información Financiera y de aseguramiento de la información, in Spanish original*) and other amending decrees.

These accounting and financial reporting standards correspond to the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned decrees.

Given the special purpose of this pro forma financial information, it should not be construed as general-purpose financial statements prepared under accounting and financial reporting standards accepted in Colombia.

The following is a summary of the main accounting criteria applied to the transaction, which have the most significant impact on the pro forma financial information:

Spin-off effect

This refers to the spin-off of the investment that the Company has in Grupo Argos S.A.

Absorption effect

This refers to the receipt of the shares of the Company, their cancellation, and the issuance of shares in favor of the shareholders of Cementos Argos S.A. and Grupo Argos S.A.

Fair value

Non-reciprocal distributions to owners that are not in cash, or those with a settlement option other than cash, are accounted for under IFRIC 17. Distributions within the scope of IFRIC 17 are those made to owners in their capacity as such (where all owners receive equal treatment) in cases where there is a change in control over the distributed assets. Given that the asset to be delivered is a non-monetary asset, its settlement is not in cash, and the owners of each company, under a non-reciprocal arrangement, will directly receive the interest in Grupo de Inversiones Suramericana S.A., its accounting treatment falls under IFRIC 17. This means that the distribution of assets must be recognized at fair value on the date the spin-off is completed, and any difference between the fair value and the carrying amount of the distributed asset must be recognized in profit or loss for the period, in accordance with paragraphs 11 and 14 of IFRIC 17.

The valuation method used by independent third parties to assess the investments in Cementos Argos S.A. and Grupo Argos S.A. was the sum-of-the-parts approach, which aggregates discounted cash flows. Said valuation provides value ranges for Cementos Argos S.A. and Grupo Argos S.A. prior to accounting for the spin-offs

Significant judgments and estimates

The estimates were made based on the best available information regarding the analyzed facts. In preparing the pro forma financial information, the Company made the following estimate, which will significantly affect the amounts recognized in the post-spin-off financial statements: the assumptions used by independent third parties to determine the fair value of the equity instruments for the spin-off process

NOTE 3. ADJUSTMENTS TO THE FINANCIAL STATEMENTS

The pro forma statement of financial position and statement of income reflect the accounting adjustments necessary to give effect to the transaction described in Note 1, which primarily include the following:

Note 3.1. Prior stage

Note 3.1.1. Cash and equivalents

Corresponds to the use of resources to acquire 2.180.250 shares of Grupo Argos S.A. from the subsidiary Inversiones y Construcciones Estratégicas S.A.S. for \$42,078.

Note 3.1.2. Investments in associates

It refers to (a) the recognition of 2.180.250 shares of Grupo Argos S.A. acquired from the subsidiary Inversiones y Construcciones Estratégicas S.A.S. for \$42,078 and (b) the recognition of the fair value adjustment of the same investment for \$829,526.

Note 3.2. Spin-off effects

Once the investment in Grupo Argos S.A. is adjusted to fair value, the asset representing 285.834.388 shares is spun off for \$6,531,847. Likewise, the equity accounts for share premium, reserves, and retained earnings are also spun off.

Note 3.3. Effect of the absorption of Cementos Argos S.A. and Grupo Argos S.A.

Note 3.3.1. Issued capital

The 28.394.940 shares, common and preferred, corresponding to the absorption of the spin-off of Cementos Argos S.A. are cancelled and issued to the shareholders of Cementos Argos S.A.

The 197.286.669 common and preferred shares corresponding to the absorption of the spin-off of Grupo Argos S.A. are canceled and issued in favor of the shareholders of Grupo Argos S.A. Since the Company issues 67.209.776 shares to itself as a shareholder of Grupo Argos S.A., these are canceled. To avoid altering the value of the issued capital, the nominal value per share is adjusted from 187,50 Colombian pesos to 211,98 Colombian pesos for the 530.708.898 shares that will represent the new authorized capital. As a result, the authorized capital changes from 600.000.000 shares with a nominal value of 187,50 Colombian pesos per share to 530.708.898 shares at 211,98 Colombian pesos per share.

Note 3.3.2. Preferred shares liability

This refers to the issuance of 49.248.671 preferred shares for \$201,279. The effect of this recognition was recorded in the income for the period.

ANNEX L

Valuation Report



INVERLINK

Más de 38 años de liderazgo
en la industria de banca de inversión en Latinoamérica

Executive Summary

Value Opinion



JANUARY 2025

Disclaimer

This document has been prepared by INVERLINK S.A.S ("INVERLINK") as a financial advisor in connection with the valuation of Grupo de Inversiones Suramericana S.A., Grupo Argos S.A. and Cementos Argos S.A. (hereinafter the "Clients" or the "Companies") subject to the provisions of paragraph 2.1.15 of Chapter IV, Title I, Part III of the Basic Legal Circular (C.E. 029/14) issued by the Colombian Financial Superintendent, subject to the terms agreed of the agreement signed between INVERLINK and the Client.

This presentation has been prepared by INVERLINK under the terms and conditions of an agreement accepted and signed with the Clients and may not be used for any purpose other than that contained in the agreement. The information used to prepare this presentation was provided by the Companies or obtained through public sources. INVERLINK has not performed an independent audit or verification of the information received and has assumed that it is complete and truthful in all material aspects, and we therefore assume no responsibility as regards its accuracy or validity. Due to the nature of the circumstances, our analysis is based on the information available to INVERLINK to date and on the financial, economic and market conditions that exist and that can be evaluated to date.

Our point of view presented herein represents an independent third-party opinion regarding a valuation analysis of the Companies' shares. This presentation was designed specifically for use by persons familiar with the Companies' business and affairs. This presentation does not discuss or express any opinion on the desirability and/or merits of any potential transaction or the terms and conditions associated therewith. Likewise, none of the content in this presentation should be taken as tax, regulatory, technical, accounting, legal or market advice.

It should be noted that any valuation is no more than an estimate and approximation, subject to uncertainties and contingencies, many of which are difficult to predict and are beyond the control of the entity preparing the valuation and, therefore, a valuation should not be considered a guarantee of value. In certain cases, the estimates in this presentation have involved a series of hypotheses and assumptions as regards the potential evolution of the Companies, the sectors in which they operate, and the economy of the markets and countries in which they operate in general. It is therefore possible that these hypotheses may not be fulfilled in the future and, in consequence, the conclusions arising from this presentation may be altered.

In preparing its analysis, INVERLINK developed its perspectives based on the results of all its analyses conducted and evaluated as a whole and did not reach isolated conclusions about, or regarding, a single analytical method or individual factor. INVERLINK thus believes its analyses must be considered in their entirety and that selecting any part of them or focusing on information presented in a summary, without considering the overall analyses and factors as a whole, could create a mistaken or incomplete view of the processes underlying its analyses.

Although reasonable care has been taken in the preparation of this document, subject to the terms of the agreement with the Companies, neither INVERLINK, nor any of its shareholders, administrators, officers or employees guarantee the accuracy of any data, statement or projection contained in this report, and will be held harmless against any type of liability, including any arising from slight fault, as regards the information and/or the data and/or the statements and/or the projections contained herein and regarding any that may have been omitted, even if they differ from those that may be issued by another independent third party.

In the event that INVERLINK is involved in any claim, demand, action, proceeding or investigation related to any matter in any way related or referred to the analysis or opinion made or rendered by INVERLINK or derived from the matters contemplated in the development thereof, the agreement signed with the Clients will apply.

This document is a translation from the original Spanish version. In the event of any discrepancies or conflicts between the translated text and the original Spanish version, the original Spanish version shall prevail and govern.

Bogotá, January 2025.



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- 1 | Executive Summary**
- 2 | Cementos Argos
- 3 | Grupo Argos
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Executive Summary (I/II)

Background

- Grupo de inversiones Suramericana S.A ("Grupo Sura"), Grupo Argos S.A ("Grupo Argos") and Cementos Argos S.A ("Cementos Argos") signed a Spin-Off Agreement to dispose of the shareholdings that, on the one hand, Grupo Sura has in Grupo Argos and, on the other, Grupo Argos and Cementos have in Grupo Sura via spin-offs by absorption that will be approved and completed in a substantially simultaneous manner
- Grupo Sura shareholders will receive an estimated 0.72 shares in Grupo Argos for every Grupo Sura share. Whereas Cementos Argos and Grupo Argos shareholders will receive an estimated 0.022 and 0.23 shares in Grupo Sura for every Cementos Argos and Grupo Argos share, respectively

Purpose of the valuation

- Inverlink was hired as an independent expert to perform a valuation of the shares of Grupo Sura, Grupo Argos and Cementos Argos (hereinafter jointly the 'Companies' or individually the 'Company'), as of December 31, 2024, as provided by item 2.1.15 of Chapter IV, Title I, Part III of the Basic Legal Circular (C.E. 029/14) from the Colombian Financial Superintendent
- With four decades of experience in the market, INVERLINK has established itself as a leader in the investment banking industry in Colombia and the region, specializing in mergers & acquisitions, project finance, and equity markets. As the first investment bank in Colombia and as an independent firm, we are leaders in structuring and executing highly complex transactions under international standards

Main activities performed

Inverlink carried out the following main activities:

- Review of the macroeconomic context of the countries where the Companies operate
- Analysis of each Company's main business units, based on information provided by the Companies' management teams
- Definition of a discount rate using methodologies widely used in the industry
- Preparation of a valuation of the Companies using discounted cash flows from their operations, aggregating each component using the sum of the parts approach ('SOTP')
- Analysis of transaction multiples and comparable companies, and comparison against the results of the valuation performed

Executive Summary (II/III)

Sources of Information

- Business plans and financial models submitted by Grupo Sura, Grupo Argos and Cementos Argos for their subsidiaries and affiliates (Cemargos, Celsia, Odinsa, Bancolombia, Suramericana, Sura Asset Management and other portfolio investments)
- Preliminary financial statements for controlled companies and Holdings (separated) as of December 31, 2024
- Public corporate information (corporate presentations, earnings report, and published financial statements)
- Market information sources widely recognized by the industry: Capital IQ, FocusEconomics, JP Morgan, U.S. Department of the Treasury, Congressional Budget Office, as well as market analysis by Kroll and Damodaran
- Inverlink also held interviews and conversations with the Companies' management to understand and validate their current situation, business plans and long-term outlook

Additional considerations

- INVERLINK has not conducted due diligence or audits on Grupo Argos, Grupo Sura, their affiliates or subsidiaries, or on the quality or accuracy of the information used for preparing this document
- This report is not (i) a recommendation regarding the desirability of transactions or their terms and conditions; or (ii) a recommendation to the Clients' board of directors or shareholders as to whether or not to proceed with the authorization to perform the transactions or as regards the manner and terms and conditions under which the transactions should be performed; or (iii) or a recommendation to buy or sell shares or securities in the Companies within the perimeter of the valuation
- INVERLINK did not conduct any independent study of contingencies, provisions, tax, accounting or regulatory matters related to Grupo Argos, Grupo Sura, their affiliates or subsidiaries, or the proposed transactions
- INVERLINK did not have access to market, technical, tax or regulatory due diligence studies or reports of Grupo Argos, Grupo Sura and their affiliates or subsidiaries
- INVERLINK did not conduct an audit of the financial models provided by Grupo Argos, Grupo Sura and their affiliates and subsidiaries
- This Report is issued for the benefit and information of the Companies. The content of this Report may not be used for purposes other than those defined in the Agreement

Valuation methodology - Sum of the parts

Valuation of the Companies' fundamentals using the sum of the parts approach

Elements



Valuation by sum of the parts (SOTP)



Crossholding in Grupo Argos and Grupo Sura



Other valuation reference methodologies

Considerations

Sum of the parts (SOTP) valuation that considers all the relevant value components of each Company, using discounted cash flow methodologies for operations with business plans and detailed financial projections shared by the Companies and a fair value approach for other value components

▪ **Grupo Sura:**

- The most relevant value components are Bancolombia, Sura Asset Management, Suramericana
- Discounted cash flow valuation according to projections provided by Grupo Sura
- Other value components are considered for SOTP at fair value according to the Financial Statements, including net debt

▪ **Grupo Argos:**

- The most relevant value components are Cementos Argos, Celsia and Odinsa
- Discounted cash flow valuation according to projections provided by Grupo Argos
- Other value components are considered for SOTP at fair value according to the Financial Statements, including net debt

▪ **Cementos Argos:**

- The most relevant value components are its cement operations in emerging markets (Cementos *Emerging Markets*) and its minority stake in Summit Materials
- Discounted cash flow valuation according to projections provided by Cementos Argos
- Other value components are considered for SOTP at fair value according to the Financial Statements, including net debt

▪ Crossholdings between Grupo Argos and Grupo Sura are valued considering the fundamental value resulting from the valuation of each Company before including the crossholding (operation's equity value), and then adding the value of the crossholding

- Grupo Argos has a direct and indirect interest 49.9%¹ in the economic rights of Grupo Sura (46.0% direct and 3.9% indirect through Cementos Argos and Celsia)
- Grupo Sura has a 34.1%² stake in the economic rights of Grupo Argos
- Cementos Argos has a direct share of 7.2%² in the economic rights of Grupo Sura

▪ **Historical share price reference (VWAP – Volume Weighted Average Price):** Review of the Companies' Volume-Weighted Average Share Price over the last 30 and 180 calendar days

▪ **Valuation by Multiples Methodology:** Review of transaction multiples and publicly traded companies comparable to the Companies

Notes: 1. Grupo Argos is not the owner or the beneficial owner of 179.5 million shares of Grupo Sura that are in the Vote Inhibitor STs set up by Grupo Argos and Cementos Argos | 2. Grupo Sura is not the owner or the beneficial owner of 29 million shares of Grupo Argos that are in a Vote Inhibitor ST set up by Grupo Sura | 3. Cementos Argos is not the owner or the beneficial owner of 24.3 million shares of Grupo Sura that are in a Vote Inhibitor ST set up by Cementos Argos

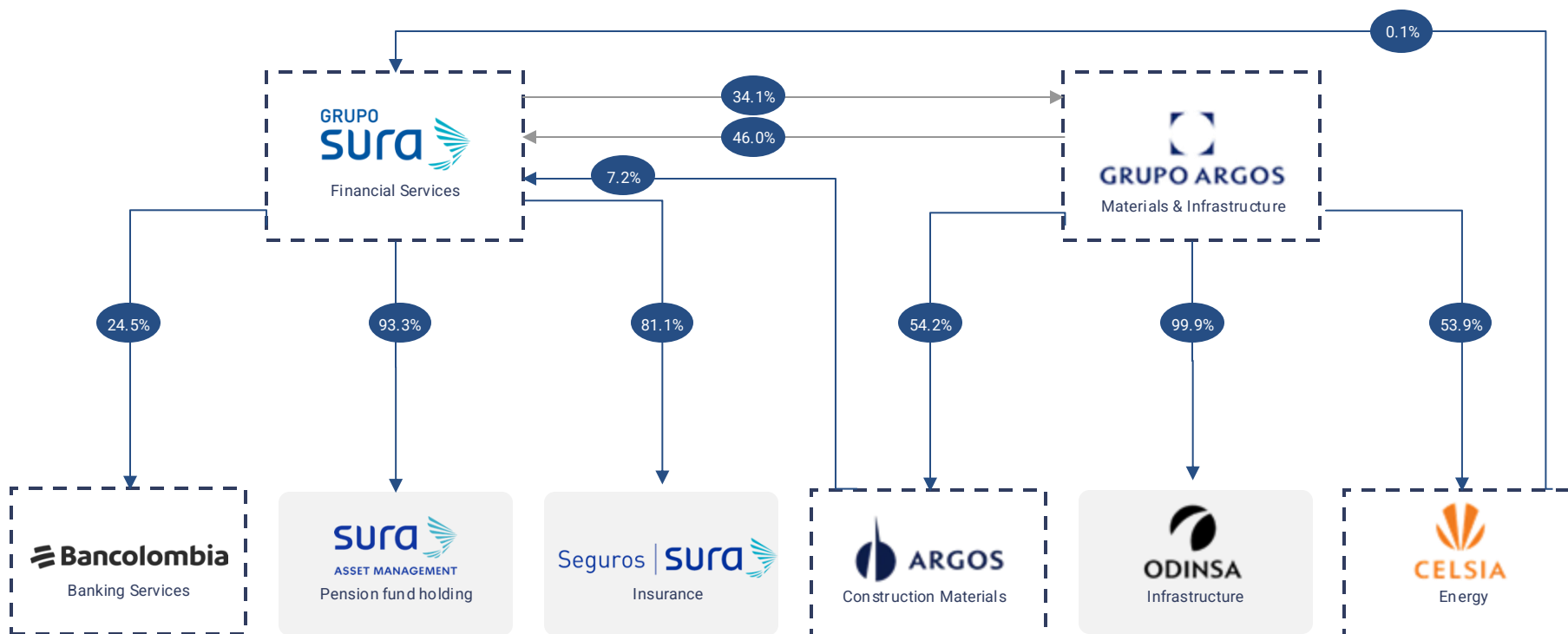
Crossholding structure included in valuation

Crossholdings that Grupo Sura, Grupo Argos and Cementos Argos hold in the other Companies are considered within the value opinion


Perimeter of the valuation

X.X% Economic share

Listed companies



Other Grupo Sura investments are also included, including Enka, Sura Ventures, Arus and other investments with lower equity values

Other Grupo Argos investments are also included, including Pactia, Real Estate Company, Sator and other investments with lower equity values 

Discount Rate Calculation

Calculation methodology for the cost of capital (K_e) and weighted average cost of capital (WACC)

$$K_e = R_f + b_l * \text{Market Risk Premium} + \text{Country Risk}$$

K_e	Source	Methodology
Risk-Free Rate – R_f	U.S. Department of the Treasury	<ul style="list-style-type: none"> Last month average of expected returns on 10-year U.S. Treasury Bonds
Leveraged Beta – b_l	Capital IQ	<ul style="list-style-type: none"> Betas constructed from a sample of comparable publicly traded companies (by company)
Market Risk Premium	Kroll – Damodaran	<ul style="list-style-type: none"> Market Risk Premium for the U.S. suggested by Kroll Arithmetic average of the Market Risk Premium 1975–2024
Country Risk	JP Morgan	<ul style="list-style-type: none"> Average value of 1M of EMBI+ by geography of the operations subject to valuation

$$WACC = \frac{D}{D + E} * K_d(1 - t) + \frac{E}{D + E} * K_e$$

WACC	Source	Methodology
$D / (D + E)$	Company Management Teams	<ul style="list-style-type: none"> Proportion of the Companies' debt resulting from business plan projections, divided by each company's equity value
Cost of Debt (K_d)		<ul style="list-style-type: none"> Expected long-term cost of debt according to each company's business plan
t	Focus Economics	<ul style="list-style-type: none"> Marginal tax rate by geography of the operations subject to valuation
K_e	CAPM	<ul style="list-style-type: none"> Opportunity cost to shareholders, calculated based on the CAPM model mentioned above

Consolidated valuation results

Results of the equity valuation by fundamentals of Grupo Argos, Grupo Sura and Cementos Argos, based mainly on the business plans and financial projections provided by each Company



		<u>Lower Limit</u>	<u>Upper Limit</u>	<u>Lower Limit</u>	<u>Upper Limit</u>	<u>Lower Limit</u>	<u>Upper Limit</u>
Share price range	<u>COP\$/share</u>	34,369	41,290	72,806	91,542	14,256	16,329
Equity valuation range	<u>COP\$ Tn</u>	28.8	34.7	28.8	36.2	18.6	21.3



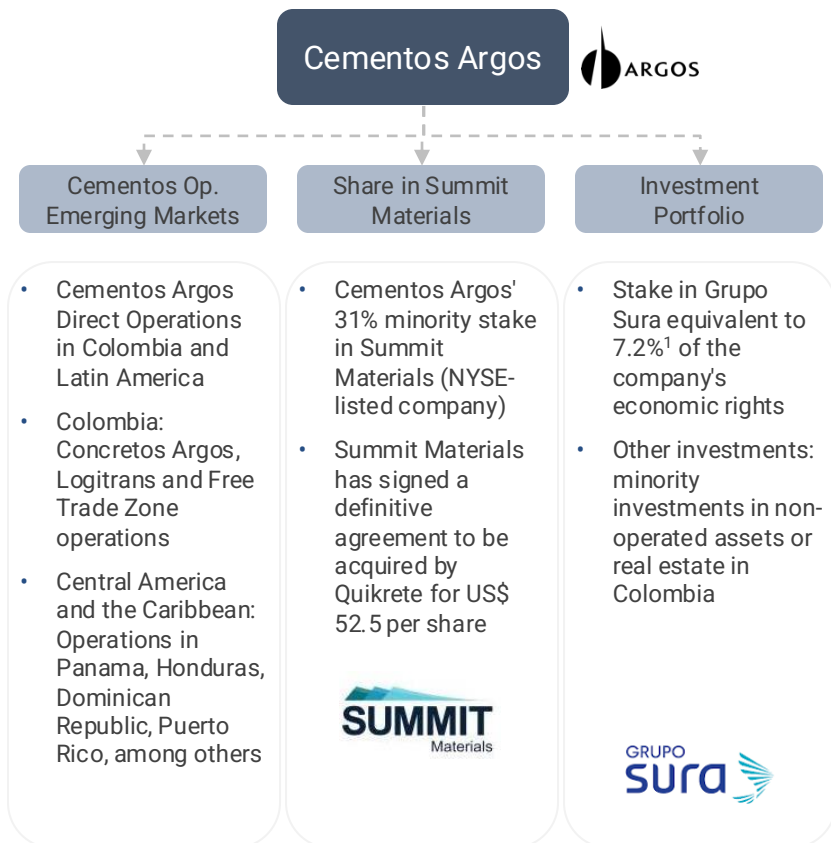
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Cementos Argos - Perimeter of the valuation

Valuation includes all the company's value components, including Cementos' operations in Colombia, Central America and the Caribbean and portfolio investments (stake in Summit and Grupo Sura)

Structure of Cementos Argos and its relevant subsidiaries



Considerations on valuation

- **Valuation of Cementos Argos, as of December 31, 2024**
 - Valuation includes the stake that Cementos Argos holds in Grupo Sura, prior to the spin-off of those shares
- **The Cementos Argos operation can be divided into three value blocks, which will be the foundation of the valuation**
 - Cementos Argos Operations in Colombia, Central America and the Caribbean: The Company's direct and controlled operations are consolidated in its EEFF
 - Summit Materials: Cementos Argos' 31% economic interest in Summit Materials – the sale of the company to Quikrete for USD\$ 52.5 per share was announced in November 2024, and this will take place in Q1 2025 as indicated by the Company
 - Other investments: Portfolio of other investments held by Cementos Argos, with its stake in Grupo Sura (7.2%¹ of the economic rights) being the most relevant
- On a consolidated basis, Cementos Argos ended Q3 2024 to date with revenues of ~COP\$ 3.99 Tn and EBITDA ~COP\$ 0.89 Tn, excluding its stake in Summit Materials

Notes: 1. Cementos Argos is not the owner or the beneficial owner of 24.3 million shares of Grupo Sura that are in a Vote Inhibitor STset up by Cementos Argos

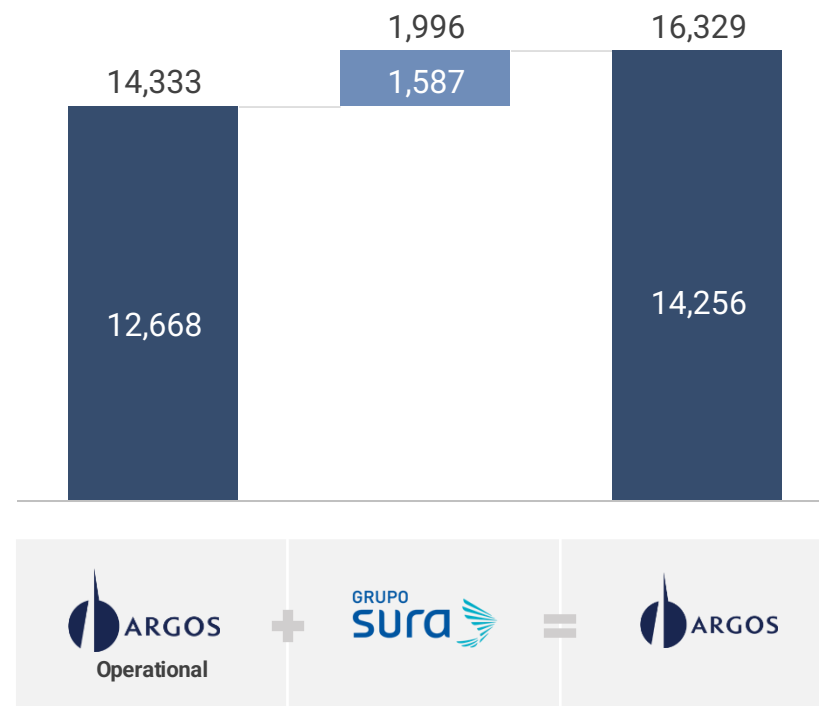
Equity value by fundamentals of Cementos Argos, based on the Company's business plan, estimated at between ~COP\$ 18.6 Tn and ~COP\$ 21.3 Tn

Equity valuation equivalent to a range per share of between COP\$ 14,256 and COP\$ 16,329 per share

Valuation result by SOTP

Equity Value Cementos Argos 	Cementos Argos Equity Value by Value Component (Trillions of COP\$)		Equity Value Weight (%)	
	Lower Limit	Upper Limit	Lower Limit	Upper Limit
(=) Cementos Argos Operational	16.5	18.7	88.9%	87.8%
(+) Share of Grupo Sura	2.1	2.6	11.1%	12.2%
(=) Equity Valuation Cementos Argos	18.6	21.3		
# of Shares Outstanding (millions)	1,302.3	1,302.3		
Price per share (COP\$)	14,256	16,329		

Cementos Argos Price/Share by Value Component





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Grupo Argos - Perimeter of the valuation

Grupo Argos' value is concentrated mainly in Cementos Argos, Celsia and Grupo Sura. Other significant value components include Odinsa, Pactia and the Real Estate Business

Structure of Grupo Argos and its relevant subsidiaries



Considerations on valuation

- **Valuation of Grupo Argos, as of December 31, 2024**
 - Valuation includes the direct and indirect stake that Grupo Argos holds in Grupo Sura,³ prior to the spin-off of those shares
- **The Grupo Argos operation can be divided into three value blocks, which will be the foundation of the valuation**
 1. Controlled companies: Cementos Argos, Celsia, and Odinsa
 2. Relevant minority investments: Grupo Argos' 37.5% stake in Pactia, and 49.9%³ stake in Grupo Sura
 3. Other investments: Portfolio of other investments held by GA, including the Real Estate Business, among others

Notes: 1. Real Estate Business | 2. Includes Affiliate Share | 3. Direct share of 46% and 3.9% indirectly through Cementos Argos and Celsia. Grupo Argos is not the owner or the beneficial owner of 1 79.5 million shares of Grupo Sura that are in the Vote Inhibitor STs set up by Grupo Argos and Cementos Argos

Grupo Argos - Valuation by sum of the parts

Equity value by fundamentals of Grupo Argos, based on the business plans provided by Grupo Argos, estimated between

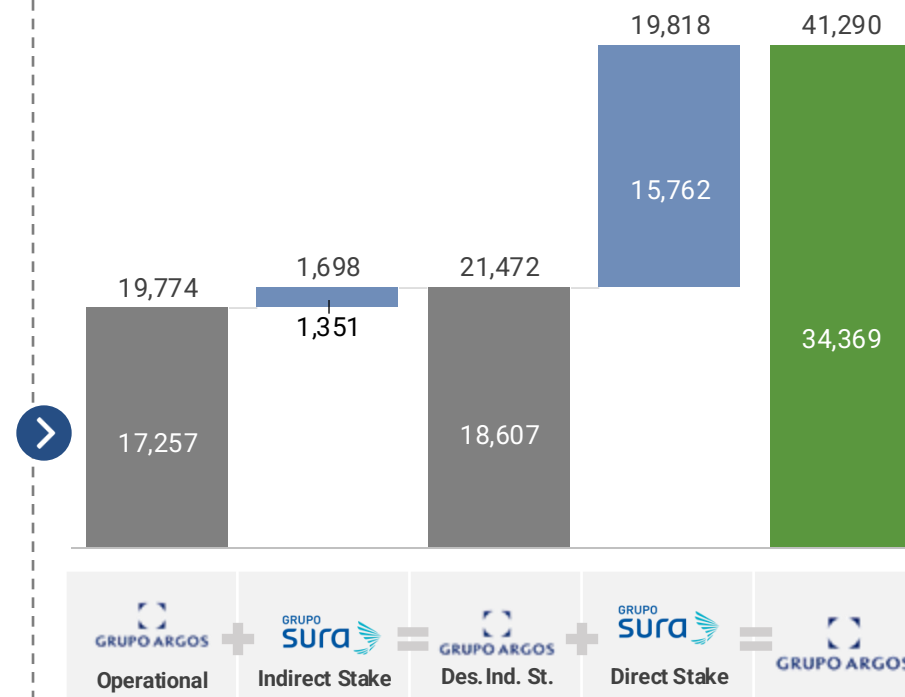
~COP\$ 28.8 Tn and ~COP\$ 34.7 Tn

Valuation result by SOTP

Equity Value Grupo Argos 	Grupo Argos Equity Value by Value Component		Equity Value Weight (%)	
	Lower Limit	Upper Limit	Lower Limit	Upper Limit
(=) Grupo Argos Operational	14.5	16.6	50.2%	47.9%
(+) Share of Grupo Sura through Cemargos & Celsia	1.1	1.4	3.9%	4.1%
(=) Grupo Argos After Ind. Share Grupo Sura	15.6	18.0	54.1%	52.0%
(+) Direct Share in Grupo Sura	13.2	16.6	45.9%	48.0%
(=) Grupo Argos Equity Value	28.8	34.7		
# of Shares Outstanding (millions)	839.3	839.3		
Price per share (COP\$)	34,369	41,290		

Equity valuation equivalent to a range per share of between **COP\$ 34,369 and COP\$ 41,290 per share**

Grupo Argos Price/Share by Value Component





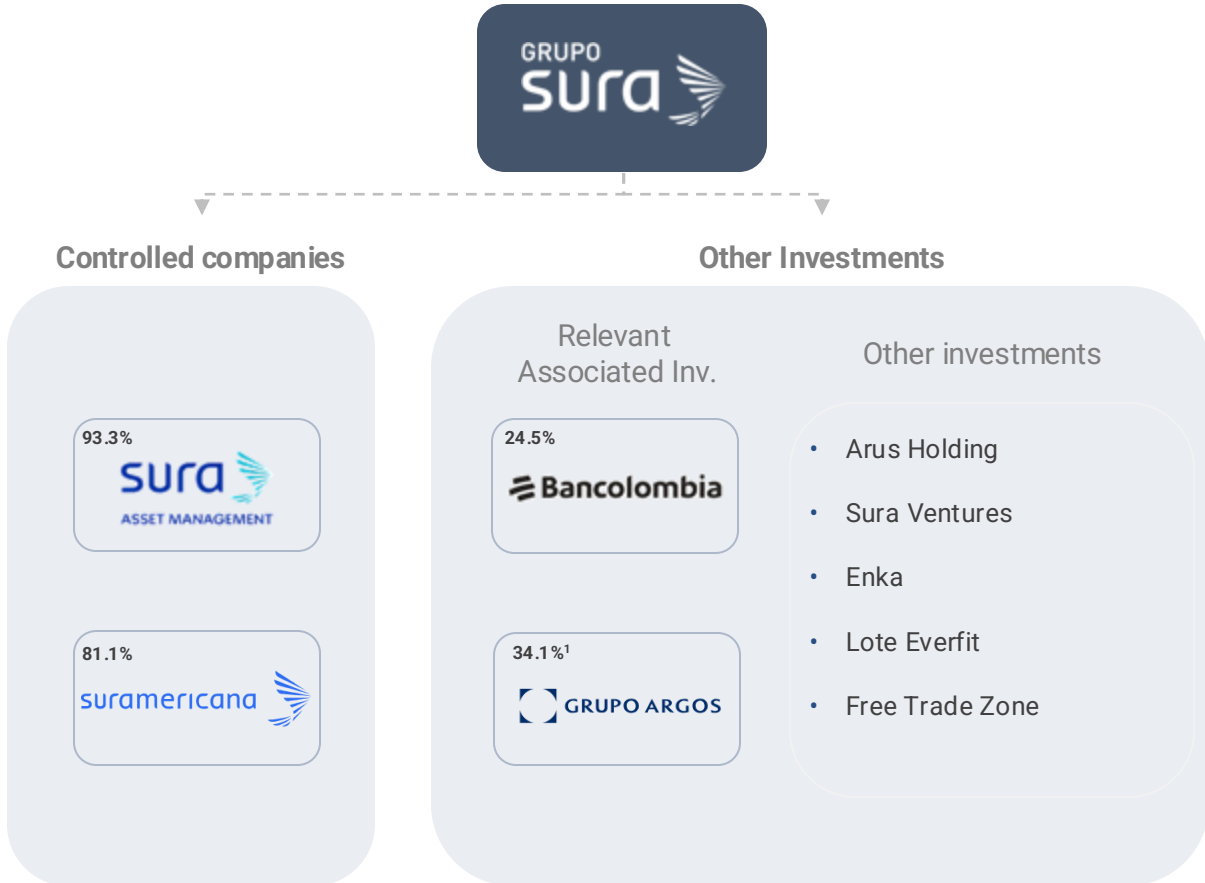
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Perimeter of the valuation – Grupo Sura

Valuation includes all of the company's value components, including Bancolombia, SURA Asset Management and Suramericana in the region, as well as its other relevant investments

Structure of Grupo Sura, its subsidiaries and relevant investments



Considerations on valuation

- **Valuation of Grupo Sura, as of December 31, 2024**
 - Valuation includes the stake that Grupo Sura holds in Grupo Argos,¹ prior to the spin-off of those shares
- **The Grupo Sura operation can be divided into three value blocks, which will be the foundation of the valuation**
 1. Controlled companies: Sura Asset Management and Suramericana
 2. Investments in relevant associates: Grupo Sura's 24.5% stake in Bancolombia, and 34.1%¹ stake in Grupo Argos
 3. Other investments: Portfolio of other investments held by Grupo Sura including Arus Holdings, Enka, Lote Everfit, Sura Ventures and Free Trade Zone

Notes: 1. Grupo Sura is not the owner or the beneficial owner of 29 million shares of Grupo Argos that are in a Vote Inhibitor ST set up by Grupo Sura

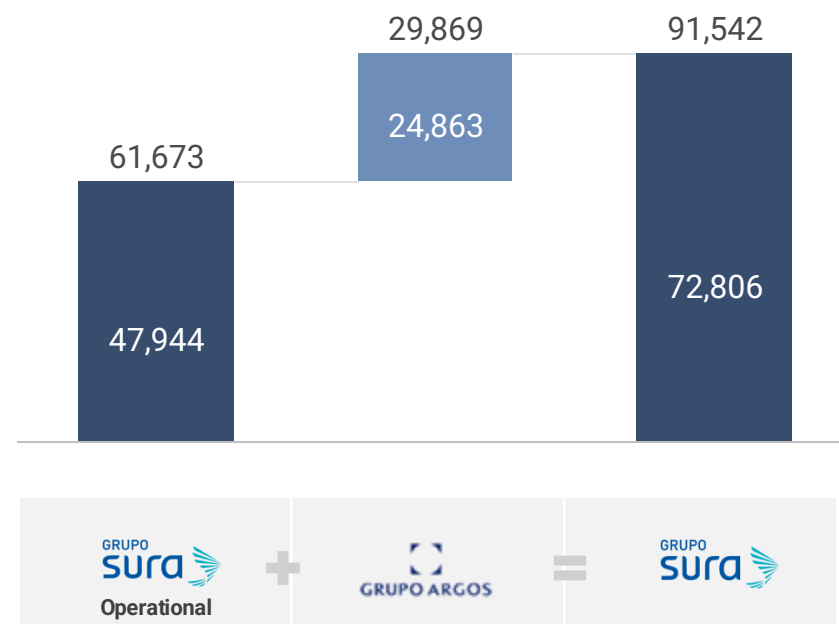
Equity value by fundamentals of Grupo Sura, based on each company's business plan, estimated at between **~COP\$ 28.8 Tn and ~COP\$ 36.2 Tn**

Equity valuation equivalent to a range per share of between **COP\$ 72,806 and COP\$ 91,542 per share**

Valuation result by SOTP

Grupo Sura Equity Value 	Grupo Sura Equity Value by Value Component (Trillions of COP\$)		Equity Value Weight (%)	
	Lower Limit	Upper Limit	Lower Limit	Upper Limit
(=) Grupo Sura Operational	18.9	24.4	65.9%	67.4%
(+) Share of Grupo Argos	9.8	11.8	34.1%	32.6%
(=) Grupo Sura Equity Value	28.8	36.2		
# of Shares Outstanding (millions)	395.1	395.1		
Price per share (COP\$)	72,806	91,542		

Grupo Sura Price/Share by Value Component





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