

## MANAGEMENT REPORT

# 02





# Management Report from the Board of Directors and the CEO

## Dear Shareholders,

Today's Meeting concludes a momentous year in Grupo Argos' history. 2024 was both a period with historic financial results, and the year in which we carried out two transformations that will define the organization's future. The first of these was the conclusion of the Spin-Off Agreement to end cross-shareholdings with Grupo Sura. Once the corresponding approvals have been issued, this will enable our continued growth and value generation with a simpler and cleaner corporate structure. The second was the sale of Cementos Argos' 31% stake in Summit Materials, which represented a cash inflow of close to COP 12 billion.

Dear shareholders, these transformations are made possible by your support and trust, the visionary legacy of our founders, the leadership of those that came before us, and the tireless effort of thousands of employees and people that share a vision of the future and enable this extraordinary story of entrepreneurship and nation-building that Grupo Argos represents.

While this organization's present is based on a responsible and successful corporate exercise, the results of which are reflected in milestones to be presented in this report, you can rest on the fact that we will continue to work to make Grupo Argos' future even stronger and promising.

## Grupo Sura Divestment

In 1978, a group of companies in Antioquia decided to set up a cross-shareholding structure to promote the growth of their organizations, the region, and the country. This promoted a way of doing business based on generating positive impacts upon shareholders, cus-

tomers, employees, communities, and society at large.

Over the years, this structure evolved and solidified into what became known as the Grupo Empresarial Antioqueño, or GEA, which is nothing more than the non-controlling cross-holdings held by Grupo Nutresa, Grupo Sura and Grupo Argos. Since 2024, with the divestment Grupo Nutresa, it continues to exist between the financial and infrastructure conglomerates.

The cross-shareholding structure has been fundamental for the development of companies that have contributed to the progress of strategic sectors for the Colombian economy and all its related groups. It allowed thousands of shareholders to hold safe and profitable investments, and it promoted its organizations' growth and internationalization.

Since the cross-shareholding structure began, Grupo Argos' equity per share has grown at a compound annual rate of 20%, which has allowed it to structure and consolidate key companies for the country's development: Cementos Argos, a leader in construction materials, which has been the most important Colombian investor in the United States; Celsia, a pioneer in the Colombian energy transition, with the operation of 40 power generation plants and nearly 1,000 kilometers of transmission and distribution networks; Odinsa, which specializes in road and airport concessions, which manages the Bogota and Quito airports and five roadway concessions in Colombia; the Real Estate Business, which leads and promotes housing and tourism developments in Barranquilla and Barú; and the Pactia real estate fund, which owns over 800,000 square meters of commercial lease properties.



| Bulk Cargo Truck, Cementos Argos, Puerto Rico

The cross-shareholding structure has served its purpose: Grupo Argos and Grupo Sura are established regional leaders in their respective sectors, with a presence throughout the Americas, and are ready to take the next step in their history of profitable growth.

Because of this, Grupo Argos, Cementos Argos and Grupo Sura signed a Spin-Off Agreement in 2024 to end the cross-shareholding structure, allowing their shareholders to have direct investments in the other companies.

When the cross-shareholding structure was established, investors valued the diversification this model offered: in a closed economy, having exposure to different sectors of the Colombian economy was an effective strategy to confront the different cycles of each business. At the time, a share in Argos meant automatic access to stake in a financial conglomerate, namely Sura, and in the food industry, represented by Nutresa. These

sectors have complementary economic dynamics and cycles that strengthened portfolio stability and resilience.

However, with increasing market sophistication the landscape has changed. Capital flows freely and more and more investors prefer to manage their diversification directly. This paradigm shift has made cross-shareholding structures less attractive as an investment alternative, encouraging Grupo Argos, Cementos Argos and Grupo Sura to ask its shareholders to consider a transaction to dispose of the existing shares between them through spin-offs by absorption.

This operation, the result of an exhaustive analysis, was designed using fundamental, non-negotiable principles: to ensure equity for all the companies' shareholders, no transfer of value between shareholders or between organizations, and efficiencies in both financial terms and implementation times, to guarantee a transparent process for all the shareholders of the companies involved.

Grupo Argos's management, together with its board of directors and assistance from specialized external advisors, rigorously evaluated several alternatives and structures applicable to this type of process. Finally, it concluded that a spin-off by absorption with a substantially simultaneous implementation is the option that best

meets its objectives.

This operation will allow you, our shareholders, and the shareholders of Grupo Sura, to keep your share of the current company and to receive a direct stake in the other company, preserving the economic value that you initially held in a single share in two separate shares that you will hold directly. Every Grupo Argos shareholder will keep their current shares and receive 0.23 shares in Grupo Sura for every share held initially. In turn, Grupo Sura shareholders will keep their current shares and receive 0.72 Grupo Argos shares for every share held initially.

As a result of this operation, shareholders will also increase their direct share in the companies' economic rights. In other words, besides receiving shares in the

other company, each Grupo Argos and Grupo Sura shareholder will increase their economic rights in the company in where they have their investment by 20%.

This transformation will allow Grupo Argos to improve its focus on and specialization in the infrastructure and construction materials sectors, and Grupo Sura to focus on financial services, in line with the business plans each company has announced to the market. It will also improve the companies' position to attract new investors and additional capital, strengthening their capacity to implement their medium and long-term strategies.

The Colombian capitals market will benefit from improved floating and liquidity conditions and from the potential to attract more institutional investors by aligning its corporate structure more closely with international standards. Grupo Argos' shareholder base, following the transaction, will more closely resemble that of an S&P 500 company than one in an emerging market, with a float close to 100% in both species. This could improve liquidity and translate into better price formation. A higher float also maximizes eligibility for global stock indices and passive funds, by helping fulfill key criteria such as liquidity and an adjusted market capitalization.

This transaction thus represents a key milestone that will foster the creation of a virtuous cycle for the benefit of the companies, their shareholders, and the country's equity markets. It will mark a new chapter for Grupo Argos where, as has been true for decades, it will maintain its trajectory of profitable growth that has allowed it to pay its shareholder dividends uninterrupted and increasingly throughout its history, and to strengthen its commitment to creating value for all its stakeholders.

## Simplification and specialization

The end of the crossholdings with Grupo Sura is part of a path of simplification and specialization that Grupo Argos has been moving along steadily for decades in the construction materials and infrastructure sectors.

In 1934, Compañía de Cemento Argos began a path of consolidation as a benchmark company in its sector in Colombia, exponentially growing its operation and investing in cement ventures throughout the country, while expanding its portfolio in companies in different sectors. Later, with its consolidation in Colombia, the Company embarked on a successful internationalization process and expanded its presence in 20 countries and territories throughout the





| Túnel de Oriente, Antioquia

Americas, becoming one of the first multinationals out of Colombia.

Subsequently, the organization spun off its portfolio of non-cement investments from Cementos Argos, consolidating Grupo Argos and expanding its reach by diversifying into businesses that complemented the construction materials industry, creating and consolidating specialized vehicles in the areas of energy, roadway and airport concessions, and real estate returns, establishing itself as one of the most important infrastructure platforms in the region. Now, by ending the cross-shareholding structure, the organization is moving into a phase of its history where it will focus 100% on infrastructure and construction materials.

As part of its path towards specialization and focus, the company has performed over 30 transactions that add up to USD 7 billion since the start of the millennium, where Grupo Argos has acted as a strategic architect, transforming its investments to maximize its performance, profitability, and focus.

These simplification processes have proven their value throughout the company's history. For example,

just six months after the spin-off of non-cement assets from Cementos Argos in 2012, the company's stock market value had increased by 60%, while attracting more shareholders.

This was also seen in the consolidation of Odinsa, which evolved, since its acquisition in 2015, from a dispersed portfolio that held 14 assets, only 5 of which were under its control, to a company that specializes exclusively in roadways and airports. This transformation included significant improvements in its credit rating, a strategic alliance with Macquarie Asset Management and consolidation of a portfolio with seven strategic assets under its exclusive or joint control, with an internal rate of return of over 16% since their acquisition.

Similarly, Grupo Argos led the transformation of Colinversiones into Celsia, which is now consolidated as the main integrated private player in the Colombian electricity sector and a leader in renewable energies in the country. Since 2006, this transformation has involved over USD 3 billion in acquisitions and divestments, which have resulted in an increased ability of our energy business to meet the demands of the electricity sector.

A greater focus on the infrastructure sector, driven by an end of the crossholdings and supported by capacities developed over decades, will undoubtedly allow Grupo Argos to further expand its scope for structuring, operating and managing regional infrastructure platforms, leveraged by an ambitious plan that has been executing over COP 40 trillion in projects in the medium term, which include the following highlights:

- Cementos Argos has a historic opportunity after divesting from Summit which led to a cash inflow of close to COP 12 trillion.
- Odinsa is making progress with the execution of a project portfolio in Colombia that includes expansion of El Dorado Airport with the El Dorado Max project, the New Cartagena Airport, expansion of Túnel de Oriente in Antioquia, Conexión Centro in the Coffee Growing Region, and Perimetral de la Sabana in Cundinamarca, among others. These projects, if awarded, would represent an investment of over COP 20 billion in the country.
- Celsia will continue its expansion into non-conventional renewable energies, with more than 1,000 MW of solar energy in Colombia and over 200 MW of wind energy in Peru. It will also begin new wind generation projects in the country, including Carreto Park in the department of Atlántico.
- In turn, the real estate business will move forward with tourism projects in Barú and real estate projects in Barranquilla and its metropolitan area.

We can declare with conviction that the businesses in which

Grupo Argos participates continue to exhibit solid fundamentals and significant potential for growth in the region. In the case of Cementos Argos, Colombia's per capita cement consumption of approximately 250 kg is considerably below the regional average of 300 kg, and even further from levels of over 1,000 kg in countries like China and other emerging markets during periods of accelerated economic expansion driven by infrastructure investments. This is evidence of a market with an ample margin to increase its development in a business like ours. The country's main cities and the National Government also have ambitious plans to develop public infrastructure projects, which will boost the demand for cement and concrete in coming years.

The country's per capita energy consumption is 25%, on average, of the other OECD countries, which accounts for the size of the growth opportunity in non-conventional renewable energies, where Celsia has led the solar market in Colombia.

Finally, through Odinsa, we manage two of the most important air terminals in Latin America, well poised to capture passenger growth in a region of more than 650

million inhabitants, where the demand for air travel and penetration of new airlines show some of the greatest promise in the world.

## **Divestment in Summit Materials: Realization of Argos USA's value thesis**

There is no better evidence of the ability of Grupo Argos and its businesses to generate value and continue to grow than the announcement made by the company in 2024 regarding its investment in the United States. As a result of strategic decisions that Cementos Argos has been implementing since December 2021 as regards its investments in that country, the company received around USD 4.5 billion for this platform.

This new step is built upon the entrepreneurial spirit that led the company to start exporting to North America in the 1950s, the decision to begin operating its assets directly in the United States since 2005 and its strategic focus, perseverance and conviction under which it deployed the capital and human talent required to integrate and consolidate our cement and concrete businesses in this



| Celsia Solar La Paila, Valle del Cauca

country for almost 20 years.

Throughout this time we brought our Green Light to emblematic constructions including the Atlanta Falcons' Mercedes Benz stadium in Georgia, the Coca Cola plant in Houston, Texas, and Universal Studios' Volcano Bay water park in Orlando, and we delivered products and solutions to projects to build operating centers for FedEx, Facebook, Amazon and Disney, among many others, elevating the names of Argos and Colombia in the United States.

This legacy of value generation and operational excellence was key to the announcement made in 2024: Summit Materials, a company where Cementos Argos held a 31% stake, signed a final agreement to be acquired by Quikrete Holdings, a leader in ready-to-use building materials and one of the largest private corporations in the industry in the United States.

This takeover bid, made by Quikrete and accepted by Summit shareholders, amounted to USD 52.5 per share, and, as such, the sale of the close to 55 million shares Cementos Argos held in Summit represented a cash value of close to USD 2.87 billion. This amount constitutes the realization of Argos' investment in the United States at a price of around COP 10,000 per share held by Cementos Argos, higher than the price at which the company's share was trading at the time of the announcement, and approximately COP 8,500 per share for Grupo Argos.

As a result of this operation, the Cementos Argos Board of Directors began an exhaustive analysis to define how to use these resources, out of a range of opportunities, so it can continue writing a history of growth and value generation that have led it to be the largest Colombian investor in the world's leading economy.

## Outstanding performance of listed shares

This year of transformational transactions has gone hand in hand with an outstanding performance of all the shares of Grupo Empresarial Argos.

In 2024, Grupo Argos' preferred share price increased 82% and its ordinary share by 66%, while Cementos Argos' ordinary share price increased by 67% and Celsia's by 24%. These increases significantly outpaced the growth of MSCI COLCAP, which recorded a 15% increase over the same period.

Beyond the solid operating performance of our busi-

| Martinsburg Plant, United States



nesses and the strategic milestones mentioned above, respond to a conscious and determined effort to create and transfer value to our shareholders. These initiatives include the Grupo Empresarial Argos' ongoing share buyback program. Considering that the securities remain below their fundamental value, we have executed over USD 150 million in a consolidated manner since the program began in 2023. Cementos Argos' successful SPRINT program is also part of this initiative.

Committed to closing the gap between the fundamental value of our shares and their market value, we will continue to do everything in our power to enhance the opportunities this new stage of simplification and specialization provides. Highlights of these include the potential to attract a broader shareholder base and, in the future, the option of listing on more liquid exchanges.

## Financial Results

2024 was not just a year of strategic transformations. It was a period where all our businesses confirmed their operational soundness.

## Business Performance

### Construction Materials

Cementos Argos ended the year with results that reflect the company's financial soundness and a rigorous implementation of a profitability driven strategy. Even with a 0.3% reduction in consolidated revenues, which reached COP 5.3 trillion in 2024, the company achieved 2% growth in EBITDA, which was equal to COP 1.1 trillion, and a consolidated net income that, as a result of the combination of Argos USA and Summit Materials and its good operating performance, closed the period at COP 5.5 trillion. A focus on operational efficiencies optimized logistics and operating costs, strengthened margins in key markets and drove EBITDA margin growth, which was 21% at the end of the year.

In Colombia, Cementos Argos consolidated its market leadership as a supplier for 80% of the country's large infrastructure projects, with a market share of over 30%. In 2024, shipped volumes reached 5,349 million tonnes,



| Silo & Mixer Truck, United States

driven by a 6% growth in exports to Central America and the United States. Although total cement shipments in the country slowed down, mainly due to reduced activity in the residential segment, it should be noted that new home sales have begun to recover, increasing over 20% compared to 2023. This rebound, together with the moderation of inflation and reduced mortgage rates, should lead to a stabilization in the demand for cement in the short term and a resumption of its upward trend in the near future, supported by the country's macroeconomic fundamentals. Once the market begins its recovery, Argos will have become a more efficient and agile company, fully prepared to take advantage of the expansion in demand.

In Central America and the Caribbean, margins continued to strengthen thanks to optimized local plants and a focus on more profitable markets. Revenues from this region reached USD 515 million, with an EBITDA of USD 127 million.

Honduras exhibited record clinker production, reaching a daily average of 1,800 tonnes. In Panama, despite a 7% contraction in the market, the company achieved a 44% share in general-purpose cement and continued to optimize costs. In Guatemala, Grupo Argos strengthened its value proposition, reflected by a 25% growth in volumes sold in this geography. In turn, Puerto Rico doubled its EBITDA compared to 2023 and extended the San Juan Port terminal concession until 2031. In the Dominican Republic, Argos broke production and sales records and moved forward with implementing the pre-crushing project, which will significantly increase its production capa-

city. Cementos Argos achieved production cost reductions in Suriname, French Guiana and the West Indies, leveraged by an efficient supply of cement from Cartagena. In Haiti, given the country's difficult internal situation, we maintain a temporary business model that is supplied from Panama, pending suitable conditions for our cement production operations.

Trading operations reached an EBITDA of USD 17 million, mobilizing 3.1 million tonnes and connecting multiple ports in key geographies. The plans implemented in recent years have proven their ability to maximize value for shareholders, including Grupo Argos. The company has achieved efficiencies across its value chain, improved profitability and made progress in closing the gap between its share's intrinsic value and market price. Cementos Argos will continue to develop initiatives to strengthen its attractiveness to global investors, grow its market share and continue to strengthen its capacity to create value.

## Infrastructure

### Energy

Celsia ended 2024 with financial results that reflect its ability to adapt. Consolidated revenues were COP 6.8 trillion, growing 9%, driven by the diversification of its electricity generation sources and the operational stability of its transmission and distribution assets.

Throughout the El Niño phenomenon, which, in Colombia, led to a reduction of over 50% in water contributions during the first half of 2024 and volatile contributions during the second half of the year, the company honored all its power generation contracts and served its residential and industrial customers without interruptions, thanks to a solid contracting policy backed by a reliable and balanced power generation portfolio.

Celsia's EBITDA for the year was COP 1.5 trillion, a 19% year-on-year reduction due to the climate situation, while the parent company's net profit was COP 222 billion, growing 15%.

The company continues to maximize the value of its 19 hydroelectric plants in Colombia, with an installed capacity of 1,127 MWac, together with its transmission and distribution assets in Tolima and Valle del Cauca, which ended the year with a regulated asset base of COP 6.9 trillion. Celsia also continued consolidating structures to develop new platforms with strategic partners. At the end of 2024, these had accumulated COP 4.4 trillion in managed assets, with an EBITDA of COP 464 billion.

One of Celsia's most important milestones in 2024 was breaking ground on its first wind farm in Colombia, Carreto, located in the department of Atlántico. This farm will have a capacity of 9.9 MW and will be commissioned in 2025. This project proves the potential of wind generation in regions beyond La Guajira and reinforces the company's commitment to developing renewable energy sources in the country. The organization also entered the Peruvian market with the acquisition of two wind projects and a small hydroelectric plant, in line with its regional expansion strategy in stable markets with high development potential.

2024 was also a year for Celsia to continue consolidating its leadership in solar energy, with an installed generation capacity of over 400 MW through its operations in Colombia, Panama and Honduras. It added three new solar farms during the year and made progress with building over 300 additional MW that will come online during 2025. Battery energy storage technologies have represented significant progress in the stability and optimization of solar farms. A highlight is the commissioning of the first system of this type in Colombia at Celsia Solar Palmira 2, which improves supply efficiencies and opens a window



| Termosorito Power Plant, Cordoba

for profitable growth for the company.

## Concessions

Odinsa Airports mobilized almost 52 million passengers in 2024. Nearly 47 million of these were through El Dorado Airport, where traffic grew 15% and reached its maximum operational capacity, concentrating over 70% of Colombian air traffic and consolidating itself as the main connection hub in Latin America.

This extraordinary performance has made evident the need to expand the capacity of Colombia's most important air terminal. The company has thus moved forward by submitting the feasibility report for the El Dorado Max project, which aims to expand the airport's capacity to over 60 million passengers per year. This will require an investment of close to COP 13 billion, and a public tender should be implemented in the medium term.

In turn, Odinsa Vías recorded an average daily traffic of 108,000 vehicles for 2024, with three of its assets growing above GDP. Autopistas del Café and Túnel de Oriente mobilized 13.8 million vehicles each, increasing 5% and 1% compared to 2023, respectively. Pacífico 2 reached 2.8 million vehicles, growing 6%, while Malla Vial Del Meta recorded 9 million vehicles, 3% more than the year before.

The vertical also began construction of the second stage of Túnel de Oriente in Antioquia. This is a 100% dual-carriageway that will improve the country's connectivity and productivity. An investment of over COP 2 trillion, it will both strengthen the region's roadway infrastructure, and create over 2,000 direct jobs during its construction.

## Real Estate

Net cash flow for the Real Estate Business for 2024 was COP 61 billion, lower than was observed in 2023 due to the deceleration of the housing market in Colombia, but stable compared to the average over the last five years. It sold 14 lots in Barranquilla and Puerto Colombia for more than COP 200 billion and concluded relevant investments to support the urban transformation of Barranquilla's metropolitan area and exponentially enhance Cartagena's tourist and economic development.

Pactia's net operating revenue was COP 302 billion and EBITDA was COP 232 billion, slight lower than the year below. Net income was COP 133 billion, growing 21%. It ended the year with COP 3.5 trillion in assets under management and occupancy rates of over 94%.

## Separated and Consolidated Financial Results

The company's consolidated results record outstanding

| El Dorado Airport, Bogota



figures that reflect the profits harvested in 2023, resulting from transformational transactions that included the combination of assets between Argos USA and Summit Materials, which generated a profit of COP 5.3 billion for the company, and the agreement to divest Grupo Argos' and Grupo Sura's stake in Grupo Nutresa, which allowed the company to obtain greater economic rights in Grupo Sura and a net profit of COP 2.6 trillion from these operations.

This, together with the positive performance of our businesses, as seen above, resulted in Grupo Argos ending the year with COP 15.1 trillion in consolidated revenue and COP 5.0 trillion in EBITDA, a 26% increase compared to the previous year. Net income ended the year at COP 7.6 trillion, and net income to the majority shareholder was COP 4.5 trillion.

Along these lines, the separated financial statements show that revenue for the year was COP 3.5 trillion, EBITDA was COP 3.2 trillion and net income ended the year at COP 2.5 trillion.

We also closed out 2024 with evidence of the results of the deleveraging policy implemented by the company in recent years. Consolidated net debt at the end of the year stood at COP 9.3 trillion, a reduction of 18% compared to the previous year. From the peak of COP 17 trillion in net debt at the end of the first quarter of 2020, in the middle of the pandemic, the organization has managed to reduce its consolidated indebtedness by almost half, deleveraging by approximately COP 8.0 trillion. With the inflow of cash from the divestment in the United States, the company has a negative consolidated net debt in February 2025. In other words, Grupo Argos has more cash than debt on a consolidated basis, a clear sign of the organization's strength and financial flexibility for implementing its strategy in the future.

## Sustainable Value Creation

The results of Grupo Argos' businesses are supported by the conviction that the creation of economic value for our shareholders is exponentially greater when it is balanced with the well-being of our employees, community development, care for the environment, supplier growth, and a conscious and determined construction of the country and the region.

Its vision and business management was recognized again in 2024 with Grupo Argos' and Cementos Argos' inclusion, for the twelfth consecutive year, on the Dow Jones Sustainability Index, and with Celsia's outstanding

performance on this metric. Cementos Argos received 89 points out of 100, consolidating itself in first place in the global construction materials industry, while Grupo Argos achieved 85 points, and was ranked second place in the same industry. Celsia, in turn, achieved 85 points and was ranked first in the electricity sector in Colombia, consistent with its efforts to promote the country's energy transition.

Beyond this recognition, in 2024 this approach translated into tangible progress, including progress towards meeting the organization's climate change goals. At a consolidated level, Grupo Argos has managed to reduce its CO<sub>2</sub>e emissions intensity by 42% for every million pesos generated compared to its 2018 baseline, consolidating a positive trend and moving forward with determination towards its target for 2030.

From a social perspective, and to commemorate its first 90 years in business, in 2024 the Grupo Argos Foundation announced a legacy for Colombia with two iconic projects: Juntos por Urabá and Generación A.

Urabá is a region with enormous potential for Colombia's development, but which faces significant social and economic challenges. The arrival of Puerto Antioquia, with its promise to improve the department's and the country's competitiveness by reducing logistical times and costs for exporting and importing from Antioquia's seaboard, provides a unique opportunity to boost economic growth and job creation. However, this progress requires support from the private, public and community sectors to ensure orderly and sustainable development.

To this end, Fundación Grupo Argos launched Juntos por Urabá, a comprehensive social investment strategy in Nueva Colonia, Turbo, the community closest to the port. This project is an investment of over COP 100 billion, including resources from Works for Taxes and direct social investment. It involves 15 public and private actors led by Grupo Argos and is transforming the lives of over 12,000 inhabitants with works that include construction of the town's sewer system, delivery of 1,300 water filters, construction of a new high school and improvements to 1,000 homes through the Healthy Homes program, among other initiatives that make a significant impact on the community. Over 350 filters and 250 housing improvements have been delivered to date.

Additionally, and as a contribution to education in Colombia in perpetuity, Grupo Argos structured Generación A, a higher education scholarship initiative that initially aims to bring together high school graduates in Antioquia and higher education programs in three of the universities with the best academic performance in the country: EIA, EAFIT and CES. To ensure its sustainability over time, Grupo Argos and the universities have set up a fund using the *endowment model*, a mechanism that makes an initial capital investment to ensure annual returns that will sus-



| Green Corridor, Aruba

tainably fund a certain number of scholarships. In its first stage, Generación A secured an investment of COP 40 billion: COP 20 billion in capital provided by the Grupo Argos Foundation and COP 20 billion contributed by the three private universities in capacity and talent under the “empty chairs” figure. Grupo Argos has the short-term goal of increasing capital contributions by COP 100 billion to extend the funds educational benefits. 18 students are already receiving scholarships from Generación A, and these are added to the more than 370 scholarship holders that have benefited from the efforts of the Grupo Argos Foundation throughout its history.

## Closing

We want to recognize the more than 9,700 employees of this wonderful organization, and all the people who have contributed to building this great company for decades, for their contributions to the materialization of these historic results. We especially want to recognize you, our shareholders, who have accompanied us throughout all these

years. We can only express our deepest gratitude for your ongoing trust and support, which has been fundamental to promote the initiatives that we share with you today. We are convinced these will be the foundation for a vibrant future full of opportunities for the next 90 years of Grupo Empresarial Argos.

Thank you very much,

Rosario Córdoba Garcés  
Ana Cristina Arango Uribe  
Claudia Betancourt Azcárate  
Juana Francisca Llano  
Jorge Alberto Uribe López  
Jaime Alberto Palacio Botero  
Ricardo Jaramillo Mejía  
**Board of Directors**

Jorge Mario Velásquez Jaramillo  
**CEO**

## Legal and Corporate Governance Matters

Grupo Argos has observed applicable legislation on intellectual property and copyright, and the operations performed with administrators and shareholders were conducted subject to relevant regulations and according to market conditions. Details of transactions with related parties can be found in notes 38 and 41 to the separate and consolidated financial statements, respectively. Moreover, the company allowed the free circulation of supplier invoices.

Aspects related to Article 446 of the Commercial Code, as well as the Corporate Group Report referred to in Law 222/1995, Article 29, and the Corporate Governance Annual Report are contained in the documentation provided to shareholders.

Grupo Argos has implemented an internal control system to ensure adequate preparation and presentation of financial information to its shareholders, the market and the public at large. In 2024, the company's Management, Risk Evaluation Department, Internal Auditor, and Statutory Auditor evaluated the internal control system's design and effectiveness. These analyses were submitted to the Audit, Finance and Risk Committee, and it concluded that the system functions properly.

On the other hand, Grupo Argos held two extraordinary sessions of the Shareholders' Meeting: (i) on July 31, 2024, to consider a change in the destination of the company's reserves to buy back shares in light of the winding up of Sociedad Portafolio S.A., a proposal to reform the bylaws and a proposal to modify the Board of Directors' Appointment, Compensation and Succession Policy; and (ii) on October 21, 2024, to decide on the authorization required in terms of potential conflicts of interest of certain members of the Board of Directors of Grupo Argos to deliberate and decide on Grupo Argos's strategic alternatives regarding its investment in Grupo de Inversiones Suramericana S.A., and to decide on the authorization required in terms of potential conflicts of interest of the legal representatives of Grupo Argos to enter into and perform all acts, contracts, operations and transactions required for preparing and implementing the chosen strategic alternative.

Grupo Argos's legal matters, including legal and administrative proceedings, are being dealt with in a timely manner by the Directors and Counsel and no material rulings affecting the company's financial situation were handed down.

Finally, a report on the implementation of Country Code recommendations can be found on the website [www.grupoargos.com](http://www.grupoargos.com).



**GRUPO ARGOS**

Investments that transform