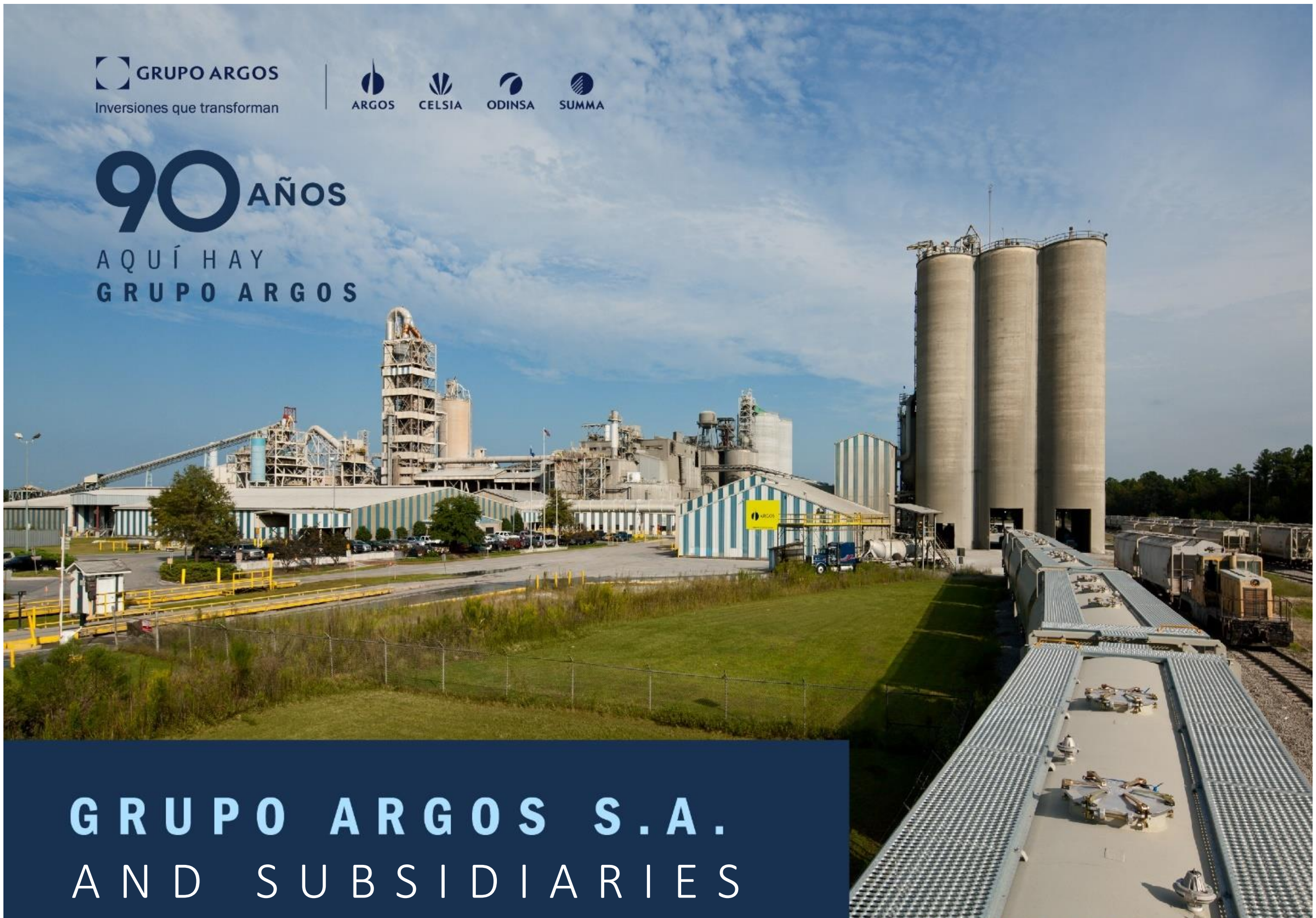
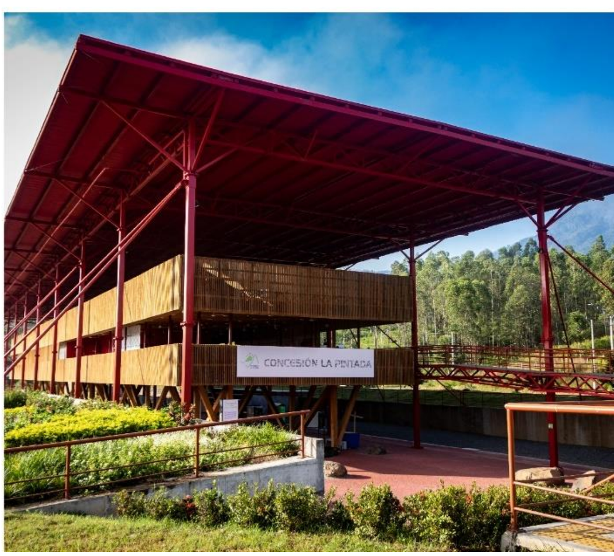


GRUPO ARGOS S.A.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023 AND 2022



CONTENTS

Certification of the Legal Representative of the Company

Medellin, 23 February 2024

To the Shareholders of Grupo Argos S.A.

In my capacity as Legal Representative, I hereby certify that the consolidated financial statements as at the closing date of 31 December 2023 that are being disclosed do not contain defects, inaccuracies or material errors that would prevent knowing the true financial position or the operations performed by Grupo Argos S.A. during the corresponding period.

Jorge Mario Velásquez Jaramillo
CEO
Legal Representative
(See attached certification)

Certification
of the Legal Representative and
the accountant of the Company

Medellin, 23 February 2024

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 consolidated financial statements of the Company as at 31 December 2023 and 2022, 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 2023 and 2022 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 2023 and 2022 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 2023 and 2022.

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
(See attached certification)

Claudia Patricia Álvarez Agudelo
Accountant
Registration 69447-T
(See attached certification)

KPMG S.A.S.
Calle 2 No. 20 – 50, Piso 7, Edificio Q Office
Medellín - Colombia

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

To the Shareholders
Grupo Argos S.A.:

Opinion

I have audited the accompanying consolidated financial statements of Grupo Argos S.A. and Subordinates (the Group), which comprise the consolidated statement of financial position as at December 31, 2023 and the consolidated statements of income and other comprehensive income, changes in equity, and cash flows for the year then ended, and notes comprising significant accounting policies and other explanatory information.

In my opinion, the aforementioned consolidated financial statements attached to this Report, present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023, the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Accounting and Financial Reporting 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 Consolidated Financial Statements*" section of my Report. I am independent of the Group 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 consolidated financial statements established in Colombia, and I have fulfilled 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 consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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<table>
<tr><th colspan="2">Goodwill impairment evaluation
(See Note 14 to the consolidated financial statements)</th></tr>
<tr><th>Key Audit Matters</th><th>How it was addressed in the Audit</th></tr>
<tr><td>The Group's consolidated statement of financial position includes goodwill for $1.873.506 million COP, derived from acquisitions made in previous years, for which an annual impairment assessment is required in accordance with IAS 36 – Impairment of Assets.

The foregoing represents a Key Audit Matter due to the materiality of the goodwill balance, and because it involves the determination of complex and subjective judgments made by the Group in relation to long-term sales growth, operating costs and margins projected in the different countries where the Group operates, as well as in determining the rates used to discount future cash flows.</td><td>My audit procedures for the goodwill impairment assessment included, among others, the following:

– Involvement of professionals with relevant knowledge and experience in the industry who assisted me in: 1) evaluating the key assumptions used in the impairment tests carried out by the Group, including the input data; 2) carry out independent recalculations supported by information obtained from external sources on the discount rates and the macroeconomic variables used; 3) compare the result of the calculations obtained with those made by the Group; and 4) perform a sensitivity analysis including a possible reasonable reduction in key variables.

– Comparison of the previous year's budget with the actual data, to verify the degree of compliance and, consequently, the accuracy of the projections made by the Group's Management.

– Evaluation of whether the disclosures included in the notes to the financial statements are appropriate in accordance with IAS 36.</td></tr>
</table>

Assessment of the valuation of service concession agreements (See Notes 8 and 44 to the consolidated financial statements)	
Key Audit Matters	**How it was addressed in the Audit**
The Group has entered into concession agreements for the construction, operation, and transfer of infrastructures, which are within the scope of *IFRIC 12 - Service Concession Agreements*. The remuneration of these agreements depends on the terms and conditions of each contract; some incorporate certain mechanisms that grant the Group the unconditional right to receive a guaranteed minimum income (financial asset), while other agreements originate exposure of the investment in the underlying assets to the traffic risk of the operation (intangible asset). As of December 31, 2023, the Group's consolidated statement of financial position includes financial assets for $247.769 million COP, mainly from its subsidiary Odinsa S.A, and does not include intangible assets derived from the signed concession contracts. The foregoing represents a Key Audit Matter due to the materiality of the balances related to those agreements, and because their valuation requires significant judgments by the Group in the determination of the discount rates and the selection of the key input data such as the projections of capital investments and operating expenses, incorporated in the financial models used as a basis for the valuation of the amounts derived from each concession contract.	My audit procedures for the assessment of the valuation of service concession agreements included the involvement of professionals with knowledge and relevant experience in the industry who assisted me in: 1) the analysis of the methodology used in the valuation of derivative assets of the concession contracts, and if it is consistent with IFRIC 12 and with the valuation practices usually used in the market; 2) the identification of the key assumptions included in the financial models and the evaluation of the economic merits of each relevant assumption; 3) comparison of key assumptions with market data, if available; and 4) the recalculation of the financial asset, as well as the discount rates used and comparison of the results with those obtained by the Group.

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Assessment of the valuation of investment properties in accordance with the provisions of IAS 40 – Investment Properties (see Note 17 to the consolidated financial statements)	
Key Audit Matters	**How it was addressed in the Audit**
The consolidated statement of financial position of the Group as at December 31, 2023 includes a significant amount of investment properties for $2.203.969 million COP, mainly represented in land measured at fair value through profit or loss. The Group 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 comparables in the market, the estimation of future cash flows, the discount rates applied, and the expected growth of the market. The main reasons for considering this a Key Audit Matter are: (1) there was significant judgment by the Group in determining the key assumptions for the valuation of investment properties; and (2) there was significant judgment and audit effort to assess the evidence obtained related to the appraisals performed, as well as the audit effort that involves the use of professionals with specialized skills and knowledge in real estate appraisal.	My audit procedures for the assessment of the valuation of investment properties in accordance with the provisions of IAS 40 included, among others, the following: – Evaluation of the design, implementation and operational effectiveness of the key control established by the Group 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 the appraisals made by external professionals with expertise in real estate valuation engaged by the Group. – Evaluation of the competence and capacity of the external professionals engaged by the Company, who determined the fair value of the investment properties. – Involvement of a professional with relevant knowledge and experience in real estate valuation, who assisted me in the evaluation of the key assumptions used by the external professionals engaged by the Company to determine 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 consolidated financial statements as at and for the year ended December 31, 2022 are presented solely for comparative purposes. These were audited by myself and in my Report dated February 28, 2023, 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 consolidated financial statements and my corresponding Audit Report. 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 consolidated 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 consolidated financial statements, my responsibility is to read the *other information* and, in doing so, consider whether there is a material inconsistency between that information and the consolidated 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 Group's Governance for the Consolidated Financial Statements

The Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements, the Management is responsible for assessing the Group'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 the Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Statutory Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 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 Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my Auditor's Report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated 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 Group'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.

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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 consolidated 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.

(Original version Spanish and signed by)
Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of Grupo Argos S.A.
Registration 43668 - T
Member of KPMG S.A.S.

February 23, 2024

Grupo Argos S.A. and subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December | Figures stated in millions of Colombian pesos

	Note	2023	2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	2,201,475	1,429,105
Derivative financial instruments	7	159,018	70,236
Trade and other receivables	8	3,109,086	2,718,115
Inventories, net	9	1,658,803	1,924,803
Tax assets	10	412,419	275,803
Biological assets	20	5,892	5,112
Other financial assets	11	45,233	763,678
prepaid expenses and other non-financial assets	12	334,380	336,957
CURRENT ASSETS		**7,926,306**	**7,523,809**
Non-current Assets Held for Sale	13	2,112,245	6,169,569
TOTAL CURRENT ASSETS		**10,038,551**	**13,693,378**
NON-CURRENT ASSETS			
Trade and other receivables	8	713,673	574,099
Goodwill	14	1,873,506	2,339,301
Right-of-use assets	22	513,956	669,838
Intangible Assets, net	15	545,533	763,912
Property, plant and equipment, net	16	21,292,470	22,497,982
Investment property	17	2,203,969	2,290,960
Investments in associates and joint ventures	18	10,663,666	11.116.749
Derivative financial instruments	7	34,916	87,544
Deferred tax	10	306,791	326,029
Biological assets	20	57,170	57,993
Other financial assets	11	1,063,764	2,373,015
Prepaid expenses and other non-financial assets	12	94,376	150,268
TOTAL NON-CURRENT ASSETS		**39,363,790**	**43,247,690**
TOTAL ASSETS		**49,402,341**	**56,941,068**

Grupo Argos S.A. and subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December | Figures stated in millions of Colombian pesos

	Note	2023	2022
LIABILITIES			
CURRENT LIABILITIES			
Borrowings	21	2,797,619	1,635,930
Lease liabilities	22	127,258	148,443
Employee benefits liabilities	23	373,964	277,951
Provisions	24	99,539	142,956
Trade and other payables	25	3,490,702	2,840,691
Tax liabilities	10	125,450	233,247
Derivative financial instruments	7	226,271	22,014
Bonds and compound financial instruments	26	404,052	830,643
Other Financial liabilities	7.2	88,266	85,018
Other non-financial liabilities	27	587,961	594,852
CURRENT LIABILITIES		**8,321,082**	**6,811,745**
Liabilities associated with non-current assets held for sale	13	628	3,509,787
TOTAL CURRENT LIABILITIES		**8,321,710**	**10,321,532**
NON-CURRENT LIABILITIES			
Financial liabilities	21	4,824,620	6,080,834
Lease liabilities	22	470,032	615,979
Deferred tax	10	1,657,284	1,479,769
Employee benefits liabilities	23	357,121	292,873
Provisions	24	201,745	207,384
Trade and other payables	25	29,117	127,424
Derivative financial instruments	7	115,943	649
Bonds and compound financial instruments	26	5,635,355	5,784,720
TOTAL NON-CURRENT LIABILITIES		**13,291,217**	**14,589,632**
TOTAL LIABILITIES		**21,612,927**	**24,911,164**

Grupo Argos S.A. and subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December | Figures stated in millions of Colombian pesos

	Note	2023	2022
EQUITY			
Share capital	28	54,697	54,697
Additional paid-in capital	28	1,503,373	1,503,373
Treasury shares		(68,994)	-
Retained earnings		9,750,839	9,218,971
Reserves	29	3,094,653	3,241,099
Profit for the period		915,503	881,424
Other components of equity	30	(133,226)	(151,350)
Other comprehensive income	29	3,770,085	6.303.067
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**18,886,930**	**21,051,281**
Non-controlling interests	32	8,902,484	10,978,623
TOTAL EQUITY		**27,789,414**	**32,029,904**
TOTAL LIABILITIES AND EQUITY		**49,402,341**	**56,941,068**

The accompanying notes are an integral part of the Consolidated Financial Statements.

Jorge Mario Velásquez Jaramillo
CEO
Legal Representative
(See attached certification)

Claudia Patricia Álvarez Agudelo
Accountant
Registration 69447-T
(See attached certification)

Original version issued in Spanish and signed by Gonzalo Alonso Ochoa Ruiz
Statutory Auditor
Registration 43668-T
Member of KPMG S.A.S.
(See report of 23 February 2024)

Grupo Argos S.A. and subsidiaries

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Years ended as at 31 December | Figures stated in millions of Colombian pesos, except net profit per share

	Note	2023	2022
Revenue	33	19,698,366	18,632,618
Other revenue	33	2,308,313	1,947,815
Share of associates and joint ventures	33	586,422	759,273
TOTAL REVENUE		**22,593,101**	**21,339,706**
Cost of ordinary activities	34	(16,312,090)	(15,791,372)
GROSS PROFIT		**6,281,011**	**5,548,334**
Administrative expenses	35	(1,810,088)	(1,705,008)
Selling expenses	36	(356,115)	(334,174)
STRUCTURE EXPENSES		**(2,166,203)**	**(2,039,182)**
Other income, net	37	31,429	84,113
PROFIT FROM OPERATING ACTIVITIES		**4,146,237**	**3,593,265**
Finance income	38	416,552	234,000
Finance expenses	38	(2,191,545)	(1,675,341)
Exchange difference, net	38	(140,551)	102,353
PROFIT BEFORE TAX		**2,230,693**	**2,254,277**
Income tax	10.3	(770,695)	(813,936)
NET PROFIT		**1,459,998**	**1,440,341**
Attributable to:			
OWNERS OF THE PARENT		**915,503**	**881,424**
Non-controlling interests		544,495	558,917
NET EARNINGS (LOSS) PER SHARE FROM CONTINUING OPERATIONS (*)			
Attributable to common shareholders of the owner company:			
Basic (*)	39	1,054.84	1,013.76
Diluted (*)	39	1,054.84	1,013.76

(*) Figures stated in Colombian pesos.

The accompanying notes are an integral part of the Consolidated Financial Statements.

Jorge Mario Velásquez Jaramillo
CEO
Legal Representative
(See attached certification)

Claudia Patricia Álvarez Agudelo
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(See report of 23 February 2024)

Grupo Argos S.A. and subsidiaries

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Years ended as at 31 December | Figures stated in millions of Colombian pesos

	2023	2022
NET PROFIT	**1,459,998**	**1,440,341**
Gains and losses on equity investments	295,223	717,830
Deferred tax on equity investments	(25,037)	(269,593)
Remeasurement of defined benefit plan liabilities	(89,533)	31,397
Defined Benefit plan deferred tax liabilities	21,667	(12,787)
Deferred tax on revaluation of property, plant and equipment	113	1,241
ITEMS THAT shall NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	**202,433**	**468,088**
Net profit from instruments under cash flow hedges	122,612	(41,236)
Deferred tax on cash flow hedges	(40,077)	18,551
Exchange difference on translating foreign operations	(3,503,292)	2,019,647
Deferred tax on translating foreign operations	4,315	(3,227)
ITEMS THAT shall BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	**(3,416,442)**	**1,993,735**
Net share in associates and joint ventures	(1,128,824)	1,140,401
OTHER COMPREHENSIVE INCOME, NET OF TAX	**(4,342,833)**	**3,602,224**
TOTAL COMPREHENSIVE INCOME	**(2,882,835)**	**5,042,565**
Attributable to:		
OWNERS OF THE PARENT	**(1,617,181)**	**3,186,691**
Non-controlling interests	(1,265,654)	1,855,874

The accompanying notes are an integral part of the Consolidated Financial Statements.

Jorge Mario Velásquez Jaramillo

CEO
Legal Representative
(See attached certification)

Claudia Patricia Álvarez Agudelo

Accountant
Registration 69447-T
(See attached certification)

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(See report of 23 February 2024)

Grupo Argos S.A. and subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Years ended as at 31 December | Figures stated in millions of Colombian pesos

	Share capital and additional paid-in capital	Legal reserve	Other Reserves	Other comprehensive income	Retained earnings and profit for the period	Other components of equity	Attributable to owners of the parent	Non-controlling interests	Total Equity
Balance at 31 December 2021	**1,558,070**	**29,665**	**3,309,958**	**3,996,628**	**9,673,351**	**(111,432)**	**18,456,240**	**10,350,318**	**28,806,558**
Profit for the period	-	-	-	-	881,424	-	881,424	558,917	1,440,341
Other comprehensive income for the period, net of tax	-	-	-	2,305,267	-	-	2,305,267	1,296,957	3,602,224
Comprehensive income for the period	**-**	**-**	**-**	**2,305,267**	**881,424**	**-**	**3,186,691**	**1,855,874**	**5,042,565**
Issuance of shares	-	-	-	-	-	-	-	1,973	1,973
Ordinary cash dividends declared (Note 31)	-	-	-	-	(328,815)	-	(328,815)	(715,499)	(1,044,314)
Preferred cash dividends declared (Note 31)	-	-	-	-	(105,914)	-	(105,914)	(27,202)	(133,116)
Constitution of reserves (Note 29.1)	-	-	(98,524)	-	98,524	-	-	-	-
Share of associates and joint ventures (Note 30 - 32)	-	-	-	-	-	(61,048)	(61,048)	(6,048)	(67,096)
Transfer from other comprehensive income to retained earnings (Note 29.2)	-	-	-	1,172	(1,172)	-	-	-	-
Purchases and sales to non-controlling interests (Note 30 - 32)	-	-	-	-	-	20,157	20,157	(82,911)	(62,754)
Loss of control of subsidiaries (Note 32)	-	-	-	-	-	-	-	(290,830)	(290,830)
Effect of change in income tax rate in Colombia (Note 29.3)	-	-	-	-	(115,492)	-	(115,492)	(19,590)	(135,082)
Purchase commitments to non-controlling interests (Note 32)	-	-	-	-	-	-	-	(85,018)	(85,018)
Other Variations	-	-	-	-	(1,511)	973	(538)	(2,444)	(2,982)
Balance at 31 December 2022	**1,558,070**	**29,665**	**3,211,434**	**6,303,067**	**10,100,395**	**(151,350)**	**21,051,281**	**10,978,623**	**32,029,904**

Grupo Argos S.A. and subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Years ended as at 31 December | Figures stated in millions of Colombian pesos

	Share capital and additional paid-in capital	Treasury shares	Legal reserve	Other Reserves	Other comprehensive income	Retained earnings and profit for the period	Other components of equity	Attributable to owners of the parent	Non-controlling interests	Total Equity
Balance at 31 December 2022	**1,558,070**	**-**	**29,665**	**3,211,434**	**6,303,067**	**10,100,395**	**(151,350)**	**21,051,281**	**10,978,623**	**32,029,904**
Profit for the period	-	-	-	-	-	915,503	-	915,503	544,495	1,459,998
Other comprehensive income for the period, net of tax	-	-	-	-	(2,532,684)	-	-	(2,532,684)	(1,810,149)	(4,342,833)
Comprehensive income for the period	**-**	**-**	**-**	**-**	**(2,532,684)**	**915,503**	**-**	**(1,617,181)**	**(1,265,654)**	**(2,882,835)**
Repurchase of common shares (Note 28, 29.1)	-	(56,522)	-	1,145	-	-	-	(55,377)	(20,009)	(75,386)
Repurchase of preferential shares (Note 28, 29.1)	-	(6,484)	-	206	-	-	-	(6,278)	(1,991)	(8,269)
Ordinary cash dividends declared (Note 31, 32)	-	-	-	-	-	(377,835)	-	(377,835)	(523,606)	(901,441)
Preferred cash dividends declared (Note 31, 32)	-	-	-	-	-	(121,739)	-	(121,739)	(30,388)	(152,127)
Constitution of reserves (Note 29.1)	-	-	-	(153,785)	-	153,785	-	-	-	-
Share of associates and joint ventures (Note 30 - 32)	-	-	-	-	-	-	(65,242)	(65,242)	(6,343)	(71,585)
Transfer from other comprehensive income to retained earnings (Note 29.2)	-	-	-	-	(295)	295	-	-	-	-
Purchases and sales to non-controlling interests (Note 30 - 32)	-	-	-	-	-	-	73,350	73,350	(149,756)	(76,406)
Loss of control of subsidiaries (Note 32)	-	-	-	-	-	-	-	-	(91,994)	(91,994)
Purchase commitments to non-controlling interests (Note 32)	-	-	-	-	-	-	-	-	(3,247)	(3,247)
Other Variations	-	(5,988)	-	5,988	(3)	(4,062)	10,016	5,951	16,849	22,800
Balance at 31 December 2023	**1,558,070**	**(68,994)**	**29,665**	**3,064,988**	**3,770,085**	**10,666,342**	**(133,226)**	**18,886,930**	**8,902,484**	**27,789,414**

The accompanying notes are an integral part of the Consolidated Financial Statements.

Jorge Mario Velásquez Jaramillo

CEO
Legal Representative
(See attached certification)

Claudia Patricia Álvarez Agudelo

Accountant
Registration 69447-T
(See attached certification)

Original version issued in Spanish and signed by Gonzalo Alonso Ochoa Ruiz
Statutory Auditor
Registration 43668-T
Member of KPMG S.A.S.
(See report of 23 February 2024)

Grupo Argos S.A. and subsidiaries

CONSOLIDATED STATEMENT OF CASH FLOWS

Years ended as at 31 December | Figures stated in millions of Colombian pesos

	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
NET PROFIT		**1,459,998**	**1,440,341**
Adjustments by:			
Dividend and equity income	33	(90,098)	(70,138)
Income tax expense recognized through profit or loss	10	770,695	813,936
Share of associates and joint ventures	33	(586,422)	(759,273)
Finance expenses, net recognized through profit or loss	33 – 38	1,814,496	1,402,026
Profit (loss) recognized in respect to employee benefits and provisions		226,922	174.089
Loss on sale and/or disposal of non-current assets		(348,686)	(208,226)
Gain on fair value measurement	20 – 33 – 38	(79,955)	(94,030)
Net gain from a bargain purchase	37	-	(4,225)
Impairment of financial assets, net		35,170	73,587
Impairment of non-current assets and inventory, net		126,287	144,368
Depreciation and amortization of non-current assets	34	1,356,988	1,626,911
Foreign exchange gains and losses recognized on financial instruments, net		194,452	(14,344)
Other adjustments to reconcile profit (loss) for the year		(47,204)	(44,439)
		4,832,643	**4,480,583**
CHANGES IN WORKING CAPITAL OF:			
Trade and other receivables		(830,123)	(409,510)
Inventories		274,704	(314,205)
Other assets		23,139	(130,224)
Trade and other payables		674,294	(62,427)
Other Liabilities		(329,885)	148,296
CASH GENERATED BY OPERATIONS		**4,644,772**	**3,712,513**
Income tax paid		(663,349)	(611,930)
Dividends and share received	7.5 - 18	348,964	260,619
NET CASH FLOWS FROM OPERATING ACTIVITIES		**4,330,387**	**3,361,202**
CASH FLOWS FROM INVESTING ACTIVITIES			
Financial interest received		306,013	169,350
Acquisition of property, plant and equipment		(2,086,600)	(2,780,637)
Proceeds from the sale of property, plant and equipment		118,812	391,886
Acquisition of investment property	17	(11,701)	(5,797)
Proceeds from the sale of investment property		97	4,884
Acquisition of intangible assets		(19,820)	(88,192)
Proceeds from the sale of intangible assets		42,781	17,037
Acquisition of other non-current assets		(29)	-
Proceeds from the sale of other non-current assets		23,091	13,508
Prepayments received for non-current asset transactions		84,101	188,842
Acquisition of control of subsidiaries and other businesses	42	(774)	-
Sale of businesses with loss of control	37 – 46	(46,847)	(228,151)
Acquisition and/or contributions to share in associates and joint ventures	18	(65,909)	(86,392)
Proceeds from the sale and contribution refunds of share in associates and joint ventures	18 - 46	434,858	236,084
Acquisition of financial assets		(773,319)	(1,284,411)
Proceeds from the sale of financial assets		1,065,400	1,297,472
Restitution of subordinated debt		-	169,127
Loans granted to third parties		(15,000)	(8,803)
Proceeds from repayment of loans granted to third parties		-	18,091
Other cash inflows		51	11,709
NET CASH FLOW USED IN INVESTING ACTIVITIES		**(944,795)**	**(1,964,393)**

Grupo Argos S.A. and subsidiaries

CONSOLIDATED STATEMENT OF CASH FLOWS

Years ended as at 31 December | Figures stated in millions of Colombian pesos

CASH FLOWS FROM FINANCING ACTIVITIES	Note	2023	2022
Repurchase of shares		(107,726)	-
Issue of bonds and commercial papers		242,500	297,769
Payment of bonds, structured notes, and commercial papers		(894,837)	(1,217,837)
Increase in other financing instruments		3,460,324	6,386,381
Decrease in other financing instruments		(2,898,388)	(4,947,624)
Payment of lease liabilities		(159,913)	(161,512)
Acquisition of non-controlling interests in subsidiaries	19.3	(54,137)	(62,850)
Payments for financial derivative arrangements		(35,576)	(67,270)
Proceeds from financial derivative arrangements		122,155	87,716
Capitalization of non-controlling interests		7,361	-
Dividends paid on ordinary shares	31	(842,079)	(691,824)
Dividends paid on preferred shares	31	(198,720)	(122,750)
Interest paid		(1,927,394)	(1,261,979)
Other cash outflows		(57,850)	(96,076)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(3,344,280)**	**(1,857,856)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**41,312**	**(461,047)**
Cash and cash equivalents at the beginning of the period, including amounts presented in a group of assets held for sale	6 - 13	2,456,778	2,684,817
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies		(294,626)	233,008
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, INCLUDING AMOUNTS PRESENTED IN A GROUP OF ASSETS HELD FOR SALE	**6 - 13**	**2,203,464**	**2,456,778**
Less cash and cash equivalents included in a group of assets held for sale	13	1,989	1,027,673
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD WITHOUT CASH AND CASH EQUIVALENTS INCLUDED IN A GROUP OF ASSETS HELD FOR SALE	**6 - 13**	**2,201,475**	**1,429,105**

The accompanying notes are an integral part of the Consolidated Financial Statements.

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Grupo Argos S.A. and subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As at 31 December 2023 and 2022.
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 Medellin (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 share 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 share.

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 preferential 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.

These consolidated financial statements present the financial information of Grupo Argos S.A., Cementos Argos S.A., Celsia S.A., Odinsa S.A., with their respective subsidiaries, Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. (in June 2023, there was a loss of control of this company - Note 19.3.2. Contributions, contribution refunds and/or changes in bylaws or ownership interest in a subsidiary that result in loss of control), and other minor subsidiaries (hereinafter Group), and have been prepared by applying uniformly or by approval for all companies the basis of presentation and significant accounting policies described in Note 2 Significant Basis of Preparation and Accounting Policies.

On 23 February 2024 the Board of Directors authorized the issue of the consolidated financial statements of the Company for the year ended 31 December 2023 and their respective comparatives.

NOTE 2: **BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

2.1 Compliance status

The consolidated financial statements for the years ended as at 31 December 2023 and 31 December 2022, have been prepared in accordance with the Accounting and Financial Reporting Standards Accepted 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, and on 5 August 2022 by Decree 1611.

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.

2.2 Going concern basis

The consolidated financial statements have been prepared on a going concern basis and there are no material uncertainties at 31 December 2023 related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern. The Group 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

To comply with the provisions of Article 1 of Decree 1378 of 28 October 2021, an analysis of the reference indicators was made to establish equity impairment and insolvency risks of the direct subsidiaries of Grupo Argos S.A., which correspond to: Cementos Argos S.A., Celsia S.A., Odinsa S.A., Summa - Servicios Corporativos Integrales S.A.S., Sator S.A.S. and, Patrimonio Autónomo Ganadería Rio Grande. For subsidiaries that in turn are parent companies, the analysis of the respective indicators of their subsidiaries was performed directly by them.

Although the companies listed below comply with one, two or three of the indicators established in Decree 1378 of 2021, in none of the cases there is non-compliance with the going concern basis, as follows:

- **Cementos Argos S.A.**
  - Current ratio for year 2023 of 0.46 and 2022 of 0.63.

  The accounting working capital, defined as current assets less current liabilities, displays a negative balance. This is mostly due to the classification of short-term loans, given their maturities in 2024. At the closing of December 2023, the company has sufficient uncommitted quotas available to cover any cash needs. Additionally, it is a recurring issuer in the Colombian securities market, with an available quota in its program for the issue and placement of bonds and commercial papers. These bank and stock market quotas allow the structuring of sufficient financing alternatives to renew the current portion of the debt, together with the company's internal cash generation.

  The company has cash flows to meet its short-term financial commitments, given its operation and the divestment activities planned for 2024.

- **Celsia S.A.**
  - Current ratio for year 2023 of 0.21 and 2022 of 0.09.

  In compliance with the provisions of Decree 1378 of 28 October 2021, Celsia S.A. permanently monitors the financial statements, financial information, and projections of the company to establish the existence or possibility of equity impairment and insolvency risks. Although the result of the current ratio indicator is lower than 1.0 during the last two periods, this situation is mainly due to circumstances that do not affect the operating performance, as well as the liquidity situation and do not constitute warnings on equity impairment and insolvency risk that call into question the company's ability to continue as a going concern.

  The payment of short-term obligations is guaranteed, considering the income of the reliability charge associated with the Meriléctrica plant, the main source of income of the company. These are predictable, stable income and the reliability charge rate is indexed to the month-end COP/USD rate, allowing for proper management of natural treasury hedges and risks associated with exchange rate volatility.

  Also, as a result of the current situation of El Niño Phenomenon in Colombia and the respective energy prices on the stock exchange, it is expected that the company shall have resources obtained from the generation of energy by the Meriléctrica plant, as well as the collection of the receivable from the company Prime Termoflores as a result of the energy option agreed with said company at the time of closing the sale transaction of the company Zona Franca Celsia in 2019.

  The consolidated financial statements have been prepared on a going concern basis and there are no material uncertainties at 31 December 2022 related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern.

2.3 Basis of preparation

The Group has defined in its bylaws to make an audit of its accounts, prepare, and distribute general purpose financial statements once a year, as at 31 December of each period. the consolidated financial statements 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 of the parent company for all purposes, rounded to the nearest million, unless otherwise indicated.

For legal purposes in Colombia, the Separate Financial Statements are the basis for the distribution of dividends and other appropriations.

The Group's consolidated financial statements as at 31 December 2023 and 2022 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, associates considered investment entities, investment property and biological assets 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 accounting policies and for the joint venture Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías), considered an investment entity, the Group elected to retain for equity-accounted investees purposes, the fair value measurement applied by this fund on its equity share in entities. 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 Group 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 consolidated financial statements. Note 4 Significant accounting judgements and key sources of estimates detail the significant accounting judgments and key sources of estimation made.

Fair value measurements:

The Group measures financial instruments, such as derivatives and financial assets and liabilities designated for measurement at fair value, non-financial assets, such as investment property and biological assets, and associates considered investment entities that meet the exemption established in paragraph 19 of IAS 28 - Investments in Associates and Joint Ventures, at fair value. Also, uses fair value measurements to determine the revalued value of land and buildings for administrative use classified as property, plant and equipment on the revaluation date, and for the joint venture Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías), considered an investment entity, elects to retain for purposes of equity-accounted investees the fair value measurement applied by this fund on its equity share in entities.

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 certain financial assets and liabilities, investment property and biological assets is determined at a date close to the date of presentation of the consolidated 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 Group.

In estimating fair value, the Group 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 consolidated 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 Group 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 reflects the assumptions that market participants would use in pricing the asset or liability including the assumption of risk.

For assets and liabilities recognized in the financial statements at fair value on a recurring basis, the Group 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 Group 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 Group 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-financial assets that are measured at fair value or where fair values are disclosed are summarized in the following notes:

- Financial assets and liabilities Note 7.5
- Assets and liabilities associated with non-current assets held for sale - Note 13
- Property, plant and equipment under the revaluation model Note 16
- Investment property - Note 17
- Biological assets - Note 20

The Group has applied the accounting policies, judgements, estimates and significant accounting assumptions described in Note 2 Basis of preparation and significant 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.

Consolidation Principles:

The investments over which the Group has control are consolidated by means of the full integration method, in which all assets, liabilities, equity, income, costs and expenses of the subsidiaries are added to the financial statements of the parent or owners of the parent, after elimination in the parent or owners of the parent of the investment made by the latter in the equity of the subsidiaries, as well as the reciprocal operations and balances existing at the date of preparation of the consolidated financial statements and the standardization of the subsidiaries' accounting policies to those of the Group.

An investee is controlled when the Group has power over it, is exposed to or is entitled to variable returns from its involvement in the investee and has the capacity to influence those returns through its power over the investee. In determining whether to control an investee, an assessment is made of whether facts and circumstances indicate that there are changes in one or more of the three elements of control mentioned above. In assessing control, consideration is given to, among other things, existing substantive voting rights, contractual arrangements between the entity and other parties for relevant activities, and the rights and ability to appoint and remove key management personnel, among other aspects.

When most of the voting rights of an investee is not held, power over the investee is determined when the voting rights are sufficient to give the investee the practical ability to manage the relevant activities of the investee. The Group considers all relevant facts and circumstances in assessing whether voting rights in an investee are sufficient to give it power, including:

- The size of the percentage of voting rights relative to the size and dispersion of the percentages of other voting rights holders.
- Potential direct and indirect voting rights held by the Group, other shareholders, or other parties.
- Rights arising from contractual arrangements.
- Any additional facts or circumstances indicating that the Group has, or does not have, the current ability to direct the relevant activities at the time decisions need to be made, including voting patterns at previous shareholders' meetings.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the Group obtains control over the subsidiary until the date on which control is lost. Revenue and expenses of a subsidiary acquired or sold during the year are included in the consolidated statement of income and in the consolidated statement of other comprehensive income covering the period from the date on which the Group obtains control until the date on which control over the subsidiary is relinquished.

Changes in a parent's ownership interest in a subsidiary that do not result in gain or loss of control are accounted for as equity transactions. The carrying amounts of Group and non-controlling interests are adjusted to reflect changes in its relative share of the subsidiary. Any difference between the amount by which the non-controlling interests were adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the controlling interest.

When control of a subsidiary is lost, assets and liabilities of the subsidiary, any related non-controlling interest and other components of equity are derecognized. The resulting gain or loss is recognized in the statement of income for the period and is calculated as the difference between:

- The aggregate of the fair value of the consideration received and the fair value of the retained share, and
- The previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest.

Amounts previously recognized through other comprehensive income in relation to that subsidiary are recorded as if the Group had sold the relevant assets directly (i.e., reclassified to profit or loss or transferred to another category of equity as specified and/or permitted by the applicable IFRS).

The fair value of the investment retained in the former subsidiary, at the date when control was lost, shall be considered as the fair value for the purposes of the initial recognition of a financial asset in accordance with IFRS 9 Financial Instruments, or where applicable the cost of the initial recognition of an investment in an associate or joint venture. If the retained interest in the former subsidiary is accounted for using Equity-accounted investees, the portion of the gain or loss arising from the remeasurement at fair value is recognized through profit (loss) for the period only to the extent of the interest in the new associate; if the retained interest is accounted for in accordance with IFRS 9 Financial Instruments, the portion of the gain or loss is recognized in full in profit (or loss) for the period.

Non-controlling interests in the net assets of consolidated subsidiaries are presented separately from Group equity. Profit (or loss) for the period and other comprehensive income are also attributed to non-controlling interests and owners of the parent. The total comprehensive income of the subsidiaries is attributed to the owners and to the non-controlling interests even if the results in the non-controlling interests have a negative balance.

Management 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 consolidated financial statements. Note 4 Significant accounting judgements and key sources of estimates detail the significant accounting judgments and key sources of estimation made by Management.

A structured entity is one that is designed so that voting and similar rights are not the primary factor in deciding who controls the entity, for example, if any voting rights relate solely to administrative tasks and the relevant activities are governed by contractual arrangements.

Differences between the consolidated controlling equity of the Group and the equity of the Parent Company

The consolidated controlling equity 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 Holding 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 share of associates and joint ventures in the consolidated financial statements, (c) recording of the deferred tax associated with the application of Equity-accounted investees 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 profit (loss) for the year or in retained earnings, as applicable), when there is disposal and/or contribution of associates and joint ventures in the consolidated financial statements.

Additionally, there are differences between the consolidated controlling equity of the Group and the equity of the Parent 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 loss of 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 Significant accounting policies

Below are the significant accounting policies applied by the Group in the preparation of its consolidated financial statements:

2.4.1 Business combinations and goodwill

Business combinations are accounted for using the acquisition method when control is transferred to the Group. The consideration transferred and the identifiable assets acquired, liabilities and contingent liabilities assumed of the acquiree are generally recognized at fair value at the acquisition date, the acquisition costs are recognized in the statement of income for the period and goodwill is recognized as an asset in the consolidated statement of financial position.

The consideration transferred is measured as the sum of the acquisition-date fair values of the assets delivered, liabilities assumed, and equity instruments issued by the Group, including the fair value of any contingent consideration, to obtain control of the acquiree. The consideration transferred does not include amounts related to the settlement of preexisting relationships. Such amounts are generally recognized through profit or loss.

Identifiable assets acquired, liabilities and contingent liabilities assumed are recognized at their fair value at the acquisition date, except:

- Deferred tax assets or liabilities and assets or liabilities relating to employee benefit arrangements recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits, respectively.
- Assets or groups of assets for disposal that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Goodwill is measured as the excess of the sum of the consideration transferred, the value of any non-controlling interest and, when applicable, the fair value of any previously held interest in the acquiree over the net value of the assets acquired. When the consideration transferred is less than the fair value of the net assets of the acquiree, the corresponding gain is recognized through profit or loss at the acquisition date.

Non-controlling interests that represent ownership share and guarantee their holders a proportionate share of the entity's net assets in the event of liquidation may be measured initially at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The selection of the measurement model is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities that result from a contingent consideration arrangement, the contingent consideration is measured at fair value at the acquisition date and is included as part of the consideration transferred in a business combination. Changes in the fair value of contingent consideration that qualify as an adjustment to the measurement period are adjusted retrospectively against goodwill. Measurement period adjustments are adjustments arising from additional information obtained during the measurement period, which may not exceed one year from the acquisition date, about facts and circumstances that existed at the acquisition date.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e., transactions with owners). Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments to goodwill are made and no gain or loss is recognized through profit or loss.

The subsequent recognition of changes in the fair value of contingent consideration that do not qualify as adjustments of the measurement period depends on how the contingent consideration is classified:

- Contingent consideration that is classified as equity is not restated at subsequent reporting dates and its subsequent liquidation is recorded within equity.
- Contingent consideration within the scope of IFRS 9 Financial Instruments shall be measured at fair value at the reporting date and changes in fair value are recognized in profit or loss in accordance with this IFRS.
- Other contingent consideration not within the scope of IFRS 9 Financial Instruments shall be measured at fair value at the reporting date and changes in fair value shall be recognized in profit or loss.

In the case of business combinations achieved in stages, the Group's equity interest in the acquiree is restated to its fair value at the acquisition date (i.e., the date on which the Group obtained control) and the resulting gain or loss, if any, is recognized through profit for the period. Amounts resulting from the interest in the acquiree before the acquisition date that had previously been recognized through other comprehensive income are reclassified to profit (loss) for the period, provided that such treatment is appropriate, as if share had been disposed of.

If the initial accounting for a business combination is not completed by the end of the financial period in which the combination occurs, the Group reports the provisional amounts of the items for which the accounting is incomplete. During the measurement period, the acquirer recognizes adjustments to the provisional amounts or recognizes additional assets or liabilities needed to reflect new information obtained about facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognized at that date, which are disclosed.

Goodwill acquired in a business combination is allocated at the acquisition date to the cash-generating units expected to benefit from the combination, regardless of whether other assets or liabilities of the acquiree are allocated to those units.

Goodwill is not amortized; it is measured at cost less any accumulated impairment losses.

The cash-generating units to which goodwill is allocated are tested for impairment annually, or more frequently, if there is an indication that the unit may be impaired.

If the cash-generating unit's recoverable amount is less than the unit's carrying amount, the impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the unit and then to the unit's other assets, on a pro rata basis, based on the carrying amount of each asset in the unit.

Impairment losses are recognized in the statement of income. An impairment loss recognized for goodwill purposes may not be reversed.

In the event of disposal of a cash-generating unit, the attributable amount of goodwill is included in the calculation of the withdrawal gain or loss.

2.4.2 Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position and the consolidated 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.

2.4.3. Financial assets

Upon initial recognition, a financial asset is classified as measured at: (I) amortized cost; (ii) fair value through other comprehensive income - debt instruments; (iii) fair value through other comprehensive income - equity instruments; or (iv) fair value through profit or loss.

Financial assets are initially recognized at fair value; for financial assets measured at amortized cost, directly attributable transaction costs are included. Financial assets are not reclassified after initial recognition, unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group subsequently measures financial assets at amortized cost or fair value, depending on the business model for managing the financial 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.

Financial 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 financial 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 financial 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 financial assets. However, the Group may elect at initial recognition and on an irrevocable basis, to present gains or losses from measuring financial 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 Group 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.

The Group recognizes concession contracts that represent an unconditional contractual entitlement to receive a State-guaranteed cash flow as a financial asset (receivable) within the scope of IFRIC 12 Service Concession contracts. This interpretation requires the investment in public infrastructure be recognized as a financial asset and is measured at the present value of the respective guaranteed cash flows discounted at the interest rate determined in the concession contract.

2.4.3.1. Impairment of financial assets

The Group 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 Group applies a simplified approach on a collective basis for the Cement and Energy segments, 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. For the Concessions segment, the general approach is used to calculate the expected credit losses of financial assets measured at amortized cost; therefore, expected credit losses are recognized over the useful life of the asset or over the next twelve months, if there has not been a significant increase in risk, evaluated on a collective or individual basis.

Where there is objective evidence that a financial asset is impaired, the Group recognizes an individual impairment loss provision and excludes the item from collective evaluation under the expected credit loss model.

To determine expected credit losses, the Group has used a methodology in accordance with the nature and characteristics of each of its businesses, namely:

- **Cement:** to determine expected credit losses, the cement segment uses a provision matrix based on the number of days a trade receivable is past due, i.e., by grouping the portfolio by default days ranges and applying to the current balance of receivables at the measurement date for each default range an expected default percentage. The percentage of default 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.

- **Energy:** when monitoring credit risk in this segment, customers are grouped according to their characteristics, including business segment, type of market and type of service. Loss rates are based on the historical behavior of collections through averages per month and per class of service. Trade and other receivables relate mainly to energy customers in the regulated and unregulated market, in the residential, commercial, industrial, and official sectors.

  Due to the conditions prevailing in the wholesale market (energy exchange and bilateral arrangements with third parties), an individual analysis of impairment is performed on the associated receivable, ranging from a preliminary study of the third parties to the coverage of the portfolio with collateral or promissory notes, the latter only in the case of well-qualified third parties.

- **Concessions:** for receivables with sovereign states, in which a public entity is the debtor, the following risk parameters are taken:

  - The probability of default assigned to the receivable corresponds to the average probability of default of the country where the counterparty is located, according to the rating of the sovereign risk of the counterparty.
  - The standards of the Basel Committee on Banking Supervision are used to estimate the loss given default, which assigns a loss of 45% to debts with sovereign States.
  - The loss is calculated for the entire unsecured amount exposed.

  For receivable in the concession segment with related parties or other receivables, where no historical recovery data exists, the following estimate is made to obtain the risk parameters:

- The probability of default is estimated by applying Altman's financial stress test for an emerging market company, considering the ratios of working capital, retained earnings, earnings before taxes and share (EBIT) and total assets, as well as the debt-to-equity ratio.
- The standards of the Basel Committee on Banking Supervision are used to estimate the loss given default, which assign a loss of 75% to debt with related parties or other receivables.
- Loss is calculated for the entire unsecured amount exposed.

In the case of airport concessions, the estimation of expected credit losses on trade and non-trade receivable is made using historical data to estimate the loss rate, based on the average migration rate of the portfolio between 30-day age ranges.

Loss is recognized through administrative and selling expenses in the Group's consolidated statement of income. When there is confirmation that the receivable shall not be collectible, the gross carrying amount of the account is derecognized against the associated provision.

Financial assets - Subsequent measurement and profit and loss

Financial 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)	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.
Financial 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.

2.4.3.2. Derecognition of financial assets

A financial asset, or a portion thereof, is derecognized from the consolidated 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 Group 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 gain or loss that has been recognized directly through equity within other comprehensive income (OCI), and is related to financial assets derecognized, must be reclassified to retained earnings.

2.4.4 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 of raw materials, work in process, finished product, unmanufactured merchandise for sale, and real estate inventory is initially measured at cost of acquisition plus expenses and disbursements necessary to place the asset in condition to be sold. The Group 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 Group 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 Group and delivery of the property is agreed over periods of up to one year. In this case, 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 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.

The Group shall recognize inventories when sold, at book value, as costs in the period in which the corresponding income is recognized. In the case of inventories used in the rendering of services (operation and maintenance), this is recognized as a cost or expense in the results of the period in which they are consumed.

Disbursements for the maintenance of real estate inventories are presented as operating expenses.

Property tax corresponding to inventories of real estate for sale 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, or when the event giving rise to the legal or implicit obligation materializes in accordance with the legislation corresponding to each country.

2.4.5 Intangible assets

Intangible assets are recorded at cost in accordance with IAS 38 Intangible Assets. Those with indefinite useful lives are not amortized and those with defined useful lives are amortized based on the straight-line method over their estimated useful lives, or the unit-of-production method. The estimated useful life and the method of amortization are reviewed at the end of each reporting period, with the effect of any changes in the estimate recorded on a prospective basis. At the end of each period, the Group assesses intangible assets with definite useful lives to determine whether they exhibit impairment signs and performs impairment test for intangibles with indefinite useful lives.

Subsequent expenditures on intangible assets are capitalized only when future economic benefits increase, incorporated into the specific asset related to these expenditures. All other expenditures, including those to generate goodwill and trademarks internally, are recognized through profit or loss when incurred.

Amortization begins when the asset is available for use, it is calculated based on the cost of the asset less its residual value on a straight-line basis or by the unit-of-production method over the asset's estimated useful life and is recognized in the consolidated statement of income in the item selling cost and administrative and selling expenses, as appropriate, and impairment is recognized in the statement of income in the other expenses item.

Estimated useful life and amortization methods, for the current and comparative period, of the Group's intangible assets are as follows:

Intangible asset	Useful life ranges in years	Depreciation method
Concessions (1)	As agreed 4 and 75	Unit-of-production / Straight-line
Rights	4 and 35	Straight-line
Trademarks	2 and 20	Straight-line
Customer lists and customer-related intangible assets	5 and 15	Straight-line
Licenses, patents and software	1 and 10	Straight-line
Other intangible assets	1 and 50	Straight-line

(1) The term of concessions and licenses is established in accordance with the concession contract. The estimated useful life of an intangible asset in a service concession contract corresponds to the period from the start of the infrastructure operation stage by the Group until the end of the concession period. The method of amortization shall depend on the expected pattern of consumption of future economic benefits associated with the concession.

a. **Intangible assets from service concession contracts.** The Group recognizes an intangible asset arising from a service concession contract, within the scope of IFRIC 12 Service Concession contracts, when it has the right to charge for the use of the concession infrastructure. On initial recognition, an intangible asset under a service concession contract is recognized at cost. After initial recognition, the intangible asset measured at cost includes capitalized borrowing costs, less amortization and accumulated impairment. Costs are capitalized until the concession is put into service.

b. **Separately acquired intangible assets.** The cost of separately acquired intangible assets comprises their purchase price, including non-recoverable indirect taxes, after deduction of any discount or markdown, and includes any costs directly attributable to preparing the asset for its intended use.

   When payment for an intangible asset is deferred beyond normal loan terms, its cost is the equivalent of the cash price, and the difference between the amount and total payments is recognized as interest expense over the period of the loan unless it is capitalized in accordance with IAS 23 - Borrowing Costs.

c. **Internally generated intangible assets.** Disbursements arising from research activities are recognized as an expense in the period in which they are incurred.

   An internally generated intangible asset resulting from development activities, or from the development phase of an internal project, is recognized if and only if the following conditions are met:

   - It is technically possible to complete production of the intangible asset so that it can be made available for use or sale.
   - The intention is to complete the intangible asset, for use or sale.
   - There is capacity to use or sell the intangible asset.
   - The intangible asset shall generate probable future economic benefits.
   - Availability of adequate technical, financial or other resources to complete the development and to use or sell the intangible asset.
   - That the expenditure attributable to the intangible asset during its development can be measured reliably.

   The amount initially recognized for an internally generated intangible asset is the sum of the expenditure incurred from the time the asset meets the conditions for recognition. When an internally generated intangible asset cannot be recognized, development expenditure is charged to profit or loss the period in which it is incurred.

d. **Intangible assets acquired in a business combination.** When an intangible asset is acquired in a business combination and recognized separately from goodwill, its cost is its fair value at the acquisition date.

e. **Exploration and evaluation expenditures.** The Group recognizes as expenses those disbursements incurred before demonstrating the technical feasibility and commercial viability of the exploitation project, and which are directly related or associated with the activity of exploration and evaluation of the mineral resource. If disbursements meet the recognition conditions, they are recorded as intangible assets. These expenses shall be recognized for the value disbursed at the time they are incurred.

An intangible asset is derecognized on 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 proceeds from the sale and the carrying amount of the asset, are recognized through profit or loss at the time the asset is derecognized.

2.4.6 Impairment of tangible and intangible assets

At the end of each reporting period, the Group 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 frequently if there is any indication that they may be impaired.

The Group 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 accounting 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 Group 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 Group 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 Group 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 Group 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 time value of money.
- 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 Group expects to derive from the asset.

The following variables should be excluded from the estimate of future cash flows that the Group 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 Group 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 Group 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.

2.4.7 Property, plant and equipment, net

Property, plant and equipment includes the value of land, constructions and buildings, machinery, furniture and office equipment, computer, communications and transportation equipment and other facilities owned by the Group, that are used in the operation of the entity.

The Group recognizes an item of property, plant and equipment when it is probable that the asset shall generate future economic benefits, it is expected to be used over a period of more than one year, all risks and rewards inherent to the asset have been received and its value can be reliably measured.

The initial recognition of property, plant and equipment is recorded at acquisition cost, which includes professional fees, direct dismantling and removal costs (when applicable) and, in the case of qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy, as well as any other directly attributable expenses, less trade discounts, rebates, and other similar items. Such properties are classified in the appropriate categories of property, plant and equipment upon completion and when they are ready for their intended use. 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 subsequently measured at cost less accumulated depreciation and accumulated impairment, if any, except for the homogeneous group of land and buildings for administrative use, which are measured by the revaluation model, which is applied every four years. Properties under construction for production or service provision purposes are recorded at cost, less any recognized impairment loss.

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:

• Constructions and buildings	40 to 80 years
• Generation Plants	20 to 100 years
• Communication routes	20 to 40 years
• Machinery and equipment	15 to 30 years
• Substations, lines and networks	40 to 50 years
• Furniture, office, computer and communication equipment	2 to 10 years
• Transport equipment	3 to 10 years
• Furniture, vehicles and tools	2 to 10 years

An item of property, plant and equipment shall be derecognized on disposal or when future economic benefits are no longer expected to arise from the continuing use of the asset. The gain or loss arising from the decommissioning or disposal of a property, plant and equipment asset is calculated as the difference between the gain or loss on the sale of the asset and the asset's carrying amount and recognized through profit or loss.

Estimates of the residual values, useful lives and depreciation methods of assets are reviewed and adjusted prospectively at each financial year end, if required.

Provisions for decommissioning, restoration, and rehabilitation

The Group recognizes a provision as part of the cost of an item of property, plant and equipment when there is a legal or implicit obligation to dismantle an asset or restore the site where it was built or operated, equivalent to the present value of the estimated future costs that are expected to be incurred to perform the dismantlement or restoration.

The provision for dismantling or restoration is recognized at the present value of estimated future expenditures to settle the obligation. Cash flows are discounted at a risk-free pre-tax rate when the inherent risks have already been incorporated in the cash flow.

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

2.4.8 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 Group 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.

In its subsequent measurement, the Group 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 Group 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.

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 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.

Property tax corresponding to the Group's investment property 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, or when the event giving rise to the legal or implicit obligation materializes in accordance with the legislation corresponding to each country.

Disbursements for maintenance of investment property are presented as operating expenses.

2.4.9 Investments in associates and joint arrangements

An associate is an entity over which the Group 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.

Profit and net assets of the associate or joint venture are included in the consolidated financial statements using equity-accounted investees, unless:

- If the investment or a portion of it 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, and
- Associates considered to be investment entities, which are accounted for at fair value using the exception in IAS 28 Investments in Associates and Joint Ventures, paragraph 19.

Under equity-accounted investees, the investment is initially recorded at cost, then adjusted for changes in the Group's share of the associate's or joint venture's results and other comprehensive income.

When equity-accounted investees is applicable, the necessary adjustments are made to bring the accounting policies of the associate or joint venture into line with those of the Group and the Group's share of the unrealized gains or losses arising from transactions between the Group and the associate or joint venture is not included, except for losses that evidence impairment.

If Group directly or through its subsidiaries, other than investment entities, holds an interest in a joint venture that is an investment entity, for the purposes of applying equity-accounted investees, the Group makes a separate election for each joint venture that is an investment entity to choose to retain the fair value measurement applied by this joint venture to its share in entities. This selection is made at the later of the following dates: (a) when the associate or joint venture that is an investment entity is initially recognized; (b) when the associate or joint venture becomes an investment entity; and (c) when the associate or joint venture that is an investment entity becomes a controlling entity.

Equity-accounted investees is applied from the date on which the investee becomes an associate or joint venture. Any resulting excess value between the price paid and the equity value of the associate or joint venture acquired is included in the carrying amount of the investment and is not amortized or tested individually for impairment.

When the Group's share of the losses of an associate or joint venture exceeds the value of the investment, which includes any long-term interest that, in substance, is part of the Group's net investment in the associate or joint venture, its share of future losses is no longer recognized. Additional losses are recognized provided that a legal or implicit obligation has been incurred or payments made on behalf of the associate or joint venture.

The Group 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

The Group Recognizes a joint operation, when the contractual arrangement is structured through a separate vehicle or otherwise, by assessing the entitlements granted to the Company over the assets and obligations with respect to the liabilities relating to the arrangement and does not grant rights to the net assets of the arrangement.

In recognizing a joint operation, the Group considers aspects such as the legal form of the separate vehicle, the terms of the contractual arrangement and, where appropriate, other factors and circumstances.

The contractual arrangement in which the Group participates should establish the entitlements of the parties to the assets and the obligations with respect to the liabilities relating to the arrangement, the entitlements to income and the obligations with respect to the expenses corresponding to the parties.

The Group should Recognize the following in its separate financial statements in relation to its participation in a joint operation:

- Its assets, including its interest in jointly held assets.
- Its liabilities, including its share of jointly incurred liabilities.
- Its income, including its share of jointly earned income.
- It expenses, including its share of jointly incurred expenses

The Group must account for the assets, liabilities, income and expenses relating to its participation in a joint operation, in accordance with the applicable policies and the terms of the arrangement.

When the Group is a joint operator and performs sales transactions or contributions of assets to a joint operation, it should account for the transaction as follows:

- Recognize gains and losses from this transaction only to the extent of the other parties' share in the joint operation.
- If the transaction provides evidence of a reduction in the net realizable value of the assets or of impairment, the Group recognizes all losses.

When the Group is a joint operator and enters a transaction to purchase assets from a joint operation, it must account for the transaction as follows:

- It recognizes its share of the profits and losses only when it resells those assets to a third party.
- If the transaction provides evidence of a reduction in the net realizable value of the assets or of impairment, its share of those losses must be recognized.

When the Group is a party to a joint operation, but does not have joint control over it, it should account for its interest in the joint venture in the manner described above only if it is entitled to the assets and obligations in respect of the liabilities relating to the joint operation.

2.4.10 Borrowing costs

Borrowing costs attributed directly to the acquisition, construction or production of qualifying assets, which are assets that require a substantial time span before they are ready to use or sale (more than one year), are added to the cost of these assets until such time as they are ready to use or sale. The Group considers that a substantial time span is one that is greater than one year.

Income received from the temporary investment of resources pending use in the construction or production of qualifying assets is deducted from Borrowing Costs to be capitalized as an increase in the cost of the asset.

All other borrowing costs are recognized in profit or loss during the period in which they are incurred.

2.4.11 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 financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group'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 shall be retained after the sale.

When the Group 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 Group discontinues the use of equity-accounted investees in subsidiaries in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that is not classified as held for sale continues to be accounted for under equity-accounted investees; if at the time of sale of the retained portion of the associate or joint venture there is a loss of significant influence or joint control, the use of equity-accounted investees is discontinued and any retained interest in the subsidiary is recognized in accordance with the applicable regulations following its classification.

In case the Group 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, financial assets within the scope of IFRS 9 Financial Instruments, deferred tax assets, assets arising from employee benefits, among others indicated by this IFRS.

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 consolidated statement of comprehensive income for the current and comparative periods of the previous year, even if the Group retains a non-controlling interest in the subsidiary after the sale.

2.4.12 Biological assets

The Group recognizes a biological asset or agricultural produce when it controls it because of past events, it is probable that future economic benefits shall be generated, and the cost of the biological asset or agricultural produce can be measured reliably.

The Group measures biological assets, both at the beginning and at the end of the period, at fair value less selling costs. 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 shall be the price given in the most relevant active market.

If no active market exists, the Group uses the following information to determine fair value, provided it is available and it shall select the most reliable one:

- The price of the most recent market transaction, assuming there is no significant change in economic circumstances between the date of the transaction and the end of the reporting period,
- The market price of similar assets, adjusted to reflect existing differences,
- Industry benchmarks, such as the value of plantations expressed in terms of areas, units of capacity, weight or volume.

Gains or losses arising from the initial recognition of a biological asset or agricultural produce at fair value less selling costs and from a change in this value are included in profit or loss for the consolidated period when they arise.

2.4.13 Leases

The Group recognizes leases, subleases and contracts with similar characteristics and circumstances considering the capacity of the lessor or lessee, the underlying asset and the term of the arrangement.

At the beginning of an arrangement, the Group 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 in exchange of a consideration. To assess whether a contract transfers the right to control the use of identified assets, the Group uses the definition of a lease in IFRS 16 Leases.

a. **The Group as a lessee.** As the lessee, at the commencement or amendment of a contract containing a lease component, the Group assigns the consideration in the contract to each lease component based on its relative independent prices.

The Group initially recognizes at the commencement date of the lease a right-of-use asset representing the right to use the underlying asset of the contract and a lease liability representing its obligation to make the payments agreed in the contract.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and are adjusted with the remeasurements of the lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made before the inception date of the contract less any lease incentives received.

Unless the Group is reasonably confident of obtaining ownership of the leased asset at the end of the lease term, assets recognized for the right of use are amortized on a straight-line basis over the lease term. Right-of-use assets are subject to impairment. Right-of-use assets associated with investment property are measured initially at cost, and subsequently at fair value, in accordance with the Group's accounting policy for subsequent measurement of investment property.

At the commencement date of the lease, the Group recognizes lease liabilities measured at present value of the lease payments to be made over the term of the lease. Lease payments include fixed payments (including essentially fixed 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 Group has reasonable assurance that it shall be exercised and penalties for cancellation of the lease, if the term of the lease reflects that the Group shall exercise an option to terminate the lease. Variable lease payments that do not depend on an index or rate 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 Group uses the incremental borrowing rate at the commencement date of the lease 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 accumulation of interest and is reduced by the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the term of the lease, a change in the fixed payments in substance of the lease, or a change in assessment to acquire the underlying asset.

The Group recognizes the depreciation expense for right-of-use assets and allocates the lease payments between the finance expense and the reduction of the lease obligations. Finance 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 policy for borrowing costs.

The Group presents the Right-of-use leased 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 item.

The Group presents interest expense on lease liabilities separately from the depreciation charge on the leased right-of-use assets. Interest expense on the lease liability is a component of finance costs, which are presented separately in the consolidated statement of comprehensive income.

In the consolidated statement of cash flows, the Group classifies cash payments for principal and interest on lease payments as financing activities and payments for short-term leases and low-value asset leases as operating activities.

Short-term leases and low-value asset leases.

The Group recognizes lease payments for contracts with a lease term of 12 months or less and without a purchasing option, or contracts with an underlying asset of low value (i.e., assets with a new value of USD 3,500 or less for operating assets and USD 5,000 or less for administrative assets) as lease expense less related lease incentives on a straight-line basis over the lease term, unless another systematic basis of allocation is more representative of the time pattern of the lessee's benefit.

b. **The Group as a lessor.**
At the commencement or amendment of a contract containing a lease component, the Group assigns the consideration in the contract to each lease component based on its relative independent prices.

As the lessor, at the commencement of the lease, the Group classifies the leases as finance or operating leases, assessing the extent to which risks and rewards of ownership of the asset affect it. The Group classifies a lease as a finance lease when substantially all the risks and rewards of ownership are transferred, and as an operating lease when substantially all the risks and rewards of ownership are not transferred.

The Group recognizes amounts owed by lessees under finance leases as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated over the accounting periods to reflect a consistent and regular rate of return on the company's net outstanding investment in the leases.

Lease 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 term of the lease.

2.4.14 Financial liabilities and equity instruments

a. **Classification as debt or equity.** Debt and equity instruments are classified as financial 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. Equity instruments issued by a Group entity are recognized at the value received, net of direct issue costs.

Repurchase of the Group'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 Group, are classified separately as Financial 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 Group's equity instruments is considered an equity instrument.

At the issue date, 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 issue 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.

Financial liabilities. Are classified at fair value through profit or loss or at amortized cost, using the effective interest method. The Group determines the classification of Financial liabilities at initial recognition.

i. Financial 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 Group 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 Group 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.

Financial 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 Financial liabilities. Other Financial liabilities (including borrowings, borrowings, trade and other payables and bonds) 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. Liabilities with non-controlling interests

Liabilities with non-controlling interests have been recognized in accordance with IAS 32 Financial Instruments: Presentation, in the item "other financial liabilities" to the extent that there are put options of the non-controlling owners and purchase obligations by the Group, even if the possibility of exercising such option is remote. Put options are accounted for as transactions between owners, therefore, in subsequent measurements the liability is remeasured at fair value and the change is reflected in equity.

iv. **Finance derivatives.** The Group holds derivative financial 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 financial liabilities. The Group derecognizes a financial liability if, and only if, the obligations expire, are cancelled, or fulfilled. 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.

In case of swaps and exchanges of debt instruments, the Group shall only derecognize those original liabilities that result in substantially different terms.

2.4.15 Hedge accounting

The Group 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 Group 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 Group 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.

The Group establishes the existence of an economic relationship between the hedging instrument and the hedged item based on the currency, amount and timing of their respective cash flows, as well as on the actual future expectation that the risk between the two instruments shall offset each other.

For hedge accounting purposes and those applicable to the Group, hedges are classified and accounted for as follows, once the criteria for hedge accounting are met:

a. **Fair value hedge.** 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.

b. **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). while the ineffective portion is recognized in the statement of income as finance cost.

   The amounts recognized through other comprehensive income (OCI) are reclassified to income when the hedged transaction affects income, as 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.

c. **Hedge 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 of the owner 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 for the period. 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.

2.4.16 Employee benefits

Post-employment benefit and defined contribution plans. The Group 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 Group recognizes benefit plans classified as contribution plans in consolidated statement of income 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 Group 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 Group 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 Group 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.

Other long-term employee benefits The Group’s net obligation in relation to long-term employee benefits is the amount of future benefit that employees have earned in exchange for their services in the current period and in previous periods. The benefit is discounted to determine its present value. Remeasurement are recognized through profit or loss in the period in which they arise.

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 Group cannot withdraw the offer related to the benefits or when the Group 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.

2.4.17 Provisions

Provisions are recognized when the Group 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 management's best estimate of future expenditures required to settle the present obligation and are discounted using a risk-free rate. The provision expense is presented in the 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 Group 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 Group recognizes any impairment loss on the assets associated with the contract.

A restructuring provision is recognized when the Group 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 Group's control are not recognized in the statement of financial position but are disclosed as contingent liabilities.

Contingent liabilities acquired in a business combination are initially recognized at their fair values at the acquisition date. At the end of subsequent reporting periods, these contingent liabilities are measured at the higher of the amount that would have been recognized in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognized less any accumulated amortization recognized in accordance with IFRS 15 Revenue from Contracts with Customers.

2.4.18 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. The current tax expense includes at least the amount settled by the presumptive income system in those periods in which there is no taxable income, which is 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 Group 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.

   The Group must recognize a deferred tax liability for taxable temporary differences relating to investments in subsidiaries and associates, and share 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 share 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 Group 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 arising from the initial accounting for a business combination is treated as a net identifiable asset associated with the application of purchase accounting.

   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 Group intends to settle them simultaneously.

2.4.19 Foreign currency

a. **Foreign currency transactions.** 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 apt 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 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.

b. **Translation of a foreign operation.** Financial statements of subsidiaries that present a different functional currency are translated into Colombian pesos. Transactions and balances of a foreign operation are translated into the parent company's functional currency as follows:

   - Assets and liabilities are translated into Colombian pesos at the closing rate,
   - Profit or loss items are translated into Colombian pesos based on the average rate for the period, and,
   - Equity transactions in foreign currency are converted to Colombian pesos at the exchange rate of the day of the transaction.

   Exchange differences arising from the translation are recognized directly in other comprehensive income (OCI) in equity and are reclassified to the statement of income when the investment is sold:

   - On disposal of the Group's interest in a foreign operation, which involves a partial sale of an interest in a joint venture or an associate that includes a foreign operation of which the retained interest is converted into a financial asset, all accumulated exchange differences in equity related to that operation attributable to the Group's owners are reclassified to profit or loss.

   - On partial disposal of a subsidiary (which includes a foreign operation), the entity reattributes the proportionate share of the cumulative amount of the exchange differences to the non-controlling interests and they are not recognized through profit or loss.

   Goodwill and net identifiable assets and liabilities acquired in a foreign business combination are treated as assets and liabilities of a foreign operation and are translated at the exchange rate prevailing at the end of each reporting period. Any exchange differences arising are recognized through other comprehensive income (OCI).

2.4.20 Income recognition

The Group’s income arises mainly from the sale of goods, the rendering of services, returns on investments and equity-accounted investees on investments with income recognition at a given time. Most of the Group'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.

a. **Sale of goods.** A single performance obligation is established for the sale of goods. The Group recognizes revenue when the obligation is satisfied, i.e., when control of the goods or services underlying the performance obligation have 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 Group 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 Group 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 Group 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 recognized by reference to the stage of completion of the contract, which is determined as follows:

   - Installation fees are recognized as revenue by reference to the stage of completion of the installation, determined as the proportion of the total estimated installation period that has elapsed at the end of the reporting period.
   - Fees for services included in the price of products sold are recognized by reference to the proportion of the total cost of the service provided for the product sold.

c. **Income from dividends and share.** Dividend income from investments is recognized once the rights to receive said payment have been established. For associates and joint ventures, it is recorded as a lower 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 Group 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-accounted investees.** Corresponds to the recognition of the participation in the results of associates and joint ventures. This is recognized at the end of the reporting period considering the percentage of equity share and the profits or losses obtained by associates and joint ventures.

e. **Lease income.** The policy for recognition of income from investment property under operating leases is described in the lease policy.

f. **Toll income.** Toll income is recognized at the time of collection from users who use the concession road. The Group deducts from its income the portion associated with the financial asset for the projected income of the model determined in accordance with IFRIC 12, Service Concession contracts.

g. **Income from sale of energy.** Income is recognized through profit for the period through the causation system when an increase in future economic benefits, related to an increase in assets or a decrease in liabilities, has arisen and its value is reliably measurable. When income is recognized, all costs and expenses associated with it are recognized.

   Income from the energy generation activity is derived mainly from sales of energy through bilateral contracts to the regulated and unregulated market, the Stock Exchange, the secondary frequency regulation service (AGC) and the Reliability Charge. Through Resolution CREG 071 of 2006, the current methodology for the remuneration of the Reliability Charge to the generators of the Wholesale Energy Market was approved.

   The methodology for remuneration of the transmission activity is known as regulated income, through which the maximum annual income that remunerates each transmitter is established, in accordance with the assets that they effectively possess in the National Transmission System. This income is collected through charges for the use of the National Transmission System, which are paid by the marketers (demand) of the National Interconnected System. The collection and recovery resulting from the application of charges for use of the National Transmission System is handled centrally through the System's Liquidator and Account Manager, who invoices and settles the charges for use.

For the purposes of remuneration of the distribution activity, the Commission for Energy and Gas Regulation (CREG) defines the remuneration to be applied, which is reviewed every five years in accordance with the provisions of the regulations. The methodology established for remuneration has an associated quality scheme.

The marketer's income comes from buying energy from the Wholesale Energy Market and selling it to end users, for which it carries out billing, measurement, collection, portfolio management and customer service activities, among others.

Proceeds from the sale of energy in the regulated and unregulated market is recognized based on the kilowatts consumed by customers, both billed and unbilled; the sale of related services is recognized when billed. Energy not invoiced at the end of the month is estimated based on internal and external information, the latter supplied by the energy market regulator.

In the case of foreign subsidiaries, energy sales are recognized when the energy produced is delivered to customers in accordance with the monthly settlements prepared by the National Dispatch Center (CND) and based on the prices and quantities of kilowatt-hours contracted or sold in the occasional market. Capacity income is recognized monthly based on contracts with electricity distribution companies or sold on the occasional market or the reserve market.

Energy not invoiced at the end of the month is estimated based on internal and external information, the latter supplied by the energy market regulator, National Dispatch Center. Relevant estimates and assumptions are reviewed regularly. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected.

h. **Construction contracts.** The Group performs construction activities with revenue generally recognized over time, since the customer receives the benefits of the performance obligation as the activity is performed. When the outcome of a construction contract can be estimated with sufficient reliability, revenue and costs associated with the contract should be recognized by reference to the stage of completion of the activity produced by the contract at the end of the reporting period, measured based on the proportion that contract costs incurred in the work performed at that date represent to the total estimated contract costs, except where such proportion is not representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that value can be reliably measured, and their reception is considered probable.

   When the outcome of a construction contract cannot be estimated with sufficient reliability, revenue should be recognized only to the extent that it is probable that costs incurred under the contract shall be recovered. Contract costs should be recognized as an expense in the period in which they are incurred.

   When there is a possibility that total contract costs exceed total revenue, the estimated loss is immediately recognized as an expense.

   For contracts where invoices based on the progress of work exceed contract costs incurred to date plus recognized gains less recognized losses, the excess is shown as amounts owed by the Group to customers for the work contract. Amounts received before related work is performed are included in the consolidated statement of financial position as a liability. Amounts billed for work performed, but not yet settled by the customer, are included in the consolidated statement of financial position under trade and other receivables.

   The Group estimates revenue in the reporting period that have not yet been billed, assessing the degree of progress of construction projects that can be reliably measured and whose economic benefits are likely to be achieved. The cost method is that used to determine the degree of progress of construction projects in progress.

i. **Government grants.** Government grants should not be recognized until there is reasonable assurance that the Group shall comply with the conditions attached; and that the subsidies shall be received. Government grants are initially recognized at fair value.

Government grants whose main condition is that the Group buys, builds or otherwise acquires non-current assets are recognized as deferred income through the statement of financial position and are transferred to income on a systematic basis over the useful life of the assets. Government grants must be recognized as income or loss on a systematic basis over the periods necessary to match them with the related costs.

Any government grants to be received as compensation for expenses or losses already incurred, or for the purpose of providing immediate financial support to the Group, without related subsequent costs, are recognized through profit as other income when they become receivable.

The benefit of a government loan at a below-market interest rate is treated as a grant, measured as the difference between the benefit received and the fair value of the loan based on the market interest rate in effect at the date.

j. **Contract balances**

a. **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 Group 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.

b. **Trade receivables:** a receivable represents the Group'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.

c. **Contract Liabilities:** a contract liability is the obligation to transfer goods or services to a customer for which the Group has previously received consideration from the customer. The payment of a consideration by a customer before the Group 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 Group transfers the goods or services to the customer.

2.4.21 Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur in expenses, whose operating results are regularly reviewed by the Group's highest operating decision maker to make decisions about resources to be allocated to the segment, assess its performance and for which differentiated financial information is available.

Management has determined its operating segments based on the financial information provided to the Group's steering committees, whose members are used to make operating decisions for the purpose of allocating resources and evaluating their performance. The Steering Committee evaluates the performance of the operating segments based on each segment's net sales, operating income, EBITDA, and net income. Total assets and liabilities by operating segment are not evaluated internally for management purposes and are not disclosed by the Group.

2.4.22 Related parties

For the purposes of IAS 24 Related Party Disclosures, the Group 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 and Finance 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 Group 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.

2.4.23 Materiality

In accordance with IAS 1 Presentation of Financial Statements, the Group considers information to be material if its omission or inappropriate expression could influence the decisions of users of the consolidated financial information.

2.4.24 Statement of cash flows

The Group prepares the consolidated 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 and interest received on service concession contracts recognized as financial assets.

b. **Cash flows from investment activities:** 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, investment property, and property, plant and equipment (including transaction costs and deferred payments at the effective time of receipt or delivery of the flows), interest received from investments, except for interest received under service concession contracts recognized as financial assets that are presented as operating activities.

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, contribution refunds and payments of subordinated debt classified as equity instruments, obtaining and repaying loans, issue of bonds and commercial papers, and cancelling them, transactions between shareholders that do not involve obtaining and/or losing control (including transaction costs and any deferred payment at the effective time of receipt or delivery of the flows), repayment of principal on leases, interest paid associated with financing costs (including withholding at source assumed and paid on loans entered into with foreign entities and except for interest that is capitalized as part of the cost of an asset that is presented as investing activities), derivatives that hedge financial liabilities and dividend payments.

The Group 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 borrowings 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 Consolidated Statement of Cash Flows and shall be subject to disclosure.

NOTE 3: STANDARDS ISSUED BY THE IASB

3.1. Incorporated in Colombia

3.1.1. Standards incorporated in Colombia as at 1 January 2023 – Regulatory Decree 938 of 19 August 2021

Financial information Standard	Subject of the amendment	Detail
Amendment to IFRS 9 - Financial Instruments, IAS 39 - Financial Instruments: recognition and measurement and IFRS 7 - Financial instruments: Disclosures)	Reform of the Benchmark Interest Rate	The amendment is intended to provide relief from the potential effects of replacing existing benchmark interest rates, such as the Interbank Offered Rate – (IBOR). The amendment modifies some hedge accounting requirements. According to the IASB schedule, this amendment is effective as at 1 January 2020 retroactively. Early application is allowed, in which case this fact must be disclosed.
Amendment to IAS 1 - Presentation of Financial Statements	Classification of Liabilities as Current or Non-Current	This amendment seeks to clarify the requirements existing in IAS 1 - Presentation of Financial Statements on the classification in the statement of financial position as "current" and "non-current" of liabilities with an uncertain settlement date. The amendment includes clarification of the classification requirements for liabilities that the company could settle by transferring the entity's own equity instruments. In July 2020, the implementation period of the amendment to IAS 1 - Presentation of Financial Statements is extended from of 1 January 2023, retroactively in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. Early application is allowed, in which case this fact must be disclosed.
Amendment to IAS 16 - Property, Plant and Equipment	Proceeds before intended use	This amendment establishes that the resources derived from the sale and the costs related to it, of elements produced while an element of property, plant and equipment is taken to the place and conditions necessary for it to be able to operate in the manner provided by management can no longer be deducted from the cost of an element of property, plant and equipment, but they must be recognized in the result of the period, in accordance with the applicable regulations. These amounts must be disclosed in the financial statements, indicating in which item(s) of the statement of comprehensive income are included. According to the IASB schedule, this amendment is effective as at 1 January 2022 retroactively, but only to the elements of property, plant and equipment that are taken to the place and conditions necessary for them to be able to operate in the manner provided by management from the beginning of the first period presented in the financial statements in which the entity first applies the modifications. Early application is allowed, in which case this fact must be disclosed.
Amendment to IAS 37 - Provisions, Contingent Liabilities and Contingent Assets	Onerous contracts: cost of fulfilling a contract	This amendment clarifies the meaning of "costs to perform a contract," a term associated with the definition of unavoidable costs, which corresponds to the net cost of exiting the contract and the costs to perform the contract. It is explained that the direct cost of performing a contract includes: (a) the incremental costs of performing that contract, and (b) an allocation of other costs that are directly related to the performance of the contracts. It also states that before establishing a separate provision for an onerous contract, an entity must recognize any existing impairment loss on assets used to perform the contract.

Financial information Standard	Subject of the amendment	Detail
		The amendments shall apply for the annual periods from 1 January 2022 to contracts for which you have not yet fulfilled all your obligations. Restatement of comparative information is not required. Early application is allowed, in which case this fact must be disclosed.
Amendment to IFRS 3 - Business Combinations	Reference to the Conceptual Framework	This amendment updates the references in IFRS 3 - Business Combinations to the 2018 Financial Reporting Framework to determine what constitutes an asset or liability in a business combination. Before the amendment, IFRS 3 - Business Combinations referred to the 2001 Financial Reporting Framework. Additionally, the amendment added a new exception in IFRS 3 - Business Combinations for Contingent Liabilities and Liabilities, which specifies that, for some types of Contingent Liabilities and Liabilities, an entity applying IFRS 3 - Business Combinations should refer to IAS 37 - Provisions, Contingent Liabilities and Contingent Assets, or IFRIC 21 - Levies instead of the 2018 Framework. The amendments shall apply prospectively to business combinations as at 1 January 2022. Early application is allowed if at the same time or before, all modifications made by “Amendments to References to the Conceptual Framework in IFRS Standards” issued in March 2018 are also applicable, in which case this fact must be disclosed.
Annual improvements to IFRS standards 2018-2020	Amendments approved by the IASB	IFRS 9 - Financial Instruments: The amendment addresses which costs or fees should be included in the 10% test for derecognition in financial liability accounts. Costs or fees may be paid to third parties or the lender. It states that costs or fees paid to third parties shall not be included in the 10% test. IFRS 16 - Leases: Illustrative example 13 accompanying this standard is amended to remove the illustration of the lessor’s payments in relation to lease improvements. The purpose of the amendment is to eliminate any potential confusion about the treatment of lease incentives. IFRS 1 - First-time adoption of international financial reporting standards: this rule is amended to allow subsidiaries, associates and joint ventures that have taken the exemption from measuring their assets and liabilities at the carrying amounts included in their parent consolidated financial statements, based on the date of transition to the parent IFRSs, also measure accumulated conversion differences using amounts reported by the parent, based on the date of transition to the parent IFRSs, if no adjustments were made to the consolidation procedures and for the purposes of the business combination in which the parent acquired the subsidiary, associate or joint business. IAS 41 - Agriculture: The requirement for entities to exclude tax cash flows is eliminated by measuring the fair value of biological assets or agricultural products. Amendments shall be effective 1 January 2022. Early application is allowed, in which case this fact must be disclosed.

Financial information Standard	Subject of the amendment	Detail
Amendment to IFRS 4 - Insurance Contracts	Extension of temporary exemption from application of IFRS 9 - Financial Instruments	For insurance companies that meet certain criteria set out in IFRS 4 - Insurance Contracts, this standard provides them with a temporary exemption that allows, but does not require, the insurer to apply IAS 39 - Financial Instruments: Recognition and Measurement instead of IFRS 9 - Financial Instruments for periods from 1 January 2023. This amendment extends the deadlines since before its issue the established date was 2021.
Reform of the benchmark interest rate Phase 2	Amendment to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 7 - Financial Instruments: Disclosures, IFRS 4 - Insurance Contracts and IFRS 16 - Leases	Amendment to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 7 - Financial Instruments: Disclosures, IFRS 4 - Insurance Contracts and IFRS 16 - Leases, supplement those made in 2019 in response to the ongoing reform of interbank supply rates (IBOR) and other interest rates, and focus on the effects on organizations' financial statements when the above reference interest rate is replaced by an alternative benchmark interest rate as a result of the reform. This amendment shall be effective for annual periods beginning on or after 1 January 2021, and early adoption allowed.

The standards incorporated in Colombia as at 1 January 2023 did not generate impacts on the Group's interim financial statements.

3.1.2. Standards incorporated in Colombia as at 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	Disclosure of accounting policies	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. This amendment shall be effective for annual periods beginning on or after 1 January 2023, with early adoption allowed.
Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	Definition of accounting estimates	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. This amendment shall be effective for annual periods beginning on or after 1 January 2023, with early adoption allowed.
Amendment to IFRS 16 Leases	Covid-19-Related Rent Concessions beyond 30 June 2021	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.

Financial information Standard	Subject of the amendment	Detail
		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. 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. This amendment shall 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 at 31 March 2022. 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.
Amendment to IAS 12 Income Taxes	Deferred Taxes related to Assets and Liabilities arising from a Single Transaction	The amendment clarifies how companies should account for deferred taxes on transactions such as leases and decommissioning provisions. IAS 12 - Income Taxes specifies how an entity accounts for income taxes, including deferred taxes, which represent taxes payable or recoverable in future periods. 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. The amendment clarifies that the exemption does not apply, and entities are required to recognize deferred taxes on leases and decommissioning provisions. This amendment shall 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. An entity shall apply this amendment to transactions occurring on or after the beginning of the earliest comparative period presented. This amendment became effective for annual periods beginning on or after 1 April 2021. This amendment shall 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 at 31 March 2022. 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

Financial information Standard	Subject of the amendment	Detail
		paragraph 28(f) of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors is not required.

The Group has not chosen for early application of these standards. The Group shall quantify the impact on the consolidated financial statements in a timely manner, so that once these standards become effective, all the necessary activities for its implementation are being advanced.

3.2. Issued by the IASB not yet 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
IFRS 17 Insurance Contracts	It seeks to unify the delivery of results from insurance sector entities around the world	They combine features of a financial instrument and a service contract. In addition, many insurance contracts generate cash flows with substantial variability over a long period. To provide useful information on these features, IFRS 17 Insurance Contracts: • Combines current measurement of future cash flows with recognition of benefits over the period in which the services are provided under the contract. • Presents the results of the insurance service (including the presentation of insurance income) separately from the income or expense of the insurance finance; and • Requires an entity to make an accounting policy choice to recognize all insurance finance income or expense through profit or loss, or to recognize part of that income or expense in other comprehensive income (OCI). In June 2020, the International Accounting Standards Board (IASB) issued the amendment to IFRS 17 Insurance Contracts which is intended to assist companies in the implementation of this standard and make it easier for them to explain their financial performance. The fundamental principles of the standard issued in May 2017 remain unaffected. The amendments, which respond to stakeholder comments, are designed to: a) reduce costs by simplifying some requirements of the standard, b) make financial performance easier to explain, and c) ease the transition as it defers the effective date to 2023 and provides additional relief by reducing the effort required for first-time application. As at the amendment issued in June 2020, IFRS 17 Insurance Contracts is effective as at 1 January 2023, allowing its early application, provided that IFRS 9 is also applied. If it were to be applied early, this fact must be disclosed. If applied early, this fact must be disclosed.
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 at the time of initial application	In December 2021, the International Accounting Standards Board (IASB) issued the amendment to IFRS 17 for the purpose of permitting an entity, when first applying IFRS 17 and IFRS 9 at the same time, to use the classification overlay for a financial asset to present comparative information as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset.

Financial information Standard	Subject of the amendment	Detail
	of IFRS 17 Insurance Contracts.	When applying the classification overlay to a financial asset, an entity is not required to use the impairment requirements in Section 5.5. of IFRS 9.
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	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. The IASB decided to amend the requirements of IAS 1 - Presentation of Financial Statements on: a. The classification of liabilities with covenants as current or non-current. b. Disclosures on Non-current liabilities with covenants.
Amendment to IAS 7 Statement of Cash Flows and IFRS 7 Financial instruments: Disclosures.	Supplier Finance Arrangements	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. The amendments supplement the requirements already contained in IFRS and require disclosure: • Terms and conditions of the financing arrangements. • The amount of the Financial 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. • Payment due date ranges. • Liquidity risk and concentration risk information. An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2024. Early application is allowed.
Amendment to IAS 12 Income taxes	International Tax Reform Pillar 2 model Rules	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

Financial information Standard	Subject of the amendment	Detail
		derived therefrom, are referred to as “Pillar 2 legislation” and “Pillar 2 income taxes”. 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. An entity shall apply paragraphs 4A and 88A immediately after the issue of these amendments and retroactively in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, and shall apply paragraphs 88B to 88D for annual periods commencing on or after 1 January 2023.
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	Absence of Convertibility	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. 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.

The Group shall quantify the impact on the consolidated 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.

During 2023, the Group has not adopted standards or improvements to standards in advance.

NOTE 4: **SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATES**

In applying the Group's accounting policies, which are described in Note 2 Basis of preparation and significant accounting policies, management must make judgements and estimates that affect the amounts reported in the consolidated 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. 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 Group's accounting policies that have a significant effect on the amounts recognized in the consolidated financial statements. These judgements and estimates differ from the estimates referred to in paragraph 125 of the same IFRS, since in the management's opinion they are not identified as presenting a significant risk of causing significant adjustments in the subsequent accounting period.

4.1.1 Share in other entities

The Group has equity investments in companies that under IFRS 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:

Subsidiaries - Entities over which the Group has control

In determining control, the Group 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 Group does not control a company even though it holds more than half of the voting rights are:

(a) Investment in SURCOL HOUDSTERMAATSCHAPPIJ N.V. Management has evaluated the degree of influence that the Group has on the SURCOL HOUDSTERMAATSCHAPPIJ N.V. entity. and determined that it exercises control over the entity even maintaining an indirect share percentage, through the subsidiary Cementos Argos S.A., equal to 50%, given the representation on the Board of Directors and the contractual terms of the arrangement, which establish that Grupo has the current capacity to decide on the activities that most impact the performance of the entity in accordance with the terms.

(b) Investment in P.A. Ganadería Rio Grande. Management has evaluated the degree of influence that the Group 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 Group 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 Group does not control a company even though it holds more than half of the voting rights are:

(a) Investment in Corporación de Cemento Andino C. A. and its subsidiaries Andino Trading Corporation, Comercializadora Dicemento C. A. and Depoan S. A.; and the companies Intership Agency Venezuela C.A. and Surandina de Puertos C.A. The management has evaluated the degree of influence that the Group has over the entities located in Venezuela and determined that it does not exercise control over the entities even maintaining a percentage of participation greater than 50%, given the dispossession of the assets of the Corporación de Cemento Andino, declared of public utility and of social interest by the government of Venezuela on 13 March 2006. The Group is in litigation to recover the companies.

(b) Consorcio Mantenimiento Opain (in liquidation process) and PA Contingencias Consorcio Nuevo Dorado. Management has assessed the degree of influence that the Group has over these consortiums and determined that it does not exercise control over them even though it holds a percentage of more than 50% share, 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 Group 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 Group does not have the current capacity to decide on the activities that most impact the entity's performance.

(d) Caoba Inversiones S.A.S. Due to the mechanisms of joint governance that were established in the incorporation of the company, management determined that it does not exercise control over it even while maintaining a higher percentage of share at 50%.

(e) Termoeléctrica El Tesorito S.A.S. E.S.P. Based on the reform of the bylaws carried out in December 2021 in which the regime is modified in the decision-making by the Board of Directors of the company, it is established that no control is exercised over the entity but a significant influence in the decision-making relevant to the business even if a nominal share percentage greater than 50% is maintained.

Associates - Entities over which the Group has significant influence

Judgment is applied in assessing significant influence. The Group 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 Group 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.

The Group classifies share in Termoeléctrica El Tesorito S.A.S. E.S.P. and Patrimonio Autónomo Hacienda Niquía as an investment in an associate even when a shareholding percentage of more than 50% is held because this share allows the Group to intervene in the financial policy and operating decisions of these companies without having control or joint control over them.

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 Group 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 Group 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 Group 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.

The Group classifies the share in Caoba Inversiones S.A.S, Consorcio Mantenimiento Opain (in liquidation process) and PA Contingencias Consorcio Nuevo Dorado as an investment in a joint venture even when a shareholding percentage of more than 50% is held because the quorum for making financial and administrative decisions requires the favorable vote of all consortium members.

At 31 December 2023, the Group presents the following joint operations:

(a) With Blanco y Negro Masivo S.A. and with Blanco y Negro Móvil S.A.S: Companies devoted to the provision of the service, the management and operation of the mass passenger transportation system in the city of Cali, with domicile in the municipality of Yumbo, Valle del Cauca. Celsia Colombia S.A. E.S.P. signed a business collaboration contract whose purpose is the provision of the mass public passenger service in the city of Santiago de Cali with electric buses, by virtue of the transportation contract that has signed Blanco y Negro Masivo with the Metro Cali. Share of Celsia Colombia S.A. E.S.P. in the collaboration arrangement is 50% and its contribution in the business is the availability of the electric fleet required to operate the transportation service contract. As with any collaboration arrangements, the parties share the risks and benefits of the business.

(b) With Cubico Colombia S.A.S: Company whose corporate purpose is to jointly invest in the development, construction and commercial operation of solar generation projects, with its principal domicile in the city of Bogotá. Celsia Colombia S.A. E.S.P. has entered a joint arrangement with a 50% stake in the business. The main purpose of the collaboration arrangement is the joint exploitation of the renewable energy generation business in Colombia, and as in any collaboration contract, the parties share the risks and benefits generated. Cubico has experience in renewable energy projects worldwide, on the other hand, Celsia Colombia S.A. E.S.P. has extensive experience in the planning, structuring, construction, management and operation of photovoltaic power generation plants.

(c) With PC Mejía S.A.: Electrical engineering company whose corporate purpose is the construction and installation of electrical solutions, with more than 20 years in the market and experience in more than 450 such projects, Celsia Colombia S.A. E.S.P. has entered a joint arrangement with 50% share. The purpose of the business is the exploration and installation of joint electrical engineering, electrical assets and lighting projects, and by virtue of this, the parties shall make different contributions to the business and share the risks and benefits generated. Likewise, for the year 2021, a structured vehicle was created with PC Mejia called Unión Temporal Celsia- PC Mejia Patio Perdono, to execute jointly and severally in favor of VGMobility Perdomo S.A.S. the construction contract of the electrical support infrastructure of the Perdomo II functional unit, the share in the project is 50% for each of the parties.

(d) With SoluciónAire S.A.S.: A company specializing in integrating and offering comprehensive engineering solutions, especially through compressed air solutions for different uses. To be able to deliver the supply of compressed air to the customer called O-I Peldar, they decided to join forces through a collaboration arrangement, to carry out the project called O-I Falcon located in Zipaquirá. SoluciónAire is an expert in compressed air solutions and has the technical, administrative, financial capacity and the necessary and sufficient knowledge to develop the project and Celsia has the technical, administrative and financial resources, as well as the experience for the complete structuring of this type of project, as well as providing the capacity to technically and operationally support the project and O-I Peldar. The Parties' share in the Ordinary Profit shall be proportional to their common share, for the end of 2023 it ended for Celsia at 50.8% and the remaining for SoluciónAire.

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 Cash generating units

In performing impairment tests on non-financial assets, assets that do not individually generate cash inflows that are largely independent of the cash flows generated by the other assets or groups of assets must be grouped to the cash-generating unit to which the asset belongs, which is the smallest identifiable group of assets that generates cash inflows for the company, which are largely independent of the cash flows derived from the other assets or groups of assets. Management uses its judgement in determining cash-generating units for the purposes of impairment testing in accordance with IAS 36 - Impairment of Assets.

The determination of Cash Generating Units - CGUs - was made based on the company's strategic definition as an infrastructure holding company engaged in the cement, energy, real estate, investment, coal, and concession businesses, regardless of where they operate or have assets to perform corporate purpose. Considering the relevance of each business and its capacity to generate cash flows, the CGUs are associated with each company which groups together the various investments of each business. To strengthen its businesses, the Group determines the allocation of capital to be invested by industry and carries out its return-on-investment capacity analysis from the same perspective. For the purposes of the analysis of permanence in a business, it always considers the sector in which it participates and not the assets individually. However, each business analyzes its CGU's independently, according to the grouping of assets or businesses that synergistically contribute to the business.

4.1.4 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 Group 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 Group's consolidated financial statements.

4.1.5 Determination of the term of the lease of contracts with renewal options and leases whose term is automatically extended at the end of the original term

Under certain leases, there is the option to lease the assets for additional periods. The Group 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 Group 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 Group 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 Group or the lessor. The Group also enters leases that are automatically extended at the end of each year or on the original termination date for another full term. For these contracts, the Group estimates the term of the lease based on the existence of economic incentives, experience, the expectation of use of the asset and the intention to continue the lease, without prejudice to the lessor's ability to exercise its legal rights and terminate the lease at any time. This judgment has a significant impact on the consolidated financial statements.

4.1.6 Distinction of investment property from inventories

The Group 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 Group, this classification may be difficult. Therefore, the parent 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 Group 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.

4.1.7 Current income tax

The Group recognizes current income tax amounts in the consolidated 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.

4.1.8 Provision for Expected Credit Losses on Trade Receivables

To calculate expected credit losses, the Group applies the parameters established in the policy on impairment of financial assets to each operating segment (see Note 2.4.3.1 Impairment of financial assets).

The assessment of the key assumptions observed for each business, projections of economic conditions and expected credit losses constitute significant estimates. The value of expected credit losses is sensitive to changes in circumstances and the economic environment. The Group's historical information on credit losses and its economic projections may not be representative of the risk of default by a current customer in the future. Information on the Group's expected credit losses is disclosed in Note 8 trade and other receivables.

4.1.9 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.

4.1.10 Decommissioning, retirement, or rehabilitation liabilities

The provision for decommissioning, retirement or restoration is recognized at the present value of the expected costs to settle the obligation using estimated cash flows. In the process of measuring the present value of the obligation, management makes estimates of future disbursements to perform the decommissioning, retirement or rehabilitation activities, the estimated dates on which the disbursements shall be made and the estimation of financial assumptions such as the inflation rate and the discount rate. Given the long-term horizon of the decommissioning obligations, estimates are subject to a significant degree of uncertainty and could affect the amounts reported in the consolidated financial statements.

4.1.11 Estimation of useful life, method of amortization and residual values of property, plant and equipment and intangible assets

As described in Note 2 Basis of preparation and significant accounting policies, the Group reviews at least annually the estimated useful lives, the depreciation or amortization method, and residual values of property, plant and equipment and intangible assets. When there is evidence of changes in the conditions or expected use of an item of property, plant and equipment or intangible assets, involving a change in the pattern of consumption of the future economic benefits embodied in the asset, management makes an evaluation of the appropriateness of the depreciation or amortization method used and a new estimate of the useful life of the item. The definition of the depreciation or amortization method, and the estimate of useful lives of property, plant and equipment and intangible assets is determined based on the asset's historical performance, management's expectation of use of the asset and existing legal restrictions on use. The selection of the depreciation or amortization method and the estimation of useful lives requires the judgment of Management.

The accounting policy for property, plant and equipment and intangible assets the estimation of useful life is indicated.

4.1.12 Revalued value of land and buildings for administrative use classified as property, plant and equipment

For determining the revalued value, the Group opted to hire, at least once every four years, independent experts with recognized professional capacity and experience in real estate valuation.

For the valuation process, these experts select one of the three approaches mentioned in IFRS 13 Fair Value Measurement according to the characteristics of the property and its use:

- Market approach
- Cost approach
- Income approach

4.2. Key data on uncertainty in estimates that present 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 accounting 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 Group and, in the case of contingent assets, an income for the Group, but shall only be resolved in the future when one or more events occur or may occur.

The Group 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 Group'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. The occurrence of events giving rise to contingent assets is not recorded but disclosed (Note 24 Provisions, and Note 43 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.

Further details on the Group's provisions, contingent assets and liabilities are provided in Note 24 Provisions, and Note 43 Contingent assets and liabilities, including the amount for provisions at the end of the reporting period.

4.2.2 Assessment of goodwill impairment

The Group performs goodwill impairment tests at least annually or whenever market or business conditions present significant changes that indicate impairment. The impairment assessment of goodwill requires the estimation of the recoverable amount of the cash-generating unit or group of cash-generating units to which the goodwill has been allocated. Estimating the recoverable amount requires estimating the future cash flows of the cash-generating unit or group of cash-generating units, and financial assumptions such as the inflation rate, discount rate and perpetual growth rate.

In the process of measuring expected future cash flows, management makes estimates of future operating results. Changes in valuation assumptions may result in adjustments to goodwill for future reporting periods if impairment occurs. In addition, it is required to estimate the fair value of the cash-generating unit, discounting transaction costs. The recoverable amount over which an impairment assessment is made is the higher of value in use, estimated from future cash flows, and fair value less transaction costs.

The key assumptions used in determining the recoverable amount of the cash-generating unit or group of cash-generating units to which goodwill has been allocated are provided in Note 14 Goodwill, as well as the carrying amount of goodwill at the end of the reporting period.

4.2.3 Identifiable assets, intangible assets and liabilities assumed in a business combination

At the acquisition date, identifiable assets, intangible assets, liabilities assumed and any contingent assets or liabilities arising from a business combination are included on a fully consolidated basis in the Group's consolidated financial statements at their fair values. In measuring fair value, management makes assumptions about future operating results, key assumptions such as the discount rate and the rate of growth in perpetuity. The estimation of the fair value of the assets and liabilities acquired, as well as the determination of the values of the assumptions used in the measurement is made by an independent external appraiser. Any subsequent change in estimates affects goodwill provided that the change qualifies as an adjustment to the measurement period. Any other change is recognized in the consolidated statement of income.

The fair value of intangible assets of concessions acquired through business combinations is estimated using a discounted cash flow (DCF) valuation approach. The estimation of fair value requires the estimation of key assumptions used in the projections of future cash flows of these assets, and the discount rate.

For determining the fair value, the Group opted to hire independent experts with the necessary skills and experience in the valuation of this kind of transactions.

4.2.4 Impairment of assets, investments in associates and joint ventures, property, plant and equipment, and intangible assets

The Group 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 intangible assets, property, plant and equipment and other assets, as well as whether there is any objective evidence of impairment of investments in associates and joint ventures. If such indication or objective evidence of impairment exists, as applicable, the Group estimates the recoverable amount of the asset or cash-generating unit.

For assessing the appropriateness of performing the full impairment test, the Group shall perform an annual 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 paragraph 2.4.6 Impairment of tangible and intangible assets.

The carrying amounts of property, plant and equipment and intangible assets at the end of the reporting period are provided in Note 16 Property, plant and equipment, net and Note 15 Intangible assets, net.

In the case of associates and joint ventures, the events that allow establishing whether there is objective evidence that these investments may be impaired are detailed in Note 2.4.9 Investments in associates and joint arrangements.

If there is objective evidence of impairment from 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.

The carrying amounts of associates and joint ventures at the end of the reporting period are provided in Note 18 Investments in associates and joint Ventures.

4.2.5 Fair value of investment property

To determine the fair value, the Group 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, income approach. The carrying amount of investment property is presented in Note 17 Investment Property.

4.2.6 Fair value of assets held through investment entities

To determine the fair value of assets held through investment entities, these entities hire independent experts with recognized professional capacity and experience in the valuation of assets, at least once a year and when appropriate, in accordance with the applicable regulations, they update the value of the assets to indexes such as: Real Value Unit – RVU.

4.2.7 Deferred income tax

The Group recognizes deferred income tax amounts in the consolidated 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.

The Group 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.

Further details on deferred tax are described in Note 10 Current and deferred income tax.

4.2.8 Fair value of financial instruments and financial derivatives that are not level 1

The Group uses assumptions that reflect the most reliable fair value of financial instruments including financial 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. Refer to note 7.5 Fair value of financial assets and liabilities for more information.

4.2.9 Concession contracts

Odinsa S.A. and its subsidiaries have entered concession contracts for the construction, operation and transfer of infrastructures, which are within the scope of IFRIC 12 - Service Concession contracts. Compensation of these arrangements depends on the terms and conditions of each contract. Concession contracts in force incorporate certain mechanisms that they grant to Odinsa S.A. and its subsidiaries the unconditional right to receive guaranteed minimum income (financial asset).

Their valuation requires significant judgments in the determination of the discount rates and the selection of the key input data such as the projections of capital investments and operating expenses, incorporated in the financial models used as a basis for the valuation of the amounts derived from each concession contract.

NOTE 5: **RECLASSIFICATION OF ITEMS IN THE FINANCIAL STATEMENTS**

The Group made no changes to the presentation of items in the consolidated statement of income nor the comparative consolidated statement of financial position at 31 December 2022. except for the consolidated statement of income the incorporation of item of interest income caused by the effective interest method of $19,280 (2022 $22,600) in the line of other revenue since the amount of this item is not representative due to the change in the structure of the road and airport concessions business.

NOTE 6: **CASH AND CASH EQUIVALENTS**

The total balance of this item at the end of the reporting period, as shown in the consolidated statement of cash flows, can be reconciled to the related items in the consolidated statement of financial position as follows:

	2023	2022
Cash and banks	1,596,217	1,205,826
Cash equivalents (1)	605,258	223,279
Total cash and cash equivalents	**2,201,475**	**1,429,105**
Cash and cash equivalents included in a group of assets held for sale (Note 13) (*)	1,989	1,027,673
Total cash and cash equivalents, including cash and cash equivalents included in a group of assets held for sale	**2,203,464**	**2,456,778**
The following is the value of restricted cash and cash equivalents not available for use:		
Current restricted cash and cash equivalents (2)	33,153	30,833
Total restricted cash and restricted cash equivalents	**33,153**	**30,833**

(*) In 2022, the Group reclassified the cash and cash equivalents of Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. and energy assets of Panama and Costa Rica de Celsia S.A., to non-current assets held for sale. In June 2023, the assets of Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. – Opain S.A. were sold to the Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) for $881,647. Also in 2023 Celsia S.A. through its subsidiaries Celsia Centroamérica S.A. and Enerwinds de Costa Rica S.A., sold energy assets in Central America to Fontus Spain S.L.U., a subsidiary of EnfraGen LLC, for $76,073 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

(1) Cash equivalents correspond to resources available to the Group managed through CDs and Fixed-term deposits of $446,388 (2022 $165,073), investment funds and collective portfolios of $124,260 (2022 $21,675), trusts of $34,610 (2022 $16,253) and repurchase commitments - REPOS in 2022 for $20,278.

(2) Restricted cash and restricted banks for $21,867 (2022 $24,972) and restricted cash equivalents for $11,286 (2022 $5,861), which are part of the Group's cash and cash equivalents, correspond to:

a) Caribbean Infrastructure Company N.V. for $16,780 (2022 $20,118) corresponds to the cash held in the accounts that guarantee the payment of the principal plus interest with the *Lenders*, as well as resources that ensure major road maintenance. These resources do not generate returns.

   Although restricted, the concession has access to resources in cases where the balance reserved for the transaction in the *Cash Operating Account*, i.e., administrative expenses and maintenance costs are not sufficient to cover such expenses and costs. In this case, the account is used *Maintenance Reserve Account*, or when the balance on the *Florin Revenue Account* is not enough to make the debt service payment, in this case the account is used *Debt Service Reserve Account.*

b) Balances with restricted use in Celsia Colombia S.A. E.S.P. for the value of $13,791 (2022 $9,214), for resources for the Fiducoldex - Mining-Energy Planning Unit audit, solar farm project, resources in the Patrimonio Autónomo B&N, Energy Home housing fund and the Sintraelecol Union, Fiducoldex - Toluviejo Substation Mining-Energy Planning Unit, PA Fiducoldex - Mining-Energy Planning Unit 02-2021 Pacifico, supplementary health plan and active project funds.

c) Restricted cash and restricted cash equivalents of Zona Franca Argos S.A.S, a subsidiary of the Grupo, for $1,424 (2022 $487). The purpose of this trust is to manage the resources destined for the contracting of the auditor of the works for the investment that is made with a view to the expansion of the company's private port in the city of Cartagena, this occurs in compliance with the obligations of the concession contract signed with the Colombian Infrastructure Agency.

d) Restricted use balances of the company Cementos Argos S.A. for $637 (2022 $576) for agreements entered with the University of Antioquia, for a research and development project that shall allow increasing capacities in the Cartagena microalgae pilot plant. The concepts in the project considered to execute the resources co-funded by the Colombian Ministry of Science, Technology and Innovation are as follows: equipment, academic events, technological services, materials and supplies, publications and dissemination of research results, and specialized consulting.

e) Restricted Balances in Odinsa S.A. for $521 (2022 $438) which correspond to the Trust Fund for the exclusive use of the Colombian Infrastructure Agency for the ongoing IP Campo de Vuelo project.

Restricted cash and restricted cash equivalents have a differential and readily available treatment according to the contractual conditions, however, according to the concepts for which it was arranged, may in some cases exceed a period of more than 12 months.

Significant non-cash transactions

As at December 2023, the Group presents the following significant non-cash transactions:

- Odinsa S.A. contributed to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) the economic rights of its share in 32.50% of the outstanding shares of the company Opain S.A., for $296,348, and in turn, contributed the political rights of this share to Odinsa Aeropuertos S.A.S, for $994, receiving in capital consideration in the fund and in the company, respectively.

- Grupo Argos S.A. recognized the investment in the company Sociedad Portafolio S.A., 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 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations and Note 47 Significant events).

- Cementos Argos S.A. acknowledged the update of a financial liability with non-controlling interests, given the option to sell the non-controlling interestsholder and the purchase obligation by the Group, the updated value of said liability as at December 2023 is $88,266, presenting an increase in relation to the value recognized in December 2022 of $3,248.

- Odinsa S.A. sold 50% and contributed as capital the remaining 50% of the economic rights it held over the shares of Concesión Vial de los Llanos S.A.S., including subordinated debt and interest generated at 31 March 2023, to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías). This transaction involved the recognition of an account receivable for $46,394 from the sale, and an increase in the joint shares in the Fondo de Capital Privado por Compartimentos Odinsa Infraestructura for the same value, in the contribution. In turn, Odinsa S.A. sold and contributed in the same proportion mentioned above the political rights of the shares of Concesión Vial de los Llanos S.A.S. to Odinsa Vías S.A.S., for $2,050, recognizing 50% of said value as a receivable and the remaining 50% as a share increase in Odinsa Vías S.A.S.

- Grupo Argos S.A. 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 17 Investment property and Note 24 Provisions).

As at December 2022, the Group presents the following significant non-cash transactions:

- On 22 June 2022, the Fondo de Capital Privado por Compartimientos Odinsa Vías was constituted, in which the economic rights over the investments in the following companies were contributed: Concesión Túnel Aburrá Oriente S.A., Concesión La Pintada S.A.S., Concesión Vial de los Llanos S.A.S., Autopistas del Café S.A. and Consorcio Grupo Constructor Autopistas del Café for an amount of $529,328. Additionally, receivables for $13,267 (interest receivable of Concesión Vial de los Llanos S.A.S.) and liabilities for $79,370 (liabilities of Autopistas del Café S.A., and Concesión Túnel Aburrá Oriente S.A.) were contributed. On the same date, Odinsa S.A. contributed to the company Odinsa Vías S.A.S. the political rights over the described investments, as well as the assignment of a consultancy contract with the Consorcio Grupo Constructor Autopistas del Café for an amount of $21,430.

- Odinsa S.A. and its subsidiaries offset receivables for profit advances granted to the minority shareholders of Autopistas del Nordeste S.A. and Boulevard Turístico del Atlántico S.A., with dividend payables in the amount of $180,400.
- Cementos Argos S.A. recognized a financial liability with non-controlling interests, for a put option of non-controlling interestsholder and purchase obligation by the Group for $85,018.

- Odinsa S.A. made an equity contribution to Consorcio Farallones for $6,476. The value of the contribution was received directly by Consorcio Farallones through the sale of a heavy machinery that had been lent by Odinsa S.A. to the consortium.

NOTE 7: **FINANCIAL INSTRUMENTS**

7.1 Capital risk management

The Group's capital structure is based on net financial debt consisting of short- and long-term borrowings, bonds, and equity, consisting of issued shares, both preferential and ordinary, reserves, retained earnings and other equity components, as disclosed in Note 21 Financial obligations, Note 26 Bonds and compound financial instruments, Note 28 Share capital, Note 29 Reserves, other comprehensive income, and retained earnings, and Note 30 other components of equity.

The Group manages its capital to ensure its ability to continue as a 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 Group's strategy.

Likewise, the Group manages capital risk through the rotation of portfolio assets and the management of healthy debt levels (measured mainly at the consolidated financial statement level with the Financial Debt / EBITDA indicator and at the separate financial statement level with the Financial Debt / Adjusted EBITDA, Debt/Dividends and Debt/Portfolio Value indicators) that allow to develop its strategy and seek to maximize the generation of shareholder value. Adjusted EBITDA seeks to eliminate the effects that are not cash within the separate statement of income, for this reason the effect of equity-accounted investees is eliminated, and dividends received are included, among other adjustments.

The Group 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 the best credit rating. Also, debt term and composition are consistent with the capital cycles of each of the Group's investment.

7.2 Financial instrument categories

	2023	2022
Financial assets		
Financial assets measured at amortized cost (Note 8 – Note 11)	3,822,759	3,863,721
Cash and cash equivalents (Note 6)	2,201,475	1,429,105
Financial assets at fair value through profit or loss (1) (Note 11)	778,821	496,141
Financial assets at fair value through Other comprehensive income (2) (Note 11)	327,901	2,069,045
Derivative instruments at fair value	193,932	157,780
Prepayments for the purchase of financial investments	2,275	-
Total financial assets	**7,327,165**	**8,015,792**
Financial assets classified as non-current assets held for sale (Note 13)	2,098,020	1,229,755
Total financial assets including non-current assets held for sale	**9,425,185**	**9,245,547**

Financial liabilities		
Financial liabilities measured at amortized cost	17,181,465	17,300,242
Derivative instruments at fair value	342,214	22,663
Liabilities from purchase commitments to non-controlling interests (3)	88,266	85,018

	2023	2022
Total Financial liabilities	**17.611.945**	**17,407,923**
Financial liabilities associated with non-current assets held for sale (Note 13)	628	3,312,430
Total financial liabilities including liabilities associated with non-current assets held for sale	**17,612,573**	**20,720,353**

(1) Increase in financial assets at fair value through profit or loss corresponds mainly to the acquisition and cancellation of Fixed-Rate Certificate of Deposit with domestic and foreign banks, with a net increase of $349,409, whose objective is to take advantage of current market rates and in line with the minimum cash required Group treasury strategy. The book value of these amounted to $531,233 (2022 $181,824) (Note 11 Other financial assets).

(2) Decrease in equity investments at fair value through other comprehensive income (OCI), corresponds mainly to the reclassification of the equity investment in Grupo Nutresa S.A. as a non-current asset held for sale. The book value of this investment at 31 December 2023 was $2,013,348 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations and Note 47 Significant events).

(3) Corresponds to financial liabilities recognized with non-controlling interests for put option of non-controlling interestsholder and purchase obligation by the Group.

Following is the breakdown of financial liabilities measured at amortized cost:

	2023	2022
Financial obligations (Note 21)	7,622,239	7,716,764
Outstanding Bonds and structured notes (Note 26)	5,985,934	6,544,884
Trade liabilities and other payables (Note 25)	3,519,819	2,968,115
Preferential shares classified as compound financial instruments (Note 26)	53,473	70,479
Total financial liabilities measured at amortized cost	**17,181,465**	**17,300,242**

Following is the breakdown of financial liabilities measured at fair value:

	2023	2022
Liabilities from purchase commitments to non-controlling interests	88,266	85,018
Total financial liabilities measured at fair value	**88,266**	**85,018**

7.2.1. Derivative instruments on foreign currencies, interest rates and change price of asset

Derivative instruments that arise within a financial hedging relationship, whose value depends on the price of an asset (e.g. a bond, share, product or *commodity*), of an interest rate, an exchange rate, an index (e.g. of shares, of prices), or any other quantifiable variable (which is called the underlying), may be constituted in such a way as to allow Group companies to anticipate and hedge risks or changes that may occur in the future, in such a way as to reduce volatility.

Financial derivatives are recognized in the consolidated statement of financial position at their fair values, considering the market curves in force at the measurement date and the cash flow structure of these instruments. 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 financial instruments that qualify for hedge accounting are measured at fair value through profit or loss; those that do qualify are recognized as indicated in policy 2.4.15 Hedge accounting.

Following is the breakdown of Derivative instruments on foreign currencies, interest rates and change price of asset outstanding at 31 December:

Type of instrument	Subsidiary	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	
				2023	2022			2023	2022
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 11,746	-	5,086	11-Jan-2024	(14,706)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 11,797	-	4,993	1-Apr-2024	(12,617)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 5,000	-	4,765	12-Apr-2024	(4,183)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 5,000	-	4,885	17-Apr-2024	(4,733)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 5,969	-	4,862	11-Apr-2024	(5,560)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 27,000	-	4,907	17-Jun-2024	(25,312)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 10,000	-	4,851	22-Mar-2024	(8,785)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 8,000	-	4,488	16-Jul-2024	(3,901)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 15,060	-	4,538	12-Jul-2024	(8,095)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 40,000	-	4,240	25-Jul-2024	(9,924)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 8,000	-	4,455	17-Sep-2024	(3,268)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 5,000	-	4,781	17-Apr-2024	(4,235)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 1,500	-	3,978	11-Jan-2024	(224)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	USD 1,500	-	3,972	11-Jan-2024	(214)	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	JPY 24,170	-	0.007	14-Aug-2024	36,899	-
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	JPY 677	-	0.007	14-Aug-2024	1,067	-
Forward sale	Cementos Argos S.A.	Dividends	N/A	USD 1,500	-	4,195	31-Jan-2024	520	-
Forward sale	Grupo Argos S.A.	Receivable	N/A	USD 30,144	-	4,421	27-Dec-2024	9,338	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+3.64%	50,000	50,000	Fixed Rate: 7.50% (first 2 years) and IBR -2% (years 3-5)	24-Aug-2027	1,160	310
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+7.19%	100,000	150,000	CPI: 7.87%	28-Apr-2024	404	3,902
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+3.99%	150,000	150,000	Fixed Rate: 8% (first 2 years) and IBR -2% (years 3-5)	24-Aug-2027	2,974	14
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+4.50%	150,000	150,000	CPI: average rate 9.69%	16-Aug-2024	(3,492)	(292)
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+2.24%	50,000	150,000	CPI: average rate 9.74%	25-Aug-2024	(1,441)	(357)
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+3.99%	150,000	-	Fixed Rate: 7.40% 2 years then IBR -2%	24-Aug-2027	3,621	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+3.99%	50,000	-	Fixed Rate: 8.28% 2 years later IBR -1.50%	24-Aug-2027	144	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+2.24%	50,000	-	CPI: average rate 9.60%	25-Aug-2024	(1,388)	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+2.24%	50,000	-	CPI: average rate 9.55%	25-Aug-2024	(1,370)	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+7.19%	50,000	-	CPI: 8.09%	28-Apr-2024	148	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+3.64%	USD 50,000	-	CPI: 9.93%	24-Aug-2024	(1,513)	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+3.64%	100,000	-	Fixed Rate: 11.63%	24-May-2026	(3,872)	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+3.64%	100,000	-	Average fixed rate: 11,62%	24-Aug-2026	(4,917)	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+3.75%	150,000	-	Fixed Rate: 11.47%	27-Sep-2026	(7,164)	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+4.04%	100,000	-	Fixed Rate: 11.60%	27-Sep-2026	(4,543)	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+4.47%	150,000	-	CPI: 8.30%	13-Jul-2027	(7,297)	-
Interest Rate Swap	Cementos Argos S.A.	Ordinary Bonds	CPI+4.21%	200,000	-	CPI: 8.30%	27-May-2027	(9,620)	-
Currency Swap and Interest Rate Swap	Cementos Argos S.A.	Borrowings	SOFR 3m+2.90%	USD 40,000	USD 40,000	2023 fixed rate: 15.40% in COP 2022 fixed rate: 16.22% in COP	10-Nov-2025	(55,534)	(8,046)
Currency Swap and Interest Rate Swap	Cementos Argos S.A.	Long-term loan	SOFR 3m+1.32%	USD 15,000	USD 15,000	Fixed Rate: 5.39% in COP	18-Feb-2026	8,427	28,472
Interest Rate Swap	Cementos Argos S.A.	Borrowings	IBR 3m+2.05%	53,175	53,175	IBR: 11.73%	18-Feb-2024	207	2,467

Type of instrument	Subsidiary	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	
				2023	2022			2023	2022
Currency Swap and Interest Rate Swap	Cementos Argos S.A.	Long-term loan	SOFR 3m+1.32%	USD 15,000	USD 15,000	IBR+2.05%	18-Feb-2026	4,540	20,543
Currency Swap and Interest Rate Swap	Cementos Argos S.A.	Long-term loan	7.43% in USD	USD 10,000	-	Fixed Rate: 14.46% in COP	26-May-2026	(7,164)	-
Currency Swap and Interest Rate Swap	Cementos Argos S.A.	Long-term loan	SOFR 3m+3.58%	USD 20,000	-	Fixed Rate: 15.10% in COP	26-May-2026	(14,028)	-
Currency Swap and Interest Rate Swap	Cementos Argos S.A.	Long-term loan	SOFR 3m+2.25%	USD 11,000	-	IBR+0.69%	9-Mar-2024	(12,146)	-
Interest Rate Swap	Cementos Argos S.A.	Borrowings	IBR+4.93%	100,000	-	IBR: 9.37%	24-Jul-2025	5,461	-
Interest Rate Swap	Cementos Argos S.A.	Borrowings	IBR+4.93%	100,000	-	IBR: 8.69%	24-Jul-2026	8,589	-
Interest Rate Swap	Grupo Argos S.A.	Ordinary Bonds	CPI+4.24%	50,000	-	CPI: 6.84%	10-Dec-2024	229	-
Interest Rate Swap	Grupo Argos S.A.	Ordinary Bonds	CPI+4.24%	50,000	-	CPI: 6.84%	10-Jun-2026	(935)	-
Interest Rate Swap	Grupo Argos S.A.	Ordinary Bonds	CPI+4.24%	50,000	-	CPI: 6.74%	10-Dec-2024	276	-
Interest Rate Swap	Grupo Argos S.A.	Ordinary Bonds	CPI+4.24%	50,000	-	CPI: 6.74%	10-Jun-2026	(870)	-
Interest Rate Swap	Grupo Argos S.A.	CD	IBR+6.6%	5,000	-	IBR: 18.38%	18-Jan-2024	(1)	-
Interest Rate Swap	Grupo Argos S.A.	CD	IBR+6.6%	10,000	-	IBR: 18.05%	18-Jul-2024	3	-
Interest Rate Swap	Grupo Argos S.A.	CD	CPI+7.3%	35,000	-	CPI: 18.90%	24-Jan-2024	90	-
Put purchase	Cementos Argos S.A.	Equity Hedge	N/A	USD 219,231(a)	-	188,68	12-Jan-2024	4,201	-
Put purchase	Cementos Argos S.A.	Equity Hedge	N/A	USD 219,231(b)	-	188,68	12-Jan-2024	4,248	-
Put purchase (b)	Cementos Argos S.A.	Equity Hedge	N/A	N/A (c)	-	N/A	N/A	(11,466)	-
Call purchase	Celsia S.A.	Energy Business Gross Margin	N/A	USD 20,000 (d)	-	N/A	31-Mar-2027	13,691	
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	-	USD 26,798	4,043.54	30-May-2023	-	23,019
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	-	USD 15,796	4,097.09	08-Jun-2023	-	12,864
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	-	USD 27,000	4,741.86	29-Aug-2023	-	7,439
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	-	USD 8,434	4,159.08	14-Jun-2023	-	6,410
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	-	USD 15,632	4,665.70	29-Jun-2023	-	4,589
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	-	USD 11,300	4,455.80	12-Jan-2023	-	4,078
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	-	USD 8,377	4,732.68	24-Aug-2023	-	2,342
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	-	USD 5,177	4,918.09	14-Apr-2023	-	(73)
Forward purchase	Cementos Argos S.A.	Borrowings	N/A	-	USD 10,304	4,979.05	26-May-2023	-	(371)
Forward purchase	Celsia S.A.	Borrowings	N/A	-	USD 269	4,965.58	31-Jan-2023	-	(36)
Forward purchase	Celsia S.A.	Borrowings	N/A	-	USD 538	4,995.04	28-Feb-2023	-	(70)
Interest Rate Swap	Cementos Argos S.A.	Borrowings	IBR+8.40%	-	50,000	IBR: 11.79%	25-Nov-2023	-	1,686
Interest Rate Swap	Cementos Argos S.A.	Borrowings	IBR+4.74%	-	30,000	IBR: 11.39%	07-Jun-2023	-	345
Interest Rate Swap	Cementos Argos S.A.	Borrowings	IBR+4.52%	-	50,000	IBR: 11.46%	22-Aug-2023	-	107
Interest Rate Swap	Cementos Argos S.A.	Borrowings	15.01%	-	30,000	IBR+4.69%	29-Aug-2023	-	(365)
Interest Rate Swap	Cementos Argos S.A.	Loan Davivienda	LIBOR 6m + 2.25%	-	USD 60,000	3.79%	21-Aug-2026		28,450
Interest Rate Swap	Grupo Argos S.A.	Ordinary Bonds	CPI+3.95	-	85,000	CPI: 5.49%	10-Jun-2023	-	2,344
Interest Rate Swap	Grupo Argos S.A.	Ordinary Bonds	CPI+4.24	-	100,000	CPI: 8.55%	10-Dec-2023	-	1,177
Interest Rate Swap	Cementos Argos S.A.	Borrowings	IBR+7.85%	-	100,000	IBR: 11.60%	14-Dec-2023	-	3,836
Interest Rate Swap	Cementos Argos S.A.	Borrowings	IBR+7.85%	-	50,000	IBR: 11.31%	14-Jun-2024	-	3,386
Currency Swap and Interest Rate Swap	Cementos Argos S.A.	Borrowings	SOFR 6m+1.95%	-	USD 10,000	Fixed Rate: 13.46% in COP	14-Apr-2023	-	(378)
Interest Rate Swap	Cementos Argos S.A.	Long-term loan	5.28%	-	160,000	IBR+1.85%	20-Nov-2023	-	(12,675)
Total Derivative financial instruments, net								**(148,280)**	**135,117**
Current assets derivative financial instruments								159,018	70,236
Non-current assets derivative financial instruments								34,916	87,544
Current liabilities derivative financial instruments								(226,271)	(22,014)
Non-current liabilities derivative financial instruments								(115,943)	(649)

Type of instrument	Subsidiary	Hedged item	Underlying rate	Notional value of the underlying - Amount of the derivative instrument (*) 2023	2022	Rate of the derivative instrument	Maturity of the derivative instrument	Fair value of the asset (liability) derivative instrument 2023	2022
Total Derivative financial instruments, net								**(148,280)**	**135,117**

*Figures stated in millions of Colombian pesos or Japanese yen and thousands of US dollars.

(a) The number of shares of the underlying of the derivative financial instrument is 1,161,912.
(b) The number of shares of the underlying of the derivative financial instrument is 1,162,066.
(c) Corresponds to the premium payable for the option.
(d) It corresponds to a climate-derived financial instrument entered by the subsidiary Celsia S.A., so the notional value of the underlying of this option are purely climate parameters.

7.2.2 Reclassification of financial assets

During the current and last period, the Group has not made any changes in the business model of management and administration of financial assets, and therefore no financial assets have been reclassified from fair value to amortized cost, or vice versa.

7.2.3 Offsetting of financial assets and liabilities

As at 31 December 2023, the Group did not compensate financial assets or liabilities and has no relevant compensation agreements.

As at 31 December 2022 Odinsa S.A. and its subsidiaries offset receivables for profit advances granted to the minority shareholders of Autopistas del Nordeste S.A. and Boulevard Turístico del Atlántico S.A., with dividend payables in the amount of $180,400.

7.3 Financial risk management objectives

The Group's financial policies are defined by the Corporate Treasury Committee and managed by the Vice Presidents of Finance of each company, 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 Group is exposed to exchange rate risk, interest rate, credit risk, and liquidity risks. The risk is mitigated towards tolerable exposure levels using natural hedging or financial derivatives, to the extent that the market permits. It is not a policy of the Group to use financial 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 on profitability for shareholders.

The Group 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 Group's policies and the exposures to market risk are measured using different quantitative models, such as Value at Risk (VaR), scenario simulation, and sensitivity analysis.

Sensitivity analysis of financial assets

A 1% variation in the share price of Sociedad Portafolio S.A., the amount of which constitutes the main component of financial assets measured at fair value (Note 11 Other financial assets), would generate variations in other comprehensive income (OCI) of approximately $2,792. For 2022, there was no investment in this company.

A 1% variation in the share price of Grupo Nutresa S.A., financial asset measured at fair value and classified by the company as a non-current asset held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and Note 41 Significant events), would generate variations in the other comprehensive income (OCI) of approximately $20,360 (2022 $20,133).

Derivative contracts to cover change price of asset

The breakdown of notional principal amounts and remaining terms of derivative contracts to hedge change price of asset 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	
	2023	2022	2023	2022
Not designated under hedge accounting				
1 year or less (*)	1,675,822	-	(3,017)	-
Derivative contracts on the price of an asset	**1,675,822**	**-**	**(3,017)**	**-**

(*) At the closing of December, the Group entered financial option contracts that would allow it to mitigate the impact on the net profit of possible drops in stock prices in the United States market, under the contract signed on 7 September 2023 with Summit Materials Inc. (Note 47 Significant events). This financial derivative was not designated under hedge accounting.

7.3.2 Foreign exchange risk management

The Group 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, as well as the holding of financial instruments denominated in currencies other than the functional currency of the subsidiary, fluctuations in exchange rates have a direct impact on cash and on the consolidated financial statements. The Group monitors foreign exchange rate risk by analyzing balance and cash flow exposure.

The Group's general policy is to limit the effects of exposure to foreign exchange risk. When the Group carries out 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:

- 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.
- Financial hedges, realized with derivative instruments such as forwards, futures, options, swaps, among others.

The Group monitors the concentration of foreign exchange risk to avoid volatility in exposed items the consolidated financial statements and in accordance with the target exposure limits defined for each of the subsidiaries. For this purpose, a sensitivity analysis is performed on the exchange rate, based on the monetary cycles that impact the businesses where the Company has a presence. The results of these analyses have a direct influence on the capital structure, regarding the functional currencies of the debt, benchmark indices, and the contracting of derivative instruments

The analysis of exposure to exchange rate risk is performed on the Grupo operations whose functional currency is different from the Colombian peso. The exposure of the consolidated statement of financial position is determined by calculating the net position in dollars, which arises from the holding of monetary items in currencies other than the respective functional currencies of each of the companies and is intended to minimize the volatility of the exchange difference item in the consolidated statement of income.

Interest on loans is denominated in the currency of the loan. Generally, loans are denominated in currencies that match the cash flows generated by the Group's underlying operations, primarily the Colombian peso, but also other foreign currencies. This provides an economic hedging without the use of derivatives and therefore, except in some cases, hedge accounting does not apply in these circumstances.

For other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is maintained at an acceptable level of foreign currencies at market rates where necessary to address short-term imbalances.
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 Group's exposure to changes in the exchange rate against the US dollar (excluding those entities whose functional currency is the US dollar and transactions between Group companies), based on the nominal amounts of monetary assets and liabilities after incorporating hedges made with derivative financial instruments, is presented below:

Exposure to the US Dollar (In thousands of dollars)	**2023**	**2022**
Monetary assets	900,729	431,808
Monetary liabilities	540,694	392,921
Net exposure	**360,035**	**38,887**

Exposure to the US dollar (In millions of Colombian pesos)	**2023**	**2022**
Monetary assets	3,442,632	2,077,083
Monetary liabilities	2,066,559	1,890,031
Net exposure	**1,376,073**	**187,052**

Details of the foreign currency derivative instruments outstanding as at 31 December 2023 and 2022 are included in note 7.2.1. Derivative instruments on foreign currencies, interest rates and change price of asset.

Foreign currency sensitivity analysis

The Group performs sensitivity analyses to quantify the impact of the exchange rate on consolidated figures. In general terms, the Group benefits from increases in the exchange rate, 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 United States, the Caribbean, and Ecuadorian markets. The Group's hedging structures allow it to maintain a balanced net position in the statement of income and financial position.

The Group is mainly exposed to the US dollar currency. The following table details the Group's sensitivity to a 20% increase or decrease in the Colombian peso against the relevant foreign currencies after considering the effect of hedge accounting. 20% 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, i.e., there is an increase in the Colombian peso/US dollar exchange rate. If there were to be a 20% strengthening in the functional currency against the reference currency, then there would be an opposite impact on the results.

Impact of a 20% devaluation of the Colombian peso on net exposure:

	2023	**2022**
Profit before taxes	108,272	37,420
Other comprehensive income (*)	197,832	144,501

(*) Based on the Group's net exposure to the US dollar, an increase in the Colombian peso/US dollar exchange rate of 20% would generate a decrease in the consolidated other comprehensive income due to the existence of cash flow hedges with derivative instruments or financial liabilities of the entity designated as hedging instruments in some subsidiaries of the Group.

The sensitivity analysis to currency translation risk shows that a 20% devaluation of the closing and moving average exchange rate of the Colombian peso against the US dollar, that is, an increase in the peso/dollar exchange rate, would have the following impact on the translation to Colombian pesos of the profit before taxes and on the Group's equity for those subsidiaries which functional currency is not the Colombian peso, after eliminating transactions with other Group companies:

Impact of a 20% devaluation of the Colombian peso on the translating foreign business:

	exchange rate risk against US dollar	
	2023	**2022**
Profit before taxes	326,042	193,090
Equity	1,934,237	2,448,235

A 20% strengthening of the Colombian peso against the US dollar would have produced the opposite effect. For the analysis it is assumed that all other variables are constant.

Operations and balances in foreign currency are translated at the representative market exchange rate (COP/USD rate) certified by Colombia's Banco de la República. In the preparation of the Group's consolidated financial statements, assets, and liabilities, as well as income, costs and expenses in foreign currency have been translated into Colombian pesos at the exchange rates observed at the date of each closing and averaged as follows:

	2023		2022	
Against US dollar	**Closing exchange rate**	**Average exchange rate**	**Closing exchange rate**	**Closing exchange rate**
Colombian peso	3,822.05	4,330.14	4,810.20	4,257.12
Dominican Peso	58.04	56.00	56.20	54.93
Euro	0.905	0.925	0,937	0.951
Honduran Lempira	24.71	24.66	24.66	24.56
Haitian Gourde	131.76	140.57	145.37	115.76
Eastern Caribbean Dollar	2.7	2.7	2.7	2.7
Guatemalan Quetzal	7.83	7.83	7.85	7.75

Derivative contracts from exchange rates

Derivative instruments entered by the Group to cover exchange risk are generally designated as cash flow hedging instruments. The value recognized through other comprehensive income for the valuation of these derivative instruments is detailed in Note 29 Reserves, other comprehensive income and retained earnings.

The following table details the notional capital amounts and remaining terms of the outstanding derivative contracts from exchange rates at the end of the reporting period.

	Notional value of the hedged item in millions of Colombian pesos		Fair value of the asset (liability) derivative instrument	
	2023	**2022**	**2023**	**2022**
Cash flow hedge				
1 year or less	1,389,156	860,164	(57,933)	51,873
1 to 5 years	-	144,306	-	49,015
Fair value hedge				
1 year or less (*)	76,441	-	13,691	-
Not designated under hedge accounting				
1 year or less	-	3,880	-	(106)
Foreign currency derivative contracts	**1,465,597**	**1,008,350**	**(44,242)**	**100,782**

(*) Corresponds to derivative financial instrument entered by subsidiary Celsia S.A. on which there is the possibility of exercising the option in July 2024, therefore, it is classified as a short-term derivative financial instrument.

7.3.3 Interest rate risk management

The Group is exposed to interest rate risks because it borrows money 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.

At the closing of 2023, the balance of the Group's consolidated debt corresponding to borrowings and to bonds and compound financial instruments was $13,661,646 (2022 $14,332,127). The Group is largely exposed to changes in the general consumer price index (CPI) and the intervention rate of the economies in which it participates.

Benchmark interest rates in the Colombian financial market that generate exposure to the Group are the CPI, DTF, and Banking Benchmark Indicator (IBR), and the international reference rate LIBOR for loans in US dollars. The Group has not considered exposure to other local or international rates.

The Group monitors its exposure to interest rate risk through an exposure analysis that depends on the projection of market conditions. A relationship very different from this would indicate a concentration in one of the references. The Group's debt profile is consolidated and reported monthly to the Treasury Committee. The concentration levels of fixed rate versus variable rate and distribution by currency (COP versus USD versus other currencies) are reported by the subsidiaries to the Parent Company monthly. 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 at 31 December 2023, 30% of the consolidated debt is agreed at a fixed interest rate (2022 25%), considering the effect of derivative financial instrument contracts.

Contracts arising from interest rates and inflation indexes

Derivative instruments entered by the Group to cover interest rate risk are designated as cash flow hedging instruments and fair value. The value recognized through other comprehensive income (OCI) for the valuation of these derivative instruments is detailed in Note 29 Reserves, other comprehensive income and retained earnings.

The breakdown of notional principal amounts and remaining terms of the outstanding interest rate derivative contracts 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	
	2023	2022	2023	2022
Cash flow hedge				
1 year or less	886,320	415,000	(19,994)	9,495
1 to 5 years (*)	1,482,205	1,041,787	(88,926)	37,880
Fair value hedge				
1 year or less	-	190,000	-	(13,040)
Not designated under hedge accounting				
1 to 5 years	400,000	-	7,899	-
Derivative contracts from interest rates	**2,768,525**	**1,646,787**	**(101,021)**	**34,335**

(*) Currency Swap financial derivative and interest rate are included.

Details of interest rate derivative instruments outstanding as at 31 December 2023 and 2022 are included in note 7.2.1. Derivative instruments on foreign currencies, interest rates and change price of asset.

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, 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. When reporting internally to key management personnel on interest rate risk, an increment of 100PB over the indexer spot rate is used, holding all other variables constant, which represents management's assessment of the reasonable potential change in interest rates.

	CPI		IBR		LIBOR	
	2023	2022	2023	2022	2023	2022
Profit before taxes (*)	(36,982)	(52,974)	(38,575)	(37,544)	(745)	(21,526)
Other comprehensive income	30,491	19,489	2,368	(29,583)	2,956	5,565

(*) The value of borrowing costs eligible for capitalization in qualifying assets is not included, if applicable.

7.3.4 Credit risk management

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 and/or collateral beyond the established limits. As at 31 December 2023 and 2022, the maximum exposure to credit risk is represented by the balance of financial assets, including trade and other receivables. Management has developed policies for credit authorization to customers. Additionally, for the energy business there are regulatory provisions for customer credit risk management.

In sales in which the counterpart is determined in advance and it is lawful to agree on special conditions that allow it to mitigate the risk of default, the Group and its subsidiaries adjusts its respective offers (price, form of payment, etc.) to reflect the valuation made to the counterpart, as well as the amount exposed in each of those transactions. Exposure to credit risk is constantly monitored in accordance with the payment behavior of debtors.

Credit risk management of receivables associated with concession financial assets is based on country risk monitoring activities in the areas where there are infrastructure assets, such monitoring is made from the project evaluation, what guarantees that the Group does not undertake activities in high-risk countries, likewise, concession contracts include clauses that oblige the counterparty to reestablish the contract immediately, as well as the generation of onerous costs for the state, which allows reducing default in concession payments.

Credit risk on liquid funds and derivative financial instruments is limited because the counterparties are financial institutions with high credit ratings assigned by risk rating agencies. The Group applies quota allocation models to avoid concentration of resources in a single entity or security and performs impairment analysis on its investments and assets, including receivables.

Impairment of business current accounts and other receivables is explained in Note 8 Trade and other receivables.

7.3.5 Liquidity risk management

Liquidity risk can be generated when there is an inadequate capital structure and/or an adverse effect on 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 Group and its subsidiaries. Likewise, through the design and monitoring of working capital needs and capital structure, the Group efficiently plans sources and uses, guaranteeing financial flexibility, risk management and return.

To minimize liquidity risk in the maturities of principal and renewals of borrowings, the Group monitors the concentration of debt maturities periodically, what allows to manage maturities in advance. In addition, it has a broad portfolio of liquidity suppliers in different currencies, types of indexers and maturities, including domestic banks, international banks, commercial finance companies, stockbrokers and issue of bonds and commercial papers in the capital market as a recurring issuer. Likewise, the Group 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 financial liabilities in the short term. The duration in years of Financial 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.

The Group and its subsidiaries may also be exposed to liquidity risk in the event of a breach of financial covenants, which could trigger performance clauses in other contracts. To mitigate this risk, subsidiaries regularly monitor financial *covenants* and report to management.

7.3.5.1 Maturity analysis of non-derivative financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been designed based on undiscounted cash flows of financial liabilities based on the date on which the Group must make payments. The tables include both interest and capital cash flows. To the extent that interest is at a floating rate, the undiscounted amount is derived from the interest rate curves at the end of the reporting period. The contractual maturity is based on the minimum date on which the Group must make payment.

	1 year or less	1 to 5 years	5 years or more	Total	Book value of the obligation
As at 31 December 2023					
Non-interest bearing financial liability	3,367,854	5,462	-	3,373,316	3,417,616
Floating rate instruments	3,282,733	9,432,938	6,112,938	18,828,609	11,935,490
Fixed-rate instruments	1,237,418	1,112,164	697,738	3,047,320	1,774,885
Other Liabilities (*)	3,364	14,104	188,410	205,878	53,474
Total	**7,891,369**	**10,564,668**	**6,999,086**	**25,455,123**	**17,181,465**
As at 31 December 2022					
Non-interest bearing financial liability	2,769,396	206	-	2,769,602	2,769,602
Floating rate instruments	2,784,071	10,713,453	8,075,258	21,572,782	12,373,140
Fixed-rate instruments	1,705,697	338,332	341,323	2,385,352	2,087,020
Other Liabilities	3,320	13,909	197,497	214,726	70,480
Total	**7,262,484**	**11,065,900**	**8,614,078**	**26,942,462**	**17,300,242**

(*) The carrying amount or maturity of the contractual flows of financial liabilities for purchase commitments to non-controlling interests measured at fair value for $88,266 (2022 $85,018) are not included.

The balances disclosed as at December 2023 and 2022 do not include the maturity of contractual flows nor the carrying amount of liabilities classified as liabilities associated with non-current assets held for sale: outstanding bonds 0 (2022 $2,043,657), borrowings 0 (2022 $419,280), and suppliers and trade and other payables $628 (2022 $849,493). (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

Contractual flows of lease liabilities are disclosed in Note 22 Leases.

7.3.5.2 Maturity of derivative financial instruments

The following table details the maturity of the Group's 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 disclosed amount has been determined by reference to projected interest rates as illustrated by yield curves at the end of the reporting period. As at 31 December 2023 and 2022, the Group has no derivative contracts that are settled for their gross amount.

	1 year or less	1 to 5 years	5 years or more	Total
As at 31 December 2023				
Forward	(57,933)	-	-	(57,933)
Swaps	(18,834)	(82,187)	-	(101,021)
Options	10,674	-	-	10,674
Total	**(66,093)**	**(82,187)**	**-**	**(148,280)**
As at 31 December 2022				
Forward	60,191	-	-	60,191
Swaps	(11,969)	86,895	-	74,926
Total	**48,222**	**86,895**	**-**	**135,117**

7.4 Collaterals

Collaterals for financial assets and liabilities pledged by the Group are detailed below:

Subsidiary	Type of collateral	Description, concept, and relevant changes in the collateral	Counterparty	Term	Currency	Amount in USD	Pledged amount 2023	Pledged amount 2022
Grupo Argos S.A.	Equity instruments	Correspond to 36,110,000 shares of the issuer Grupo de Inversiones Suramericana S.A. (2022 - 29,963,360 shares). Of the pledged shares, 28,110,000 guarantee Bancolombia loan of $392,200 and 8,000,000 guarantee the loan with Sumitomo Mitsui Bank Corporation of $232,453, granted in February 2023.	▪ Bancolombia S.A. ▪ Sumitomo Mitsui Bank Corporation	▪ 28-Apr-2026 ▪ 29-Jan-2027	COP	Not applicable	1,047,190	1,258,461
Cementos Argos S.A.	Equity instruments	In 2023, it corresponds to 6,783,262 shares of the issuer Grupo de Inversiones Suramericana S.A. (2022 24,183,262 shares) as collateral for a nominal $30 million loan.	Banco Santander S.A.	18-Feb-2026	USD	USD 30 million loan collateral	196,715	1,015,697
Cementos Argos S.A.	Equity instruments	At the closing of 2023, there are no shares of Grupo de Inversiones Suramericana as collateral for repo liabilities. In 2022, there were 10,194,345 shares of the issuer Grupo de Inversiones Suramericana S.A. as collateral for repo liabilities.	▪ Corredores Davivienda S.A. ▪ Valores Bancolombia S.A.	18-Jan-2023	COP	Not applicable	-	428,162
Argos SEM LLC (Subsidiary of Cementos Argos S.A.)	Equity Instruments, Receivables, Deposit Accounts and Inventory	Corresponds to 360,600 common shares (2022 360,600 common shares) of Argos Puerto Rico Corp pledged as collateral for the loan between Argos Puerto Rico Corp. and Banco Popular de Puerto Rico.	Banco Popular de Puerto Rico	1-Mar-2026	USD	USD 4.1 million (2022 USD 5.7 million) loan collateral	15,500	27,418
Celsia Colombia S.A. E.S.P. (Subsidiary of Celsia S.A.)	property, plant and equipment	Borrowings for the construction of Cucuana and San Andrés de Cuerquia hydroelectric plants, guaranteed with the same assets.	▪ Banco de Occidente S.A. (Cucuana) ▪ Bancolombia S.A. (San Andrés)	▪ Year 2028 ▪ Year 2030	COP	Not applicable	283,372	291,189
Grupo Alternegy S.A. (Subsidiary of Celsia S.A.) (*)	Property, plant and equipment and equity instruments	Issue of bonds of Grupo Alternegy S.A. guarantees as joint debtors by Bontex S.A. and Planta Eólica de Guanacaste S.A. with local and foreign guarantees that mainly include: (i) mortgage on the material assets of the issuer and the guarantors (real and personal property); (ii) pledge over 100% of the shares of the power plants of the sponsor Celsia S.A.; (iii) allocation of all income (PPAs and spot sales) with a cascading payment mechanism; and (iv) assignment of the insurance and material contracts of the issuer and the guarantors.	Bondholders	22-Dec-2027	USD	187.72	-	903,001

Subsidiary	Type of collateral	Description, concept, and relevant changes in the collateral	Counterparty	Term	Currency	Amount in USD	Pledged amount 2023	Pledged amount 2022
Opain S.A (*)	Equity instruments	Open pledge without first degree holding of 305,804 shares of Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A., in accordance with the “Share Pledge Agreement” signed with its lenders.	International lenders through Fiduciaria Bancolombia S.A. (Onshore collateral agent)	19-Jan-2029	USD	775	-	3,727,905

(*) In 2023, the Group loses control over the subsidiary Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. – Opain S.A. and on hydroelectric generation assets and liabilities in Panama and wind in Costa Rica. As at December 2022, these companies were classified by the Group as non-current assets held for sale. (Note 13 Assets and liabilities associated with non-current assets held for sale and Discontinued Operations).

7.5 Fair value of financial assets and liabilities

The following is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments:

	Carrying amount	Fair value	Carrying amount	Fair value
	2023		2022	
Prepayments investments purchase	2,275	2,275	-	-
Financial assets, measured at:				
Fair value through other comprehensive income (OCI)				
Equity investments (i) (1)	2,363,871	2,363,871	2,069,163	2,069,163
Derivative financial instruments	37,917	37,917	157,780	157,780
Fair value through profit or loss				
Investments (2)	778,821	778,821	496,141	496,141
Derivative financial instruments	156,017	156,017	-	-
Amortized Cost				
Cash and cash equivalents (ii) (3)	2,203,464	2,203,464	2,456,778	2,456,778
Investments (ii)	-	-	571,507	571,507
Trade and other receivables (ii) (3)	3,882,820	3,878,632	3,494,178	3,491,162
Total	**9,425,185**	**9,420,997**	**9,245,547**	**9,242,531**
Financial liabilities, measured at:				
Amortized Cost				
Borrowings (4) (iii)	7,622,239	8,028,165	8,136,044	8,113,560
Outstanding Bonds (4) (iii)	5,985,934	5,870,322	8,588,541	8,104,076
Suppliers and payables (3) (iii)	3,520,447	3,511,672	3,817,608	3,817,608
Preferential shares classified as debt	53,473	72,293	70,479	25,810
Fair value				
Other financial liabilities (5)	88,266	88,266	85,018	85,018
Derivative financial instruments	342,214	342,214	22,663	22,663
Total	**17,612,573**	**17,912,932**	**20,720,353**	**20,168,735**

(i) Equity investments measured at fair value through other comprehensive income include mainly shares of Grupo Nutresa S.A. for $2,035,970 (2022 $2,013,348). As at 31 December 2023, the shares of Grupo Nutresa S.A. were classified as a non-current asset held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations). Increase in equity investments corresponds mainly to the investment in the company Sociedad Portafolio S.A. for $280.926 (2022 $0), derived from the spin-off of Grupo Nutresa S.A. registered through Public Deed No. 3838 dated 14 December 2023. In 2023 and 2022, cash dividends were received from Grupo Nutresa S.A. for $56,544 (2022 $40,108).

(ii) The book value and fair value of cash and cash equivalents, of trade and other receivables, of equity investments and investments, include amounts for $1,989 (2022 $1,027,673), $60,061 (2022 $201,964), and $0 (2022 $118), respectively, corresponding to assets classified by the Group as non-current assets held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

(iii) The book value and fair value of the categories: outstanding bonds, borrowings, and suppliers and accounts payable, include amounts of $0 (2022 $2,043,657), $0 (2022 $419,280) and $628 (2022 $849,493) respectively, corresponding to liabilities associated with assets classified by the Group as non-current assets held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

(1) The fair values of these equity investments are mainly derived from prices quoted in active markets (Colombian Stock Exchange). However, there are some lower equity investments measured at fair value through other comprehensive income, which considering that there are no Level 1 input data (quoted prices), the Group assumes

the position to keep them at cost; in addition, the costs involved in performing the valuation would be higher than the benefits obtained.

(2) The fair values of these investments are derived from: a) Quoted prices in active markets and b) available resources delivered by Grupo Argos S.A. and Celsia S.A. to SURA SAC LTD for risk management. Some equity investments are measured at fair value on a non-recurring basis, only when a market value is available. The Group considers that this omission to the recurring measurement of these investments is immaterial for the presentation of its financial statements. The increase in book value and fair value corresponds mainly to the acquisition and redemption of Fixed-Rate Certificate of Deposit (CD) with an increase, net of $349,409 (Note 11 Other financial assets).

(3) The Group assessed that the fair values of cash and cash equivalents, receivables other than those associated with concession contracts, dividends receivable and payable, suppliers, and payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The method used for the calculation of the fair value of receivables associated with concession contracts is the valuation for discounting cash flow to the shareholder, brought at present value at a market discount rate (cost of equity).

(4) Financial liabilities for outstanding borrowings and bonds are measured at amortized cost taking as reference the contractual flows of the obligations according to the agreed conditions.

(5) Corresponds to financial liabilities recognized with non-controlling interests for put option of non-controlling interestsholder and purchase obligation by the Group.

Significant variables used in fair value measurement of financial instruments as at 31 December 2023 and 2022 are shown below:

	Hierarchy Level	Valuation technique	Significant variables
Financial assets, measured at:			
Fair value through other comprehensive income			
Equity investments	Level 1	(ii)	Quote Price
Fair value through profit or loss			
Investments	Level 1	(ii)	Quote Price
Amortized Cost			
Cash and cash equivalents	Level 1	(ii)	Not applicable
Trade and other non-current receivables	Level 2	(i)	The discount rate used corresponds to the effective rate agreed and indexed to the CPI.
Financial liabilities, measured at:			
Amortized Cost			
Borrowings	Level 2	(i)	The discount rate used corresponds to the market rate for loans in similar conditions.
Outstanding Bonds	Level 2	(i)	Interest rate structure through the zero-coupon curve for similar issuers
Preferential shares classified as debt	Level 2	(i)	The discount rate used corresponds to the Cementos Argos Colombian peso bond curve in accordance with the maturities of the preferential shares.
Suppliers and non-current payables	Level 2	(i)	The discount rate used corresponds to the rate agreed and indexed to the reference index established in the agreement.
Derivative financial instruments assets and liabilities			
Derivative financial instruments	Level 2	(iii)	*Swap derivative instruments:* Swap curve for dollar-denominated rates, to discount flows in dollars; and Banking Benchmark Indicator Swap curve for Colombian peso denominated rates, to discount flows in Colombian pesos. LIBOR, CPI, COP/USD rate

Hierarchy Level	Valuation technique	Significant variables
		Forward derivative instruments: Foreign currency to Colombian peso exchange rate fixed in the contract. Exchange rate calculated on the valuation date. Forward points of the Colombian peso-foreign currency forward market on the valuation date. Number of days between the valuation date and the maturity date. USD and COP interest rate. *Options derivative instruments*: Foreign currency to Colombian peso exchange rate fixed in the contract (strike price). Spot rate on the valuation day. Volatility and implicit devaluation. Number of days between the valuation date and the maturity date.

The following are the valuation techniques used to measure the Group's financial assets and liabilities at fair value for disclosure purposes:

i. Discounted cash flows: future cash flows are discounted to present value using the discount rate for the financial instrument measured at the measurement date according to the days of maturity.

ii. Quoted market prices: the fair values of these investments are determined by reference to quoted prices published in active markets for the financial instrument at issue.

iii. Operating cash flow projection model: the method uses the cash flows inherent to the derivative financial instrument, projected with the treasury securities curves of the issuing state of the currency with which each flow is expressed and then discounted to present value, using market rates for derivative financial instruments disclosed by the competent authorities of each country. The difference between the inflow and the outflow represents the net value of the derivative at the evaluated cut-off date.

For options derivative instruments, the valuation technique corresponds to the Black-Scholes-Merton pricing model. 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.

7.6 Reconciliation between changes in liabilities and cash flows arising from financing activities

	Obligations and other financial liabilities	Bonds and compound financial instruments	Lease liabilities	Derivative (Assets) / liabilities for financial liabilities hedging	Dividend liabilities	Payables and other liabilities associated with financing activities	Total
31 December 2021	**6,666,938**	**9,805,632**	**765,706**	**13,630**	**128,788**	**492,967**	**17,873,661**
Changes in cash flows from financing activities							
Issue of bonds and commercial papers	-	297,769	-	-	-	-	297,769
Payment of bonds and commercial papers	-	(1,217,837)	-	-	-	-	(1,217,837)
Increase in other financing instruments	5,894,270	-	-	-	-	492,111	6,386,381
Decrease in other financing instruments	(4,947,624)	-	-	-	-	-	(4,947,624)
Payment of lease liabilities	-	-	(161,512)	-	-	-	(161,512)
Payments for financial derivative arrangements with financial liability hedging	-	-	-	(67,270)	-	-	(67,270)
Proceeds from financial derivative arrangements with hedging of financial liabilities	-	-	-	87,716	-	-	87,716
Dividends paid on ordinary shares	-	-	-	-	(691,824)	-	(691,824)
Dividends paid on preferred shares	-	(1,820)	-	-	(120,930)	-	(122,750)
Interest paid (1)	(347,776)	(855,295)	(45,058)	-	-	(7,632)	(1,255,761)
Total changes by cash flows from financing activities (2)	**598,870**	**(1,777,183)**	**(206,570)**	**20,446**	**(812,754)**	**484,479**	**(1,692,712)**
Loss of control of a subsidiary or business	(228,128)	(686,614)	(6,940)	-	-	(649,850)	(1,571,532)
translating foreign operations	516,340	171,373	108,545	(112)	(3,298)	11,024	803,872
Effect by changes in exchange rates	92,492	220,678	5,053	(68,735)	6,568	-	256,056
Changes in fair value	-	-	-	(50,769)	-	-	(50,769)
Changes in lease arrangements	-	-	54,927	-	-	-	54,927
Interest caused	359,289	925,134	45,058	44,780	-	6,236	1,380,497
Liabilities associated with non-current assets held for sale	(419,280)	(2,043,657)	(3,165)	-	(44,595)	-	(2,510,697)
Other changes (*)	215,261	-	1,808	(94,357)	984,326	(74,978)	1,032,060
31 December 2022	**7,801,782**	**6,615,363**	**764,422**	**135,117**	**259,035**	**269,878**	**15,575,363**

(*) Other changes associated to dividend liabilities correspond to the accrual for the declaration of dividends.

	Obligations and other financial liabilities	Bonds and compound financial instruments	Lease liabilities	Derivative (Assets) / liabilities for financial liabilities hedging	Dividend liabilities	Payables and other liabilities associated with financing activities	Total
31 December 2022	**7,801,782**	**6,615,363**	**764,422**	**135,117**	**259,035**	**270,066**	**15,575,551**
Changes in cash flows from financing activities							
Issue of bonds and commercial papers	-	242,500	-	-	-	-	242,500
Payment of bonds and commercial papers	-	(894,837)	-	-	-	-	(894,837)
Increase in other financing instruments	3,442,532	-	-	-	-	17,792	3,460,324
Decrease in other financing instruments	(2,892,436)	-	-	-	-	(5,952)	(2,898,388)
Payment of lease liabilities	-	-	(159,913)	-	-	-	(159,913)
Payments for financial derivative arrangements with financial liability hedging	-	-	-	(35,576)	-	-	(35,576)
Proceeds from financial derivative arrangements with hedging of financial liabilities	-	-	-	122,155	-	-	122,155
Dividends paid on ordinary shares	-	-	-	-	(842,079)	-	(842,079)
Dividends paid on preferred shares	-	(3,093)	-	-	(195,627)	-	(198,720)
Interest paid (1)	(774,583)	(1,092,183)	(51,716)	-	-	(442)	(1,918,924)
Total changes by cash flows from financing activities (2)	**(224,487)**	**(1,747,613)**	**(211,629)**	**86,579**	**(1,037,706)**	**11,398**	**(3,123,458)**
Loss of control of a subsidiary or business	-	-	-	-	-	-	-
translating foreign operations	(832,371)	(159,348)	(126,159)	7,886	(41,569)	(17,115)	(1,168,676)
Effect by changes in exchange rates	19,036	-	(599)	(54,459)	6,561	-	(29,461)
Changes in fair value	3,248	-	-	232,384	-	-	235,632
Changes in lease arrangements	-	-	119,398	-	-	-	119,398
Interest caused	827,581	1,073,568	51,864	1,347	-	442	1,954,802
Liabilities associated with non-current assets held for sale	97,482	257,523	573	-	-	-	355,578
Other changes (*)	18,234	(86)	(580)	9,660	1,052,057	(188)	1,079,097
31 December 2023	**7,710,505**	**6,039,407**	**597,290**	**148,280**	**238,378**	**264,603**	**14,998,463**

(*) Other changes associated to dividend liabilities correspond to the accrual for the declaration of dividends.

(1) Interest paid does not include those associated with trade liabilities of $8,470 (2022 $6,218).
(2) The consolidated statement of cash flows includes net cash outflows associated with equity transactions of $154,502 (2022 $62,850) and includes other cash outflows of $57,850 (2022 $96,076).

NOTE 8: **TRADE AND OTHER RECEIVABLES, NET**

The balance of current trade and other receivables, net, as at 31 December comprises:

	2023	2022
Trade receivables		
Customers (1)	2,341,395	2,471,895
Other receivables		
Receivables from related parties (Note 41)	167,660	99,907
Services and other receivables (2)	1,456,174	872,032
Employee receivables	58,650	66,405
Provision for expected credit losses (3)	(201,120)	(218,025)
Total trade and other receivables	**3,822,759**	**3,292,214**
Current	3,109,086	2,718,115
Non-current	713,673	574,099
Total trade and other receivables	**3,822,759**	**3,292,214**

(1) Trade receivables are mainly generated by the sale of cement and concrete, and the sale and marketing of electrical energy. They are also generated by the sale of lots by the real estate business of Grupo Argos S.A.

(2) Services and other receivables mainly include the resources delivered to Nordex as part of the negotiation of wind project equipment, as well as receivables from concession contracts of $247,769 (2022 $359,938), corresponding to the concession of Caribbean Infrastructure Company N.V.

As at 31 December 2023, there is an increase represented in sales of the regulated and unregulated market in the energy business, including the estimated values and the subsidies granted.

As at 31 December 2022, receivables were sold to the financial institution Inter-American Development Bank (IDB), the sold portfolio corresponds to the rate option of Resolution 012 of 2020, the sale value was $206,777 with a cost of $270,913, which resulted in a finance expense of $64,136 (Note 38 Finance expenses, net). An agency contract was signed with the IDB, where it continues to act as a fundraiser for the sold portfolio and in turn commits to the monthly transfer of resources with minimum payments that go until 2026, although these payments act as a guarantee, the IDB has all associated risks and benefits, given that according to the proposed analysis on the variability of cash flows, the IDB absorbs this variability. Relative variability shows that the expected new volatility is much lower than the existing volatility, thus provision has been recognized regarding loan guarantees.

(3) Include provision for expected credit losses from related parties of $10 (2022 $15,274) (Note 41 Information on related parties).

Trade receivables are mainly generated by the operation of the cement industry, the production of concrete mixes, and any other materials or articles based on cement, lime or clay, the acquisition and disposal of minerals or mineral deposits. Additionally, from the sale of electrical energy generation and marketing services, and the sale of other goods and services.

Long-term receivables are measured at amortized cost under the effective interest rate method and short-term receivables are presented at their nominal amount.

Below is the breakdown of changes in the provision for expected credit losses on trade and other receivables at 31 December:

Change in the provision for expected credit losses	2023	2022
Balance at the beginning of the year presented	**(218,025)**	**(202,934)**
Expected credit losses (1)	(67,828)	(82,633)
From foreign currency translation	18,910	(14,979)
Derecognition of amounts considered uncollectible	33,811	55,522
Recovered balances during the year (2)	27,216	3,075
Reversal of expected credit losses	2,278	5,506
Loss of control of a subsidiary or business	-	39
Transfers to non-current assets held for sale	2,518	18,379

Change in the provision for expected credit losses	2023	2022
Balance at end of year	**(201,120)**	**(218,025)**

(1) The variation mainly corresponds to impairment of receivables from the business of the concessions segment, mainly due to the impairment of Caribbean Infrastructure Company (CIC) N.V. for $34,053; energy, mainly due to the recognized impairment in Celsia Centroamérica S.A. for $13,884, corresponding to the derecognition of receivables from Divisa Solar 10 MW S.A. and Celsolar S.A., according to the agreement to close the sale transaction of the hydroelectric power generation assets in Panama and unconventional renewable energy in Costa Rica, and cement for $10,302.

(2) Recovery of the portfolio impairment corresponds to the energy segment, mainly from the negotiation of receivables and payables of the private agreement between CNC del Mar S.A.S. E.S.P., Neo Domus, Novus Citvita and Celsia Colombia S.A. E.S.P. for $17,094, where in 2022 a portfolio impairment was recognized at Centro Hospitalario and CNC del Mar S.A.S. E.S.P.

The average credit period on the sale of goods and services is 30 days, for both cases no interest surcharge is made on trade receivables. For of the sale of land from the real estate business, the term and interest surcharges shall depend on the negotiated conditions. The Group evaluates at the end of the reporting period whether there is objective evidence that financial assets are impaired, and if so, recognizes an impairment in the consolidated statement of income.

The provision for expected credit losses is recognized through administrative and selling expenses in the Group's consolidated statement of income. When there is confirmation that the trade receivable shall not be collectible, the gross carrying amount of the receivable is derecognized against the related provision.

For each operating segment, the following table presents the value of trade receivables and other receivables subject to credit risk before recognizing any Impairment losses, the values of expected losses determined individually and collectively, and the value of receivables after considering expected impairment at the end of the reporting period.

	2023			2022		
	Gross receivables	Expected credit loss	Net receivables	Gross receivables	Expected credit loss	Net receivables
Cement (1)	1,301,945	(76,443)	1,225,502	1,490,814	(89,656)	1,401,158
Energy (2)	2,099,337	(82,814)	2,016,523	1,405,902	(116,647)	1,289,255
Concessions (3)	394,021	(38,159)	355,862	422,940	(10,735)	412,205
Other segments and adjustments	228,576	(3,704)	224,872	190,583	(987)	189,596
Total	**4,023,879**	**(201,120)**	**3,822,759**	**3,510,239**	**(218,025)**	**3,292,214**

Below is information on expected credit losses for the Group's main operating segments:

(1) **Cement:** the provision for expected credit losses of the Cement segment is estimated based on the age of trade receivables and other receivables, and at 31 December, the balance is as follows:

	2023			
	Expected credit loss rate	Gross receivables	Expected credit loss	Net receivables
Unmatured	0.11%	789,767	(904)	788,863
Between 0 and 30 days	0.33%	238,038	(793)	237,245
Between 31 and 60 days	1.21%	75,481	(912)	74,569
Between 61 and 90 days	4.66%	12,741	(594)	12,147
Between 91 and 120 days	11.22%	10,840	(1,217)	9,623
Between 121 and 150 days	8.18%	8,860	(724)	8,136
Between 151 and 180 days	4.40%	37,219	(1,638)	35,581
Between 181 and 360 days	9.94%	22,515	(2,238)	20,277

	2023			
	Expected credit loss rate	Gross receivables	Expected credit loss	Net receivables
More than one year	63.32%	106,484	(67,423)	39,061
Total		**1,301,945**	**(76,443)**	**1,225,502**
Average age (days)				**30**

	2022			
	Expected credit loss rate	Gross receivables	Expected credit loss	Net receivables
Unmatured	0.10%	856,203	(855)	855,348
Between 0 and 30 days	0.22%	343,258	(765)	342,493
Between 31 and 60 days	0.69%	82,741	(574)	82,167
Between 61 and 90 days	3.72%	26,447	(984)	25,463
Between 91 and 120 days	7.18%	16,312	(1,171)	15,141
Between 121 and 150 days	24.61%	5,223	(1,285)	3,938
Between 151 and 180 days	23.13%	4,828	(1,117)	3,711
Between 181 and 360 days	16.02%	34,771	(5,572)	29,199
More than one year	63.90%	121,031	(77,333)	43,698
Total		**1,490,814**	**(89,656)**	**1,401,158**
Average age (days)				**35**

Both tables include estimates by collective assessment under the expected credit loss model and impairment provision by individual analysis of third parties.

(2) **Energy:** the provision for expected credit losses in the Energy segment is estimated based on the business, market type, and class of services for trade receivables and other receivables and their balance at 31 December is as follows:

	2023			
	Expected credit loss rate	Gross receivables	Expected credit loss	Net receivables
Energy and other businesses	2.40%	851,468	(19,131)	832,337
Energy and other businesses at 67%	67.00%	52,230	(34,994)	17,236
Energy and other businesses at 100%	100.00%	28,689	(28,689)	-
Other receivables		1,166,950	-	1,166,950
Total		**2,099,337**	**(82,814)**	**2,016,523**
Average age (days)				**37**

	2022			
	Expected credit loss rate	Gross receivables	Expected credit loss	Net receivables
Energy and other businesses	1.8%	1,071,185	(17,980)	1,053,205
Energy and other businesses at 51%	51%	100,055	(50,745)	49,310
Energy and other businesses at 100%	100%	47,922	(47,922)	-
Other receivables	N/A	186,740	-	186,740
Total		**1,405,902**	**(116,647)**	**1,289,255**
Average age (days)				**36**

Both tables include the estimate for collective assessment under the expected credit loss model and the provision for impairment loss by individual analysis of third parties.

(3) **Concessions:** the provision for expected credit losses in the Road Concessions segment is estimated based on the type of asset and the credit rating for trade receivables and other receivables, and as at 31 December, the balance is as follows:

	2023			
	Expected credit loss rate	Gross receivables	Expected credit loss	Net receivables
Receivables from concession contracts				
Aruba (BBB)	10.82%	277,827	(30,058)	247,769
Other receivables				
A- to AAA	0.00%	108,093	-	108,093
D to CCC+	100.00%	8,101	(8,101)	-
Total		**394,021**	**(38,159)**	**355,862**

	2022			
	Expected credit loss rate	Gross receivables	Expected credit loss	Net receivables
Receivables from concession contracts				
Aruba (BBB)	0.00%	359,938	-	359,938
Other receivables				
A- to AAA	0.0%	52,267	-	52,267
D to CCC+	100.0%	10,735	(10,735)	-
Total		**422,940**	**(10,735)**	**412,205**

Both tables include the estimate for collective assessment under the expected credit loss model and the provision for impairment loss by individual analysis of third parties. The expected credit loss rate contemplates as a parameter the credit rating of the Sovereign State where the concession is located.

In 2022, the Group reclassified Opain S.A.'s trade receivables and other receivables as non-current assets held for sale because of the agreement signed between Grupo Argos S.A., Odinsa S.A. and Macquarie Infrastructure and Real Assets (MIRA), those assets were sold in June 2023 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

NOTE 9: **INVENTORIES, NET**

The balance of inventories, net, at 31 December comprises:

	2023	2022
Materials, spare parts and accessories	502,899	574,036
Raw materials and direct materials	351,031	455,916
Urban planning works (1)	292,344	243,189
Finished product	189,835	234,065
Work in process	166,835	177,921
Goods not manufactured by the company	59,879	41,785
Inventory in transit	55,071	132,945
Containers and packaging inventory	26,875	34,719
Real estate for sale	7,406	26,412
Prepayments for the acquisition of inventory	6,628	3,815
Total inventories, net	**1,658,803**	**1,924,803**
Current	1,658,803	1,924,803
Total inventories, net	**1,658,803**	**1,924,803**

(1) The increase mainly corresponds to transfers from the investment property account to the inventories account of the following lots: Lot 7 Hacienda Portonao Barú, Estate pavas sur project Alejandría Stage V (Blocks 46 A1, 46 A2, 46 B, and 54) and remaining Lot 2 a Rebellin for $87,061.

As at 31 December 2023, the cost of ordinary activities of continuing operations equals $16,312,090 (2022 $15,791,372), of which the value for the sale of goods is $10,108,771 (2022 $9,881,686), for the rendering of services $4,803,186 (2022 $4,864,764) and for financial activity $1,400,133 (2022 $1,044,922).

Changes in net realizable value adjustments of inventories are presented below:

	2023	2022
Balance at the beginning of the period	**47,328**	**40,732**
Decrease in inventories to net realizable value (1)	35,762	16,373
Reversal of decline in value of inventories (2)	(488)	(427)
Other changes (3)	(42,351)	(9,350)
Balance at the end of the period	**40,251**	**47,328**
Current	40,251	47,328
Balance at the end of the period	**40,251**	**47,328**

(1) During the year, there was a decline in inventories to net realizable value of $35,762 (2022 $$16,373), originating in 2023, mainly in Argos USA LLC $23,368 (2022 $11,543) and in 2022 Planta Eólica Guanacaste for $2,010.

(2) During the year, there was a reversal of the $488 decrease in value (2022 $427). The reversal of decline in value of inventories for 2023 and 2022 mainly corresponds to Argos Panama.

(3) For December 2023, mainly corresponds to the derecognition due to obsolescence of spare parts at Argos USA LLC for $23,368 (2022 $0) and to exchange rate differences. For December 2022 mainly corresponds to exchange rate differences and the classification of inventories as non-current assets held for sale for $21,093 associated with hydroelectric generation assets in Panama and non-conventional renewable energy in Costa Rica.

The Group does not maintain inventories pledged as collateral for liabilities and has no restrictions or levies limiting their disposal.

NOTE 10: **CURRENT AND DEFERRED INCOME TAX**

Current and deferred income tax presented in the consolidated statement of financial position as at 31 December corresponds to:

	2023	2022
Current tax asset	412,419	275,803
Current tax liability	(125,450)	(233,247)
Total current tax, net	**286,969**	**42,556**

	2023	2022
Deferred tax liability	(1,657,284)	(1,479,769)
Deferred tax asset	306,791	326,029
Total deferred tax, net	**(1,350,493)**	**(1,153,740)**

Group companies, at the level of their separate or individual financial statements, offset their 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 they intend to settle them simultaneously.

10.1 Current tax assets

Current tax assets at 31 December comprise:

	2023	2022
Surplus in private liquidation of income tax	336,021	156,300
Income tax prepayment	14,076	90,359
Withholding at source and self-withholding in favor	62,322	29,144
Total tax assets	**412,419**	**275,803**

Current tax assets correspond to balances with tax authorities, mainly for tax prepayments and balances arising from settlements of income tax returns, contributions, and rates to be requested in return or offset with future settlements within the following accounting period.

10.2 Current tax liabilities

Current tax liabilities at 31 December comprise:

	2023	2022
Income tax.	76,682	207,196
Self-withholdings	48,768	26,051
Total tax liabilities	**125,450**	**233,247**

The tax provisions applicable and in force provide for the following:

The nominal income tax rates for 2023 and 2022 applicable to the Group and its subsidiaries are as follows:

Country	2023	2022	Country	2023	2022
Antigua and Barbuda	25.00%	25.00%	Haiti	31.00%	31.00%
Bermuda	0.00%	0.00%	Honduras	25.00%	25.00%
Aruba	22.00%	25.00%	British Virgin Islands	0.00%	0.00%
Colombia (1)	35.00%	35.00%	Panama	25.00%	25.00%
Colombia duty-free zone (2)	15.00% - 20.00%	15.00% - 20.00%	Puerto Rico	37.50%	37.50%
Curaçao	22.00%	22.00%	Dominican Republic	27.00%	27.00%
Dominica	25.00%	25.00%	Saint Maarten	34.50%	34.50%
U.S.A. (3)	24.44%	24.50%	Saint Thomas	31.00%	35.00%
French Guiana	25.00%	25.00%	Suriname	36.00%	36.00%
Guatemala	25.00%	25.00%			

(1) The income tax rate applicable in Colombia is 35% for the year 2023 and 2022.

(2) There is a special tax regime for Duty-Free Zones that includes an income tax rate of 15% for Zona Franca Argos S.A.S. and 20% for Zona Franca Celsia S.A. E.S.P. Zona Franca Argos S.A.S. has a Legal Stability Contract until 2028.

(3) The US federal tax rate for 2023 and 2022 is 21%. Also, in the United States, there is a state rate, which varies between 3% and 7%, depending on the state. In the state of Texas, there is a one-time rate of 1%, called: "Texas Margin Tax".

Colombia

Income tax in Colombia is settled at a rate of 35% for 2023 according to Law 2277 of 2022. For the taxable period 2022, the income tax was settled at a rate of 35% in accordance with the provisions of Law 2155 of 2021.

Tax income for occasional gains tax is taxed at the rate of 15% and 10% for 2023 and 2022, respectively, due to the amendments introduced by Law 2277 of 2022.

As at the 2021 taxable year, the presumptive income rate is zero percent (0%) in accordance with the provisions of Law 2010 of 2019.

Other relevant provisions:

- For 2023, the minimum basis for determining tax is 0.0% of the net worth on the last day of the immediately preceding taxable year.

- Companies may offset tax losses against ordinary net income obtained in the following twelve periods, without prejudice to the presumptive income for the year. Tax losses generated before the entry into force of Law 1819 of 2016 may be offset without any time limitation.

- Excess of presumptive income over ordinary income may be offset with the ordinary net income, within the following five years, adjusted for inflation until taxable year 2016.

- 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.

Tax reform: Law 2277 of 2022:

On 13 December the Colombian National Government issued Law 2277 of 2022, which adopts a tax reform for equality and social justice, with the purpose of supporting social spending.

The following is a summary of the main aspects of the reform to the Colombian tax regime for the years 2023 and following years:

- The general income tax rate for legal entities is kept at 35%.

- A 5% surtax is established for financial institutions, insurance and reinsurance companies, stock exchange brokers and other companies in the sector that obtain an annual net income of more than 120,000 Colombian Tax Value Units (UTV). This surtax shall apply for five years starting in 2023.

- It establishes additional points to the income tax rate for companies in the coal and oil extractive sector, which shall be between 5 and 10 points for coal and up to 15 points for oil, depending on the average international price of the last 120 months.

- A minimum tax rate of 15% is established, which requires calculating the effective tax rate based on the taxes paid and the adjusted accounting profit. If 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 non-taxable income or occasional earnings, some exempt income and the offset of tax losses and excess of presumptive income. This minimum tax applies to any legal entity taxing income tax in Colombia, except foreign entities without residence in the country. Additionally, taxpayers resident in Colombia whose financial statements are subject to consolidation in Colombia must calculate the minimum taxation rate and the adjustment to the tax following the special procedure introduced in paragraph 6 of Article 240 of the Colombian Tax Code. The minimum tax shall not apply, among others, to concession contracts and Public-Private Partnerships that determine their income in accordance with the provisions of Article 32 of the Colombian Tax Code. It shall also not apply when the adjusted profits are less than or equal to zero.

- An addition of 3 points to the income tax rate is established for companies whose main economic activity is energy generation from water sources, establishing that such surtax may not be transferred to the price. It shall be in force between the years 2023 and 2026.

- For duty-free zones, it is established that income from exports shall maintain the 20% rate and income from sales to the rest of the national customs territory shall be taxed at the 35% rate. This modification shall apply as from the year 2024. Likewise, it is established that the current industrial users of the duty-free zone shall subscribe between the years 2023 and 2024 an agreement of internationalization and maximum sales to the national customs territory, according to the regulations of the Colombian Government.

- Occasional gains rate is increased from 10% to 15% for both legal entities and individuals.

- It is expressly established that royalties shall not be deductible, nor may they be treated as a cost. Provision (paragraph 1 of Article 19 of Law 2277 of 2022) that was declared unenforceable by the Constitutional Court by judgment C-489 of 16 November 2023.

Dividend tax:

- Dividends received by resident individuals, from distribution of profits that have been considered as non-taxable income or occasional gain, go from a single rate of 10% on the excess of the first 300 annual Colombian Tax Value Units to a progressive rate of 0% to 39%, since they shall form the taxable base with the other income received by the individual. The withholding at source shall be 15% for dividend payments more than 1,090 Colombian Tax Value Units a year.

- A 19% tax discount is incorporated in favor of resident individuals when they receive dividends more than 1,090 Colombian Tax Value Units a year.

- For dividends paid to non-resident individuals, from distribution of profits that have been considered as non-taxable income or occasional gain, the withholding at source increases from 10% to 20%.

- The special rate for dividends or share received by national companies, coming from distribution of profits that have been considered as non-taxable income or occasional gain, increases from 7.5% to 10% and the exception in its application continues when dealing with payments between companies of a business group or in a situation of registered control and in companies qualified as Colombian Holding Companies (CHC).

Other matters:

- A general limit of 3% of the taxpayer's net income is established to the sum of discounts for investments in control, conservation, and improvement of the environment and to the deduction for payments for the financing of studies to employees and their family group, among others.

- The possibility of 50% of the industry and commerce tax paid as a tax discount is repealed. As from the year 2023 it shall only be allowed as a deduction.

- Within the framework of the carbon tax, a tax on coal is 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 shall be deductible from income. 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.

- A stamp tax applicable to sales of real estate is established at a rate of 1.5% for sales between 20,000 and 50,000 Colombian Tax Value Units and 3% for those over 50,000 Colombian Tax Value Units.

- The amounts of penalty for not reporting information of article 651 of the Colombian Tax Code are reduced from 15,000 to 7,500 Colombian Tax Value Units as maximum penalty.

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 (12) years; if tax losses were offset, the finality is six (6) years.
From 2020 onwards	For returns in which tax losses are determined 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.

United States of America:

In the United States, the Federal tax rate is 21%. Similarly, there is also a state tax rate, which varies by state in a range of 3% to 7%. The State of Texas has a particular rate of 1%, called the Texas Margin Tax. Federal tax returns for the years 2015, 2016, 2017, 2018, 2019, 2020, and 2021 are subject to review and audit of the exemptions applied by the tax authorities. Additionally, returns with net operating losses are subject to review even if the rules have expired.

On 27 March 2020, the Congress and the President of the United States enacted the Coronavirus Assistance, Relief, and Economic Security (CARES) Act in response to the COVID-19 pandemic in the US. Among many other provisions of the Act, the CARES Act allowed for a temporary repeal of the 80% net operating loss (NIL) limitation for taxable years beginning before 1 January 2021 and modified rules related to certain types of newly generated carrybacks. However, since Argos has not been or is expected to be in a NOL position during the years affected by the Act, no additional tax benefit is expected to be generated by these changes. Since Argos USA's tax losses were generated prior to 1 January 2017, therefore, are subject to the previous rules, applicable to when the losses were generated, which allow a carryback period of two years and a carryforward period of 20 years to offset taxable income. These net operating losses (NOLs) may fully offset future taxable income until fully utilized. As at 31 December 2023, federal net operating losses (NOLs) of subsidiaries in the United States are estimated to be used in their entirety.

On 28 July 2020, the Treasury Department published final regulations TD9905 that reverse the proposed Section 163(j) regulations, allowing the Company to add back depreciation and amortization when calculating the Adjusted Taxable Income (ATI), even if its depreciation and amortization is capitalized into inventory under IRC Section 263A. However, beginning in fiscal year 2022, the TCJA eliminated the ability to aggregate all depreciation and amortization in the ATI calculation. Therefore, the Company has modified the ATI calculation and, given the Company's significant taxable income in 2022, no relevant limitation has occurred in the calculation of the 2022 provision, even with the inability to add back depreciation and amortization. The Company shall continue to monitor any additional legislative developments as well as future debt profiles, but currently does not expect interest to be limited in the coming years.

In January 2023, the IRS issued interim guidance on the new 15% Corporate Alternative Minimum Tax (CAMT), which was enacted under the Inflation Reduction Act of 2022. The CAMT shall take effect from 2023 and shall be applicable to entities whose three-year average adjusted annual revenue (AFSA) exceeds $1 billion of all members of the foreign parent multinational group. The company is currently assessing the implications of this recent guidance, especially regarding foreign-owned inbound entities, to determine the applicability of these rules to Argos North America Corp. (ANAC), its foreign parent company and its foreign affiliated companies. At this time, we do not expect the CAMT to affect the ANAC based on the 2023 CAMT Analysis which concluded that “the ANAC is not an “applicable corporation” meeting the $500 million and $50 million thresholds under the Simplified Method provided in Notice 2023-7.”

Beginning in 2022, one of the delayed provisions of the Tax Cuts and Jobs Act (TCJA) of 2017 became effective, whereby research and development (R&D) and internal software development costs (IRS Section 174 costs) must now be capitalized and amortized over 5 years for activities performed in the United States and over 15 years if performed outside the United States. This change in law had an immaterial impact on the 2022 rent provision; however, this change could have a more pronounced impact in future years as the company expands its research and development activities and increases its use of proprietary software technology.

Panama:

The applicable income tax rate for 2023 is 25% (2022 25%).

Law No. 8 of 15 March 2010 modified the Alternate Income Tax Calculation, forcing any legal entity that accrues income in excess of one million five hundred thousand balboas (US$1,500,000) to determine as taxable income for such tax, the greater amount between: (a) the net taxable income calculated by the ordinary method established in Title I of Book Four of the Fiscal Code of Panama and (b) the net taxable income resulting from applying to the total taxable income, four point sixty-seven percent (4.67%).

Legal entities that incur losses by reason of the tax calculated under the presumptive method or that, by reason of the application of said presumptive method, its effective rate exceeds the tax rates applicable for the tax period in question, may request the General Revenue Directorate to authorize the calculation of the tax under the ordinary method of calculation.

According to the regulations, income tax returns of companies incorporated in the Republic of Panama are subject to review by the tax authorities for the last three years.

According to current Panamanian tax legislation in force, companies are exempt from paying income tax on foreign source earnings. Also exempt from income tax are interest earned on time deposits in local banks, interest earned on Panamanian government securities and investments in securities issued through the Panamanian Stock Exchange.

Tax losses may be deductible from the taxable income of the following five years, 20% each year, but limited to 50% of the taxable income of each year.

Honduras:

Companies resident in Honduras are taxed on territorial income. Non-resident companies are subject to corporate income tax only on income derived from Honduran sources.

Decree No. 25 of 20 December 1963 established the obligation to pay income tax for individuals or legal entities engaged in civil or commercial activities. According to Article No. 22, section a) of the income tax law, legal entities shall pay a rate of 25% on the net taxable income. Furthermore, through Decree No. 278 of December 2013, the Tax Equity Act was reformed establishing an income tax surcharge called Solidarity Contribution, equivalent to five percent (5%) applied on the excess of the net taxable income over one million lempiras (L1,000,000), which must be paid in four quarterly payments on the following dates; June, September, December and the last payment in April of each year. Tax returns open for audit are the years 2020, 2021, and 2022.

From 2017, the new tax code came into force. However, this has not been regulated, therefore there are no specific details for its application. This new regulation does not imply changes in tax rates, assets, or liabilities.

Dominican Republic:

Law No. 11 - 92 dated 31 May 1992, which institutes the Tax Code of the Dominican Republic, as amended, establishes the general provisions applicable to all domestic tax contributions and legal relationships arising therefrom. The income tax rate at 31 December 2023 and 2022 for companies located in the Dominican Republic is 27%.

Aruba:

Corporate income tax is levied on the profits of a company realized in Aruba in the form of an Aruban legal entity.

The corporate income tax rate for 2023 is set at 22% (2022: 25%). The taxable income consists of income less expenses, considering the limitations on the deduction of certain payments.

10.3 Income tax recognized through profit or loss for the period

Current and deferred income tax recognized in profit or loss as at 31 December corresponds to:

	2023	2022
Current tax		
For the current year	466,544	557,460
Compared to previous years (1)	4,098	61,301
Total current tax expense	**470,642**	**618,761**
Deferred tax		
Changes in temporary differences	205,027	182,531
Changes in tax laws and rates	-	(97,087)
Losses, tax credits and excess presumptive income used, net	105,370	114,661
Reclassification of deferred tax from equity to the statement of income	(10,344)	(4,930)
Total deferred tax expense	**300,053**	**195,175**
Total tax expense related to continuing operations	**770,695**	**813,936**
Total income tax expense	**770,695**	**813,936**

(1) Mainly corresponds to Cementos Argos S.A. and its subsidiaries.

The following is a reconciliation of the effective rate applicable to Grupo Argos S.A. and its subsidiaries:

	2023	2022
Earnings before income tax	2,230,693	2,254,277
Income tax (current and deferred)	**770,695**	**813,936**
Effective tax rate	34.55%	36.11%

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 was made, whose result is 28.85% for the year 2023, so it was not necessary to recognize 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%.

Reconciliation of the effective tax rate	2023	2022
Earnings before income tax	2,230,693	2,254,277
Statutory tax rate	35%	35%
Current tax expense at the legal rate applicable to companies	780,743	788,997
Adjustments related to current income tax from previous years	4,468	61,301
Effect of permanent tax differences and others:		
Profit not subject to income tax	(3,933)	(77,949)
Taxed dividends and shares	583,546	519,209
Untaxed dividends and shares	(321,702)	(314,912)
Sale of investments and untaxed fixed assets	4,438	41,212
Other untaxed income	(196,639)	(334,058)
Non-deductible expenses	142,193	318,066
Regime for foreign controlled entities, net	27,436	32,817
Other items	(267,682)	(177,195)
Net effect of temporary differences	45,601	146,680
Expense net of temporary differences	**798,469**	**1,004,168**
Use (generation) of tax losses or excess presumptive income	(10,775)	(44,270)
Effect of Tax Rate Differences by Foreign Subsidiaries	412	14,364
Effect of changes in tax rates due to tax reforms	-	(148,586)
Occasional income	916	416
Offsetting of excess presumptive income	(18,327)	(12,156)
Income tax expense based on financial statements at effective tax rate	**770,695**	**813,936**
Effective tax rate	34.55%	36.11%

10.4 Deferred income tax recognized directly through equity and other comprehensive income for the period

Deferred taxes generated by temporary differences arising from transactions recognized through other comprehensive income for the period were directly recognized in this account, as follows:

	2023	2022
Deferred tax		
Cash flow hedges	(40,077)	18,551
Remeasurements of Defined Benefit Plans	21,667	(12,787)
Valuation of equity instruments	(25,037)	(269,593)
Revaluation of property, plant and equipment	113	1,241
translating foreign operations	4,315	(3,227)
Deferred tax on share of associates and joint ventures recognized through other comprehensive income	(47,805)	(8,813)
Subtotal deferred tax recognized through other comprehensive income	**(86,824)**	**(274,628)**
Effect of the change in the income and occasional gain tax rate (1)	-	(135,082)
Total deferred tax recognized through other comprehensive income	**(86,824)**	**(409,710)**

(1) On 13 December the Colombian National Government issued Law 2277 of 2022, which adopts a tax reform for equality and social justice, with the purpose of supporting social spending. Among the main aspects, this law has a direct impact on the Company due to the increase in the income tax rate for occasional gains from taxable year 2023 from 10% to 15% and the introduction of additional points to the income tax rate for companies in the coal mining sector.

Decree 2617 of 29 December 2022, established the alternative of recognizing the value of the deferred tax derived from the change in the income tax rate and the additional points for companies in the coal mining sector, generated by the amendment to article 240 of the Colombian Tax Code introduced by article 10 of Law 2277 of 2022, within equity in the retained earnings of prior years. In compliance with the above, the Group chose to apply the alternative allowed by Decree 2617 of 2022, and therefore the financial statements were impacted with an increase in the deferred tax liability, as well as a reduction in retained earnings of prior years of $135,082, of which $115,492 corresponds to the decrease in retained earnings of controlling share and $19,590 of the portion corresponding to non-controlling interests.

10.5 Deferred tax assets and liabilities

The change in the Group's net deferred tax liability for the period ended at 31 December 2023 and 2022 is as follows:

2023	Opening balance	Included in profit or loss	Included in other comprehensive income	Acquisitions and Disposal	Other changes	Currency Translation	Closing balance
Current assets	(95,123)	303	-	-	(1,037)	(3,131)	(98,988)
Associates and joint ventures	77,094	(21,227)	-	-	-	-	55,867
Other equity investments	(342,883)	13,462	(68,407)	23,749	(29,959)	106	(403,932)
property, plant and equipment	(1,159,969)	(31,586)	113	-	(45,869)	100,861	(1,136,450)
Investment property	(345,919)	6,736	-	-	-	-	(339,183)
Intangible Assets	(362,284)	35,635	-	-	1,830	40,153	(284,666)
Other non-current assets	43,315	3,272	-	-	(1,684)	(5,959)	38,944
Provisions	24,405	2,578	-	-	16,585	(2,731)	40,837
Employee benefits	(5,557)	(10,637)	21,667	-	5,518	(1,608)	9,383
Financial liabilities	68,955	25,572	(61,276)	-	48,798	(59,570)	22,479
Financial Instruments	(30,988)	(2,058)	21,079	-	131	55,865	44,029
Financial leases	38,590	121	-	-	(14,995)	(5,977)	17,739
Other Liabilities	121,232	(13,957)	-	55	34,324	(1,644)	140,010
Deferred tax without tax credits	**(1,969,132)**	**8,214**	**(86,824)**	**23,804**	**13,642**	**116,365**	**(1,893,931)**
Tax losses	765,773	(264,045)	-	-	79,755	(43,442)	538,041
Excess presumptive income	49,619	(44,222)	-	-	-	-	5,397
Tax Credits	**815,392**	**(308,267)**	**-**	**-**	**79,755**	**(43,442)**	**543,438**
Total deferred tax	**(1,153,740)**	**(300,053)**	**(86,824)**	**23,804**	**93,397**	**72,923**	**(1,350,493)**

2022	Opening balance	Included in profit or loss	Included in other comprehensive income	Acquisitions and Disposal	Other changes	Currency Translation	Closing balance
Current assets	(71,072)	(26,801)	-	-	(465)	3,215	(95,123)
Associates and joint ventures	16,895	23,146	(8,813)	(5,609)	51,475	-	77,094
Other equity investments	32,596	(279)	(272,823)	(27,331)	(74,938)	(108)	(342,883)
property, plant and equipment	(1,041,636)	8,964	1,241	-	(39,682)	(88,856)	(1,159,969)
Investment property	(285,174)	25,570	-	(9,667)	(76,624)	(24)	(345,919)
Intangible Assets	(747,884)	12,902	-	62,344	336,425	(26,071)	(362,284)
Other non-current assets	33,536	5,791	-	-	-	3,988	43,315
Provisions	43,477	(2,260)	-	-	(18,414)	1,602	24,405
Employee benefits	9,277	2,269	(12,787)	-	(6,410)	2,094	(5,557)
Financial liabilities	99,771	11,351	30,802	-	(74,821)	1,852	68,955
Financial Instruments	(1,340)	(16,710)	(12,248)	-	-	(690)	(30,988)
Financial leases	30,212	3,586	-	-	(133)	4,925	38,590
Other Liabilities	(328,599)	56,215	-	342,294	50,768	554	121,232
Deferred tax without tax credits	**(2,209,941)**	**103,744**	**(274,628)**	**362,031**	**147,181**	**(97,519)**	**(1,969,132)**
Tax losses	1,203,707	(225,450)	-	-	(269,950)	57,466	765,773
Excess presumptive income	123,086	(73,469)	-	-	-	2	49,619
Tax Credits	**1,326,793**	**(298,919)**	**-**	**-**	**(269,950)**	**57,468**	**815,392**
Total deferred tax	**(883,148)**	**195,175**	**(274,628)**	**362,031**	**(122,769)**	**(40,051)**	**(1,153,740)**

The Group assesses the recoverability of its deferred tax assets arising from tax credits, reviewing the validity of the rights, the compensation times according to the regulations in each country, and estimating the probability of their use before their maturity, by analyzing the generation of sufficient future taxable income. When the analysis indicates that there is not a high probability that the deferred tax asset shall be fully utilized, the asset is reduced to its recoverable amount. In cases where it is concluded that it is not possible to use a deferred tax asset before its expiration, the asset is not recognized. Decreases in the deferred tax asset are recognized in income tax expense in the period in which it is concluded that it is not probable that all or part of the deferred tax asset shall be recovered.

To assess the likelihood of realizing the deferred income tax assets, the companies' financial and taxable income projections are considered, which include all available evidence, both positive and negative, including, among other factors, industry analysis, market conditions, expansion plans, tax strategies, tax structure and expected changes therein, the maturity of tax loss and other applicable tax credits, and the future reversal of temporary differences. Likewise, in each period, the variations between actual and estimated results are analyzed to determine whether such variations affect the amounts of such assets and to make the adjustments considered necessary, based on the relevant information available, which are recognized through profit (loss) for the period in which they are determined.

10.6 Deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences not recognized and unused tax losses and unused tax losses and credits by the Group are as follows:

Unused tax losses and credits	2023	2022
To one year	13,960	27,065
To more than one year and up to five years	27,348	47,114
More than five years	49,917	10,068
No time limit	145	145
Total Unused tax losses and credits	**91,370**	**84,392**

Excess presumptive income over ordinary liquid income	2023	2022
To more than one year and up to five years	109	109
Deductible temporary differences	**109**	**109**
Total unused tax benefits	**91,479**	**84,501**

10.7 Unrecognized taxable temporary differences from investments in subsidiaries, associates and joint Ventures

	2023	2022
Investments in subsidiaries (*)	6,482,897	10,685,407
Investments in associates and joint ventures	6,233,136	5,545,488

(*) Includes the temporary differences generated in Grupo Argos S.A. and in the intermediate parent companies Cementos Argos S.A., Celsia S.A. and Odinsa S.A.

Impact on deferred income tax assets from business combinations during the period:

During 2023 and 2022, there were no changes in the value of deferred income tax assets related to business combinations.

Impact on income tax for proposed or declared dividends before the issue of the consolidated financial statements and for the potential payment of dividends to its shareholders:

No dividends proposed by the Parent are presented before the consolidated financial statements have been authorized for issue, on which an income tax impact could be foreseen. The Group has no potential consequences on its tax return in the event of dividend payments to its shareholders.

Finality of declarations:

Group submits open periods of income tax returns for review by the tax authorities of each country in which they operate, which correspond to taxable periods between the year 2012 and 2022.

NOTE 11: OTHER FINANCIAL ASSETS

The balance of other financial assets at 31 December corresponds to:

	2023	2022
Financial assets at fair value through profit or loss (1)	778,821	496,141
Financial assets at fair value through other comprehensive income (2)	327,901	2,069,045
Financial assets measured at amortized cost (3)	-	571,507
Prepayments for purchase financial assets	2,275	-
Total Other financial assets	**1,108,997**	**3,136,693**
Current	45,233	763,678
Non-current	1,063,764	2,373,015
Total Other financial assets	**1,108,997**	**3,136,693**

(1) Financial assets measured at fair value through profit or loss comprise:

Investment	2023 (USD)	2022 (USD)	2023	2022
Fixed-Rate Certificate of Deposit (CD)	-	-	531,233	181,824
Sura SA LTD – Cell Captive Celsia (i)	30,207,762	28,159,269	115,456	135,452
Banistmo S.A. – Trust rights (ii)	23,208,486	24,208,486	88,704	116,448
Sura SAC LTD – Cell Captive Grupo Argos (iii)	10,484,638	10,186,477	40,073	48,999
Investments in trusts	-	-	3,080	2,852
Other Miscellaneous Investments	-	-	275	10,566
Total financial assets at fair value through profit or loss	**63,900,886**	**62,554,232**	**778,821**	**496,141**

(i) Right to financial assets of Celsia S.A. on the risk retained in share of the Cell Captive in relation to the current property damage insurance policy.

According to the operation of the Cell, the resources invested in Sura SAC LTD. in the cell 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 investment measured at fair value through profit or loss.

In the event of a claim, any obligation shall be supported by the resources existing in the captive company cell, a situation in which the change in the fair value of the financial asset resulting from the claim shall be recognized, charged to profit or loss. If the claim involves a greater obligation of the resources existing in the cell, an obligation must be recognized in favor of Sura SAC LTD for the resources that it must pay and that it does not cover with what is maintained in the cell.

(ii) Corresponds to the liquidation trust of Bahía Las Minas Corp. whose purpose is to guarantee the disposal and sale of certain assets of the company for the repayment of its loans. As at December 2023, the valuation reflected no loss (2022 $21,200 USD 4.4 million) (Note 37 Other income, net).

(iii) Corresponds to the investment delivered as capital by Grupo Argos S.A. to Cell Captive through Sura SAC LTD.

(2) Financial assets measured at fair value through other comprehensive income (OCI) correspond to investments held for medium- and long-term strategic purposes. These assets are measured at fair value, except for certain minor investments which, in the absence of Level 1 inputs (quoted prices), the Group assumes the position of holding them at cost; in addition, the costs involved in performing the valuation would be greater than the benefits obtained.

These investments correspond mainly to the company Sociedad Portafolio S.A. for $279,206, of which $280,926 correspond to the spin-off of Grupo Nutresa S.A., registered in Public Deed No. 3838 signed on 14 December 2023 and ($1,720) for changes recorded in this investment for the valuations calculated through the reference price formula in the period between 15 and 31 December 2023. The Group classified the equity investment in Grupo Nutresa S.A. as a non-current asset held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations and Note 47 Significant events).

In 2022, these investments mainly correspond to the shares of Grupo Nutresa S.A. $2,013,348 in which, at 31 December 2022, the Group has 9.88% share, equivalent to 45,243,781 shares. Thus, the accounting recognition of its valuation is made through other comprehensive income (OCI) using prices from an active market (Colombian Stock Exchange).

Likewise, Grupo Argos S.A. and its subsidiaries Cementos Argos S.A. and Odinsa S.A. have made investments in the companies Occipital INC. (construction process automation), Innowatts (Energy), Quantela Inc. (technology) and Bird Global INC. (micro-mobility) for $26,882 (USD 7.0 million) (2022 $33,858 - $7.0 million), classified as financial assets at fair value through other comprehensive income, the value of which is updated to the share price of the most recent round of financing. These capital investments allow the Group to explore new business, either for the purposes of or complementary to current ones, with a long-term development horizon on the technologies that are shaping the future.

No transactions were made with these investments during 2023.

During 2022, the following transactions were carried out:

Bird Global Inc. Grupo Argos S.A. sells 42,026 shares of Bird Global Inc. for $41 (USD 8,438.18).

Innowatts. Grupo Argos S.A. and Celsia Centroamérica S.A. elected not to participate in new rounds of investment in Innowatts, which negatively impacted fair value measurement of the investment for $5,892.

Dividends recognized in the revenue item of the consolidated statement of income for financial assets measured at fair value through other comprehensive income for the period ended 31 December correspond to:

	Dividends from investments held at the end of the period	
	2023	2022
Grupo Nutresa S.A.	61,095	42,891
Other investments	184	287
Total dividend income	**61,279**	**43,178**

No dividends were received from derecognized investments during 2023 and 2022.

(3) In 2022, it corresponds to short-term Fixed-Rate Certificate of Deposit CDs.

NOTE 12: **PREPAID EXPENSES AND OTHER NON-FINANCIAL ASSETS**

The balance of prepaid expenses and other non-financial assets at 31 December comprises:

	2023	2022
Other prepaid expenses (1)	103,091	110,625
Tax assets (2)	93,526	102,281
Insurance (3)	69,248	77,819
Related parties (Note 41)	41,921	19,981
Services	26,594	26,251
Other non-financial assets (4)	94,376	150,268
Total prepaid expenses and other non-financial assets	**428,756**	**487,225**
Current	334,380	336,957
Non-Current	94,376	150,268
Total prepaid expenses and other non-financial assets	**428,756**	**487,225**

(1) Mainly corresponds to capitalizable expenditures for readiness of the United States business of Cementos Argos S.A. on the New York Stock Exchange (NYSE) for $80,250 (2022 $79,015), as well as payment for leaves of absence, prepaid medicine and supplementary health plan.

(2) Includes prepayment, withholding and self-withholding of industry and commerce taxes, VAT withheld, favorable balance in private settlement, royalties and non-income tax contributions.

(3) It corresponds to insurances contracted by the Group to safeguard its productive assets, mainly covering property damage caused by civil liability, fire, explosion, short circuit, natural disasters, terrorism and other risks.

(4) Includes assets receivable from Prime Colombia for the sale of Zona Franca Celsia S.A. E.S.P. made by Celsia S.A. for $77,796 (2022 $137,926), as set forth in the PPA (*Power Purchase Agreement*) contract for $35 million, prepayments for acquisition of investments from Celsia Centroamérica S.A. for $3,910 and net assets of the liability associated with the pension gap closing plan, net of the liability of the actuarial calculation of the same with Group benefit for $2,353 (2022 $2,224), among others.

NOTE 13: **ASSETS AND LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS**

13.1 Assets and liabilities associated with non-current assets held for sale

Assets and liabilities associated with non-current assets held for sale correspond mainly to the following transactions:
1. Hydroelectric generation assets in Panama and non-conventional renewable energy in Costa Rica. This agreement was concluded in 2023, thus assets and liabilities classified as held for sale were disposed of in that period.
2. Plan for the sale of assets and cancellation of liabilities of the company Bahía las Minas Corp.
3. Investment in the joint business CNC del Mar S.A.S. E.S.P.
4. 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., a company holding shares of Grupo de Inversiones

Suramericana S.A. and Grupo Argos S.A., according to the Framework Arrangement entered on 16 June 2023 between Grupo Argos S.A., JGDB Holding S.A.S., Nugil S.A.S, IHC Capital Holding L.L.C, Grupo Nutresa S.A., and Grupo de Inversiones Suramericana S.A.

5. Arrangement between Grupo Argos S.A., Odinsa S.A., and Macquarie Asset Management (MAM) This arrangement was concluded in June 2023, thus assets and liabilities classified as held for sale were disposed of in that period.

The following is the breakdown of assets and liabilities classified as held for sale:

	2023	2022
Assets		
Cash and cash equivalents (Note 6)	1,989	1,027,673
Trade and other receivables	60,061	201,964
Inventories, net	-	27,753
Right-of-use assets	-	2,930
Intangible Assets, net	776	1,800,786
Goodwill	-	912,300
Property, plant and equipment, net	8,943	1,606,078
Investment property	236	40,891
Investments in associates and joint ventures	2,406	449,602
Other financial assets	2,035,970	-
Deferred tax assets	-	10,797
Other assets	1,864	88,795
Total Assets	**2,112,245**	**6,169,569**
Liabilities		
Borrowings	-	419,280
Lease liabilities	-	3,165
Employee benefits liabilities	-	9,429
Provisions	-	2,044
Trade and other payables	628	849,493
Tax liabilities	-	9,715
Bonds	-	2,043,657
Other Liabilities	-	173,004
Total Liabilities	**628**	**3,509,787**
Total net assets	**2,111,617**	**2,659,782**

Chane in Assets and liabilities associated with non-current assets held for sale for sale between 31 December 2023 and 2022, mainly corresponds to the completion of the arrangement between Grupo Argos S.A., Odinsa S.A. and Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica in June 2023, and the improvement of the sale of hydroelectric generation assets in Panama and non-conventional renewable energy in Costa Rica.

1. Hydroelectric generation assets in Panama and non-conventional renewable energy in Costa Rica

On 5 May 2023, the subsidiaries Celsia Centroamérica S.A. and Enerwinds de Costa Rica S.A. entered into a share purchase agreement with Fontus Spain S.L.U (subsidiary entity of EnfraGen, LLC).

Celsia S.A., through its subsidiary Celsia Centroamérica S.A., completed the sale operation of a portion of its electrical assets in Panama and Costa Rica to Fontus Spain S.L.U., an EnfraGen LLC company, which operates renewable energy and network stability assets in Latin America. With this transaction, Celsia receives an amount of USD 194 million for its shares and reduces its debt by USD 198 million.

Resources from the sale allow the Group to obtain the liquidity necessary to reduce the level of indebtedness and advance opportunities for international growth.

Assets sold in Central America are:

- Dos Mares hydroelectric complex in Chiriqui (Panama), with a capacity of 119 MW, which consists of the hydroelectric power plants: Prudencia (60 MW), Lorena (33,7 MW) and Gualaca (25 MW).
- Solar Farms: Divisa and Celsolar (Panama) of 19.7MW together.
- Planta Eólica Guanacaste (Costa Rica) with 49.5 MW capacity.

With this contract, 100% of the shareholding and operating share of Celsia Centroamérica S.A. is disposed of in Alternegy S.A., Bontex S.A., Celsolar S.A. and Divisa Solar 10 MW S.A. Likewise, the disposal of all the shares held by Enerwinds de Costa Rica S.A. at Planta Eólica Guanacaste S.A. and the assignment of large customer contracts in Panama.

Celsia S.A. continues to have a presence in Panama, Costa Rica and Honduras, with a focus on the solar energy business for enterprise customers, where it expects to reach 200 MW of installed capacity by 2026. In addition, in the expansion of the transmission and distribution asset management model, and in energy efficiency solutions.
Financially, the effects of this transaction shall allow the Group to strengthen its liquidity position, improve the return on invested capital (ROCE) and reduce consolidated debt, which shall reduce finance expenses.

The balance as at December 2023 and 2022 of assets, net of hydroelectric generation in Panama and non-conventional renewable energy in Costa Rica is $0 (2022 $1,902,962). The breakdown of assets, net, is detailed below:

	2022
Assets	
Cash and cash equivalents	112,791
Trade and other receivables	76,610
Inventories, net	21,093
Right-of-use assets	2,296
Intangible Assets, net	258,356
Goodwill	787,660
Property, plant and equipment, net	1,599,200
Deferred tax assets	10,797
Other assets	41,555
Assets	**2,910,358**
Liabilities	
Borrowings	50,723
Lease liabilities	2,785
Employee benefits liabilities	1,845
Provisions	1,778
Trade and other payables	61,760
Tax liabilities	638
Bonds	887,867
Liabilities	**1,007,396**
Total net assets	**1,902,962**

Net assets reclassified as assets and liabilities held for sale at 31 December 2022, do not represent a primary line of business or a geographical area of operations, nor is it part of a single coordinated plan to have a separate main line of business or geographical area of operations, in accordance with which it is not considered a discontinued operation.

2. Plan for the sale of assets and cancellation of liabilities of the company Bahía las Minas Corp.

As at 31 December 2023, the definitive assignment of the energy and sale of energy contract to Celsia Centroamérica S.A. is pending, which is subject to the approval of the National Public Services Authority - ASEP, which causes assets remaining for $4,003 (2022 $15,847) and liabilities for $628 (2022 $5,211), classified as held for sale as a result of the brokerage of Bahía Las Minas Corp. Assets correspond to cash and cash equivalents of $1,989 (2022 $2,445), trade and other receivables of $150 (2022 $10,366), inventories of $0 (2022 $3,036), and other assets of $1,864 (2022 $0).

The operation of Bahía Las Minas, Corp. reclassified as assets and liabilities held for sale at 31 December 2022, do not represent a primary line of business or a geographical area of operations, nor is it part of a single coordinated plan to have a separate main line of business or geographical area of operations, in accordance with which it is not considered a discontinued operation.

During 2021, the activities defined in the asset disposal and loan repayment plan defined by shareholders in 2020 were executed. This plan included the sale of assets, the payment of cash loans, the payment of loans with securities of a settlement trust, and the forgiveness of balances with their corresponding settlement; as well as the establishment of a liquidation trust for guaranteeing the disposal and sale of certain assets of the company for the repayment of its loans. Property, plant and equipment and inventories were delivered to this trust at their realizable value.

As at 31 December 2023, the company is inactive and in the process of dissolution. In accordance with Panamanian laws when a company is dissolved, it ceases to exist, but the regulations of that country extend its existence for three years to resolve any dispute that may arise, as at the date of these financial statements balances remain in some working capital accounts, which shall be closed if the closing of the company is perfected. As a result of this process, shareholders shall not receive assets, nor shall they have to assume additional liabilities.

3. Investment in the joint venture CNC del Mar S.A.S. E.S.P. (hereinafter CNC del Mar)

At the closing of 2023, Celsia S.A. is developing a negotiation process for the payment of debts to Celsia Colombia S.A. E.S.P. by CNC del Mar, Hospital Serena del Mar, and Neo Domus, as well as the debts of the Hospital, Neo Domus and Novus to CNC del Mar, including in this negotiation the provision of the investment of the joint venture of CNC del Mar which contemplates the delivery or assignment of shares to Novus Civitas, current counterparty in the joint business and the recovery of the portfolio mentioned by the payment in kind of some assets; an operation that is expected to be completed in a maximum of 12 months and with which it seeks to achieve greater operational efficiencies and returns on the assets currently held by the Group.

As a result of the above, Celsia Colombia S.A. E.S.P. reflected in its financial statements the investment in CNC del Mar, as well as the assets and liabilities in the scope of the transaction related to the participants in the operation as held for sale. Assets reclassified to non-current assets held for sale consist of trade and other receivables of $59,911 (2022 $0) and investments in associates and joint ventures of $2,406 (2022 $0).

Assets classified as held for sale, at the closing of 2023, were measured at the lesser of their book value and fair value less disposal costs at the time of reclassification, for which an impairment loss of $3,462 (2022 $0) was recognized. The non-recurring fair value measurement of the group of assets for disposal has been classified as a Level 3 fair value and has been determined based on the trading price.

The investments being reclassified to assets and liabilities held for sale do not represent a separate primary line of business or geographical area of operations, nor is it part of a single coordinated plan to have a separate primary line of business or geographical area of operations, and therefore are not considered discontinued operation.

4. 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, Grupo Argos S.A. signed with JGDB Holding S.A.S, Nugil S.A.S, International 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 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, on 16 June 2023, the Framework Arrangement was signed between the Parties that establishes the terms of exchange of Group’s share 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., a company holding shares of Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A.

On 14 December 2023, the spin-off of Grupo Nutresa S.A was recorded by means of Public Deed No. 3838, the company Sociedad Portafolio S.A. being created. 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 (Note 11 Other financial assets).

As at 31 December 2023 and 2022, the investment classified as held for sale corresponding to the shares of Grupo Nutresa S.A. is $2,035,970 (2022 $0).

5. Arrangement between Grupo Argos S.A., Odinsa S.A., and Macquarie Asset Management (MAM)

On 28 September 2022, an agreement was signed between Grupo Argos S.A., Odinsa S.A. and Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, for: (i) the sale of 50% share held by the Group in Opain S.A., (ii) the sale of 50% share held by Odinsa S.A. at Corporación Quiport S.A., Quito Airport Management (Quiama) LTD, and International Airport Finance, S.A., (iii) the sale of 50% of the disbursements incurred for the development of the new Cartagena airport, the Campo de Vuelo, and El Dorado Max (expansion of the Bogotá Airport System), and (iv) the subsequent structuring of the airport asset management platform “Odinsa Aeropuertos”, together with the establishment of a private equity fund.

Once the conditions established for the closing of the operation have been met, Macquarie Infraestructure MIP Cinco Transporte Iberoamérica SL, Odinsa S.A., and Grupo Argos S.A., announced on 29 June 2023 the consolidation of their strategic alliance and reported the start of operations of the airport platform, in which each holds 50% share.

The platform began its operation focused on the management of the Sociedad Concesionaria Operadora Aeroportuaria Internacional Opain S.A. in charge of the El Dorado de Bogota airport, and Corporación Quiport S.A., responsible for Mariscal Sucre of Quito airport.

In June 2023, this alliance involved the loss of control that Grupo Argos S.A. had. about Opain S.A. This resulted in assets of $2,512,850 and liabilities of $2,248,567, previously classified as held for sale, being disposed of. As at 31 December 2022, assets classified as non-current assets held for sale amounted to $3,093,494 and liabilities to $2,497,180.

Likewise, at 31 December 2023, the sale of intangible assets associated with projects related to the initiatives of the new Cartagena airport, the Campo de Vuelo and El Dorado Max was perfected, according to the agreement signed between the parties and that were previously classified as non-current assets held for sale, for a value of $0 (2022 $24,289).

As at 31 December 2023, intangible assets classified as assets held for sale related to the Perimetral de la Sabana project are available, for $776 (2022 $0), whose objective is to promote the regional integration of the north with the center and south of the Sabana de Bogota.

As part of the consolidation of the road assets platform Odinsa Vías, Odinsa S.A. sold 50% of its interest in intangible assets related to the projects of the private Perimetral de la Sabana and Connect Centro initiatives to Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica (related party of Macquarie Asset Management) for a value of $8,555.

In March 2023, Odinsa S.A. subsidiary of Grupo Argos S.A. performed the following operations:

- Sold 50% and contributed as capital the remaining 50% of the economic rights it held over the shares of Concesión Vial de los Llanos S.A.S., including subordinated debt and interest generated at 31 March 2023, to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías). This transaction involved the recognition of an account receivable for $46,394 from the sale, and an increase in the joint shares in the Fund for the same value, in its contribution component. During this same period, an impairment of value was recognized on these assets of $16,571 (Note 37 Other income, net).

- Sold and contributed in the same mentioned proportion the political rights of the shares of Concesión Vial de los Llanos S.A.S. to Odinsa Vías S.A.S., for a value of $2,050. Recognized a receivable of $1,025 and the remaining 50% as an increase in Odinsa Vías S.A.S.'s share.

Share held by Odinsa S.A. in Concesión Vial de los Llanos S.A.S. before the sale and contribution transaction was 41%. As at December 2023 and December 2022, the amount classified as held for sale for shares and capital of the subordinated debt was $0 (2022 $85,847) and for interest on the subordinated debt was $0 (2022 $23,079).

The net assets associated with the arrangement between Grupo Argos S.A., Odinsa S.A., and Macquarie Asset Management (MAM) as at December 2022 are detailed below:

	2022
Assets	
Cash and cash equivalents	912,437

	2022
Trade and other receivables	91,910
Inventories, net	3,624
Right-of-use assets	634
Intangible Assets, net	1,542,430
Goodwill	124,640
Property, plant and equipment, net	6,824
Investments in associates and joint ventures	363,755
Other assets	47,240
Assets	**3,093,494**
Liabilities	
Borrowings	368,557
Lease liabilities	381
Employee benefits liabilities	7,584
Provisions	266
Trade and other payables	782,521
Tax liabilities	9,077
Bonds	1,155,790
Other Liabilities	173,004
Liabilities	**2,497,180**
Total net assets	**596,314**

Property, plant and equipment include $8,943 (2022 $54) mainly from subsidiary Odinsa S.A. for $8,538 (2022 $0), which correspond to construction and excavation work in civil infrastructure works acquired from Consorcio Farallones and Construcciones el Condor S.A., Sator S.A.S. for $405 (2022 $0) and Cementos Argos S.A. for $0 (2022 $54).

As at 31 December 2023 and 2022. investment property classified as held for sale include non-operational real estate that are expected to be realized through a sale transaction. In June 2023, Cementos Argos S.A. sold the La Gabriela lot for $39,394 (2022 $39,866), this sale generated a loss of $472 and did not have an impact on current tax or deferred tax as it was a social interest housing lot. Additionally, a transfer of non-current assets held for sale to investment property was made for $955.

13.2 Discontinued operations

As at 31 December 2023 and 2022, the Group has no non-current assets held for sale classified as discontinued operations.

NOTE 14: **GOODWILL**

14.1 Allocation of goodwill by operating segment

	Cement	Energy	Concessions	Total
Gross value	2,762,568	453,952	64,237	3,280,757
Accumulated impairment (1)	(750,718)	(126,501)	(64,237)	(941,456)
Goodwill as at 31 December 2022	**2,011,850**	**327,451**	**-**	**2,339,301**
Gross value	2,198,261	393,824	64,237	2,656,322
Accumulated impairment (1)	(596,500)	(122,079)	(64,237)	(782,816)
Goodwill as at 31 December 2023	**1,601,761**	**271,745**	**-**	**1,873,506**

(1) For the Cement segment, the change in accumulated impairment between 2023 and 2022 corresponds to currency exchange rate differences.

Goodwill is allocated at the operating segment level since it is operated by the Management at that level, both for financial reporting purposes and for impairment testing. Impairment losses are recognized as expenses in the consolidated statement of income in the other expenses item.

14.2 Changes in goodwill by operating segment

	Cement	Energy	Concessions	Total
Goodwill as at 1 January 2022	**1,862,913**	**1,010,419**	**337,793**	**3,211,125**
Sale of businesses (1)	(223,183)	-	(148,916)	(372,099)
Impairment (2)	-	(31,061)	(64,237)	(95,298)
Currency translation effect	372,120	135,753	-	507,873
Non-current assets held for sale (3)	-	(787,660)	(124,640)	(912,300)
Goodwill as at 31 December 2022	**2,011,850**	**327,451**	**-**	**2,339,301**
Additions (4)	296	-	-	296
Impairment (2)	(160)	(55,706)	-	(55,866)
Currency translation effect	(410,225)	-	-	(410,225)
Goodwill as at 31 December 2023	**1,601,761**	**271,745**	**-**	**1,873,506**

(1) During 2022, the following sales operations of subsidiaries and groups of assets constituting a business that represented decrease in goodwill were performed:

On 31 March 2022, Argos USA LLC - a subsidiary of Cementos Argos S.A. - sold 23 concrete plants, including equipment, buildings, land and inventory to Smyrna Ready Mix Concrete, LLC. for USD 94 million. The selling price of the assets, less the book value of the assets delivered generated an accounting gain on disposal of business for $93,324 (USD 21.9 million), and an increase in current tax expense of $6,507 (USD 1.5 million) and deferred tax of $55,213 (USD 13 million), presented in the other operating income and expenses and income tax items of the consolidated statement of income. This sale implied the derecognition of goodwill associated with such assets for $223,183. The assets disposed of meet the definition of business established in IFRS 3 Business Combinations.

In June 2022, control over the concessions Túnel Aburrá Oriente S.A., Autopistas del Café S.A. (including its share in the Fideicomiso de Autopistas del Café), Consorcio Grupo Constructor Autopistas del Café and Concesión Vial de los Llanos S.A.S. was lost, generating a decrease of goodwill for $148,916.

(2) For the Energy segment, it corresponds to the impairment of goodwill on the assets of the company Porvenir II S.A.S., subsidiary of Celsia S.A., for $55.706 (2022 $31.061), given the impact on the flows discounted by the postponement of the entry into operation of the project before the provisional suspension of the environmental license, recognized from impairment tests in accordance with IAS 36 Impairment of Assets.

In the Cement segment, in April 2023, goodwill associated with Argos Dominicana de la regional Caribe was impaired due to having no expectation of recovery through future expected cash flows, recognizing in the consolidated statement of income an Impairment loss of $188, which includes $28 in currency translation.

The Group recognized impairment of goodwill of the concessions segment in 2022 for $64,237, taking as reference the recoverable value of Corporación Quiport S.A., International Airport Finance S.A., and Quito Airport Management LTD. which correspond to the airport assets in Ecuador associated with this segment.

Goodwill impairment losses for $55,894 (2022 $95,298) were recognized through profit (loss) for the period at the closing of the reporting period.

(3) On 28 September 2022 Odinsa S.A. subsidiary of the Group and Macquarie Infrastructure and Real Assets (MIRA) agreed to jointly manage and run the airport assets owned by Grupo Argos S.A. and Odinsa S.A. The assets subject to the operation have goodwill allocated for taking control by Grupo Argos S.A. over Odinsa in 2015 for $124,640, which was reclassified into non-current assets held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).
In 2022, Celsia S.A. subsidiary of Grupo reclassified goodwill associated with the Central America operating segment as non-current assets held for sale for $787,660 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

(4) On 10 March 2023, Cementos Argos S.A., a subsidiary of the Group, through its subsidiary Corporaciones e Inversiones del Mar Caribe S.A.S., acquired 50% of the stake in the company Framing Colombia S.A.S. It then acquired an additional 20% on 19 May resulting in a total acquisition of 70%. The corporate purpose of the

acquired company is the study, planning, contracting, design, and construction of houses, warehouses and other types of works through the implementation of alternative, lightweight, resistant and environmentally friendly construction systems. Through this purchase, 10,500 shares are acquired, resulting in a total purchase price of $1,117, of which $950 correspond to the purchase price and $167 correspond to a contingent payment. The agreed purchase value of $950 was paid in cash on the date of the transaction. The acquired subsidiary constitutes a business in accordance with the requirements of IFRS 3 Business Combinations, so there was recognition of goodwill for $296 (Note 42 Business combinations).

14.3 Analysis of goodwill impairment

IAS 36 Impairment of Assets requires that at the end of the reporting period, the existence of indicators of impairment of non-current assets is assessed, based on available external and internal information, and goodwill is tested for impairment. The Group reviews the carrying amount of non-current assets and goodwill for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. If the value of the assets is estimated (using different valuation methodologies) to be less than the carrying value, the carrying amount of the non-current asset is not recoverable, and impairment loss is recognized in the consolidated statement of income.

Accordingly, The Group performed impairment tests based on the fair value less disposal costs of its operating segments, using the discounted cash flow model and the dividend discount model as main valuation techniques.

The key assumptions used by the Group in determining fair value less disposal costs are as follows:

Key assumption	Description
Cash flow projection indexes	Revenue, costs and operating expenses projected by the Group correspond to the estimates for the different businesses of each of the assets being valued. These projections consider operating performance, business strategy, potential risks, and the geographical environment in which they operate. The projection reflects the defined strategy and integrates the initiatives for the continuity and growth of the assets.
Cash flow projection period	The period defined by Management for the projection of cash flows is between 5 and 10 years according to the state of maturity of each asset, and a perpetuity value is calculated according to the long-term view. For finite life businesses, the projection of cash flows corresponds to the useful life of each asset.
Discount rate applied to cash flow projections	The Group uses the Capital Asset Pricing Model (CAPM) to determine the discount rate, which uses as main variables: Risk Free Rate, Beta, Market Premium, Country Risk Premium. The sources used to determine these variables consist of sources widely recognized by the market. These include, but are not limited to J.P. Morgan, Capital I.Q., IMF (International Monetary Fund), EIU (The Economist Intelligence Unit), among others. The discount rate used to discount the cash flows and calculate the fair value is the Weighted Average Cost of Capital (WACC) and the cost of equity. The discount rates are subject to changes in the macroeconomic environment, as well as in the characteristics of each of the sectors and business segments.
Growth rate	Perpetuity corresponds to the value of the company at the end of the explicit period. The growth rate is defined considering not exceeding the growth expectations of the country of operation and business segment and the average growth of the flows of the last years of the explicit period.

For 2023 and 2022, cash flows beyond the explicit period were extrapolated using a 0% real-world growth rate for the Cement and Energy segments. For the Parent Company and its subsidiaries, this is a conservative approach that reflects the normal growth expected for the industry if there are no other unexpected factors that could impact growth.

The range of discount rates used in the valuation of the goodwill allocated to operating segments for 2023 was: Cements [9.6% – 11.6%], Celsia [8.0% – 10.4%] and Odinsa [10.07% – 12.0%].

The range of discount rates used in the valuation of the goodwill allocated to operating segments for 2022 was: Cements [8.9% – 13.4%], Celsia [8.3% – 10.1%] and Odinsa [9.6% – 12.8%].

To determine the fair value of the assets and liabilities held by Odinsa S.A. through Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías), independent experts with recognized professional capacity and experience in the valuation of this type of assets were hired (Note 18 Investments in associates and joint ventures).

NOTE 15: **INTANGIBLE ASSETS, NET**

The balance of intangible assets, net at 31 December, comprises

	2023	2022
Trademarks, customer lists, and related (1)	236,320	360,919
Concessions and rights (2)	121,919	162,575
Patents, licenses, and software (3)	80,480	105,437
Intangible assets in progress (4)	23,416	42,806
Other (5)	83,398	92,175
Total intangible assets other than capital gains, net	**545,533**	**763,912**

(1) The Group's trademarks, customer lists, and related intangible assets come from the subsidiaries Cementos Argos S.A. for $236,320 (2022 $360,919), mainly, from Cementos Argos S.A.'s customer lists. in Honduras and Puerto Rico for $224,715 (2022 $343,564) and trademarks of Cementos Argos USA for $11,605 (2022 $17,355),

(2) The intangible assets of concessions and rights correspond to the subsidiary Cementos Argos S.A. for mining title rights for $57,048 (2022 $95,471) and rights on contracts for $64,871 (2022 $67,104).

In 2022, the recognized concessions based on IFRIC 12 Concession contracts correspond to: El Dorado International Airport, the Planta Eólica Guanacaste, and the concession of power plants in Panama were reclassified as non-current assets held for sale for a value of $1,676,411 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

(3) Patents, licenses and software correspond mainly to Celsia S.A. and its subsidiaries necessary for the operation of the generation asset control systems for $37,834 (2022 $51,910) and to Sator S.A.S for environmental license PIT3X for $34,283 (2022 $36,290).

(4) Intangible assets in progress correspond mainly to Odinsa S.A. and its subsidiaries for projects in development of the private Perimetral de la Sabana initiatives for $9,408 (2022 $0), Conexión Centro for $0 (2022 $7,283), Nuevo Aeropuerto de Cartagena for $0 (2022 $15,939), Campo de Vuelo for $0 (2022 $4,263), El Dorado Max for $0 (2022 $4,087); and Sator S.A.S., mainly for mining developments for the PIT 3X project $11,648 (2022 $9,982).

During 2023, borrowing costs were capitalized on intangible assets in progress for $0 (2022 $4,392). As at 30 May 2022, borrowing costs of $4,392 were capitalized with an average rate of 5.14%, which corresponded to the Concesión Vial de los Llanos and over which the Group lost control in June 2022 causing the balance of borrowing costs capitalized in the consolidated statement of financial position to amount to $0.

(5) The other intangible assets mainly correspond to Celsia S.A. and its subsidiaries for easements for $37,464 (2022 $38,305), a 10-year loss reduction plan contemplated by Resolution CREG 015 of 2018 for $34,033 (2022 $26,645) and usufruct contracts for the development of photovoltaic projects in Palmira Valle for $11,185 (2022 $11,570).

Below is the breakdown of changes in intangible assets during the reporting periods:

Historical cost	Trademarks, customer lists, and related	Concessions and rights	Patents, licenses, and software	Intangible assets in progress	Other	Total
1 January 2023	**1,363,601**	**512,037**	**488,830**	**52,591**	**135,667**	**2,552,726**

Historical cost	Trademarks, customer lists, and related	Concessions and rights	Patents, licenses, and software	Intangible assets in progress	Other	Total
Additions, other than internally generated assets (1)	16	-	505	18,975	-	19,496
Assets classified as held for sale (2)	-	-	-	(11,362)	-	(11,362)
Translation effect	(279,060)	(41,386)	(11,272)	(147)	(170)	(332,035)
Sales and Withdrawals (3)	-	(1,359)	(2,887)	(35,966)	-	(40,212)
Transfers (5)	-	800	9,199	(675)	12,893	22,217
Other changes	(16)	-	(136)	-	-	(152)
Historical cost	**1,084,541**	**470,092**	**484,239**	**23,416**	**148,390**	**2,210,678**
Amortization and impairment						
1 January 2023	**1,002,682**	**349,462**	**383,393**	**9,785**	**43,492**	**1,788,814**
Amortization (6)	57,699	24,600	33,611	-	21,583	137,493
Translation effect	(212,160)	(25,437)	(10,426)	-	(83)	(248,106)
Sales and Withdrawals (3)	-	(443)	(2,746)	(1,613)	-	(4,802)
Impairment loss	16	-	-	(8,172)	-	(8,156)
Other changes	(16)	(9)	(73)	-	-	(98)
Amortization and impairment	848,221	348,173	403,759	-	64,992	1,665,145
Intangible Assets, net	**236,320**	**121,919**	**80,480**	**23,416**	**83,398**	**545,533**

Historical cost	Trademarks, customer lists, and related	Concessions and rights	Patents, licenses, and software	Intangible assets in progress	Other	Total
1 January 2022	**1,158,939**	**6,027,680**	**408,105**	**108,141**	**113,482**	**7,816,347**
Additions, other than internally generated assets (1)	-	38,340	14,692	27,666	11,885	92,583
Assets classified as held for sale (2)	(24,950)	(3,910,295)	(18,264)	(24,289)	-	(3,977,798)
Translation effect	229,612	161,540	9,302	152	36	400,642
Sales and Withdrawals (3)	-	(74)	(1,747)	(22,763)	-	(24,584)
Loss of control of a subsidiary or business (4)	-	(1,764,927)	(1,003)	-	-	(1,765,930)
Transfers (5)	-	(39,746)	75,240	(36,316)	10,958	10,136
Other changes	-	(481)	2,505	-	(694)	1,330
Historical cost	**1,363,601**	**512,037**	**488,830**	**52,591**	**135,667**	**2,552,726**
Amortization and impairment						
1 January 2022	**798,085**	**2,431,657**	**344,369**	**-**	**22,478**	**3,596,589**
Amortization (6)	59,251	286,931	39,626	-	17,226	403,034
Assets classified as held for sale (2)	(19,427)	(2,150,444)	(7,141)	-	-	(2,177,012)
Translation effect	164,773	88,255	8,434	-	36	261,498
Sales and Withdrawals (3)	-	(60)	(1,088)	-	-	(1,148)
Loss of control of a subsidiary or business (4)	-	(270,106)	(748)	-	-	(270,854)
Impairment loss	-	-	-	9,785	-	9,785
Transfers (5)	-	(36,602)	(36)	-	3,592	(33,046)
Other changes	-	(169)	(23)	-	160	(32)
Amortization and impairment	1,002,682	349,462	383,393	9,785	43,492	1,788,814
Intangible Assets, net	**360,919**	**162,575**	**105,437**	**42,806**	**92,175**	**763,912**

(1) The additions of intangible assets correspond mainly to Odinsa S.A. and its subsidiaries for the capitalization of infrastructure projects for $15,133 (2022 $12,425). In 2022, it includes capitalization of borrowing Costs of the Concesión Vial de los Llanos S.A.S. $30,101 and capitalization of works of the intangible asset of El Dorado de Bogotá International Airport for $7,502. Concesión Vial de los Llanos was sold in June 2022 and the El Dorado de Bogotá Airport concession was classified as held for sale in September 2022 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations and Note 47 Significant events).

(2) Corresponds to reclassifications of intangible assets of projects related to private Connection initiatives Center for $7,088 (2022 $0), Perimetral de la Sabana for $1,544 (2022 $0), Campo de Vuelo for $548 (2022 $4,263), El Dorado Max for $783 (2022 $4,087) and Nuevo Aeropuerto de Cartagena for $700 (2022 $15,939) as non-current assets held for sale, based on the Group's sales expectations within the arrangement signed with Macquarie Assets Management (MAM).

In 2022, the Group classified the intangible assets of Opain S.A. in the concessions and rights categories for $1,434,160, and patents, licenses and software for $541, as non-current assets held for sale because of the signed arrangement for the sale of this asset. Also, the excess value paid by the takeover of Opain S.A. was reclassified. for $83,440 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

In 2022, Celsia S.A. classified intangible assets from the concessions and rights category for $242,251, trademarks and customer list $5,523 and patents, licenses and software $10,582 net for a total of $258,356 corresponding to the Central America segment as assets held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

(3) Mainly corresponds to the assignment by Odinsa S.A. of the airport projects Nuevo Aeropuerto de Cartagena, Campo de Vuelo and El Dorado Max to Odinsa Aeropuertos S.A.S., and Conexión Centro to Odinsa Vías S.A.S. for $33,862, in accordance with the Stock Purchase Agreement (SPA) guidelines and other amendments signed with Macquarie Infrastructure and Real Assets (MIRA) within the negotiations for the structuring of the road and airport platform.

In June 2022, Odinsa S.A. sold 50% of the intangible asset recognized by the disbursements associated with Perimetral de la Sabana's private initiative to Macquarie Infrastructure and Real Assets ("MIRA") and its book value amounted to $7,863. This transaction had no impact on the consolidated statement of income because the sale was made at the book value held by that asset at that time.

In 2022, Sator S.A.S. removed from the intangible assets in progress category the electric line studies of the Termobijao project for $2,751 and derecognized the decommissioning costs of PIT 58 and neighboring PIT for $12,149.

(4) Due to the loss of control in 2022 of the subsidiaries Concesión Túnel Aburrá Oriente S.A. and Concesión Vial de los Llanos S.A.S., a decrease in the recognized concessions based on the provisions of IFRIC 12 - Concession contracts, in Concession Tunnel Aburrá Oriente S.A. for $1,195,367 and Concesión Vial de los Llanos S.A.S. for $270,591, and in the rights on contracts in Autopistas del Café S.A. for $28,863.

(5) Mainly corresponds to Celsia S.A. and its subsidiaries, given the transfer from ongoing construction to other intangible assets for $12,891, in accordance with the commitments to CREG to minimize indicators of loss reduction. $8,667 was recognized as a transfer in patents, licenses and software, corresponding to the update of the technology platform for asset management and implementation of Internet software.

In 2022, transfers were made from ongoing construction of property, plant and equipment for the concessions and rights intangible asset categories, licenses and software, and other intangible assets. Likewise, there is a transfer from the category of intangible assets in progress to the category of patents, licenses and software due to the activation of the mining license associated with the PIT 3X.

(6) Change mainly corresponds to the amortization in 2022 of the intangible asset of the Tunnel Aburrá Oriente concession for $24,605 and the intangible asset of the El Dorado International Airport concession for $180,120. The Group lost control over the concession of Túnel Aburrá Oriente in June 2022, and the intangible asset of the concession of El Dorado International Airport was classified as a non-current asset held for sale in September 2022, therefore, they do not present amortization expense as at December 2023.

During the twelve-month period ended December 2023 and 2022, disbursements were made for research and development projects for $545 (2022 $677), these disbursements are recorded as administrative and selling expenses.

As at 31 December 2023 and 2022, there are no restrictions on the realization of intangible assets and no contractual obligations to acquire or develop intangible assets.

The value and remaining amortization period of net intangible assets, other than goodwill, is as follows:

Intangible asset	Remaining amortization period in years	2023	2022
Concessions and rights	1-35	121,919	162,575
Customer Lists	5	224,715	343,564
Licenses, patents and software	1-5	80,480	105,437

Intangible asset	Remaining amortization period in years	2023	2022
Intangible assets in progress	Indeterminate	23,416	42,806
Trademarks	7-12	11,605	17,355
Other intangible assets	As agreed	83,398	92,175
Total intangible assets other than goodwill, net		**545,533**	**763,912**

Impairment of intangible assets

As at 31 December 2023 and 2022, there was no Impairment of the Group's intangible assets. In 2023, a reversal of impairment of the intangible of the Perimetral de la Sabana project was recognized for $8,172, a project that had been rejected in 2022 by Resolution 458 by the Colombian Infrastructure Agency and that, by means of a reversal appeal with positive ruling given through Resolution 383 of 2023 of the Institute of Infrastructure and Concessions of Cundinamarca that again raised its viability to the Group.

NOTE 16: **PROPERTY, PLANT AND EQUIPMENT, NET**

16.1 Composition and changes of property, plant and equipment

The balance of property, plant and equipment, net as at 31 December, comprises:

	2023	2022
Land	1,600,061	1,744,052
Construction in progress, equipment in assembly and transit	3,589,305	3,470,468
Constructions and buildings for administrative use	42,354	55,515
Constructions and buildings	1,477,661	1,798,483
Machinery and production equipment	4,960,127	5,770,617
Furniture, office, computer and communication equipment	361,895	198,471
Mines, quarries, and ore deposits	2,238,123	2,818,514
Land transport equipment	559,019	615,077
River fleet	36,743	48,631
Aqueduct, plants, networks, and communication routes	6,399,618	5,929,686
Prepayments	27,564	48,468
Total property, plant and equipment, net	**21,292,470**	**22,497,982**

	Land	Construction in progress, equipment in assembly and transit (2)	Constructions and buildings for administrative use	Constructions and buildings	Machinery and production equipment	Furniture, office, computer and communication equipment	Mines, quarries, and ore deposits	Land transport equipment	River fleet	Aqueduct, plants, networks, and communication routes	Other assets	Prepayments	Total
1 January 2023	**1,744,052**	**3,470,468**	**100,131**	**3,042,297**	**10,379,522**	**607,078**	**3,098,567**	**1,334,078**	**68,018**	**10,657,089**	**12**	**48,468**	**34,549,780**
Additions	-	1,913,529	-	2,372	111,325	3,669	10,280	11,620	-	9,321	-	18,247	2,080,363
Held for sale (1)	30,140	-	-	-	-	(1,413)	-	-	-	-	-	-	28,727
Transfers from (to):													
Other accounts (3)	2,638	(1,688,139)	-	54,368	295,848	221,168	12,628	172,109	-	785,548	-	(34,763)	(178,595)
Translation effect	(133,883)	(82,701)	(20,759)	(466,611)	(1,373,102)	(52,570)	(605,368)	(223,202)	(13,301)	(750,913)	-	(4,388)	(3,726,798)
Sales and withdrawals	(40,402)	(33)	-	(29,265)	(126,957)	(40,938)	(7,293)	(101,491)	-	(2,519,173)	-	-	(2,865,552)
Business Combinations	-	-	-	-	906	16	-	-	-	-	-	-	922
Other changes	-	-	-	6,038	24,705	(45)	-	583	-	186	-	-	31,467
Historical cost	**1,602,545**	**3,613,124**	**79,372**	**2,609,199**	**9,312,247**	**736,965**	**2,508,814**	**1,193,697**	**54,717**	**8,182,058**	**12**	**27,564**	**29,920,314**
1 January 2023	**-**	**-**	**44,616**	**1,243,814**	**4,608,905**	**408,607**	**280,053**	**719,001**	**19,387**	**4,727,403**	**12**	**-**	**12,051,798**
Depreciation of the period	-	-	1,708	105,131	477,778	51,613	25,148	117,410	2,477	272,094	-	-	1,053,359
Held for sale (1)	2,484	-	-	-	-	-	-	-	-	-	-	-	2,484
Transfers from (to):													
Other accounts	-	-	-	5,562	(5,144)	(55)	8,863	502	-	-	-	-	9,728
Translation effect	-	-	(9,306)	(213,547)	(636,433)	(43,204)	(37,560)	(117,014)	(3,890)	(700,207)	-	-	(1,761,161)
Sales and withdrawals	-	-	-	(23,876)	(108,574)	(42,091)	(7,293)	(85,846)	-	(2,517,193)	-	-	(2,784,873)
Business Combinations	-	-	-	-	11	-	-	-	-	-	-	-	11
Impairment losses	-	23,819	-	-	-	-	-	-	-	-	-	-	23,819
Other changes	-	-	-	14,454	15,577	200	1,480	625	-	343	-	-	32,679
Depreciation and impairment	**2,484**	**23,819**	**37,018**	**1,131,538**	**4,352,120**	**375,070**	**270,691**	**634,678**	**17,974**	**1,782,440**	**12**	**-**	**8,627,844**
Total property, plant and equipment at 31 December 2023	**1,600,061**	**3,589,305**	**42,354**	**1,477,661**	**4,960,127**	**361,895**	**2,238,123**	**559,019**	**36,743**	**6,399,618**	**-**	**27,564**	**21,292,470**

(1) As at 31 December 2023, Celsia S.A. reclassified from non-current assets held for sale to property, plant and equipment a land of $30,544 (USD 7,991,629) with their respective impairment of $2,484 (USD 649,813) from the Landco company located in Costa Rica. Sator S.A.S. reclassified from property, plant and equipment to non-current assets held for sale four estates for $404.

(2) Assets for cement plant projects (Helios project) of $526,789 (2022 $583,546) are included within the item constructions in progress, equipment in assembly and transit.

(3) As at 31 December 2023, includes transfers from Celsia S.A. and its subsidiaries from construction in progress, equipment in assembly and transit for $1,187,440, mainly to furniture, office, computer and communication equipment for $194,521 for installation of equipment and fiber optics for Internet service; Aqueducts, plants, networks, and communication routes for $773,938 for solar farm construction and substation upgrades, and other project capitalizations for right-of-use assets contracts and acquisition of intangible assets for $21,558. Transfers to inventories available for sale for $164,666, in addition to value added tax (VAT) reclassifications, paid in real productive assets applied to 78 projects for $66,406. In turn, it includes transfers from Cementos Argos S.A. and its subsidiaries from constructions in progress, equipment in assembly and transit for $500,699, mainly to machinery and production equipment for $269,917, constructions and buildings for $52,549 and land transport equipment for $168,908 corresponding to assets that entered operation for projects that ended during the reporting period.

	Land	Construction in progress, equipment in assembly and transit (2)	Constructions and buildings for administrative use	Constructions and buildings	Machinery and production equipment	Furniture, office, computer and communication equipment	Mines, quarries, and ore deposits	Land transport equipment	River fleet	Aqueduct, plants, networks, and communication routes	Other assets	Prepayments	Total
1 January 2022	**1,738,904**	**2,247,624**	**87,817**	**2,671,197**	**8,907,524**	**53,306**	**2,630,368**	**1,221,382**	**56,737**	**11,148,080**	**12**	**2,813**	**31,251,764**
Additions	1,051	2,659,418	-	5,589	54,232	4,486	3,396	5,839	-	648	-	47,697	2,782,356
Held for sale (1)	(93,118)	(28,370)	-	-	(11,562)	(14,780)	-	(851)	-	(1,782,162)	-	-	(1,930,843)
Transfers from (to):													
Other accounts (3)	(351)	(1,095,606)	-	33,238	454,437	47,990	(3,408)	131,409	121	410,587	-	(3,576)	(25,159)
Translation effect	119,846	37,725	16,998	382,652	1,122,023	40,630	510,310	183,837	11,160	897,354	-	1,959	3,324,494
Sales and withdrawals	(964)	(350,239)	(4,684)	(20,266)	(48,773)	(3,533)	(3,406)	(111,618)	-	(6,733)	-	-	(550,216)
Other changes	1,175	(84)	-	-	(210)	374	(38,693)	(30)	-	(374)	-	-	(37,842)
Loss of control of a subsidiary or business	(22,491)	-	-	(30,113)	(98,149)	(7,395)	-	(95,890)	-	(10,311)	-	(425)	(264,774)
Historical cost	**1,744,052**	**3,470,468**	**100,131**	**3,042,297**	**10,379,522**	**607,078**	**3,098,567**	**1,334,078**	**68,018**	**10,657,089**	**12**	**48,468**	**34,549,780**
1 January 2022	**2,588**	**-**	**37,412**	**1,015,164**	**3,751,047**	**353,351**	**241,831**	**683,986**	**14,066**	**4,094,368**	**12**	**-**	**10,193,825**
Depreciation of the period	-	-	1,685	107,453	465,663	42,387	19,342	97,258	2,433	298,415	-	-	1,034,636
Held for sale (1)	(3,127)	-	-	-	(7,543)	(11,662)	-	(840)	-	(302,058)	-	-	(325,230)
Transfers from (to):													
Other accounts	-	-	-	(220)	28,884	(67)	(5,811)	875	-	-	-	-	23,661
Translation effect	539	-	7,055	163,544	484,756	33,901	29,490	99,606	2,888	643,782	-	-	1,465,561
Sales and withdrawals	-	-	(1,536)	(18,025)	(44,157)	(3,298)	(2,860)	(99,915)	-	(981)	-	-	(170,772)
Impairment losses	-	-	-	-	995	-	-	-	-	-	-	-	995
Other changes	-	-	-	(271)	91	10	(1,939)	(78)	-	9	-	-	(2,178)
Loss of control of a subsidiary or business	-	-	-	(23,831)	(70,831)	(6,015)	-	(61,891)	-	(6,132)	-	-	(168,700)
Depreciation and impairment	**-**	**-**	**44,616**	**1,243,814**	**4,608,905**	**408,607**	**280,053**	**719,001**	**19,387**	**4,727,403**	**12**	**-**	**12,051,798**
Total property, plant and equipment at 31 December 2022	**1,744,052**	**3,470,468**	**55,515**	**1,798,483**	**5,770,617**	**198,471**	**2,818,514**	**615,077**	**48,631**	**5,929,686**	**-**	**48,468**	**22,497,982**

(1) In 2022, property, plant and equipment were classified, net associated with hydroelectric generation assets in Panama and non-conventional renewable energy in Costa Rica for $1,599,200.

(2) Construction in progress, equipment in assembly and transit item includes assets for cement plant projects (Helios project) for $583,546 (2021 $527,111).

(3) As at 31 December 2022, includes transfers from Celsia S.A. and its subsidiaries from construction in progress, equipment in assembly and transit for $554,644, mainly to aqueduct, plants, networks and communication routes for $400,223, machinery and production equipment for $55,737, and furniture, office, computer and communication equipment for $43,244, which correspond to assets that entered operation for projects that ended during the reporting period. In turn, it includes transfers from Cementos Argos S.A. and its subsidiaries from constructions in progress, equipment in assembly and transit for $540,961, mainly to machinery and production equipment for $398,689, constructions and buildings for $31,988 and land transport equipment for $131,396 corresponding to assets that entered operation for projects that ended during the reporting period.

16.1.1 Property, plant and equipment acquisition transactions

As at 31 December 2023, the Group reflects relevant changes of acquisition of property, plant and equipment mainly in the assets of Construction in progress, equipment in assembly and transit, and machinery and equipment. The most representative are listed below:

- Energy transmission and distribution projects for $1,657,421. In Colombia, progress was recorded on projects where the solar farms of Palmira 1, Flandes, Chicamocha, Victoria 1 and 2, Andalusia, Puerto Tejada el Escobal and Valledupar stand out and investment in the substations Tolú Viejo, las Palmas, Cerritos, Istanbul, Carmelo, El Salto, Buga and Rio Tuluá; photovoltaic systems in companies like Cenit in its 4 plants, Acesco and in Crystal Colhilados. Also, investments were made for $99,844, of which 62% were for the replacement of equipment in 79 substations operating in the Department of Tolima and 56 in the Department of Valle del Cauca, the remaining 38% went to network expansion to improve installed capacity to ensure service quality and continuity, the lifting of information for voltage level 1, network replenishment, service provision, and purchase of equipment and tools in Cetsa, in addition, of the investment in the Application (App) for Enerbit and in the purchase of meters for customers.

- Energy Generation Projects in Colombia were executed for $92,521 highlighting investments in Acacias II and Camelias wind farms, with an execution of 37%; and renovation of equipment in the Anchicayá Bajo y Alto reservoirs, with an execution of 44% of the total invested in the period.

- Internet projects for $276,747 for network expansion and fiber optics installation in Ibagué, Melgar, Palmira, Jamundí, Candelaria, Buga, Florida, Tuluá, Cerrito, Pradera, Zarzal, and Roldanillo.

- In other projects, $23,367 was invested in technology infrastructure renewal and data storage, in innovation investments of $296 were made to purchase transfer board and second-life battery for substation backup.

- In machinery and equipment, acquisitions were made for $102,841 for the availability of equipment required in the different projects that are in progress and for Enerbit customers.

- In aqueducts, plants, networks, and communication routes for $8,791 for adaptations in plants and networks.

- The other acquisitions of property, plant and equipment correspond to the normal course of business, which includes the business of Cementos Argos and its subsidiaries for $856,498, and other Group companies for $4,502.

As at 31 December 2022, the Group reflects relevant changes of acquisition of property, plant and equipment mainly in the assets of Construction in progress, equipment in assembly and transit, and machinery and equipment. The most representative are listed below:

- Energy transmission and distribution projects for $614,956. In Colombia, progress of projects was recorded, mainly highlighting the solar farms of Flanders, Palmira, Victoria 1 and 2, Melgar, San Felipe, Sincé, Chicamocha, Buga, Tuluá, and investment in the substations Tolú Viejo, Cajamarca, 34.5 KV Panorama Substation, Flanders, Sahagún, Bolívar, Chinú; photovoltaic ceilings in companies such as Cenit Sebastopol, Crystal, Alumina, Parex, Reficar, Caribe Aventura, Proenfar, and Panamerica de Alimentos. Additionally, investments were made in equipment replacement and network expansion to improve installed capacity, intelligent measurement; provision of service and reliability in the San Pedro Paloblanco lines and networks at the Panorama Substation, among others. In Central America, progress was recorded in different projects for USD 10,441,861.88, among which 12 photovoltaic projects for $38,180 equivalent to USD 7,937,371.22 were highlighted, among them is the photovoltaic system at the Cervecerìa Hondureña, EPA – Pascual, and Café Duran Cocle. Loarque Square, Sura Crisol Clinic, among others.

- Power Generation Projects in Colombia where projects were executed for $145,849 highlighting the investments in Acacias II, Camelias and Carreto wind farms, and installation of transformer at the Rio Piedras power plant, hydraulic dredging at the Bajo Anchicayá reservoir, acquisition of thermal district equipment in Gran Manzana, construction at the Santa Rosa and Altamira small hydroelectric power plants; projects related to the acquisition and replacement of auxiliary equipment at Riofrío I and II plants, among others. In Central America $7,671 AC Gualaca reinforcement projects, crane bridge structure, and vibration systems.

- Internet projects for $15,005 to expand capacity for new customers in Palmira, Jamundí, Buga, Tuluá, Roldanillo, Cerrito, Zarzal, Pradera, Candelaria, Melgar, Ibagué, Buenaventura, Espinal, Guacarí, la Unión, Yumbo, and Sevilla.

- In other projects, $167,576 was invested in technological renewal of equipment and licensing of new users, and in Central America $4,083. In innovation, investments were made for $1,873, highlighting the Hydrogen project.

- In machinery and equipment, acquisitions were made for $23,453 for the availability of equipment required in the different projects that are underway in Colombia.

- Other acquisitions of property, plant and equipment correspond to the normal course of business, which includes the business of Cementos Argos and its subsidiaries for $718,057, and other Group companies for $3,188.

16.1.2 Property, plant and equipment sale transactions

Sale of projects under construction to Caoba Inversiones S.A.S

As at December 2023, a sale was made to Caoba Inversiones S.A.S. of 21 energized projects in the Department of Tolima at voltage levels 3 and 4; in the Department of Valle 25 projects at voltage levels 2, 3 and 4; which were invoiced for $243,610 in compliance with the BOT contract, generating an increase in current tax expense of $30,437. For the operating profit of $95,781, recognition of the unrealized profit by the share held by Celsia Colombia S.A. E.S.P. in the company Caoba Inversiones S.A.S. of 51% equivalent to $48,848 is made, therefore, the operating profit recognized in the statement of income was $46,933. The book value of these assets was reclassified during 2023 as inventory available-for-sale.

As at December 2022, sales were recorded from the constructions in progress, equipment in assembly and transit category for $350,239, of which $350,187 corresponds to the sale of 46 energized projects in the Department of Tolima at voltage levels 3 and 4, and in the Department of Valle, at voltage levels 2, 3 and 4 to Caoba Inversiones S.A.S., for a sale value of $412,850 in compliance with the BOT contract, that generated an operating profit of $62,663 and an increase in current tax expense of $21,932. On this transaction, an unrealized profit of $31,958 is reversed, which corresponds to the share held by Celsia Colombia S.A. E.S.P. in the company Caoba Inversiones S.A.S., therefore, the operating profit recognized in the consolidated statement of income was $30,705.

16.1.3 Transactions involving loss of control of a subsidiary or assets constituting a business that resulted in decrease of property, plant and equipment

As at 31 December 2023, no transactions involving loss of control of a subsidiary or assets constituting a business that resulted in decrease of property, plant and equipment were made.

Sale of concrete plants in Dallas:

On 31 March 2022, Argos USA LLC - a subsidiary of Cementos Argos S.A. - sold twenty-three concrete plants, including equipment, buildings, land and inventory to Smyrna Ready Mix Concrete, LLC. for USD 94 million. The selling price of the assets, less the book value of the assets delivered generated an accounting gain on disposal of business for $93,324 (USD 21.9 million), and an increase in current tax expense of $6,507 (USD 1.5 million) and deferred tax of $55,213 (USD 13 million), presented in the other operating income (expenses), net and income tax items of the condensed consolidated statement of income. This transaction generated an outflow of property, plant and equipment items, net of $83,709 (Note 37 Other income, net).

Loss of control of Concesión Túnel Aburrá Oriente S.A., Autopistas del Café S.A. (including its share in the Fideicomiso de Autopistas del Café), Consorcio Grupo Constructor Autopistas del Café and Concesión Vial de los Llanos S.A.S. subsidiaries of Odinsa S.A.:

Due to the sale in June 2022 of a percentage of shares in the subsidiaries Concesión Túnel Aburrá Oriente S.A., Autopistas del Café S.A. (including its share in the trust), Concesión Vial de los Llanos S.A.S. and Consorcio Grupo Constructor Autopistas del Café, to the strategic partner Macquarie Infrastructure and Real Assets (MIRA) and subsequent contribution of the remaining share to the Fondo de Capital Odinsa Vías and the Odinsa Vías S.A.S. platform, a decrease in property, plant and equipment was generated for $12,365.

16.2 Fair value of land and buildings for administrative use

To determine the fair value of land and buildings for administrative use, 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, following the guidelines of IFRS 13 Fair Value Measurement and International Valuation Standards (IVS), the most used for the case being the market comparison approach.

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 Group must carry out, at least once every four years, technical appraisals to ensure the updating of the re-valued value of the land and buildings for administrative use. Last updated as at December 2021.

The carrying amount of land and buildings for administrative use that would have been recognized if accounted for under the cost model would be $25,106 (2022 $32,868).

Other comprehensive income (OCI) from revaluation of land and buildings for administrative use shall be transferred to retained earnings as the asset is used by the Company and/or when the asset is derecognized (Note 29.2 Other comprehensive income (OCI)).

16.3 Capitalization of borrowing costs

During 2023, capitalized borrowing Costs to property, plant and equipment amount to $46,819 (2022 $54,047). The average rate used to determine the amount of borrowing costs was 16.57% (2022 10.11%), which corresponds to the average effective interest rate of generic loans.

16.4 Collateral and contractual commitments for property, plant and equipment

The Group 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 Group has adequate insurance policies to protect its productive assets, whose cover comprises mainly property damage caused by fire, earthquake, weak current, natural disasters, terrorism, and other risks.

16.5 Changes in estimates of property, plant and equipment

The Group has not had any changes in accounting estimates that have a significant effect on the residual value, useful lives, and depreciation methods of property, plant and equipment during the period.

16.6 Impairment of property, plant and equipment

the Group assesses at the closing of the reporting period the existence of impairment indicators of non-current assets, based on available external and internal information. The Group reviews the book value of non-current assets for impairment whenever events or circumstances indicate the book value may not be recoverable. If the total discounted future cash flows are less than the carrying amount, the carrying amount of the non-current asset is not recoverable, and an impairment loss is recognized in the consolidated statement of income. After the assessment performed, the following assets were found to be impaired:

- In 2023, there was impairment on Porvenir II S.A.S. E.S.P. for $79,525, of which $55,706 (2022 $31,062) directly affected goodwill and $23,819 the constructions in progress, equipment in assembly and transit item.

- In 2022, impairment on an individual level asset corresponding to a mixer drum component of $724 ($170,080) was presented at the subsidiary Argos USA LLC and machinery and production equipment that was valued at more than the commercial value of $271.

NOTE 17: **INVESTMENT PROPERTY**

The balance of investment property at 31 December comprises:

	2023	2022
Land	2,194,986	2,281,822
Constructions and buildings	8,983	9,138
Total	**2,203,969**	**2,290,960**

Following are the changes in investment property during the period:

	2023	2022
Investment property as at 1 January	**2,290,960**	**2,352,836**
Additions (1)	11,701	5,797
Gain from fair value measurement (2)	25,308	34,428
Effect of exchange differences	(33,373)	26,981
Transfers from investment property (3)	(86,106)	(122,340)
Disposals	(896)	(4,429)
Loss of control of a subsidiary or business (4)	-	(2,313)
Other changes (5)	(3,625)	-
Investment property as at 31 December	**2,203,969**	**2,290,960**

(1) Mainly corresponds to capitalized disbursements for the preparation of the land of Pavas Molina and Miramar in Barranquilla, and preparation of the land of Barú in Cartagena.

(2) As at 31 December 2023 and 2022, the fair value of investment property was adjusted. In 2023, Pavas Molina, Pajonal, Insignares, Loma China, and Parcela el Genovés were the main properties that had appraisal gains. The main estate that presented losses for 2023 was Barú. In 2022, the main properties that presented appraisal gains correspond to Pavas Molina, Pajonal, Lot Aldea las Casitas, Insignares, Lot 3 Pitalito, Parcela el Genovés, and Lot A (Doña Blanquita). The main properties that presented losses in 2022 were Estate Barú and Las Galias (Note 33 Revenues from ordinary activities).

(3) As at 31 December 2023 transfers were made from investment property to inventories of Lot 7 Hacienda Portonao Barú, Estate Pavas sur project Alejandría Stage V (Blocks 46 A1, 46 A2, 46 B, and 54) and remaining Lot 2 to Rebellin for $87,061, in turn transfers were made from non-current assets held for sale to investment property for $955.

As at 31 December 2022 transfers were made from investment property to inventories of the Estate Barú Polonia Block 20 and 21, Alejandría Stage III Block 13, 21.1, and 21.2, of the Stage II Block 7, 8, 9, and 10 of the Pajonal Estate, Pradomar Lot Point E, of the Pajonal estate Stage III Block 11, 12, 13.1, 13.2, 14.1, 14.2, 15.1, 15.2, 15.3, and 16, and Volador Urvisa for $126,075, Reclassifications from receivables to investment property of $2,039 and reclassifications from non-current assets held for sale to investment property of $1,696.

(4) In June 2022, due to the sale of the shares in the subsidiary Autopistas del Café S.A. (including its share in the Fideicomiso de Autopistas del Café) to the strategic partner Macquarie Infrastructure and Real Assets (MIRA) and subsequent contribution of the remaining participation to the Fondo de Capital Privado Odinsa Infraestructura (formerly Fondo de Capital Privado Odinsa Vías) and to Odinsa Vías S.A.S., a decrease in investment property by ($2,313) was generated.

(5) As at 31 December 2023, the San Antonio Santana land located in Barú was partially retired by dation in lieu of payment to the company Barú Partners and Community Entrepreneur S.A.S. for $3,625.

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, following the guidelines of IFRS 13 Fair Value Measurement and International Valuation Standards (IVS), as follows:

- For estate where the regulations allow a constructed product, the valuation methodology used is discounted cash flow, a methodology where the value of the property is equivalent to the discounted value of future profits. These benefits represent the annual cash flows (positive and negative) over a period, plus the net profit derived from the hypothetical sale of the property at the end of the investment period. This methodology requires the application of two rates: a discount rate applicable to future cash flows, which is determined primarily by the risk associated with the income, and a capitalization rate used to obtain the future value of the property based on estimated future market conditions.

- For estate where the regulations do not permit a constructed product, the valuation methodology used is the comparative market approach, a methodology based on the substitution principle. The characteristics of identified operations are compared to those of the property under study under conditions of location, size, quality, expenses incurred in the purchase, market conditions on the date of sale, physical characteristics, economic situation of the investor, among others; with the purpose of defining a range of values based on a unit of value to be compared.

- For assets already built, the valuation methodology used is direct capitalization or discounted cash flow. The Direct Capitalization methodology converts the net operating income produced by the property into an indication of value by using an appropriate capitalization rate based on market information and investor expectations.

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.

Lease income of investment Property for the period is $4,078 (2022 $4,204). Direct expenses related to investment property are $41,801 (2022 $32,334) of which $23,704 (2022 $28,530) relate to investment property that did not generate lease income.

As at 31 December 2023 and 2022, the Group has no relevant contractual obligations to acquire, construct, nor develop investment property, nor are there any restrictions on them.

NOTE 18: **INVESTMENTS IN ASSOCIATES AND JOINT VENTURES**

18.1 General information on associates and joint ventures

Company name	Main activity	Country	Share (*)		Investment classification	Book value	
			December 2023	December 2022		2023	2022
Grupo de Inversiones Suramericana S.A. (*)	Financial	Colombia	34.14%	34.14%	Associate	7,924,668	8,738,943
Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (i)	Investment in road and airport concessions	Colombia	50.00%	50.00%	Joint venture	1,024,031	636,468
Fondo de Capital Privado Pactia Inmobiliario (ii)	Real estate investment	Colombia	37.39%	37.39%	Associate	945,800	931,170
Corporación Quiport S.A. (iii)	Airport concession	Ecuador	23.25%	46.50%	Joint venture	254,894	342,442
Termoeléctrica El Tesorito S.A.S. E.S.P.	Energy Generation	Colombia	57.50%	57.50%	Associate	216,028	102,631
Caoba Inversiones S.A.S.	Energy Distribution and Transmission	Colombia	51.00%	51.00%	Joint venture	134,855	183,867
Quito Airport Management (QUIAMA) LLC (iii)	Airport concession operator	United States	25.00%	50.00%	Joint venture	36,499	44,995
P.A. Fideicomiso Hotel Calablanca Barú	Real estate management	Colombia	20.00%	20.00%	Associate	31,514	32,514
Trans Atlantic Shipmanagement Ltd.	Sea freight transport	British Virgin Islands	50.00%	50.00%	Joint venture	26,563	34,047
Odinsa Vías S.A.S.	Road concessions	Colombia	50.00%	50.00%	Joint venture	21,735	21,254
MMC Cement Division C.V.	Cement marketing	Curaçao	50.00%	50.00%	Joint venture	5,484	7,058
Pactia S.A.S.	Real estate management	Colombia	50.00%	50.00%	Joint venture	5,236	5,148
Saint-Gobain Colombia S.A.S	Design and production of production materials	Colombia	40.00%	40.00%	Associate	5,089	6,133
P.A Fideicomiso Operación Hotel Calablanca Barú	Real estate investment in hotels	Colombia	20.00%	20.00%	Associate	4,519	2,278

Company name	Main activity	Country	Share (*)		Investment classification	Book value	
			December 2023	December 2022		2023	2022
P.A. Laurel	Energy Generation and Supply	Colombia	50.00%	50.00%	Joint venture	3,890	714
Fideicomiso Plan Luz	Energy	Colombia	50.00%	50.00%	Joint venture	3,722	3,261
Consorcio Imhotep	Construction	Colombia	50.00%	50.00%	Joint venture	3,549	3,549
Consorcio Farallones	Construction	Colombia	50.00%	50.00%	Joint venture	2,834	-
P.A. Muverang	Sustainable mobility	Colombia	33.33%	33.33%	Joint venture	2,774	2,405
International Airport Finance S.A. (iii)	Financial	Spain	23.25%	46.50%	Joint venture	2,110	5,920
Internacional Ejecutiva de Aviación S.A.S.	Executive air transport	Colombia	25.00%	25.00%	Associate	2,103	2,247
Patrimonio Autónomo Hacienda Niquía.	Real estate investment in housing	Colombia	51.00%	51.00%	Associate	2,031	1,459
P.A. Contingencias Consorcio Constructor Nuevo Dorado	Resource and Payment Management	Colombia	65.00%	65.00%	Joint venture	1,657	1,506
Odinsa Aeropuertos S.A.S.	Airport concessions	Colombia	50.00%	0.00%	Joint venture	1,384	-
Granulados Reciclados de Colombia Greco S.A.S.	Use construction and demolition waste	Colombia	43.98%	43.98%	Joint venture	335	-
Soluciones de Crédito S.A.S	Granting of loans and microcredits	Colombia	48.98%	48.98%	Associate	299	402
Consorcio Mantenimiento Opain (in liquidation)	Roads Maintenance Services	Colombia	65.00%	65.00%	Joint venture	63	23
CNC del Mar S.A.S. E.S.P.	Utilities	Colombia	50.00%	50.00%	Joint venture	-	5,734
Consorcio Constructor Nuevo Dorado (liquidated)	Construction	Colombia	65.00%	65.00%	Joint venture	-	581
Total investments in associates and joint ventures						**10,663,666**	**11,116,749**

(*) Regarding the associate Grupo de Inversiones Suramericana S.A. the percentage of share of economic rights as at December 2023 and 2022 of 27.51%, is different from the percentage with voting rights of 34.14%. The foregoing considering that the issuer has shares with preferential dividend and no voting rights. For the other investments in associates, the percentage of share indicated is equal to the percentage of economic share.

The following associates and joint ventures are not included in the general information on associates and joint ventures table: Aerotocumen S.A. (in liquidation), Consorcio Dovicon O&MC, Dovicon S.A., JV Dovicon EPC S.A.S., JV Dovicon O&M S.A.S, and C2 Energía S.A.S. because at 31 December 2023, their book value is zero. The associate Concesión Vial de los Llanos S.A.S. that was sold and contributed to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) and Odinsa Vías S.A.S. in March 2023 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

C2 Energía S.A.S presents negative equity at 31 December 2023, thus after applying equity-accounted investees in the Group's consolidated financial statements, this investment was zeroed, as it considers that this situation does not imply a legal obligation for the Group. The book value of Aerotocumen S.A (in liquidation), Consorcio Dovicon O&MC, Dovicon S.A., JV Dovicon EPC S.A.S., JV Dovicon O&M S.A.S. is zero due to recognition of impairment on these investments in previous periods.

Associates and joint ventures are accounted for using equity-accounted investees in the consolidated financial statements, except for the Fondo de Capital Privado Pactia Inmobiliario, which is accounted for at fair value through profit or loss in accordance with the exemption set out in paragraph 19 of IAS 28 Investments in Associates and Joint Ventures.

Of these investments, the only one listed on the stock market is Grupo de Inversiones Suramericana S.A. whose stock value at 31 December 2023 is $29,000 Colombian pesos for each common share (2022 $42,000 Colombian pesos for each common share). This data is for informational purposes only since the investment in Grupo de Inversiones Suramericana S.A. is recognized in accounting by equity-accounted investees. However, 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 show a loss of value.

(i) The Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) is a joint venture classified as an investment entity under IFRS 10 Consolidated Financial Statements. Group chose to keep for the purposes of applying equity-accounted investees the fair value measurement applied by this fund on its equity share in entities. The following is a breakdown of the total net asset value of the fund.

	2023	2022
Cash and cash equivalents	87,515	37,496
Receivable for subordinated debt Concesión La Pintada S.A.S. (1)	133,469	230,099
Receivable for subordinated debt Concesión Vial de los Llanos S.A.S. (1)	339,421	118,265
Economic rights Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. (2)	706,262	-
Economic rights Concesión Túnel Aburrá Oriente S.A. (1)	419,362	405,045
Economic rights Concesión La Pintada S.A.S. (1)	429,449	359,280
Economic rights Autopistas del Café S.A. (includes AKF Trust) (1)	148,734	163,914
Economic rights Consorcio Grupo Constructor Autopistas del Café (1)	67,864	106,608
Economic rights Concesión Vial de los Llanos S.A.S. (1)	36,458	28,184
Investment funds	1,017	-
Other assets	-	607
Total assets	**2,369,551**	**1,449,498**
Payable to Autopistas del Café S.A. (1)	110,916	118,675
Payable to Concesión Túnel Aburrá Oriente S.A. (1)	124,305	50,428
Payable to Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A.	80,463	-
Other Liabilities	731	2,385
Total liabilities	**316,415**	**171,488**
Total net assets	**2,053,136**	**1,278,010**

The Group's investment in the Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) corresponds to 50% of the Fund's net assets less unrealized profits of $2,537 (2022 $2,537).

(1) For the determination of fair value, independent experts with experience in the valuation of these types of assets are hired. The expense for advisory fees, administration, management of investment funds and operation of road concessions incurred by the Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) with Odinsa Administrador Profesional S.A.S. is caused in the Fund as the service is rendered.

(2) In 2023, Odinsa S.A. and Macquarie Asset Management (MAM) through its affiliates, Macquarie Infrastructure Partners Cinco (MIP V) Transport Iberoamérica and MIP V Asteroid Holdings, having fulfilled the conditions agreed in the Stock Purchase Agreement (SPA), consolidated their alliance with the start of the new airport infrastructure investment platform, in which each has a 50% share and to which the economic rights of the Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. were contributed. (Note 47 Significant events).

(ii) The unit value of Fondo de Capital Privado Pactia Inmobiliario is $13,490.90 Colombian pesos per unit (2022 $13,282.19 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 and the valuation technique used corresponds to technical appraisals made by independent appraisers. The value of the properties is updated daily with the changes in the RVU index (Real Value Unit) in accordance with the provisions of Colombian legislation, and subsequently with the realization of a new appraisal for each of the assets to be updated, whose periodicity is annual. These assets are presented in the Fund as investment property in the amount of $3,018,800 (2022 $3,671,998).

(iii) In June 2023, assets classified as non-current assets held for sale were sold, in accordance with the agreement signed between Grupo Argos S.A., Odinsa S.A., and Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica. Group reclassified the carrying amount of the investments to be transferred as non-current assets held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations) and recognized, in 2022, an impairment of the investments that were held based on the recoverable value of the asset as detailed below:

Joint venture	share classified as held for sale	Book value of assets classified as held for sale 2022	Impairment recognized through retained earnings
Corporación Quiport S.A.	23.25%	315,061	-
Quito Airport Management (QUIAMA) LLC (formerly Quito Airport Management (QUIAMA) Ltd.)	25.00%	43,461	-
International Airport Finance S.A.	23.25%	5,226	-
Goodwill in the concessions segment	N/A	124,640	64,237
Total		**488,388**	**64,237**

15.2 Corporate purpose of the main 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 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. This is a relevant investment for Grupo Argos S.A. given its expansion in the region, its leadership in the insurance, pension, banking and investment markets, its financial strength, and the demographic evolution in the geographies where it is located. In addition, it has a policy of corporate responsibility and citizenship, complying with the highest standards in social, environmental, and government matters.

Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías): the purpose of this private equity fund is to manage the investments of Concesión Túnel Aburrá Oriente S.A., Concesión La Pintada S.A.S., Concesión Vial de los Llanos S.A.S., Autopistas del Café S.A. and Consorcio Grupo Constructor Autopistas del Café, and Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. Fondo de Capital por Compartimientos has the legal, statutory, and administrative authorizations and faculties required to develop the activity of administration of collective investment funds and, particularly, of private equity funds in accordance with the Law. Therefore, a collective scheme of investment by compartments or cells is constituted for the collection, administration and management of the contributions that shall be managed collectively to obtain collective economic results for its Investors.

Fondo de Capital Privado Pactia Inmobiliario: is a closed-end private equity fund made up of all the resources transferred to the fund by the contributors in kind and in cash. The private equity fund is the sole trustor and beneficiary of the Patrimonio Autónomo Pactia – P.A. Pactia Autonomous Equity.

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. The alliance between Grupo Argos S.A., Conconcreto S.A. and Protección S.A. is developed through the delivery of contributions represented by real estate and cash to Fiduciaria Bancolombia S.A., who acts as the manager company.

Corporación Quiport S.A.: responsible for acting as concessionaire to manage and operate the old Quito airport, Mariscal Sucre International Airport, and to develop, build, manage, operate, and maintain the New Quito International Airport and the execution of all activities inherent to the concession contract granted by Corporación Aeropuerto and Zona Franca del Distrito Metropolitano de Quito. The contract establishes a duration of 35 years for the concession, starting from 27 January 2006 and ending in January 2041.

50% of the book value of the share that Odinsa S.A. held in this entity, which was classified as a non-current asset held for sale was sold in June 2023 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

18.3 Contributions, contribution refunds, changes in ownership interest and distribution of dividends in associates and joint ventures

Changes in contributions, contribution refunds, changes in ownership interest, and distribution of dividends in associates and joint ventures during 2023 are detailed below:

Consorcio Farallones: as at December 2023, the Group, through its subsidiary Odinsa S.A., made contributions for $13,886, of which $13,199 was made in cash. This contribution did not involve any changes in share in the joint venture.

P.A. Muverang: as at December 2023, the Group, through its subsidiary Celsia S.A., made contributions for $3,600. This contribution did not involve any changes in share in the joint venture.

Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías): as at December 2023, Odinsa S.A., a subsidiary of Grupo Argos S.A., received a contribution refunds of $83,500. Likewise, it made contributions of $31,374. Additionally, Odinsa S.A. capitalized the Fund through the contribution of economic rights and subordinated debt (including its interest) on Concesión Vial de los Llanos S.A.S. for $46,394. This did not involve any changes in share in the joint venture.

In June 2023, Odinsa S.A., a subsidiary of Grupo Argos S.A., provided the fair value of the economic rights over the shares of the Sociedad Concesionaria Operadora Aeroportuaria S.A. – Opain S.A. for $296,348, which corresponds to 32.5% of the total outstanding shares held in said Concession, after the sale made to Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica agreed in the SPA. (Note 47 Significant events). These contributions did not imply a change in share in the investment as the other shareholders also made their respective capitalization.

P.A. Laurel: as at December 2023, Celsia Colombia S.A. E.S.P. made cash contributions to P.A. Laurel for $3,156. In addition, Celsia Colombia S.A. E.S.P. sold to this autonomous equity the economic rights of certain power supply contracts for $3,156.

Odinsa Vías S.A.S.: as at December 2023, the Group through its subsidiary Odinsa S.A. capitalized political rights over Concesión Vial de los Llanos S.A.S. for $1,025. This capitalization did not involve any changes in share in the joint venture.

Odinsa Aeropuertos S.A.S.: as at December 2023, the Group through its subsidiary Odinsa S.A. capitalized political rights over the Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. for $994. This capitalization did not involve any changes in share in the joint venture.

Fondo de Capital Privado Pactia Inmobiliario: as at December 2023, the Group received profit distribution for $16,450. This distribution did not involve changes in share in the associate.

Corporación Quiport S.A.: as at December 2023 Group, through its subsidiary Odinsa S.A. received dividends for $63,055.

Caoba Inversiones S.A.S.: as at December 2023, the Group through its subsidiary Celsia S.A. declared distribution of dividends for $7,461. There were no changes in share.

Quito Airport Management (QUIAMA) LLC (formerly Quito Airport Management (QUIAMA) Ltd.): as at December 2023, the Group through its subsidiary Odinsa S.A. received dividends of $9,078. This distribution did not involve any changes in share in the joint venture.

Pactia S.A.S.: as at December 2023, the Group received dividends for $5,122. There were no changes in share.

International Airport Finance S.A.: as at December 2023, the Group through its subsidiary Odinsa S.A. received dividends for $3,350. This distribution did not involve any changes in share in the joint venture.

P.A. Fideicomiso Operación Hotel Calablanca Barú: as at December 2023, a distribution of returns for $3,232 was declared, of which returns for $1,050 were received and a profit advance for $4,434. This did not involve changes in share in the associate.

Patrimonio Autónomo Hacienda Niquía: as at December 2023, distribution of profits for $1,609 was received. There were no changes in share.

Durante 2022 the following contributions, contribution refunds, changes in ownership interest and distribution of dividends in associates and joint ventures were made:

Odinsa Vías S.A.S: received contributions by Odinsa S.A. represented in the bare ownership of the shares of: Concesión Túnel Aburrá Oriente S.A., Concesión La Pintada S.A.S., Concesión Vial de los Llanos S.A.S., Autopistas del Café S.A., Consorcio Grupo Constructor Autopistas del Café, and the contractual position in the consulting contract with Autopistas del Café S.A. for $21.430.

P.A. Fideicomiso Hotel Calablanca Barú and P.A. Fideicomiso Operación Hotel Calablanca Barú: during 2022, contractual modifications were made, where the Group does not have joint control over these investments but does have significant influence in accordance with the terms established by IAS 28 Investments in Associates and Joint Ventures, therefore the investments are classified as associates.

P.A Fideicomiso Hotel Calablanca Barú: Equity share was updated to 20%. The decrease of share in 1.04% corresponds to the dilution generated by the signing of the subscription contract on the Trust between Grupo, Arquitectura y Concreto S.A.S. and Patrimonio Autónomo Estrategias Inmobiliarias - PEI. Additionally, a contribution of $96 was made for the construction of the hotel pier. with such contribution share are not modified since all the trustors contributed in the proportion of their Share. Likewise, because of the signing of said agreement, the classification of the investment became Associate, as well as the P.A. Fideicomiso Operación Hotel Calablanca Barú.

Granulados Reciclados de Colombia Greco S.A.S.: as at December 2022, the Group through its subsidiary Cementos Argos S.A. capitalized loans for $1,758, subscribing 171,000 shares, which generated a change of equity share from 41.91% to 43.98%.

P.A. Laurel: as at December 2023, Celsia Colombia S.A. E.S.P. made cash contributions to P.A. Laurel for $1,491. Likewise, Celsia Colombia S.A. E.S.P. sold the economic rights of certain energy contracts for $42,872, capitalized 50% of such value and adjusted the value of the income recognized against the investment by reducing it by $21,436, which corresponds to the elimination of the unrealized profits for such assignment of economic rights. This contribution did not imply any change in share.

CNC del Mar S.A.S E.S.P: as at December 2022, the Group, through its subsidiary Celsia S.A., capitalized a value previously delivered as an advance to CNC del Mar S.A.S. E.S.P. for $9,923 represented in 499,980 shares of the company. This contribution did not imply any change in share.

Corporación Quiport S.A: as at December 2022, the Group, through its subsidiary Odinsa S.A., received a profit distribution of $64,378. This distribution did not involve any changes in share in the joint venture.

Fondo de Capital Privado Pactia Inmobiliario: as at December 2022, the Group received contribution refunds for $11,065 and returns for $20,030. Additionally, due to a decrease in the outstanding units, there was a change in the equity share from 37.13% to 37.39%.

Concesión La Pintada S.A.S.: prior to the sale and subsequent contribution of this investment to the Fondo de Capital Privado por Compartimientos Odinsa Vías and Odinsa Vías S.A.S, the Group, through its subsidiary Odinsa S.A., received payment of principal and interest on subordinated debt loan for $169,127 and $38,619, respectively. This payment did not imply changes in share of the associate.

Pactia S.A.S.: as at December 2022, the Group received dividends for $5,500. There were no changes in share.

Caoba Inversiones S.A.S.: as at December 2022, the Group, through its subsidiary Celsia S.A., made contributions for $41,314 and decreed distribution of dividends for $3,387. There were no changes in share.

Quito Airport Management (QUIAMA) LLC (formerly Quito Airport Management (QUIAMA) Ltd.): as at December 2022, the Group, through its subsidiary Odinsa S.A., received a distribution of profits for $7,740. This distribution did not involve any changes in share in the joint venture.

Patrimonio Autónomo Hacienda Niquía: as at December 2022, the Group received a distribution of profits for $1,500. There were no changes in share.

Saint-Gobain Colombia S.A.S.: as at December 2022, the Group, through its subsidiary Cementos Argos S.A., made contributions for $6,000. The initial investment in this company amounted to $6,942, which includes an additional $942 for its acquisition. This contribution did not imply changes in share in the associate.

Consorcio Farallones: as at December 2022, the Group, through its subsidiary Odinsa S.A., made contributions for $22,744. The value of the contribution was delivered partly in cash for $16,268 and the remaining was received directly by the consorcio Farallones through the sale of heavy machinery that had been loaned by Odinsa S.A. to the consortium for $6,476. This contribution did not involve any changes in share in the joint venture.

P.A. Muverang: as at December 2022, the Group, through its subsidiary Celsia S.A., made contributions for $1,750. This contribution did not involve any changes in share in the joint venture.

18.4 Incorporation, acquisition or divestment of associates and joint ventures

During 2023 the following Incorporation, acquisition and/or divestment of associates and joint ventures were made:

Caoba Inversiones S.A.S.: in April 2023, the Group through its subsidiary Celsia Colombia S.A. E.S.P. purchased 76,500 shares for $17,717.

Framing Colombia S.A.S. BIC: in March 2023, the Group through its subsidiary Corporaciones e Inversiones del Mar Caribe S.A.S. acquired 50% of the associate's shares for $400, whose corporate purpose is the study, planning, contracting, design and construction of housing, warehouses and other types of works by implementing alternative, lightweight, resistant and environmentally friendly construction systems. In April 2023, an additional 20% was acquired and the bylaws were modified so that Cementos Argos S.A. took of this company (Note 19.3.3 Acquisition or incorporation of subsidiaries and Note 42 Business combinations).

Concesión Vial de los Llanos S.A.S.: Complying with the arrangement signed between Odinsa S.A. and Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, in March 2023 the sale of 50% of the economic rights of the interest held by the Group in Concesión Vial de los Llanos S.A.S., including the subordinated debt and interest generated to date, was completed for $46,394; and subsequently contribute 50% of the remaining stake in this company to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) for the same value. During that same period, Odinsa S.A. recognized an impairment on these assets of $16,571 (Note 37 Other income, net). In addition, Odinsa S.A. sold and contributed in this same proportion the political rights associated with the share held by the Group in Concesión Vial de los Llanos S.A.S. for $2,050, receiving in cash 50% of said value and the remaining 50% as an increase in the participation of Odinsa Vías S.A.S. (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

CNC del Mar S.A.S. E.S.P.: on 29 December 2023, Celsia Colombia S.A. E.S.P., CNC del Mar S.A.S. E.S.P., Novus Civitas and Neo Domus entered into two private agreements in order to regulate the form and conditions of payment of accounts receivable by Celsia Colombia S.A. E.S.P. to CNC del Mar S.A.S. E.S.P., the Centro Hospitalario Serena del Mar S.A., Novus Civitas Sucursal Colombia and Novus Civitas Colombia S.A.S.; in turn, exercising as payment in kind of 100% of the shares held by Celsia Colombia S.A. E.S.P. in the joint ventures of CNC del Mar S.A.S. E.S.P. in favor of Novus Civitas. Given the foregoing, this investment is classified as a non-current asset held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

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.

Consorcio Constructor Nuevo Dorado (liquidated): on 30 November 2023, the liquidation of the consortium ended, the process had begun through minutes 212, the liquidation does not register any restitution to the consortium members.

Corporación Quiport S.A., Quito Airport Management (QUIAMA) LLC (formerly Quito Airport Management (QUIAMA) Ltd.) and International Airport Finance S.A.: in June 2023, Odinsa S.A. and Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, meeting the conditions precedent for the closing of the operation, perfected its strategic alliance with the start of operations of the airport infrastructure investment platform, with the sale of 50% of the share in Corporación Quiport S.A., Internacional Airport Finance S.A. and Quito Airport Management (QUIAMA) LLC (formerly Quito Airport Management (QUIAMA) Ltd.), equivalent to share of 23.25%, 23.25% and 25%, respectively (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations and Note 47 Significant events).

During 2022 the following Incorporation, acquisition and/or divestment of associates and joint ventures were made:

P.A. Laurel: Celsia Colombia S.A. E.S.P. subsidiary of the Group, as an operating co-investor, and Inversiones CFNS S.A.S. as a financial co-investor, decided to join efforts for the creation of a platform called P.A. Laurel, through an Irrevocable Mercantile Trust of Administration and Payments contract managed by Fiduciaria Bancolombia S.A., with a 50% share for each of the parties, forming a joint venture that aims to develop solar energy generation projects and the rendering of services for the supply of energy generated by alternative sources with a capacity of up to 7.99 MWp each.

Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías): in June 2022 the Group constituted this fund through its subsidiary Odinsa S.A. with a 50% shareholding share, making cash contributions for $267, contribution of the economic rights of: Túnel Aburrá Oriente S.A., Autopistas del Café S.A. (including its share in the Autopistas del Café Trust), Consorcio Grupo Constructor Autopistas del Café, Concesión Vial de los Llanos S.A.S., and Concesión La Pintada S.A.S. for $529,326, as well as the contribution of receivables for the interest of the subordinated debt with Concesión Vial de los Llanos S.A.S. for $13,267 and liabilities for ($79,370). At the same date, Odinsa S.A. contributed to the company Odinsa Vías S.A.S. the political rights over the described investments for an amount of $17,994, as well as the assignment of a consultancy contract with Consorcio Grupo Constructor Autopistas del Café for $3,436, as part of the negotiation made with Macquarie Infrastructure and Real Assets (MIRA). The value of the contributions in the economic rights includes the write-off for $818 and the value of the contribution for the advisory contract with Consorcio Grupo Constructor Autopistas del Café includes the write-off for $3,436, both corresponding to the result of the contribution of Odinsa S.A. which is related to its direct share in the Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías).

The purpose of this fund is to manage the investments of Concesión Túnel Aburrá Oriente S.A., Autopistas del Café S.A. (including its share in the Fideicomiso de Autopistas del Café), Consorcio Grupo Constructor Autopistas del Café, Concesión Vial de los Llanos and Concesión La Pintada S.A.S., among other initiatives related to infrastructure assets.

Odinsa Vías S.A.S: this investment since June 2022 changed from being a subsidiary to a joint venture because of the entry of the partner MIP Cinco Transporte Iberoamérica (Macquarie) leaving Odinsa S.A., subsidiary of Grupo Argos S.A., with 50.00% share.

Concesión La Pintada S.A.S.: as at June 2022 this investment was sold to Macquarie Infrastructure and Real Assets ("MIRA") and subsequently contributed to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) and to the Odinsa Vías S.A.S. platform, including the amounts of subordinated debt.

Concesión Vial de los Llanos S.A.S.: in June 2022, the subsidiary Odinsa S.A. acquired 550,000 shares of Concesión Vial de los Llanos S.A.S., including the principal for $18,360 and the interest of the subordinated debt for $5,711, equivalent to 11% of share in this entity, which generated a gain from a bargain purchase for $4,225. Subsequently, the investment in this associate was classified as held for sale for a value equal to the book value of the shares and the principal of the subordinated debt, acquired during 2022 from Murcia & Murcia S.A.S. and Construcciones el Condor S.A. for $85,847.

Quito Airport Management (QUIAMA) LLC (formerly Quito Airport Management (QUIAMA) Ltd.): in December 2022, as part of the preparation process for the creation of the airport assets platform, Marjoram Riverside Company S.A., a subsidiary of Odinsa S.A., sold its interest in this joint venture to Odinsa S.A. This did not imply any change at the consolidated level.

Promotora de Proyectos S.A. (liquidated): As recorded in minutes No. 44 of the extraordinary meeting of shareholders, held on 28 April 2022, the process of dissolution and subsequent liquidation of the company was approved. This process was notarized by public deed No. 1,482 of 11 May 2022, registered with the Chamber of Commerce on 19 May 2022.

Saint-Gobain Colombia S.A.S.: The Group acquired through its subsidiary Cementos Argos S.A. 40% share, represented by 188,800 shares of the associate, whose corporate purpose is the design, production, and distribution of construction and high-performance materials (flat glass, insulation materials, piping, and abrasives).

18.5 Summary financial information

The summary financial information included in the following tables represents the values reported to the Group by its associates and joint ventures, prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia. For the purposes of this disclosure and summary financial information, the presentation of each associate and/or joint venture in accordance with its accounting policies is considered.

December 2023	Grupo de Inversiones Suramericana S.A. (i)	Fondo de Capital Privado Pactia Inmobiliario (ii)	Corporación Quiport S.A.	Fondo de Capital Privado por Compartimentos Odinsa Infraestructura	Other non-significant associates and joint ventures
Current assets (1)		819,417	332,914		967,335
Non-current assets (1)		3,103,798	2,778,789		5,124,455
Total assets	**93,517,447**	**3,923,215**	**3,111,703**	**2,369,551**	**6,091,790**
Current liabilities (1)		182,408	800,925		2,316,348
Non-current liabilities (1)		1,070,990	1,511,966		2,530,112
Total liabilities	**61,069,539**	**1,253,398**	**2,312,891**	**316,415**	**4,846,460**
Equity	**32,447,908**	**2,669,817**	**798,812**	**2,053,136**	**1,245,330**
Revenue	35,529,206	400,551	800,914	384,765	855,895
Net income from continuing operations	2,032,389	127,589	211,933	193,893	124,021
Net income after discontinued operations	1,934,978	127,589	211,933	193,893	124,021
Other comprehensive income	(4,580,535)	(17,762)	(261,656)	-	87,692
Total comprehensive income	**(2,645,557)**	**109,827**	**(49,723)**	**193,893**	**211,713**
Dividends received or distributed profits (2)	180,720	16,450	63,055	-	32,104

December 2022	Grupo de Inversiones Suramericana S.A. (i) (iii)	Fondo de Capital Privado Pactia Inmobiliario (ii)	Corporación Quiport S.A.	Fondo de Capital Privado por Compartimentos Odinsa Infraestructura	Other non-significant associates and joint ventures
Current assets (1)		244,402	402,060		1,011,769
Non-current assets (1)		3,657,056	3,502,767		5,335,114
Total assets	**98,393,465**	**3,901,458**	**3,904,827**	**1,449,498**	**6,346,883**
Current liabilities (1)		166,236	983,760		543,846
Non-current liabilities (1)		1,115,305	1,834,437		4,724,443
Total liabilities	**62,611,644**	**1,281,541**	**2,818,197**	**171,488**	**5,268,289**
Equity	**35,781,821**	**2,619,917**	**1,086,630**	**1,278,010**	**1,078,594**
Revenue	29,185,795	392,334	606,917	-	533,512
Net income from continuing operations	2,328,398	242,777	153,916	345,778	(47,376)
Net income after discontinued operations	2,345,341	242,777	153,916	345,778	(47,376)
Other comprehensive income	4,346,126	37,852	191,590	-	33,174
Total comprehensive income	**6,691,467**	**280,629**	**345,506**	**345,778**	**(14,202)**
Dividends received or distributed profits (2)	117,726	20,030	64,378	-	18,127

Additional summary financial information for significant associates and joint ventures of the Group is broken down below:

December 2023	Grupo de Inversiones Suramericana S.A.	Fondo de Capital Privado Pactia Inmobiliario (ii)	Corporación Quiport S.A.	Fondo de Capital Privado por Compartimentos Odinsa Infraestructura	Other non-significant associates and joint ventures
Cash and cash equivalents	3,305,577	60,022	201,183	87,515	240,706
Current Financial liabilities (1) (3)	-	182,408	64,823	-	2,037,731
Non-current Financial liabilities (1) (3)	-	1,070,990	1,504,705	-	2,425,906
Financial liabilities (3)	**10,076,618**	**1,253,398**	**1,569,528**	**316,193**	**4,463,636**
Depreciation and amortization expense	625,109	578	156,189	-	131,825
Interest income	2,928,946	13,295	17,474	6,339	230,006
Interest Expenses	1,128,275	162,577	205,125	30,149	316,442
Income tax expense	1,569,142	-	-	-	55,561

December 2022	Grupo de Inversiones Suramericana S.A. (iii)	Fondo de Capital Privado Pactia Inmobiliario (ii)	Corporación Quiport S.A.	Fondo de Capital Privado por Compartimentos Odinsa Infraestructura	Other non-significant associates and joint ventures
Cash and cash equivalents	3,569,969	75,699	220,164	37,496	265,990
Current Financial liabilities (1) (3)		105,521	88,622		299,430
Non-current Financial liabilities (1) (3)		1,115,305	1,828,741		4,647,508
Financial liabilities (3)	**10,560,732**	**1,220,826**	**1,917,363**	**170,767**	**4,946,938**
Depreciation and amortization expense	541,133	531	112,056	-	92,439
Interest income	1,776,168	9,466	10,267	852	206,437
Interest Expenses	986,102	131,249	204,505	11,144	183,605
Income tax expense	392,783	-	-	-	(7,375)

The assumptions used in the preparation of the summary financial information are as follows:

(i) Summary financial information of the associate Grupo de Inversiones Suramericana S.A., does not include the homologation made by the Group for the calculation of equity-accounted investees on the associate as at 31 December 2022 and 2021, of the negative effect of the deferred tax for $21,244 and $38,134 respectively, arising from the change in income tax rate and occasional gains due to the tax reform in Colombia which recognition in the Group was made through equity and not through profit or loss.

(ii) The financial statements presented for the Fondo de Capital Privado Pactia Inmobiliario for purposes of this disclosure are the Fund's consolidated financial statements, prepared for consolidation purposes. The unit value used for purposes of the Fund's fair value accounting recognition is calculated from the Fund's separate financial statements.

(iii) The comparative financial information of the associate Grupo de Inversiones Suramericana S.A. presented changes according to the last official financial statements issued by such entity, in its comparative statement of income and other comprehensive income

(1) The associate Grupo de Inversiones Suramericana S.A., and Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) present their statement of financial position in order of liquidity, therefore the detail of current and non-current assets and liabilities, and current and non-current financial liabilities is not included.

(2) Corresponds to dividends paid by associates and joint ventures for the period ended 31 December 2023 and 2022. Dividends received from other associates and joint ventures correspond to: Quito Airport Management (QUIAMA) LLC (formerly Quito Airport Management (QUIAMA) Ltd.) for $9,078 (2022 $7.740), Caoba Inversiones S.A.S. for $7,461 (2022 $3,387), Pactia S.A.S. for $5,122 (2022 $5,500), P.A. Fideicomiso Hotel Calablanca Barú for $5,484 (2022 $0), International Airport Finance S.A. for $3,350 (2022 $0), Patrimonio Autónomo Hacienda Niquía for

$1,609 (2022 $1,500). Additionally, as at December 2022, contribution refunds of Fondo de Capital Privado Pactia were received for $11,065.

(3) Trade and other payables are excluded for presentation purposes. The Financial liabilities of the associate Fondo de Capital Privado Pactia Inmobiliario include lease liabilities mostly with financial institutions for $901,344 (2022 $904,124).

18.6 Significant restrictions and commitments

There are no significant restrictions on the ability of joint ventures and associated companies to transfer funds for dividends, loan repayments, prepayments, or others.

As at 31 December 2023 and 2022, there are no unrecognized commitments to joint ventures and associates that may result in future cash outflows or other resources.

The following commitments are made to contribute funds or resources, or to acquire or deliver share in the associate or joint venture of another party, as follows:

- Arrangement between Grupo Argos S.A., JGDB Holding S.A.S., Nugil S.A.S, IHC Capital Holding L.L.C, Grupo Nutresa S.A. and Grupo de Inversiones Suramericana S.A., 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., the company that owned the shares held by Grupo Nutresa S.A. of Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. The Framework Arrangement establishes the obligations of each of the parties, as well as the activities and stages that must be completed, sequentially, to carry out the transaction. The share exchange shall be made at two times, considering the sum of what was delivered and what was received in the first and second exchanges, Grupo Argos S.A. shall receive for each share of Grupo Nutresa 0.74 shares of Grupo de Inversiones Suramericana S.A. and 0.56 shares of Sociedad Portafolio S.A., the new company that owns the portfolio (Note 47 Significant events).

- Commitments resulting from the Tender Offer for 23.1% share in Grupo Nutresa, where the shareholders of Grupo Nutresa S.A. may select one of the following two options: a) cash at a value of USD 12 per share, or b) exchanging its securities for shares of Grupo de Inversiones Suramericana S.A. and of Sociedad Portafolio S.A. The exchange establishes that for each share of Grupo Nutresa, the shareholder shall receive 0.74 shares of Grupo de Inversiones Suramericana S.A. and 0.56 shares of Sociedad Portafolio S.A.

- On 15 September 2023, some modifications related to the implementation of the Framework Arrangement were announced, which allow that if in the tender offer Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. do not acquire the necessary shares of Grupo Nutresa to complete 13.1% of its share capital, they can make a payment of USD $12 per remaining share, being the same value for other shareholders to be made in the of tender offer.

- Likewise, it was agreed that the tender offer to acquire shares of Grupo Nutresa shall be made jointly and severally by Grupo Argos S.A., Grupo de Inversiones Suramericana S.A. and an entity designated by IHC Capital Holding L.L.C, such that Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. offer to acquire, on a pro rata basis, 10.1% of the shares with consideration in cash or in a combination of shares of Grupo de Inversiones Suramericana S.A. and Sociedad Portafolio S.A.; and the entity designated by IHC Capital Holding L.L.C. offers to acquire shares in excess of that percentage, equivalent to 13% (Note 41 Significant events).

- The contribution commitments presented by Celsia Colombia S.A. E.S.P, a subsidiary of the Group, with the P.A. Laurel in which each of the Trustors undertakes to make the additional contributions that are required for the development of the Business up to an amount equivalent to 50% of $16,800 or the higher amount agreed between the Trustors in accordance with the Investment Framework Agreement.

- Own Capital Calls that may be made by the Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) in the development of its investment plan that constitute irrevocable obligations to its trustors.

The shares of Termoeléctrica El Tesorito S.A.S. E.S.P. are pledged under the long-term financing arrangement, and the shares of Caoba Inversiones S.A.S. are partially pledged under the long-term financing arrangement in accordance with the real estate warranty contract; in both cases it is financing that is without appeal to shareholders.

Group constituted pledge over 42,848,262 (2022 64,340,967) shares of Grupo de Inversiones Suramericana S.A. as a collateral of financial liabilities (Note 7.4 Collaterals).

18.7 Analysis of objective evidence of impairment

The Group 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 Group tests the assets for impairment.

Impairment tests are performed by combining different valuation techniques, mainly under the Discounted Free Cash Flow (DFCF) methodology, sum of parts and discount of cash flows to the shareholder to find their value. These valuations reference a baseline of results such as budget and financial projections approved by the management of each business. Likewise, the discount rate used is the *Weighted Average Cost of Capital* (*WACC*) or the Cost of Equity (Ke) of each one.

The following is a description of management's judgments regarding objective evidence of impairment for the Group's most representative investments in associates and joint ventures accounted for using equity-accounted investees:

For the associate Grupo de Inversiones Suramericana S.A. as at 31 December 2023, good business dynamics are observed, which is evidenced by a better operating result at the consolidated level. Thanks to the active and permanent management of its portfolio, in addition to the adequate implementation of strategies and good commercial dynamics, the sustainability and growth of operations has been guaranteed, which is ratified with the result of the impairment tests carried out at the closing of December 2023, where no impairment was presented on the investment.

In September 2022, the Group through its subsidiary Odinsa S.A. signed with Macquarie Infrastructure and Real Assets (MIRA) a sale arrangement for 50% of the current share held in the joint ventures Corporación Quiport S.A., International Airport Finance S.A., and Quito Airport Management LTD. As at 31 December 2022, the Group recognized an impairment on goodwill allocated to the concessions segment of $64,237, taking as reference the recoverable amount of these airport assets based on the valuation carried out by independent third parties (Note 14 Goodwill).

Other investments in associates and joint ventures of the Group did not present objective evidence of impairment at 31 December 2023.

18.8 Reciprocal interests

During its operations, Grupo de Inversiones Suramericana S.A. and its subsidiaries, and Sociedad Portafolio S.A. in turn have equity share in Grupo Argos S.A. This crosse equity share 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. has in Grupo Argos S.A. as at 31 December is as follows:

	% Voting share on the investment		% Share with economic right on the investment	
	2023	2022	2023	2022
Grupo Sura S.A. in Grupo Argos S.A.	36.28%	35.96%	27.42%	27.20%
Grupo Argos S.A. in Grupo Sura S.A.	34.14%	34.14%	27.51%	27.51%

Grupo Argos S.A. and its associate Grupo de Inversiones Suramericana S.A. record their reciprocal interests as equity-accounted investees, as described in note to the financial statements 2.4.9 Investments in associates and joint arrangements. When calculating this method, both the associated company and Grupo Argos S.A. do so simultaneously and without considering the effect of the reciprocal interests, i.e., without affecting the results between them.

Grupo Argos S.A. and Grupo Nutresa S.A. had held reciprocal interests for decades. However, in the development of the Framework Arrangement, Grupo Nutresa S.A. was spun off and transferred the shares of Grupo Argos S.A. to a new company called Sociedad Portafolio S.A. Because of this symmetrical spin-off, Grupo Argos S.A. received the same number of shares of Sociedad Portafolio S.A. that it had of Grupo Nutresa S.A. Thus, Grupo Argos S.A. owns 9.88% (2022 9.88%) of the common shares of Grupo Nutresa S.A. and 9.88% (2022 0%) of Sociedad Portafolio S.A., and Sociedad Portafolio S.A. owns 12.63% (2022 0%) of the common shares of Grupo Argos S.A. and Grupo Nutresa S.A. no longer has shares of Grupo Argos S.A. (2022 12.51%), and Sociedad Portafolio S.A. owns 9.54% (2022 0%) and Grupo Nutresa S.A. owns 0% (2022 9.47%) of the outstanding shares of Grupo Argos S.A. In both cases these share are recognized as a financial instrument and measured at fair value through Other comprehensive income (OCI), as described in note to the financial statements 2.4.3 Financial assets. The Group classified the investment that Grupo Argos S.A. holds in Grupo Nutresa S.A. as a non-current asset held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations and Note 47 Significant events).

NOTE 19: **SUBSIDIARIES**

19.1 Composition of Grupo Argos

At 31 December Grupo Argos S.A. consolidates the following companies:

				Effective shareholding (*)	
Name of the subsidiary	**Main activity**	**Country**	**Functional Currency**	**2023**	**2022**
Patrimonio Autónomo Ganadería Rio Grande	Livestock Business	Colombia	Colombian peso	13.39%	13.39%
Sator S.A.S. (1)	Coal mining exploitation	Colombia	Colombian peso	98.97%	99.01%
Summa - Servicios Corporativos Integrales S.A.S. (1)	Rendering of corporate services	Colombia	Colombian peso	78.37%	77.90%
Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A.	Concessions	Colombia	Colombian peso	0.00%	64.97%
Cementos Argos S.A. (*) (1)	Cements and related products	Colombia	Colombian peso	60.66%	58.77%
American Cement Terminals Trust (BVI) (1)	Investments	British Virgin Islands	US dollar	60.66%	58.77%
Argos (Dominica) Ltd. (1)	Cement distribution	Dominica	Eastern Caribbean Dollar	60.66%	58.77%
Argos Dominicana S.A. (1)	Cement production and marketing	Dominican Republic	Dominican Peso	48.53%	47.35%
Argos Guatemala S.A. (1)	Cement Import and Marketing	Guatemala	Quetzal	60.66%	58.77%
Argos Guyane S.A.S. (1)	Cement production and marketing	French Guiana	Euro	60.66%	58.77%
Argos Honduras S.A. de C.V. (1)	Cements and related products	Honduras	Lempira	32.33%	31.32%
Argos North America Corp. (1)	Investments	United States	US dollar	60.66%	59.15%
Argos Panama, S.A. (1)	Cements and related products	Panama	US dollar	50.56%	48.99%
Argos Puerto Rico Corp. (1)	Cement Distribution and Sale	Puerto Rico	US dollar	36.40%	35.26%
Argos SEM LLC (1)	Investments	United States	US dollar	60.66%	58.77%

Name of the subsidiary	Main activity	Country	Functional Currency	Effective shareholding (*) 2023	2022
Argos St. Maarten N.V. (1)	Cement distribution	St. Maarten	US dollar	60.66%	58.77%
Argos Trading Puerto Rico LLC (1)	Export	Puerto Rico	US dollar	36.40%	35.26%
Argos USA LLC. (1)	Cements and related products	United States	US dollar	60.66%	59.15%
Argos USVI Corp. (1)	Cement distribution	US Virgin Islands	US dollar	60.66%	58.77%
BMR Limited (1)	Reinsurance	Bermuda	US dollar	60.66%	58.77%
Cementos Argos Company Limited (1)	Cement distribution	Antigua	Eastern Caribbean Dollar	60.66%	58.77%
Cement and Mining Engineering Inc. (1)	Investment	Panama	US dollar	60.66%	58.77%
Cementos de Caldas S.A. (1)	Cements and related products	Colombia	Colombian peso	60.44%	58.56%
CI del Mar Caribe (BVI) Inc. (1)	Marketing	British Virgin Islands	US dollar	60.66%	58.78%
Cimenterie Nationale S.E.M. (CINA) (1)	Cements and related products	Haiti	Gourde	39.43%	38.20%
Colcaribe Holdings S.A. (1)	Investments	Panama	US dollar	60.66%	58.77%
Concreto S.A. (1)	Concrete Production	Panama	US dollar	50.56%	48.99%
Concretos Argos S.A.S. (1)	Concrete production and marketing	Colombia	Colombian peso	60.66%	58.99%
Corporaciones e Inversiones del Mar Caribe S.A.S. (1)	Investments	Colombia	Colombian peso	60.66%	58.77%
Framing Colombia S.A.S. BIC	Execution of buildings, civil works and personal property	Colombia	Colombian peso	42.46%	0.00%
Haití Cement Holding S.A. (1)	Investments	Panama	US dollar	60.66%	58.77%
Inmuebles Miraflores S.A. (1)	Real Estate management	Panama	US dollar	60.66%	58.77%
Logística de Transporte S.A. (1)	Transport	Colombia	Colombian peso	60.65%	58.77%
Soluciones Modulares Argos S.A.S. (1)	Marketing and sale of prefabricated concrete elements	Colombia	Colombian peso	60.66%	58.99%
Southern Star Leasing, LLC (1)	Concrete Industry	United States	US dollar	60.66%	59.15%
Surcol Houdstermaatschapij NV (1)	Investments	Suriname	US dollar	30.33%	29.39%
Terminal Granelera Bahía Las Minas S.A. (1)	Seaport operation	Panama	US dollar	50.56%	48.99%
Transatlantic Cement Carriers Inc. (1)	Sea transport	Panama	US dollar	60.66%	58.77%

Name of the subsidiary	Main activity	Country	Functional Currency	Effective shareholding (*) 2023	2022
Valle Cement Investments Inc. (1)	Investments	Panama	US dollar	60.66%	62.15%
Venezuela Ports Company S.A. (1)	Investments	Panama	US dollar	60.66%	58.77%
Vensur N.V. (1)	Cement production and marketing	Suriname	US dollar	25.54%	24.74%
Zona Franca Argos S.A.S. (1)	Cement industry	Colombia	Colombian peso	60.66%	58.77%
Celsia S.A.	Investments	Colombia	Colombian peso	52.94%	52.93%
Alternegy S.A.	Energy	Panama	US dollar	0.00%	52.93%
Bahía Las Minas Corp. (1)	Energy	Panama	US dollar	27.13%	27.12%
Bontex S.A.	Energy	Panama	US dollar	0.00%	52.93%
Celsia Centroamérica S.A. (1)	Services	Panama	US dollar	52.94%	52.93%
Celsia Colombia Inversiones S.A.S. (1)	Services	Colombia	Colombian peso	34.47%	34.46%
Celsia Colombia S.A. E.S.P. (1)	Energy	Colombia	Colombian peso	34.47%	34.46%
Celsia Costa Rica S.A. (1)	Commercial and industrial	Costa Rica	US dollar	52.94%	52.93%
Celsia Honduras S.A. de C.V.	Energy	Honduras	US dollar	31.76%	31.76%
Celsia Internet S.A.S.	Internet	Colombia	Colombian peso	34.47%	0.00%
CelSolar S.A.	Energy	Panama	US dollar	0.00%	52.93%
CJ Energy S.A.	Services	Panama	US dollar	31.76%	31.76%
Colener S.A.S. (1)	Energy	Colombia	Colombian peso	52.94%	52.93%
Compañía de Electricidad de Tuluá S.A. E.S.P. (1)	Energy	Colombia	Colombian peso	33.97%	33.96%
Divisa Solar 10MW S.A.	Energy	Panama	US dollar	0.00%	52.93%
Enerbit S.A.S. E.S.P. (1)	Energy Marketing	Colombia	Colombian peso	34.47%	34.46%
Enerwinds de Costa Rica S.A. (1)	Energy	Costa Rica	US dollar	34.41%	34.40%
Landco La Gloria S.A. (1)	Commercial and industrial	Costa Rica	US dollar	34.41%	34.40%
Planta Eólica Guanacaste S.A.	Energy	Costa Rica	US dollar	0.00%	34.40%
Porvenir II S.A.S E.S.P. (1) (2)	Energy	Colombia	Colombian peso	52.94%	52.93%
Proyecto Eólico Buena Vista S.A. (1)	Energy	Costa Rica	US dollar	34.41%	34.40%
Proyecto Eólico La Gloria S.A. (1)	Energy	Costa Rica	US dollar	34.41%	34.40%
Proyecto Eólico Limonal S.A. (1)	Energy	Costa Rica	US dollar	34.41%	34.40%
Odinsa S.A. (1)	Infrastructure and Concession	Colombia	Colombian peso	99.89%	99.91%
Autopistas de los Llanos S.A. en liquidación (in liquidation) (1)	Road concession	Colombia	Colombian peso	68.38%	68.40%

Name of the subsidiary	Main activity	Country	Functional Currency	Effective shareholding (*) 2023	2022
Autopistas del Nordeste Cayman LTD. (in liquidation)	Investment	Cayman Islands	US dollar	0.00%	67.44%
Autopistas del Oeste S.A. (1)	Road concession	Dominican Republic	Dominican Peso	79.83%	79.85%
Caribbean Infrastructure Company (CIC) N.V. (1)	Road concession	Aruba	US dollar	99.89%	99.91%
Chamba Blou N.V. (1)	Road construction	Aruba	US dollar	99.89%	99.91%
Consorcio App Llanos (1)	Road construction	Colombia	Colombian peso	91.90%	91.92%
Constructora Bogotá Fase III – Confase S.A. en liquidación (in liquidation) (1)	Road construction	Colombia	Colombian peso	50.94%	50.95%
JV Proyecto ADN, S.R.L. (in liquidation) (1)	Road construction	Dominican Republic	Dominican Peso	67.43%	67.44%
JV Project BTA, S.R.L.	Road construction	Dominican Republic	Dominican Peso	0.00%	67.44%
Marjoram Riverside Company S.A. (1)	Investment	British Virgin Islands	US dollar	99.89%	99.91%
Odinsa Aeropuertos S.A.S.	Engineering and architecture services	Colombia	Colombian peso	0.00%	99.91%
Odinsa Gestor Profesional S.A.S. (1)	Professional management of private equity funds	Colombia	Colombian peso	99.89%	99.91%
Odinsa Proyectos e Inversiones S.A. (1)	Road concession	Colombia	Colombian peso	99.56%	99.58%
Odinsa Servicios S.A.S. (1)	Road Signaling Services	Colombia	Colombian peso	99.89%	99.91%
Quadrat Group Inc. (1)	Investment	British Virgin Islands	US dollar	99.89%	99.91%

(*) For the subsidiary Cementos Argos S.A. the percentage of economic right share as at December 2023 and December 2022 of 51.46% and 49.86%, respectively, is different from the percentage with voting rights of 60.66% and 58.77%, respectively. The foregoing considering that such subsidiary has shares with preferential dividend and without voting rights.

(1) The change in the share of these investments corresponds to the acquisition made by Grupo Argos S.A. of shares of Cementos Argos S.A. in March, April and June, and as a result of the execution of the repurchase of shares program of Cementos Argos S.A. and Celsia S.A. Additionally, for the repurchase of shares of Valle Cement Investments Inc. subsidiary of Cementos Argos S.A. to its minority shareholder Grupo Argos S.A. that changed the indirect interest in the indicated companies (See 19.3.1 Contributions, return of contributions and/or changes in ownership interest in a subsidiary that do not result in a gain or loss of control).

(2) Porvenir II S.A.S E.S.P. is a simplified joint stock company, a public utility company whose main corporate purpose is the generation and marketing of electric energy according to Laws 142 and 143 of 1994. Its registered office is in Medellín and its term is indefinite.

The company is the holder of the Environmental License for the development of the Porvenir II hydroelectric project, granted by Resolution 0168 of 13 February 2015 and confirmed by Resolution 0726 of 19 June of the same year.

Within the process of simple nullity processed under file No. 2016-0149 against the Environmental License of the Porvenir II project, on 24 May 2019 the Council of State notified an order by which it provisionally suspended said license, considering that the development of the Project under the conditions endorsed by the Colombian Environmental Licensing Authority (ANLA for its Spanish initials) could disregard some precepts of Law 1448 of 2011. Celsia S.A. and the ANLA, the authority that issued the Environmental License, filed an appeal against the order. Unless the Council of State revokes the provisional suspension or rules definitively in the process denying the nullity, the

Environmental License is still suspended by the Colombian Council of State and Celsia S.A. continues to execute all existing legal mechanisms to enable the license.

The following are the direct subsidiaries of Grupo Argos S.A. included in the Group's consolidated financial statements:

Cementos Argos S.A.: a commercial company incorporated under Colombian law on 14 August 1944. The company's corporate purpose is the exploitation of the cement industry, the production of concrete mixtures and other materials or articles based on cement, lime or clay; the acquisition and sale of minerals or mineral deposits that can be used in the cement industry and its similar industries, of rights to explore and exploit minerals of the aforementioned, whether by concession, privilege, lease or any other title; the provision of port services; acting as a contractor, builder, consultant, controller, designer or planner of civil works or other types, before any public or private entity. The main domicile is in Colombia and its term expires on 14 August 2060.

This company consolidates with: American Cement Terminals Trust (BVI), Argos Dominicana S.A. Argos Guatemala S.A., Argos Guyane S.A.S., Argos Honduras S.A. de C.V., Argos North America Corp. (this corporation consolidates with Argos USA LLC, Southern Star Leasing LLC., Argos Panamá S.A. (this company consolidates with Concreto S.A. and Terminal Granelera Bahía Las Minas S.A.), Argos Puerto Rico Corp., Argos SEM, LLC., Argos Trading Puerto Rico LLC, BMR Limited, Cement and Mining Engineering Inc., Cementos de Caldas S.A., CI del Mar Caribe (BVI) Inc., Colcaribe Holdings S.A., Concretos Argos S.A.S., Corporaciones e Inversiones del Mar Caribe S.A.S. (this company consolidates with Argos (Dominica) Ltd., Argos Saint Maarten N.V., Argos USVI Corp., Cementos Argos Company Limited, and Framing Colombia S.A.S. BIC), Haití Cement Holding S.A. (this society consolidates with Cimenterie Nationale S.E.M. – CINA), Inmuebles Miraflores S.A., Logística de Transporte S.A., Soluciones Modulares Argos S.A.S., Surcol Houdstermaatschappij N.V. (this company consolidates with Vensur N.V.), Transatlantic Cement Carriers Inc., Valle Cement Investments Inc., Venezuela Ports Company S.A., and Zona Franca Argos S.A.S.

Celsia S.A.: Incorporated under Colombian law on 4 October 2001, Its main domicile is in Colombia. The main purpose of the company is to manage, safeguard or increase its assets by means of the promotion and development of industrial or commercial activities, especially through investment in companies or other legal entities, or participation in other types of corporate structures, related to the energy industry, public utilities and their related or complementary activities, or through entities, organizations, funds or any other legal figure, either by participating as a founding member in its incorporation, making subsequent capital contributions or acquiring equity share. Likewise, it may invest in all types of movable and immovable property, fixed and variable income papers or documents, or any kind of securities, whether they are registered in the public securities market. It may also provide advice on economic, administrative, and financial matters to all types of companies. Its legal duration is until 4 April 2069.

This company consolidates with Bahía Las Minas Corp., Celsia Centroamérica S.A. (this society consolidates Alternegy S.A., Bontex S.A., Celsia Costa Rica S.A., Celsia Honduras S.A. de C.V, CelSolar S.A., Divisa Solar 10MW S.A., CJ Energy S.A., and Enerwinds de Costa Rica S.A. (this society consolidates with Landco La Gloria S.A., direct controller of Proyecto Eólico Buena Vista S.A., Proyecto Eólico La Gloria S.A., and Proyecto Eólico Limonal S.A., and Planta Eólica Guanacaste S.A.), Colener S.A.S. that consolidates Celsia Colombia S.A. E.S.P., (this company consolidates with Celsia Colombia Inversiones S.A.S., Celsia Internet S.A.S., Compañía de Electricidad de Tuluá S.A. E.S.P., and Enerbit S.A.S. E.S.P.), and Porvenir II S.A.S. E.S.P.

Loss of control of the following companies occurred in 2023: Alternegy S.A., Bontex S.A., CelSolar S.A., Divisa Solar 10MW S. A., and Planta Eólica Guanacaste S.A. (Note 19.3.2. Contributions, contribution refunds and/or changes in the bylaws or in the ownership share in a subsidiary resulting in loss of control).

To date CJ Energy, Proyecto Eólico Buena Vista S.A., Proyecto Eólico La Gloria S.A., and Proyecto Eólico Limonal S.A. have not started business operations.

The company CelSolar S.A. was established with the objective of being an investment vehicle for new non-conventional energy projects.

Odinsa S.A.: incorporated under the Colombian law on 16 July 1992. Its main corporate purpose is the study, implementation, financing, and exploitation of all activities and works of engineering and architecture in all its forms, modes, and specialties, inside or outside Colombia. Its main domicile is in Colombia and its term expires on 31 December 2100.

This company consolidates with Autopistas de los Llanos S.A. en liquidación (in liquidation), Autopistas del Nordeste Cayman LTD. (in liquidation), (company dissolved in December 2023.) Autopistas del Oeste S.A., Caribbean Infrastructure Company (CIC) N.V., Chamba Blou N.V., Consorcio APP Llanos, Constructora Bogotá Fase III - Confase S.A. en liquidación (in liquidation), JV Proyecto and, S.R.L., (in liquidation) JV Proyecto BTA, S.R.L., (company dissolved in June 2023) Marjoram Riverside Company S.A, N.V., Odinsa Aeropuesrtos S.A.S.,(this company becomes a joint venture, due to the constitution of Odinsa S'A.'s airport platform), Odinsa Gestor Profesional S.A.S., Odinsa Proyectos e Inversiones S.A., Odinsa Servicios S.A.S., And Quadrat Group Inc.

Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A–. - Opain S.A.: The sole corporate purpose of the company is the signing and execution of the concession contract that is the subject of public tender 5000091 OL of 2005, which purpose is the granting of a concession for the concessionaire to carry out, at its own risk, among others, the management, operation, commercial exploitation, maintenance, upgrade, and expansion works of the El Dorado International Airport of the city of Bogota D.C..

Loss of control of this company occurred in June 2023 (Note 19.3.2. Contributions, contribution refunds and/or changes in the bylaws or in the ownership share in a subsidiary resulting in loss of control).

Sator S.A.S.: incorporated under Colombian law on 28 October 1981, its main domicile is in Medellin and its term is indefinite; its corporate purpose is to perform the prospecting, exploration, exploitation, production, benefit, transformation, acquisition, disposal, marketing, and transportation of coal and any other mineral substance associated with coal, import, export, marketing and supply of raw materials, inputs, equipment and machinery required for mining coal and other minerals.

Valle Cement Investments Inc.: Incorporated on 18 December 1998. Its corporate purpose is to make investments of any kind. At present it invests in shares, quotas or shares and other types of securities. The term of the company is indefinite. Control of this company is held through Cementos Argos S.A.

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 Colombia and its term is indefinite. Control of this company is held through Cementos Argos S.A.

Summa - Servicios Corporativos Integrales S.A.S.: incorporated on 7 December 2016. Its corporate purpose is to provide specialized business services in Colombia and abroad to companies linked to Grupo Empresarial Argos or to third parties, in any area that can create value for its customers; to provide consulting or intervention services in any of the businesses of the companies that make up Grupo Empresarial Argos or to third parties; to carry out all those acts that are intended to exercise the rights and comply with the obligations, legal or conventional, derived from the existence and activities developed by the society and to carry out any other legal economic activity both in Colombia and abroad. Its main domicile is in Colombia.

Patrimonio Autónomo Ganadería Río Grande: Incorporated on 14 August 2017. It executes 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.

19.2 Principal subsidiaries with significant non-controlling interests

The following table shows summarized financial information as at December 2023 and 2022, for the principal subsidiaries that the Group have significant non-owners of the parent, this information is prepared in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia (NCIF, for its Spanish initials), which are based on International Financial Reporting Standards (IFRS), and is restated, when appropriate, by adjustments related to the homologation of accounting policies. The values below are presented before write-offs between Group companies:

	Celsia S.A.		Cementos Argos S.A.		Odinsa S.A.	
	2023	2022	2023	2022	2023	2022
Main Address	Colombia		Colombia		Colombia	
Revenue	6,229,922	5,616,504	12,724,119	11,697,084	205,205	475,527
Income from continuing operations	348,887	442,783	397,438	214,312	423,100	411,582
Other comprehensive income	(1,150,831)	368,117	(2,676,010)	2,232,471	(333,526)	82,769
Total comprehensive income	(801,944)	810,900	(2,278,572)	2,446,783	89,574	494,351
Current assets	2,626,894	4,569,523	3,982,655	4,642,833	249,339	987,071
Non-current assets	11,125,085	10,364,447	15,544,491	18,646,434	1,663,290	1,464,930
Current liabilities	3,644,258	3,262,122	4,231,645	3,923,141	49,697	349,561
Non-current liabilities	4,595,097	4,974,444	6,208,659	7,279,624	357,947	367,094
Net assets	5,512,624	6,697,404	9,086,842	12,086,502	1,504,985	1,735,346
Attributable to non-controlling interests:						
Continuing operations	155,407	166,338	72,995	72,408	183	36,404
Total comprehensive income	156,903	245,371	(149,184)	256,765	78	36,015
Net assets	1,700,121	1,619,144	721,746	1,053,505	4,290	4,461
Dividends paid to Grupo Argos S.A.	163,961	160,422	276,006	144,641	319,817	379,767
Dividends paid to non-controlling interests (1)	208,309	239,665	349,980	223,870	351	205,955

(1) By December 2022, dividends paid to non-controlling interests by Odinsa S.A. included $180,400 that was offset by the receivable from shareholders, given the advance of 2021 profits and cash dividends of $25,555.

19.3 Contributions, contribution refunds and/or changes in ownership interest of a subsidiary

19.3.1 Contributions, return of contributions and/or changes in ownership interest in a subsidiary that do not result in a gain or loss of control

Cementos Argos S.A.: The Group acquired the following share: in March 2023, 13,500,000 shares for $40,811; in April 2023, 4,370,000 shares for $13,046; in June 2023, 58,000 shares for $195. In addition to the above and because of the execution of the repurchase of shares program of Cementos Argos S.A. in 2023, the Group held 60.66% voting share in said company.

Odinsa S.A.: in May 2023, Grupo Argos acquired 8,511 common shares of Odinsa S.A. for $85. Additionally, in September 2023, 70 shares were acquired for $1.

Valle Cement Investments Inc.: in November 2023, the repurchase of shares of this company, a subsidiary of Cementos Argos S.A., was formalized. to its minority shareholder Grupo Argos S.A., equivalent to 8.19%. With this operation, the Group became the effective holder of 60.66% in Valle Cement Investments Inc.

Celsia S.A.: In December 2023, because of the execution of the repurchase of shares program, there was an increase in the shareholding in this company. The Group became the effective holder of 52.94% in Celsia S.A.

The following changes occurred during 2022:

Concesión Vial de los Llanos S.A.S.: in April 2022, prior to the sale to Macquarie Infrastructure and Real Assets (MIRA) and contribution to the Fondo de Capital Privado por Compartimientos Odinsa Vías and Odinsa Vías(now Fondo de Capital Privado por Compartimentos Odinsa Infraestructura) and to Odinsa Vías S.A.S., 1,500,000 shares of Concesión Vial de los Llanos S.A.S. were acquired, representing 30% of the company's share for $50,232.

Consorcio App Llanos: as at June 2022, Odinsa S.A. acquired 2,050,000 shares for a value of $336, increasing its share by 41%. With this transaction, the Group became the effective holder of 91.92% in Consorcio App Llanos.

Cementos Argos S.A.: in September 2022, the Group acquired 3,088,365 shares for $12,282, leaving it with a 58.77% voting interest in Cementos Argos S.A.

19.3.2 Contributions, contribution refunds and/or changes in the bylaws or in the ownership share in a subsidiary resulting in loss of control

Odinsa Aeropuertos S.A.S.: in June 2023, there was a loss of control of this company from an investment in a subsidiary to a joint venture, due to the incorporation of the airport platform, where Odinsa Aeropuertos S.A.S. is the holder of the bare ownership of the shares of Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A., excluding the economic rights over said investment.

Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A.: in September 2022, Grupo Argos S.A. and Odinsa S.A. signed an arrangement with Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, for the sale of 50% of the share held by the Group in this asset, corresponding to 91,770 shares, equivalent to 32.5% share, plus the rights associated with it; and subsequent contribution of 50% of the remaining share in Opain S.A. to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura, for the creation of an investment platform focused on the management of airport assets in which Grupo Argos S.A. shall participate through its subsidiary Odinsa S.A.

Once the conditions precedent for closing the operation have been met, MIP V Transporte Iberoamérica, Odinsa S.A. and Grupo Argos S.A., announced on 29 June 2023 the completion of their strategic alliance and reported the start of operations of Odinsa Aeropuertos S.A.S. The value of the sale of 32.5% of Opain S.A., by the Group, was $297,342. The sale of other assets related to the airport business held by Odinsa S.A., and the contribution of the remaining share in Opain S.A. to the Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimientos Odinsa Vías), was $297,342. These events involved the loss of control that the Group maintained over Opain S.A. in June 2023.

JV Project BTA, S.R.L.: in June 2023, by means of a record of dissolution of legal entities issued by the General Directorate of Internal Taxes of the Dominican Republic, JV Proyecto BTA, S.R.L. was effectively dissolved. Without any contribution refunds to the shareholders.

Autopistas del Nordeste Cayman LTD. (in liquidation): In December 2023, by certificate issued in George Town, Cayman Islands, Autopistas del Nordeste Cayman LTD. (in liquidation) was dissolved. Without any contribution refunds to the shareholders.

Alternegy S.A., Bontex S.A., CelSolar S.A., Divisa Solar 10MW S. A., and Planta Eólica Guanacaste S.A.: Celsia S.A., through its subsidiary Celsia Centroamérica S.A. completed the sale of a portion of its electric assets in Panama and Costa Rica to Fontus Spain S.L.U., an EnfraGen LLC company, which operates renewable energy and grid stability assets in Latin America. The value of this transaction was USD 194 million. With this divestment control was lost over these companies.

The following changes occurred during 2022:

Commercial Arvenco C.A.: in February 2022 this subsidiary was liquidated.

In June 2022, control over the concessions Autopistas del Café S.A., Consorcio Grupo Constructor Autopistas del Café, Concesión Túnel Aburrá Oriente S.A., and Concesión Vial de los Llanos S.A.S. were lost because of the arrangement signed with Macquarie Infrastructure and Real Assets (MIRA) (Note 47 Significant events).

Odinsa Vías S.A.S.: in June 2022, control over this company was lost, passing from being an investment in a subsidiary to a joint venture, because of the constitution of the investment platform, where Odinsa Vías S.A.S. is the holder of the bare ownership of the shares that comprise the road assets, excluding the economic rights over the investment.

Autopistas del Nordeste S.A.: in November 2022, by means of a dissolution record of legal entities issued by the General Directorate of Internal Taxes of the Dominican Republic, Autopistas del Nordeste S.A. was dissolved effective 24 November 2022, without any contribution refunds to the shareholders.

Boulevard Turístico del Atlántico S.A: in November 2022, by means of a dissolution record of legal entities issued by the General Directorate of Internal Taxes of the Dominican Republic, Boulevard Turístico del Atlántico S.A. was dissolved effective 8 December 2022 without any contribution refunds to the shareholders.

19.3.3 Acquisition or incorporation of subsidiaries

Framing Colombia S.A.S. BIC: in March 2023, Cementos Argos S.A., through its subsidiary Corporaciones e Inversiones del Mar Caribe S.A., acquired 50% share in the company Framing Colombia S.A.S. BIC. Subsequently, in May 2023, an additional 20% was acquired for a total of 10,500 shares at a purchase value of $1,117. The acquired subsidiary constitutes a business in accordance with the requirements of IFRS 3 Business Combinations, so there was recognition of goodwill for $296. Its main activity is the study, planning, contracting, design, and construction of houses, warehouses and other types of works through the implementation of alternative, lightweight, resistant and environmentally friendly construction systems. The Group's effective share in this company is 42.46%.

Celsia Internet S.A.S.: in May 2023, the company Celsia Internet S.A.S. was incorporated, its main corporate purpose is the provision, marketing, supply, installation, operation, maintenance and exploitation, directly or indirectly for itself or for third parties of any type of activity related to networks, equipment and/or the provision of telecommunications services and/or information and communications technologies (ICTs). The Group's effective share in this company is 34.47%.

Proyecto Eólico Buena Vista S.A., Proyecto Eólico La Gloria S.A., Proyecto Eólico Limonal S.A.: companies created in Costa Rica, to take advantage of opportunities related to potential public bids for the purchase of energy by ICE (for its Spanish initials) in this country, and share the same corporate purpose, mainly designing, financing, building, maintaining, managing, operating, developing energy generation and wind plant projects. The Group's effective share in these companies is 34.41%.

The following changes occurred during 2022:

Odinsa Gestor Profesional S.A.S.: in January 2022, the company Odinsa Gestor Profesional S.A.S. was incorporated as part of the strategic vision of Odinsa S.A. to consolidate with other players in the sector, as one of the most important road platforms in the region, which shall oversee developing the road platform projects authorized by the project committee. The Group's effective share in this company is 99.91%.

Soluciones Modulares Argos S.A.S.: in February 2022, Soluciones Modulares Argos S.A.S. was incorporated, whose main corporate purpose is the design, production, transportation, assembly, marketing, and sale of prefabricated concrete elements. The Group's effective share in this company is 58.99%.

BMR Limited.: in April 2022, the company BMR Limited was incorporated, whose main corporate purpose is reinsurance for risk management. The Group's effective share in this company is 58.77%.

CJ Energy S.A.: in August 2022, the company CJ Energy, S.A. was incorporated, whose main corporate purpose is the backup energy service in Panama through the purchase, sale, and rental of power plants, as well as providing services related to their operation, repair, and maintenance. The Group's effective share in this company is 31.76%; to date has not started business operations.

Odinsa Aeropuertos S.A.S.: in October 2022, the company Odinsa Aeropuertos S.A.S. was incorporated as part of the process of creation of the investment platform of airport assets in Colombia and the region, which was agreed with Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, for the purchase and sale, and contribution of its share in the airport concessions in Colombia to the platform. The Group's effective share in this company is 99.91%.

19.3.4 Changes in ownership interest in a subsidiary due to a merger by absorption

During 2023 no changes in ownership interest in a subsidiary due to a merger by absorption occurred.

The following changes occurred during 2022:

As at March 2022, Odinsa Holding Inc. merged unsettled with Odinsa S.A. by means of public deed 370 of 14 February 2022 in accordance with the provisions of the General Shareholders' Meeting held on 27 August 2021, where the merger by absorption commitment was approved in which the absorbent was Odinsa S.A. and the absorbed Odinsa Holding Inc.

In July 2022, Argos Dominicana S.A. absorbed Concretos Argos Dominicanos, S.R.L.

In August 2022, Argos USA LLC. absorbed the companies American Cement Terminals LLC., Argos Ports (Wilmington) LLC., and Supply Link LLC.

19.4 Significant restrictions

As at December 2023 and 2022, there are no restrictions on investments in subsidiaries.

NOTE 20: **BIOLOGICAL ASSETS**

The balance of biological assets at 31 December comprises:

2023	Plantations	Livestock and others	Total
Book value at 1 January	**19,470**	**43,635**	**63,105**
Increases for purchases, plantings or births	-	4,126	4,126
Decrease due to sales or deaths	(1,584)	(6,115)	(7,699)
Changes in fair value less selling costs	(1,722)	5,252	3,530
Carrying Cost as at 31 December	**16,164**	**46,898**	**63,062**
Current	-	5,892	5,892
Non-current	16,164	41,006	57,170
Total biological assets	**16,164**	**46,898**	**63,062**

2022	Plantations	Livestock and others	Total
Book value at 1 January	**19,953**	**41,225**	**61,178**
Increases for purchases, plantings or births	-	4,001	4,001
Decrease due to sales or deaths	(1,255)	(5,664)	(6,919)
Changes in fair value less selling costs	772	4,073	4,845
Carrying Cost as at 31 December	**19,470**	**43,635**	**63,105**
Current	-	5,112	5,112
Non-current	19,470	38,523	57,993
Total biological assets	**19,470**	**43,635**	**63,105**

The Group undertakes agricultural and livestock activities through Cementos Argos S.A. and P.A. Ganadería, respectively. The Group's biological assets are measured at fair value less estimated selling costs, considering significant observable inputs, level 2 for livestock and level 3 for plantations. Changes in the fair value of biological assets are presented in the statement of comprehensive income as income, cost or valuation expense, as appropriate.

The discounted cash flow model was used for the valuation of the plantations, considering that the future economic benefits associated with forestry are expected to be realized 3 or 4 times over time, as follows: at the time 2 or 3 thinnings are made, which depend on the age and diameter of the plantation, and at a final moment when the clearfelling is made. Fair value is determined by applying a discount rate to future net cash flows, using the Weighted Average Cost of Capital (WACC), estimated at 12.42% for 2023 (2022 9.98%). The sales price, the volume determined based on experience and forestry studies, and costs and expenses estimates are significant unobservable inputs to the measurement.

The Group's biological assets are composed of plantations and livestock, as follows:

	2023	2022
Plantations (number of hectares sown)	962	1,103
Livestock (number of cattle)	5,958	5,735

On the other hand, The fair value of the livestock was estimated using the market approach, which in this case corresponds to the market price that is agreed according to an estimation of the weight, age and other conditions of the livestock that determine the price of the kilogram of meat in the market.

As at 31 December 2023, plantations mainly include teak, eucalyptus, pine, rubber, acacia, and melina, distributed in the national territory in Boyacá, Riosucio (Caldas), Montebello (Antioquia), Rioclaro (Antioquia), Cartagena (Bolívar), Victoria (Caldas) and Puerto Nare (Antioquia). The livestock is made up of cattle and horses, and is mainly represented in Brahman, GYR, and Guzera breeds, distributed in the national territory in Antioquia (Puerto Nare and Arboletes), Cordoba (Montelibano) and Sucre (San Onofre).

At 31 December 2023 and 2022, there were no restrictions on the ownership of the Group's biological assets or contractual commitments for their development or acquisition and they had not been pledged as collateral for the repayment of debts.

NOTE 21: **FINANCIAL OBLIGATIONS**

Borrowings at 31 December comprise:

	2023	2022
Local currency liabilities (1)	3,995,779	3,878,674
Foreign currency liabilities (1)	3,594,343	3,773,662
Bank overdrafts (2)	18,305	4,734
Other obligations (3)	13,812	59,694
Total borrowings	**7,622,239**	**7,716,764**
Current	2,797,619	1,635,930
Non-current	4,824,620	6,080,834
Total borrowings	**7,622,239**	**7,716,764**

(1) Borrowings in local and foreign currency comprise both short and long-term loans taken by Group companies.

(2) Corresponds to overdrafts of the subsidiary Vensur N.V. and Argos Honduras S.A. de C.V. for $18,305 (2022 $4,734).

(3) In 2023 and 2022, availability in a credit line of subsidiary Argos Honduras S.A. de C.V. mainly corresponds with the bank Atlántida and Bank Ficohsa for payment of 25-day interest-free taxes for $13,812 (2022 $25,686). In 2022, it includes repo operations of Cementos Argos S.A. for $34,008.

The Group’s main loans are presented below at their nominal value, expressed in the original currency, and their book values at the end of the reporting period.

			2023		2022	
Company	**Financial institution**	**Maturity**	**Nominal value (*)**	**Book value**	**Nominal value (*)**	**Book value**
Foreign banks						
Cementos Argos S.A. and subsidiaries	Syndicated loan (a)	2026	USD 204,000,000	784,561	USD 204,000,000	982,164
Cementos Argos S.A. and subsidiaries	Syndicated loan (a)	2027	USD 204,000,000	783,853	USD 204,000,000	982,227
Cementos Argos S.A. and subsidiaries	Citibank NY (b)	2024	JPY 27,063,000,770	658,123	-	-
Grupo Argos S.A.	Sumitomo Mitsui Bank (c)	2027	COP 232,452,873,428	248,030	-	-
Cementos Argos S.A. and subsidiaries	BBVA (b)	2024	USD 40,000,000	157,951	-	-
Cementos Argos S.A. and subsidiaries	Natixis (b)	2025	USD 40,000,000	154,675	-	-
Odinsa S.A. and subsidiaries	Davivienda S.A. Miami	2029	USD 30,000,000	117,903	USD 30,000,000	147,267
Cementos Argos S.A. and subsidiaries	Banco del crédito de Perú BCP (b)	2026	USD 28,183,157	108,587	-	-
Cementos Argos S.A. and subsidiaries	Bancolombia Panamá S.A. (b)	2024	USD 26,000,000	104,493	-	-
Cementos Argos S.A. and subsidiaries	Davivienda Internacional S.A. (b)	2024	USD 21,543,478	85,583	-	-
Cementos Argos S.A. and subsidiaries	Scotiabank Colpatria (b)	2024	USD 20,000,000	76,733	-	-
Cementos Argos S.A. and subsidiaries	Banco del crédito de Perú BCP (b)	2024	USD 19,000,000	76,065	-	-
Odinsa S.A. and subsidiaries	Massachusetts Mutual Life Insurance Company	2033	USD 18,606,794	71,116	USD 19,873,274	95,594
Celsia S.A. and subsidiaries	Banco Financiera Comercial Hondureña S.A.	2032	USD 15,946,743	61,443	USD 16,717,280	80,858
Cementos Argos S.A. and subsidiaries	Santander	2025	USD 15,000,000	57,781	USD 15,000,000	72,670
Cementos Argos S.A. and subsidiaries	Santander	2026	USD 15,000,000	57,781	USD 15,000,000	72,670
Odinsa S.A. and subsidiaries	Sun Life Assurance Company of Canada	2033	USD 13,671,374	52,253	USD 14,601,925	70,238
Cementos Argos S.A. and subsidiaries	Banco General S.A. (b)	2024	USD 10,000,000	38,405	-	-
Celsia S.A. and subsidiaries	Banco Financiera Comercial Hondureña, S.A. (d)	2024	USD 9,974,554	38,242	-	-
Celsia S.A. and subsidiaries	Citibank NA (d)	2024	COP 30,000,000,000	30,065	-	-
Cementos Argos S.A. and subsidiaries	Banco del País BANPAÍS (e)	2024	HNL 175,000,000	27,170	-	-
Odinsa S.A. and subsidiaries	AIB Bank N.V	2033	USD 5,946,855	22,729	USD 6,351,645	30,553
Cementos Argos S.A. and subsidiaries	Banco de Bogotá Miami (b)	2024	USD 5,000,000	19,419	-	-
Cementos Argos S.A. and subsidiaries	Banco Popular S.A.	2026	USD 4,500,000	15,500	USD 5,850,000	28,094
Celsia S.A. and subsidiaries	Banco Financiera Comercial Hondureña S.A.	2030	USD 1,911,404	7,363	USD 2,163,095	10,461
Odinsa S.A. and subsidiaries	Great-West life & Annuity	2033	USD 1,926,229	7,362	USD 2,057,339	9,896
Cementos Argos S.A. and subsidiaries	Banco General S.A.(b)	2024	DOP 100,000,000	6,585	-	-
Celsia S.A. and subsidiaries	Banco Financiera Comercial Hondureña S.A.	2032	USD 692,190	2,667	USD 725,606	3,510
Cementos Argos S.A. and subsidiaries	Davivienda Internacional S.A. (f)	2029	-	-	USD 80,000,000	391,825
Cementos Argos S.A. and subsidiaries	Banco de Crédito del Perú	2023	-	-	USD 60,000,000	293,891
Cementos Argos S.A. and subsidiaries	Natixis (b)	2023	-	-	USD 40,000,000	194,359
Cementos Argos S.A. and subsidiaries	Scotiabank	2023	-	-	USD 20,000,000	96,893
Cementos Argos S.A. and subsidiaries	Banistmo	2023	-	-	USD 20,000,000	96,554
Cementos Argos S.A. and subsidiaries	Sumitomo Mitsui Bank	2023	-	-	USD 10,000,000	48,365
Celsia S.A. and subsidiaries	Banco Davivienda Panamá S.A.	2023	-	-	USD 6,000,000	28,967
			2023		2022	

			2023		2022	
Company	**Financial institution**	**Maturity**	**Nominal value (*)**	**Book value**	**Nominal value (*)**	**Book value**
Company	**Financial institution**	**Maturity**	**Nominal value (*)**	**Book value**	**Nominal value (*)**	**Book value**
Cementos Argos S.A. and subsidiaries	Bancolombia S.A.	2023	-	-	USD 5,000,000	24,400
Cementos Argos S.A. and subsidiaries	JP Morgan	2023	-	-	USD 2,537,614	12,206
Colombian domestic banks						
Celsia S.A. and subsidiaries	Bancolombia S.A.	2029	COP 500,000,000,000	501,581	COP 500,000,000,000	501,547
Grupo Argos S.A.	Bancolombia S.A.(c)	2026	COP 392,200,000,000	399,625	COP 392,200,000,000	401,120
Celsia S.A. and subsidiaries	Banco de Bogotá S.A.	2026	COP 296,988,512,775	300,331	COP 296,988,512,776	301,904
Cementos Argos S.A. and subsidiaries	Banco de Bogotá S.A. (b)	2028	COP 272,000,000,000	280,881	-	-
Celsia S.A. and subsidiaries	Scotiabank Colpatria S.A.	2025	COP 265,000,000,000	279,461	COP 265,000,000,000	275,576
Celsia S.A. and subsidiaries	Bancolombia S.A. (g)	2024	COP 215,000,000,000	217,602	-	-
Celsia S.A. and subsidiaries	Citibank	2024	COP 160,000,000,000	186,284	COP 160,000,000,000	161,935
Celsia S.A. and subsidiaries	BBVA (g)	2026	COP 180,000,000,000	180,783	-	-
Celsia S.A. and subsidiaries	Bancolombia S.A.	2032	COP 150,000,000,000	150,543	COP 150,000,000,000	150,526
Celsia S.A. and subsidiaries	Bancolombia S.A.	2030	COP 140,900,994,567	142,583	COP 147,695,711,545	149,247
Celsia S.A. and subsidiaries	Banco de Occidente S.A.	2028	COP 135,570,526,526	140,788	COP 141,843,630,811	141,941
Cementos Argos S.A. and subsidiaries	Bancolombia S.A. (h)	2024	COP 135,000,000,000	138,192	COP 135,000,000,000	137,981
Celsia S.A. and subsidiaries	Banco Agrario S.A. (g)	2024	COP 120,000,000,000	127,799	-	-
Cementos Argos S.A. and subsidiaries	Banco Itaú (b)	2024	COP 120,000,000,000	123,099	-	-
Cementos Argos S.A. and subsidiaries	Bancolombia S.A.	2024	COP 100,000,000,000	103,337	-	-
Celsia S.A. and subsidiaries	Banco de Bogotá S.A. (g)	2024	COP 100,000,000,000	100,697	-	-
Celsia S.A. and subsidiaries	Bancolombia S.A.	2024	COP 58,750,000,000	58,846	COP 95,000,000,000	97,540
Cementos Argos S.A. and subsidiaries	Banco Popular S.A. (b)	2024	COP 50,000,000,000	53,810	-	-
Cementos Argos S.A. and subsidiaries	BBVA S.A. (b)	2024	COP 50,000,000,000	51,681	-	-
Celsia S.A. and subsidiaries	Banco Popular S.A.	2024	COP 40,000,000,000	43,105	COP 40,000,000,000	42,591
Celsia S.A. and subsidiaries	Banco de Occidente S.A.(i)	2023	COP 37,000,000,000	38,149	-	-
Cementos Argos S.A. and subsidiaries	BBVA S.A (j)	2026	COP 30,000,000,000	30,412	-	-
Cementos Argos S.A. and subsidiaries	Banco de Occidente S.A. (b)	2024	COP 25,900,000,000	26,695	-	-
Celsia S.A. and subsidiaries	Banco Itaú	2024	COP 20,000,000,000	20,762	COP 20,000,000,000	21,250
Celsia S.A. and subsidiaries	BBVA S.A.	2024	COP 20,149,047,931	20,529	COP 20,635,151,455	20,987
Celsia S.A. and subsidiaries	Financiera de Desarrollo Territorial FINDETER	2024	COP 109,379,572	109	COP 1,421,934,531	1,421
Celsia S.A. and subsidiaries	Davivienda S.A. (k)	2024	-	-	COP 391,250,000,000	392,120
Cementos Argos S.A. and subsidiaries	Banco de Bogotá S.A. (b)	2025	-	-	COP 272,000,000,000	274,469
Cementos Argos S.A. and subsidiaries	BBVA S.A (f)	2026	-	-	COP 190,000,000,000	191,362
Celsia S.A. and subsidiaries	BBVA S.A (g)	2025	-	-	COP 180,000,000,000	182,151
Cementos Argos S.A. and subsidiaries	Banco Popular S.A.	2023	-	-	COP 100,000,000,000	101,464
Cementos Argos S.A. and subsidiaries	Itaú	2023	-	-	COP 60,000,000,000	60,615
Cementos Argos S.A. and subsidiaries	Banco de Occidente S.A.	2023	-	-	COP 50,000,000,000	51,117
Cementos Argos S.A. and subsidiaries	Davivienda S.A.	2023	-	-	COP 50,000,000,000	50,975

			2023		2022	
Company	**Financial institution**	**Maturity**	**Nominal value (*)**	**Book value**	**Nominal value (*)**	**Book value**
Cementos Argos S.A. and subsidiaries	Bancolombia S.A. (b)	2023	-	-	COP 50,000,000,000	50,357

			2023		2022	
Company	**Financial institution**	**Maturity**	**Nominal value (*)**	**Book value**	**Nominal value (*)**	**Book value**
Celsia S.A. and subsidiaries	Banco Popular S.A. (i)	2023	-	-	COP 37,024,274,625	38,241
Celsia S.A. and subsidiaries	Itaú S.A.	2023	-	-	COP 33,000,000,000	33,027
Cementos Argos S.A. and subsidiaries	Banco de Bogotá S.A. (f)	2024	-	-	COP 25,500,000,000	25,610
Cementos Argos S.A. and subsidiaries	Scotiabank Colpatria	2023	-	-	COP 12,500,000,000	12,679
Celsia S.A. and subsidiaries	Financiera de Desarrollo Territorial	2023	-	-	COP 4,656,109,097	4,656
Celsia S.A. and subsidiaries	BBVA S.A.	2023	-	-	COP 2,190,817,666	2,193
Celsia S.A. and subsidiaries	Bancolombia S.A.	2023	-	-	COP 2,000,000,000	2,072
Total liabilities in foreign and domestic currency				**7,590,122**		**7,652,336**

(*) Figures not stated in millions.

	2023	2022
Total borrowings in local currency	**3,995,779**	**3,878,674**
Current	1,425,642	718,127
Non-current	2,570,137	3,160,547
Total borrowings in foreign currency	**3,594,343**	**3,773,662**
Current	1,339,861	853,472
Non-current	2,254,482	2,920,190

The book value of borrowings in local and foreign currencies by year of maturity is as follows:

	2023		
Maturity	**borrowings in local currency**	**borrowings in foreign currency**	**Total**
1 year or less	1,425,642	1,339,860	2,765,502
1 to 5 years	1,941,634	2,096,827	4,038,461
5 years or more	628,503	157,656	786,159
Total borrowings	**3,995,779**	**3,594,343**	**7,590,122**

	2022		
Maturity	**borrowings in local currency**	**borrowings in foreign currency**	**Total**
1 year or less	718,127	853,472	1,571,599
1 to 5 years	1,643,203	2,173,654	3,816,857
5 years or more	1,517,344	746,536	2,263,880
Total borrowings	**3,878,674**	**3,773,662**	**7,652,336**

Relevant information on the Group's borrowings as at 31 December 2023 and 2022 is detailed below:

(a) In 2022, the Argos North America loan with secured borrowers Cementos Argos S.A. and Argos USA LLC, in which a syndicated group of banks participated, whose administrative agent was Sumitomo Mitsui Banking Corporation, was replaced by a new club deal loan for up to USD 750 million administered by The Bank of Nova Scotia, in which BNP Paribas Securities Corp, New York Branch, Sumitomo Mitsui Banking Corporation, and JP Morgan participate. To date, USD 408 million have been disbursed. This contract has the following financial covenants:

a. Net debt/EBITDA ratio less than 4 times during the life of the loan, measured at the end of each quarter.
b. EBITDA/ Finance expenses ratio greater than 2.5 times during the life of the loan, measured at the end of each quarter.

(b) Loans obtained by Cementos Argos S.A. and its subsidiaries for the payment and unification of its debt, as well as for the operation of the business, mainly in Central America and Colombia. Loans with Citybank NY for JPY 27,063 million and DOP 100 million were made to serve working capital in Valle Cement Investments LTD and Argos Dominicana S.A., respectively.

Loans with Natixis, Banco de Bogotá S.A., and Bancolombia S.A. were renegotiated to extend their maturity period without changing payment terms.

The loan made with Banco del Crédito de Peru BCP for $108,587 includes a financial covenant for Cementos Argos S.A., associated with the debt ratio versus EBITDA (6x in the first year, 5x in the second year, 4.5x in the third year).
(c) During 2023, a loan in local currency was acquired with Sumitomo Mitsui Bank for a nominal value of $232,453. This loan was intended for financing activities.

Of the total 36,110,000 shares of Grupo de Inversiones Suramericana pledged, a total of 28,110,000 shares guarantee the loan with Bancolombia S.A. for a nominal value of $392,200 and 8,000,000 shares guarantee the loan with Sumitomo Mitsui Bank Corporation.

(d) Celsia S.A. and its subsidiaries acquired debt with Banco Financiera Comercial Hondureña S.A. and Citibank N.A. Bank. for USD 9,974,554 and $30,000, respectively, to pay for projects under construction in Central America and working capital in Colombia.

(e) A loan was acquired with Banco del País BANPAÍS for a nominal value of HNL 175,000,000 to meet working capital requirements in Argos Honduras S.A. of C.V.

(f) Prepayment of the loans obtained with Davivienda Internacional was made for a nominal value of USD 80,000,000, BBVA S.A for $190,000, and Banco de Bogotá S.A. for $25,500.

(g) A loan was acquired with Banco BBVA., Banco Agrario S.A. Banco de Bogotá S.A., and Bancolombia S.A. for a nominal value of $180,000, $120,000, $100,000, and $215,000, respectively, to meet working capital requirements at Celsia Colombia S.A. E.S.P. The loan acquired with BBVA was refinanced on time without changing payment terms.

(h) Financing arrangement between Bancolombia S.A. and Concretos Argos S.A. for $135,000, in which the interest rate is linked to the performance of three indicators in environmental, social and governance (ECG) matters: net specific CO2 emissions (Scope 1), specific water consumption in the cement business and number of suppliers assessed on sustainability in the last three years.

(i) Corresponds to a portfolio transfer between Banco Popular S.A. and Banco de Occidente S.A.

(j) During 2023, Cementos Argos S.A. and its subsidiaries took a new 3-year loan with BBVA for $30,000. which has the following financial covenant:

a. Net debt/EBITDA ratio less than 4 times during the life of the loan, measured at the end of each quarter.
b. Interest coverage ratio equal to or less than 2.5 times during the life of the loan.

(k) Celsia Colombia S.A. E.S.P. made prepayment of the loan with Banco Davivienda S.A. mainly with the resources obtained because of the issue of ordinary bonds made in January 2023 for $242,500.

NOTE 22: **LEASES**

22.1 Leases as a lessee

22.1.1 Lease arrangements

In the ordinary course of business, the Group enters lease arrangements of land, buildings, heavy machinery, vehicles, including concrete mixer trucks and equipment, which are recognized as right-of-use leased assets in the consolidated financial statements, except for those leases which have a term of less than 12 months or the underlying asset of the new contract is less than USD 3,500 for operating assets and USD 5,000 for administrative assets. The terms of the most significant non-cancelable leases arrangements range from 14 years for land leases, from 1 to 10 years for buildings, from 1 to 16 years for heavy machinery, and from 1 to 5 years for vehicles.

Moreover, no significant lease arrangements that provide significant restrictions related to distribution of dividends, additional indebtedness or to new lease arrangements exist, nor are there contingent quotas, renewal options, or escalation clauses.

As at 31 December 2023, most of the recognized real estate leases are linked to the consumer price index of each jurisdiction in which they were entered. Few leases arrangements are referenced to benchmark rates or payments that vary to reflect changes in market rental prices.

22.1.2 Right-of-use leased assets and liabilities

The balance of right-of-use leased assets and liabilities comprises:

As at 31 December 2023	Right-of-use leased assets					Closing balance of lease liabilities
	Opening balance	Additions	Depreciation	Other changes (*)	Closing balance	
Land	127,294	6,362	(15,804)	(27,531)	90,321	165,807

Constructions and buildings	168,924	7,631	(43,149)	(11,692)	121,714	110,090
Machinery and production equipment	156,782	4,579	(25,519)	(16,797)	119,045	127,772
Land transport equipment	154,727	56,622	(65,338)	(17,063)	128,948	136,789
River fleet	60,816	-	(22,978)	15,083	52,921	55,438
Aqueduct, networks, and communication routes	1,295	-	(288)	-	1,007	1,394
Right-of-use assets (liabilities), net	**669,838**	**75,194**	**(173,076)**	**(58,000)**	**513,956**	**597,290**

As at 31 December 2022	Right-of-use leased assets					Closing balance of lease liabilities
	Opening balance	Additions	Depreciation	Other changes (*)	Closing balance	
Land	149,815	579	(16,127)	(6,973)	127,294	226,231
Constructions and buildings	215,068	9,814	(46,798)	(9,160)	168,924	145,712
Machinery and production equipment	140,770	18,457	(32,740)	30,295	156,782	165,959
Office and communication equipment	26	-	(28)	2	-	-
Land transport equipment	144,478	34,398	(57,981)	33,832	154,727	160,656
River fleet	52,446	37,273	(24,853)	(4,050)	60,816	64,182
Aqueduct, networks, and communication routes	1,583	-	(288)	-	1,295	1,682
Right-of-use assets (liabilities), net	**704,186**	**100,521**	**(178,815)**	**43,946**	**669,838**	**764,422**

(*) Includes mainly variation due to changes in the valuation of leases recorded in assets for $33,230 (2022 (21,500)), withdrawal of right-of-use assets, and the effect of exchange differences of the subsidiary Cementos Argos S.A.

The contractual cash flows of lease liabilities classified by maturity as at 31 December are as follows:

	2023	2022
One year or less	181,132	194,146
1 to 3 years	259,796	300,536
3 to 5 years	109,786	160,245
5 to 10 years	135,443	195,037
More than 10 years	103,561	139,581
Total contractual cash flows from lease liabilities	**789,718**	**989,545**
Effect of discounting lease liabilities	(192,428)	(225,123)
Total lease liabilities	**597,290**	**764,422**
Current	127,258	148,443
Non-current	470,032	615,979
Total lease liabilities	**597,290**	**764,422**

22.1.3 Items recognized in the statement of income and cash flows from leases

	2023	2022
Interest expense on lease liabilities	51,716	45,058
Variable lease payment expense and changes in estimates	1,524	106
Expenses related to short-term leases	48,934	54,291
Expenses related to low value asset leases	11,843	6,735
Cash flows from leases	211,629	206,570

22.1.4 Renewal Options

Most of the Group's leases contain renewal options that can be exercised by the Group to extend the lease term from one year to 20 years, that can be exercised up to one year before the end of the non-cancellable period of the arrangement. Generally, the Group can exercise these renewal options because of the financial and operating facilities they provide. Renewal options are only exercisable by the Group and not by the lessor. The Group 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. The Group reassesses whether it is reasonably safe to exercise the options if there is a significant event or change in the circumstances under its control.

22.2 Leases as a lessor

22.2.1 Financial leases

The Group does not have any financial lease arrangements in which it acts as the lessor.

22.2.2 Operating leases

The Group enters lease arrangements as lessor mainly on land, buildings, constructions, and buildings such as: commercial premises, warehouses, apartments and houses; machinery and operating and fleet equipment and transportation equipment. All leases are classified as operating leases from the lessor's perspective.

Future lease payments by year range and in total consisted of the following:

	2023	2022
1 year or less	887	281,965
Between 1 and 2 years	76	223,821
Between 2 and 3 years	22	198,982
Between 3 and 4 years	22	158,795
Between 4 and 5 years	22	11,769
5 years or more	32	54
Lease payments, net	**1,061**	**875,386**

The decrease in lease payments, net between 2023 and 2022, corresponds to the sale and contribution of the assets of the Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. – Opain S.A. to Macquarie Infrastructure and Real Assets ("MIRA") and to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías), respectively, in June 2023.

Lease income of real estate and other assets recognized by the Group during 2023 was $256,284 (2022 $423,191) whose decrease is due to the loss of control over the Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. – Opain S.A. in June 2023.

NOTE 23: **EMPLOYEE BENEFITS LIABILITIES**

The balance of employee benefit liabilities, at 31 December, comprises:

	2023	2022
Post-employment benefits	424,522	356,121
Short-term employee benefits	286,735	208,767
Termination benefits	274	994
long-term employee benefits	677	2,900
Share-based payment liabilities	18,877	2,042
Total employee benefits	**731,085**	**570,824**
Current	373,964	277,951
Non-current	357,121	292,873
Total employee benefits	**731,085**	**570,824**

23.1 Post-Employment Employee Benefits

The Group's employee benefit plans vary according to the local requirements of the countries and the obligations acquired by the subsidiaries in the labor agreements in force according to the type of employee and the duration of these within the organization.

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 Group's employees belong to a retirement benefit plan managed by the Colombian National Government or a private pension fund which are accounted for as defined contribution plans. The Group covers its pension obligation through the payment of contributions to the government and/or private pension funds under the terms and conditions contemplated by law. In such cases the Group's obligation is limited to the contributions made to those funds. The benefits for which the Group assumes the totality of the obligations derived from the plan are accounted for as defined benefit plans.

The amount included in the consolidated statement of financial position arising from the entity's obligation with respect to post-employment benefit plans and the changes in the present value of the post-employment benefit obligation in the current and prior years are presented below:

	2023	2022
Present value of obligations at 1 January	**415,796**	**463,674**
Cost of current service	5,591	6,604
Cost of past service	6,732	3,896
Interest cost on defined benefit obligation	40,568	33,441
Actuarial gain (loss) from changes in:		
Experience	32,090	21,995
Financial assumptions	60,950	(78,167)
Demographic Assumptions	(964)	(4,370)
Exchange rate difference	(13,905)	13,415
Benefits paid directly by the Group	(57,846)	(45,596)
Benefits paid from the asset fund	(1,501)	(2,893)
Other changes	4,425	3,797
Present value of obligations at 31 December	**491,936**	**415,796**
Fair value of plan assets at 1 January	**92,743**	**89,917**
Risk-free interest income	5,637	4,668
Return on plan assets, excluding interest	4,303	(7,706)
Contributions (withdrawals) made to the plan by the Group	(1,004)	6,113
Payments made by the plan	(1,501)	(4,364)
Exchange rate difference due to translation	(4,139)	3,765
Other changes	592	350
Fair value of plan assets at December	**96,631**	**92,743**
Net present value of Obligations at 31 December	**395,305**	**323,053**
Average duration of defined benefit obligation	8.3	8,2
Present value of obligations at 31 December	**395,305**	**323,053**
Liabilities for defined contribution plans and other reclassifications	29,217	33,068
Post-employment benefits	**424,522**	**356,121**

The fair value of plan assets is contributed to private investment funds which in turn invest these resources in a diversified portfolio that may include cash and cash equivalents for $5,207 (2022 $5,317) and investment funds for $91,424 (2022 $87,426).

Costs and expenses for defined contribution plans as at 31 December 2023 were $85,580 (2022 $115.255). Short-term payables for contributions to pension and severance funds amounted to $26,864 (2022 $28,136).

The best estimate of contributions expected to be paid to the plan during the next financial year is $101,932 (2022 $94,998).

The Group uses the resources from its working capital to implement the defined benefit plans. The allocation of these resources does not affect the Group's operations.

As at 31 December 2023 and 2022, the Group has no reimbursement rights related to obligations under defined benefit plans.

The Group's main defined benefit plans are:

23.1.1 Pension plans, pension bonds and securities

Retirement benefit for the companies of Grupo Argos S.A., Cementos Argos S.A. and Celsia S.A.

According to the Colombian Labor Code, Group employees are entitled to a pension benefit which, depending on the system to which they belong, is payable by each of the companies directly (defined benefit plans) or by a public pension fund, Colpensiones, formerly Instituto de Seguros Sociales, or private through defined contribution plans.

Pension benefits granted to employees not belonging to a fund are accounted for as unfunded defined benefit plans, in which case the Group must pay the retirement pensions or issue pension bonds to its employees or beneficiaries who meet the requirements as to age and length of service established in the agreements.

The retirement benefit is equal to 75% of the average monthly salary, payable for life, subject to the following limits:

a) Minimum payment equal to the minimum Monthly Salary.
b) Maximum payment equal to 25 minimum monthly salaries for Grupo Argos S.A. and Cementos Argos S.A., and 20 minimum monthly salaries for Celsia S.A.

In addition, two additional payments that are made for employees who retired before 25 July 2005, one payment being made in June and another in December. For those who retire after that date, the additional payment is only made in December except for participants who receive less than 3 minimum salaries. 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 under the Colpensiones, these benefits are deducted from the benefits payable by the Group plan, thereby reducing the Group's obligation. Pensions in payment increase in accordance with inflation. Pensions in payment increase in accordance with inflation. When a participant receives a pension equal to the minimum salary, the pension increases in accordance with increases in the minimum salary.

In case of death after retirement, the beneficiary receives 100% of pension. The beneficiary or beneficiaries are those established by legal provisions.

Additionally, the obligation for defined benefits by retirement pensions includes employees of the Company Industrial Hullera S. A. in Liquidation, because of the process of normalizing the pension liability in which the subsidiary Cementos Argos S.A. definitively assumes the proportion of the obligation that corresponds to it according to the Official Letter of 9 October 2012 issued by the Colombian Ministry of Labor.

Roberta Plant Pension Plan (Alabama) - United States

For all our employees in the United States, we fund a 401(k)-retirement savings plan, which is accounted for as a defined contribution plan.

For a group of hourly compensated employees of the Roberta plant located in Alabama, United States, who meet a specific enrollment date and are represented by United Steelworkers International Union # 9-537, there is a retirement plan attached to the collective labor convention.

The normal retirement benefit is applicable to those who have reached the age of 65 as at their retirement date, effective 21 May 2011, in the form of a monthly annuity payable for life (or other optional forms to be elected prior to retirement). The normal and special early retirement benefit is applicable to employees who are 55 years of age or older and under 65 years of age and who have at least 5 years of service but less than 30 years of service, or who have 30 or more years of continuous service regardless of age, with some restrictions and reductions in the value of the pension applied to the latter.

In addition, the following benefits are provided to plan employees: termination payments, disability benefit and death benefit upon completion of certain years of service.

Pension gap at retirement benefit

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 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.

Pension bonds and securities plan - Colombia

According to the Colombian Labor Code, employers must pay retirement pensions or issue pension bonds to their employees who meet certain requirements regarding age and length of service. The Group, through its subsidiary Cementos Argos S.A., has issued pension securities, Type A Modality 2 Pension Bond and Type A Modality 1 Pension Bond. This obligation applies to certain areas where Colpensiones did not have pension coverage prior to 1994.

The benefit is granted at the time of retirement from the company until the time the participant retires from the Colombian Social Security system. In this period, the company makes contributions to the social insurance system on behalf of the employee. The Pension Bonds and Titles constitute resources destined to contribute to the conformation of the necessary capital to finance the pensions of the affiliates of the Colombian General Pension System.

In addition, the defined benefit obligation for retirement pensions includes the employees of the Company Industrial Hullera S. A., in liquidation, because of the pension liability normalization process in which the Group definitively assumes the proportion of the obligation that corresponds to it according to the Official Letter of 9 October 2012, issued by the Colombian Ministry of Labor.

23.1.2 Seniority and severance plans

Retroactive Severance Plan – Colombia

According to Colombian labor regulations, employees who were employed before Law 50 of 1990 came into force are entitled to receive, upon termination of the employment contract, one month's salary in effect for each year of service and proportionally for a fraction of the year as severance assistance, for any cause that terminates the employment, including: retirement, disability, death, etc. The benefit is settled at the time of the employee's retirement based on the last salary earned. There may be distributions prior to the retirement date at the employee's request, which are not mandatory distributions.

Retroactive severance of employees who entered labor contracts before the effective date of Law 50 of 1990 are accounted for as unfunded defined benefit plans.

With the entry into force of Law 50 of 1990, the Colombian government allowed companies, subject to employee approval, to transfer their severance obligation to private pension funds.

Severances of all workers who entered into employment contracts after the entry into force of Law 50 of 1990 and the former workers who entered this system, are accounted for as defined contribution plans.

Seniority Premium Plan and Severance Fund – Panama

In accordance with the labor regulations of the Republic of Panama, any employee on a permanent employment contract who retires from the company for any reason and regardless of his age or years of service at the date of retirement, is recognized with an amount of money equivalent to the average weekly salary in the last five years of service or the entire period of service if this is less than five years for each year and fraction of year of service that the employee has at retirement.

Moreover, as from 1995, Law 44 of 1995 introduced the Labor Code the obligation of the employer to establish a trust through a pension fund administrator, which guarantees the employee with the payment of a Seniority Premium obligation and the indemnifications for unjustified dismissal called the Severance Fund, which is considered, for the purposes of the valuation of the commitment, as the asset that supports the payment of the Seniority Premium.

Severance Assistance Plan – Honduras

According to the provisions of the Honduran Labor Code, compensation accruing to company employees may be paid in the event of unjustified dismissal or death at the rate of one month's salary for each year of continuous service with a maximum of 25 years; however, it is the company's policy to pay such compensation to its employees, even if they have resigned.

For unionized personnel, the payment is 100% of the benefits (severance and notice). For voluntary retirement of trusted personnel, the amount is recognized from 40% of the benefits after one year to 110% of the benefits after 5 years of service, the amount being determined based on the years of service of the employee who establishes the percentage of the benefit.

During 2022, the company Argos Honduras, a subsidiary of Cementos Argos S.A., established as a policy to provide the employee with an alternative payment of social benefits regarding severance pay, in case both parties voluntarily so wish, establishing an agreement between the employees and Argos Honduras, for the subsequent advance payment in cash.

23.1.3 Other defined benefit plans

Plan for dental care, education, death, and others – Colombia

For retired employees in Colombia, through the subsidiary Cementos Argos S.A., a death benefit is granted, which is increased in accordance with the Consumer Price Index (CPI), equivalent to five times the current legal minimum monthly salary. For retired employees of the Valle plant in Colombia, through the Cementos Argos S.A. subsidiary, educational assistance is provided until death and for the children of retirees until they reach 25 years of age. The beneficiary receives the amount regardless of the worker's survival. Each year the benefit is increased in accordance with the Consumer Price Index (CPI), as well as dental assistance until death, provided they formally request the service, with an annual increase in accordance with the Consumer Price Index (CPI).

Retirement bonus for Cementos Argos S.A. companies

For employees covered by any of the collective labor conventions, when a worker's contract is terminated due to recognition of retirement, disability or old age pensions, a bonus equivalent to 5 minimum monthly salaries is granted.

Funeral assistance

In Group Argos S.A., a funeral assistance 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 current monthly minimum salaries.
b) Maximum payment of 10 current monthly minimum salaries.

For retired employees of Cementos Argos S.A. and its subsidiaries in Colombia, an assistance allowance equivalent to 5 current monthly minimum legal salaries in Colombia.

Social security contribution benefit

Corresponds to a post-retirement benefit in addition to the statutory pension plan (retirement benefit), in which the Group assumes the payment of health contributions to social security entities. The beneficiary or beneficiaries are those established by legal provisions.

Sensitivity analysis and main actuarial assumptions

The following is a sensitivity analysis for the actuarial assumption of a discount rate for defined benefit plans as:

	Defined benefit plans	
	2023	**2022**
Change in discount rate		
Increase in discount rate by +1%	(35,177)	(25,586)
Decrease in the discount rate by -1%	14,987	10,357
Basis of the obligation	**491,936**	**415,798**

The basis of the obligation on which the sensitivity analysis is performed does not include mainly plan assets for $96,631 (2022 $92,743), nor short-term payables for pension fund contributions and severance payments, and other liabilities for post-employment benefits for $29,216 (2022 $30,804).

The methods used to perform the sensitivity analysis presented correspond to the projected credit unit method at the end of the reporting period, which is the same as the one applied in the calculation of the defined benefit obligation liability recognized in the statement of financial position. There have been no changes in the methods used to perform the analyses.

The main actuarial assumptions used to determine the obligations for the defined benefit plans of the Group companies are as follows:

	2023	2022
Inflation rate (%)	3.00% – 5.44%	2.96% – 7.00%
Discount rate (%)	8.25% – 12.13%	9.75% – 13.00%
Minimum salary increase (%)	4.75% – 12.00%	4.51% – 5.61%

The actuarial assumptions are presented by percentage ranges, taking the information from each of the Group companies. The mortality rate is based on publicly available mortality tables for the specific countries of each of the Group companies.

Disclosure on Defined Benefit Plans required by the Decree 2131 of 2016.

On 23 December 2015, the Ministry of Commerce, Industry and Tourism issued Decree 2496, which amended Decree 2420 of 2015 on Accounting, Financial Reporting and Information Assurance Standards in the Republic of Colombia. The Decree established provisions on the parameters for determining post-employment benefit liabilities, specifically establishing that the parameters established in Decree 2783 of 2001 would be used as the best market approximation in estimating liabilities for pension plans and for pension bonds and securities.

For the period of 2016, Decree 2131 of 22 December 2016 abolished the requirement to apply these assumptions for the measurement of post-employment benefits; they continue to be applicable only for financial disclosure purposes.

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 2833 of 2016 are as follows:

	2023	2022
Inflation rate (%)	8.70%	3.98%
Discount rate (%)	4.80%	4.80%
Minimum salary increase (%)	8.70%	3.98%

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 at 31 December 2023:

	Assumptions Employee Benefits (IAS 19) (NIC 19)	Assumptions Decree 1625 of 2016 (Decree 2131 of 2016)	Difference
Present value of defined benefit plan obligations at 31 December 2023	332,097	362,069	(29,972)
Present value of defined benefit plan obligations at 31 December 2022	300,625	318,422	(17,797)

This comparison only includes post-employment benefit plans that correspond to pension liabilities recognized by companies in Colombia.

23.2 Short-term employee benefits

The Group records short-term employee benefits, such as salary, vacations, bonuses, extra-legal premiums, group life, health, death benefits, education, eyeglasses and contact lenses, day care and education, marriage, language courses directly to profit or loss.

NOTE 24: **PROVISIONS**

The balance of the provisions, at 31 December, comprises:

	Litigation, lawsuits and other contingencies (1)	Decommissioning (2)	Environmental (3)	Other Provisions (4)	Total
1 January 2023	**108,894**	**83,778**	**19,057**	**138,611**	**350,340**
Provisions made	149,352	1,772	2,466	61,200	214,790
Provisions used	(142,426)	(3,232)	(1,525)	(57,519)	(204,702)
Reversals made	(8,865)	(3,239)	(30)	(4,087)	(16,221)
Discount effect and discount rate adjustment	(1,304)	9,208	81	520	8,505
Translation effect	(14,048)	(7,487)	(1,739)	(27,332)	(50,606)
Other changes	1,778	(2,600)	-	-	(822)
31 December 2023	**93,381**	**78,200**	**18,310**	**111,393**	**301,284**
Current	66,419	4,107	10,298	18,715	99,539
Non-current	26,962	74,093	8,012	92,678	201,745
Total provisions	**93,381**	**78,200**	**18,310**	**111,393**	**301,284**

(1) The companies are part of judicial proceedings of a different nature acting both as a plaintiff and as a defendant. These processes have been handled diligently by qualified lawyers hired by the Group. The proceedings may be civil, administrative, criminal, and fiscal; These types of litigation are those that arise in the ordinary course of business developed by any company of the size and complexity of Group operations and are likely to involve outflows of resources.

Cash outflows from companies for litigation, lawsuits and other contingencies **shall** depend on the complexity of the case, the evidence presented by the parties, the exhausted instances, and agreements between the parties. It is not possible to make a generalized estimate of the processes. For each one, other claims of the same nature that have been resolved in the past, and by the attorney in charge of the process are considered.

There is a non-significant degree of uncertainty as to the estimated value to be paid. The best estimate was made by the companies; however, there is greater uncertainty as to the estimated date of disbursement, since there may be a variance due to the development of each judicial process, which depends on the judges, agreements between parties, instances, among other situations.

For the estimation of the value to be paid for the judicial proceedings, the expectation of the plaintiff, the resolution of similar cases in the past, and the professional concept of the lawyers of the Group's legal area are considered.

The corresponding reserves for these proceedings have been estimated based on criteria such as the nature of the proceedings, evidence presented, economic factors, the possible sentence projected, etc., to cover possible convictions or unfavorable decisions that may arise. The estimated completion time of these proceedings is considered to range from approximately 3 to 8 years.

The subsidiaries located in the United States are self-insured for workers' compensation claims up to USD 500 per incident, general liability claims up to USD 350 per incident and automotive claims up to USD 500 per incident and have insurance for values exceeding these amounts. The value recognized through expense for these claims is based on actual occurrences and management's estimate of liabilities resulting from each claim. Although the ultimate outcome of these claims cannot currently be determined, management considers that the amounts of $54,731 and $67,999 and provided for these claims in the consolidated financial statements as at 31 December 2023 and 2022, respectively, are adequate.

(2) The companies are obliged to incur future costs for compliance with mining legislation, with respect to 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 completed or a mining title expires, whichever is shorter.

Dismantling obligations have a maximum execution date of the expiration of the mining title, and therefore the disbursement of economic resources is estimated to be five years before the legal requirement. However, in some cases, where the operation of an area covered by a title that is still more than five years old has been completed, it is estimated that the provision shall be disbursed within five years of 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 dismantling operations.

There is a non-significant degree of uncertainty as to the estimated value to be paid, the best estimate was made by the Group.

(3) Cementos Argos S.A. and its subsidiaries in Colombia are required 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 compensation, Cementos Argos S.A. and its subsidiaries in Colombia have committed to settle their environmental obligations within a maximum period of five years or as indicated in the Resolution corresponding to each environmental liability identified. In determining the best estimate to be settled, Management considers mainly financial variables and the costs of seeding, isolation, and maintenance for a period of four years. The environmental provision for this concept amounts to $17,570 (2022 $18,317).

There is a non-significant degree of uncertainty in the environmental provisions as to the estimated payable value, the best estimate was made by the Group.
(4) Argos USA LLC, an indirect subsidiary of Cementos Argos S.A., may extract limestone ("Chemical Grade Stone", CGS) from a quarry owned by Vulcan Construction Materials LP ("Vulcan"), which is located adjacent to the Group's plant in Alabama. Under the terms of the reserve exchange agreement with Vulcan, the Group has the right to extract limestone from Vulcan's quarry and, in exchange, supply Vulcan with Aggregate Grade Stone ("AGS") that is not suitable for cement manufacturing. The reserve exchange agreement grants the Group the right to mine limestone on Vulcan's property and effectively increases the Group's available reserves. The agreement with Vulcan expires on 31 December 2035, with an option to extend until December 2045. At 31 December 2023 and 2022, the estimated amounts of obligations for future mineral extraction from the Group's owned mines are $88,673 and $114,054, respectively. The best estimate was made by the Group.

The reinsurance company BMR Limited, a subsidiary of Cementos Argos S.A., records within its liabilities a technical reserve for unearned premiums which considers loss peaks to recognize proportionally earned and unearned premiums. The company applies an accrual on a straight-line basis considered as a provision. The amount of the provision is $4,250 (2022 $656).

In June 2022, Odinsa S.A. sold to Macquarie Infrastructure and Real Assets (MIRA) and contributed to Fondo de Capital Odinsa Vías and to Odinsa Vías S.A.S. share in: Autopistas del Café S.A., Concesión Túnel Aburrá Oriente S.A., Concesión Vial de los Llanos S.A.S., and Consorcio Grupo Constructor Autopistas del Café S.A., which involved the loss of control over these investments. The arrangement signed between the parties established the payment of a price adjustment in favor of the buyer (*"Reverse Earnout"*) if certain projects are initiated on dates stipulated in the arrangement. Depending on the date on which the event occurs, the value of the disbursement could range from the non-payment of this price adjustment or a maximum value of $7,625, which value shall be increased based on an Actual IRR of 8% accrued from the date of closing of the agreement until the date on which said amount is paid. The value recognized as a provision is $4,006 (2022 $3,486).

NOTE 25: **TRADE LIABILITIES AND OTHER PAYABLES**

Trade liabilities and other payables at 31 December correspond to:

	2023	2022
Suppliers (1)	2,239,685	1,711,830
Payables to related parties (Note 41) (1)	481,823	406,900
Dividends payable	202,865	224,962
Transportation, freight, and cartage payable	78,799	86,384
Payables for purchase of investments (3)	55,116	127,823
Fees Payable	21,381	39,117
Maintenance services payable	18,652	18,582
Commissions payable	18,193	22,125
Official creditors	16,067	19,719

	2023	2022
Related suppliers (Note 41)	82	387
Other payables (4)	387,156	310,286
Total trade liabilities and other payables	**3,519,819**	**2,968,115**
Current	3,490,702	2,840,691
Non-current	29,117	127,424
Total trade liabilities and other payables	**3,519,819**	**2,968,115**

(1) Mainly corresponds to payables to energy service providers $1,404,607 (2022 $665,316) of goods and services for cement, concrete and aggregate production for the construction industry $810,727 (2022 $1,025,462).

(2) Include payables to C2 Energía S.A.S for $232,662 (2022 $238,614) for resources received for the development of projects, income recognized to Thermoelectric El Tesorito S.A.S. E.S.P. for $125,274 (2022 $91,799) for energy transactions, as well as Caoba Inversiones S.A.S. for $82,486 (2022 $32,508) and dividends payable to related parties of $35,514 (2022 $34,073)

(3) Mainly includes commitment to Integral S.A. acquired in the agreement by the arbitration process of the purchase agreement for the shares of the company Porvenir II that had begun in December 2022 for $49,654 (2022 $122,381).

(4) Mainly includes payables to Cubico Colombia S.A.S. for the resources contributed by virtue of the growth in the structured platform since 2019 to strengthen the medium and large-scale solar generation projects for $272,943 (2022 $188,842) and payables to Credicorp Capital Fiduciaria S.A. for the result of the joint operation between Cubico Colombia S.A.S. and Celsia Colombia S.A. E.S.P. for $19,011 (2022 $8,359).

The Group has average loan periods for companies' purchases of 30 days for service obligations and between 30 and 90 days for commercial obligations. The Group has implemented financial risk management policies to ensure that all payables are paid in accordance with agreed loan terms.

NOTE 26: **BONDS AND COMPOUND FINANCIAL INSTRUMENTS**

The balance of bonds and compound financial instruments, as at 31 December comprises:

	2023	2022
Outstanding bonds and commercial papers (i)	5,985,934	6,544,884
Liability for Preferential shares classified as debt (ii)	53,473	70,479
Total bonds and compound financial instruments	**6,039,407**	**6,615,363**
Current	404,052	830,643
Non-current	5,635,355	5,784,720
Total bonds and compound financial instruments	**6,039,407**	**6,615,363**

The Group maintains a liability for $5,907,216 (2022 $6,395,478) according to its nominal values, corresponding to issue of ordinary bond and commercial papers.

(i) Details of the conditions of the bonds and commercial papers issued are as follows:

					Current nominal value (*)	
Issuer	Placement Date	Term	Rate	Currency	2023	2022
Celsia Colombia S.A. E.S.P. (1)	Apr-10	20 years	CPI+6.08%EAR	COP	300,126	300,126
Celsia Colombia S.A. E.S.P. (2)	Jul-18	12 years	IBR+2.695%NA	COP	65,000	70,000
Celsia Colombia S.A. E.S.P. (2)	Dec-18	10 years	CPI+3.69%EAR	COP	70,000	70,000
Celsia Colombia S.A. E.S.P. (3)	Apr-19	20 years	CPI+3.93%EAR	COP	325,975	325,975
Celsia Colombia S.A. E.S.P. (3)	Apr-19	12 years	CPI+3.68%EAR	COP	281,515	281,515
Celsia Colombia S.A. E.S.P. (3)	Apr-19	7 years	CPI+3.24%EAR	COP	256,270	256,270
Celsia Colombia S.A. E.S.P. (4)	Apr-20	7 years	CPI+3.96%EAR	COP	171,000	171,000
Celsia Colombia S.A. E.S.P. (4)	Apr-20	3 years	TF6.5%EAR	COP	-	29,000
Celsia Colombia S.A. E.S.P. (5)	Nov-21	12 years	IBR+2.77%NA	COP	140,000	140,000
Celsia Colombia S.A. E.S.P. (6)	Jan-23	5 years	IBR+ 6.70% DM	COP	242,500	-
Celsia S.A. (7)	Dec-13	20 years	CPI+5.33%EAR	COP	212,080	212,080
Celsia S.A. (7)	Dec-13	12 years	CPI+5%EAR	COP	240,650	240,650

Issuer	Placement Date	Term	Rate	Currency	Current nominal value (*) 2023	2022
Cementos Argos S.A.	Apr-09	15 years	CPI+7.19%EAR	COP	151,130	201,130
Cementos Argos S.A.	May-12	15 years	CPI+4.5% EAR	COP	303,082	303,082
Cementos Argos S.A.	Nov-14	15 years	CPI+4.21%EAR	COP	311,707	311,707
Cementos Argos S.A.	Nov-14	10 years	CPI+3.8%EAR	COP	167,385	186,175
Cementos Argos S.A. (8)	Apr-16	15 years	CPI+4.47%EAR	COP	184,157	121,075
Cementos Argos S.A. (8)	Apr-16	10 years	CPI+4.19%EAR	COP	121,075	121,075
Cementos Argos S.A. (9)	May-17	25 years	CPI+3.99%EAR	COP	400,500	400,500
Cementos Argos S.A. (9)	May-17	13 years	CPI+3.64%EAR	COP	388,145	388,145
Cementos Argos S.A. (9)	May-17	6 years	6.65%EAR	COP	-	194,055
Cementos Argos S.A. (10)	Jun-18	20 years	CPI+4.04%EAR	COP	125,850	125,850
Cementos Argos S.A. (10)	Jun-18	10 years	CPI+3.75%EAR	COP	158,550	158,550
Cementos Argos S.A. (11)	Nov-20	4.25 years	CPI+2.24%EAR	COP	200,247	204,747
Cementos Argos S.A. (12)	Dec-22	2.24 years	CPI+8.75%EAR	COP	102,350	102,350
Cementos Argos S.A. (12)	Dec-22	1 year	IBR+7.15%NDM	COP	-	113,201
Cementos Argos S.A. (12)	Dec-22	1 year	FR+18.70%EAR	COP	-	99,298
Grupo Argos S.A.	Sep-14	15 years	CPI+4.24%EAR	COP	390,104	390,104
Grupo Argos S.A.	Sep-14	10 years	CPI+3.95%EAR	COP	134,818	134,818
Grupo Argos S.A.	Aug-19	15 years	CPI+3.2%EAR	COP	168,535	168,535
Grupo Argos S.A.	Aug-19	6 years	CPI+2.44%EAR	COP	157,965	157,965
Grupo Argos S.A.	Oct-20	7 years	CPI+2.65%EAR	COP	136,500	136,500
Odinsa S.A. (13)	Oct-20	3 years	5.2%EAR	COP	-	280,000
Total bonds and commercial papers in Colombian pesos (*)					**5,907,216**	**6,395,478**

(*) Figures stated in millions of Colombian pesos.

(1) Corresponds to the issue of corporate bonds made by Celsia Colombia S.A. E.S.P. in April 2010, which was placed in the Colombian public securities market.

(2) In 2018, Celsia Colombia S.A. E.S.P. issued Green Bonds for $140,000 in the Secondary Market. The first tranche was awarded to the International Finance Corporation (IFC) for $70,000 and the second tranche was awarded to Financiera de Desarrollo Nacional (FDN) for $70,000.

Proceeds from the issue shall be used to finance investments in the company's solar generation farm development initiatives. The green bond program obtained Climate Bonds certification under the Climate Bonds Standard & Certification Scheme, which promotes large-scale initiatives to reduce carbon emissions and prevent or reduce climate change.

(3) Corresponds to the second issue of ordinary bonds under the program for the issue and placement of commercial papers and ordinary bonds. The issue occurred on 24 April 2019 by Celsia Colombia S.A. E.S.P.

Proceeds from this issue were destined to finance the company's investment plan and strengthen its liquidity position, refinancing some debts and swapping financial liabilities, among others.

(4) On 20 April 2020, the company Celsia Colombia S.A. E.S.P., a subsidiary of Celsia S.A., made the third issue of ordinary bonds under the program for the issue and placement of commercial papers and ordinary bonds of the company for $200,000. In this issue an amount of $150,000 was offered, with the possibility of an over-allotment of $50,000. The issuer awarded $200,000 in the market.

(5) Celsia Colombia S.A. E.S.P. issued and placed the second issue of Green Bonds for $140,000 under the first issue and placement program approved by the Superintendencia Financiera de Colombia ("SFC") in June 2018, whose authorization term was renewed in June 2021 for an additional period of five (5) years, to be offered in the secondary market, with a global quota of $210,000. The second tranche of the issue was awarded to the International Finance Corporation (IFC).

(6) Corresponds to the issue and placement of Celsia Colombia S.A. E.S.P. on 11 January 2023 of the first tranche of ordinary bonds in the Second Market for $242,500, against a global quota of $400,000 charged to the issue and placement program approved by the Superintendence of Finance of Colombia in December 2022.

Proceeds from this issue were intended for the replacement of financial liabilities, to optimize their capital structure and guarantee competitive financing conditions.

(7) In December 2013, Celsia S.A. made its first issue of ordinary bonds in the local securities market for an amount of $800,000. The placement was made through a Dutch auction in the Bolsa de Valores de Colombia S.A. Proceeds from this placement of ordinary bonds were used entirely for the replacement of financial liabilities, within the strategy of optimizing the capital structure of the company.

(8) The issue is part of the issue and placement program of ordinary bonds and commercial papers under a global quota of $1 trillion approved by Resolution No. 0422 of the Superintendence of Finance of Colombia on 23 March 2012.

(9) The issue is part of the issue and placement program of ordinary bonds and commercial papers under a global quota of $1 trillion approved by Resolution No. 0518 of the Superintendence of Finance of Colombia dated 3 April 2017 whereby the increase of the global quota of the issue and placement program previously approved by Resolution 0422 of 2012 was approved.

(10) The issue is part of the issue and placement program of ordinary bonds and commercial papers under a global quota of $1 trillion approved by Resolution No. 0585 of the Superintendence of Finance of Colombia of 10 May 2018.

(11) The issue constitutes the second tranche that is part of the issue and placement program of ordinary bonds and commercial paper under a global quota of $1 trillion approved by Resolution No. 0585 of the Superintendence of Finance of Colombia on 10 May 2018.

(12) The issue constitutes the second batch of the second issue of ordinary bonds of the issue and placement program of bonds and commercial papers of bonds and commercial papers of Cementos Argos S.A. in the Main Market. The company awarded $102,350 in bonds and $212,499 in commercial paper in the market.

In 2023, commercial papers with an initial nominal balance of $212,499 expired and bonds with an initial nominal balance of $299,896 expired in 2022.

All issues are rated AA with a stable outlook by the rating firm Fitch Ratings Colombia S.A. and are registered securities issued to order and traded on the secondary market through the Colombian Stock Exchange.

(13) In October 2020, Odinsa S.A. issued and placed ordinary bonds in the public securities market for $280,000, authorized by the Financial Superintendence of Colombia through resolution No. 0730 of 18 August 2020, with the active participation of both institutional investors and individuals. The placement was made through the Dutch Auction mechanism and received offers for of $436,805, which represents 1.56 times the amount offered.

Proceeds from this issue were used to replace financial liabilities, among them the liability of the ordinary bonds issued in 2017 that were paid on 4 October 2022. During 2023, the Company repurchased the ordinary bonds of subseries A3 for $71,315, prior to maturity. On 2 October 2023, Odinsa S.A. finished paying the remaining bond principal by $208,685, improving its capital structure and reducing interest expenses

The amount of interest on bonds recognized through income in 2023 was $1,049,789 (2022 $925,134).

(ii) Correspond to preferential shares classified as compound financial instruments of the subsidiary Cementos Argos S.A. and of Grupo Argos S.A.

According to the approval of the General Shareholders' Meeting of 15 March 2013, Cementos Argos S.A. made the issue and placement of preferential dividend shares without voting rights (preferential shares) in May 2013, for $1,610,824 awarding 209,197,850 preferential shares, at the subscription price of $7,700 per preferential share, determined by the Company's Board of Directors.

The issue of preferential shares is a compound financial instrument. For subsequent recognition and measurement, the issuer identified the debt and equity components by evaluating the contractual terms of the instrument and the obligations as issuer. Given the issuer's contractual obligation to pay the minimum annual dividend to the shareholders 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 (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 preferential dividend, which were calculated in perpetuity based on the provisions of section 11.1.1 of the issue prospect; the discount rate applied corresponded to the market rate at the issue date of similar instruments that did not incorporate an equity component. Considering the difficulty of identifying in the market a financial instrument with the same issue characteristics, the discount rate of the financial liability was determined with reference to the current profitability of the bonds issued by Cementos Argos S.A. longer term denominated in Colombian pesos. For these purposes, the valuation rate of the issue of bonds of Cementos Argos S.A. 2024, issued in May 2012, long-term (15 years) indexed to CPI.

The preferential shares had a minimum annual dividend of 3% on the subscription price paid in the first 12 quarters from placement. In April 2016 this last minimum dividend corresponding to 3% per year on the subscription price was paid and from the thirteenth quarter onwards the minimum annual dividend shall be $10 per share which shall be increased by the annual CPI at the closing of each year. The issue prospect does not contain call or put options on the preferential shares.

Shareholders with preferential dividend and without voting rights shall be entitled to receive a minimum dividend on a preferential basis as different from 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 preferential shares; 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, preferential shares shall give their holders the voting rights in the events indicated in the placement and issue prospect.

The liability recognized for the issue of preferential shares is composed of the valuation of the debt component and the reduction of the direct costs of the issue allocated to the liability component, according to the share portion of each component in the issued amount. At the time of initial recognition, issue costs of $7,157 were included in the financial liability. 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 preferential shareholders are recognized.

In 2023, Cementos Argos S.A. repurchased 1,011,761 preferential shares, so the outstanding preferential stock balance at the closing of the year is 208,186,089 (2022 209,197,850 shares). During 2023, a decrease in the preferential share liability was generated due to the methodological review of amortized cost considering current market variables and the repurchase of own preferential shares.

The liability also includes the preferential shares of Grupo Argos S.A., which confer to the holders the right to receive a preferential dividend of $4 pesos per share, which shall be paid in preference to that corresponding to the common shares, provided that a dividend has been declared from the funds legally available for this purpose. Subsequent recognition and measurement of this instrument was carried out using the same procedure established above. The discount rate of the financial liability for the preferential shares of Grupo Argos S.A. was determined with reference to the company’s average cost of debt.

The number of outstanding preferential shares of Grupo Argos S.A. at the closing of the reporting period is 210,811,080 shares (2022 211,827,180 shares).

NOTE 27: **OTHER NON-FINANCIAL LIABILITIES**

the balance of other non-financial liabilities as at 31 December correspond to:

	2023	2022
Prepayments and deposits received from third parties (1) (Note 33)	168,954	181,340
Income received in advance (2) (Note 33)	122,552	122,761
Sales Tax	108,620	96,791
Industry and commerce tax	69,103	67,400
Withholding at source	44,959	39,691
Income received for third parties (3)	42,389	43,388

	2023	2022
Other taxes payable	27,443	38,422
Contract collateral (4)	362	352
Other non-financial liabilities	3,579	4,707
Total other non-financial liabilities	**587,961**	**594,852**
Current	587,961	594,852
Total other non-financial liabilities	**587,961**	**594,852**

(1) Mainly corresponds to prepayments received from customers for the purchase of products of the cement and ready-mix concrete business, prepayments received from customers for the sale of lots, prepayments received for the sale of goods and services of the energy business, and prepayments with related parties of $57 (2022 $25) (Note 41 information on related parties).

(2) Due mainly to income related to the costs of urban planning developments pending to be executed in the sold lots.

(3) Mainly comprise collections received for sanitation and public lighting that must be reimbursed to comply with the contracts entered with the municipalities.

For the Group, Contract liabilities amount to $291,506 (2022 $304,101), which correspond to prepayments and deposits received from third parties and to income received in advance (Note 33 Revenue).

NOTE 28: **SHARE CAPITAL**

The balance of the share capital of the parent company Grupo Argos S.A. at 31 December comprises:

	2023	2022
Authorized capital:		
1,200,000,000 common shares with a nominal value of $62.5	75,000	75,000
Subscribed and paid capital:		
663,331,535 (2022 663,331,535) common shares with a nominal value of $62.5	41,458	41,458
211,827,180 (2022 211,827,180) preferential shares with a nominal value of $62.5	13,239	13,239
Total subscribed and paid capital	**54,697**	**54,697**

Each ordinary and preferential share confers to its holder, among others, the following rights: (i) to transfer the shares, as established by law, the corporate bylaws and the shareholders' agreements, if any; (ii) to participate in the profits of the corporation, in proportion to the participation and under the conditions established in the respective issue and placement regulations, when applicable; (iii) to receive a proportional part of the corporate assets, at the time of liquidation and once the external liabilities of the corporation have been paid, subject to the priority established for preferential shareholders in the respective regulations; (iv) be summoned to the meetings of the Shareholders' Meeting; and (v) exercise the right of inspection within the terms and conditions established in the corporate bylaws.

Each common share confers on its owner the right to participate in the decisions of the General Shareholders' Meeting and to vote thereat, and 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.

Preferential shares confer the following rights on the holders:

i. To receive a preferential dividend of $4 Colombian pesos per share, which shall be paid in preference to that corresponding to the common 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 common shares be greater than that declared in favor of the preferential shares.

   In no case may preferential 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.

ii. To have priority in the reimbursement of contributions in the liquidation process, provided that the Company's external liabilities have been fully covered.

iii. 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 preferential 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 preferential shares.

b. When voting on the conversion of preferential shares into common 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 preferential dividend, and the Superintendence of Finance of Colombia, ex-officio or at the request of holders of preferential 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.

Common shares held by associates are: 236,465,932 shares (2022 236,465,932 shares).

During 2023, 5,908,142 common shares for $56,522 and 1,016,100 preferential shares for $6,484 have been repurchased.

	Number of shares	Share capital	Additional paid-in capital
Reconciliation of common shares			
Balance as at 1 January 2022 (1)	663,331,535	41,458	149,167
Dividends declared in common shares	-	-	-
Balance as at 1 January 2023 (1)	663,331,535	41,458	149,167
Dividends declared in common shares	-	-	-
Balance at 31 December 2023 (1)	663,331,535	41,458	149,167
Reconciliation of preferential shares			
Balance as at 1 January 2022 (1)	211,827,180	13,239	1,354,206
Issue of preferential shares	-	-	-
Balance as at 1 January 2023 (1)	211,827,180	13,239	1,354,206
Issue of preferential shares	-	-	-
Balance at 31 December 2022 (1)	211,827,180	13,239	1,354,206
Total Ordinary and Preferential 2022 and 2023 (1)	875,158,715	54,697	1,503,373

(1) As at 31 December 2023, Grupo Argos S.A. holds 12,626,674 repurchased own shares (2022 5,702,432), of which 11,610,574 (2022 5,702,432) corresponds to common shares and 1,016,100 to preferential shares of the company.

As at 31 December 2023, outstanding common shares are 651,720,961 shares (2022 657,629,103) and preferential shares are 210,811,080 (2022 211,827,180). Treasury shares are 12,626,674 shares (2022 5,702,432).

NOTE 29: **RESERVES, OTHER COMPREHENSIVE INCOME AND RETAINED EARNINGS**

29.1 Reserves

Reserves at 31 December correspond to:

	2023	2022
Legal reserve	29,665	29,665
Mandatory reserves	511,988	405,987
Other occasional reserves	2,553,000	2,805,447
Total reserves	**3,094,653**	**3,241,099**

(1) Legal reserve

Grupo Argos S.A. 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 more than 50% are freely available to the shareholders at the General Shareholders Meeting.

(2) Mandatory reserves

Mandatory reserves include the balance of the reserve for the repurchase of shares for $511,988 (2022 $405,987).

In February 2023, the Board of Directors of Grupo Argos S.A. authorized the start of the execution of the share repurchase program that was approved at the ordinary meeting of the 2020 General Shareholders' Meeting and proposed at the ordinary meeting of the General Shareholders' Meeting held in March 2023 a new repurchase program for up to $500,000, to continue the program, which was in force until March 2023.

To this end, the General Shareholders' Meeting authorized the transfer of $106,000 of the reserves for future investments to the reserve for the repurchase of shares, as well as the program for the repurchase of common shares and of shares with preferential dividend and without voting rights of the parent company, up to an amount of $500,000, with a term of up to 3 years. The General Shareholders' Meeting also empowered the Board of Directors to regulate the Repurchase Program, and to define and approve the terms and conditions thereof.

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. If 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.

As at 31 December 2023, the available reserve for the repurchase of shares amounted to $442,993 (2022 $400,000).

(3) Other occasional reserves

The balance of the other reserves at 31 December comprises:

	2023	2022
Reserves for future investments	2,381,772	2,635,119
Reserves for future expansion	163,428	163,428
Reserves for social responsibility activities	7,800	6,900
Other occasional reserves	**2,553,000**	**2,805,447**

The other occasional reserves are freely available to shareholders.

The General Shareholders' Meeting of Grupo Argos S.A. at the ordinary meeting held on 30 March 2023 released taxed and untaxed reserves for future investments for $154,685, for the distribution of dividends, and approved the appropriation of $7,800 to be intended for social responsibility activities. At the same time, the Assembly released the reserve of $6,900 constituted in 2022, given its use. In addition, $106,000 was transferred from the reserves for future investments taxed to the reserve for repurchase of shares and reclassified own shares repurchased for $5,988.

The General Shareholders' Meeting of Grupo Argos S.A. at the ordinary meeting held on 24 March 2022 appropriated from the reserves for future investments $98,923, from the reserve intended for social responsibility activities for their disposition and distribution in 2022. Also, approved the constitution of reserves $6,900 for social responsibility activities.

As at 31 December 2023, because of the repurchase of shares program, the Group increased its reserves for future investments by $1,351 corresponding to the dividends declared associated with the shares repurchased during the period.

29.2 Other comprehensive income (OCI)

Other comprehensive income at 31 December corresponds to:

	2023	2022
Exchange difference on translating foreign operations (1) (3)	1,388,260	3,413,626
Gains and losses on equity investments (2)	1,521,691	1,260,893
Revaluation of property, plant and equipment	5,644	5,881
Cash flow hedges (3)	23,279	(89,250)
Remeasurement of defined benefit liabilities	(28,224)	3,379
Share on the other comprehensive income for associates and joint ventures recognized through equity-accounted investees	859,435	1,708,538
Total other comprehensive income (OCI)	**3,770,085**	**6,303,067**

(1) In 2023, the Group reclassified to profit for the period proceeds on exchange rate difference from the translating foreign operations for $390,378 (2022 $466,712) associated with the sale of hydroelectric generation assets and liabilities in Panama and non-conventional renewable energy in Costa Rica (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

(2) In 2023, other comprehensive income (OCI) includes gains and losses on equity investments measured at fair value of $1,878,504 and its deferred tax on equity investments of ($267,002) associated with assets classified as non-current assets held for sale corresponding to the shares of Grupo Nutresa S.A. (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations and Note 47 Significant events).

(3) In June 2023, the Group reclassified to profit for the period proceeds from exchange rate difference from the translating foreign operations for $245,030 and losses on cash flow hedges for ($72,639), associated with assets and liabilities classified as held for sale by the agreement signed between Grupo Argos S.A., Odinsa S.A. and Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, completed on 29 June 2023 (Note 19.3.2. Contributions, contribution refunds and/or changes in the bylaws or in the ownership share in a subsidiary resulting in loss of control).

During 2023, the Group made transfers between other comprehensive income and retained earnings of ($295), corresponding to the realization of the revaluation surplus for the use of property, plant and equipment measured by their revalued value.

During 2022, the Group made transfers between other comprehensive income (OCI) and retained earnings for $1,172, corresponding to the realization of the revaluation surplus from the use of property, plant and equipment measured at revalued value of ($900), the sale of investments measured at fair value through other comprehensive income (OCI) of Bird Global INC for $1,871, and other transactions for $201.

Additionally, the reclassified value from other comprehensive income (OCI) to profit for the period for cash flow hedges is $5,366 (2022 $90,519) and, in 2022, for exchange rate difference for the translating foreign operations of $65,206, mainly corresponding to the liquidation of the companies Autopistas del Nordeste S.A. and Boulevard Turístico del Atlántico S.A.

29.3 Retained earnings

The consolidated equity of the Group at December 2022 showed a decrease of $135,082, of which $115,492 correspond to the decrease in retained earnings of the controlling interest and $19,590 of the portion correspond to non-controlling interests, by the application of Decrees 2617 of 29 December 2022. (Note 10.4 Deferred income tax directly recognized through equity and other comprehensive income for the period).

NOTE 30: **OTHER COMPONENTS OF EQUITY**

During 2023, the Group increased its percentage of voting share in Cementos Argos S.A. by 1.89% and its percentage of share with economic right by 1.6%, which implied an increase in its indirect share in Sator S.A.S., Odinsa S.A., Opain S.A., and Servicios Corporativos Integrales – Summa S.A.S. This transaction resulted in a consolidated equity increase of $73,450.

In addition, the Group acquired 8,511 shares of Odinsa S.A., increasing its direct shareholding in this subsidiary and its indirect shareholding in Opain S.A. and Servicios Corporativos Integrales – Summa S.A.S., which implied a net equity decrease of $4.

Additionally, at 31 December 2023 and 2022, equity movements of ($65,242) and ($61,048), respectively, were recognized by applying share of associates and joint ventures, mainly corresponding to the associate Grupo de Inversiones Suramericana S.A.

In March 2022, the Group at consolidated level increased its economic share in the subsidiary Sator S.A.S. by 0.29% because of an issuance of shares not subject to the preferential right and therefore in turn, the share in Odinsa S.A., Opain S.A. and Summa S.A.S. was increased, which generated a net equity increase of $154 included in the item of other variations of the Consolidated Statement of Changes in Equity.

In June 2022, the purchase of the minority share held by Murcia y Murcia S.A.S. in the company Concesión Vial de los Llanos S.A.S. was made, which generated a net equity increase of $12,124 included in the line of purchases and sales to non-controlling interests in the Consolidated Statement of Changes in Equity.

In September 2022, the Group purchased 3,088,365 shares of Cementos Argos, which increased its share by 0.22%, which in turn increased its participation in Sator S.A.S., Odinsa S.A., Opain S.A., and Summa S.A.S., this implied a net equity increase of $8,033 included in the line of purchases and sales to non-controlling interests in the Consolidated Statement of Changes in Equity.

Aa at 31 December 2023, transaction costs of $96 (2022 $22) were recognized for the purchase of additional subsidiary share, which were recognized as a lower equity value.

NOTE 31: **DIVIDENDS**

Dividends declared

The General Shareholders' Meeting of Grupo Argos S.A., held on 30 March 2023 (in 2022 held on 24 March), declared dividends on 657,104,864 common shares (2022 657,629,103) of $575 Colombian pesos per share (2022 $500), payable in four quarterly installments of $143.75 Colombian pesos per share (2022 $125) as at April 2023 and 2022, respectively, for a total amount of $377,835 (2022 $328,815).

Additionally, preferential dividends corresponding to 211,719,647 preferential shares (2022 211,827,180) were declared at a rate of $575 Colombian pesos per share (2022 $500), payable in four quarterly installments of $143.75 Colombian pesos per share (2022 $125), starting in April 2023 and 2022, respectively, for a total amount of $121,739 (2022 $105,914).

Dividends declared in 2023	Shares	$ per year per share	2023
Ordinary dividend (*)	657,104,864	575	377,835
Preferential dividend (*)	211,719,647	575	121,739
Total			**499,574**

Dividends declared in 2022	Shares	$ per year per share	2022
Ordinary dividend (*)	657,629,103	500	328,815
Preferential dividend	211,827,180	500	105,914
Total			**434,729**

(*) Does not include 6,226,671 (2022 5,702,432) repurchased ordinary own shares and 107,533 (2022 0) repurchased preferential own shares before the approval of the profit distribution project, given that the Group carries out a process of repurchase of shares. The number of outstanding shares as at 31 December 2023 is different from the number of outstanding shares at the time of the approval of the project by the General Shareholders' Meeting (Note 28 Share Capital).

Dividends paid

As at 31 December 2023, ordinary dividends of $842,079 (2022 $691,824) were paid, of which $365,620 (2022 $246,854) were paid to the shareholders of the Parent Company and $476,459 (2022 $444,970) were paid to the non-controlling interests of subsidiaries. In addition, preferential dividends of $198,720 (2022 $122,750) were paid, corresponding to payments from the Parent Company $116,539 (2022 $78,630) and payments from subsidiaries of the Group $82,181 (2022 $44,120).

NOTE 32: **NON-CONTROLLING INTERESTS**

The reconciliation of non-controlling interests at 31 December is as follows:

	2023	2022
Balance at the beginning of the year	**10,978,623**	**10,350,318**
Profit sharing for the year	544,495	558,917
Other comprehensive income for the period	(1,810,149)	1,296,957
Issuance of shares	-	1,973
Repurchase of shares	(22,000)	-
Dividends declared in cash	(553,994)	(742,701)
Share of associates and joint ventures	(6,343)	(6,048)
Purchases and sales to non-controlling interests (1)	(149,756)	(82,911)
Loss of control of subsidiaries or business (2)	(91,994)	(290,830)
Effect of change in income tax rate in Colombia (Note 10.4)	-	(19,590)
Purchase commitments to non-controlling interests	(3,247)	(85,018)
Share for other changes in equity	16,849	(2,444)
Balance at end of year	**8,902,484**	**10,978,623**

(1) As at 31 December 2023, the Group increased its percentage of voting share in Cementos Argos S.A. by 1.89% and its percentage of share with economic right by 1.6%, which implied a decrease in non-controlling interests by $149,756 (Note 30 Other components of equity).

In December 2022, the purchase of the minority share held by Murcia and Murcia S.A.S. in the company Concesión Vial de los Llanos S.A.S. resulting in a decrease in non-controlling interests by $62,708. Likewise, a purchase of 3,088,365 shares of Cementos Argos was made, which increased its shareholding by 0.22%, generating a decrease in non-controlling interests by $20,203.

(2) As at 30 June 2023 the Group recognized the loss of control over its subsidiary Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. – Opain S.A., which involved a decrease in non-controlling interests by $91,994 (Note 14.3.2. Contributions, contribution refunds and/or changes in the bylaws or in the ownership share in a subsidiary resulting in loss of control).

In June 2022, Odinsa S.A. sold to Macquarie Infrastructure and Real Assets (MIRA) and contributed to Fondo de Capital Odinsa Vías and to Odinsa Vías S.A.S. share in: Autopistas del Café S.A., Concesión Túnel Aburrá Oriente S.A., Concesión Vial de los Llanos S.A.S., and Consorcio Grupo Constructor Autopistas del Café S.A., which involved the loss of control over these investments and a decrease in non-controlling interests for $290,830.

NOTE 33: **REVENUE**

33.1 Composition of revenue

The composition of the Group's revenue is as follows:

	2023	2022
Revenue		
Revenue from sales of cement, concrete, and others (1)	12,652,602	11,634,582
Revenue from the sale of energy, gas and related activities (2)	6,309,241	5,660,610
Revenue from airport services	604,113	1,013,336
Revenue from toll collection	58,341	254,727
Other Income	74,069	69,363
Share in results of associates and joint ventures (3)	586,422	759,273
Other revenue		
Financial activity (4)	1,764,275	1,186,826
Real estate (5)	518,730	726,561
Valuation of investment property (6)	25,308	34,428
Total revenue	**22,593,101**	**21,339,706**

1) Mainly from the sale of cement and ready-mix concrete.

   Cement and ready-mix concrete sales are highly dependent on the performance of the construction industry, including residential, commercial, and infrastructure projects, in each of the countries in which the products are operated or sold. Fluctuations in the behavior of the construction industry significantly affect the volumes of cement and premix concrete that is capable of being sold, as well as the selling prices able to receive for the products.

2) Mainly from the sale of electric energy in contracts, sale of electric energy in the stock exchange, energy marketing in the regulated and unregulated market, reliability charges, use and connection of networks, marketing of natural gas, and transportation capacity and other operational services.

3) Corresponds to share of associates and joint ventures, as follows:

	2023	2022
Grupo de Inversiones Suramericana S.A.	380,677	553,918
Fondo de Capital Privado por Compartimentos Odinsa Infraestructura	96,947	172,889
Corporación Quiport S.A.	54,925	34,129
Termoeléctrica El Tesorito S.A.S. E.S.P.	43,536	(5,798)
Quito Airport Management (QUIAMA) LLC	6,696	7,477
P.A Fideicomiso Operación Hotel Calablanca Barú	5,473	2,278
Pactia S.A.S.	5,209	5,109
Patrimonio Autónomo Hacienda Niquía.	2,181	703
P.A. Laurel	2,058	(777)
Internacional Ejecutiva de Aviación S.A.S.	924	(1,130)
International Airport Finance S.A.	697	701
Fideicomiso Plan Luz	462	640
Granulados Reciclados de Colombia Greco S.A.S.	268	(1,758)
CNC del Mar S.A.S. E.S.P.	135	2,922
Concesión La Pintada S.A.S.	-	24,603
Trans Atlantic Shipmanagement Ltd.	(555)	10,779
Caoba Inversiones S.A.S.	(849)	7,461
P.A. Fideicomiso Hotel Calablanca Barú	(1,001)	(963)
Saint-Gobain Colombia S.A.S.	(1,044)	(809)
P.A. Muverang	(3,020)	(1,079)
Consorcio Farallones	(6,706)	(50,518)
Other Associates and Joint Ventures	(591)	(1,504)
Total Share of associates and joint ventures	**586,422**	**759,273**

4) Corresponds to proceeds from the sale of airport assets to Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, and the contribution to the Fondo de Capital Privado por Compartimentos Odinsa Infraestructura and Odinsa Aeropuertos S.A.S. by $911,466, income for the loss of control of: Alternegy, S.A., Bontex, S.A., Divisa Solar 10MW , S.A., Celsolar S.A. and PEG for $772,250, dividends from Nutresa S.A. for $61,095, interest income from concession financial assets for $19,280, investment dividends from Celsia S.A. for $96, from investments of Cementos Argos S.A. for $54 and others for $34.

For December 2022, corresponds to the sale of road assets to Macquarie Infrastructure and Real Assets (MIRA) and the contribution to Fondo de Capital Privado por Compartimientos Odinsa Vías and to Odinsa Vías S.A.S for $1,104,182 plus $20,352 price adjustment, minus an estimated $3,486 price adjustment for the inverse *earnout* in favor of the buyer established in the arrangement between the parties, for a total of $1,121,048 (Note 24 Provisions and Note 47 Significant events), dividend income of Nutresa S.A. $42,891, concession financial asset interest income $22,600, investment dividends from Celsia S.A. $160 from investments of Cementos Argos S.A. $56, and other $71.

5) Income from the real estate business as at December 2023 corresponds to leases of $238,415, recognition for amortization of deferred income on land in the city of Barranquilla and sale of lots of $233,869, income from returns of Fondo de Capital Privado Pactia Inmobiliario of $16,450, valuation of Fondo de Capital Privado Pactia Inmobiliario of $14,632, share in the P.A. Fiduciaria Bogotá of the Alameda del Río project for $12,369, construction in buildings and civil works for $2,936 (Note 45 Construction contracts), and other income for $59.

   Income from the real estate business as at December 2022 corresponds to leases for $409,210, recognition for amortization of deferred income on land in the city of Barranquilla and sale of lots for $172,372, valuation of the Fondo de Capital Privado Pactia Inmobiliario for $71,472, constructions in buildings and civil works for $46,495 (Note 44 Construction contracts), income from returns of the Fondo de Capital Privado Pactia Inmobiliario for $20,030, share in the P.A. Fiduciaria Bogotá of the Alameda del Río project for $6,930, and other income for $52.

6) Corresponds to the measurement at fair value of the Group's investment property (Note 17 investment property).

33.2 Contractual balances from contracts with customers

As at December 2023 and 2022, no contract assets are presented.

The balance of contract liabilities as at 31 December comprises the following:

	2023	2022
Current contract liabilities	291,506	304,101
Total contract liabilities (Note 27)	**291,506**	**304,101**

Below is the change of assets from contracts with customers during the period:

	2023	2022
Balance at the beginning of the year	**-**	**2,163**
Disbursements recognized as contract assets	-	30,943
Transfers to trade and other receivables	-	(26,732)
Loss of control of a subsidiary or business	-	(6,374)
Balance at end of year	**-**	**-**

Below is the change of liabilities from contracts with customers during the period:

	2023	2022
Balance at the beginning of the year	**304,101**	**820,263**
Prepayments and income received in advance	327,114	628,231
Amounts included in contract liabilities recognized as income for the current period	(332,321)	(529,183)
Transfers to liabilities associated with non-current assets held for sale (1)	-	(146,038)
Loss of control of a subsidiary or business (2)	-	(511,032)
Effect of currency translation differences	(7,193)	1,385
Other changes	(195)	40,475
Balance at end of year	**291,506**	**304,101**

(1) In 2022, the Group reclassified Opain S.A. customer contract liabilities. held for sale because of the agreement signed with Macquarie Infraestructure and Real Assets (MIRA) (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

(2) In June 2022, control over the subsidiaries Concesión Vial de los Llanos S.A.S., Autopistas del Café S.A., Concesión Túnel Aburrá Oriente S.A., and Grupo Constructor Autopistas del Café Consortium was lost as a result of the sale agreement with Macquarie Infrastructure and Real Assets (MIRA), which resulted in a decrease in contract liabilities of Concesión Vial de los Llanos S.A.S. ($488,187), Concesión Túnel Aburrá Oriente S.A. ($15,710), Consorcio Grupo Constructor Autopistas del Café ($6,754), and Autopistas del Café S.A. ($381).

33.3 Performance obligations

During 2023 and 2022 there was no significant revenue from performance obligations that were satisfied (or partially satisfied) in prior periods.

Revenue to be recognized in future periods, except for lease income detailed in note 22 Leases, when the performance obligations to be performed are satisfied, are analyzed as follows:

	2023	2022
Within one year (*)	176,129	177,897
More than one year (*)	115,377	126,204

Mainly includes income received in advance from Grupo Argos S.A. for $115,377 (2022 $115,051) related to the costs of urban planning developments pending execution on the lots sold, prepayments received from customers for the sale of cement and concrete for $89,947 (2022 $107,214), prepayments received for sales of goods and services from the energy business of $49,617 (2022 $47,014), and prepayments received from customers for $35,715 (2022 $33,977) for the sale of lots.

NOTE 34: **COST OF ORDINARY ACTIVITIES**

34.1 Composition of the cost of ordinary activities

The cost of ordinary activities at 31 December includes:

	2023	2022
Selling costs of goods and services	13,549,587	13,163,263
Cost of financial activity (1)	1,400,133	1,044,922
Depreciation and amortization	1,201,062	1,441,882
Cost of real estate business (2)	161,308	141,305
Total cost of ordinary activities	**16,312,090**	**15,791,372**

(1) In 2023 Celsia S.A., through its subsidiary Celsia Centroamérica S.A. and Enerwinds de Costa Rica S.A., sold a portion of its hydroelectric generation assets in Panama and non-conventional renewable energy in Costa Rica in 100% of investments in Alternegy S.A., Bontex S.A., Celsolar S.A., Divisa Solar 10MW S.A. and Planta Eólica Guanacaste S.A. (PEG), to Fontus Spain S.L.U. subsidiary company of EnfraGen LLC, which operates renewable energy and network stability assets in Latin America for a cost of $830,382.

In June 2023 Grupo Argos S.A. and Odinsa S.A., under the alliance with Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, made the sale of 50% of the stake it held in Corporación Quiport S.A., Quiama Airport Management (Quiama) LTD, International Airport Finance, S.A., and Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A., and subsequently contributed to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) the remaining interest in Opain S.A. for a cost of $569,751.

In June 2022 Odinsa S.A., under the strategic alliance with the international infrastructure fund Macquarie Infrastructure Partners V, made the sale of investments and subsequent contribution to the Fondo de Capital Odinsa Vías at road assets, among which were included the following assets with loss of control: Autopistas del Café S.A. (including its share in the Fideicomiso de Autopistas del Café), Concesión Vial de los Llanos S.A.S., Concesión Túnel

Aburrá Oriente S.A. and Consorcio Grupo Constructor Autopistas del Café S.A.S., as well as the sale of the investment share in the associate Concesión La Pintada S.A.S., and other assets for a cost of $1,044,922.

(2) Cost of real estate business mainly comprises costs for the progress of the works of the Consorcio APP Llanos and Chamba Blou N.V., and additionally, for the year 2022, Concesión Vial de los Llanos, as well as urban planning costs and sales of lots of the projects Alejandría Stage III, Pajonal Stage III, Volador Urviza, Portal Empresarial del Norte III, Barú Calablanca, Hacienda Portonao Barú, Alejandría Stage V, and Remanente Insignares la Playa for 2023, and Barú Polonia, Pajonal Stage II, Alejandría Stage II, Alejandría Stage III, Lago Alto, Barú Calablanca, and Pajonal Etapa I for 2022.

34.2 Costs of ordinary activities and employee benefits expenses, depreciation and amortization recognized through profit (loss) for the period

Cost of ordinary activities and employee benefit expenses, depreciation and amortization recognized in income for the period as at 31 December are as follows:

Employee benefits expenses	2023	2022
Cost of ordinary activities	1,564,007	1,405,783
Administrative expenses (Note 35)	748,818	624,353
Selling expenses (Note 36)	175,166	163,924
Total employee benefits	**2,487,991**	**2,194,060**

Depreciation and amortization expenses	2023	2022
Cost of ordinary activities	1,201,062	1,441,882
Administrative expenses (Note 35)	105,956	137,863
Selling expenses (Note 36)	49,970	47,166
Total depreciation and amortization	**1,356,988**	**1,626,911**

Depreciation and amortization expense by nature recognized in income at 31 December is:

	2023	2022
Depreciation of property, plant and equipment	1,047,603	1,046,396
Depreciation of right-of-use assets	171,878	177,426
Amortization of intangible assets (1)	137,507	403,089
Total depreciation and amortization expenses	**1,356,988**	**1,626,911**

(1) The decrease corresponds to the reclassification of the intangible assets of Opain S.A. as non-current assets held for sale in September 2022 (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations), and for the sale of the intangible assets of Autopistas del Café S.A. and Concesión Vial de los Llanos S.A.S. to Macquarie Infrastructure and Real Assets (MIRA) and contribution to Fondo de Capital Privado por Compartimientos Odinsa Infraestructura in June 2022, which by 2022 generated an amortization charge.

NOTE 35: **ADMINISTRATIVE EXPENSES**

Administrative expenses as at 31 December comprise:

	2023	2022
Staff expenses	748,818	624,353
Services (1)	289,137	280,095
Fees (2)	243,480	231,434
Maintenance and repairs (3)	111,972	117,032
Taxes	81,826	77,158
Depreciations	69,228	76,519
Impairment (4)	59,987	71,617
Travel expenses	40,572	35,723
Amortizations (5)	36,728	61,344
Contributions and memberships	29,850	28,368
Insurance	26,861	29,189

	2023	2022
Leases	12,496	12,976
Legal expenses	2,176	2,988
Preparation and installation	1,832	2,538
Miscellaneous	55,125	53,674
Total administrative expenses	**1,810,088**	**1,705,008**

(1) Corresponds to technical assistance services for $132,145 (2022 $102,910), surveillance for $34,303 (2022 $46,399), toileting for $27,522 (2022 $32,120), utilities for $19,751 (2022 $24,441), electronic data processing for $13,715 (2022 $12,951), publicity, advertising and promotion for $11,402 (2022 $12,946), temporary services for $10,780 (2022 $7,958) and other services for $39,519 (2022 $40,370).

(2) Mainly corresponds to legal advice for $93,898 (2022 $63,806) the increase for 2023 corresponds to special projects of the Group, financial advice for $36,817 (2022 $73,755) for 2022, mainly in the companies Grupo Argos S.A. by investment valuation and Odinsa S.A. for advice related to the sale of investments and contribution to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) and for advice associated with the early termination of the road concession contract of Boulevard Turístico del Atlántico S.A. and Autopistas del Nordeste Cayman Ltd with the Government of the Dominican Republic, and technical advice for $32,987 (2022 $24,105).

(3) Mainly includes in Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A., purchase of BHS supplies (airport bag control system) and electromechanical maintenance for $24,041 in 2023 and 2022 for the acquisition of supplies and equipment maintenance for $14,542; as well as pavement rehabilitation for $10,472.

(4) Mainly corresponds to impairment of receivables in the Concessions segments associated with the financial asset Caribbean Infraestructure Company (CIC) N.V., recognized on the Green Corridor Concession project for $34,053, Energy, and Cement. In June 2023 Argos USA LLC. subsidiary of Cementos Argos S.A. reclassified impairment of receivables between sales and administration expenses. For 2022, it mainly corresponds to impairment of receivables from the Energy and Concessions segment, for the latter mainly by receivables from CNC del Mar S.A.S. E.S.P., joint venture of Celsia Colombia S.A. E.S.P.

(5) The decrease corresponds to the reclassification of the intangible assets of Opain S.A. as non-current assets held for sale in September 2022, and for the sale of the intangible assets of Autopistas del Café S.A. and Concesión Vial de los Llanos S.A.S. to Macquarie Infrastructure and Real Assets (MIRA) and contribution to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) in June 2022, which by 2022 generated an amortization charge (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

NOTE 36: **SELLING EXPENSES**

Selling expenses at 31 December comprise:

	2023	2022
Staff expenses	175,166	163,924
Services	45,207	38,265
Amortizations	45,114	44,074
Taxes	39,686	34,411
Contributions and memberships	11,122	10,881
Impairment of receivables (*)	6,679	13,344
Travel expenses	6,620	5,778
Depreciations	4,856	3,092
Insurance	4,506	4,597
Maintenance and repairs	2,066	1,411
Fees	1,668	1,592
Preparation and installation	976	861
Leases	736	1,414
Legal expenses	580	608
Miscellaneous	11,133	9,922
Total selling expenses	**356,115**	**334,174**

(*) In June 2023 Argos USA LLC., a subsidiary of Cementos Argos S.A., reclassified the impairment of receivables between sales and administration expenses.

NOTE 37: **OTHER INCOME, NET**

Other net income as at 31 December comprise:

	2023	2022
Reversals (1)	111,923	103,437
Profit on sale of fixed, intangible and other assets (2)	46,297	47,002
Compensation	5,228	11,671
Profit from the disposal of assets constituting a business (3)	-	93,324
Gain from a bargain purchase (4)	-	4,225
Government grants.	-	286
Losses associated with non-current assets held for sale (5)	(16,569)	-
Fines, penalties, and lawsuits	(21,505)	(15,116)
Donations	(38,812)	(40,163)
Taxes assumed	(50,843)	(50,822)
Impairment losses on assets (6)	(84,376)	(129,050)
Other net gains (losses) (7)	80,086	59,319
Total other income, net	**31,429**	**84,113**

(1) Mainly corresponds to an impairment recovery of $38,610 (2022 $8,581) mainly for $29,494 in impairment recovery in receivables from subsidiaries Celsia S.A., of which $17,095 corresponds to CNC del Mar S.A.S. E.S.P. and Centro Hospitalario Serena del Mar by virtue of the payment arrangements to Celsia Colombia, Cementos Argos S.A., Grupo Argos S.A. and Odinsa S.A., and additionally, for 2022 in the subsidiary Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. – Opain S.A. and subsidiary Odinsa S.A. for $8,172 associated with the recovery of intangible impairment on iniciativa Privada Perimetral de la Sabana (Note 15 Intangible Assets, net).

Likewise, reimbursement of costs and expenses in the subsidiary Cementos Argos S.A. for $31,286, where $8,250 corresponds to miscellaneous expenses in Argos USA LLC, $8,739 in Cementos Argos S.A., $6,028 in Argos Puerto Rico Corp., and $3,496 for tax recoveries, and Celsia S.A. for $10,402 (2022 $8,195) for the sale of industrial surpluses and resulting material for disposal in Celsia Colombia S.A. E.S.P. and Compañía de Electricidad de Tuluá S.A. E.S.P. - CETSA; recovery of provisions for $17,338 (2022 $23,983), in the companies Celsia S.A., Cementos Argos S.A., Odinsa S.A., Sator S.A.S. and Grupo Argos S.A., as well as for 2022 Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. – Opain S.A.

In addition, insurance recovery is included mainly in the subsidiary Cementos Argos S.A. for $5,683 (2022 $346); withdrawal of right-of-use assets for $1,545 (2022 $3,891), recovery of receivables for $829 (2022 $1,402), and recovery of termination benefits by $496 (2022 $6,093) in subsidiary Cementos Argos S.A.

(2) By 2023, mainly corresponds to sales of machinery and equipment associated with the sale of plants, fleet and transportation equipment, land at Winder Georgia and Seaboard Avenue Venice FL, in Argos USA LLC – subsidiary of Cementos Argos S.A. for $24,923; Taylorville and Alpharetta plants in the USA for $12,125 the mining titles of Arroyo and Piedra – La Cooperativa and 1506 La Victoria in Cementos Argos S.A. for $7,284; and La Calera mine lot to the Colombian Infrastructure Agency in Cementos Argos S.A. for $2,415.

For 2022, mainly corresponds to the profit on the sale of intangible assets to Macquarie Infrastructure and Real Assets (MIRA) and subsequent contribution thereof to Fondo de Capital Privado Odinsa Infraestructura (formerly Fondo de Capital Privado Odinsa Vías) in the subsidiary Odinsa S.A. for $10,308, sale of the economic rights of the energy supply contracts to the joint venture P.A. Laurel for $21,436 in subsidiary Celsia Colombia S.A. E.S.P., and the partial sale of the Polideportivo building for $5,618, as well as fleet and transport equipment for $6,588 and sale of machinery for $1,733 in the USA region of subsidiary Cementos Argos.

(3) On 31 March 2022, Argos USA LLC – a subsidiary of Cementos Argos S.A., as part of the execution of the business capitalization strategy and the optimization of the asset base of the Cement segment, within the framework of the divestment plan, sold twenty-three concrete plants, including equipment, buildings, land and inventory to

Smyrna Ready Mix Concrete, LLC. for USD 94 million. The selling price of the assets, less the book value of the assets delivered generated an accounting gain on disposal of business for $93,324 (USD 21.9 million), and an increase in current tax expense of $6,507 (USD 1.5 million) and deferred tax of $55,213 (USD 13 million), presented in the other income (expenses), net and income tax items of the condensed consolidated statement of income. The figures in Colombian pesos are updated by the exchange rates established in each cut. The assets disposed of meet the definition of business established in IFRS 3 Business Combinations, therefore, this sale involved the derecognition of the goodwill associated with those assets for a value of $223,183 (Note 14 Goodwill). As at 31 December 2022, $383,942 (USD 90 million) was received in cash.

(4) In June 2022 the subsidiary Odinsa S.A. acquires 550,000 shares of Concesión Malla Vial del Meta, including the principal and interest of the subordinated debt, which is equivalent to 11% of the share in this entity.

(5) Mainly corresponds to assets classified as held for sale associated with the shares and subordinated debt of Concesión Vial de los Llanos S.A.S. The minor was measured between its carrying amount and fair value less disposal costs by generating a $16,571 impairment.

(6) For 2023, mainly corresponds to impairment of assets in the subsidiary Celsia S.A. arising from impairment of Porvenir II S.A.S. for $79,525 and the deterioration of the investment in the joint venture CNC del Mar S.A.S. E.S.P. for $3,462, derived from the classification of non-current assets held for sale (Note 18 Investments in associates and joint ventures and Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations); and loss on portfolio withdrawal in subsidiary Cementos Argos S.A.

For 2022, mainly corresponds to impairment on the investment Corporación Quiport S.A. for $64,238 based on the estimated recoverable value of this investment (Note 18 Investments in associates and joint ventures), impairment of Porvenir II S.A.S. E.S.P. for $31,062 and the Bahia Las Minas Corp liquidation trust for $21,200. Likewise, the subsidiary Odinsa S.A. recognized an impairment in the value of intangible assets of $9,785, of which $8,172 corresponds to the Iniciativa Privada Perimetral de la Sabana as the Institute of Infrastructure and Concessions of Cundinamarca issued an administrative act rejecting the proposal, and $1,613 corresponds to the Bogotá Airport System project.

(7) For 2023, it mainly includes income of $73,062 corresponding to the derecognition of the Celsia S.A. payables to Integral S.A.S. by purchase of the Porvenir project according to the agreement signed between the parties.

For 2022, it mainly includes income received at the company Planta Eólica Guanacaste S.A. for $24,861 (USD 5.2 million), subsidiary of Celsia S.A. located in Central America, for third-party compensation that included the delivery of equipment, licenses, among others.

NOTE 38: **FINANCE EXPENSES, NET**

Net finance income and expenses as at 31 December comprise:

	2023	2022
Interest income (1)	329,903	190,317
Income from valuation of financial instruments (2)	71,694	3,938
Other finance income (3)	14,955	39,745
Total finance income	**416,552**	**234,000**
Interest Expense (4)	(2,103,727)	(1,514,245)
Bank expenses and commissions (5)	(47,727)	(40,113)
Other finance expenses (6)	(25,012)	(98,619)
Loss on valuation of financial instruments (2)	(12,911)	(20,653)
Management and issue of bonds	(2,168)	(1,711)
Total Finance expenses	**(2,191,545)**	**(1,675,341)**
Exchange difference income	646,455	456,586
Exchange difference expenses	(787,006)	(354,233)
Exchange difference, net	**(140,551)**	**102,353**
Total net finance expense	**(1,915,544)**	**(1,338,988)**

(1) The variation mainly corresponds to the highest returns in Grupo Argos S.A. for $81,887, Cementos Argos S.A. for $54,178, given the increase in investments in Fixed-Rate Certificate of Deposit (CDs) for $44,636, Celsia S.A. for $20,604 and Opain S.A. for $20,585, offset by lower financial returns in Odinsa S.A. for $32,645, of which $23,250 corresponded to the coupon payment of the Government bonds of the Dominican Republic received for the early termination of the concession contract of Autopistas del Nordeste S.A. and Boulevard Turístico del Atlántico S.A. in 2022.

(2) The variation occurs mainly in Grupo Argos S.A. for $42,119 primarily for fair value measurement of Fixed-Rate Certificate of Deposit (CDs) and derivative contracts with domestic banks, Odinsa S.A. for $22,239 explained in higher losses recognized in 2022 due to a lower valuation of the Government bonds of the Dominican Republic, received by the early termination of the concession contract of Autopistas del Nordeste S.A. and Boulevard Turístico del Atlántico S.A. for $9,508, Cementos Argos S.A. for $9,504 for derivative instruments, and Celsia S.A. for $1,653 for derivative instruments.

(3) For 2022, it mainly includes income recorded in Celsia Colombia S.A. E.S.P. for $31,005 corresponding to the valuation of the accounts receivable from the tariff route for Valle and Tolima.

(4) The variation mainly corresponds to the impact that the increase in indexation rates had on the cost of debt of all the Group companies, offset by the reduction in leverage at the consolidated level and improvement in the debt conditions of Odinsa S.A.

(5) The increase is mainly due to the commission to the International Financial Corporation - IFC for the structuring and availability of the loan indexed to the fulfillment of socio-environmental indicators and commission for guarantees of the BNP Paribas registered in Celsia Colombia S.A. E.S.P. for $10,826.

(6) For 2022, the other finance expenses include the sale of the portfolio to Inter-American Development Bank (IDB) in the subsidiary Celsia S.A. for $64,136.

As at 31 December 2023 and 2022, the weighted average annual capitalization rate of borrowing costs on property, plant and equipment is 16.57% (2022 10.11%). As at 31 December 2023 and 2022, no borrowing costs were capitalized on intangible assets. As at 30 May 2022, borrowing costs in intangible assets were capitalized with an average rate of 5.14%, which corresponded to the Concesión Vial de los Llanos and over which the Group lost control in June 2022 causing the balance of borrowing costs capitalized in the consolidated statement of financial position to amount to $0.

The exchange rate at 31 December 2023 is $3,822.05 and at 31 December 2022 is $4,810.20.

NOTE 39: **EARNINGS (LOSS) PER SHARE**

Earnings (loss) per share attributable to owners of the Parent as at 31 December comprises:

	2023	2022
Basic earnings (loss) per share:		
From continuing operations	1,054.84	1,013.76
Total basic earnings (loss) per share	**1,054.84**	**1,013.76**
Diluted earnings (loss) per share:		
From continuing operations (*)	1,054.84	1,013.76
Total diluted earnings (loss) per share	**1,054.84**	**1,013.76**

(*) Figures stated in Colombian pesos (Colombian pesos per share).

The Group does not hold financial instruments or other types of contracts that entitle it to receive potential common shares, and therefore diluted earnings (loss) per share is equal to basic earnings (loss) per share.

39.1 Basic earnings (loss) per ordinary share

The earnings and weighted average number of common shares used in the calculation of basic earnings (loss) per share are as follows:

	2023	2022
Profit for the period attributable to controllers of the company	915,503	881,424
Earnings used in the calculation of total basic earnings (loss) per share	915,503	881,424
Profit used in the calculation of basic earnings (loss) per share from continuing operations	915,503	881,424
Weighted average number of common shares for basic earnings (loss) per share purposes	**867,910,345**	**869,456,283**

39.2 Diluted earnings (loss) per share

The earnings used in the calculation of diluted earnings (loss) per share are as follows:

	2023	2022
Earnings used in the calculation of total basic earnings (loss) per share	915,503	881,424
Earnings used in the calculation of total diluted earnings (loss) per share	915,503	881,424
Earnings used in the calculation of diluted earnings (loss) per share from continuing operations	**915,503**	**881,424**

The weighted average number of common shares for diluted earnings (loss) per share purposes is reconciled to the weighted average number of common shares used in the calculation of basic earnings (loss) per share as follows:

	2023	2022
Weighted average number of common shares used in calculation of basic earnings (loss) per share	**867,910,345**	**869,456,283**
Weighted average number of common shares used in the calculation of diluted earnings (loss) per share	**867,910,345**	**869,456,283**

NOTE 40: **SEGMENT INFORMATION**

40.1 Products and services that generate revenue from the reportable segments

The Group's operating segments have been defined as the companies, consolidation groups and *holding* company that manage the operations of the following activities:

Cement: corresponds to the group of companies dedicated to the exploitation and production of cement-based mixtures and derivatives such as concrete and other materials based on cement, lime, or clay. These companies are consolidated through the subsidiary Cementos Argos S.A

Energy: corresponds to the group of companies engaged in the provision of public utilities specializing in the generation, transmission, distribution, and marketing of electricity. These companies are consolidated through the subsidiary Celsia S.A

Real estate: refers to the activities of acquisition, participation, urbanization, promotion, design, provision of technical services, construction, administration, consultancy, management, and auditing in real estate businesses carried out by the Parent company Grupo Argos S.A.

Portfolio: this refers to investment activities in all types of shares, quotas or interest, share in companies or entities which allow for the investment of resources, carried out in the Parent company Grupo Argos S.A.

Concessions: corresponds to the group of companies engaged in the management, promotion, and development of large infrastructure projects, such as road, airport and special project concessions. The consolidation of these companies is performed through the subsidiary Odinsa S.A., including the consolidation of the subsidiary Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. In June 2023, there was a loss of control of this company (Note 14.3.2. Contributions, contribution refunds and/or changes in the bylaws or in the ownership share in a subsidiary resulting in loss of control).

Coal: exploitation activities of the coal industry and any other mineral substance associated with coal performed through the company Sator S.A.S.

Below is an analysis of the Group's revenue and results from continuing operations by reportable segments, including adjustments for consolidation purposes:

December 2023	Cement	Energy	Real estate	Portfolio	Coal	Concessions	Adjustments	Total
Net income	12,724,119	6,229,922	309,762	498,808	177,117	1,086,819	1,724,557	22,751,104
Less: inter segment	(19,946)	(29,353)	(1,751)	(37,018)	(69,934)	(1)	-	(158,003)
Consolidated income	**12,704,173**	**6,200,569**	**308,011**	**461,790**	**107,183**	**1,086,818**	**1,724,557**	**22,593,101**
Cost of ordinary activities	(8,925,817)	(4,068,961)	(160,930)	(34,338)	(61,655)	(459,194)	(1,400,133)	(15,111,028)
Depreciation and amortization	(866,297)	(331,029)	-	(113)	(3,413)	(210)	-	(1,201,062)
Gross profit	**2,912,059**	**1,800,579**	**147,081**	**427,339**	**42,115**	**627,414**	**324,424**	**6,281,011**
Other depreciation and amortization	(99,094)	(50,356)	(811)	(2,710)	(16)	(2,939)	-	(155,926)
Administration and Sales	(1,194,297)	(343,319)	(48,673)	(125,517)	(7,484)	(290,987)	-	(2,010,277)
Loss on impairment of assets	(1,046)	(82,988)	(328)	196	-	(210)	-	(84,376)
Other income (expense), net	48,300	35,173	284	(16,499)	1,512	330,655	(283,620)	115,805
Operating profit	**1,665,922**	**1,359,089**	**97,553**	**282,809**	**36,127**	**663,933**	**40,804**	**4,146,237**
EBITDA	**2,631,313**	**1,740,474**	**98,364**	**285,632**	**39,556**	**667,082**	**40,804**	**5,503,225**
Finance income	109,687	44,195	13,814	152,553	3,895	92,575	(167)	416,552
Finance expenses	(945,858)	(874,110)	(8,380)	(257,173)	(1,713)	(104,311)	-	(2,191,545)
Exchange difference, net	(50,112)	(43,504)	16	(23,098)	255	(24,108)	-	(140,551)
Other	(1,451)	42,293	-	-	-	-	(40,842)	-
Earnings before taxes	**778,188**	**527,963**	**103,003**	**155,091**	**38,564**	**628,089**	**(205)**	**2,230,693**
Income tax	(390,391)	(188,611)	-	(45,124)	(12,010)	(134,559)	-	(770,695)
Income from continuing operations	**387,797**	**339,352**	**103,003**	**109,967**	**26,554**	**493,530**	**(205)**	**1,459,998**
Net earnings	**387,797**	**339,352**	**103,003**	**109,967**	**26,554**	**493,530**	**(205)**	**1,459,998**

December 2022	Cement	Energy	Real estate	Portfolio	Coal	Concessions	Adjustments	Total
Net income	11,697,084	5,616,504	299,466	658,985	169,334	1,943,598	1,131,557	21,516,528
Less: inter segment	(3,216)	(39,513)	(2,317)	(46,909)	(84,864)	(3)	-	(176,822)
Consolidated income	**11,693,868**	**5,576,991**	**297,149**	**612,076**	**84,470**	**1,943,595**	**1,131,557**	**21,339,706**
Cost of ordinary activities	(8,764,952)	(3,512,307)	(112,955)	(22,553)	(41,004)	(850,799)	(1,044,921)	(14,349,491)
Depreciation and amortization	(856,635)	(374,433)	-	(122)	(5,202)	(205,489)	-	(1,441,881)
Gross profit	**2,072,281**	**1,690,251**	**184,194**	**589,401**	**38,264**	**887,307**	**86,636**	**5,548,334**
Other depreciation and amortization	(103,424)	(54,019)	(733)	(14,125)	(16)	(12,714)	-	(185,031)
Administration and Sales	(965,505)	(311,248)	(47,562)	(132,949)	(5,858)	(391,215)	186	(1,854,151)
Loss on impairment of assets	(1,632)	(52,533)	-	(30)	-	(74,855)	-	(129,050)
Other income (expense), net	186,700	24,987	(2,272)	(13,635)	(3,501)	97,009	(76,125)	213,163
Operating profit	**1,188,420**	**1,297,438**	**133,627**	**428,662**	**28,889**	**505,532**	**10,697**	**3,593,265**
EBITDA	**2,148,479**	**1,725,890**	**134,360**	**442,909**	**34,107**	**723,735**	**10,697**	**5,220,177**
Finance income	30,228	50,754	12,183	38,702	1,868	100,265	-	234,000
Finance expenses	(658,255)	(632,180)	(1,529)	(166,556)	(777)	(216,044)	-	(1,675,341)
Exchange difference, net	3,421	17,819	4	3,288	(211)	78,032	-	102,353
Other	7,512	2,997	1	-	-	-	(10,510)	-
Earnings before taxes	**571,326**	**736,828**	**144,286**	**304,096**	**29,769**	**467,785**	**187**	**2,254,277**
Income tax	(365,708)	(314,846)	-	(8,606)	(1,259)	(123,517)	-	(813,936)
Income from continuing operations	**205,618**	**421,982**	**144,286**	**295,490**	**28,510**	**344,268**	**187**	**1,440,341**
Net earnings	**205,618**	**421,982**	**144,286**	**295,490**	**28,510**	**344,268**	**187**	**1,440,341**

The accounting policies applied in the preparation of segment information and in the accounting for transactions between segments correspond to those described in the accounting policy of operating segments. The Group has not made asymmetric allocations in its operating segments.

40.2 Reconciliation of segment revenue and revenue

The reconciliation between income by segment and the Group's revenue is as follows (Note 33 Revenue):

December 2023	Cement	Energy	Real estate	Portfolio	Coal	Concessions	Adjustments (*)	Total
Net income								
Sale of cement, concrete, and others	12,652,602	-	-	-	-	-	-	12,652,602
Sale of energy, gas and related activities	1,957	6,200,569	-	-	106,715	-	-	6,309,241
Financial activity	-	-	-	61,129	-	19,280	1,683,866	1,764,275
Revenue from airport services	-	-	-	-	-	604,113	-	604,113
Equity-accounted investees	-	-	11,862	381,757	-	152,112	40,691	586,422
Real estate	5,214	-	278,334	-	-	235,182	-	518,730
Revenue from toll collection	-	-	-	-	-	58,341	-	58,341
Valuation of investment property	6,774	-	17,815	-	467	252	-	25,308
Other	37,626	-	-	18,904	1	17,538	-	74,069
Consolidated income	**12,704,173**	**6,200,569**	**308,011**	**461,790**	**107,183**	**1,086,818**	**1,724,557**	**22,593,101**

(*) The adjustment to Income from financial activity for $1,683,866, corresponds to proceeds from the sale of airport assets to Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, and the contribution to the Fondo de Capital Privado por Compartimentos Odinsa Infraestructura and Odinsa Aeropuertos S.A.S. by $911,466, income for the loss of control of: Alternegy, S.A., Bontex, S.A., Divisa Solar 10MW , S.A., Celsolar S.A., and PEG $772,250, investment dividends from Celsia S.A. $96, and investments of Cementos Argos S.A. $54. The profit from equity-accounted investees of $40,691 corresponds to associates and joint ventures of Celsia S.A. for $42,197 and Cementos Argos S.A. for ($1,506), which are presented in each of the operating segments in the item of other operating income (expenses) or in others and are reclassified for the purposes of the Group's consolidation as revenue.

December 2022	Cement	Energy	Real estate	Portfolio	Coal	Concessions	Adjustments (*)	Total
Net income								
Sale of cement, concrete, and others	11,634,582	-	-	-	-	-	-	11,634,582
Sale of energy, gas and related activities	1,745	5,576,991	-	-	81,874	-	-	5,660,610
Financial activity	-	-	-	42,962	-	22,600	1,121,264	1,186,826
Revenue from airport services	-	-	-	-	-	1,013,336	-	1,013,336
Equity-accounted investees	-	-	7,128	552,779	-	189,073	10,293	759,273
Real estate	7,052	-	271,462	-	-	448,047	-	726,561
Revenue from toll collection	-	-	-	-	-	254,727	-	254,727
Valuation of investment property	13,029	-	18,559	-	2,596	244	-	34,428
Other	37,460	-	-	16,335	-	15,568	-	69,363
Consolidated income	**1,693,868**	**5,576,991**	**297,149**	**612,076**	**84,470**	**1,943,595**	**1,131,557**	**21,339,706**

(*) The adjustment to Income from financial activity of $1,121,264 correspond to the sale of road assets to Macquarie Infrastructure and Real Assets (MIRA) and the contribution to Fondo de Capital Privado por Compartimientos Odinsa Vías (now Fondo de Capital Privado por Compartimentos Odinsa Infraestructura) and to Odinsa Vías S.A.S for $1,121,048, investment dividends from Celsia S.A. $160, and investments of Cementos Argos S.A. $56. Income from equity-accounted investees of $10,293 corresponds to associates and joint ventures of Cementos Argos S.A. for $7,455 and Celsia S.A. for $2,838, which are presented in each of the operating segments in the item of other operating income (expenses) or in others and are reclassified for the purposes of the consolidated Group as revenue.

40.3 Geographic information

Revenue from external customers of the Group's continuing operations by geographic location at 31 December are as follows:

	Revenue by geographic location	
	2023	2022
Colombia	12,300,456	11,724,139
United States	7,399,817	6,668,712
Panama	1,027,757	942,012
Caribbean Islands	618,790	736,384
Honduras	593,313	591,348
Dominican Republic	430,919	383,275
Haiti	71,739	156,028
Costa Rica	55,757	54,517
Guatemala	52,069	42,866
Suriname	42,484	40,425
Total	**22,593,101**	**21,339,706**

For these purposes, the basis used to attribute revenue from external customers to countries is the location of each of the subsidiaries.

As at December 2023 and 2022, the Group does not have any customer representing 10% or more of consolidated income.

NOTE 41: **INFORMATION ON RELATED PARTIES**

41.1 Qualitative relationships between the Group and its related parties

(1) The Group contracts property, casualty, and personal liability insurance, mainly through life and general insurance companies that are subordinates of Grupo de Inversiones Suramericana S.A. This operation is performed to cover property losses, using the retention and risk distribution schemes negotiated with said insurance companies, all in compliance with applicable regulations in the corresponding jurisdiction. Dividends receivable and payable are also generated with Grupo de Inversiones Suramericana S.A. since this company is also an associate of the Group (Note 18.8 Reciprocal interests)

(2) Air transportation service between Internacional Ejecutiva de Aviación S.A.S. and the Group: the transaction consists of Internacional Ejecutiva de Aviación S.A.S. providing air transportation to senior executives of Grupo Argos S.A. and its subsidiaries.

(3) Provision of sea transport service between Transatlantic Cement Carriers Inc. and Trans Atlantic Shipmanagement Ltd. The transaction consists of Trans Atlantic Shipmanagement Ltd. (among other suppliers) providing sea freight and vessel leasing services to Transatlantic Cement Carriers Inc. for the transportation of raw materials and finished products for Cementos Argos S.A. and/or its subsidiaries.

(4) Sale of cement and concrete to Consorcio Farallones, the transaction consists of the sale of cement and concrete to Consorcio Farallones for infrastructure works in different regions of the country.

(5) Sale of distribution and transmission assets that Celsia Colombia S.A. E.S.P. made to Caoba Inversiones S.A.S. and representation contract with Caoba Inversiones S.A.S. for the operation of distribution and transmission assets in Tolima and Plan 5 Caribe.

(6) Subordinated debt between Odinsa S.A. and Concesión La Pintada S.A.S. with the purpose of covering operation, maintenance, and construction costs. On this subordinated debt interest is accrued at an agreed rate of Fixed Term DTF + 3%. In June 2022, it was sold to Macquarie Infrastructure and Real Assets (MIRA) and contributed to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) and to Odinsa Vías S.A.S. the share in Concesión La Pintada S.A.S., together with the subordinated debt.

(7) Lease of constructions and buildings that the Group and its subsidiaries have with Fondo de Capital Privado Pactia Inmobiliario.

(8) Fee agreement between Odinsa Gestor Profesional S.A.S. and Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías) for advisory, administration, management of investment funds, and operation of road concessions.

(9) With Odinsa Aeropuertos S.A.S. and Odinsa Vías S.A.S. for the delivery of private initiatives: new Cartagena airport, Campo de Vuelo, and El Dorado Max, as airport infrastructure components, and Conexión Centro, as a road infrastructure component, as well as other resources for its structuring in accordance with the SPA guidelines and other amendments signed with Macquarie Infrastructure and Real Assets (MIRA) and Subsequent Management.

(10) Representation agreement between Celsia Colombia S.A. E.S.P. and Termoeléctrica El Tesorito S.A.S. E.S.P. for the operation of the thermal power plant.

(11) Rendering of operational and administrative support services between Celsia Colombia S.A. E.S.P. and CNC del Mar S.A.S. E.S.P.

(12) Agency contract between Celsia Colombia S.A. E.S.P. and P.A. Laurel for the invoicing and portfolio management of the photovoltaic energy service, leasing of the photovoltaic installations and their operation and maintenance.

41.2 Transactions with related parties

During the year, the Group companies performed the following transactions and present the following balances receivable from or payable to related parties that are not consolidated within the Group:

	Sale of goods and other income		Purchase of goods and other expenses	
	December 2023	**December 2022**	**December 2023**	**December 2022**
Entities with significant influence over the Group (1)	25,001	632	99,877	88,305
Associates (2)	25,008	34,309	261,817	63,394
Joint ventures (3)	317,580	439,312	230,027	403,588
Key Management Personnel (4)	430	425	276,198	225,261
Fees of the Board of Directors	-	-	5,028	4,607
Total related parties	**368,019**	**474,678**	**872,947**	**785,155**

(1) Mainly corresponds to indemnities for losses that affected the energy business in Celsia Central America, insurance recoveries and other services. Expenses correspond to the multi-risk policy and the purchase of insurance to cover assets, civil liability, employee benefit plans and interest with Grupo de Inversiones Suramericana S.A.

(2) Mainly corresponds to dividends from Fondo de Capital Privado Pactia Inmobiliario, reimbursement services for staff expenses, finance expenses income and energy transaction costs from the entry into operation of the thermal plant from September 2022 of Termoeléctrica El Tesorito S.A.S. E.S.P., provision of administrative services to Internacional Ejecutiva de Aviación S.A.S., revenue from the sale of cement to Fondo de Capital Privado Pactia Inmobiliario, ground transportation services to Saint-Gobain Colombia S.A.S. Expenses are represented in the provision of air transportation services by Internacional Ejecutiva de Aviación S.A.S. to executives of Grupo Argos S.A. and its subsidiaries, depreciation of right-of-use assets in constructions and buildings, interest on valuation of lease liabilities, and selling costs of cement to Fondo de Capital Privado Pactia Inmobiliario.

(3) It mainly comprises income from operation, maintenance, commercial representation, and proceeds from the sale of BOT (*Built, operate and Transfer*) electric projects with Caoba Inversiones S.A.S., from the sale of distribution and transmission assets, proceeds from the assignment of the economic rights of photovoltaic generation projects, such as existing solar roofs and floors as a contribution to P.A. Laurel, commission and interest income with Fideicomiso Plan Luz, administrative services, interest reversal of impairment of receivables, additionally energy, operation and maintenance arrangements with CNC del Mar S.A.S. E.S.P., fees, administration, investment funds management and operation of Road and airport concessions with Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital Privado por Compartimentos Odinsa Vías), income from water transport services with Trans Atlantic Shipmanagement Ltd. The costs and expenses correspond to the sale of BOT (Built, operate and Transfer) electrical projects with Caoba Inversiones S.A.S., to the valuation of the vessel lease arrangements for water transport

services, and depreciation of right-of-use assets with Trans Atlantic Shipmanagement Ltd. for the transport of raw materials and finished products.

(4) Corresponds to interest income from loans and compensation to key management personnel.

	Amounts receivable		Amounts payable	
	December 2023	December 2022	December 2023	December 2022
Entities with significant influence over the Group (1)	109,555	47,999	38,068	40,391
Associates (2)	777	833	125,766	93,062
Joint ventures (3)	85,265	43,053	318,128	273,859
Key Management Personnel (4)	13,974	12,729	-	-
Total related parties	**209,571**	**104,614**	**481,962**	**407,312**

Amounts receivable include $41,921 (2022 $19,981) for other prepaid expenses to related parties. Amounts payable include $57 (2022 $25) for other non-financial liabilities (Note 12 Prepaid expenses and other non-financial assets and Note 27 Other non-financial liabilities).

(1) Mainly corresponds to compensation for loss that directly affected the energy business in Celsia Central America, dividends receivable and payable, prepaid expenses by multi-risk policy insurance, receivables for credit notes for insurance policies of life, fire, transportation, disabilities and other services, payables to Grupo de Inversiones Suramericana S.A. for insurance and health services.

(2) Mainly comprises receivables for services from Termoeléctrica El Tesorito S.A.S. E.S.P., energy reimbursement, connection rights and sale of cement with Fondo de Capital Privado Pactia Inmobiliario and rendering of administrative services to Internacional Ejecutiva de Aviación S.A.S. Payables correspond to the income recognized to Termoeléctrica El Tesorito S.A.S. E.S.P. for energy transactions for the plant commissioning, in compliance with the commercial representation arrangement, and to loans received, rendering of air transport services by Internacional Ejecutiva de Aviación S.A.S., to the executives of Grupo Argos S.A. and its subsidiaries, prepayments of invoices for the purchase of cement and concrete, and interest to Fondo de Capital Privado Pactia Inmobiliario for leases of Constructions and buildings with the Group and its subsidiaries.

(3) Mainly corresponds to Odinsa Aeropuertos S.A.S. for the delivery of the Cartagena airport projects, Campo de Vuelo (including trust rights) and El Dorado Max, and recovery of staff expenses, to Odinsa Vías S.A.S. for the delivery of the Conexión Centro road project (including trust rights), as well as other resources for its structuring in accordance with the SPA guidelines and other amendments signed with Macquarie Infrastructure and Real Assets (MIRA) within the transaction of roads and airports and recovery of staff expenses, to CNC del Mar S.A.S. E.S.P. by administrative support *Back office,* receivables from Caoba Inversiones S.A.S. for the sale of transmission and distribution assets, to Fideicomiso Plan Luz for sales, interest and capital commissions for the subordinated debt, to C2 Energía S.A.S. for fees, taxes, receivables from Trans Atlantic Shipmanagement Ltd. for the rendering of water transport service, to Granulas Reciclados de Colombia Greco S.A.S. for the rendering of services. Payables correspond to C2 Energía S.A.S. for resources received for the development of projects, to Caoba Inversiones S.A.S. for collections for the use of networks, for the operation of distribution and transmission assets in Tolima and Plan 5 Caribe, to the Consorcio Imhotep for withholding guarantees of construction contracts, and to Odinsa Aeropuertos S.A.S. for employee relocation.

(4) Receivables are represented in loans made to key management personnel.

Right-of-use assets with Fondo de Capital Privado Pactia Inmobiliario for $35,157 (2022 $48,561) and lease liabilities for $50,276 (2022 $65,270), right-of-use assets with Trans Atlantic Shipmanagement Ltd. for $32,749 (2022 $33,058), and lease liabilities for $34,639 (2022 $35,644).

As at 31 December the Group has recognized impairment of receivables from related parties for $10 (2022 $15,274) and impairment expense for $5 (2022 $16,556). The decrease mainly corresponds the recognition of portfolio impairment in 2022 with CNC del Mar S.A.S E.S.P for $15,268. Payment arrangement for payables resulted in a portfolio write-off of $7,601 and an impairment recovery of $7,667.

As at 31 December the Group has not received nor granted any collaterals for balances receivable from or payable to related parties, except for loans to key management personnel where the Group receives a guarantee on the disbursement made. 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 with respect to the sale of goods and services is 30 days. Payables between related parties have an average term between 30 and 60 days. The average term of loans as at December 2023 is between 1 and 7 years, agreed at a rate in dollars of 6.80% and in Colombian pesos between 4.08% and 19.39% (December 2022 between 1 and 7 years, agreed at a rate in US dollars of 5.30% and in Colombian pesos between 4.08% and 14.06%). For the subsidiary Celsia S.A. the loans between related parties are at a LIBOR 3M + 2.75% rate (December 2022 LIBOR 3M + 2.50% rate).

41.3 Compensation to key Management personnel

Compensation awarded to key Management personnel during the year was as follows:

	2023	2022
Short-term employee benefits (*)	258,924	210,747
Post-employment benefits	9,076	8,037
Other long-term benefits	5,299	4,737
Share-based payments	5,243	5,613
Termination benefits	2,684	734
Total Compensation awarded to key management personnel	**281,226**	**229,868**

(*) Includes Fees of the Board of Directors' Members For $5,028 (2022 $4,607).

Amounts broken down in the table above correspond to the values recognized as expenses during the period.

NOTE 42: **BUSINESS COMBINATIONS**

42.1. Business combinations performed during the reporting period

42.1.1 Subsidiaries and groups of assets acquired

Subsidiaries or groups of assets acquired	Acquirer	Main activity	Acquisition date	% of share acquired	Transferred consideration
Framing Colombia S.A.S. BIC	Corporaciones e Inversiones del Mar Caribe S.A.S.	Execution of buildings, civil works and personal property	June 2023	70.0%	1,117

Framing Colombia S.A.S. BIC

In June 2023, Cementos Argos S.A. through its subsidiary Corporaciones e Inversiones del Mar Caribe S.A.S. acquired control of Framing Colombia S.A.S. BIC ("Colframe") with the signing and execution of a share purchase agreement through which it consolidates 70% of the shareholding in the Company.

Colframe is a company domiciled in Medellín that aims to manufacture and market industrialized construction solutions in light steel to leverage growth and innovation in housing, warehouses and other infrastructure segments, driving the adoption of efficient, innovative, lightweight, resistant and environmentally friendly cost-building systems.

Through this purchase, 10,500 shares are acquired, resulting in a total purchase price of $1,117, of which $950 correspond to the purchase price and $167 correspond to a contingent payment. The agreed purchase value of $950 was paid in cash on the date of the transaction. The acquired subsidiary constitutes a business in accordance with the requirements of IFRS 3 Business Combinations, thus goodwill was recognized for $296.

42.1.2 Assets acquired, liabilities assumed and consideration transferred at the acquisition date

The following table presents the allocation of the total price paid on the identified assets and liabilities assumed in the business combinations, as at the date of obtaining control:

	Framing Colombia S.A.S. BIC
Assets	
Cash and cash equivalents	176
Trade and other receivables (1)	289
Current tax assets	29
Inventories, net	166
prepaid expenses and other non-financial assets	35
Current assets	**695**
Property, plant and equipment, net	911
Non-current assets	**911**
Total identifiable assets	**1,606**
Liabilities	
Employee benefits liabilities	33
Trade and other payables	54
Provisions and contingent liabilities (2)	-
Other non-financial liabilities	223
Current liabilities	**310**
Liabilities	
Deferred tax	123
Non-current liabilities	**123**
Total liabilities assumed	**433**
Net assets measured at fair value	**1,173**

	Framing Colombia S.A.S. BIC
Transferred consideration	1,117
Total Transferred consideration	**1,117**
% of share acquired	70%
Net assets acquired by the acquirer	821
Total net assets acquired	**821**
Total consideration transferred and valuation of upfront investment	1,117
Less total net assets acquired	(821)
Excess value paid (bargain purchase gain) on the acquisition (3)	**296**
Acquisition-related costs (4)	-

(1) The fair value of acquired receivables matches the carrying amount.

(2) No contingent liabilities were recognized at the acquisition date due to lawsuits.

(3) Goodwill determined in the acquisition of the acquired assets amounted to $296. In the purchase agreement established in the acquisition of the subsidiary, a contingent consideration was agreed for $167 payable in 2024 in accordance with EBITDA compliance.

(4) There were no transaction costs related to the acquisition.

42.1.3 Transactions recognized separately from business combination

The Group did not recognize transactions separately from the acquisition of assets and liabilities in the detailed business combination.

42.1.4 Revenue and profit or loss of the acquired subsidiaries

Below are the revenue and profit before taxes from continuing operations from the acquisition date of the subsidiaries, as well as revenue and profit before taxes from continuing operations that would have been recognized if the business combination had occurred at the beginning of 2023.

	Framing Colombia S.A.S. BIC
2023	
Revenue from continuing operations from the acquisition date	1,072
Profit from continuing operations from the acquisition date	147
Revenue from continuing operations from 1 January 2023	1,586
Profit from continuing operations from 1 January 2023	46

42.1.5 Net cash flow on acquisition of subsidiaries

	Framing Colombia S.A.S. BIC (1)
2023	
Cash consideration	950
Less:	
Cash and cash equivalents balances of the controlled company (included in cash flows from investing activities)	(176)
Net cash flow provided by the acquisition	**774**

(1) The consideration paid for Framing Colombia S.A.S for $950 was made in two payments: March 2023 for $400 and May 2023 for $550.

42.1.6 Completion of the process of allocating the purchase price of business combinations

As at 31 December 2023, the process of allocating the purchase price related to the acquisition of control over Framing Colombia S.A.S. BIC is complete. The acquisition of control over the company took place on 1 June 2023, date from which the business combination accounting process began.

42.2. Business combinations performed during the period immediately preceding the reporting period

No business combinations were made in the comparative period.

NOTE 43: CONTINGENT ASSETS AND LIABILITIES

Certain contingent conditions may exist at the date the financial statements are issued, which may result in income or expense for the Group. These contingencies shall be resolved in the future when one or more events occur. 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 Group, 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 Group believes that these matters shall be resolved without any material effect on our operations, financial position, or results of operations.

43.1 Contingent assets

The Group's relevant contingent assets at 31 December 2023 are broke down below:

43.1.1 Grupo Argos S.A.

1) At 31 December 2023, the Company has contingent assets for $1,273 with the Special Industrial and Port District of Barranquilla for processes with pro-hospital stamp, of which $667 correspond to the plaintiff Grupo Argos S.A. and $606 correspond to Situm S.A.S. (Company absorbed by Grupo Argos).

2) Claim for damages for inadequate works to the Miramar project for $2,212, change the process to probable qualification.

Grupo Argos S.A. has contingent assets for minor amounts that total $1,267 (2022 $1,606); which correspond to executive proceedings for land in 2023.

43.1.2 Odinsa S.A. and subsidiaries

Autopistas de los Llanos S.A. – in liquidation.

The Company filed an administrative lawsuit with the Colombian Ministry of the Environment before the Colombian Council of State, seeking to declare the nullity of Resolution 930 of 28 August 1996, which ordered the municipality and the concession to build a dam to protect the Villa Suarez neighborhood. As at 31 December 2023 the amount is still pending to be determined. This process has a probable qualification.

Constructora Bogotá Fase III S.A. in liquidation

The Company filed a writ of protection with the Administrative Court of Cundinamarca, Section Three Subsection A before the Administrative Court that seeks to obtain protection of fundamental rights to due process and access to justice. As at 31 December 2023 the amount is still pending to be determined. On 14 April 2021, the Colombian Council of State of the Chamber of Contentious-Administrative Matters Section Five admitted writ of protection. This process has a probable qualification.

In turn, contingent assets for lesser amounts are $0 (2022 $1,740) per claim for direct reparation of Odinsa S.A. and its subsidiaries.

43.2 Contingent liabilities

Lawsuits to which the Group is exposed are administered by the legal area, the administrative processes can be of a labor, civil, criminal, and administrative nature. The Group considers as contingent liabilities those proceedings for which it is estimated as possible, the probability of occurrence of the event and a future outflow of resources. The Group periodically monitors the evolution of the probability of loss of these proceedings and their classification as contingent liabilities or provisions. If the probability of loss increases from possible to probable, the Group recognizes a provision and the corresponding effect on consolidated profit for the period. The amount of the provision depends on each specific process.

As at 31 December 2023, the most significant contingencies that were not recognized as provisions in the financial statements are as follows:

43.2.1 Cementos Argos S.A. and subsidiaries

Lawsuit with Transmilenio

Due to structural defects in the pavement of the Autopista Norte Project in Bogotá D.C. developed by Transmilenio S. A. (hereinafter "Project"), a class action is underway against the Mayor's Office of Bogotá, the Urban Development Institute, Concretos Argos S. A. and certain public officials and suppliers of the Project. The class action states that Concretos Argos S.A., together with other suppliers, supplied construction materials without complying with the required technical specifications, and as a result structural defects were generated in the pavement of the Autopista Norte Project.

In a first instance ruling, Concretos Argos S.A.S. was ordered to make some publications associated to the violation of consumers' rights and to apologize. The referred class action is pending for a second instance ruling after the appeal and conclusion arguments presented by all parties.

Valuation Puerto Nare

In December 2018, the company filed a lawsuit for nullity and restoration of rights against a resolution to charge for the rectification and paving of the "Puerto Nare - Puerto Triunfo" road in the Department of Antioquia for $18,126. The lawsuit was admitted, and in response, the Department of Antioquia called the firm that performed the valuation study as guarantee. The company filed a written statement regarding the response to the lawsuit and again requested the suspension of the administrative act holding the valuation contribution. The evidence has been tested and the first instance ruling is pending. We have not recorded any accounting provision since we consider that we have sufficient arguments to disregard the payment obligation attributed to the company.

Southeast Ready Mix, LLC and Mayson Concrete, Inc vs. Argos North America Corp. et al.

Lawsuit filed by two competitors in July 2017 in the United States District Court for the Northern District of Georgia. The lawsuit claims alleged antitrust violation. Considering the preliminary stage of the process, it is currently not possible to determine a contingency.

Pro Slab, Inc. et al. vs. Argos North America Corp. et al.

Class action lawsuit filed in November 2017 in the United States District Court for the District of South Carolina. The lawsuit claims alleged antitrust violation. Considering the preliminary stage of the process, it is currently not possible to determine a contingency.

43.2.2 Celsia S.A. and subsidiaries

Celsia Colombia S.A. E.S.P

1) Informs that based on Law 1955 of 2019 (Articles. 18 and 314), the Superintendence of Public Utilities officially liquidated the special contribution and the additional contribution to Celsia Colombia S.A E.S.P., Celsia Tolima S.A. E.S.P., and Compañía de Electricidad de Tuluá S.A. E.S.P. for the year 2020. These liquidations were notified to the Company during the second half of the year and the respective reversal appeals were filed, which were resolved unfavorably for both companies. However, the respective lawsuits for annulment and reestablishment of rights were filed against the decisions and are currently being processed before the administrative judges.

The company has a written opinion from the external lawyer ratifying the high probability of success of this administrative and judicial discussion, based on such expert opinion no related provisions have been recognized.

2) On 14 March 2014, the National Directorate of Taxes and Duties of Colombia (DIAN), by means of an official tax return, modified the private liquid income for the taxable year 2010 of Celsia Colombia E.S.P., considering that the deduction for investment in fixed assets taken for the construction of the Cucuana hydroelectric plant would not comply with the requirements indicated in the current regulations. Accordingly, the tax and the penalty for inaccuracy, both under discussion according to the tax return of the DIAN, would amount to $16,800 and $26,880, respectively.

The company proceeded to file the corresponding appeals which were resolved against the company’s favor. Because of this, a claim for annulment and reestablishment of rights was filed before the Administrative Court of Valle del Cauca against the corresponding administrative acts, subsequently reforming it to include as evidence a recent decision of the Colombian Council of State jurisprudence where it ratifies that the deduction for investment in real productive fixed assets (Art. 158-3 of the Colombian Tax Code), acquired through financial leasing, proceeds in the year in which the investment is made or in which the contract is signed. After completing the initial stages of the process and the initial hearing on 8 August 2017, the company filed closing arguments. Currently, the file is in the Office for the issue of first instance ruling before the Contentious-Administrative Court of Valle del Cauca.

3) In 2023 Celsia S.A. advances a judicial discussion about a taxation procedure initiated by the District of Barranquilla, associated with the 2018 industry and commerce tax. The lawsuit for the means of control of annulment and reestablishment of rights against the official tax return issued by the District is based on the inadmissibility of the exception of expiration of the means of control and the incorrect determination of the taxable base of the tax, as the District intends to tax income of the company already taxed in other jurisdictions for this same concept.

For 2023, considering that there is no second instance judgment, the Company has provided 50% of the amount under discussion.

Celsia S.A. and its subsidiaries have contingent liabilities for lesser amounts that total $0 (2022 $3,632), and that correspond mainly to energy customer billing processes and for the operation of electricity assets in the Caribbean.

43.2.3 Odinsa S.A. and subsidiaries

Constructora Bogotá Fase III S.A. in liquidation

1) The company files two (2) proceedings against the Administrative Court of Cundinamarca for direct reparation and is seeking reparation for the damages caused by the works carried out on the Transmilenio system. The amount is $1,698.

2) A class action is filed against the company before the Administrative Court of Cundinamarca for the violation of the enjoyment of a healthy environment, the existence of ecological balance, the management and use of natural resources, the enjoyment of public space and the defense of cultural and public heritage. The amount is to be determined.

Odinsa Servicios S.A.S.

The company was sued in the Fourth Criminal Court of the Circuit of Armenia for a comprehensive repair incident, where they request the repair under the traffic accident that occurred on 18 September 2012. As at 31 December 2023, no amount has been determined.

Odinsa S.A. and its subsidiaries have contingent liabilities for lesser amounts that total $746 (2022 $2,782), and that correspond mainly to lawsuits for direct reparation and labor lawsuits.

43.3 Contingent assets and liabilities of the Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S. A. outside the consolidation perimeter

In June 2023, the sale of 50% of the share of the subsidiary Opain S.A. to Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, and subsequent contribution of the remaining share to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura and to Odinsa Aeropuertos S.A.S., thus the processes detailed below shall not have a direct future impact on the Group's financial structure.

43.3.1 Contingent assets outside the consolidation perimeter

Annulment and reestablishment of rights

On 12 April 2019, Opain S.A. filed a lawsuit before the administrative jurisdiction, requesting that the nullity of the administrative acts be declared by which a fine was imposed for the change of bag tag to a passenger's bag. The changed ticket was affixed to a bag containing illegal substances. On 8 November 2019, the Colombian Civil Aviation Authority (Aerocivil) responded to the claim and is waiting for the court to transfer it. On 10 December 2019, the exceptions filed by Opain S.A. were withdrawn. On 18 December 2019, the court issued an order denying the exception filed by Aerocivil regarding the lack of jurisdiction of the court and stated that the proceeding was sent to the office to set a date for the initial hearing.

Opain S.A. has contingent assets for minor amounts that total $1,118 (2022 $1,118), which correspond to sanction processes.

43.3.2 Contingent liabilities outside the consolidation perimeter

Extracontractual Civil Liability – (Avianca S.A.)

Opain S.A. was required to build, operate and maintain a fuel distribution system through hydrants and refuelers at El Dorado International Airport, for compliance with the obligation Opain S.A. acquired the ALLIED fuel system. Opain S.A. and the ALLIED fuel system failed to operate and maintain the fuel distribution system on 17, 18, and 19 October 2014 and supplied contaminated aviation fuel to 5 aircraft. Avianca S.A. intends to jointly and severally condemn TERPEL, ALLIED fuel system, and Opain S.A. for USD 940,250. To date, the continuation of the initial hearing is pending rescheduling.

There are contingent liabilities for lesser amounts that total $2,649 (2022 $2,601), mainly for direct reparation and labor lawsuits.

Extracontractual Civil Liability

Extracontractual civil liability declaration for the death of a passenger at El Dorado International Airport for $3,554 (2022 $0).

NOTE 44: **CONCESSION CONTRACTS**

The balance of the concession contracts at 31 December comprises:

	2023	2022
Financial assets		
Business accounts (1)	247,769	359,938
Total financial assets (Note 8)	**247,769**	**359,938**
Intangible Assets		
Cost	2,019	2,019
Amortizations	(2,019)	(2,019)
Total intangible assets (Note 15)	**-**	**-**
Total assets from concession contracts	**247,769**	**359,938**

(1) Corresponds to the financial asset associated with the concession contract of Caribbean Infrastructure Company N.V. for $247,769 (2022 $359,938).

The change of recognized concessions as financial assets during the period is presented below:

	2023	2022
Balance at the beginning of the year	**359,938**	**393,720**
Operating services receivable	15,015	11,920
Interest receivable	19,280	21,677
Principal payment	(43,811)	(54,972)
Translation effect	(68,600)	61.737
Impairment	(34,053)	-
Other changes	-	(74,144)
Balance at end of year	**247,769**	**359,938**

In 2023, there was an impairment of receivables associated with the financial asset of Caribbean Infrastructure Company (CIC) N.V. generating an expense in profit for the period of $34,053 (2022 $0) (Note 35 Administrative expenses).

The decrease in 2022 in other changes of $74,144 is due to the loss of control over the subsidiary Autopistas del Café S.A. This led to a decline in financial assets.

The change of recognized concessions as intangible assets during the period is presented below:

	2023	2022
Balance at the beginning of the year	-	**3,281,168**
Additions	-	37,603
Amortization of the period	-	(234,022)
Translation effect	-	57,941
Transfers to non-current assets held for sale (1)	-	(1,676,410)
Transfer to other accounts	-	(322)

	2023	2022
Other changes (2)	-	(1,465,958)
Balance at end of year	**-**	**-**

The decrease in movements in 2023 compared to those indicated in 2022 corresponds mainly to the loss of control over the company Opain S.A. in June 2023, which meant that assets for $2,512,850 and liabilities for $2,248,567, previously classified as held for sale, were disposed of. As at 31 December 2022, assets classified as non-current assets held for sale amounted to $3,093,494 and liabilities to $2,497,178.

(1) In 2022, the Group has reclassified the concession intangible assets of Opain S.A. for $1,434,160 as non-current assets held for sale because of the signing of the agreement with Macquarie Infrastructure and Real Assets (MIRA) (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

    In 2022, concessions are classified Planta Eólica Guanacaste and the concession of plants in Panama within the group of intangible assets for $242,250 corresponding to the Central America segment as assets classified as held for sale (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations).

(2) The decrease mainly corresponds to the loss of control over the subsidiaries Concesión Túnel Aburrá Oriente S.A. and Concesión Vial de los Llanos S.A.S., which generated a decrease in recognized concessions based on the provisions of IFRIC 12 - Concession contracts in Concesión Túnel Aburrá Oriente S.A. for $1,195,367 and Concesión Vial de los Llanos S.A.S. for $270,591.

The main concession contracts of the subsidiaries of Grupo Argos S.A. are described below:

Concession contracts recognized as financial assets

Caribbean Infraestructure Inc.

PPP (Public-Private Partnership) arrangement signed with the government of Aruba in July 2015 called “DBFM Agreement Green Corridor”, for an initial value of approximately USD 77 million.

The purpose of this arrangement is the design, construction, financing and maintenance of the Green Corridor project, which consists of the construction of a second roadway between Reina Beatriz Airport and PosChiquito, with three roundabout type intersections, the construction of a bridge over Mahuma Canyon and the construction of an upper arch bridge over Española Lagoon. In the PosChiquito sector, a boulevard shall be built, and secondary roads shall be rehabilitated in the San Nicolás, Sabaneta, PosGrande and PosChiquito sectors. The construction stage was declared available on 23 July 2018, with a length of 34 kilometers of tracks in both double and single carriageway, the contract term is 18 years from the date of availability with a closing of the contract in the month of July 2036, currently is in operation and maintenance stage.

The concession contract foresees maintenance over time, since it must be done on the road during the 18 years after obtaining the certificate of availability, according to the financial model shall be made as follows: annual from 2023 to 2035 (major maintenance) except in 2030 and 2031 and routine maintenance until 2036.

The concession contract shall terminate ordinarily by the expiration of the term provided in the contract, there is no clause agreed to allow for an extension.

As at 31 December 2023, the value of financial assets under concession contracts for this concession amounts to $247,769 (2022 $359,938).

Concession contracts recognized as intangible assets of companies over which control was lost

Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S. A.

According with the provisions of the concession contract, the company obtained the concession for the administration, operation, commercial exploitation, maintenance, modernization and expansion of El Dorado International Airport in the city of Bogota.

The contractual scheme consists of the Colombian Civil Aviation Authority (hereinafter "Aerocivil") entered into Concession contract No. 6000169OK of 2006 with the company; and in compliance with Decrees 4164 and 4165 of 2011 Aerocivil signed the Inter-administrative Cooperation Agreement No. 5 of 2013 with the Colombian Infrastructure Agency (hereinafter "ANI"), by means of which the Colombian Infrastructure Agency subrogated the functions of Aerocivil as regards the supervision of the execution of the Concession contract, a subrogation that was perfected with the Act of Delivery and Receipt dated 27 December 2013.

The Concession contract is divided into three main stages, namely:

(i) Preliminary stage

The preliminary stage included the period between the signing of the initiation act of execution on 19 January 2007 and the initiation act of the modernization and expansion stage on 19 September 2007.

During the preliminary stage, the following steps were taken, among other arrangements: (a) sign of the commercial trust contract for the collection, administration, and distribution of the surplus generated by the regulated and non-regulated income, (b) executing the steps to obtain the financial closure, (c) ensure the connection for continuity with the Aerocivl, and (d) deliver the studies and designs that shall be developed in the modernization and expansion stage. Within this first stage, it was also established to deliver the goods, services and income of the concession, by Aerocivil to the company, through the subscription of the act of delivery.

(ii) Modernization and expansion stage

The modernization and expansion stage, in accordance with the work schedules in addendum No. 3 of the Arrangement, began with the signing of the initiation act signed on 19 September 2007, the total of the sub-projects and milestones that are part of the Modernization stage were completed on 31 January 2019, in compliance with the provisions of addendum No. 27 of the Concession contract. Likewise, and in accordance with the provisions of Clause 36 of the Concession contract, the Concessionaire delivered the technical report in accordance with numbers 36.1 "Bimonthly Reports" and 36.2 "Technical Report" of said Clause. Once the conditions set forth in the Concession contract dated 10 May 2019 had been met, the Colombian National Infrastructure Agency and the Concessionaire signed the act of closure of the modernization and expansion stage of the Concession contract 6000169OK of 2006.

Compliance of the concession contract

Once the Modernization and Expansion Stage of El Dorado Airport was completed, the Final Act was signed on 10 May 2019, noting that, although the act was signed on this date, the stage culminated on 30 January 2019 and it is as at 1 February 2019 that Opain is in execution and complying with the contractual obligations for the Final Stage.

Penalty proceedings

In accordance with the provisions of clause 63 of the Concession contract "FINES", to date there are no penalty proceedings pending.

(iii) Final stage

This stage shall be comprised from the date of the subscription of the modernization and expansion stage completion act, until the effective date of the termination of the Concession contract in accordance with the provisions of Addendum 35. During this stage, the Concessionaire is responsible for managing all the maintenance activities of the modernization and expansion works, as well as managing the operation, administration, commercial exploitation and maintenance of the El Dorado Airport.

Addenda No. 3 to 36

During 2010, addendum No. 3 to the Concession contract was signed, where, among other aspects, it was agreed: (i) the new schedule of works; (ii) the procedure to define the Delta for the demolition and replacement of the existing passenger terminal; and (iii) the manner in which the final modification to the technical specifications of the contract regarding the demolition and replacement of the existing passenger terminal would be executed, establishing 24 July 2010 as the deadline to finish the Delta.

Said term was extended by means of addenda No. 4 and 5, until 1 December 2010, and on that date, the Agreement Act on the Final Calculation of the Delta was signed, establishing the total amount of the so-called "Investment Delta", subject to the subscription of addendum No. 7 to the Concession contract.

In September 2011, addendum No. 6 was signed, by means of which the schedule of the modernization and expansion stage was modified, among others.

In 2012, addenda No. 7, 8, and 9 were signed; the first of them, related to the Investment Delta, its form of payment and respective procedures; the second, modifying the Concession Area, to allow the construction of the New Control Tower and the Schedule of the modernization and expansion stage, as opposed to the works related to the current maintenance hangars of Aerovías del Continente Americano S. A. (AVIANCA S.A.) and the eastern national cargo terminal; and the third, which modified milestone 6A and established milestone 7B, in response to the interventions associated with the northern runway.

On 5 May 2014, addendum No. 10 was signed, giving technical scope to Milestone 7A, corresponding to the subproject of "construction, installation and commissioning of the duct bank, cabling and new substation of the new control tower"; it also established the procedure for signing the verification act and form of payment, and made a modification to the concession area, contractual collaterals and the schedule established in addendum No. 8 of the Concession contract.

In 2015, addenda No. 11, 12, 13, 14, 15, 16, and 17 were signed; the first of these related to the declassification of some areas under concession to Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. called Hangar L 177 and L 178; the second, related to the extension of the Modernization and Expansion Stage, in order to execute milestones 7 and 8 and the sub-project of the works associated with the northern runway under the responsibility of Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A., the incorporation of the Friendly Composition mechanism in the Concession contract including related issues; the third, related to the definition of the procedure for the presentation and approval of studies and detailed designs by the fast track methodology regarding the voluntary works; the fourth, related to the modification of the conditions for verification, approval and payment of the subproject of milestone 8 and the modification of paragraph f of the arrangement related to the recognition of OPEX; the fifth, related to the reversal of an area granted to Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A., known as "Area 1 (Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A.); the sixth, related to the delivery and approval of the designs and studies of some complementary works corresponding to Phase I and the last one, related to the creation of a transitory sub-account, called "Recursos Convenio 005" exclusively managed by the ANI for the transfer of resources from Aerocivil to the ANI.

In 2016, addenda No. 18, 19, 20, 21, 22, 23, and 24; were signed; in 18, 19, and 22, the intervening parties agreed to carry out the reversal of some areas under concession to Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A, as established by the ANI and a Works Monitoring Committee was created; with the signature of addendum No. 20, the parties agreed and defined the execution of Complementary Works at El Dorado Airport in accordance with the provisions of Clause 34 of the Concession contract; with addendum No. 21, the reprogramming of the sub-projects was established, as well as the completion date of the modernization and expansion stage, which was extended until 30 November 2018; with addendum No. 23 modified the requirement to include in the contracts of the cargo holders a reason for termination of the contracts, with the fact that they do not comply with the requirement to have an annual handling equivalent to at least 3% of the total tons of cargo processed at the Airport, due to a requirement for the cargo operators to deliver an annual report of the processed cargo, (ii) regulation of Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A interventions in the 13L headland, which establishes changes to the obligations in the waiting bay areas at the 13L headland, and the exclusion from the scope of areas to be executed as part of the levelling of the northern runway strip; with addendum No. 24, the Civil Aeronautics is authorized to enter and intervene by its contractor Alpha Mike, in the concession area of Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A to develop a series of interventions requested by the ANI.

On 22 May 2017, addendum No. 25 was signed by which the Colombian National Infrastructure Agency and Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. agreed to modify Clause Fourteen of addendum No. 20 to the Concession contract; the parties modified the completion dates of the sub-projects of Phase I Complementary Works. Additionally, it was established that it was necessary to hold work meetings between Aerocivil, ANI, Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. and the Colombian Ministry of Defense to evaluate the eventual impact on the scope of the "gate 6 reconfiguration" work, as well as its eventual execution.

On 15 December 2017, addendum No. 26 of the Concession contract was signed, as the expansion works of the North and South Platforms was to be delivered on 18 December 2017 and 17 April 2018, respectively (according to addendum No. 25), complying with the technical specifications of the concession contract, which requires the supply of fuel through a network of hydrants for positions C or higher, positions which shall be available at the new platforms, thus making it necessary to comply with the technical specifications. With addendum No. 26, the delivery dates of the fuel supply system by means of hydrants in these areas were moved to 30 November 2018, and the supply by means of refueler vehicles (tank truck) and not by means of hydrants was allowed for the reasons set forth by Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. and validated by the Technical Audit at said platforms.

In 2018, addenda 27, 28, and 29 were signed. Addendum No. 27 to the Concession contract, in which the maximum completion date of the Modernization and Expansion Stage was rescheduled for 28 February 2019, it was foreseen that in accordance with the provisions of the Concession contract, Sociedad Concesionaria Operadora Aeroportuaria Internacional S.A. - Opain S.A. continues with its obligation to pay 4% of regulated income until the completion of the Modernization and Expansion Stage; with addendum No. 28 to the Concession contract it was agreed: a) to include in the Concession Assets the Complementary Work called "South Platform Expansion", b) to reconfigure the horizontal signaling of the platform on the south side of Terminal T1 + T2 ATTACHED, c) to modify Clause 5 of addendum No. 20 to the Concession contract, replacing the word "property" for “beneficiary” and d) to modify the Debtor's scope in the sub-project "leveling of the north runway strips" with respect to the leveling of the electrical boxes and the power supply network"; With addendum No. 29, reversal of the Concession Area was regulated by virtue of the expropriation that by administrative means was advanced of the lot called satélite 32. The date of completion of the subproject "Reconfiguration of Gate 6" was set at 105 calendar days from the date of subscription of addendum No. 29 and the modification was made so that the new resources would be deposited in Aerocivil Surplus Sub-Account.

On 27 February 2019, addendum 30 was signed, through which the area of Lot 3 was incorporated to the concession area, and section 61.3 of Clause 61 of the Concession contract was modified to incorporate the sub-account "Complementary Works"; section 6.1.2 of Appendix G of the Concession contract was amended to replace the methodology of "Roughness Assessment" for "Assessment of the Graduation or Surface Regularity of Wellhead Type Elements"; section 5 of clause 21.2 of the Concession contract was amended to reduce the number of printed copies of the plans/drawings of the final constructions of the works by contract from five to one, and a section is added to Clause 72 of the Concession contract to allow the early acceptance of assignment of contracts.

On 6 December 2019, addendum 31 was signed, the area for the construction of the H1 taxiway was incorporated into the concession area, and some areas were incorporated in accordance with the Arrangement with the Military Forces signed in 2016, these areas are included in the real estate inventory. Handing over of areas to the ANI in accordance with the Agreement with the Military Forces. Delivery of the designs at the detail level of the Complementary Work for the construction of the H1 taxiway. Modification of the start of voluntary works in Hangar 2 and Lot 2 of addendum No. 27, subject to the previous conditions established in the addendum No. 31. Modification of Appendix I in relation to dangerous goods, dangerous goods arriving at the Airport to be transported by air were excluded, and in relation to the quarantine area it was restricted to the activity of facilitating administration and operation. Likewise, Appendix F was amended to clarify that, about ICAO Annex 18 (Safe Transport of Dangerous Goods by Air), is responsibility of the Concessionaire, in its capacity as airfield operator. Table 2.2 "Cargo Aircraft Parking Positions" of section 2.2 "Works in the Modernization and

Expansion Stage" of Appendix D of the Concession contract was modified to expand the operation and item 9.2 of the Hydrant Tank Network was modified to indicate how the new positions shall be supplied.

On 23 December 2019, addendum 32 was signed. Delivery of conceptual and detailed designs of the following projects: Military Forces lease platform Phase I, Military Forces lease platform Phase II, Loading Platform, Eastern Platform T2 - Antiguo Inter and Calle B13, Eastern Platform T2 – LAS – MENZIES and Eastern Platform T2 – Servientrega. The projects listed above shall not have a fuel network with hydrants. The use of area destined to the "morgue room" indicated in section 3.1.6 of section 3 "Terminal 2" of Appendix D of the Concession contract was modified, assigning it operational sanitation activities, therefore, the Concessionaire committed to adapt at their own risk an area for the inspection of corpses in the Cargo Terminal. Finally, the insured value and the update formula for compliance and payment of salaries and social benefits for the Final Stage were changed.

On 4 June 2020, Addendum 33 was signed, which established the regulation related to the decision taken in the framework of the Amicable Composition process, which is associated to the electric assets foreseen in Addendum 7. In addition, the following clauses were modified: i) Clause 61.3.3 Surplus Sub-account, in which items j,k,l were included, in order to make the transfers to this Sub-account of the income indicated in the mentioned items, ii) Paragraph (a) of Clause 65 Amicable Composition and Numeral (ii) of Item (e) of the Seventh agreement of the Addendum 12 (Clause 65 of the Concession contract), by means of which it is allowed to submit to an Amicable Composition process, those technical controversies that are not expressly indicated in the Contract, prior subscription of the respective minutes and/or document and it was defined that the Panel of Friendly Composers shall have a maximum term of sixty (60) Business Days to define the controversy. iii) Addition of a paragraph to Clause Six of the Addendum No. 20, whereby it was established that Opain shall transfer from the Main Sub-account to the "Complementary Works Stage 1" Sub-account, in a maximum period of ten (10) days from the effective date of collection of the invoice, up to a term of 5 years; in case the term is shorter, the Colombian National Infrastructure Agency shall notify the Concessionaire as from what date the transfer of the regulated and unregulated income generated by the operation of Stage 1 of the Complementary Works from the Main Sub-account to the "Complementary Works Stage 1" Sub-account shall operate and iv) Numeral 61.3.8 of Clause 61 of the Concession contract, modified by Clause Four of Addendum No. 20 - "Complementary Works Stage 1" Sub-account where it was provided that in this Sub-account exclusively the resources destined to the payment of all the costs associated with Stage 1 of the Complementary Works shall be deposited, as defined in Clause Three of Addendum No. 20, as well as for the collection of the income from Stage 1 of the Complementary works, and for the management of the financing under the terms of the Sixth Clause of the referenced addendum.

On 31 December 2020, Addendum 34 was signed by means of which the following was defined by mutual agreement between Opain and ANI: (i) OPAIN shall pay to AEROCIVIL the consideration corresponding to the first semester of 2020 in a maximum of four (4) installments proportionally to each disbursement to be made between December 2020 and July 2021 by the Colombian Ministry of Finance and Public Credit to Aerocivil, for which OPAIN shall have 12 months, counted from the date of each disbursement to make the 100% payment of each installment, (ii) Deferment of the funding of the Audit Sub-account for March 2022, September 2022, December 2022 and March 2023, (iii) Elimination of the obligation established in the Fifteenth Clause of the Addendum No. 20, regarding the funding of the Complementary Works Audit Stage 1 sub-account corresponding from August 2020 to August 2026.

On 26 April 2021, an Addendum 35 was signed whereby the following contractual aspects were agreed and defined: (i) Compensations were defined against the impact on revenues during the period from 23 March to 30 September 2020, because of the measures adopted by the government to prevent the spread of COVID-19, which implied the total restriction of commercial flights. (ii) The formula to determine the Net Compensation Value at the beginning of the extension period of the Concession contract was defined, which is equivalent to $737,969 million Colombian pesos as at January 2027. (iii) It was defined that the value of the maximum compensatory extension period would be 20.85 months, considering that there shall be no compensation for OPAIN in money for the damages generated between 23 March 2020 and 30 September 2020. (iv) It was established that the Concession contract shall terminate when the Net Compensation Value is obtained, either before the date estimated as the maximum compensatory term or at the time of expiration of the Maximum Compensatory Extension Term, whichever occurs first, and the parties must sign the respective termination deed. (v) Based on Clause 1 was modified in its definitions 1.61 and 1.104. Likewise, Clause 3 Estimated Term of the Contract was amended. Finally, clauses 72.1, 72.1.1, and 72.1.3 of Clause 72 Reversion were modified.

On 7 October 2021, Addendum 36 was signed, whereby the following contractual aspects were agreed and defined:

- A compensatory term extension was agreed for the negative effects of the pandemic by COVID 19, due to the impact on OPAIN's Regulated and Unregulated income between 1 October 2020 and 31 August 2021.

- The Net Compensation Value as at the time of the extension was determined as equivalent to $759,557 million Colombian pesos of January 2027. Likewise, it was determined that the maximum term of the compensatory extension would be 21.5 months.
- It was determined that the compensatory extension term shall start from the end of the extension defined in the addendum 35 to the Concession contract and shall end when the Net Compensation Value (NCV2) is obtained or the maximum extension term is reached, whichever occurs first.
- Based on the above, Clauses 1.61 - Effective Date of Termination of the Contract -, 1.104 - Estimated Term of the Contract, 3 - Estimated Term of the Contract; and clauses 72.1, 72.1.1, and 72.1.3 of clause 72 Reversion were amended.

On 22 July 2022, Addendum 38 was signed, whereby the following was agreed: (i) Modifications to the Satisfaction Surveys contained in Appendix F of the Concession contract and Addendum No. 7 of 8 May 2012, regarding the average number of respondents and indicators, and the survey that ceased to be applied in 2020 was replaced, due to the implementation of biosecurity protocols derived from COVID 19, which prevented its execution, thus Opain must design and execute an additional survey in 2022. (ii) The Transitory Sub-account was incorporated to meet the obligations associated with the 20% of the Semi-Annual Payment of the Consideration defined in Clause 60 numeral 60.1 of the Concession contract and in accordance with the provisions of Article 151 of Law 2010 of 2019, until the distribution methodology is defined between the Capital District of Bogotá and the municipality of Funza. (iii) The following sub-accounts were modified: Sub-account for Alternative Dispute Resolution Mechanisms, ADR, Transitory Sub-account Resources Agreement 005, Sub-account Complementary Works regarding management, clarifying that the final beneficiary of the surpluses of the Sub-accounts shall be the Colombian Civil Aviation Authority.

Contractual documents consequence of the pandemic:

- Minutes of Suspension of Activities of 21 May 2020: suspends activities as at 1 April 2020, except for activities for operation and maintenance, which must continue to be executed.
- Minutes of 24 July 2020: Suspends the obligations of the payment of the consideration for the first semester of 2020 and the funding to the audit sub-account, until 30 September 2020.
- Minutes of 29 September 2020: Suspends the contractual obligations associated with the operation and maintenance activities of the north jetty of Terminal 1 and the Terminal Puente Aéreo of El Dorado Airport. Extended the term of suspension of the obligations of the payment of the consideration for the first half of 2020 and the funding to the audit sub-account, until 30 October 2020.
- Minutes of 30 October 2020: Extended the suspension period of the obligations of the payment of the consideration for the first semester of 2020 until 29 December 2020.
- Minutes of 29 January 2021: Extended the suspension period of the payment obligations of the consideration for the second half of 2020 until 26 February 2021.
- Minutes of 26 February 2021: Extended the suspension period of the payment obligations of the consideration for the second half of 2020 until 30 March 2021.
- Minutes of 30 March 2021: Extended the suspension period of the payment obligations of the consideration for the second half of 2020 until 30 April 2021.
- Minutes of 30 April 2021: Extended the suspension period of the payment obligations of the consideration for the second half of 2020 until 31 May 2021.
- Minutes of 31 May 2021: Extended the suspension period of the payment obligations of the consideration for the second half of 2020 until 30 June 2021.
- Minutes of 30 June 2021: Extended the suspension period of the payment obligations of the consideration for the second half of 2020 until 30 July 2021.
- Minutes of 30 July 2021: Extended the suspension period of the payment obligations of the consideration for the second half of 2020 until 30 August 2021.
- Minutes of 30 August 2021: Extended the suspension period of the payment obligations of the consideration for the second half of 2020 until 30 September 2021.
- Minutes of 2 September 2021: Resumed certain obligations of the contract and extended the suspension of certain obligations in Terminal 1 and Terminal Puente Aereo of El Dorado Airport.
- Minutes of 30 September 2021: Extended the term of suspension of the obligations of the payment of the consideration for the second half of 2020 until 31 October 2021.
- Minutes of 29 October 2021: Extended the suspension period of the payment obligations of the consideration for the second half of 2020 until 30 November 2021.

- Minutes of 6 December 2021: Resumption of the contractual obligations suspended by the Minutes of 2 September 2021.
- Minutes of 30 November 2021: Extended the suspension period of the obligations of the payment of the consideration for the second half of 2020 until 31 December 2021.
- Minutes of 24 December 2021: Extended the suspension period of the obligation to pay the consideration for the second half of 2020 until 31 January 2022.
- Payment arrangement between Aerocivil and Opain signed on 28 December 2021, regarding the consideration for the second semester of 2020 to be paid on 31 March 2022.

As at 31 December 2023 the value of intangible assets for concession contracts of this concession amounts to $0 (2022 $0). At 31 December 2022, the intangible asset of the concession was classified as a non-current asset held for sale for $1,434,160.

In June 2023, control was lost over Opain S.A. (Note 13 Assets and liabilities associated with non-current assets held for sale and discontinued operations and Note 19.3 Contributions, contribution refunds and/or changes in ownership interest of a subsidiary).

Prudencia Hydroelectric Plant (Alternegy S.A.)

Concession contract signed with the Public Utilities Authority (ASEP) and countersigned by the Comptroller's Office on 9 February 2007, which authorizes the provision of public electric energy generation services through a hydroelectric plant. The plant is in the corregimiento of Bijagual, district of David, province of Chiriqui, with an installed capacity of 58.7 MW, consisting of 2 Kaplan type hydraulic turbines.

The concession is granted for a term of fifty (50) years, counted from the execution of the contract, which expires in December 2057 and could be extended for an additional period of fifty (50) years.

Lorena Hydroelectric Plant (Alternegy S.A.)

Concession contract signed with the National Public Utilities Authority (ASEP) and endorsed by the Comptroller's Office on 9 February 2007, which authorizes the provision of public utilities for the generation of electricity through a hydroelectric plant. The plant is in the town of Bijagual, district of David, province of Chiriqui, with an installed capacity of 33.8 MW, consisting of 2 Kaplan-type hydraulic turbines.

The concession is granted for a term of fifty (50) years, starting from the execution of the contract that expires in June 2057 and could be extended for an additional period of fifty (50) years.

Gualaca Hydroelectric Plant (Bontex S.A.)

Through a concession contract for hydroelectric generation signed with the National Public Utilities Authority (ASEP) and endorsed by the Comptroller's Office on 13 June 2007, a concession for the construction and operation of an electric energy generation plant was obtained and is authorized to provide public utilities for the generation of electricity, through a hydroelectric plant. This concession was granted for a period of 50 years that expires in June 2057 and could be extended for an additional period of 50 years by mutual arrangement with ASEP.

The company is authorized to install, operate and exploit the hydroelectric plant, which is covered by the concession, and to sell the generated electricity according to the provisions of Law number 6 of 3 February 1997 and its regulations. This law establishes that the construction and operation of hydroelectric and geothermal power plants and the transmission and distribution of electricity for public utilities shall be subject to the concession regime and the construction and operation of thermoelectric energy plants to the licensing regime. Concessions and licenses shall be granted by the Public Utilities Regulatory Entity (ERSP), currently ASEP.

The Gualaca plant is in the province of Chiriquí, with an installed capacity of 25.8 MW, and has two Kaplan-type hydraulic turbines. The activity of electric generation in Panama is subject to Law number 6 of 3 February 1997. This law establishes that the construction and operation of hydroelectric and geothermal power plants and the transmission and distribution of electricity for public utilities shall be subject to the concession regime and the construction and operation of thermoelectric energy plants to the licensing regime. Concessions and licenses shall be granted by the Public Utilities Regulatory Entity (ERSP), currently National Public Utilities Authority (ASEP).

As at 31 December 2023, the value of intangible assets for concession contracts of the plants in Panama (Prudencia, Lorena, and Gualaca) amounts to $0 (2020 $0). At 31 December 2022, the intangible assets of the concession were classified as a non-current asset held for sale for $84,963.

Planta Eólica Guanacaste S.A. (PEG)

Concession in Costa Rica corresponds to a permit for the development of the wind plant, the corporate purpose of Wind Plant Guanacaste, S.A. (PEG) and PEG Operaciones Ltda. is the construction and operation for a period of 18 years, which expires in June 2027, of a wind energy plant that shall subsequently be handed over to the Costa Rican Electricity Institute (ICE). All the energy produced by the plant shall be delivered to ICE.

As at 31 December 2023, the value of the intangible asset from concession contracts for the Planta Eólica Guanacaste amounts to $0 (2022 $0). At 31 December 2022, the intangible asset of the concession was classified as a non-current asset held for sale for $157,608.

In 2023 Celsia S.A., through its subsidiary Celsia Centroamérica S.A. and Enerwinds de Costa Rica S.A., sold a portion of its hydroelectric generation assets in Panama and non-conventional renewable energy in Costa Rica in 100% of investments in Alternegy S.A., Bontex S.A., and Planta Eólica Guanacaste S.A. (PEG), to Fontus Spain S.L.U. subsidiary company of EnfraGen LLC.

NOTE 45: **CONSTRUCTION CONTRACTS**

Information on construction contracts is presented below:

	2023	2022
Business accounts of construction contracts	18	16
Total business accounts of construction contracts	**18**	**16**
Prepayments received for contracts in progress	4	156
Withholdings for contracts in progress	433	426
Total liabilities from construction contracts	**437**	**582**

Revenue, cost, and profit from construction contracts is:

	2023	2022
Revenue from construction services (Note 33)	2,936	46,495
Costs for construction services	379	28,350
Profit from construction services	2,557	18,145

For 2023, revenue and cost from construction activities corresponds mainly to revenue from civil works received at Caribbean Infrastructure Company (CIC) N.V. and Consorcio APP Llanos. For 2022, revenue and cost for construction services corresponds mainly to the buildings and civil works carried out by Autopistas del Café S.A, Consorcio Grupo Constructor Autopistas del Café, Concesión Vial de los Llanos, Caribbean Infraestructure Company, Consorcio APP Llanos, and Odinsa S.A. In June 2022, control over these subsidiaries was lost, which makes construction earnings in 2022 retained as at May 2022.

The method used to determine revenue from construction contracts is the percentage-of-completion method, based on the costs incurred in the contract.

NOTE 46: **ACQUIRED COMMITMENTS**

46.1 Power and/or energy supply and/or reserve commitments

At the closing of 2023 the Group has the following commitments for energy supply, which did not generate the recognition of a liability:

1) Celsia Colombia S.A. E.S.P. has commitments with third parties for energy supply acquired through the traditional energy sale process (traditional public calls) or through SICEP (Centralized Information System of Public Calls) until 2036. On the other hand, and because of the auction process of the Mining and Energy Planning Unit UPME for Non-Conventional Renewable Energy Sources, there are energy sale commitments until 2037. These commitments are financial contracts and have no obligation of physical delivery of any plant. If the seller does not generate energy from its own portfolio, it shall be supplied from the available energy pool offer.

All contracts with third parties are Take or Pay contracts type where quantities are fixed at hourly level and most of the prices are fixed in $/kWh of a given month and indexed monthly with the Producer Price Index. For contracts resulting from the UPME auction, an additional correction is made to the tariff because of the real evolution of the Real Equivalent Cost of Energy.

On 15 December 2023, Celsia Colombia S.A. E.S.P. received notification from the Arbitration and Conciliation Center of the Bogotá Chamber of Commerce of the initiation of an International arbitration dispute filed by Vientos del Norte S.A.S. E.S.P. and Eolos S.A.S. E.S.P (EDP Renewables S.A. Group Companies) raising the review of supply contracts and requesting the movement of supply periods. The energy of Grupo EDP Renewables S.A. was contracted through the FNCER auction of 2019 and corresponds to 113.07 GWh-year, for a period of 15 years from 1 January 2022 to 31 December 2036, eventually if Grupo EDP Renewables S.A. decides to unilaterally terminate the contracts, this energy in the short term would become part of the stock exchange purchases and, in the future, shall be covered with new long-term contracts.

2) Compañía de Electricidad de Tuluá S.A. E.S.P. - CETSA E.S.P. has no commitments for energy supply with third parties. Until 2035 it has commitments with a related company (Celsia Colombia S.A. E.S.P.) The amounts of the contract shall depend on the generation of the plants of Compañía de Electricidad de Tuluá S.A. E.S.P. - CETSA E.S.P. in the ideal dispatch versus the signed contracts and shall be equal to the surpluses. These commitments are financial contracts and have no obligation of physical delivery of any plant. If the seller does not generate energy with its own portfolio, it shall be supplied from the available energy pool offer.

On 15 December 2023, Compañía De Electricidad de Tuluá S.A. E.S.P - CETSA E.S.P. received notification from the Arbitration and Conciliation Center of the Chamber of Commerce of Bogotá of the initiation of an International arbitration dispute filed by Vientos del Norte S.A.S. E.S.P and Eolos S.A.S. E.S.P. (companies of the Grupo EDP Renewables S.A.) requesting the revision of the supply contracts and requesting the movement of supply periods. The energy of Grupo EDP Renewables S.A. was contracted through the FNCER auction of 2019 and corresponds to 7.86 GWh-year, for a period of 15 years from 1 January 2022 to 31 December 2036, eventually if Grupo EDP Renewables S.A. decides to unilaterally terminate the contracts, this energy in the short term would become part of the stock exchange purchases and, in the future, shall be covered with new long-term contracts.

3) Enerbit S.A.S. E.S.P. has commitments in force for the purchase of energy supply until 2036 with Celsia Colombia S.A. E.S.P., a company linked through a Take or Pay contract with fixed hourly amounts and with a fixed price in $/kWh indexed monthly with the producer price index internal offer. Signed contracts are intended for the Regulated market, because of conducting public call processes through the SICEP (Centralized Public Call Information System) and are intended for the Unregulated market. Outstanding commitments are signed with Celsia Colombia S.A. E.S.P. (related company), Empresas Públicas de Medellín E.S.P., ESPROD S.A.S. E.S.P, BTG Pactual Comercializadora de Energía S.A.S. E.S.P., ISAGEN S.A. E.S.P. and Coenersa S.A.S. E.S.P., duly registered generators and marketers in the Wholesale Energy Market and seek to cover the supply of energy for Enerbit S.A.S. customers. E.S.P.

4) Celsia Centroamérica S.A. has current commitments for Power Purchase Agreements of 48 MW until 31 December 2025 and commitments for the supply of power-only with distribution companies and power and energy reserve contracts with other generating companies.

46.2 Other acquired commitments

Coal supply arrangement entered between Cementos Argos S.A., Zona Franca Argos S.A.S, and Sator S.A.S

In December 2023, a coal purchase commitment arrangement was signed from 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 between January and December 2024. The Value per ton shall be $225,000 Colombian pesos. There shall be no automatic extension, but the parties may extend their validity by signing an addendum. In the event of default with the purchase of coal by the companies, the value not acquired and committed to the supplier must be paid.

NOTE 47: **SIGNIFICANT EVENTS**

47.1 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 Grupo Argos S.A., 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.

To investors of the ordinary and preferential 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.

On 16 June 2023, by means of Relevant Information, the Group announced that it signed the Framework Arrangement with the other Parties that established the terms of exchange of its participation in the food business of Grupo Nutresa S.A. This arrangement establishes that the Group shall exchange its share in the food business of Grupo Nutresa S.A., receiving shares of Grupo de Inversiones Suramericana S.A. and share in the share portfolio of Grupo Nutresa S.A., which in turn is made up of common shares of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A.

This exchange of shares shall be 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. shall receive for one share (1.0) 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.

Grupo de Inversiones Suramericana S.A. it shall receive its own shares in the exchange, generating a decrease in its number of shares outstanding, which shall imply that all its shareholders, including Grupo Argos S.A., increase 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 you receive the shares of that company, that additional share is 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 Framework Arrangement establishes the obligations of each of the Parties as well as the activities and stages that must be completed, sequentially, to achieve the perfection of the transaction.

The transaction summary is detailed below, which involves a series of steps that have been 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 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 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 owns the investments that Grupo Nutresa S.A. had 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.

Grupo Argos S.A. after the spin-off, it has 45,243,781 shares of Grupo Nutresa S.A. and 45,243,781 of shares of Sociedad Portafolio S.A. equivalent to 9.88% of the outstanding shares of Grupo Nutresa S.A. and of Sociedad Portafolio S.A.

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., which corresponds to 12.63% of the outstanding common shares and 9.54% of the total outstanding shares of Grupo Argos S.A.

As at 31 December 2023, after the spin-off of Grupo Nutresa S.A., the Group presents an investment balance in Sociedad Portafolio S.A. for $279,206, which is classified as a financial instrument measured at fair value through Other Comprehensive Income (Note 11 Other financial assets).

2. First Share Exchange

Once the spin-off took place, the Parties made the first share exchange of Grupo Nutresa S.A., where Grupo Argos S.A. exchanged all the shares held in Grupo Nutresa S.A. in exchange for 36,070,836 common shares of Grupo de Inversiones Suramericana S.A. owned by Holding S.A.S., Nugil S.A.S., and IHC Capital Holding L.L.C., and 14,932,413 common shares of Sociedad Portafolio S.A. owned by Nugil S.A.S. (Note 48 Events after the reporting period).

3. Tender offer of up to 23% shares of Grupo Nutresa S.A.

Completed the spin-off, Grupo Argos S.A., Grupo de Inversiones Suramericana S.A., Greystone Holdings S.A., a company designated by IHC Capital Holding L.L.C., JGDB Holding S.A.S., and Nugil S.A.S. jointly and severally, shall formulate a tender offer for a share of up to 23.1% of Grupo Nutresa. All shareholders of Grupo Nutresa S.A. shall have three options of their choice:

a) To sell for cash at a value of USD 12 per share (considering that, by virtue of the spin-off, they preserve their share in Sociedad Portafolio S.A.).

b) To exchange its securities of Grupo Nutresa S.A. by shares of Grupo de Inversiones Suramericana S.A. and of the Company Portafolio S.A. For each share of Grupo Nutresa S.A. the shareholder shall receive 0.74 shares of Grupo de Inversiones Suramericana S.A. and 0.56 of Sociedad Portafolio S.A.

c) To remain as shareholders in Grupo Nutresa S.A.

Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. shall offer to jointly and severally acquire (22% and 78% share respectively) 10.1% of the shares in the offer. Graystone Holdings S.A., meanwhile, shall offer to acquire shares in cash at the same price (USD 12 per share) that exceed 10.1% of the outstanding shares, up to a maximum of 13%, thus completing the offer for 23.1% of the outstanding shares of Grupo Nutresa S.A.

4. Second Share Exchange

Once the Tender offer has been completed, Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. shall exchange with JGDB Holding S.A.S., Nugil S.A.S., and IHC IHC Capital Holding L.L.C. the share acquired from Grupo Nutresa S.A. in the Tender Offer or the value equivalent to USD 12 per share until reaching the equivalent of 10.1% of the shareholding of Grupo Nutresa S.A., receiving in exchange shares of Grupo de Inversiones Suramericana S.A. and of Sociedad Portafolio S.A. Of the 10.1% remaining to be acquired or paid in cash, Grupo Argos S.A. must acquire 2.2% and Grupo de Inversiones Suramericana S.A. must purchase 7.9%.

5. Post-exchange structure

Once the share exchange is complete, JGDB Holding S.A.S., Nugil S.A.S., and IHC IHC Capital Holding L.L.C. shall no longer be shareholders of Grupo de Inversiones Suramericana S.A. For its part, Grupo Nutresa S.A. shall not have share in Grupo Argos S.A. or Grupo de Inversiones Suramericana S.A.

6. Liquidation of Sociedad Portafolio S.A.

Once the share exchange is complete, JGDB Holding S.A.S., Nugil S.A.S., and IHC Capital Holding L.L.C. shall no longer be shareholders of Grupo de Inversiones Suramericana S.A. For its part, Grupo Nutresa S.A. shall not have share in Grupo Argos S.A. or Grupo de Inversiones Suramericana S.A.

47.2 New infrastructure investment platform between Odinsa S.A. and Macquarie Asset Management (MAM).

Once the suspensive conditions for the closing of the transaction before the corresponding authorities, financial institutions, insurers and shareholders of the concessions have been fulfilled, the companies Macquarie Asset Management (MAM), through its related company Macquarie Infrastructure Partners Cinco ("MIP V") Transporte Iberoamérica, Odinsa S.A. and Grupo Argos S.A. announced on 29 June 2023 the consolidation of their strategic alliance and informed the start of operations of Odinsa Aeropuertos S.A.S., in which each of them has a 50% share and includes assets for approximately COP 1.3 trillion.

The platform began its operation focused on the management of the Sociedad Concesionaria Operadora Aeroportuaria Internacional Opain S.A. in charge of the El Dorado airport, in which it has 65% share, and Corporación Quiport S.A., responsible for Mariscal Sucre airport, with a 46.5% proprietary share.

This new alliance of Odinsa S.A., a subsidiary of Grupo Argos S.A. and Macquarie Asset Management confirms this global investor’s trust in the organization’s management capacity and in Colombia as an investment destination.

Odinsa Aeropuertos S.A.S. was incorporated after 30% of Grupo Argos S.A. held in Opain S.A. were negotiated with Macquarie. for COP 275 billion, 2.5% of Odinsa’s share in Opain S.A. for COP 23 billion, 23.5% of the property of Odinsa S.A. at Corporación Quiport S.A. and International Airport Finance S.A., and 25% ownership of Odinsa S.A. in Quito Airport Management (Quiama) LTD for USD 76 million, and 50% of the rights as originator of Odinsa S.A. in the private initiatives of: the new Cartagena airport, Campo de Vuelo and El Dorado Max (expansion of the Bogota Airport System) for COP 25 billion. Finally, for the constitution of the platform, both Odinsa S.A. as Macquarie Asset Management (MAM) contributed its interest in Opain S.A.S. It should be noted that, given Odinsa S.A.’s extensive capacity, experience and knowledge of the assets, this company shall continue to be the platform manager. The sale agreement signed between the parties provides for clauses of *Earn-out* for which ongoing monitoring of compliance is performed. As at 31 December 2023, the probability of occurrence of these clauses is remote.

The platform shall be able to develop new projects and opportunities in the Americas and shall continue to drive private initiatives such as the new Cartagena Airport, El Dorado Max, and Campo de Vuelo. In addition, this platform shall be responsible for the development of the Private Initiatives (PI) that Odinsa S.A. has been driving in Colombia to strengthen its competitiveness:

The income and cash flow divestment is detailed below:

Impact on profit or loss	2023
Income from financial activity (1)	911,466
selling cost of financial activity (2)	(569,751)
Gross profit	**341,715**

Administrative expenses	(15,115)
Operating income	**326,600**
Current tax	(3,060)
Deferred tax	(39,756)
Net income from operations	**283,784**

(1) The income from the operation includes both the recognized value of the sale to Macquarie Asset Management (MAM), through its related party Macquarie Infrastructure Partners Cinco (MIP V) Transporte Iberoamérica, and the fair value for which the remaining share of the investments subject to the agreement was received at the time of contribution to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital por Compartimentos Odinsa Vías), and the Odinsa Aeropuertos S.A.S. platform.

(2) The cost of the operation includes the book value of the investments sold as the book value of the share contributed to Fondo de Capital Privado por Compartimentos Odinsa Infraestructura (formerly Fondo de Capital por Compartimentos Odinsa Vías) and the Odinsa Aeropuertos S.A.S. platform. For Grupo Argos, the cost of the operation includes the goodwill of $124,640 allocated to the assets subject to the operation, because of Grupo Argos S.A. taking control over Odinsa S.A. in 2015.

Impact on cash flow (investing activities)	**2023**
Cash received in the transaction associated with assets involving a loss of control	297,342
Cash disposed of on loss of control (1)	(881,647)
Cash received in the transaction associated with the assets involving loss of control	**(584,305)**
Cash received in the transaction associated with assets not involving loss of control investment in joint ventures	316,782
Cash received associated with the sale of intangible assets	24,832
Cash received associated with the sale of trust rights (2)	212
Cash received in the transaction associated with assets not involving loss of control	**341,826**

(1) The Cash disposed of on loss of control corresponds to the amounts in cash and cash equivalents that were derecognized due to the deconsolidation of the Sociedad Concesionaria Operadora Aeroportuaria Internacional Opain S.A.

(2) The cash received associated with the sale of trust rights corresponds to the transfer of the contractual position in the capital recognized in the Campo de Vuelo trust account with Banco de Occidente.

47.3 Celsia, the energy company of Grupo Argos, announces the closing of the sale of a portion of its electrical assets in Panama and Costa Rica.

Celsia S.A. announced the closing of the sale of a portion of its electric assets in Panama and Costa Rica to Fontus Spain S.L.U., an EnfraGen LLC company, which operates renewable energy and grid stability assets in Latin America. With this transaction, Celsia received an amount of USD 194 million for its shares, what would allow a reduction its debt by USD 198 million.

Assets sold in Central America and that began to be operated by EnfraGen as at 16 November are:

- Dos Mares hydroelectric complex in Chiriqui (Panama), with a capacity of 119 MW, consisting of the Prudencia (60 MW), Lorena (33.7 MW) and Gualaca (25 MW) hydroelectric plants.
- Solar Farms: Divisa and Celsolar (Panama) of 19.7 MW together.
- Planta Eólica Guanacaste (Costa Rica) with 49.5 MW capacity.

Celsia continues to have a presence in Panama, Costa Rica and Honduras, with a focus on the solar energy business for enterprise customers, where it expects to reach 200 MWp of installed capacity by 2026. In addition, in the expansion of the transmission and distribution asset management model, and in energy efficiency solutions. (See Note 13 Non-current assets held for sale).

Additionally, during 2023, Celsia S.A., through its subsidiary Celsia Centroamérica S.A., announced that it reached an agreement with the company Grupo Ibereólica Renovables to acquire the 218 MW Proyecto Eólico Caravelí project, located in the Lomas District, province of Caravelía, Arequipa, Peru. It is estimated that the closing of this transaction shall occur in early 2024 with the support of Ibereólica, at which point Celsia would discuss the construction and start-up of the project.

For the development of the Caravelí wind farm, Celsia shall take advantage of equipment and arrangements with suppliers that it already had contracted for wind projects that have presented delays in the Department of La Guajira, in Colombia, and whose licensing and consultation processes are ongoing. Thus, it shall be able to quickly advance the construction schedule in Peru.

The project shall feature the latest technology in wind generation. Celsia continues to diversify its international presence with renewable energy projects that represent an attractive return for its shareholders.

NOTE 48: **EVENTS AFTER THE REPORTING PERIOD**

Between 31 December 2023 and the issue date of the Group's consolidated financial statements, the following events considered relevant, not subject to adjustment occurred:

48.1 Agreement 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 building 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 shareholders approved this transaction and on 12 January after meeting certain conditions, the transaction was successfully completed where Cementos Argos received the following in consideration: 1. Cash: $482 million in cash and, 2. Shares: 54,720,000 common shares and one (1) preferential share of Summit Materials, equivalent to a 31% share, appointing three representatives on the Board of Directors, which may have up to eleven members. The consideration in shares shall be recognized as an investment in associate and shall be subsequently updated by equity-accounted investees.

This transaction generates a profit of approximately COP 5.4 trillion net of taxes, as discontinued operations in accordance with IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, which shall be reflected in the financial statements during the first quarter of 2024. In accordance with IAS 10 - Events after the reporting period paragraph 22, this subsequent event does not result in adjustments to the figures presented at 31 December 2023 in these consolidated financial statements.

48.2 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 a company holding shares of Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A.

Considering the Framework Arrangement entered into on 16 June 2023 between Grupo Argos S.A., JGDB Holding S.A.S., Nugil S.A.S, IHC Capital Holding L.L.C, Grupo Nutresa S.A., and Grupo de Inversiones Suramericana S.A., 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., on 6 February 2024 Grupo Argos S.A. made the first exchange of its shares in Grupo Nutresa S.A. by shares of Grupo de Inversiones Suramericana S.A. and Sociedad Portafolio S.A., through which Grupo Argos S.A. exchanged all of the shares held in Grupo Nutresa S.A. in exchange for 36,070,836 common shares of Grupo de Inversiones Suramericana S.A. and 14,932,413 common shares of Sociedad Portafolio S.A.

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 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 a trust that has the irrevocable instruction not to exercise political rights.

Continuing with the execution of the Framework Arrangement and in compliance with the provisions of Decree 079 of 2024, Grupo Argos S.A., Grupo de Inversiones Suramericana S.A., Graystone Holdings S.A., a company designated by IHC International Capital Holding L.L.C., JGDB Holding S.A.S, and Nugil S.A.S shall advance the formulation of a tender offer for acquisition of up to the 23.1% of the outstanding shares of Grupo Nutresa S.A., which shall be made jointly and severally with the aim of all shareholders of Grupo Nutresa S.A. The procedures for the tender offer shall be carried out within the term provided for in the Decree.

Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. offer to acquire, in proportion, up to 10.1% 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. or USD 12 per share. Graystone Holdings S.A., meanwhile, shall offer to acquire shares in cash at the same price (USD 12 per share) that exceed 10.1% of the outstanding shares, up to a maximum of 13%, thus completing the offer for 23.1% of the outstanding shares of Grupo Nutresa S.A. If Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. fail to acquire 10.1% of the outstanding shares of Grupo Nutresa S.A., they must pay the missing value to complete said share in cash at a price of USD 12 per remaining share.

Once the tender offer for shares of Grupo Nutresa S.A. has ended. the second exchange shall be carried out, with which the parties shall complete the operations provided for in the Framework Arrangement.

Given that the investment in Grupo Nutresa S.A. was classified as a financial instrument measured at fair value through other comprehensive income (OCI), the profit generated by the transfer of the shares of Grupo Nutresa S.A. is reflected in retained earnings as a reclassification from the OCI, while the other effects associated with the transaction are recognized in the consolidated statement of income, therefore, both must be considered jointly to visualize the net economic profit of the transaction. The increase in retained earnings would approximately be $1.5 trillion and a negative effect on the consolidated statement of income of $0.3 trillion, for a net profit of approximately $1.2 trillion. These gains do not include the profit to be recognized by Grupo de Inversiones Suramericana S.A. on this transaction, which shall be reflected in Grupo Argos S.A.'s consolidated statement of income. via the application of equity-accounted investees for the first quarter of 2024.

In accordance with IAS 10 Events after the reporting period paragraph 22, this subsequent event does not result in adjustments to the figures presented at 31 December 2023 in these consolidated financial statements.