



**INTEGRATED
REPORT
2024**



DELIVERING MORE

VALUE

IS WHAT KEEP US TOGETHER



DELIVERING MORE

VALUE

IS WHAT KEEP US TOGETHER

INTEGRATED REPORT 2024

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05

WE EXPORT TO

+30 DESTINATIONS



37
Dispatch centers



11
Port terminals

WHERE WE OPERATE

DIRECT PRESENCE IN 16 COUNTRIES AND TERRITORIES

- | | |
|------------------|------------------------|
| 1. Antigua | 9. Honduras |
| 2. Colombia | 10. Panama |
| 3. Curaçao | 11. Puerto Rico |
| 4. Dominica | 12. Dominican Republic |
| 5. United States | 13. Sint Maarten |
| 6. Guatemala | 14. Saint Thomas |
| 7. French Guiana | 15. Suriname |
| 8. Haiti | 16. Venezuela** |

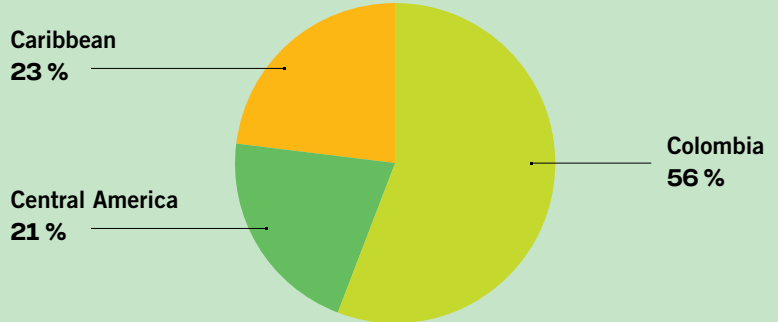
* In February 2025, we sold our stake in Summit Materials to Quikrete. This operation is aligned with our strategy of rebuilding a profitable platform in the United States.

** Cementos Argos S.A. has a presence in Venezuela through its subsidiary Corporación de Cemento Andino C. A., which is currently part of a judicial process regarding the Venezuelan government's expropriation.

OPERATING EBITDA

1.2 
TRILLION COP

INCOME BY REGIONAL



4
Vessels under the time charter modality

603
Mixer trucks

7
Cement plants

7
Clinker grinders

41
Concrete plants

10
Aggregates plants

CAPACITY INSTALLED

14.4 
MILLION TONS of cement

9.3 
MILLION TONS of cement shipped

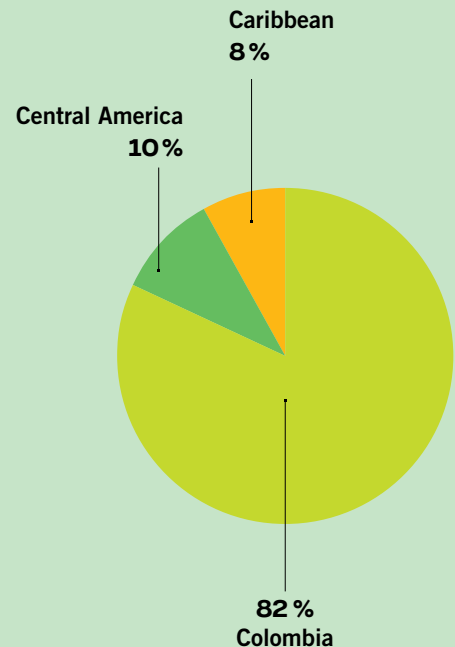
2.6 
MILLION m³ of concrete shipped

TALENT

4,256
EMPLOYEES

82% 3,474
men

18% 782
women



At Argos, we produce and trade cement, concrete, and aggregates. For nearly 90 years, **we have written a history of sustainability, innovation, environmental stewardship, and commitment to creating value for the company and society.**

With a forward-looking vision, we continue to pursue our purpose of enabling the construction of housing and infrastructure dreams in about 16 countries and territories in the Americas.

Our human talent, made up of more than 4,000 employees, **with their genuine commitment, audacity and ability to adapt to the challenges of the environment**, materializes actions that contribute to the consolidation of a more sustainable, prosperous and inclusive society.

Delivering extraordinary solutions to our customers and strengthening the bonds of trust with our stakeholders is our commitment!

This is why we continue to move forward with concrete and sure steps to trace new paths, transform realities and generate opportunities that will lead to real change.

Piedras Azules Plant in Honduras



COLOMBIA REGIONAL



1

Port terminal



24

Dispatch centers



571

Mixer trucks



6

Cement plants



39

Concrete plants



6

Aggregates plants

3,492

EMPLOYEES



83%

men

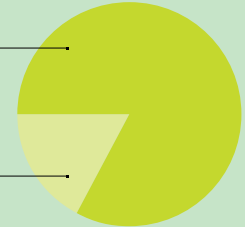
2,903



17%

women

589



CENTRAL AMERICA REGIONAL



2

Port terminals



10

Dispatch centers



2

Clinker grinders



1

Cement plant



4

Aggregates plants

424

EMPLOYEES



73%

men

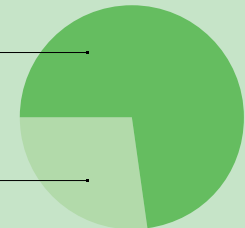
310



27%

women

114



THE CARIBBEAN REGIONAL



8

Port terminals



3

Dispatch centers



32

Mixer trucks



5

Clinker grinders



2

Concrete plants

340

EMPLOYEES



77%

men

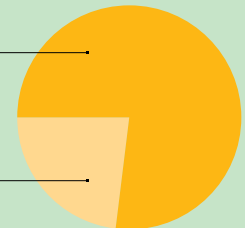
261



23%

women

79



SPRINT 2.0

The achievement of the SPRINT program objectives has generated an increase in total share return of close to 350% and 3.1 times the share value.

\$10,000

\$9,000

\$8,000

\$7,000

\$6,000

\$5,000

\$4,000

\$3,000

\$2,000

\$1,000

0

Share value in COP

**LAUNCH OF
SPRINT 1.0**

2/22/2023

• **Credicorp designated
as Local Market Maker
2/22/2023**

**SUMMIT
TRANSACTION**

9/07/2023

• **Start of Repurchase
Program
9/27/2023**

2023

JAN-23

FEB-23

MAR-23

APR-23

MAY-23

JUN-23

JUL-23

AUG-23

SEP-23

OCT-23

NOV-23

DEC-23

**LAUNCH
OF SPRINT 2.0**
2/21/2024

**Conversion of preferred
stock** into common stock
6/05/2024

Entry MSCI Small
Cap Index
8/30/2024

**Sale Agreement on
Summit's interest to
Quikrete**
11/25/2024

350% TSR IN USD

Entry FTSE Mid
Cap Index
9/22/2024

2024

JAN-24 FEB-24 MAR-24 APR-24 MAY-24 JUN-24 JUL-24 AUG-24 SEP-24 OCT-24 NOV-24 DEC-24

ESG ACHIEVEMENTS & PROGRESS

2024 PERFORMANCE

2030 GOALS

ANNUAL GOALS



CLIMATE CHANGE

Specific CO₂ emissions for cement

Net for Scope 1 (kgCO₂/t cem mat)

605 → 514

Scope 2 (by market method) (kgCO₂/t cem mat)

10.3 → 7



WATER

Specific freshwater withdrawal

For Cement (L/t cem mat)

420 → 396

For Concrete (L/m³)

208 → 227

For Aggregates (L/t)

55 → 63

E



OCCUPATIONAL HEALTH AND SAFETY

Frequency Index (#)

0.71 → 0.9

Serious injuries to our employees and contractors (#)

10 → 0



TALENT MANAGEMENT AND INCLUSION

Employee engagement (%)

93 → 89

Leadership positions occupied by women (%)

39 → 35

S



DELIVERING CUSTOMER VALUE

Company NPS measurement (%)

82 → 81



ETHICS, COMPLIANCE AND INTEGRITY

Behavioral training coverage (%)

94 → 90

G

2024 PERFORMANCE

2030 GOALS

ANNUAL GOALS



BIODIVERSITY

Active and inactive quarries with biodiversity management plan (%)



Rehabilitation of released areas (%)



CIRCULAR ECONOMY

Alternative raw materials in cement (%)



Supplementary cementitious material in concrete (%)

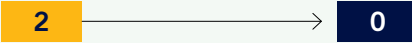


COMMUNITY ENGAGEMENT

Reiterative community complaints (#)



Operations with high and critical risks impacting communities (#)



As a result of the negotiation in the United States, the following goals were redefined this year:

- Environmental, including those related to climate change and its mitigation roadmap
- Occupational health and safety
- Sustainable products and solutions



SUSTAINABLE PRODUCTS AND SOLUTIONS

Revenues from sales of sustainable products and solutions (%)

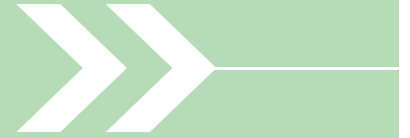


RESILIENT SUPPLY CHAIN

Suppliers evaluated at least once every three years on sustainability issues (%)



ABOUT THIS REPORT



Dear shareholders and stakeholders,

We are presenting the 2024 Integrated Report to demonstrate the progress in the materialization of our higher purpose:

To make possible the construction of housing and infrastructure dreams that enable a more sustainable, thriving and inclusive society.



Main changes in this report

1

With the closing of the transaction between Argos USA and Summit Materials, as of 2024, Cementos Argos does not consolidate the U.S. operation, which has brought about important changes in financial statements and in the reporting of non-financial information.

2

As a result of this negotiation in the United States, environmental goals were redefined this year, including those related to climate change and its mitigation roadmap.

SEE CHAPTER ON CLIMATE CHANGE MITIGATION AND ADAPTATION ON PAGE 101.

3

In the case of climate change indicators, and to comply with the GHG Protocol and GCCA CO₂ Protocol, a recalculation was made not only for the baseline of commitments already acquired, but also for the results of the last 4 years of all associated indicators.

4

In the case of the indicators presented in this document associated with the material issues of environmental management, occupational health, and safety, delivering customer value and sustainable products and solutions, the results for years 2021 to 2023 were also recalculated so that the effect of the exit of the United States Regional in 2024 would not affect the trend analysis of the reported results.

5

In June 2024, a Shareholders' Meeting was held on March 31, 2024, to approve the distribution of additional dividends for the extraordinary profit obtained from the combination of Argos USA with Summit Materials, completed in January 2024. As a result, the 2025 Shareholders' Meeting will have to approve the consolidated and separate financial results for the remaining 9 months of 2024 (April to December). The data throughout the Integrated Report will be presented in addition to the annualized perspective to facilitate comparative analysis by shareholders and investors.



Aggregates in Honduras



What information is covered

This report includes activities of the companies whose figures are consolidated in the financial statements of the cement, ready-mix, and aggregates businesses of **Colombia, Central America (Panama, Honduras, and Guatemala), and the Caribbean (Dominican Republic, Puerto Rico, Suriname, French Guiana, Antigua, Curaçao, Dominica, Haiti, Sint Maarten, Saint Thomas) regionals.**



Who our stakeholders are

Stakeholder engagement is a strategic priority for Argos. This open and two-way dialogue enables joint initiatives for social transformation, the well-being of the territories, and the Company's sustainability in the medium and long term.



Investors and Shareholders



Associations and Affiliations



Customers



Authorities



Partners



Media



Suppliers



Communities



Since 2012, we have been communicating our performance through Integrated Reports. **See them here.**



Find here all the information related to our stakeholders.



How we report

STANDARDS
GUIDELINES
EVALUATORS
COMMITMENTS



Now part of IFRS Foundation

We report according to the Construction Materials Standard.



See SASB indicators [here](#).



SEE GRI TABLE OF CONTENTS ON PAGE 350.

We use as a reference the GRI 1: Foundation 2021. As of the date of publication of this report, a sector standard applicable to us has not been published.

Our own indicators

We have a battery of internally defined indicators that help us follow up on prioritized management issues. These indicators are recognized by code, starting with the letter A. E.g. A-COM1.



For the first time, we partially applied the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB).



We have voluntarily adopted the climate-related financial disclosure recommendations (4th Report) and recommendations on our impact and dependencies on nature, of which we are early adopters.



Cementos Argos S.A.
Construction Materials

Top 1%

Corporate Sustainability Assessment (CSA) 2024 Score

89/100 Score date: February 2, 2025 For details of our risk visit www.spglobal.com/risk

Twelve years participating in the corporate sustainability assessment.



SDGs



Global Compact

We are committed to the principles of the Global Compact.

STANDARDS
GUIDELINES
EVALUATORS
COMMITMENTS



Find [here](#) the report of the standards in the section of indicators and annexes 2024.



Who approves our report

The Steering Committee has approved the report on the performance, achievements, and challenges related to the Company's material social, environmental, and governance issues, as described below:



SEE MORE INFORMATION ON PAGE 73.



What is the moving average rate we apply

COP 4,073.75*

* Unless otherwise stated in a specific section.



What currency we report

COP: For the figures of the Colombia regional's operations and corporate results.

USD: To present the results of the Central America and Caribbean regionals' operations.



Who is the independent reviewer of this report



SEE ASSURANCE REPORT ON PAGE 362.



Glossary

Know the terms used in this report that, due to their specialty, require a definition.

SEE PAGE 358.



Who to contact in case of questions

Tomás Restrepo, Future Vice President, trestrepo@argos.com.co

María Isabel Cárdenas, Sustainability Manager, mcardenasb@argos.com.co



Visit us on social networks

On the web: argos.co/en/sustainability/

X @Cementos_Argos

in Cementos Argos

d @Argosluzverde

LETTER FROM THE CHAIRMAN OF THE BOARD



Jorge Mario Velásquez

Dear Shareholders,

The trust you have placed in Cementos Argos reinforces our commitment to generating value and building a long-term sustainable business that continues to be a benchmark for business performance and good environmental, social and corporate governance practices in Colombia and the world.

In 2024, amid a challenging and highly competitive environment, Cementos Argos achieved outstanding results that reflect its financial strength and discipline in executing its strategy of profitability and operating efficiency. Our daily focus on improving our value proposition in the market, cost optimization, product innovation, and the strengthening of our logistics network were key to consolidating a more agile and profitable operation, maintaining our leadership in the industry and continuing to build a promising future together with our customers.

In Colombia, **Cementos Argos continues to be a strategic ally for the country's development.** In 2024, Argos was a supplier in more than 80% of significant infrastructure projects, from highways and tunnels to comprehensive urban renewal plans. At the international level, our **export capacity to multiple destination ports** continues to strengthen our presence on the continent, allowing us to take advantage of new opportunities in key markets and expand our impact in the cement, ready-mix concrete, and aggregates industries.

Consistently, the Company's stock market performance also marked a high point. Cementos Argos' common stock grew 67% at the end of the year, significantly outperforming the MSCI Colcap, which grew 15% in the same period. Between February 2023, when the SPRINT (Share Price Recovery Initiative) program was launched, and December 2024, **the stock returned close to 350% in dollars,** an outstanding performance that is evidence of investors' support to the Company's strategy and potential.

The daily trading volume of Cementos Argos common shares increased by around 170% versus 2023, reaching an average daily volume of around USD 3 million, which positioned them among the **top two most liquid securities on the Colombian Stock Exchange in 2024,** as measured by the ratio of daily liquidity to float.

This result responds to the successful implementation of the SPRINT pillars, focused on profitability, increased dividend distribution, the share repurchase program, the conversion of preferred shares into common shares, the designation of a local market maker, and the reintegration of common shares into repo operations, among others. These strategies have allowed us to significantly strengthen the disclosure and transfer of value to our shareholders. Consequently, Cementos Argos shares **re-entered the MSCI Emerging Markets Small Cap and FTSE Russell** indexes, thus consolidating the Company's presence in international markets and increasing securities' liquidity.

But 2024 was, above all, a year of strategic transformations that enhance our capabilities and opportunities for the future. One of the most relevant in the Company's recent history occurred in 2024 with the **merger of Cementos Argos' U.S. operations with Summit Materials**, a transaction that represented the inflow of more than USD 1.2 trillion in cash and a 31% equity stake in the joint venture. This move not only strengthened our presence in the North American market, but also optimized our business platform by reinforcing the Company's logistics network and export capacity from Cartagena.

Months later, Summit Materials signed a definitive agreement to be acquired by Quikrete Holdings, a leader in ready-to-use building materials and one of the largest privately held corporations in the industry in the United States. The closing of this deal took place on February 10, 2025, bringing a cash inflow of about COP 12 trillion and representing a transformational milestone in Cementos Argos's history, and paving the way for the Company's growth in the United States and other markets.

This step undoubtedly marks the beginning of a new stage in Cementos Argos' history, where we are certain that we have the **potential, knowledge and capabilities** necessary to write a new phase of success, and also the capital to continue strengthening the Company's strategy.



Martinsburg Plant in the USA.

Special recognition is due to the almost 4,300 employees of Cementos Argos for being the engine that drives profitability, the delivery of extraordinary solutions to our customers, and sustainable value creation. The Company maintains its position as one of the best places to work, recording an employee engagement indicator of 93 out of 100, a result at a level of excellence and a reflection of the pride and sense of belonging that characterizes our talent.

Dear shareholders, you can be confident that Cementos Argos will continue to advance its strategy of sustainable growth, focusing on innovation, operational efficiency, and value creation for you, our employees, and our communities. We are especially grateful for your support.

Jorge Mario Velásquez

Chairman of the Board of Directors



ARGOS

ARGOS

01

MANAGEMENT REPORT

LENNY RODRIGUEZ

📍 **DOMINICAN REPUBLIC**

Reliability Professional, Maintenance Team, Najayo Cement Plant. With dedication and daily effort, he contributes to generate more value for all the Company stakeholders.



2024 MANAGEMENT REPORT

Dear Shareholders,

Creating more value to advance the purpose of helping to build a better world with more opportunities **is what moves us, inspires us, engages us and brings us together** with you! With this message, reflecting the spirit of our management and accompanying the positioning of our brand, we would like to begin the 2024 Report, a transformational and extraordinary year for Cementos Argos. In 2024, in this challenging global context, we managed not only to increase our competitiveness but also to materialize strategic milestones that consolidated our leadership position in the construction materials industry and multiplied the return on investment in the Company.

Thanks to our vision focused on sustainability, innovation, and value creation for all stakeholders, we were able to adapt to changing environments and capture opportunities to build a more agile and resilient Company, and achieve historic goals to move confidently into the future while remaining committed to our founding principles of hard work and righteousness.

Before beginning the recount of the most relevant facts and figures of the year, it is important to remember that last June we held a second ordinary Shareholders' Meeting (as of the end of March 2024) to distribute additional dividends due to the extraordinary profit obtained from the closing of the combination transaction of Argos USA with Summit Materials, which was completed in January 2024.

Accordingly, in compliance with the regulations, the 2025 Ordinary Shareholders' Meeting must consider and approve the consolidated and separate financial results for the 9 months between April and December 2024. The data throughout this Management Report and the Integrated Report will be additionally presented, with an annualized perspective for comparability and comprehensive historical analysis by shareholders, investors and other stakeholders.



Juan Esteban Calle, President

STRATEGIC TRANSFORMATIONS

Completing the merger of Argos USA with Summit Materials in early 2024 to create one of the leading construction materials platforms in the United States was undoubtedly one of the most important transformational and economic value-generating milestones in the Company's history.

After making substantial progress in the consolidation and integration of this merger, Summit Materials announced in October 2024 the signing of a definitive agreement to be acquired by Quikrete, one of the largest private corporations in the USA. As part of this agreement, Cementos Argos also undertook to sell to Quikrete its entire stake in Summit, corresponding to 31% of that Company's total outstanding shares.

The closing of this transaction was announced on February 10, 2025, and allowed us to receive about USD 2.9 billion in cash for our stake in Summit. This consolidates a historic return for our shareholders, equivalent to an annual return of more than 20% in dollars since our entry into the United States, a value ratio unprecedented in the history of Colombian companies in the USA.

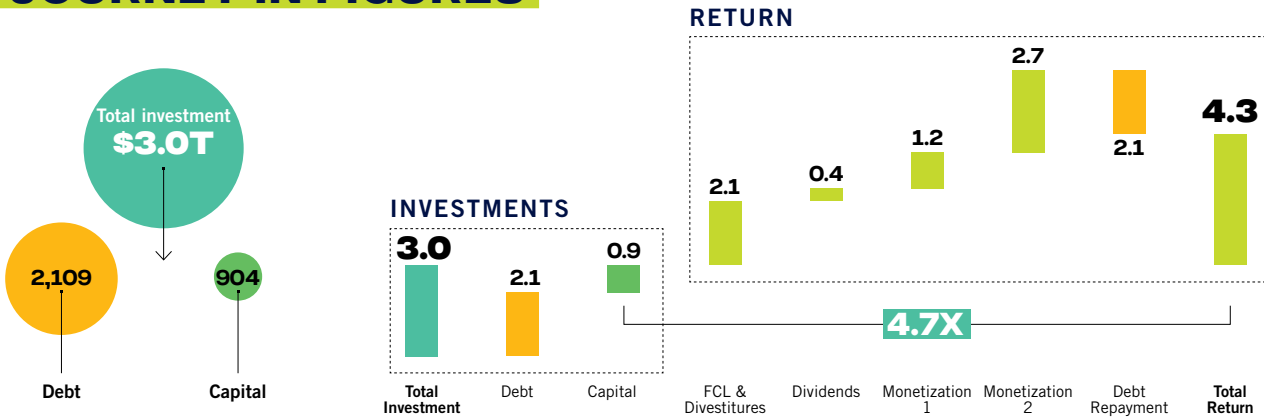


Harleyville plant in the USA.

This operation does not represent our exit from the USA, but rather the closing of another chapter in our long and successful history in that market. The Company holds a strong financial position, a significant volume of cement exports to Summit/Quikrete from Cartagena, and the freedom and flexibility to plan and execute a new phase of strategic re-deployment of capital and capabilities in the United States, based on the extensive knowledge and proven success of our business thesis, as well as our strategic statement and conviction to once again build a platform of scale and high profitability in one of the most attractive and important markets for the construction materials industry in the world.

In this new organizational context, we defined 2024 as the roadmap for profitable growth in the coming years, both in Latin America and the rest of the continent, with full enthusiasm for enormous possibilities and our potential to capture value.

ARGOS IN THE USA: A SUCCESSFUL JOURNEY IN FIGURES



Since 2005, Argos has pursued strategic growth by investing USD 3 billion in acquisitions in the USA and Latin America. The Company holds approximately USD 1 billion in assets. Thanks to smart investments and operational excellence, this success story resulted in:

4.7X EQUITY MULTIPLE
~20% INTERNAL RATE OF RETURN



Silvia Forero, branding campaign shareholder

SHARE PRICE RECOVERY PROGRAM

In 2023, after several years of highly favorable operating and financial results, in which our stock was paradoxically trading, in real terms, at the lowest level in history, and after understanding our shareholders' frictions and pain points, we challenged ourselves in a disciplined exercise to mobilize several fundamentals comprehensively to seek to bring our stock to reflect its fundamental value.

Thus, the SPRINT (Share Price Recovery Initiative) program was created, version 2.0 of which was launched in 2024 and whose execution has shown very positive results in closing the gap between the share price and its fundamental value to position itself as a benchmark of sustained and comprehensive management for value creation and an extraordinary example of innovation in the country's capital market.

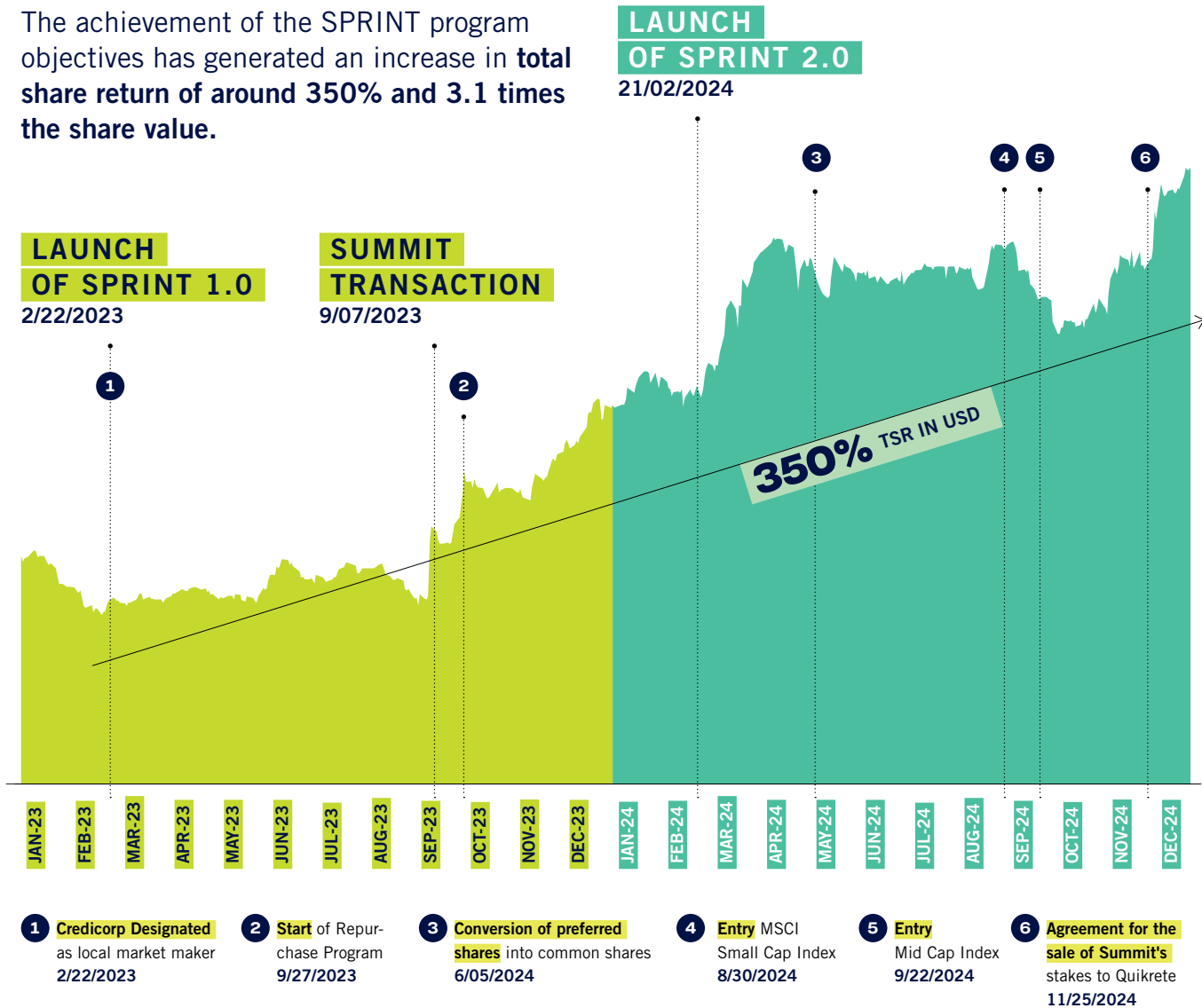
During 2024, Cementos Argos' common stock reported an increase of 67% and significantly outperformed the MSCI Colcap, which grew by 15% in the same period. Since SPRINT's official launch in February 2023 through the close of 2024, the stock has had a total return of close to 350%, in dollars, an outstanding performance that demonstrates the market's confidence in the Company's strategies. In addition, with the initiatives that we have been announcing within the framework of SPRINT 3.0, we expect to achieve returns in excess of 400%, in order to continue with a comprehensive, organized and structured execution of the different components of the program.

Highlights of the successful SPRINT 2.0 executions in 2024:

Conversion of preferred shares into common shares:

In May 2024, after approval by the shareholders and the Colombian Financial Superintendency, 99.8% of the Company's preferred shares were converted into common shares, at a ratio of 0.85 common shares per preferred share. As a result of the conversion, the Company's capital was composed almost entirely of common stock, which reached the market capitalization and liquidity necessary to be included in the MSCI Emerging Markets Small Cap and FTSE Russell indices. Inclusion in these indexes attracted purchase flows of COP 613 billion during August and September, months during which the indexes were rebalanced. This was a milestone not only for Cementos Argos shares but also for the Colombian stock market, which moved away from the possibility of being downgraded to a frontier market by having a fourth constituent in the MSCI emerging markets index.

The achievement of the SPRINT program objectives has generated an increase in **total share return of around 350% and 3.1 times the share value.**



Capital Distribution Strategies:

We increased dividend distributions to COP 590 billion, an increase of 31% vs. 2023, and made 44% progress in the second phase of the approved COP 500 billion share repurchase program, to be executed within two years.

Improved Share Liquidity:

By designating a local market maker and reintegrating common shares into repo transactions, the daily trading volume for the year increased by about 170% vs. 2023, thereby reaching an average daily volume of nearly USD 3 million. In 2024, Cementos Argos' common shares ranked among the top of most liquid shares on the Colombian Stock Exchange, as measured by daily liquidity in relation to its free float.

SPRINT will continue to evolve into its 3rd version in 2025, with a renewed focus on maintaining sustainable shareholder value creation and consolidating our position in the financial markets. We will develop new strategies to ensure that our business model continues to generate superior returns, by emphasizing operating profitability, growth, and revenue diversification.

CONSOLIDATED FINANCIAL RESULTS

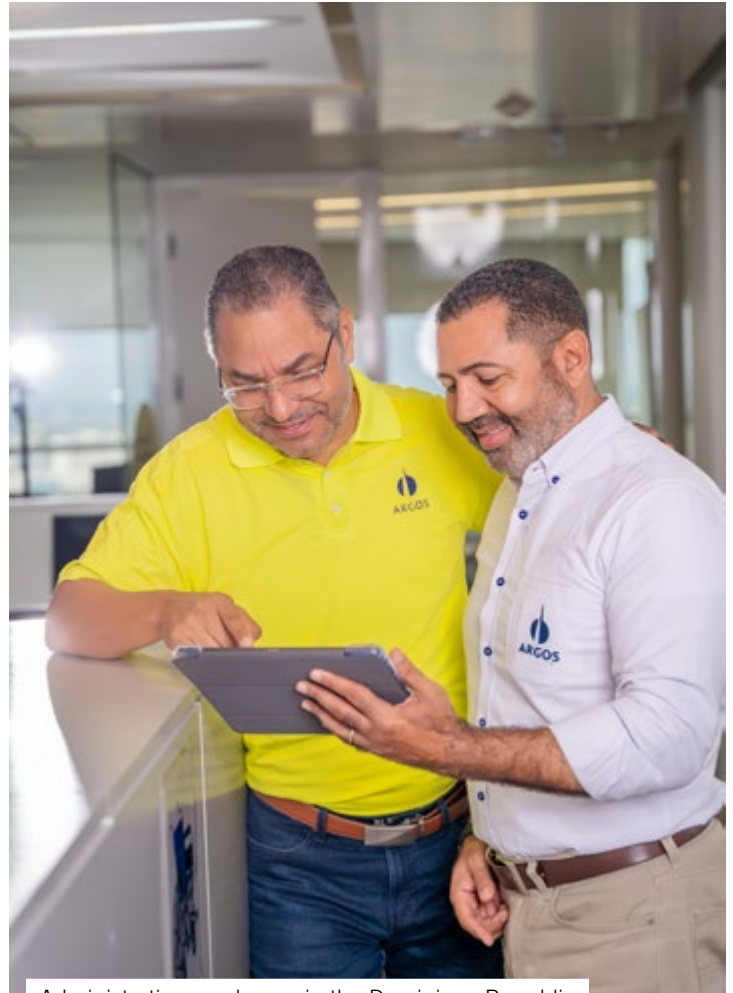
In 2024, operating income and EBITDA reflected significant expansion, driven by our ability to adapt, control costs, optimize supply chains, and incorporate digital technologies to improve operational efficiency and profitability strategies.

In the period from April to December 2024, subject to the approval of this meeting:

- We recorded **consolidated revenues** totaling COP 4 trillion.
- We closed the year with an **operating profit** of COP 457 billion.
- **Net income** reached COP 256 billion, thanks to operating efficiencies and financial hedging strategies.

The main consolidated and annualized figures for historical comparison purposes are as follows:

- **Consolidated dispatches** of 9.3 million metric tons of cement and 2.6 million cubic meters of ready-mix decreased by 3.6% and 5.6%, respectively
- **Consolidated income** totaling COP 5.3 trillion, 3% lower than those achieved in 2023
- **Operating EBITDA** of 1.2 trillion, 8.6% higher than in 2023, with an EBITDA margin of 22.6%, which expanded by 241 basis points and exceeded the goals set
- **Adjusted net income** of COP 504 billion, which is not comparable to 2023 due to the combination of our U.S. assets with Summit Materials during Q1, Q2 and Q3 of 2024, and subsequently, the settlement of the sale to Quikrete in Q4, with the consequent changes in the equity method accounting
- **Leverage** of 2.2 times net debt over EBITDA, which is in line with our goal and strengthens our financial flexibility, positioning us to take on future strategic projects



Administrative employees in the Dominican Republic



9.3

MILLION TONS of cement



2.6

MILLION m³ of concrete



5.3

TRILLION COP in income



1.2

TRILLION COP in EBITDA



Jardín Plaza Shopping Center in Colombia

SEPARATE FINANCIAL RESULTS

A key factor in these results was our strategy of commercial excellence, which allowed us to offset the impact of market conditions and guarantee sustained growth, as well as the significant reduction in total administrative and selling expenses, due to the new organizational design that brings us closer to the best cost efficiency benchmark in the industry.

The figures reflect the strength of our corporate performance and the positive impact of our operations in the different regions and markets. They also reinforce our commitment to transparency and the delivery of sustainable value, supported by robust and reliable financial management.

In addition to the cement, ready-mix and aggregates operating segments in Colombia, Central America, the Caribbean and Trading, the Company has a corporate segment that manages non-operating businesses, revenues and general expenses. In this segment, the organization manages its strategic investments. This includes, on one hand, participations in related and associated companies, and on the other hand, portfolio investments such as that of Grupo de Inversiones Suramericana S.A. The corporate segment, with its distribution of activities among related, associated and portfolio companies, is managed independently, given the difference in the nature of their operations, as well as the associated risks and benefits.

We emphasize the importance of analyzing the separate financial statements together with the consolidated financial statements, including their respective schedules and solvency, profitability, liquidity, and debt ratios, as detailed in the booklet submitted to the Colombian Financial Superintendency, to obtain a complete picture of our financial soundness and better understanding of the information disclosed by the Company.

The separate financial statements of Cementos Argos S.A. reflect a similar trend to that reported in the information of the Colombia segment, both in the consolidated information and in the complementary analyses published to the public securities market and reported to the control agency. Moreover, the separate financial statements include the operation's corporate expenses that support the different geographies.

The main separate figures for the period from April 1 to December 31, 2024, are as follows:

- **Separate operating income** totaled COP 1.3 trillion, concentrated mainly in domestic cement sales
- We closed the year with an **operating EBITDA** of COP 186.389 billion
- **Net income** reached COP 201.253 billion, thanks to operating efficiencies and financial hedging strategies

REGIONAL PERFORMANCE

In 2024, our regionals demonstrated outstanding performance by overcoming challenges and consolidating significant progress:


Colombia Regional

Annual cement shipments exceeded 5.4 million tons of cement and 2.4 million cubic meters of ready-mix, decreasing 8% and 2.7%, respectively. Revenues were about COP 3 trillion, averaging -5.1% year-on-year. Amid a challenging environment, we achieved an EBITDA of COP 784 billion, increasing 5.3%, and an EBITDA margin of 26.6%, growing 263 basis points.

The excellence strategy "From Mine to Market" and the deployment of the Reliable Operations project have allowed us to strengthen our value proposition in the country and increase efficiency throughout the chain, leveraged on the "Customer is Our Passion" program, which commits all employees in the region to maximize shared value and deliver extraordinary solutions by understanding the particularities and needs of our customers.

We transform the concrete business with a new model based on increased productivity, process optimization, and the incorporation of artificial intelligence with technological tools such as the Dispatch Optimizer, which integrates data and analytical resources to improve decision-making and achieve differential competitive advantages for our customers.

5.4 
MILLION TONS of cement

2.4 
MILLION m³
of concrete

784 
BILLION COP
in EBITDA



Andarríos Project with our Modular Solutions

We highlight the opening of 4 new concrete plants in Bogotá to consolidate our presence and improve our service capacity in the Colombian capital, as well as the implementation of a transport optimization plan with Logitrans, thus generating savings of COP 9 billion in freight and reducing costs and emissions.

In addition, in 2024, with our Modular Concrete Solutions plant, we executed more than 14,000 m² of housing and industrial projects in cities such as Bogotá, Medellín, Chía, Zipaquirá, Funza, Mosquera, and Rionegro, for which we produced more than 11,400 m² of specialized elements including stairs, slabs, walls, and roofs. In two years of operation, Soluciones Modulares Argos achieved revenues exceeding of COP 9.6 billion.

1.7 

MILLION TONS of cement

89,000 

m³ of concrete

76 

MILLION USD in EBITDA

Central America Regional

The year's volumes were 1.7 million metric tons of cement and 89,000 cubic meters of ready-mix, +2.2% and -53%, respectively. We reached revenues of USD 252 million, with a year-over-year variation of -1.2%. Adjusted EBITDA closed at USD 76 million, an increase of 12.2%, and an EBITDA margin of 30%, increasing 359 basis points.

In Honduras, we highlight our record clinker production, with an average daily production of 1,800 tons, the achievement of a 6.9% caloric substitution with tire injection and an 8% growth in sales with a price premium of more than 10% above other players in the market. We also recognize the progress made in the pozzolan drying project, which will allow us to produce a general-purpose cement with 49% clinker. This will make it one of the greenest cements in the industry and enable us to reduce specific CO₂ emissions in Honduras, which are currently at 511 (kgCO₂/t cementitious material), a very low value by industry standards.



Tire Co-Processing in Honduras

In Panama, 2024 was an extremely challenging year, with a 7% contraction in the market. In this context, we changed our product portfolio strategy and achieved a market share of around 44% in general-purpose cement. We also transformed our ready-mix business, together with our allied customers, to achieve positive EBITDA in ready-mix for the first time in many years. In addition, we highlighted the dredging of our Bahia Las Minas bulk terminal as the most structural transformation in Panama. Since it is a clinker grinding mill, this terminal allows us to import clinker with a significant reduction in costs and gives us the possibility of supplying aggregates for the American market, which complements the explorations that are underway for this business in Costa Rica and the Dominican Republic.

In Guatemala, we continued to strengthen our value proposition by increasing our sales volume by 25%, with products made in Honduras, representing today almost 2% of the market and more than 12% of the cement imported into the country, under an innovative model of entry into a geography.



Caribbean Regional

During 2024, a total of 1.5 million tons of cement and 101,000 cubic meters of ready-mix concrete were shipped, with year-over-year increases of 1% and 12.5%, respectively. We ended the year with revenues of USD 263 million, an increase of 1.5% year-over-year. Adjusted EBITDA closed at USD 52 million, with growth of 30.8% and an EBITDA margin of 19.6%, which was well above projections with an expansion of 439 basis points.

In Puerto Rico, we highlight the doubling of 2023 EBITDA, the extension of the concession of the terminal where we operate in the Port of San Juan until 2031, and the honorable recognition by the Port Assessment Association for our 'I Promise' safety system for the 3rd consecutive year.

In the Dominican Republic, we again broke production and sales records and made positive progress in implementing the pre-grinding project, which will significantly increase our production capacity.

In Suriname, despite a challenging market context, we celebrated two milestones that directly contribute to reducing production costs: the start of pozzolana supply from the island of Montserrat and the development of a dual-port formula with the Dominican Republic for clinker supply.

Employees in Antilles



In French Guiana, we exceeded our sales and EBITDA targets by attending to important electricity and road infrastructure projects that will transform the territory's competitiveness.

In the Antilles, we consolidated very positive results leveraged on the efficient supply of cement from Cartagena, a well-executed commercial excellence strategy, and improved storage capacity at the terminals with packaging dosing systems.

Finally, **in Haiti**, we continue to operate in a temporary business model with cement supply received from Panama while we reach the right scenario to maintain our presence in the country.



Trading

We achieved revenues of USD 54 million and EBITDA of USD 15 million. We achieved record exports from Cartagena, with more than 1.4 million tons shipped. Our trading network mobilized 3.2 million tons and connected 52 destination ports in key geographies.

SUSTAINABILITY AND INNOVATION

We continue to move forward with our roadmap to a low-carbon economy. We closed the period with emissions of 605 kgCO₂/ton of cementitious material, practically the same as the previous year. We plan to reach 514 kg in 2030 based on energy optimization, reduced clinker use, and greater adoption of alternative fuels in our processes.

We expanded circular economy initiatives in our operations, highlighting the recycling of materials and the reuse of industrial packaging.

With more than ten years of operation and more than five hundred registered customers, **the Green Sacks program has consolidated its position as the environmental solution for managing cement, ready-mix, and lime bag waste** through reverse logistics. In 2024, we collected 711 tons of sacks that were transformed into raw materials for the production of paper pulp, cardboard, and fiber cement. This is equivalent to avoid the felling of 7,140 trees and prevent the emission of 190,000 kgCO₂.



Plant employee holding a soluble sack

43%

OF THE COMPANY'S TOTAL income come from the sale of sustainable products and solutions

We achieved **sales of more than USD 660 million in sustainable products and solutions**, representing 43% of the Company's total income and significantly boosting the development of resilient projects and territories.

We ensure the supply of alternative fuels in the Caribbean Regional to take advantage of more than 21,000 tons of waste per year and contribute to the circular economy and reduce environmental impact.

We continue to be at the forefront of digital transformation on fronts such as implementing digital twin models for the optimization and better management of operations. Through this, we were able to achieve significant savings, much higher than the goal we had set ourselves. We also deployed a new version of Argos One, a reference channel in the industry that will allow us to take this solution to other latitudes and product categories.

In addition, in alliance with Universidad Nacional (Medellín site), we launched the largest concrete 3D printer in Colombia, which allows us to print large-scale housing structures, with the capacity to build a 50 m² house in approximately 32 hours of continuous printing. The investment was about COP 5 billion and reflects our commitment to innovation and efficiency in the construction industry.



SOCIAL IMPACT

Programs such as Home for Me (Casa para Mí, in Spanish) and Healthy Homes (Hogares Saludables, in Spanish) bring hope and transform lives in Colombia, Central America, and the Caribbean. They reaffirm our firm commitment to creating social value and reducing quantitative and qualitative housing deficits in our countries.

With **Home for Me** we promote access to decent low-income housing hand in hand with our builder customers. In 2024, we recorded several milestones that demonstrate the significant impact of this social enterprise. The Miiroku project (which means "water site" in the Wayúu language) to build 30 houses in Uribia (Alta Guajira), stands out as it improves the living conditions of the Kayuswaaralu and Naleep Indigenous communities within the framework of a public-private partnership.

At Miiroku, each home is designed according to high construction standards and adapted to the region's climatic conditions, combining agile construction technologies with the ancestral knowledge and cultural traditions of the Wayúu communities.



Miiroku Project in La Guajira



Healthy Homes beneficiary in Medellín

Through **Healthy Homes**, we have improved more than 5,000 homes in different country departments, replacing dirt floors with concrete floors and improving bathrooms and kitchens. This initiative has benefited about 15,500 people, dignifying their living conditions, generating opportunities for economic growth, and improving their health by preventing the transmission of diseases.

The **Work-for-taxes** Board, for promoting regional development by taking advantage of this mechanism created in Colombia to execute projects with social and economic impact in the areas most affected by the armed conflict, is a national example of efficient and supportive management. We have been able to leverage investments of about COP 350 billion in alliances with more than 19 companies. Of the total, 75% has been directed to tertiary road infrastructure and the remaining 25% to the education sector, benefiting more than 395,000 people.



Employees and community at Valle de Angeles field in Honduras

'Juntos por Urabá' is an initiative of Grupo Empresarial Argos in alliance with public and private actors, which commemorates the Organization's 90th Anniversary through a significant social impact in the town of Nueva Colonia, Turbo (Urabá, Antioquia). With an investment of more than COP 100 billion, it will benefit more than 12,000 inhabitants, reaffirming our commitment to sustainable development in a region with great industrial potential, but with significant social challenges. The main intervention is the construction of the sewerage and basic sanitation system through the Works-for-taxes program, together with the improvement of 1,000 homes through the 'Hogares Saludables' program. In addition, we will build the high school 'Institución Educativa 29 de Noviembre', for 500 students, and Parque Alegría, inspired by Construmundo, our program to connect with new generations, as key spaces for the wellbeing and growth of the entire community.

466,000

USD was the social investment in community infrastructure and housing in the Central America and Caribbean Regionals.

In the **Central America and Caribbean Regionals**, we made a social investment in community infrastructure and housing of USD 466,000, benefiting more than 81,000 people. With 'Hogares Saludables', 215 interventions were carried out in the Dominican Republic to build or transform more than 1,500 m² of roofs and floors, thus improving the housing of more than 740 people. With the 'Concretando Sueños' program and Panama volunteers, we built 10 new homes for 11 beneficiary families. In Honduras, community infrastructure was developed through the construction of a sports field for 360 students and 15 teachers, with an investment above USD 22,000.



Employees in Choloma, Honduras

PEOPLE AND TRANSFORMATION

Our human talent is our greatest asset. Therefore, we strengthened initiatives focused on safety, well-being, training, development and inclusion to consolidate our position as a great company to work.

- In 2024, we consolidated our lost-time incident frequency rate at 0.71, well below the 0.96 we defined as our threshold, a world-class result driven by the 'I Promise' system. This not only reinforces our culture of protection and prevention, but also highlights the importance of working together in all our operations. This makes **6 consecutive years without fatal incidents among direct employees and contractors**. We also highlight the 84% reduction in the consolidated frequency rate over the last 10 years; 48% reduction versus 2023 in total injuries, with an accumulated reduction of 56% over the last five years, and the 16% decrease in road accidents compared to 2023.
- In talent management**, we achieved 100% coverage in the performance evaluation of the executive level, senior management, middle management and specialists, and the Company total population coverage was 79%. In addition, we had a voluntary turnover rate of 5,26%, which reflects the high level of commitment of our employees.
- We have more than 160,000 hours of **on-site and virtual training**. The launch of the Argos Academy stands out, in which we graduated the second cohort of 60 middle and senior management leaders with content focused on performance and organizational culture.
- In inclusion and diversity**, we increased the number of women in historically male-dominated operational roles. We reached almost 40% in the indicator of leadership positions held by women across the Company and reached 27.8% of women in STEM positions.
- As key players in the construction ecosystem, we established an alliance with NUC University in Puerto Rico to promote educational **development in the industry**, strengthen the skills of professionals and contribute to the growth of the sector in the region.

WE ARE A BENCHMARK IN BEST PRACTICES

Various awards received in 2024 support our management and legitimize the exemplary nature of our environmental, social and governance practices:

- **Cementos Argos ranked first among the industry's global companies in the 2024 Dow Jones Sustainability Index's Corporate Sustainability Assessment, with a percentile of 100% and a score of 89 out of 100, and was also included in the Dow Jones Best in Class Index** (formerly Dow Jones Sustainability Index) for the Latin American Integrated Market (MILA)
- **National Award for Corporate Social Responsibility, granted by Camacol** during the Colombian Construction Congress, for outstanding commitment to responsible and sustainable business practices and community welfare
- **Friendly BIZ** certification by the **Colombian Chamber of Diversity**, which accredits Argos as a place that is friendly to sexual diversity

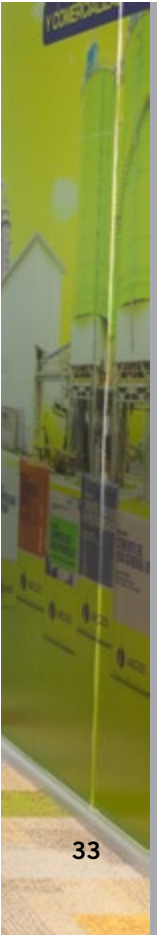


Construction of a school in Dominica

Administrative employees in Honduras



- We obtained the **E Distinction at Expocamacol 2024** for the low-carbon general-purpose cements produced at the Cartagena, Sogamoso, and Rioclaro cement plants, which are part of our sustainable value portfolio
- **Recognition as a Progress Leader in Cornare's Regional Environmental Leadership Program**, in Colombia for our commitment to responsible development and the creation of shared value in the communities where we operate
- **Socially Responsible Company Seal**, from FundahrSE, for the 6th consecutive year in Honduras.
- Recognition for **Corporate Social Responsibility (CSR)** through the Healthy Homes initiative by the Conep and UNDP Promising Practices 4th Edition in the Dominican Republic.





LOOKING TO THE FUTURE

Our approach for 2025 and beyond is clear: Consolidating our leadership position in the construction materials industry, with an emphasis on cement, ready-mix concrete, and aggregates, in Latin America and the United States maximizing value for our shareholders; and continuing to innovate sustainable solutions by leveraging technology to adapt to new business contexts; capturing emerging opportunities and strengthening our global operations, in terms of efficiency and flexibility, to continue advancing our higher purpose of enabling the construction of quality housing and infrastructure dreams for millions of people in the 16 countries and territories where we operate, inspired and motivated by the enormous power of our Company and our industry to transform and generate well-being.

The foundations we have built allow us to face the future with optimism and determination, convinced of the enormous responsibility that lies ahead of us, to continue writing the next chapters of a business history that remains anchored in the foundations of hard work and righteousness, and to continue carrying with humility and responsibility the culture, talent, good name, good energy and creativity of Colombian businesspeople around the world.

On behalf of the entire organization, we thank you for your continued confidence and support.

Cement sacks in Antilles

With the tremendous strategic opportunity presented by liquidity, financial flexibility and the freedom to reinvest in the United States and enter other markets, we will continue to work with integrity, passion and commitment to ensure profitable growth and long-term value creation for the benefit of you, our shareholders and other stakeholders.

Board of Directors

Jorge Mario Velásquez
Alejandro Piedrahita
Rafael Olivella
Cecilia Rodríguez
Carolina Soto
León Teicher
Carlos Gustavo Arrieta

President

Juan Esteban Calle

LEGAL AND CORPORATE GOVERNANCE MATTERS

Argos informs that it complies with the applicable legislation on intellectual property and copyrights in the performance of its corporate purpose.

In compliance with the provisions of Article 29, Law 222/1995 in the Business Group Report, Argos discloses the economic operations carried out in 2024 with the Group's companies. Aspects related to Article 446 of the Code of Commerce are included in the Financial Statements, the Statutory Auditor's Report and herein.

In 2024, transactions with directors and shareholders were carried out in compliance with the provisions of the corresponding regulations and in accordance with market conditions. Details of these transactions are included in notes 37.3 and 40.3 to the separate and consolidated financial statements, respectively.

Likewise, the Company certifies that it did not hinder the free circulation of invoices issued by suppliers, and that its judicial and administrative processes are being attended in a timely and diligent manner by Management and legal advisors, and that no material decisions were made to affect the Company's financial situation.

The internal control system's performance in recording and issuing financial and non-financial information was verified through different activities carried out by Management, the Statutory Auditor, Internal Audit, and the Board of Directors through the Audit, Finance, and Risk Committee. They led to the conclusion that the Company's internal control system works adequately, in accordance with the defined scope of the work plans and the different supervisory activities of each one of them. These activities include the specific review of the figures reported in the financial statements by the Statutory Auditor, the evaluation of the adequate design and operation of the internal control system by the Internal Audit, and the follow-up of the financial statements by the internal administrative committees, i.e. the Audit, Finance and Risk Committee and the Board of Directors.

Also, Management reports that the internal control system did not present any weaknesses that would have prevented the recording, processing, summarizing, and fairly and adequately preparation of financial and non-financial information, nor were there significant frauds that would have affected its condition, quality, and integrity. Furthermore, there were no changes in the evaluation methodology of this system.



Administrative employee in Panama

In 2024, we continued to strengthen our global governance and compliance program. Within the framework of this program, training and communication activities were carried out, and controls were properly implemented to prevent the risks of money laundering, financing of terrorism, financing of the proliferation of weapons for mass destruction, corruption, bribery, fraud, violation of competition rules and the processing of personal data. The report on compliance activities is part to the Integrated Report, and is found in section Business Ethics, Compliance, and Integrity.

In relation to the Company's corporate governance, the Annual Corporate Governance Report is available on the corporate website and is part of the Integrated Report in section Corporate Governance.

With respect to the Company's litigation, judicial, and administrative processes, in compliance with the provisions of External Circular 012/2022 of the Financial Superintendence of Colombia, it should be noted that they are being attended in a timely and diligent manner by Management and legal advisors. In addition, during the reporting period, there were no material decisions that would have affected or have the potential to affect the Company's operation or financial situation materially, nor have they generated or may generate changes in its financial situation. Notes 39.2 and 42.1 to the separate and consolidated financial statements, respectively, detail the judicial and administrative proceedings that, in accordance with International Accounting Standards, must be disclosed as contingent liabilities.

There are no other events known to have occurred between the closing date and the date of preparation of this report that could jeopardize the performance or shareholders' equity.



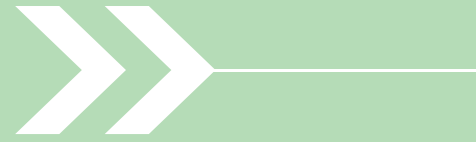
02

CORPORATE GOVERNANCE

ANA MARÍA ARAÚZ AND CELIBETH OVALLE

📍 PANAMA

As part of the Procurement and Negotiation team, they contribute their mind and heart in every strategic decision to ensure timely and efficient purchases that result in the generation of value for our customers.



CORPORATE GOVERNANCE

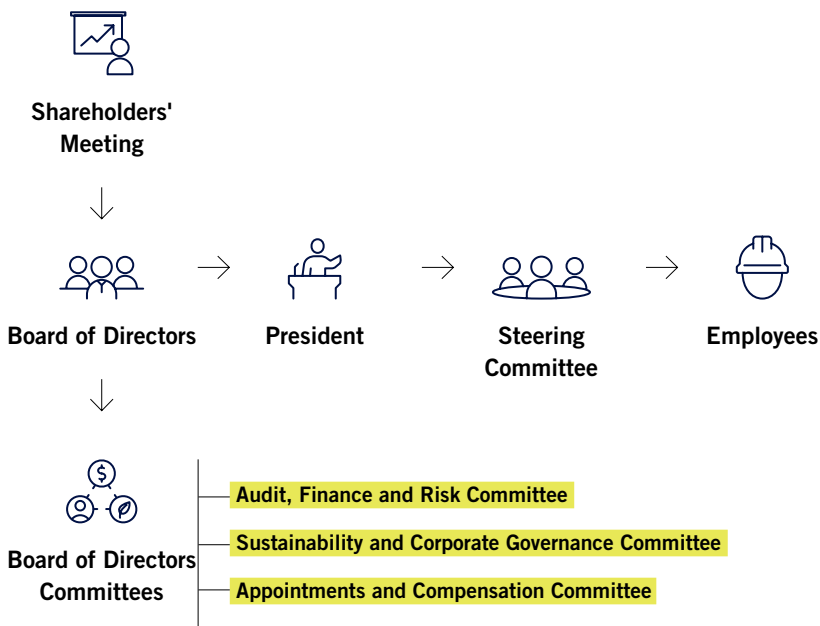
The Company's governance is constantly evolving, focused on generating sustainable value and fulfilling the organizational strategy.

To this end, a framework based on ethics, transparency, and integrity is essential to strengthening the culture of compliance and the responsible achievement of objectives. This reflects our conviction that these pillars are essential and non-negotiable.



Yumbo Plant, Colombia

Our Corporate Governance Scheme



Its mission and functions are regulated in the Company's various corporate governance instruments available on the corporate website:

- Corporate Bylaws
- Corporate Governance Code
- Code of Business Conduct
- Board of Directors Appointment, Compensation and Succession Policy
- Policy on Transactions between Affiliated Companies
- Policy on Relationship between Companies Related to Grupo Empresarial Argos



These documents are available under **Corporate Governance.**



Board of Directors and Steering Committee at Stanford University

2024 HIGHLIGHTS

Commitment to generating value for shareholders

As part of the constant search to deliver value to shareholders, a series of initiatives were carried out during 2024 that contributed to the Company's transformation process.



RECOGNITIONS IN CORPORATE GOVERNANCE

For over 10 years, the Company has been included in the **Dow Jones Best in Class Index** (formerly Dow Jones Sustainability Index). In the 2024 edition, scored 89 points out of 100, an increase of 3 points versus 2023. Thus, **occupies the first position within the construction materials industry**, which is part of this measurement.

On the other hand, **the Company obtained, for the 12th consecutive year and with a score of 84.8 out of 100, the IR Recognition awarded by the Colombian Stock Exchange**, highlighting the best standards for disclosure of information and investor relations of securities issuers in Colombia.



TRAINING AND EXTERNAL ADVICE RECEIVED BY MEMBERS OF THE BOARD OF DIRECTORS

In April, the directors initiated a face-to-face leadership program at Stanford University, focusing on strategy and the future of the building materials industry, which featured lectures and panels from experts and academics related to digital transformation, strategy, sustainability, challenges for the construction industry, and innovation.

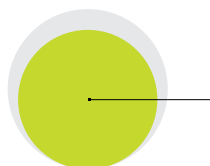
This program was complemented by a strategic exercise led by an expert strategy consultant. The exercise included conferences and discussion workshops that laid the foundations for the organization's new strategic vision.

SHAREHOLDERS' MEETING

In 2024, three meetings of the Company's highest management body were held, where relevant corporate governance decisions were made.

Approvals granted by the Shareholders' Meeting

First Ordinary Meeting



1,003,182,597
Registered Common Shares

Quorum¹: **86.99%**

The Ordinary Shareholders' Meeting was held in person at the Company's registered office on March 18. In addition to the required regulatory approvals and the approval of the distribution of COP 160,000,000,000,000 in dividends for the period from January 1 to December 31, 2023, which were paid in April, the following decisions were made:



Amendment to the Company's bylaws

Approval of an amendment to the Company's bylaws to include transitory articles that would allow for an additional closing on March 31, 2024, so that an Ordinary Shareholders' Meeting could be called in Q2 2024 to submit for approval an additional dividend distribution as a consequence of the closing of the integration with Summit Materials and to increase the share repurchase program under the SPRINT 2.0 program.

Amendments related to the administration of the business were approved so that: (i) any act or contract related to the ordinary course of the Company's business, regardless of its amount, might be executed by the legal representatives; and (ii) the number of legal representatives of the Company might be reduced.



Election of the Board of Directors and the Statutory Auditor

Ratification of the Board of Directors made up of the patrimonial members: Jorge Mario Velásquez, Alejandro Piedrahita, and Rafael Olivella; and the independent members Carlos Gustavo Arrieta, Cecilia Rodríguez, Carolina Soto, and León Teicher. KPMG was also ratified as a Statutory Auditor.



Shares repurchase program

Approval of a new phase of share repurchase for COP 125,000,000,000,000 following the successful execution of the repurchase program initiated in 2023.



Conversion of preferred shares to common shares

Approval of the program to convert preferred shares into common shares, with an exchange ratio of 1 preferred share per 0.85 common share. This value represented a premium of approximately 12% versus the average of the last 5 years and was within the range suggested by independent investment banking.

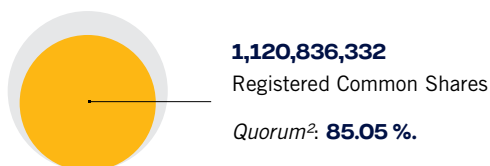
This proposal was approved with the favorable vote of 88.02% of the outstanding common shares and 80.67% of the outstanding preferred dividend and non-voting shares. There were no votes against.

In April, the Colombian Financial Superintendency approved this transaction, and in May, the process of converting 99.8% of the non-voting preferred dividend shares into common shares was successfully concluded. This means that almost all of the Company's shareholders now have the voting rights conferred by such shares.

As a result, today, Argos is a company with almost 100% of its capital represented in common shares, which, on the occasion of the share conversion, achieved the capitalization and liquidity necessary to be eligible for the MSCI Emerging Markets and FTSE Russell indices.

¹ Calculated based on the number of outstanding shares at the time of the meeting; that is **1,153,171,113**.

Second Ordinary Meeting



The amendment to the bylaws was approved at the Ordinary Shareholders' Meeting in March 2024. It incorporated transitory articles to allow, only in 2024, a fiscal year from January 1 to March 31, to submit for consideration at the following meeting the distribution of additional dividends derived from the extraordinary profit generated by the combination transaction of Argos USA with Summit Materials, completed in January 2024. Pursuant to this reform, on June 13, an Extraordinary Shareholders' Meeting for the distribution of the aforementioned extraordinary dividend was held in a non-presential manner and through a virtual platform that guaranteed the identification of the shareholders, their participation via chat and the exercise of their voting rights.

At that meeting, the Company approved the distribution of approximately COP 430,000,000,000,000 in dividends, corresponding to the period from January 1 to March 31, 2024, which were paid between July 2024 and January 2025.



Extension of the share repurchase program

Approval of the extension of the share repurchase program and authorization to allocate COP 375,000,000,000,000 of the share repurchase reserve to said program.

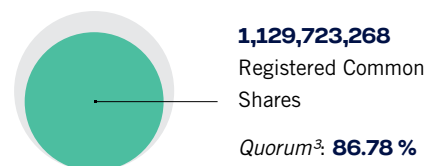
A committee comprised of Carolina Soto and León Teicher, independent members of Argos's Board of Directors, and Felipe Aristizábal, the Company's Financial Vice President, was appointed to define the execution and implementation strategy for the repurchase program. They have been responsible for determining the repurchase mechanism, the amount and the date where the transactions will be carried out, as well as any other aspect necessary to meet the Company's objectives, and for executing all acts necessary to complete the repurchase transactions.

During 2024, a total of COP 295 billion in Company share repurchases were executed, which constituted a fundamental mechanism for delivering value to shareholders and supporting share liquidity. In total, since September 2023, when the share repurchase initiative began operating, and through December 31, 2024, COP 340 billion in company share repurchases have been executed. There is currently a share repurchase program in place amounting to COP 500 billion, of which 44% has been executed.

**FOR MORE INFORMATION ON THIS PROGRAM,
SEE SECTION PROFITABLE GROWTH ON PAGE 84.**

² Calculated based on the number of outstanding shares at the time of the meeting; that is **1,317,855,871**.

Extraordinary Meeting



In November, within the framework of the SPRINT program, the Board of Directors was convened to deliberate and decide on the strategic alternatives regarding Argos' share interest in Grupo de Inversiones Suramericana S. A. (Grupo Sura) regarding all acts, agreements, and operations required for its implementation.

On the occasion of such call, pursuant to the provisions of numeral 7, Article 23, Law 222/1995, in accordance with Decree 046/2024, the patrimonial members of the Board of Directors, Jorge Mario Velásquez, Alejandro Piedrahita and Rafael Olivella, and the legal representatives of the Company, informed the shareholders of certain circumstances that could generate potential conflicts of interest for making the decisions referred to and for their implementation, and requested the Shareholders' Meeting to authorize them with respect to conflicts of interest.

On December 6, an Extraordinary Shareholders' Meeting was held in a non-face-to-face manner. The Meeting granted the required authorization regarding potential conflicts of interest to: (i) the aforementioned members of Argos' Board of Directors, to deliberate and decide on the Company's strategic alternatives with respect to its shareholding in Grupo Sura, as well as on all acts, agreements and operations required for their implementation; (ii) Argos' legal representatives, to enter into and execute all acts, agreements and transactions required for the preparation and implementation of the strategic alternative defined with respect to Argos' share interest in Grupo Sura.

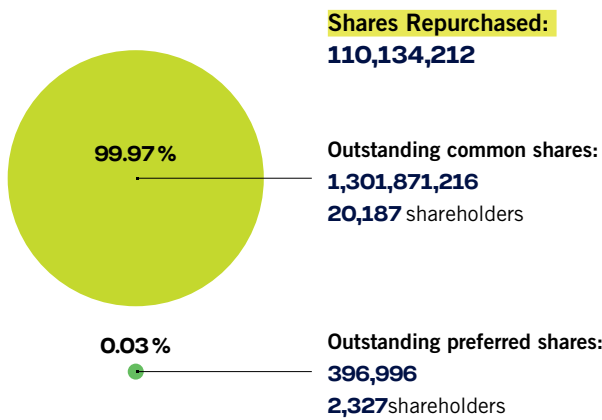
³ Calculated based on the number of outstanding shares at the time of the meeting, i.e. **1,301,871,216**.

OWNERSHIP STRUCTURE

Argos' authorized, subscribed and paid-in capital at the end of 2024

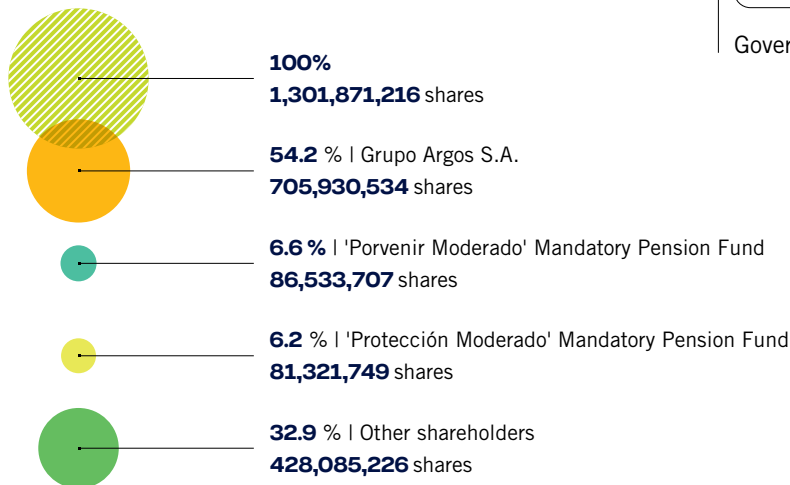
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|---------------------------------------|--|
| Authorized Capital | \$624,000,000,000 represented by 1,500,000,000 shares, with a par value of COP 416 each. |
| Subscribed and paid-in capital | \$587,369,527,264 represented by 1,411,945,979 shares, with a par value of COP 416 each. |

Classes of Shares



Major Shareholders

Holders of the Company's common shares as of December 31, 2024:



Shares held by directors and administrators

In 2024, no members of senior management or legal representative traded any Company shares.

The following members of the Board of Directors hold Company's common shares:

León Teicher

36,487 shares | 0.00280%

Carlos Gustavo Arrieta

12,000 shares | 0.00092%

Cecilia Rodríguez

7,860 shares | 0.0006%

On March 3, 2024, the Board of Directors authorized Director León Teicher to purchase up to 10,000 shares of common shares. In accordance with the provisions of Article 404 of the Commercial Code, this authorization was granted with the favorable vote of all the members of the Board, except the applicant's vote. Pursuant to this authorization, on March 7, 2024, Director León Teicher acquired 5,000 common shares.



The guidelines for the negotiation of Argos shares by directors, administrators and employees are regulated in the Corporate

Governance Code. **Find it here.**



Shareholders' Meeting

SHAREHOLDERS' MEETING

It is the highest governing body of the Company and is comprised of all the holders of common shares. In the three meetings of said body previously referred to in the chapter on relevant events regarding corporate governance, the guarantees and rights of the shareholders were maintained, which are contemplated in the law, the bylaws and other corporate governance instruments of the Company.



Find here information related to the dividends approved by the Shareholders' Meeting.

The main rights of the shareholders include:

- Be treated equally and fairly
- Be fully and timely informed of relevant information
- Participate in decisions within its competence
- Evaluate the Company's management and formulate proposals for better performance



See Shareholders' Rights **here**.

Performance regarding the Legal Regime and Measures Taken over the Year to Encourage Shareholder Participation

Under the premise of providing our shareholders with equitable and fair treatment and in order to guarantee the exercise of their rights, in addition to complying with the applicable legal regime, in 2024, the Company implemented a series of good governance practices adopted to carry out the Shareholders' Meeting:

- Notice for ordinary meetings given at least 25 calendar days in advance
- During the notice term, shareholders may consult the Meeting documents on the Company's website and at its registered office
- Proposals submitted to the shareholders for their consideration are published in advance
- No items such as "miscellaneous" or "other matters" or similar items that prevent prior knowledge of the totality of the matters to be discussed are included in the notice of meeting
- When the Meeting is intended to deal with a substantial change in the corporate purpose, waiver of preemptive rights on the subscription of common shares, change of the registered office, early dissolution, or spin-off of the Company, these matters must be expressly stated in the notice of meeting, which must be issued no less than 25 calendar days in advance
- When a meeting provides for the election of members of the Board of Directors, the information made available to the shareholders must contain the proposal of candidates who will be members of the Board of Directors

In 2024, we implemented the following measures to encourage shareholder participation in the Shareholders' Meeting:

- Notices for the ordinary and extraordinary Shareholders' Meeting were published in the newspaper of the Company's registered offices as relevant information through the mechanism provided by the Financial Superintendency of Colombia. They were also published in the Shareholders' Meeting and relevant information sections of the corporate website
- Strategies were implemented, in coordination with Deceval, administrator of the Company's shareholder ledger, to promote shareholder attendance at meetings, through a pre-registration mechanism and confirmation of attendance prior to the meeting

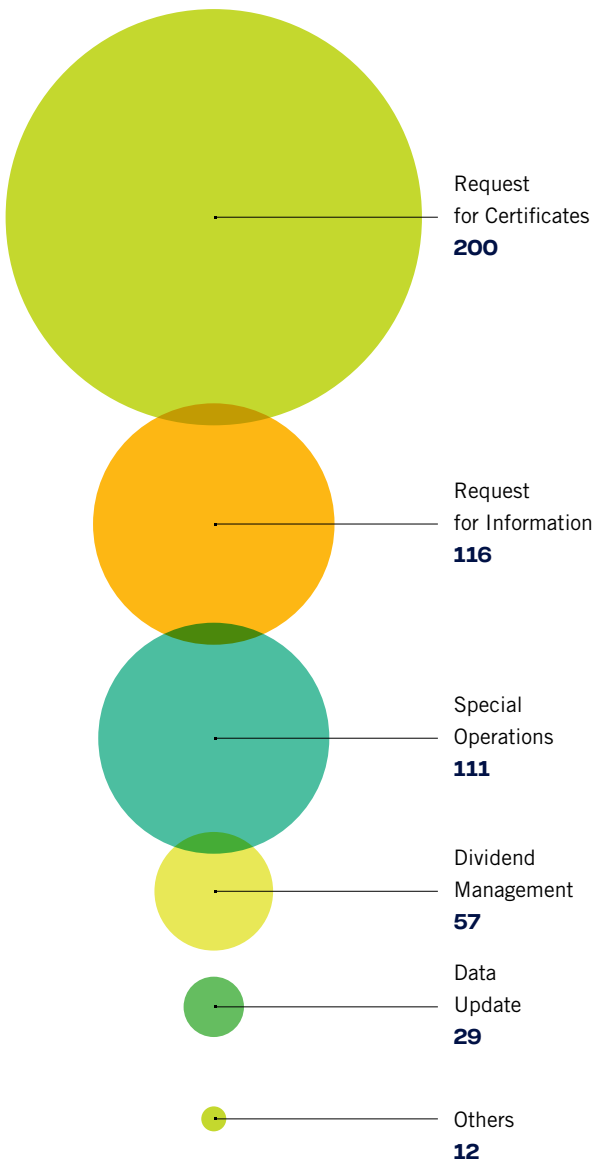
- An instruction manual was made available to the shareholders for participation in the ordinary and extraordinary non face-to-face meetings, which contained the step-by-step instructions for pre-registration, access to the virtual room and voting on the day of the respective meeting
- A proxy form was provided to shareholders wishing to be represented, which included the items to be discussed in the agenda of the respective meeting
- Information on the candidates for the Board of Directors has been published for the information of our shareholders
- Conference calls were held for shareholders, analysts and the general public to present the Company's quarterly results

In addition, we have various information mechanisms and customer service channels for our shareholders and stakeholders, seeking to encourage their participation and the exercise of their rights:

- **Argos's website** in both English and Spanish provides information on the Company's performance, structure, results, governance, and control (argos.co/ir)
- **4 quarterly earnings conferences and 2 special transaction conferences** to announce the closing of the combination transaction with Summit and the subsequent sale of Summit to Quikrete
- **Integrated Report and periodic reports** on the environmental, economic, and social management of Argos
- **71 publications of relevant information** on the Company's website and the Colombian Financial Superintendency's website
- **Transparency Line**, operated by an independent third party to anonymously report actions contrary to our conduct and corporate governance guidelines
- **Shareholders' Meetings** convened sufficiently in advance so that shareholders may exercise their rights and actively participate
- **146 meetings with direct assistance** to analysts from brokerage firms, pension and investment funds, foreigners, and other shareholders.
- **Direct communication with the Investor Relations teams** through their contact: (601) 313 90 00 - ir@argos.com.co, or at Carrera 43A #1A sur 143, Torre Norte, Medellín.

- **Investor Service Center**, managed by Deceval. In 2024, we responded to **525** shareholder queries:

Shareholder Queries



Shareholder Agreements

No shareholder agreements have been deposited with the Company's General Secretary's Office.

MANAGEMENT SCHEME



Board of Directors

Our Board of Directors is the management body primarily responsible for making decisions regarding corporate strategic objectives and following up on all decisions made to achieve them in the permanent search for the Company's and shareholders' best interest. In addition, it is the body responsible for directing and supporting management in the handling the business and risks faced by the Company.

- The Board of Directors is composed of seven (7) principal members, without alternates, of which four (4) meet the independence criteria set forth in Law 964/2005 and the Company's Corporate Governance Code
- The Board of Directors is elected annually by the Shareholders' Meeting
- No Argos employee is a member of the Board of Directors
- No member of our parent company, Grupo Argos S.A., Board of Directors is a member of Argos' Board of Directors or holds executive positions in the Company. Jorge Mario Velásquez, Rafael Olivella and Alejandro Piedrahita, members of Argos' Board of Directors are President, Legal Affairs Vice President, and Strategy and Corporate Finance Vice President at Grupo Argos S.A., respectively
- Directors may not be in any of the circumstances of incompatibility or disqualification established in the Corporate Governance Code in order to be elected and remain in office
- The criteria for the election of the Board of Directors include personal qualities, knowledge relevant to the Company's activity, framed in basic analytical skills, management, strategic business vision, risk management, diversity, and experience in sustainability that allow them to perform their duties adequately
- The appointment of Argos' Board of Directors is regulated by the Company's bylaws, the Corporate Governance Code and the Board of Directors' Policy on Appointment, Compensation and Succession



You can find these documents **here** in the Investors/Good Practice section.

Argos' Board of Directors is comprised of a diverse team with the personal skills, knowledge and experience to properly manage the company. In turn, its current conformation reflects a reasonable symmetry with the Company's shareholding structure.

The profiles of the members of the Board of Directors elected for the 2024-2025 term are presented below:



1

JORGE MARIO VELÁSQUEZ
 President, Grupo Argos S. A.
 2016



2

RAFAEL OLIVELLA
 Legal Affairs Vice President, Grupo Argos S. A.
 2020



3

ALEJANDRO PIEDRAHITA
 Corporate Strategy and Finance Vice President,
 Grupo Argos S. A.
 2018



4

CECILIA RODRÍGUEZ
 President, Corporación Bioparque
 2012



5

CARLOS GUSTAVO ARRIETA
 Arrieta, Mantilla y Asociados Partner
 2012



6

CAROLINA SOTO
 Senior Associate, Dattis Comunicaciones
 2023



7

LEÓN TEICHER
 Independent Consultant
 2012



Find **here** the Directors' resumes.

Attendance at meetings:
 19/19: **2 3 4 5 6 7**
 18/19: **1**

Patrimonial Members

1 Jorge Mario Velásquez

Participation in other companies' boards of directors*

Celsia S. A.
Odinsa S. A.
Grupo de Inversiones Suramericana S. A.

Experience

- Strategy
- Corporate Finance
- Commercial Matters
- Construction Materials Industry
- Infrastructure
- Crisis Management
- Sustainability
- Government
- International Public Policy

2 Rafael Olivella

Participation in other companies' boards of directors*

Celsia S. A.
Odinsa S. A.

Experience

- Strategy
- Risks
- Internal Control
- Construction Materials Industry
- Infrastructure
- Crisis Management
- Legal Matters
- Sustainability
- Government
- International Public Policy

3 Alejandro Piedrahita

Participation in other companies' boards of directors*

Odinsa S. A.
Pactia S. A.
Celsia S. A.
Grupo de Inversiones Suramericana S. A.

Experience

- Strategy
- Risks
- Internal Control
- Corporate Finance
- Commercial Matters
- Construction Materials Industry
- Infrastructure
- Crisis Management
- Government
- International Public Policy

Committees



Audit, Finance and Risk Committee

Attendance

3 5/5 **5** 5/5 **7** 4/5



Sustainability and Corporate Governance Committee

Attendance

2 2/3 **4** 3/3 **6** 2/3



Appointment and Compensation Committee

Attendance

2 3/3 **3** 3/3 **4** 3/3 **5** 3/3

Independent Members

4 Cecilia Rodriguez

Experience

- Construction Materials Industry
- Infrastructure
- Crisis Management
- Sustainability
- Government
- International Public Policy

5 Carlos Gustavo Arrieta

Participation in other companies' boards of directors*

AMYA Inversiones S. A.

Experience

- Risks
- Construction Materials Industry
- Infrastructure
- Crisis Management
- Legal Matters
- Sustainability
- Government
- International Public Policy

6 Carolina Soto

Participation in other companies' boards of directors*

Enel Colombia S. A. E. S. P.
Bolívar Group S. A.

Experience

- Risks
- Strategy
- Corporate Finance
- Taxes
- Energy Sector
- Infrastructure
- Crisis Management
- Sustainability
- Government
- International Public Policy

7 León Teicher

Participation in other companies' boards of directors*

Seissa S. A.

Experience

- Risks
- Internal Control
- Corporate Finance
- Commercial Matters
- Construction Materials Industry
- Infrastructure
- Crisis Management
- Sustainability
- Government
- International Public Policy

* The information corresponds to the participation in boards of directors of corporations.

Functions of the Board of Directors

Our Board of Directors is responsible for strategic definition functions, directing and supporting senior management in the management and monitoring of the strategic plan, oversight of key issues, including the monitoring of economic, environmental and social risks and opportunities, control of the ordinary course of business and governance. In addition, it is supported by specialized committees to which it formally delegates the exercise of certain functions on an ad hoc basis.



The operating regulations of the Board of Directors may be found in Chapter 3 of the Corporate Governance Code, [available here](#).

In 2024, the Board complied with the previously established schedule of meetings, using technological tools, legal provisions, and internal policies. It also held extraordinary meetings, which were called in accordance with the provisions of the bylaws.

19 BOARD OF DIRECTORS' MEETINGS

(11 face-to-face and 8 non-face-to-face)

SUPPORTIVE COMMITTEE MEETINGS



Audit, Finance and Risk Committee:



Sustainability and Corporate Governance Committee:



Appointment and Compensation Committee:



In terms of corporate governance, it is worth mentioning the change that arose from converting preferred shares into common shares, which was completed in May. From that moment, **almost all of the Company's shareholders have voting rights as conferred by common shares.**

No amendments were made to the corporate governance documents during the reporting period, except for the amendment to the Company's bylaws referred to in Highlights under Corporate Governance above. No new policies or procedures were approved on this matter.



Chairman of the Board of Directors

The Chairman of the Board of Directors is Jorge Mario Velásquez, who is responsible for duties including but not limited to: (i) facilitate the Board of Directors to set and implement the strategic direction of the corporation efficiently; (ii) coordinate and planning the operation of the Board of Directors by establishing an annual work plan; (iii) call the meetings, directly or through the Secretary of the Board of Directors; (iv) chair the meetings and managing the debates; and (v) monitor the active participation of the members of the Board of Directors.



Secretary of the Board of Directors

The Company's general secretary is María Isabel Echeverri, who is responsible for duties including but not limited to: (i) provide in due time and form the information to the directors; (ii) duly state in the minute books the performance of the sessions; (iii) ensure that the actions of the Board of Directors are in accordance with the applicable regulations; (iv) provide legal advice to the Board of Directors; and (v) communicate the decisions of the Board of Directors to the different areas and officers of Argos.

Relationship of the Board of Directors with the Statutory Auditor, Financial Analysts, Investment Banks and Rating Agencies

In 2024, the Statutory Auditor's representative attended all the meetings of the Company's Audit, Finance, and Risk Committee as an invitee. This committee informed the Board of Directors of the reports and progress of its work plan.

The Board of Directors was informed, through the report submitted by the Sustainability and Corporate Governance Committee, of the Corporate Sustainability Assessment (CSA), an evaluation carried out by the risk rating agency Standard and Poor's (S&P), in which the Company scored 89 points in total, thus occupying the first position within the construction materials industry that are part of this measurement.



Board of Directors

Compensation Scheme for the Board of Directors, Senior Management and Statutory Auditor

In compliance with the Board of Directors Appointment, Compensation, and Succession Policy, directors' fees are defined annually by the Shareholders' Meeting in accordance with the structure, responsibilities, duties, and time they devote to the Board of Directors.

At the Meeting held on March 18, 2024, the fees for the period from April 2024 to March 2025 were established:

Members of the Board of Directors

COP 9,300,000 per month

Members of the Board Committees

COP 9,300,000 per month

Directors Jorge Mario Velásquez, Alejandro Piedrahita and Rafael Olivella, since they are linked to Grupo Argos, did not receive fees for their participation in the Board Committees, as approved by the Shareholders' Meeting.

Evaluation of the Board of Directors

In recent years, the mechanisms for internal and external evaluation of the Board of Directors have been implemented in order to develop best corporate governance practices and comply with the provisions of the Board of Directors' operating regulations contained in the Corporate Governance Code.

In 2024, a self-assessment was carried out to monitor the functioning of the Board of Directors and its support committees and to obtain information on each member's perception of the knowledge, dynamics, and contribution of these bodies and their members.

The results of this exercise were positive. Particularly outstanding were the ratings given to the functioning of the meetings of the Board of Directors and its supportive committees, the diversity in the composition of the Board of Directors and the participation of this body in the definition of the Company's strategy and its follow-up. These results were evaluated by the Sustainability and Corporate Governance Committee and the Board of Directors and will be taken into consideration for the permanent improvement dynamics of the management body.



Click here to view the results of the 2024 Board of Directors' self-assessment.

Board of Directors Supportive Committees

The Board of Directors has three committees to support its work, made up exclusively of Board members. Their main activities during 2024 were:



Click here for a detailed description of the functions of the Board Committees, in the Corporate Governance Code.



Audit, Finance and Risk Committee

Meetings



- Validation of the financial statements and material issues that affect the organization's strategy and financial reporting to stakeholders
- Monitoring of strategic risks and actions implemented by Management to mitigate them in accordance with the risk appetite
- Follow-up on the annual plan of the internal audit and the statutory auditor, including the most relevant results, and the implementation of the action plans defined to strengthen internal control
- Follow-up on the results of the investigations associated with complaints from the Transparency Hotline
- Follow-up on the development of the general compliance program
- Follow-up on the cybersecurity strategy and the implementation of the most relevant initiatives associated with it



Sustainability and Corporate Governance Committee

Meetings



- Review of the proposed amendment to the bylaws
- Follow-up on the annual corporate governance report and review of progress on the corporate governance assurance plan
- Board of Directors' action plan for 2024
- Monitoring of occupational health and safety, CO₂ and other sustainability indicators
- Approval of the updated decarbonization roadmap and sustainability strategy goals
- Socialization of progress of the compliance program
- Results of the performance self-assessment of the Board of Directors and its Committees
- Discussion of other projects related to corporate matters



Appointment and Compensation Committee

Meetings



- Definition of human talent policies
- Definition of goals and review of the results of the PRO variable compensation system
- Review of the top management compensation model and aspects for strengthening diversity in the organization
- Review of the results of the work environment and psychosocial risk



Relationship between Affiliated Parties

Transactions between companies related to Grupo Empresarial Argos are regulated in the bylaws and in the Policy on Transactions between affiliated Companies.

According to these guidelines, transactions entered into by and between companies that are part of different businesses of Grupo Empresarial Argos shall be considered material when they are not within the ordinary course of business of each Company, and must be carried out under conditions different from market conditions, give rise to the publication of relevant information or require the authorization of the Board of Directors according to the bylaws.

When transactions between different Grupo Empresarial Argos businesses are intended to be carried out, the respective companies must present them to the Strategic Committee of each business to analyze whether they are material transactions.

If they are material transactions or there is any doubt about them, the president of each company should consult with its Audit, Finance, and Risk Committee. If the committee classifies the transactions as material, it shall prepare a report to the respective Board of Directors, which shall analyze the report and decide on the approval of the material transactions submitted for consideration.

If these are not material transactions, each company will proceed to negotiate, enter into and execute them in accordance with its applicable internal regulations.

The detail of the operations carried out between related companies is included in the special report made pursuant to Article 29, Law 222/1995, which is part of the information made available to the shareholders prior to the ordinary Shareholders' Meeting.

Conflicts of Interest of Senior Management and Board of Directors

Directors must disclose potential conflicts of interest in which they may be involved during Board meetings where they identify a situation that could give rise to such a conflict with respect to the matters to be discussed or through the Annual Statement of Potential Sources of Conflicts of Interest. Likewise, members of senior management must disclose potential conflicts in which they may be involved during their office, through the Annual Statement of Potential Sources of Conflicts of Interest. In the event of conflicts that may affect their independence or objectivity, the necessary measures are established for their adequate management, as stipulated in the Corporate Governance Code and the Code of Business Conduct.

The potential conflicts stated by directors and members of senior management for the period correspond to their participation in the boards of directors of other companies, the existence of personal relationships with Argos' stakeholders and the interest held by any of the directors in the company.

Senior Management Compensation Scheme

Concerning Senior Management Compensation Schemes, we have adopted the highest market standards to ensure the attraction and retention of the best talent with the skills, competencies, and leadership necessary to develop the strategy, achieve superior results, and build sustainable long-term value.

The compensation philosophy considers the principles of internal equity, external competitiveness and business sustainability. These foundations are observed in all compensation elements and evaluated in light of best practices, including the HAY valuation methodology. This methodology carefully analyzes each position in terms of knowledge, level of responsibility, and problem-solving to generate criteria for internal and external benchmarking.

Senior management's variable compensation is performance-based to motivate superior results by ensuring a correlation between rewards and company performance, and thus, alignment with shareholders' interests.

The Organizational Performance Bonus (PRO), an essential component of variable compensation, represents between 30% and 40% of Senior Management's total compensation. This program is composed of a long-term and a short-term system, which evaluates indicators that leverage the strategy, our commitment to sustainability in all dimensions, and organizational objectives. It considers financial and non-financial aspects, external perception, operational, climate change and environmental management, and occupational health and safety management performance, among others.

The short-term component is comprised of a combination of indicators such as EBITDA, net income, net debt/EBITDA, debt stock and occupational health and safety. The long-term is evaluated on an annual basis but is consolidated after 3 years. This benefit is obtained through a fund that invests in common shares of Argos and other companies and can only be received once the vesting period we have defined has elapsed. This system encourages decision-making with a long-term vision to achieve and exceed objectives in a sustainable manner, and links Senior Management's variable compensation to the organization's performance. It should be noted that this program has a framework of action that seeks to shield the value delivered by the Company to shareholders, based on the payment of the performance bonus not exceeding 10% of net income before minority interests.

Statutory Auditor's Remuneration Scheme

In accordance with the Company's bylaws, the Shareholders' Meeting has the duty to define the Statutory Auditor's compensation, which was established for the period April 2024-March 2025 at an annual allowance of COP 1,304,384,000 plus VAT, payable in 4 quarterly installments.

INTERNAL CONTROL

Internal Control System: A Strategic and Management Pillar

At Argos, we promote an effective internal control system as a basis for guaranteeing its operational and strategic integrity. This system is based on a corporate culture guided by ethical values, proactive risk management and the implementation of internal controls at all Company levels. To this end, we have established clear guidelines, defined roles and responsibilities, with emphasis on adequate segregation of duties, and we have implemented evaluation, follow-up and monitoring processes that support the achievement of strategic objectives, regulatory compliance and the protection of organizational assets.

The methodological framework of the Company's internal control system is based on recognized international standards, such as COSO and COBIT, as well as on quality standards linked to internal control and risk management best practices. This approach allows us to align the control culture with corporate objectives, ensuring efficiency, effectiveness and consistency throughout the Company's operations.

Structure of the Internal Control System

The system is designed with an integral structure involving several key areas in the supervision and management of internal control:



Management

Responsible for the design and implementation of internal controls.



Risk Management Area

Responsible for identifying, evaluating and mitigating significant risks.



Compliance Area

Responsible for ensuring adherence to applicable regulations and internal policies.



Internal Audit Area

Responsible for conducting an independent and objective system evaluation.



Statutory Auditing

Responsible for providing an external review of the reasonableness of the financial reports.



Board of Directors and supportive committees

Responsible for overseeing the system in accordance with the Code of Good Corporate Governance, the bylaws and Company policies.

Role of Internal Audit

Internal Audit, with independence and objectivity, develops an annual work plan based on the prioritization of critical risks and key business processes. This plan is submitted for approval to the Audit, Finance and Risk Committee, which periodically monitors its execution. The most relevant results are reported at least 4 times a year to show system performance and opportunities for improvement

2024 Evaluation and conclusions

During 2024, Senior Management, the Risk Management and Internal Audit areas, the Statutory Auditor and the Board of Directors, through the Audit, Finance and Risk Committee, evaluated the design and effectiveness of the internal control system according to their respective work plans and scopes.

The assessments concluded that the system, in general, operates adequately and the identified opportunities for improvement were managed with due diligence, promoting continuous improvement and adequate mitigation of potential exposures.

Management statement

Management reports that during the reporting period, no significant or material deficiencies were identified in the design or operation of internal controls that could have compromised the organization's ability to accurately record, process, summarize or present financial and non-financial information. There were also no reports of fraud affecting the quality, integrity or accuracy of such information or changes in the methodology used to evaluate the financial reports.

This commitment to excellence in internal control reinforces the Company's position as a reliable, transparent organization aligned with international best practices.

Elements of the Internal Control System



Control Activities

- Management and Supervisory Committees
- Roles and Responsibilities
- Performance Indicators
- Second Line of Defense Roles
- Segregation of Duties
- IT Controls and Cybersecurity
- Process Controls
- Documented Procedures



Risk Management

- Risk Management Policy
- Audit, Finance and Risk Committee
- Risk Management Methodology
- Quantification of Impacts
- Scalation



Control Environment

- Organizational Structure
- Supervisory Committees
- Corporate Governance and Ethics Code
- Policies and Procedures
- Compliance System



Information

- Organizational Structure
- Supervisory Committees
- Corporate Governance Code and Ethics Code
- Policies and Procedures
- Compliance System



Monitoring

- Boards of Directors and Support Committees
- Management and Supervisory Committees
- Internal Audit
- Controlling
- Compliance
- Statutory Auditing

STEERING COMMITTEE

Argos' Steering Committee follows the guidelines established by the General Shareholders' Meeting and the Board of Directors. Its main responsibility is to implement, monitor and control the business strategy, including sustainability issues.

In addition, it conducts an ongoing review of global and local trends to identify latent risks and opportunities, market conditions, industry realities and other relevant factors in the environments where we operate. Based on these analyses and in conjunction with the Risk area, they prepare action plans that may be potential sources of value creation and may generate a benefit or competitive advantage for the organization.

Its main functions are:

- Lead the execution of the corporate strategy
- Communicate clearly and effectively corporate expectations and objectives
- Present progress and implement improvements and recommendations made by the Board of Directors on the different processes of the organization
- Approve projects and initiatives that improve the organization's performance and ensure compliance with the corporate strategy
- Deploy guidelines, monitor and follow up on the management of the Company in a comprehensive manner, ensuring compliance with the commitments acquired with the Board of Directors and shareholders
- Provide feedback and guidance to employees for decision-making



JUAN ESTEBAN CALLE
President



TOMÁS RESTREPO
Future Vice President



MARÍA ISABEL ECHEVERRI
Corporate Affairs Vice President



FELIPE ARISTIZÁBAL
Finance Vice President



CARLOS HORACIO YUSTY
Colombia Regional Vice President



GUSTAVO URIBE
General Manager Central America



GARY DE LA ROSA
General Manager Caribbean



GABRIEL BALLESTAS
General Manager Trading



Here you can find the resumes of the Management team.



During 2024, the Steering Committee led various initiatives and discussions around key issues such as:

Corporate strategy update

The Steering Committee, together with the Board of Directors, carried out a strategic review process that allowed us to chart a clear path towards the future, identifying the avenues of growth that will drive the business in the coming years.

In this process, not only financial risks and opportunities were taken into account, but also those aspects associated with sustainability, such as environmental, social and corporate governance issues.

FOR MORE INFORMATION, SEE BUSINESS STRATEGY ON PAGE 61.

Advancing business strategy

Throughout the year, discussions on the performance achieved and prospects focused on issues such as:

- The search for options to reduce the difference between the value of a share and the intrinsic value of the Company. The relevance of the SPRINT 2.0 (Share Price Recovery Initiative) program is highlighted
FOR MORE INFORMATION, SEE THE MANAGEMENT REPORT, SECTION PROFITABLE GROWTH AND FUNDAMENTAL VALUE OF THE COMPANY, AND THE MAIN RESULTS OF THE PROGRAM, ON PAGES 8, 20 AND 84, RESPECTIVELY.
- Regarding the Company's capital structure, different initiatives focused on debt management and financial expenses were presented
- In terms of organizational transformation, the objective has been to strengthen operations through greater autonomy and flexibility, supported by cross-functional corporate areas and the Business Group's Shared Services Center, Summa. Summa has become a fundamental ally that drives the expansion strategy, the development of value and operational support in the support processes

Martinsburg Plant, U.S.



Evolution of our presence in the U.S.

We highlight the announcement of the signing of a definitive agreement for Summit Materials, a company in which we hold a 31% stake, to be acquired by Quikrete Holdings, a leader in the ready-to-use construction materials segment and one of the largest privately held corporations in the U.S. construction materials industry .

This new step in Argos's history ratifies the power of the strategy of seeding, building, growing, and valuing exposure in the North American market. It motivates and invites us to continue seeking new business opportunities in that country to continue generating value for our shareholders. Once the operation has been executed, the Board of Directors will define, together with the Steering Committee, the roadmap to be followed and the use of the resources received, considering the total or partial deployment of these resources in the U.S., including the construction materials industry, where the organization has demonstrated its ability to identify, develop, and realize value opportunities in that country.



03

STRATEGIC FRAMEWORK

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SONIA FIGUEROA

📍 **PUERTO RICO**

As an employee at Commercial Nolo hardware store in Arecibo, she dedicates herself to each customer and delivers value through exceptional service that reflects her passion for what she does.



Steering Committee visit to Honduras

OUR ESG GOVERNANCE

We have defined a governance structure for environmental, social, economic and corporate governance issues to help us encourage the sustainable growth of Cementos Argos, which helps us maximize value creation in the environments where we operate.



BOARD OF DIRECTORS

The Sustainability and Corporate Governance Committee, representing the Board of Directors, continuously monitors ESG aspects. This Committee is also the highest body with direct responsibility for sustainability matters. It is in charge of monitoring global trends in non-financial matters to adjust our strategy, and guide and monitor the Company's objectives.



PRESIDENT

The President establishes the Company's competitive strategy and activities to ensure profitable and sustained business growth, aligned with the corporate overarching purpose of enabling the building of housing dreams for a more sustainable, prosperous and inclusive society, with a focus on delivering value to our various stakeholders.

He also acts as a representative of the organization and subsidiaries before various public and private entities, building relationships that favor the positioning, sustainability of the Company and reputation management.



STEERING COMMITTEE

The Company's management is carried out by the President and his direct team, who follow the guidelines established by the Shareholders' Meeting and the Board of Directors. This includes the analysis, formulation of guidelines and monitoring of the Company's management in the economic, social and environmental fields.



FINANCIAL VICE PRESIDENCY
Risk Management

Argos has an Comprehensive Risk Management System (CRMS) administered by Risk Management and supervised by the Audit, Finance and Risk Committee. This management is responsible for leading the analysis of the Company's risks, impacts and opportunities, including those related to sustainability.



FUTURE VICE PRESIDENCY
Sustainability Management

Sustainability Management is responsible, at the corporate level, for formulating, monitoring and overseeing sustainability strategies, framed in the economic, social and environmental dimensions. It is also responsible for leading the formulation of work plans and goals in accordance with best practices, standards and local and international norms.



VICE PRESIDENCIES, REGIONAL GENERAL MANAGMENTS AND BUSINESS UNITS

In addition, at Argos we have vice presidencies and general managements that report to the President and oversee the implementation of strategies and action plans in the respective countries. Each of these managers determines the actions necessary to carry out the implementation of the strategy with a local sustainability team in order to meet the objectives set by the Company.



Concrete Plant (photo taken by employee Juan Carlos Villota)

This governance scheme is supported by **commitments and policies of responsible business conduct**, including economic, social, and environmental issues.



Find here our main policies and codes.

At Argos, we continue to consolidate our leadership in the construction materials industry by **promoting sustainable solutions and adapting with innovative technology to a constantly evolving world.** With optimism, determination, and commitment, we continue to expand our impact to bring well-being and development to millions of people, convinced that every project is an **opportunity to transform lives and create long-term value.**



Piedras Azules Plant in Honduras

BUSINESS STRATEGY

Throughout 2024, we conducted a strategic review process with the active participation of the Board of Directors and the Steering Committee. This exercise allowed us to chart a clear path for the future, identifying the avenues for growth that will drive our business in the coming years.

Accordingly, we redefined the **strategic enablers** needed to achieve our purpose and ambition:



1 Value Management and Strategic Discipline



2 Operational Excellence



3 Commercial Excellence



4 Trading as a Strategic Unit



5 Culture, talent and social value differentiators

In this process, we considered not only financial risks and opportunities, but also those aspects associated with sustainability, such as environmental, social and corporate governance issues. The resulting strategic enablers reflect this comprehensive and connected approach, ensuring that our organization is prepared to face the challenges of the future and to take advantage of the opportunities that arise in an increasingly complex and dynamic environment, so that this is **reflected in solid and precise results for the different stakeholders.**

Our corporate strategy is composed of a series of choices of **how and where to play** and defines our value proposition.

SEE OUR MANAGEMENT REPORT ON PAGE 20 AND RISK MANAGEMENT ON P. 64.

SUSTAINABILITY STRATEGY

In addition to the strategic enablers, in order to fulfill our higher purpose and create more value for the Company and all of our stakeholders, **we defined 4 fundamental elements that must permanently accompany our decisions and actions:**



1 Building Trust-based Relationships

We believe in the importance of building relationships in which dialogue, transparency and the collective construction of achievements and goals lead us to a better future.



2 Working based on Shared Values

We are convinced that transforming the present through individual actions is necessary to build a sustainable future. Therefore, we empower each of our stakeholders in their role as agents of change.



3 Business Profitability

We work with excellence, orienting our projects to the generation of innovative solutions, in order to build sustainable housing and infrastructure.



4 Responsible Production

We know that sustainability is based on good resource management. Therefore, we work to close cycles and reduce our impacts.

Employees at Argos Río Blanco, Choloma (Honduras)



Clarity in this strategic focus aligns the entire organization around a common objective and sets a roadmap for the coming years.

We are convinced that, by acting decisively on this strategy, we will be able to move forward with concrete steps to chart new paths, transform realities, and generate opportunities that will enable us to achieve the objectives we have set for ourselves.

The relationship between our business strategy and sustainability strategy is manifested in **11 material issues focusing our management on operations** to maximize value creation, with a short-, medium- and long-term perspective.

MATERIALITY ANALYSIS: P. 73.

ESG ACHIEVEMENTS AND PROGRESS: P. 10.

MANAGEMENT OF OUR MATERIALITY: P. 84.

OUR HIGHER PURPOSE

We enable the construction of housing and infrastructure dreams that empower a more **sustainable, thriving and inclusive society**.

OUR BUSINESS

We produce and market



Cement



Concrete



Aggregates

STRATEGIC ENABLERS

1 

Value Management and Strategic Discipline

2 

Operational Excellence

3 

Commercial Excellence

4 

Trading as a Strategic Unit

5 

Culture, talent and social value differentiators

SUSTAINABILITY STRATEGY

1 

Building Trust-based Relationships

2 

Working based on Shared Values

3 

Business Profitability

4 

Responsible Production

MATERIAL ISSUES

1. Profitable growth and fundamental value of the company
2. Climate change mitigation and adaptation
3. Delivering customer value
4. Resilient supply chain
5. Talent management and inclusion
6. Occupational health and safety
7. Community engagement
8. Business ethics, compliance and integrity
9. Sustainable products and solutions
10. Environmental management
11. Human rights

COMPREHENSIVE RISK AND OPPORTUNITY MANAGEMENT



Contributor in Toluvejo, Colombia

At Cementos Argos, we have a team specialized in integral risk management, in charge of **supporting the identification, evaluation, and mitigation of strategic, tactical, and operational risks that may affect the fulfillment of our objectives.** This approach allows us to anticipate possible eventualities and establish effective mitigation measures.

In order to achieve this, we promote joint work among interdisciplinary groups involving leaders, operational areas, processes and projects. These initiatives are guided by the risk team and are developed under the guidelines established in our Corporate Risk Management Manual and methodology. Accordingly, we ensure a structured approach aligned with our strategic objectives.

COMPREHENSIVE RISK MANAGEMENT SYSTEM (CRMS)

Identify

-  Materiality Assessment
-  Risk Workshops
-  Digital Environment Trends and Connections
-  Strategic Framework

Analyze and Evaluate

-  Risk Matrices
-  Value at Risk (Sensitivity Analysis)
-  Self-assessment Tools

Handle

-  Risk Management Application
-  Corporate Insurance Program
-  Adaptation and Continuity Plans

Monitor

-  Reports to Senior Management
-  Reports to the Board of Directors

Our CRMS supports and complements the governance, audit and compliance models and is based on ISO 31000 and COSO-WBCSD Enterprise Risk Management standards and is aligned with international best practices.

The established CRMS governance scheme is in line with corporate governance and supported by a solid organizational structure, with clearly defined roles and responsibilities in the organization and follows a management model based on the three lines of defense. Governance is based on the risk policy, guidelines, and directives defined to establish a guide for action and orientation governing the actions of people and the organization regarding risk management.

Our CRMS and its methodology has periodic reviews and internal audit, which also accompanies the risk analysis in different processes, as part of the Company's internal control environment.

CRMS follow-up and monitoring in 2024



STRATEGIC LEVEL

- We strengthened risk reporting mechanisms, supported by business intelligence. With this, we share information periodically throughout the year, as follows:
 - ◆ **Board of Directors and Senior Management:** We send a monthly dashboard with management follow-up and monitoring of strategic risks, supported by signals and trends analyzed jointly with the leaders of each operation
 - ◆ **Audit, Finance and Risk Committee of the Board of Directors:** This Committee validates the evolution of the CRMS and monitors strategic risks, mitigation mechanisms and risk appetite follow-up

FOR MORE DETAILS, SEE SECTION CORPORATE GOVERNANCE, P. 38.

- As part of the integrated risk management process, we conduct an annual analysis of uncertain and complex events, generally of external origin, which may influence future strategy and business models. This exercise includes monitoring trends and evaluating the main variables that could amplify or alter the dynamics between these trends. The objective is to reformulate our business models and reorient our strategy, thus anticipating possible negative impacts, and where possible, transforming them into new opportunities
- We updated our risk appetite, aligning it with the Company's dynamics and the exit of the U.S. operation

- We continued strengthening the insurance program by being efficient, expanding coverage, and reinforcing non-traditional risk transfer mechanisms. Likewise, we managed to maintain the best backing from reinsurance and insurance panels for each policy, supported operations in the handling of claims, and prepared the organization with the necessary coverage to face future challenges



TACTICAL LEVEL

- We assisted in the risk analysis of new strategic expansion and business diversification projects
- We assisted all the regions in the evaluation of business risks, which are derived from socioeconomic, regulatory, political and market situations



OPERATIONAL LEVEL

- We conducted site visits and risk analyses at 72% of our cement facilities and performed virtual monitoring at 28%
- We performed maximum probable loss studies in 72% of our cement plants, which allows for a better estimation of the risk to be retained and transferred



Find more about our Risk Management System [here](#).

RISKS

Study of environmental signals

It is the basis for identifying the main elements of the context that influence organizational strategy and objectives, as well as how the company must respond and adapt. Consequently, this analysis has received a growing contribution from different business perspectives and has become the main reference in the identification and analysis of our strategic and emerging risks, together with additional references and external validation workshops.



Learn more about the interaction of our risks with trends.

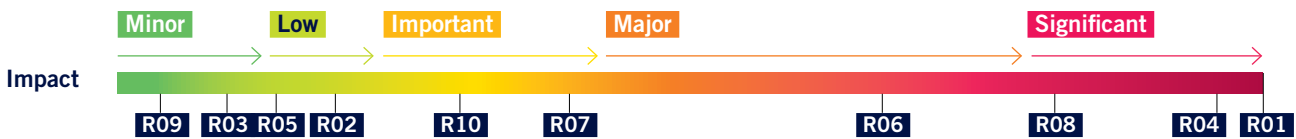
Strategic risks

Risks whose materialization may significantly affect the Company's strategic objectives, shareholder value, or viability. They may be derived from environmental trends or organizational factors and should be a priority for top management to be aware of. Their materiality is analyzed by means of the appetite and tolerance framework that determines the corporate scale of impact.



Employees at Dominican Republic cement plant

Corporate Scale of Impact and Materiality Criteria



Quantitative estimates of the impact of risks are carried out using the Value at Risk (VaR) approach, which allows the calculation of possible deviations in ebitda due to the materialization of risk scenarios that could affect the profitability of the businesses.

To assess the relevance of these impacts, we use our risk appetite and tolerance framework as a reference.

Risks

R01



Non-generation of value due to changes in the business environment

Main Triggers

Prevention actions

- Economic cycle (recession)
- Variation in the cost of raw materials
- Variation in the macroeconomic environment
- Imports, new entrants
- Exchange rate
- Dynamics in housing prices and infrastructure
- Disruptions in the supply chain and logistics

- Medium- and long-term strategic growth plan, materialized through the OKRs
- New emerging business model for portfolio diversification
- Predictive models of demand behavior and the competitive environment
- Models for analyzing supply chain response options and trading in the face of market risks

R02



Delay or impossibility to close competitiveness gaps in technology adoption

- Difficulty in incorporating new technological solutions due to cultural and organizational factors
- Management of cultural change in the sale of products
- Use of generative artificial intelligence

- Incorporation of digital adoption indicators in the Company's strategic management
- Competitive compensation schemes that allow for greater attraction and retention of talent
- Constant monitoring of the needs of technological incorporation in the production processes

R03



Lack of opportunity in the implementation of new business approaches

- Failures or unforeseen events in the implementation of strategic projects oriented to new solutions
- Advanced building components in modular and prefabricated solutions and products that contribute to climate change mitigation and adaptation
- New strategic lines of business
- Conscious and demanding consumer

- Business intelligence structured between regions to take advantage of synergies
- Business oriented to integral housing solutions
- Portfolio of green, digital, industrialized and packaging solutions
- Launch of new business segments and greater geographic diversification
- Leveraging and use of construction waste
- Calcined clays as a growth platform

R04



New policies or regulatory changes

- New taxes, regulatory changes or other unfavorable measures that impact the markets or the industry
- Economic dynamics of the countries and the construction materials sector

- Constant monitoring by the legal and business teams of regulatory changes with mechanisms of representation, through associations, before stakeholders
- Comply with and follow up on the provisions of the regulatory agencies that guarantee free and healthy competition in the markets



Risks

R05



Loss and/or shortage of talent with specialized knowledge

Main Triggers

- Low connection of the employees' contribution to the higher purpose
- Poor talent retention effectiveness, lack of alignment in the succession and attraction process
- Different levels of ownership between regions, countries, generational groups and levels of organizational structure
- Lack of alignment in the process of attracting, on boarding and promoting talent with the organizational culture
- Ignorance of the value of the elderly and their knowledge
- Changes and replacement of people in the workplace by artificial intelligence

Prevention actions

- Strategic communications plan that includes a strategy conversation component
- Definition of the vision of culture and commitment of the management team
- Cross-cultural training for employees
- Understanding and adoption of the operating model (local autonomy/ strategic coherence)

R06



Failure to meet CO₂ emission reduction targets

Failure to make sufficient progress in:

- Technological renewal of equipment
- Low use of alternative cementitious materials
- Low substitution with alternative fuels
- Low adoption of CO₂ capture technologies

- The strategic axis of climate action comprises roadmaps for decarbonizing operations, a green financing framework, the inclusion of climate awareness in the Company's culture, and the capitalization of business opportunities derived from climate change
- Environmental strategy comprising the pillars of climate change, nature (water and biodiversity), emissions and circular economy, with their respective indicators, goals and action plans
- Increase in the rate of substitution of alternative fuels
-
-

R07



Occurrence of natural events

Climate change and variability

- Vulnerabilities in operations
- Geographic location of operations
- Geological hazards such as an earthquake

- Corporate risk retention and transfer plan
- Contingency and business continuity plans
- Climate change adaptation plans for operations
- Emergency Response Plan (ERP)
- Supply chain response options analysis and trading models
- Facility continuity plans



Risks



R08
Legal contingencies arising from claims, legal or administrative proceedings

Main triggers

- Differences in the interpretation of rules and contracts
- Non-compliance with rules or contracts, internal regulations and policies or standards of ethics and internal control by employees and administrators
- Complaints from third parties, investigations by authorities and control and supervision entities

Prevention actions

- Accompaniment of regional and transversal legal teams to business leaders to advise and update the regulatory framework and ensure adequate corporate governance mechanisms
- Policy and teams focused on guaranteeing product quality
- Insurance covering the liability of the Company and its directors
- External legal counsel
- Training and communication strategies
- Compliance program and associated controls
- Ethics Line
- Disciplinary Proceedings
- Management commitment to regulatory compliance, internal control environment and ethical culture
- Use of technological tools and artificial intelligence
-



R09
Materialization of cyber threats by exploitation of vulnerabilities in information systems, processes or people

- Failures in the information and control systems
- Vulnerabilities in cybersecurity systems
 - Technological obsolescence
 - High investments
 - Inadequate use of artificial intelligence

- Methodology for cyber risk management
- Cybersecurity policies and procedures, documented, socialized, evaluated and under continuous improvement approach
- Definition of cybersecurity architectures for operational security, information security and advanced malware
- Specialized monitoring of cyber events
- Cybersecurity incident management (incident response plan, threat response protocols)
- Continuous assessment of vulnerabilities in information and operational systems



R10
Political, social and legal instability at the global or local level

- Changes in market dynamics and business environment
- Geo-economic, geo-political or country situations
- Social insurrection at the local level derived from the increase in poverty and inequality
- Interference in the functioning of the economic system
- Tensions between countries, which may affect trade balances

- Local and corporate monitoring of political and economic signals and trends
- Activation of crisis committees
- Participation in construction sector associations to evaluate or propose new mechanisms for action

Risks materialized in 2024

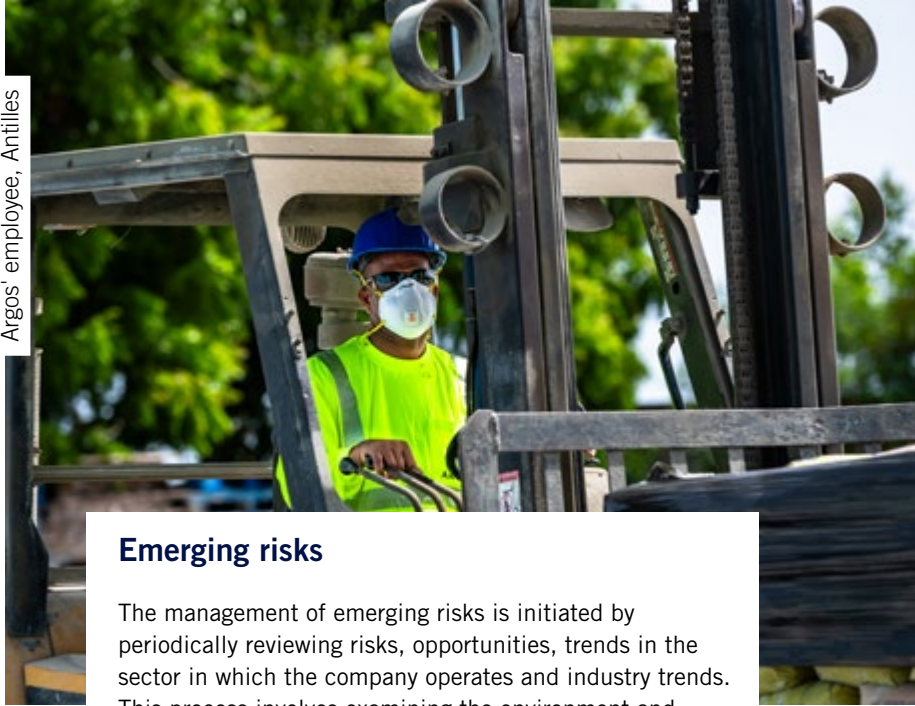
The most relevant factors that took place in 2024 and that could influence the materialization of risks in the future are the following:

- Disputes in the geo-political and geo-economic environment, which can generate volatility in international trade rates, commodity values and energy prices
- Political, economic, and monetary instability have significantly reduced social and foreign investment in some countries
- Social unrest that influences stability and security in the countries where we operate
- Extreme weather variations that affect the performance of operations

These signals were among the risks periodically identified, analyzed, and managed under our Integrated Risk Management System. This has allowed all business plans to be updated and adjusted based on environmental signals and the operational excellence that the operations have implemented. Moreover, we were able to carry out an adequate transfer of risks, which allowed us to recover losses through the indemnities to which we were entitled in accordance with the conditions and coverage of the corporate risk transfer program.

From the operational perspective, the follow-up of good practices and recommendations for risk improvement has allowed us to strengthen and give continuity to the action and improvement plans.

Argos' employee, Antilles



Emerging risks

The management of emerging risks is initiated by periodically reviewing risks, opportunities, trends in the sector in which the company operates and industry trends. This process involves examining the environment and analyzing the relevant risk factors that could have an impact on the company.

These are the emerging risks identified:

01

Low speed in the adaptation, resilience and development of disruptive technologies that allow the Company to align with new expectations, requirements and/or demands of society or governments.

02

Inadequate application of generative technologies in digital and information systems that give place to misinformation within the company and/or rejection by external stakeholders that affect its image or reputation.

03

Increased activism on the part of society, which may generate relevant changes in social and/or environmental demands towards the Company and may cause changes in the ordinary flow of business.

04

Radical ideological changes in the global environment affect the supply chain and international trade.



Learn more about our strategic and emerging risks.

Climate change risks and nature

In the analysis of risks and opportunities associated with climate change, we incorporate the identification and quantification of the risks of nature in our direct operations in each of the geographies where we are present. This approach allowed us to understand and assess biodiversity-related risks and strengthen our action plan to move towards our long-term objective.

We analyzed the material impacts considering short-, medium- and long-term scenarios, based on projections of climate variables, narratives and assumptions related to various macroeconomic realities. This exercise gives us **a broader perspective on the impact of climate change on the global agenda, and consequently, on the transformation that Argos will have to undertake in the future.**



For more information, see our 2024 Climate and Nature Report.



Claro River Basin in Colombia

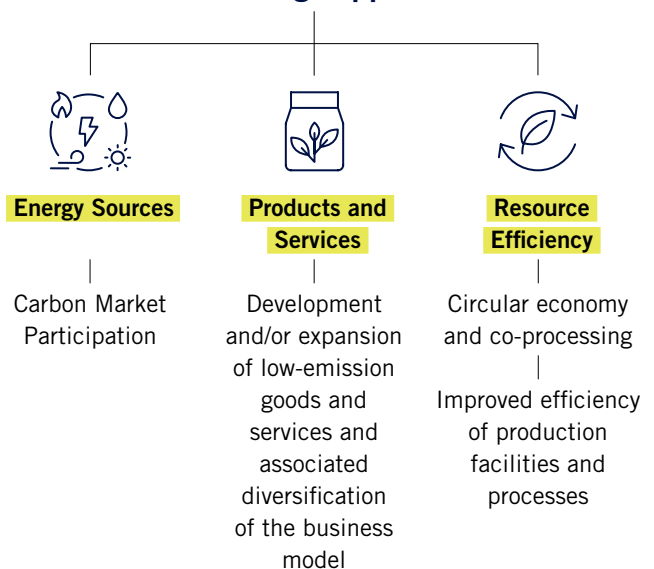
OPPORTUNITIES

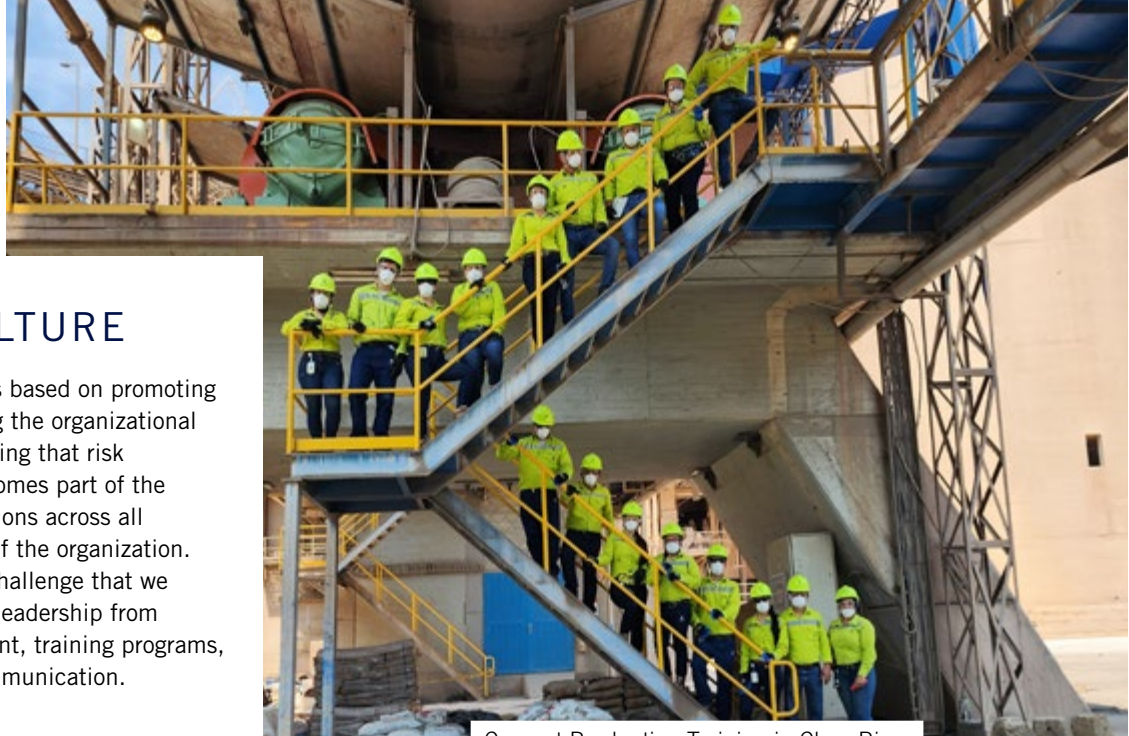
At Cementos Argos, risk management focuses not only on mitigating threats, but also on identifying and capitalizing on strategic opportunities that can drive growth and innovation.

We apply a structured approach that allows us to assess both the risks and the opportunities associated with them. This analysis helps us to identify areas for improvement, emerging trends, and competitive advantages, align our actions with corporate objectives, and ensure proactive management in a dynamic and constantly changing environment.

In this regard, we have identified climate change as the most pressing challenge facing humanity at the moment. Accordingly, our mitigation and adaptation efforts, to which we are committed, allow us to capitalize on relevant market opportunities through our portfolio of green solutions, more efficient production processes and access to new markets.

Climate change opportunities





Cement Production Training in Claro River

RISK CULTURE

Our risk culture is based on promoting and strengthening the organizational culture and ensuring that risk management becomes part of the day-to-day operations across all areas and levels of the organization. It is an ongoing challenge that we advance through leadership from senior management, training programs, and effective communication.

Risk Culture Components



Integration into the organization's governance structure



Training and Continuous Learning



Transparency and Communication



Risk Awareness

During 2024, we used the following tools to develop culture:

Development of Risk Culture



CRMS Training

Importance and added value of risk management for the development of the organization.



Communications Plan

Annual communications plan as part of the empowerment strategy.



Analysis and Evaluation

Incorporation of risk criteria in the development of products and services.



Visits to Facilities

Maximum loss studies are probably needed for a better estimation of the risk to be retained and transferred.

We trained all our new employees and conducted a reinduction program for former employees. As part of our work plan, we send communications related to risk management, provide support in identifying risks in projects, and raise awareness of risks and insurance during our site visits.

MATERIALITY ASSESSMENT

At Argos, sustainability is a fundamental pillar of our business strategy. Our materiality process allows us to identify the most relevant ESG aspects for our business and stakeholders.

By integrating these issues into strategic decision-making, we seek to create long-term value, mitigate risks and take advantage of new business opportunities. Materiality is therefore a key element in ensuring sustainability and competitiveness in an increasingly demanding environment.

We identified eleven prioritized material issues following the dual materiality methodology and in 2024 we validated these results with the Sustainability and Corporate Governance Committee of the Board of Directors. **In 2025 we will conduct a new materiality exercise.**

OUR DUAL MATERIALITY PROCESS



External Context Analysis

With the support of a specialized tool, we monitor external risks and opportunities related to ESG aspects in various industries, competitors in the construction sector, regulatory frameworks, as well as in the media and corporate communication.



Internal Context Analysis

We identified key issues using the previous materiality exercise as input, as well as the analysis of sustainability impacts, risks and opportunities, emerging trends, and their relationship with the Company's strategic enablers.



Stakeholder Participation

We conducted conversations and interviews in all regions with different strategic areas of the Company, as well as with the teams in charge of stakeholder relations. These spaces made it possible to analyze, complement and validate the issues identified through external and internal research. The conversations were aimed at ranking the material issues according to their relevance.



Prioritization and Validation

Finally, we reviewed and analyzed the results obtained to consolidate the information in a materiality catalog, which includes the Company's strategic enablers, approved material topics, alignment with GRI, SASB, and SDG standards, prioritized stakeholders, and performance indicators. These results were validated by the Sustainability and Corporate Governance Committee of the Board of Directors.

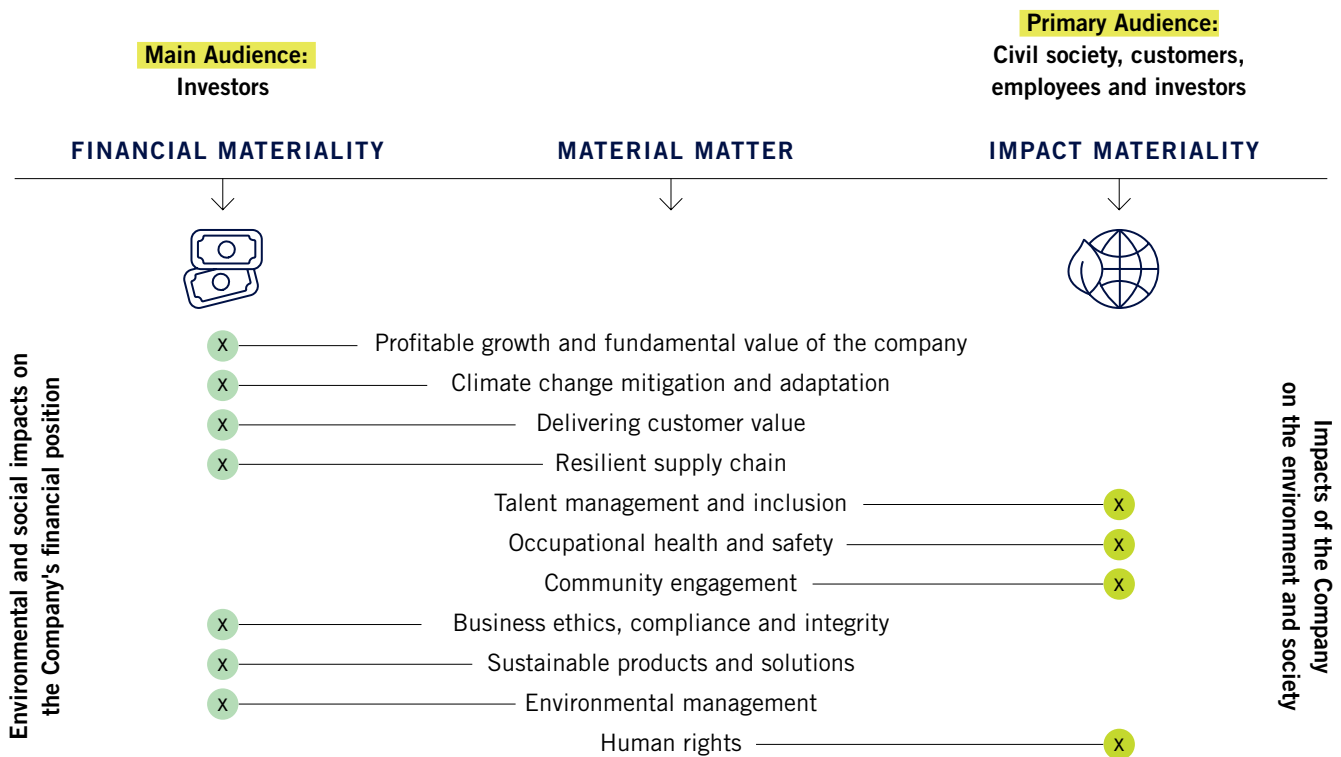
This process was verified by an independent limited external assurance service provider (BDO). This was carried out taking as "acceptable" assurance criteria those mentioned by S&P CSA ESG in 2023 Materiality Analysis handbook, as well as the criteria of the methodological approach defined by Cementos Argos and the external sustainability expert consultant that accompanied the process (Deloitte).



Mobile plant in Parque Dulce, Colombia

OUR MATERIAL ISSUES

The dual-materiality approach allows us to analyze how we impact the environment and society, and how the environment also impacts the Company's financial performance.





SUSTAINABILITY-RELATED RISKS, IMPACTS AND OPPORTUNITIES

Below we present each of our material issues by stating:

1 Strategic risks and potential economic impact on the company⁴

- **R01** Non-generation of value due to changes in the business environment
- **R02** Delay or impossibility of closing competitiveness gaps in technology adoption
- **R03** Lack of opportunity in the implementation of new business approaches
- **R04** New policies or regulatory changes
- **R05** Loss and/or shortage of talent with specialized knowledge
- **R06** Failure to meet CO₂ emission reduction targets
- **R07** Occurrence of natural events
- **R08** Legal contingencies arising from claims, legal or administrative proceedings
- **R09** Materialization of cyber threats due to exploitation of vulnerabilities in information systems, processes or people
- **R10** Global or local political, social and legal instability

2 Identified opportunities and their potential impact on the Company

3 The potential economic impact on society following our externality measurement model, Value Added to Society Status or VAS.



Learn more about our impact assessment exercise - Value Added to Society (VAS).

FOR MORE DETAILS ON OUR RISK AND OPPORTUNITY MANAGEMENT, SEE P. 64.

⁴ This impact follows the methodology of the corporate scale of strategic risk impact.



Strategic Enabler: Value Management and Strategic Discipline

PROFITABLE GROWTH AND FUNDAMENTAL VALUE OF THE COMPANY

1

Strategic risks

Potential economic impacts on the Company

R01 →
R10 →

Significant
Important

2

Opportunities and their possible effects on the Company

Expansion into new markets and geographies in Latin America

- Increased company value
- Cost reduction
- Increased brand recognition
- Balanced short-term financial cycles
- Entry to new international stock market indexes

Increase in share value

- Increased company value
- Strengthening relations with shareholders and investors
- Entry to new international stock market indexes

Development of aggregates and supplementary cementitious materials platform

- Increased company value
- Access to new markets and geographies
- Reduction of financial risks related to climate change

3

Potential economic impacts on society



Positive
USD 495,205,141

- Salaries and benefits: USD 174,750,605
- Taxes: USD 172,933,010
- Interest and dividends: USD 147,521,526



Strategic Enabler: Operational Excellence

BUSINESS ETHICS, COMPLIANCE AND INTEGRITY

1

Strategic risks

Potential economic impacts on the Company

R04 →
R08 →
R10 →

Significant
Significant
Important

2

Opportunities and their possible effects on the Company

Adoption of high ethical and compliance standards

- Consolidate our high reputation in the sector
- Generate value for investors
- Strengthen relationships of trust with stakeholders

3

Potential economic impacts on society



Positive
USD 172,933,010

- Taxes: USD 172,933,010

CLIMATE CHANGE MITIGATION AND ADAPTATION

1 Strategic risks Potential economic impacts on the Company

| | | |
|------------|---|-------------|
| R03 | → | Low |
| R04 | → | Significant |
| R06 | → | Major |
| R07 | → | Important |



Learn more about the financial risks and opportunities of climate change here.

2 Opportunities and their possible effects on the Company

Reducing operating costs through more efficient processes

- Reduction of direct costs

Increased market opportunities

- Increased revenues as a result of increased demand for sustainable products and solutions

Process innovation

- Reduction of direct costs

3 Potential economic impacts on society



Negative
USD -219,998,299

- Greenhouse gas emissions:** USD -219,998,299



Positive
USD 10,091,632

- Materials and alternative fuels:** USD 10,091,632

ENVIRONMENTAL MANAGEMENT

1 Strategic risks Potential economic impacts on the Company

| | | |
|------------|---|-------------|
| R04 | → | Significant |
| R06 | → | Major |
| R07 | → | Important |
| R10 | → | Important |

2 Opportunities and their possible effects on the Company

Use of alternative materials and fuels

- Reduce environmental impact
- Promote circular economy models through the use of industrial by-products and waste

Implementation of Nature-Based Solutions (NbS)

- Reduce environmental impact

Financing tied to sustainability indicators

- Improve financial flexibility
- Generate top management commitment
- Attract committed investors with sustainability criteria
- Improve the Company's reputation

3 Potential economic impacts on society



Negative
USD -40,174,458

- Other issues:** USD -27,035,529
- Water:** USD -2,301,187
- Biodiversity:** USD -10,837,742



Strategic enablers: Trading as a strategic unit and operational excellence

RESILIENT SUPPLY CHAIN

1

Strategic risks

Potential economic impacts on the Company

| | | |
|-----|---|-------------|
| R01 | → | Significant |
| R03 | → | Low |
| R07 | → | Important |
| R09 | → | Low |

3

Potential economic impacts on society

The current model only covers the externalities generated by the Company's own operations.

2

Opportunities and their possible effects on the Company

Expansion of the fleet compensation model to reduce empty shipments

- Reduce operating costs
- Optimize vehicle utilization
- Improve profitability
- Reduce environmental impact

Continue to grow in digitization and take full advantage of technologies such as artificial intelligence (AI), machine learning and robotic process automation (RPA)

- Improved operational efficiency by reducing inventories through more accurate demand forecasting
- Improved management of raw material and finished product tracking
- Cost reduction by avoiding storage of excess inventories
- Access to real-time data for supply chain optimization by analyzing demand behavior patterns and adjusting supply

Implementing advanced analytics to business intelligence

- Access to real-time data
- Contribution to better decision making

Strategic negotiation in global categories

- Efficiencies and savings in operations
- Development of new technologies, new business models

Extending third-party trading coverage

- Improve the Company's profitability through higher sales revenues



Silodome in Cartagena plant



Strategic enabler: Commercial excellence

DELIVERING CUSTOMER VALUE

1 Strategic risks Potential economic impacts on the Company

R03 → **Low**

3 Potential economic impacts on society

The current model only covers the externalities generated by the Company's own operations.

2 Opportunities and their possible effects on the Company

Generate a superior customer experience leveraged on digital solutions.

- Agility in responding to customer needs
- Increased preference for our brand
- Capture of economic and procedural efficiencies in operations

Maturing customer prospecting, acquisition and recapture models

- Generate more revenue for the organization

Data mining and predictive analytics

- Greater precision in decision making
- Reduced inventory costs and improved sales efficiency

Diversification of product and service offerings


- Improved market positioning and differentiation from competitors
- Increased revenues

SUSTAINABLE PRODUCTS AND SOLUTIONS

1 Strategic risks Potential economic impacts on the Company

R03 → **Low**

3 Potential economic impacts on society

 **Negative**
USD -219,998,299

- **Greenhouse gas emissions:***
USD -219,998,299

** The management of this material issue contributes to reducing the final cost of this externality.*

 **Positive**
USD 10,091,632

- **Materials and alternative fuels:**
USD 10,091,632

2 Opportunities and their possible effects on the Company

Use of supplementary cementitious materials

- Reduction of environmental impact
- Cost reduction

Innovation in sustainable products and solutions that allow differentiation in the market

- Increased revenues from this type of products

Training and consultancy in sustainable design and construction for the sector

- Strengthening the relationship with our customers.
- Increased sales of products and solutions

Leveraging technology and digital innovation

- Integration of construction technologies such as BIM
- Automation of Life Cycle Analysis (LCA) that facilitates obtaining product sustainability certificates



Strategic enabler: Culture, talent and social value differentiators

TALENT MANAGEMENT AND INCLUSION

1 Strategic risks Potential economic impacts on the Company

R05 → **Low**

3 Potential economic impacts on society

 **Positive**
USD 175,274,696

- Salaries and benefits: USD 174,750,605
- Talent development: USD 524,091

2 Opportunities and their possible effects on the Company

Incorporate new ways of working

- Increased employee productivity
- Improving the level of employee engagement

Diversity as a competitive advantage

- Be a more attractive Company in the labor market

Training and development of specialized talent


- Increased productivity
- Increased capacity to execute strategic projects or new businesses

OCCUPATIONAL HEALTH AND SAFETY

1 Strategic risks Potential economic impacts on the Company

R08 → **Significant**

3 Potential economic impacts on society

 **Negative**
USD -745,466

- Industrial safety and occupational health: USD -745,466

2 Opportunities and their possible effects on the Company

Strengthen our road safety management subsystem

- To position ourselves as leaders in the industry
- Strengthen the relationship with stakeholders
- Improve corporate reputation
- Cost reduction

Reactivate the tactical subcommittee for contractor management

- Optimize operations by minimizing the likelihood of work-related incidents and equipment damage, and ensuring compliance with safety and quality standards
- Encourage contractor innovation to propose creative and efficient solutions that drive continuous process improvement
- Strengthen commercial and collaborative relationships with our contractors

COMMUNITY ENGAGEMENT

1 Strategic risks Potential economic impacts on the Company

R10 → **Important**

2 Opportunities and their possible effects on the Company

A good engagement with communities can bring a reputational advantage for the Company, through which it is recognized as a good neighbor and ally

- Facilitate obtaining social licenses for potential new projects

3 Potential economic impacts on society

 **Positive**
USD 12,216,109

- Community investments: USD 12,216,109



'Hogares Saludables' Program, in Colombia

HUMAN RIGHTS

1 Strategic risks Potential economic impacts on the Company


R08 → **Significant**
R10 → **Important**

2 Opportunities and their possible effects on the Company


Adoption of high human rights standards

- Access to financing and capital from responsible investors
- Access to government incentives
- Anticipation of regulatory changes
- Strengthening relationships of trust with stakeholders
- Ease of access to new markets and geographies

3 Potential economic impacts on society

 **Positive**
USD 22,307,741

- Investments in the community: USD 12,216,109
- Alternative fuels and materials: USD 10,091,632

 **Negative**
USD -260,918,225

- Industrial safety and occupational health: USD -745,466
- Greenhouse gas emissions: USD -219,998,299
- Other issues: USD -27,035,529
- Water: USD -2,301,187
- Biodiversity: USD -10,837,742

STRATEGIC ENABLERS

- 84** Value Management and Strategic Discipline
- 89** Operational Excellence
- 118** Commercial Excellence
- 132** Trading as a Strategic Unit
- 137** Culture, Talent and Social Value Differentiators

MEDINA FAMILY

📍 HONDURAS

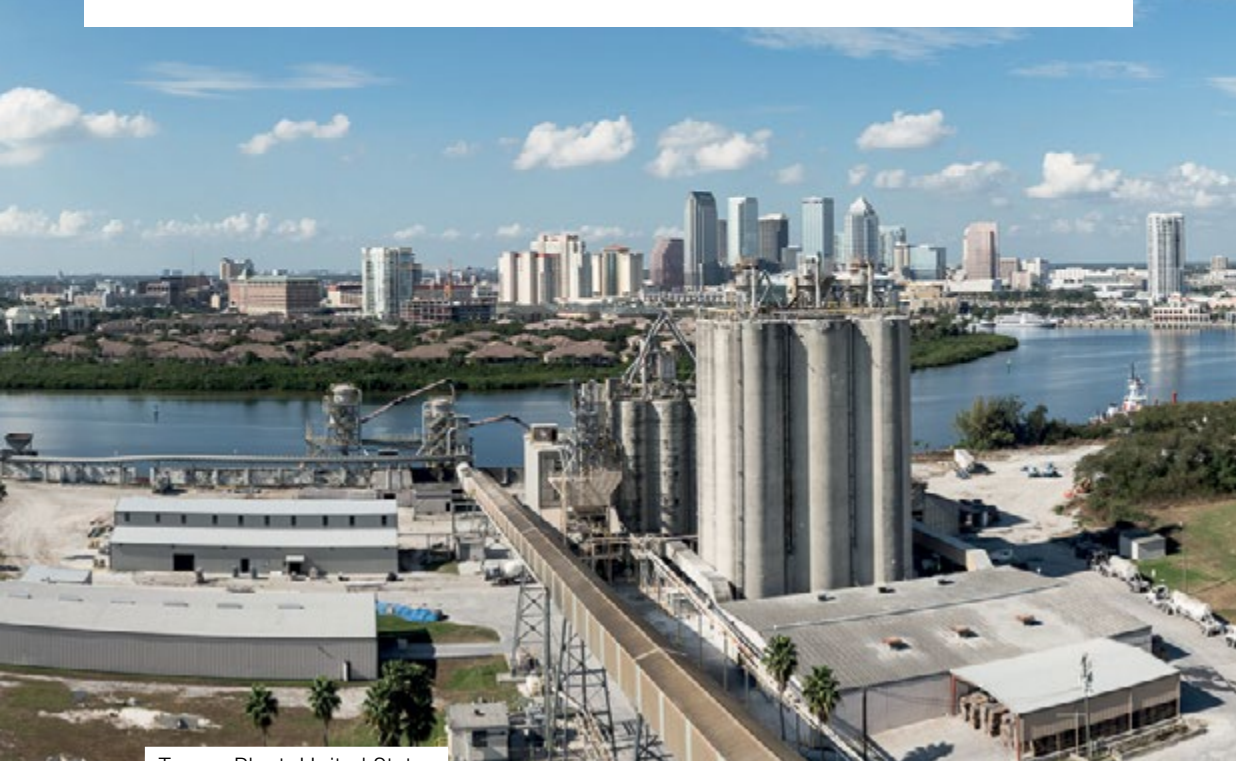
They build their first house with the illusion of welcoming their baby and seeing them grow up in a safe and loving home.





VALUE MANAGEMENT AND STRATEGIC DISCIPLINE

PROFITABLE GROWTH AND FUNDAMENTAL VALUE OF THE COMPANY



Tampa Plant, United States

SDG



Business Impact

- Revenue generation

Go to our website



As part of our strategy, we are focused on closing the gap between the market price and the fundamental value of our stock. In doing so, we aim to create sustainable value for our shareholders and contribute to the development of society through intelligent and profitable long-term growth.

Since the start of SPRINT execution, the price of the common share went from COP 2,744 on February 20, 2023, to

COP 10,200

on December 31, 2024. This, together with capital distributions to shareholders, represents a total return (TSR) of 350%.

HOW IT IS MANAGED

With the aim of achieving our profitability and growth objectives and in continuity with SPRINT 1.0, we decided to consolidate and strengthen our actions under the global framework of SPRINT 2.0 (Share Price Recovery Initiative). This program is supported by **6 pillars** designed to enhance and improve initiatives aimed at closing the Company's value gap in order to maximize value for our shareholders.

SPRINT 2.0 Pillars



1
Improved EBITDA margin target **>22%** by 2024



2
Dividend distribution of COP 585 billion, representing an **increase of 31%** vs. 2023



3
The second phase of **COP 500 billion** for share repurchases over 2 years



4
Continue with **strategic management** of assets in the U.S.



5
Enhancement of our market maker program to **significantly increase daily trading volumes**



6
Conversion of preferred shares into common shares at a **ratio of 1:0.85**

2024 PERFORMANCE

A new milestone in the history of our presence in the U.S.

In November 2024, Summit Materials, a company in which we held a 31% interest, announced the signing of a definitive agreement to be acquired by Quikrete Holdings, a leader in the ready-to-use construction materials segment and one of the largest privately held corporations in the U.S. construction materials industry. The transaction was closed in February 2025, when Summit Materials' shareholders approved the offer.

With the materialization of this agreement, we add another fundamental milestone in Argos' presence in the U.S. The result represents a remarkable value revelation for our shareholders, as well as a strengthened financial position that opens the door to new opportunities for growth and value generation in North America.



Juan Esteban Calle at Harleyville Plant, U.S.

The offer received **amounts to USD 52.5 per share**. Hence, the sale of nearly 55 million shares held by the Company represents cash received of about **USD 2.875 billion**, which constitutes the materialization of a value per Cementos Argos' share of COP 10,000.

We consolidated our leadership in shareholder value generation with our inclusion in the FTSE Russell and MSCI indices.

We continued to strengthen our position in the global financial markets with the inclusion of our shares in the prestigious FTSE Russell and MSCI indexes. These indexes are consulted by institutional investors around the world to evaluate and compare the performance of their investments in various market categories.

Entry into the FTSE Russell, the MSCI Small Cap and the increase in the local index weighting represent recognition of the strategies deployed within the SPRINT 2.0 program, particularly the proposed sixth pillar, corresponding to the conversion of preferred shares into common shares. This increased the Company's float and consolidated market transactions into a single share to increase its liquidity.

Inclusion in these indices caused total inflows to the common stock of more than COP 600 billion, reaching quarterly trading averages of USD 3 million and bringing us closer to our current goal of maintaining an average level of USD 3 million to USD 5 million.

COP 600

BILLION were the inflows to the common stock by inclusion in the FTSE Russell and MSCI Small Cap indices.

67%

was the total yield of our **ORDINARY SHARE** during 2024.

From Mine to Market

In the Colombia Regional, our financial performance is supported by the 'From Mine to Market' initiative, seeking to improve financial performance by analyzing and redesigning the entire value chain, from limestone extraction and cement production to product commercialization. The results of this initiative have been positive, especially considering that the 5.3% increase in EBITDA and the 26.6% increase in EBITDA margin were achieved despite challenging market conditions.

As part of this initiative, we have focused on improving, among other things, what we consider to be the Company's 3 main profitability triggers:

- Our value proposition, focused on offering the highest quality products and the best service, has consolidated our leadership position in the market. **FOR MORE DETAILS ON OUR SUSTAINABLE PRODUCTS AND SOLUTIONS, SEE P. 118**
- Overall Equipment Effectiveness (OEE), which measures the reliability of cement plants, has increased by 10% over the past two years
- Production costs per ton have remained stable for 3 consecutive years, effectively absorbing inflationary pressures while optimizing fixed costs in line with lower volumes



Employee in Colombia



Transformation of the Central America and Caribbean Regionals

One of the main strengths of our regional presence lies in our diversification in different economies and cycles. This allows us to face complex market conditions and achieve profitable and sustainable results by taking advantage of the opportunities created through the complementarity of these markets.

The ongoing focus on profitability and the adjustment of our commercial strategy in the markets with the objective of achieving the best performance have driven the good results, both operationally and financially.

In these regionals, we have initiatives that are closely aligned with the objectives established in efficiency programs and reinforce our positive vision in the strategic markets where we operate. They will also help us capitalize on the opportunities that will arise in the industry in the coming years.



Cement plant in the Dominican Republic

We have currently prioritized **3 important transformation projects for the future:**

- 1 Honduras:** We installed a new pozzolana dryer and expect it to generate significant savings with its commissioning. These savings will arise from a reduction of about 9% in the cement clinker factor, in addition to an increase in cement capacity of about 100,000 tons per year.
- 2 Panama:** We have carried out a dredging project at the Bahia Las Minas port terminal. This improvement in port infrastructure will allow us to optimize the clinker supply chain, thus significantly reducing production costs. In addition, this logistics optimization opens up new business opportunities, such as the export of materials to North America and the more efficient sourcing of our own operations.
- 3 Dominican Republic:** As part of our growth strategy in the region, we have invested in expanding our grinding plant, which will be operational in early 2025. This expansion will enable us to meet growing market demand and consolidate our position in the country.



Piedras Azules Plant in Honduras

Financial results 2024

In 2024, our EBITDA margin expanded 241 basis points, maintaining the positive growth trend in Colombia, Central America and the Caribbean.

In Colombia, price dynamics have been aligned with inflation. Despite the challenges, we achieved a cumulative EBITDA of COP 784 billion in 2024, with an EBITDA margin of 26.6%, which increased by 263 basis points. Cumulative year-to-date cement shipments in Colombia totaled 5.4 million tons of cement and 2.4 million cubic meters of ready-mix concrete.

In Central America, the accumulated EBITDA at the end of the year was USD 76 million, representing a growth of 12.2% and an EBITDA margin of 30.1%—359 basis points higher than the previous year. We highlight the performance of Honduras, with a 7.1% increase in volumes over the year.

In the Caribbean, we recorded a cumulative EBITDA of USD 52 million, an increase of 30.8%, and an EBITDA margin of 19.6%, which increased by 439 basis points. Specifically, we highlight the growth in volumes in the Dominican Republic and an increase of 400 basis points in the EBITDA margin—the highest in this operation's history.

COP 1.2 TRILLION
was the consolidated EBITDA.
We thus met our 2024 goal
of an EBITDA margin over 22%.

CHALLENGES AHEAD

- Establishing our new strategy for entering the U.S. market.
- Execute the company's new growth strategy by implementing the strategic plans defined this year, with a particular focus on the development of the logistics platform.
- Maintaining profitable growth in Latin America to consolidate our position in emerging markets and ensure the sustainability of our operations.
- Continue to reduce the stock gap by implementing SPRINT 3.0 to further close the gap between our stock's public market value and its fundamental value.

OPERATIONAL EXCELLENCE

BUSINESS ETHICS, COMPLIANCE AND INTEGRITY



Administrative Employees in the Dominican Republic

SDG



Business Impact

- Risk

Go to our website

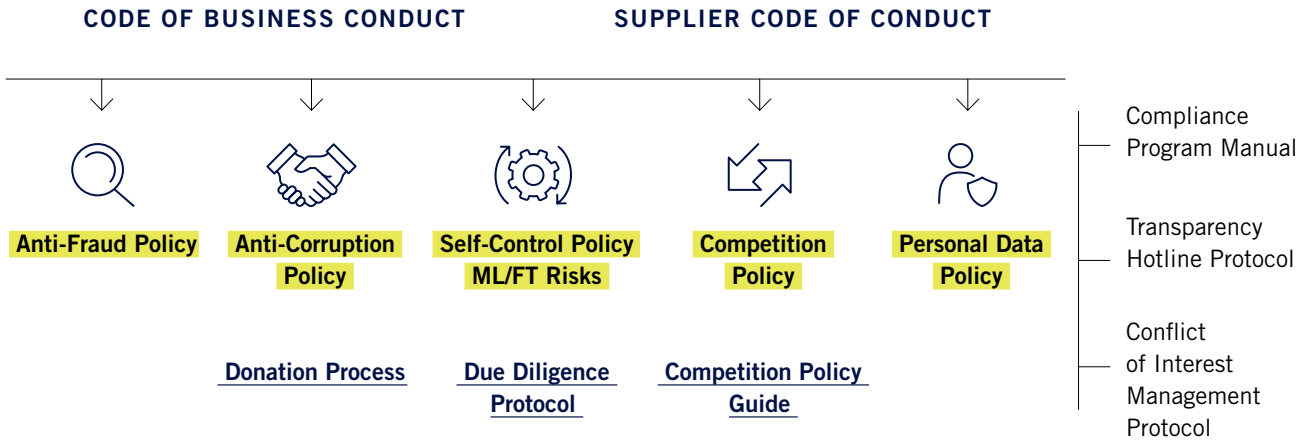


Our values of ethics, transparency, and integrity are fundamental and non-negotiable. We are aware that in the infrastructure sector of some of the countries where we operate, we are exposed to different ethical and integrity risks. Also, we understand that there are changing regulatory environments. This requires us to effectively monitor our operations and adopt best practices to guide our actions. For this reason, we have a solid compliance system and a zero-tolerance policy against fraud, corruption, money laundering and the financing of terrorism.

HOW IT IS MANAGED

Our system is prepared to define remediation plans and increasingly secure control mechanisms to prevent the materialization of risks of **fraud, corruption, money laundering, financing of terrorism and proliferation of mass destruction weapons, bribery, personal data processing, and related information security incidents, violation of competition rules**, among others.

We have adopted a self-regulation framework that incorporates international principles and standards, as well as mandatory rules on ethics and conduct. This framework ratifies our commitment to business integrity, thus promoting transparent practices that contribute to the development of competitive and sustainable markets.



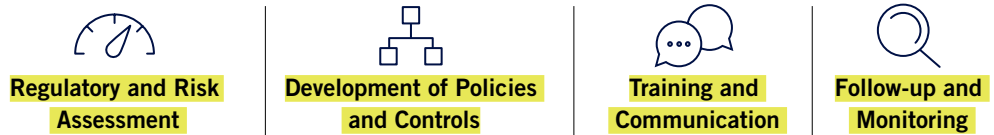
* Our self-regulatory framework complies with the regulatory requirements for compliance programs and the standards of DJSI, FTSE, Country Code, ISO 37001, ISO 37002, ISO 37301 and the guidelines of the U.S. Department of Justice.

For the proper implementation of these guidelines, the strengthening of ethics, and the prevention and control of these risks, our Board of Directors approved the Global Governance and Compliance Program (PGGC). This includes the Business Ethics and Transparency Program, and the Code of Business Conduct and associated policies.

The PGGC entails activities focused on promoting that our actions align with the pillars of corporate culture and embrace integrity as a guiding principle.



CONTINUOUS UPDATING AND IMPROVEMENT



2024 PERFORMANCE

Progress in the execution of the PGGC

During 2024, the main progress in relation to the PGGC was as follows:

- We made progress in updating the Code of Business Conduct, focusing on guidelines related to: Conflicts of interest, development of external activities, management of gifts and hospitality, participation in boards of directors, relations with authorities, escalations and investigation of cases involving members of senior management. The above in order to comply with best practices and be at the forefront in these matters
- We updated the compliance risk matrix with the help of an external expert, which allowed us to validate and complement the risks identified. This process involved various areas of the Company to review the probability, impact of risks and mitigation controls to ensure compliance with the corresponding regulations
- We updated the due diligence form to better understand third-parties, broadening the scope of questions and statements. Changes include: (i) covering all assumptions of ultimate beneficiary, (ii) allowing the termination of the business relationship due to compliance findings, and (iii) adding authorization to consult various databases.
- We developed and executed the Annual Compliance Communications Plan for employees and suppliers

4,235*

EMPLOYEES SUBMITTED their Annual Statements of Potential Conflicts of Interest, which made it possible to implement measures to avoid materializing risks.

* Includes temporary employees and trainees



Grupo Empresarial Argos Employees

Strengthening the Antitrust Compliance Program

The most significant developments in the area of competition were:

- We update our Competition Policy and Guide, in accordance with the standards and regulations in force in the geographies where we operate. It is expected to be approved in the first semester of 2025 and then socialized with employees
- We designed a Commercial Policy for French Guiana regulating the definition of prices and discounts for customers, similar to those applied in other Caribbean jurisdictions. This will come into effect in 2025
- We updated continuing education courses in competency digitally available to employees. In addition, we provide specific training for plant technical teams, sales teams and other stakeholders
- We created a competency hub for the Colombia Regional, where policies, courses, training, communications and relevant news on the subject were centralized
- We deployed a Communications Plan on issues of interest, such as vertical integrations and risks of using artificial intelligence
- We updated the competition risk matrix in Colombia based on the recommendations provided by an external consultant and audit
- We updated the matrix of critical positions, including positions that participate in guilds, interact with competitors, have access to sensitive information, or define commercial strategies. This allows the necessary controls to be applied to prevent anticompetitive behavior and conduct contrary to competition policy. Also, it enables Legal areas to manage incidents related to participation in industry associations



Administrative Employee from Honduras

Training on Conduct

We disseminated our principles of business conduct and related policies to the Company's employees through the annual conduct training, entitled "Believe me, they exist" ('De que las hay, las hay, in Spanish), in order to make visible facts and daily behaviors contrary to the PGGC.

This year, the training focused on Money Laundering and Terrorist Financing (MLTF) risks, bribery and corruption, conflicts of interest, and gift and hospitality management. Through storytelling by different leaders from the business group, 4,235 employees learned about real-life situations and practical examples of what can happen in the Company's day-to-day operations, and how to handle them appropriately. This course was adapted to the different languages of the geographies where we operate.

94%

OF EMPLOYEES
were trained on conduct.

Transparency Hotline

We have a channel for stakeholders to report behaviors contrary to the Code of Business Conduct or other corporate policies and to take the necessary corrective actions or disciplinary sanctions.

Our reporting protocol is as follows:



The complainant reports its case through one of the following options:

Telephone numbers:

- **Colombia:** 01 8000 522 021
- **Honduras:** 800 2791 9378

E-mail:

lintransparencia@argos.com.co



Click here to access the form to report your complaint or irregular action. This channel is completely confidential.



The complaint is received by an independent third-party, which manages the receipt of cases to ensure confidentiality, protection of the complainant's identity, prevention of retaliation for good faith complaints and transparency in the process.



Through a platform, the third party creates cases and classifies them according to the matrices and categories established by the Company, including communities, labor relations, conduct, and others.

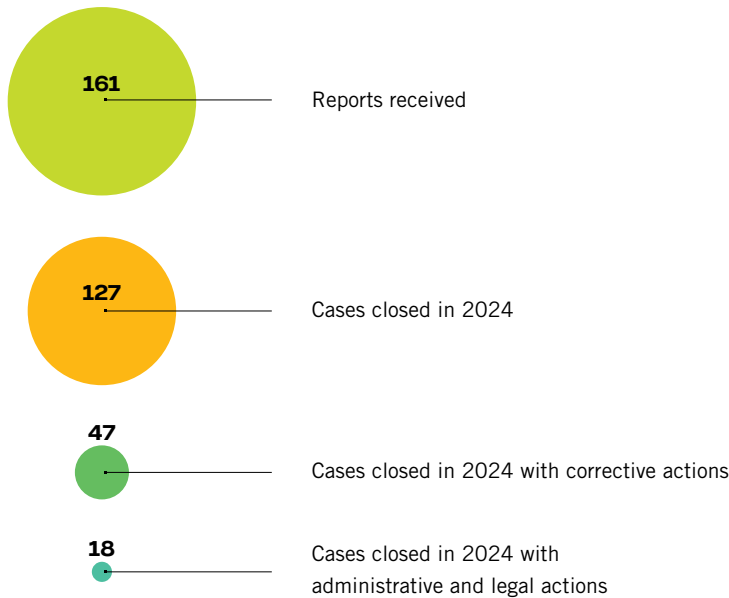


The compliance team analyzes the reports and refers the cases to the appropriate investigating officer, who may sometimes be the same conduct officer. The objective is to manage and investigate the reported acts and implement the necessary corrective actions, or legal or disciplinary sanctions.

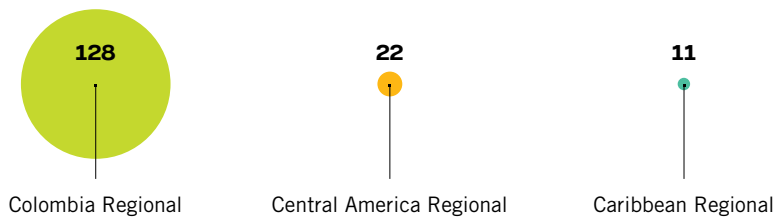


Medium and low criticality cases are managed and reported to the leaders of each process. In situations considered highly critical, reports are reviewed by the Business Conduct Committee. Reports involving members of the Steering Committee are investigated by the Sustainability and Corporate Governance Committee of the Board of Directors.

Complaints received in 2024



Reports by Regional



Reports by Category



In 2024, **thanks to a report by the Transparency Hotline, a case of corruption was investigated, corroborated, and closed with administrative and legal actions.** In it, a employee requested money to speed up the process of receiving work and thus proceed with the payment for those services.

As a result of the findings and measures taken, it was decided to communicate and implement a training plan in the plants **to raise awareness on rejecting any such behaviors, the legal consequences of these acts and the importance of acting correctly.**

CHALLENGES AHEAD

- Continuing to position the PGGC at the various levels and operations of the organization, adapting it to the cultural realities and needs of each country and to best practices in this area.
- Advance in the identification of opportunities to automate controls and alerts associated with the compliance program, to improve its effectiveness and follow-up according to the size of the Company, the volume of information, the variety of data systems and the different geographies where we operate.



See here the indicators of this material topic.

RESILIENT SUPPLY CHAIN



SDG



Business Impact

- Cost savings

Go to our website



On-site employee in the Dominican Republic

Our operational and logistical processes are highly dependent on resources, infrastructure and time. Having a resilient supply chain is essential, as it allows us to adapt, recover quickly, continue to operate effectively and deliver the best products to our customers.

HOW IT IS MANAGED

We recognize that the success of our business is intrinsically linked to the performance, efficiency and sustainability of our supply chain. We have a management model that covers the following stages:



Planning



Sourcing



Logistics and Distribution



Visibility and Digital Transformation

Planning: Integrated and continuous planning in the short, medium and long term provides us with a holistic view of the supply chain, considering local and international flows. This gives us flexibility and agility in the face of interruptions and allows us to anticipate bottlenecks and fluctuations in demand. We have contingency plans to make real-time adjustments in inventory, production, distribution and supply of raw materials, ensuring efficient, cost-effective and timely management.

Sourcing: We foster strong, collaborative relationships with our suppliers, linking their capabilities with our current and future needs. We promote alignment with sustainable practices and risk management through capacity building and capacity development programs.

Logistics and Distribution: We implement efficient logistics and transportation strategies, supported by technology, to optimize routes, costs, delivery times and the use of assets. We guarantee efficient operations by maximizing productivity and ensuring timely deliveries at the regional and local levels. In addition, we contribute to road safety and carbon footprint reduction by optimizing the use of the vehicle fleet.

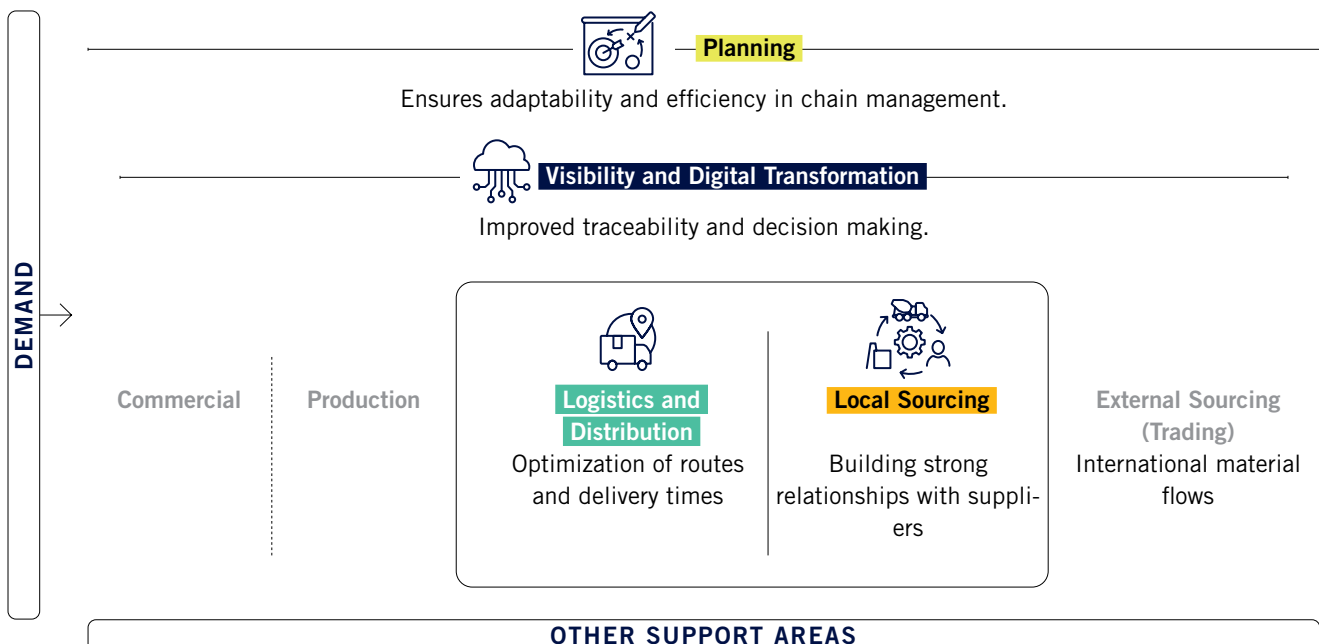
Visibility and digital transformation: We rely on technological tools that increase visibility, control and detailed analytics over the supply chain. This allows for more agile and accurate decision-making, which generates tangible benefits in efficiency, traceability and risk management.

In addition to local and regional actions, we integrate the global experience of our Trading General Management. This area plays a fundamental role in the management of international material flows, centralization of corporate purchases, decision-making in the entire production and logistics network, among other strategic processes. **FOR MORE INFORMATION ON TRADING MANAGEMENT, SEE P. 132.**



Click here to see the indicators of this material issue.

Supply Chain



2024 PERFORMANCE



Planning

INTEGRATED SUPPLY CHAIN MANAGEMENT - INTEGRATED BUSINESS PLANNING (IBP)

Implementing Integrated Business Planning (IBP) was fundamental to the Colombia Regional's 2024 results. This collaborative approach between sourcing, commercial, operations and production optimized planning and distribution, thus improving our operational efficiency and resource allocation to meet market demand.

In addition, the adoption of new sourcing models and the use of advanced analytics allowed us to carry out comprehensive logistics planning, reduce transportation costs, and align inventory levels with the needs of the operation, not only for finished products **but also for the supply of the main raw materials from our suppliers.** This management improved cash flow and working capital by incorporating innovative negotiation schemes.

STRATEGIC TRANSFORMATION IN CENTRAL AMERICA AND THE CARIBBEAN

In the **Central America and Caribbean Regionals,** we implemented a strategic supply chain management model to position our operations as a benchmark in the industry. This model allowed us to evaluate the maturity of the planning, logistics and supply processes by identifying gaps in relation to global standards and designing action plans aligned with local strategies.

Initially applied in Panama, Honduras, and Puerto Rico, this model has optimized chain management and projects profits of USD 2.5 million by 2025. It also facilitates continuous monitoring by senior management, prioritizes key initiatives and promotes a medium- and long-term strategic vision.

As a result, we achieved significant **savings of:**

COP 41

BILLION in the purchase of coal

COP 15

BILLION in the transportation of raw materials

COP 25

BILLION in the transport of finished product



Argos Blanquito River, Choloma (Honduras)



Operation in Antilles

PLANNING AS A LEVER FOR EFFICIENCY

In the face of the market contraction in Colombia, we focused our planning on continuous optimization to ensure efficiency and profitability, improving resource allocation and performance. We implemented the following initiatives:

- **Operational optimization:** We developed an optimized production and distribution plan by analyzing demand, costs, and capacity, thus improving response and reducing costs.
- **Inventory optimization:** Through interdisciplinary management, we were able to reduce working capital by COP 40.9 billion, thus improving cash flow and reducing storage costs.
- **Efficiency in distribution sites:** Synergies between nodes and adjustments to market needs generated COP 2.41 billion in significant operational savings.

The demand analysis generated savings of COP 6.9 billion thanks to optimizing the network in the northern zone and the suspension of furnace 3 at the Cartagena plant.



Sourcing

REGIONAL PROCUREMENT WITH A LOCAL FOCUS

To adapt to each country's realities, we adjusted the Procurement Manual applicable to the **Central America and Caribbean Regionals** (specifically Panama, Honduras, Guatemala, Puerto Rico, Dominican Republic, Antilles, Suriname, and French Guiana).

This adjustment was complemented with the use of a risk and insurance tool that allows us to identify risks associated with negotiations with third parties and implement mechanisms to mitigate them.

We provided training to more than 120 people from the main operations on the new **Contracting Manual**, which strengthens decision-making, due process and risk mitigation.

87% OF OUR SUPPLIERS are local.

STRATEGIC SOURCING: EFFICIENCY AND SUSTAINABILITY

We have developed negotiations under “strategic sourcing” and “category management” methodologies in order to mitigate risks and strengthen competitiveness and sustainability in the face of changes in the supply chain. This allows us to have a comprehensive view of the strategic and leverageable categories, thus generating a high impact on results. In addition, we rely on advanced technological tools, such as Coupa Sourcing Optimization (CSO), which allows us to generate multiple purchasing scenarios, thus reducing time, improving negotiation conditions and, consequently, costs.

In 2024, we generated savings of **more than COP 41 billion in coal due to lower prices and optimizations in freight contracting**, and a release of capital for COP 8 billion. Additionally, we project savings of COP 1.65 billion in liquid fuel in 5 years and COP 1.9 billion in spare parts in 3 years.

FROM NEGOTIATION TO CONTRACT: MORE TRANSPARENCY WITH SNETWORK SOURCING

With an investment of **more than USD 75,000**, we implemented SNetwork Sourcing, a technological tool that improves the traceability of strategic negotiations in Panama, Honduras, Puerto Rico, and the Dominican Republic. This platform allows us to have traceability of high-value negotiations, which reduces the risk of fraud and ensures business continuity. It also includes a module to manage contracts and measure supplier performance.

By 2025, we expect to facilitate the negotiation of around USD 10 million and to have at least 1,000 suppliers registered in this tool.

SUCCESS CASE



Mixer truck fleet in Colombia

THE POWER OF DATA: Transforming transportation with analytics

In 2024, we faced logistical challenges, such as public order disturbances, a 12% reduction in cargo moved, and increased costs. To overcome them, we implemented logistics intelligence, leveraging data analytics to improve efficiency, sustainability, and carrier experience in a proprietary and third-party fleet model.

Thanks to the compensation of fleets with own and external cargo, we achieved a 17% increase in turnover and a 19% increase in fleet profitability.

Optimizing fuel consumption by 4% reduced our carbon footprint by 2,500 tons of CO₂ equivalent, avoiding empty transits and repositioning costs. This is projected savings of COP 14 billion in logistics costs.

In addition, we identified risk patterns and promoted safe driving, which reduced road accidents by 18%, 40% in our incidents, 18% in those of suppliers, and 40% in rollovers. We improved driving habits by 9% and reduced logistics times by 42%. In addition, we trained 2,800 people in sustainability and operations.



Supplier recognition event in Colombia

NEGOTIATION WITH SUPPLIERS: SIGNIFICANT CONCRETE SAVINGS

In the **Colombia Regional's** concrete business, we implemented a comprehensive raw materials optimization strategy, which generated savings of COP 6.2 billion. This strategy included maximizing the use of supplementary cementitious materials ([SEE MORE ON PAGE 117](#)) and effectively managing additive costs. In this last aspect, we achieved a favorable negotiation with our suppliers that not only allowed us to freeze prices for 2023, protecting us from inflation, but we also achieved a 5% reduction in sales prices for 2024, which translated into a direct profit of COP 2 billion. In addition, there was a 0.5% increase in the rebate, representing an additional benefit of COP 1.9 billion.

76% OF OUR
**SIGNIFICANT
SUPPLIERS** were evaluated on
sustainability issues.

STRENGTHENING AND ADDED VALUE FOR OUR SUPPLIERS

In the **Colombia Regional**, we strengthened our relationship with our suppliers by developing initiatives to promote their competitiveness and alignment with our sustainability standards:

- Management of improvement opportunities through a new complaints tool.
- Occupational health and safety training for critical contractors with the Colombian Safety Council.
- Webinars on relevant topics, such as creating women's businesses and financing through confirming lines.
- Strategic alliances for supplier development.
- Holding a recognition event to highlight best practices and foster relationships with business leaders.

In addition, we strengthened the supervision of our contractors through continuous monitoring and feedback during the execution of contracts.



Logistics and Distribution

CONTINUOUS IMPROVEMENT IN CONCRETE DISTRIBUTION

With the aim of boosting the competitiveness and profitability of the ready-mix concrete business, we have implemented an optimization program focused on distribution efficiency since 2021. This program addresses asset management, last mile logistics, operational planning, equipment life cycle and technological innovation.

With the implementation of advanced technologies and logistics strategies, we achieved a 13% reduction in mixer inventory. In addition, we increased our load capacity per trip by 6.2% by incorporating Euro 6 technology vehicles. This resulted in a 10% reduction in fuel consumption, and therefore, in our emissions (SEE MORE ON PAGE 109).

These results also include:

Increase in monthly productivity ↑ **403** m³/MIXER
from **341 m³/mixer to**

Increase in the average load ↑ **6.47** m³
from **6.07 m³ to**

Cycle time reduction ↓ **187** MINUTES
from **190 to**

3% in **FUEL SAVINGS.**



Visibility and Digital Transformation

SMART FEE MANAGEMENT: BEYOND REGULATORY COMPLIANCE

In the **Colombia Regional**, we effectively managed the risks of 8,465 transportation fees for the cement, aggregates, and raw materials businesses, complying with 100% of Sisetac regulations (national transportation regulation) for 1,633 regulated routes. With this strategic approach, we guarantee fair payments to transporters, strengthen our suppliers and avoid penalties.

In addition, we achieved:

- Adjustments to freight tables and issuance of alerts to mitigate impacts on logistics, planning, marketing and raw material purchases.
- Evaluation of negotiation scenarios and prioritization of strategic purchases to reduce mobilization costs.
- Adjustments in the supply network and FOB prices to mitigate impacts on costs and margins.

CHALLENGES AHEAD

- Achieve the formulation and implementation of co-creation initiatives with significant suppliers that foster innovative practices and efficiencies.
- Expand the fleet compensation model with own and external cargo to other routes and industrial sectors.
- Improve the carrier experience to attract and retain the best people and strengthen the operations network.
- Extend the use of analytical tools to logistics processes other than transportation.
- Continue to grow in digitization and take full advantage of technologies, such as artificial intelligence (AI), machine learning and robotic process automation (RPA).
- Improve carbon footprint by integrating more efficient vehicles.
- Promote the formalization of suppliers in the Caribbean Regional, as well as attract and strengthen new allies in these countries.

OPERATIONAL EXCELLENCE

CLIMATE CHANGE MITIGATION AND ADAPTATION



Green area in Cartagena Plant, Colombia

SDG



Business Impact

- Risk

Go to our website



Our climate action is crucial in the Company's strategic framework to ensure long-term competitiveness and sustainability. To achieve this, we are implementing initiatives to reduce CO₂ emissions, mitigate risks and take advantage of opportunities related to this issue.

HOW IT IS MANAGED

At Argos, we approach climate change not only as a global challenge, but also as a strategic opportunity to transform our operations and our value chain. We focus our actions on these 3 objectives:



Mitigation: Reduce our direct and indirect CO₂ emissions.



Innovation: Develop products with lower emissions and sustainable construction solutions from a life cycle approach.



Adaptation: Identify the risks to which our operations are exposed and propose adaptation measures.

WE FOCUS OUR ACTIONS ON THE FOLLOWING 3 OBJECTIVES



Mitigation



Innovation



Adaptation

In order to achieve these objectives, we rely on 2 lines of work:

1

Decarbonization of our production processes and value chain:



Scope 1 Emissions

Improved thermal efficiency



Increased use of alternative fuels



Reduction of clinker content in our cements



Use of conventional fuels with lower CO₂ emissions



Scope 2 Emissions

Optimization of electrical efficiency



Adoption of renewable Power Purchase Agreements (PPA)



Development of renewable energy projects

2

Actions focused on ensuring the resilience and competitiveness of our Company and our value chain:



Fostering research

through strategic alliances to accelerate and scale solutions.



Developing a portfolio of sustainable products

that respond to the needs of our customers.



Taking part in industry

associations that promote the transition to a low-carbon economy.



Click here for our 2024 Climate and Nature Report.

OUR COMMITMENTS

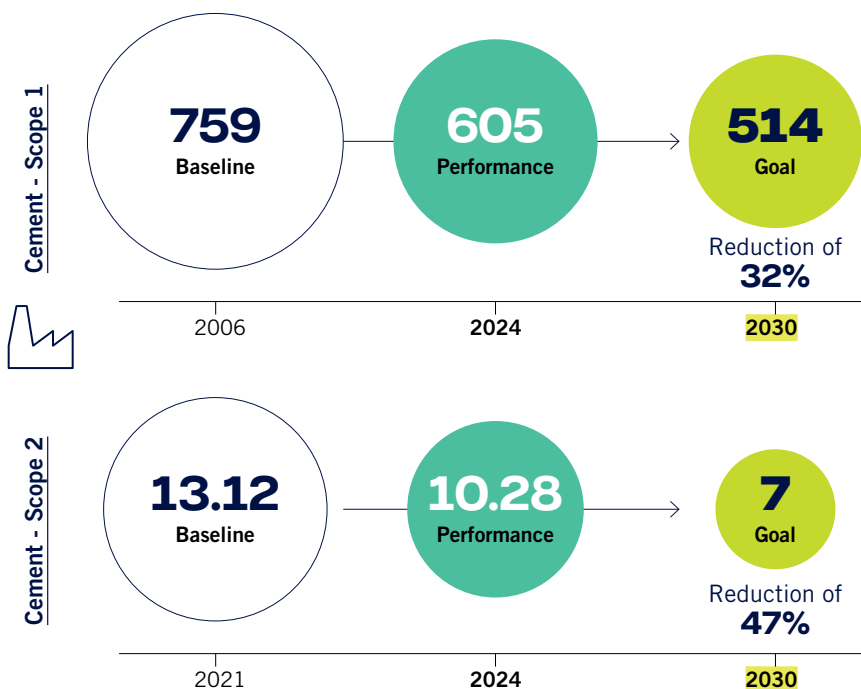
CO₂ Roadmap Update - Scope 1

As a result of the transaction closing between Argos USA and Summit Materials, we redefined our sustainability commitments, including our climate change and technical and financial roadmap commitments, to reduce direct CO₂ emissions from our cement business. This only considers the Colombia, Central America, and Caribbean Regionals.

514 kgCO₂/t cementitious material by 2030

is our target for specific scope 1 net emissions reduction in the cement business. This goal was approved by the Sustainability and Corporate Governance Committee of the Board of Directors.

Specific CO₂ emissions (kgCO₂/t cementitious material)



Concrete

GOAL

2050

We will produce and market carbon-neutral **concrete**.

Aligned with:



*Baseline and 2030 target: Recalculated excluding Argos USA operations.
The Scope 2 specific emissions target is projected under the market method.*

In 2022, we validated our Scope 1 and 2 emissions reduction targets by SBTi, aligned to its criteria on the trajectory of temperature ambition well below 2 °C. Due to the combination of Argos USA's operations with Summit Materials, these reduction targets will need to be recalculated and we will seek to align with the 1.5 °C climate objective.

USD 73.9 MILLION

is the projected CAPEX to 2030 to materialize the updated scope 1 emissions reduction roadmap.

2024 PERFORMANCE

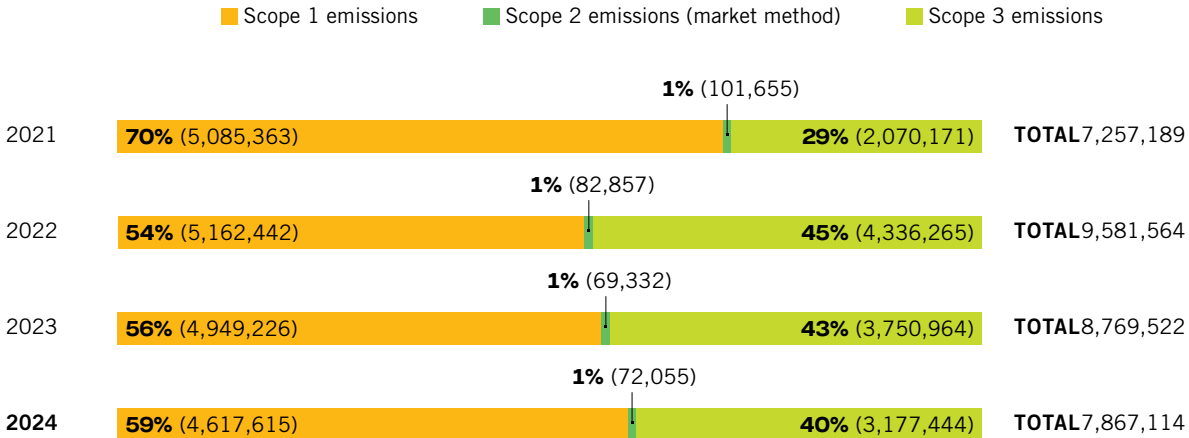
Mitigation⁵

Our Board of Directors monitors compliance with the technical and financial roadmap for reducing CO₂ emissions. Through its supportive committees and the Company's senior management, it prioritizes, discusses and approves strategies and formulates recommendations, actions and investments for climate change management.



Learn more about our climate change indicators.

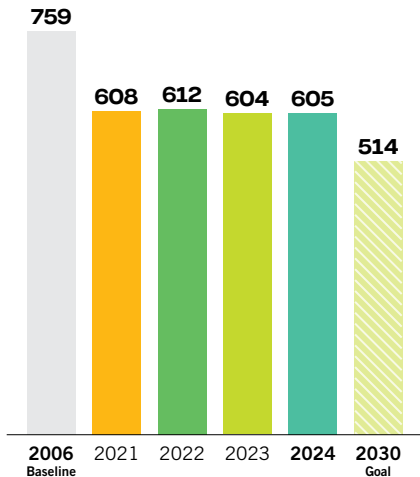
Direct and indirect emissions (tCO₂/year)



SCOPE 1 EMISSIONS

Scope 1 specific net emissions remained stable, with a slight increase of 0.2% vs. 2023.

Cement - Specific net CO₂ emissions (kgCO₂/t cementitious material)



This result was mainly due to:

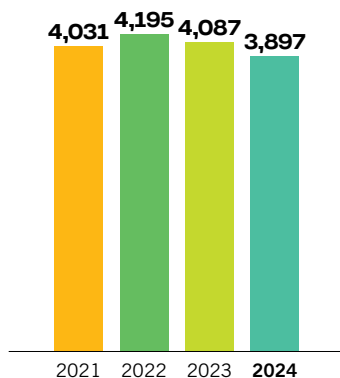
- A decrease in absolute net emissions and cementitious material production by almost the same proportion. The reduction in cementitious material production was impacted by the market contraction in the Colombia Regional, which contributed 87% of the Company's total clinker production
- A 5% reduction in caloric consumption, thanks in large part to the operational transformation of the Cartagena plant's wet clinkerization line
- An increase in the caloric substitution of conventional fuels (especially coal) with alternatives, from 3.6% in 2023 to 4.10% in 2024

In addition, the low availability of natural gas in the Colombian market affected the weighted fuel mix used in the furnaces, which was reduced from 12% to 3%, increasing coal consumption, and therefore, CO₂ emissions. On the other hand, the low availability of supplementary cementitious materials (such as slag) led to higher clinker consumption, and therefore, to an increase in the clinker/cement ratio by one percentage point.

⁵ In 2024, the environmental goals were redefined, and the historical data for the most important environmental indicators were recalculated to facilitate comparability in performance, taking account the exit of the Argos USA operation. The historical figures presented in this section are recalculated by eliminating the information corresponding to U.S. operations.

Thermal efficiency

Caloric consumption in clinker production (MJ/t clinker)



We highlight the following projects executed over the year:

Caloric reduction at Rioclaro plant, Colombia

Reduction in caloric consumption in clinker production of approximately 8.5% vs. 2023. This was due to the replacement of the main burner of one of our furnaces and the recovery of the ventilation capacity.

Productivity and efficiency at Piedras Azules plant (PIA), Honduras

We reduced caloric consumption by 4% vs. 2023, while achieving a historical productivity of 1,783 tons of clinker per day and 584,686 tons in the year. This was achieved through efficient kiln control, stable crude oil quality and the use of digital twins, among others.

SUCCESS CASE

EFFICIENT AND PROFITABLE PRODUCTION THANKS TO ARTIFICIAL INTELLIGENCE (AI)

At Argos, we have been using and refining virtual models of our cement and ready-mix plants for 6 years, which accurately reflect key systems of the operations in the digital world. These models, known as digital twins, use AI and data analytics to optimize production processes and improve efficiency in real time.

Benefits in the cement production process

- Maximize heat recovery and furnace productivity, which reduces fuel usage.
- They control the fineness and percentages of limestone and gypsum additions that positively impact quality and costs per ton.
- Increase plant availability.
- Reduce maintenance costs.
- Control emissions.

Benefits for plant personnel

- Transform staff roles to a more analytical approach.

Achievements to date with the use of these virtual models

- Reduction of 2 percentage points, on average, in the clinker/cement factor.
- Average increase in cement and raw mill throughput of 4.5%.
- Reduction in specific electrical energy consumption (kWh/t) of 7% in cement and crude oil mills.
- Reduction of up to 11 kcal/kg in specific caloric consumption in the clinkering process.

Benefits in the concrete production process

- They help to obtain a product with minimum variability and lower deviations in resistances, which allows for better quality and performance products.

In addition to the digital twins, AI has also been used to develop and implement virtual supervisors that, to date, monitor 65 pieces of equipment and 3,000 variables in real time. This, using an early warning system via WhatsApp, to identify anomalies or deviations and thus prevent failures and reduce unscheduled shutdowns.

SUCCESS CASE



Signing of the agreement with Geofuturo CDR

ARGOS SIGNS AN AGREEMENT for waste utilization at Cartagena plant, Colombia

We signed an agreement with Geofuturo CDR for a potential supply of 21,000 tons of waste per year to our Cartagena plant. This waste coming from the industrial, commercial and hotel sectors in the area will be transformed into refuse-derived fuel (RDF) and used as an alternative fuel in the clinkerization furnace to partially replace the coal consumed.

Geofuturo's RDF production plant processes waste materials that cannot be recycled, such as plastics that are difficult to recycle, cellulose, biomass, textiles, wood and furniture, among others, as well as various industrial wastes that are technically and environmentally suitable for co-processing.

With this project, we seek to reduce CO₂ emissions, fossil fuel consumption, and industrial waste management, thus avoiding its disposal in landfills.

It is estimated that thanks to this use, the annual emission of approximately 35,000 tons of CO₂ will be avoided and a 7% caloric substitution will be achieved by 2027.



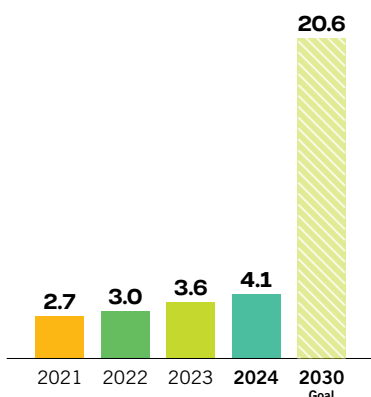
For Geofuturo CDR, a subsidiary of the Resiter Group, a leader in circular economy and waste management in Latin America, this agreement represents an important step, as it reinforces our commitment to sustainability and contributes significantly to improving environmental standards in terms of waste management in a region known worldwide for its biodiversity and environmental heritage."

Olga Lucía Gaviria

Founding Partner at Geofuturo CDR.

Thermal substitution with alternative fuels

Substitution of conventional fossil fuel caloric consumption by alternatives (%)



Strengthening the Co-processing Network in Colombia

We strengthened our alternative fuel supply chain, bringing in more than 27,900 tons of waste (e.g. tires, RDF and biomass, among others) at the Rioclaro and Cartagena plants, to achieve a caloric substitution rate for the Colombia Regional of 3.7%.

Revenues and Savings from Co-processing in Honduras

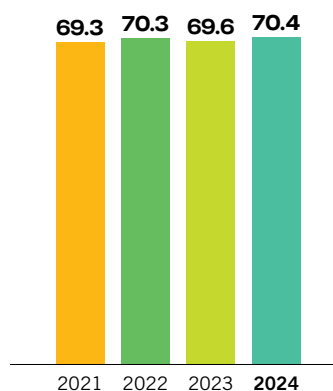
We achieved a caloric substitution of 6.9% and savings of approximately USD 156,000 as a result of the consumption of 4,745 tons of waste (e.g. tires, RDF, used oils, expired medicines, paper and cardboard) in the clinker kiln at the Piedras Azules plant in Honduras. In addition, we obtained revenues of more than USD 120,000 due to the offer of waste co-processing services.

Ecofuel in Panama: Source of Savings and CO₂ reduction

At our Panama cement plant and ready-mix operation, we replaced 35% of bunker fuel with ecofuel, a lower-cost alternative fuel with lower CO₂ emissions. We plan to gradually replace bunker fuel with eco-fuel until we reach an 80% substitution rate.

Clinker Reduction in Our Cements

Clinker-cement factor (%)



Increase in the Use of Cementitious Materials in Colombia

At the Rioclaro plant, we increased the addition of calcined clays to our Structural Max cement, which reduced the clinker-cement factor by 1.5% vs. the previous year, reaching the best historical value for this cement in operation. This was achieved by optimizing the reactivity of the artificial pozzolan with new proportions and dosages. In 2025, we will move forward with the implementation of a quality activator dosing system and the application of the same methodology for general-purpose cement.

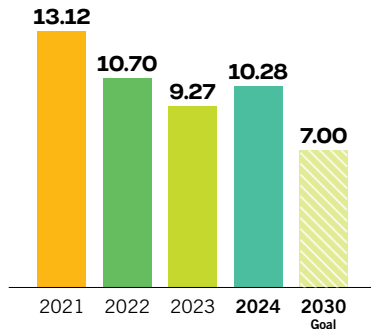
Pozzolans, ashes and additives: advances in our Central America and Caribbean Regional

- **At Piedras Azules plant in Honduras**, with an investment of USD 7 million, we began installing a pozzolan dryer to improve cement formulation. After stabilization of the process, an overall clinker-cement factor of 49.8% is expected to be achieved.
- **At Rioblanquito plant in Honduras**, we implemented the use of ash and an activating additive (ACTAR) in cement production. This reduced the clinker-cement factor by 1 percentage point from 54% to 53%. In 2025, the goal is to increase the ash level, overcoming challenges such as the change in cement color.
- **At the Puerto Rico** plant, we implemented an initiative to maximize the use of basalt in general-purpose and EcoMasonry cements.

SCOPE 2 EMISSIONS

Specific CO₂ emissions

(kg CO₂/t cementitious material) - Market method



In 2024, specific scope 2 CO₂ emissions increased by 11% vs. 2023, driven mainly by two factors:

- Increase in the CO₂ emission factor of the national electricity grid, which went from 191 kgCO₂/MWh to 271 kgCO₂/MWh, a 42% increase.
- Higher percentage of purchased energy, which grew by 3%.

Thanks to the entry of new power purchase agreements and the increase in the purchase of renewable energy backed by IREC certificates, 52% of the electricity purchased came from renewable sources. This allowed mitigating the increase in specific emissions by the market method.

Electric Energy Efficiency

Energy Efficiency in Colombia

At our Rioclaro and Cartagena plants, we carried out interventions in some of the mills, which allowed us to increase production and, therefore, reduce energy consumption by 1.3 kWh/t vs. 2023.

Operating Investments in the Caribbean

- **At our Puerto Rico** plant, we invested USD 1.19 million in upgrading the cement mill to increase throughput from 34 to 44 t/h and reduce energy consumption from 90 to 73 kWh/t.
- **We began installing a clinker pre-grinding system at the Dominican Republic** cement plant—an investment of USD 7.6 million. With this, we expect to increase mill throughput by 25% and reduce electricity consumption by 3 kWh/ton by the first quarter of 2025.



Rioclaro plant in Colombia

Power Purchase Agreements (PPAs) and Renewable Energy Projects

Certified Renewable Energy in our Colombian Operations

Based on contracts signed with Isagen and EPM, approximately 200 GWh of renewable energy certified with IREC will be consumed in the operation of the **Colombia Regional** plants by 2024. We also maintain our focus on the energy transition by structuring two 19.9 MW projects, which will replace 40% of the energy supply at the Tolviejo Plant and 60% at Zona Franca Argos by 2026. The latter will include a 50 MW accumulator.

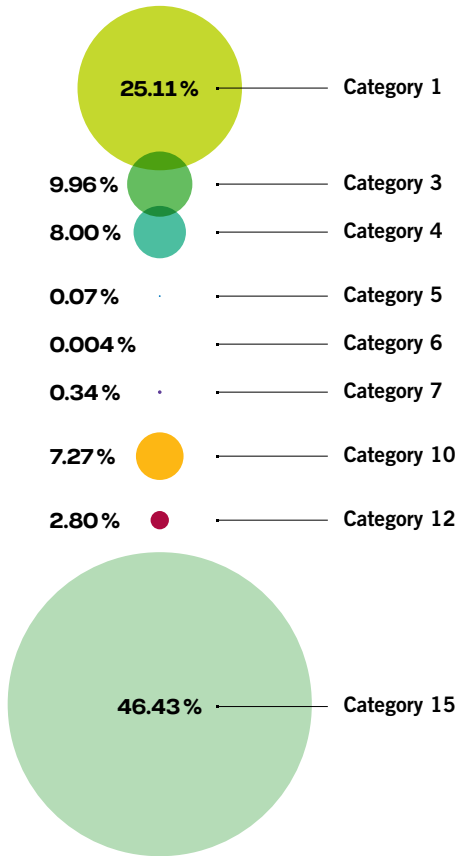
Boosting Renewable Energies in our Central American and Caribbean Operations

In 2024, the solar farm at Rioblanquito plant in **Honduras** supplied 847 MWh and covered 14% of electricity demand, generating USD 67,000 in savings. This percentage is expected to reach 19% by 2025.

In Panama, 21,500 MWh of 100% renewable energy was supplied, and in the **Dominican Republic**, 10.5% of the 23,571 MWh came from renewable sources, with a projected increase to 50% by 2025.

A bidding process is currently underway for the supply of electricity from renewable sources, mainly solar, for the plant in **Puerto Rico**. The bidding process to expand the solar farm of the Piedras Azules plant in **Honduras** from a current capacity of 10 MWp to 12 MWp was opened, and it is expected to reach a total solar supply of 32%.

SCOPE 3 EMISSIONS



In 2024, the most representative categories were **15** Investments, **1** Purchase of Goods and Services, **3** Activities Related to Fuel and Power Consumption, and **4** Upstream Transportation and Distribution.

- **1 Purchase of Goods and Services**
- **2** Purchase of Equipment: Not Available
- **3 Activities Related to Fuel and Power Consumption**
- **4 Upstream Transportation and Distribution**
- **5** Waste Generated in Operations
- **6** Business Travel
- **7** Employee Commuting
- **8** Upstream Leased Assets: Not Available
- **9** Downstream Transport and Distribution: Not Available
- **10** Processing of sold products
- **11** Use of Products Sold: Not Available
- **12** End-of-Life Treatment of Sold Products
- **13** Downstream Leased Assets: Not Available
- **14** Franchises: Not Available
- **15 Investments**

Of the 15 Scope 3 categories, we quantified 9 according to the guidelines of the GHG Protocol methodology "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" (WBCSD and WRI, 2011) and the "Cement Sector Scope 3 GHG Accounting and Reporting Guidance" (WBCSD - CSI, 2016).

Transportation Efficiency: Fuel Savings and Emission Reductions in Colombia

We implemented an efficient transportation plan with our allies, which increased fuel efficiency by 6%, from an average of 7.16 km/gallon to 7.85 km/gallon, reducing CO₂ emissions by 4%. This initiative generated savings of COP 300 million per year for suppliers. A 14% increase in fuel efficiency is expected by 2025.



Bulk truck in Puerto Rico



Innovation

FUTURE AND COLLABORATION

By prioritizing initiatives and working together with our R&D area, we develop sustainable technologies and processes that improve the performance of our operations and products while reducing CO₂ emissions. In addition, through strategic alliances with research centers, institutions and industry partners, we promote innovative solutions that generate value for both industry and society.

We continue to work on the microalgae pilot plant in Cartagena to convert CO₂ into biofuels. With these results, at the end of 2025 we will decide on the continuity of the project and its scalability.

3D Printing Inks with Calcined Clays

In 2024 we developed two inks for 3D printing with the addition of calcined clays in the concrete mix. This development meets the required properties of the ink in both fresh and hardened states. We tested the developed inks in the laboratory and were able to print some elements with the robotic arm.



Concrete 3D Printer

Superclinker: Technology for Increasing Reactivity and Additions in Cement

Since 2023, we have been developing clinker mineralization technology to increase its reactivity. We have tested the technology on an industrial scale at the Cartagena cement plant and have achieved increases in addition levels (cementitious materials that replace clinker in the cement formulation) of 2 to 4 percentage points. Our challenge for 2025 is to complete the technical and economic validations for industrial implementation in other operations of the Company.

We are part of the ECEM project (Electric Calciner Technologies for Cement Plants of the Future).

This project, financed by the Danish government through the Innovation Fund, aims to advance the development of technologies to electrify cement production and reduce CO₂ emissions through the use of renewable energies. It has a duration of 3.5 years and involves the participation of European universities and research institutions. Our role, as potential users of the technology, is to provide industry information to test and conclude the viability of this technology in our sector.

CHALLENGES AHEAD

We actively participate in Innovandi's initiatives

The GCCA, through its Innovandi program, is developing two initiatives focused on reducing CO₂ emissions from the cement industry:

- 1 The global research network:** Focused on working with universities. We are part of the network's Steering Committee and are industrial mentors for PhD students who develop the projects.
- 2 Open Challenge:** This is focused on working with startups and aims to help them accelerate the development of their technologies through joint projects. In 2024, we supported 3 projects.

SUSTAINABLE VALUE OFFER

Having a portfolio of sustainable products and solutions, especially low-carbon ones, is fundamental to advancing our climate change action plan. In line with this commitment, we continue to expand and diversify our portfolio.

THE PROGRESS MADE IN THIS AREA IS PRESENTED IN DETAIL IN SECTION SUSTAINABLE PRODUCTS AND SOLUTIONS, P. 118.

In 2024, we avoided the payment of the carbon tax in Colombia for more than 21,000 tons of CO₂ by purchasing carbon credits.



Adaptation

With a view to identify and measure climate risks to our operations, we implement adaptation actions. Until 2024, we have assessed and quantified the physical risks at all our facilities, focusing on natural hazards. In addition, 91% of the facilities have advanced in the qualitative assessment to analyze vulnerability to extreme weather events.

- Incorporate the technological upgrades defined in the emissions reduction roadmap in a sustainable manner, to ensure their viability and contribution to the operational efficiency pillar
- Plan the production of the Colombia Regional in an integrated, continuous and efficient manner, taking into account the slowdown in the construction sector in recent years, which is expected to continue in the short term
- Continue laboratory and industry trials to optimize the performance of the latest technology admixtures used in cement to reduce the clinker-cement factor and have a positive effect on concrete performance
- Advance with the development of sources of supplementary cementitious materials to reduce the clinker-cement factor
- Manage knowledge related to cement chemistry and cement formulation operations
- Achieve CAPEX and OPEX levels that make initiatives to reduce CO₂ emissions financially viable
- Consolidate new sources of alternative fuel supply
- Structuring renewable energy purchase agreements at competitive prices and conditions

ENVIRONMENTAL MANAGEMENT



Photograph by employee Carlos Andrés Moreno

We manage natural resources through the prevention, mitigation, correction and compensation of impacts. In doing so, we foster trusting relationships with our stakeholders and mitigate risks related to the dependence of cement, ready-mix concrete, and aggregates production on natural capital.

HOW IT IS MANAGED

Our environmental management system promotes continuous improvement, which creates sustainable value for the Company, our value chain and all our stakeholders. With products and services that meet high standards, we drive our environmental strategy as a primary guide to achieve better performance and responsibly manage natural capital through:



Integral water management



Measurement and control of other gas emissions to the atmosphere



Achieving a net positive impact on biodiversity and our commitment not to operate in protected areas or areas declared to be of high biodiversity value.



The implementation of circular economy models in our processes to manage products from manufacturing to disposal



Contribution to closing the waste cycle in the geographies where we operate, through co-processing and recovery of waste in our process

SDG



Business Impact

- Risk

Go to our website



Learn more about our environmental strategy.



Puerto Nare, Antioquia (Colombia)

2024 PERFORMANCE⁶

Nature

Aware that our activities depend on nature, we highlight its importance and prioritize it as a critical asset for economic growth, human health and social well-being. Consequently, we identify, value and manage the impacts we generate to nature by means of:

- **Implementation of the mitigation hierarchy** to avoid, mitigate, correct and ultimately compensate for residual impacts
- **Prioritization of biodiversity management actions** in high-value areas by establishing and deploying management plans
- **Establishment and execution of closure and rehabilitation plans** at our operations
- **Integral water management** through responsible use and conservation of this vital resource
- **Risk management** and opportunity enhancement
- **Integration of our suppliers and prioritized customers** in our commitment



This system is supported by a process model for the entire organization, which guides the environmental management actions that each area of the Company carries out internally and with its suppliers, suppliers and customers. We verify the management of the system by means of:

- Internal and external audits based on ISO 14001 and self-assessment tools to validate the status of the implementation of the environmental strategy in our operations
- Digital tools that allow us to manage the system by identifying, evaluating and monitoring the environmental regulations applicable to our processes

We are committed to having a net positive impact on biodiversity and to making efficient use of water to help maintain the flow of ecosystem services for our direct operations and our value chain.



Learn more about our ISO 14001 certified operations.



Learn more about our commitment to nature.

⁶ In 2024, we redefined the environmental targets and recalculated the historical data for the most important environmental indicators to facilitate comparability of performance, taking into account the exit of the Argos USA operation. The historical figures presented in this section are recalculated eliminating the information corresponding to U.S. operations.

SUCCESS CASE

FIRST DATA ON SiB COLOMBIA

In 2024, we made our first publication of data in the Colombian Biodiversity Information System (SiB Colombia), where we shared information from 2 studies of the biotic component developed in the municipality of Bello, (Antioquia). This milestone reinforces our commitment to transparency and responsible biodiversity management by enabling open access to information that can be used, subject to acknowledgement of authorship, for research, education or non-commercial decision-making purposes. With this contribution, we support the knowledge, conservation and sustainable use of biodiversity and ecosystem services in Colombia.



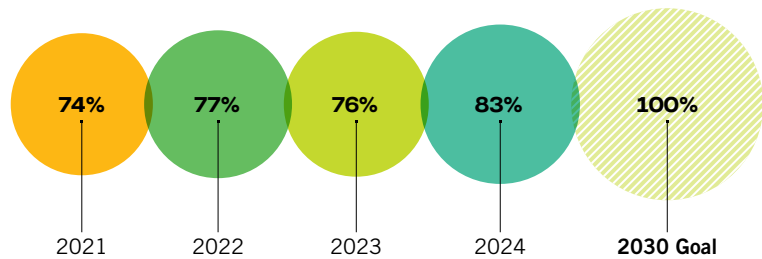
Click here for information on published studies.

BIODIVERSITY

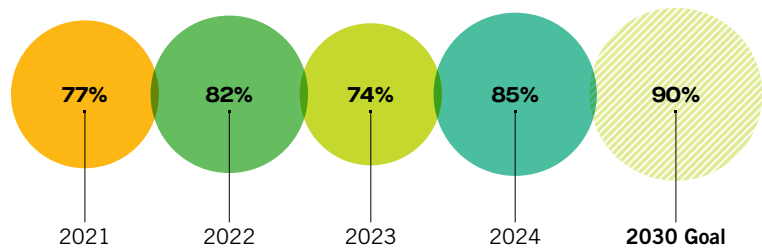
Nature-Related Dependencies, Impacts, Risks and Opportunities

In 2024, we continued to analyze nature-related risks in our direct operations using TNFD's LEAP approach and the Biodiversity Risk Filter tool. Simultaneously, we assessed the vulnerability of areas of high biodiversity value near our operations using IBAT (Integrated Biodiversity Assessment Tool), which allowed us to prioritize efforts and establish strategies in the Biodiversity Management Plans (BMPs), aligned with the environmental, mining and closure plans.

Quarries in high value areas with management plan



Rehabilitation of intervened areas



See our Climate and Nature report (TCFD and TNFD).



Learn more about other environmental indicators.

Management in Our Quarries

- By 2024, 83% of active and inactive quarries located in areas with high biodiversity value have a management plan
- By 2024, we have rehabilitated 556 hectares that were part of our mining operation in all regionals, equivalent to 85% of the areas released in our quarries
- Out of the total number of active and inactive quarries, we formulated 89% of the respective closure plans. These allow us to have a clear picture regarding the management of environmental impacts and the sustainability of the territories



Slope revegetation process at Belencito Mine, Colombia

How does Cementos Argos recover and rehabilitate a quarry?

The recovery and rehabilitation of the quarries is carried out through an integral and progressive process that begins with the geomorphological shaping of slopes and berms to ensure the stability of the land and harmonization with the natural environment. Subsequently, the organic soil layer stored and protected during the mining operation is reused to cover these areas, promoting the growth of native vegetation. This approach facilitates the regeneration of the ecosystem to ensure a responsible closure that prioritizes sustainability and environmental balance.



By 2024, we have rehabilitated 85% of the areas intervened by our mining activity, which contributes to the protection and conservation of biodiversity.



In this video we tell you how the process works.

WATER MANAGEMENT

Our actions are focused on reducing freshwater use by promoting alternative sources and circular practices to minimize competition with human consumption and ensure more efficient and sustainable use.

In 2024, the specific freshwater withdrawal in the aggregates business was reduced to 55 L/t, reflecting a significant improvement over previous years. In contrast, cement and concrete withdrawal was 420 L/t of cementitious material and 208 L/m³ of concrete, showing an increase due to the impact of this year's 'El Niño' phenomenon.

Specific Freshwater Withdrawal

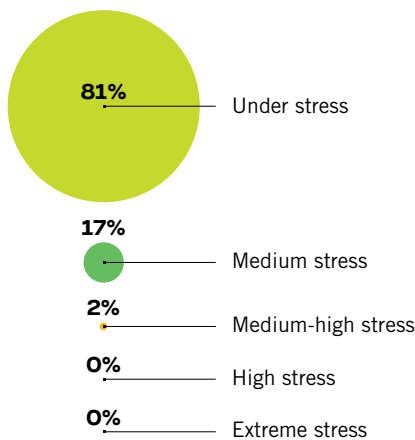


We recirculated more than 4 million m³ of water corresponding to the average consumption of 21,951 families per year.

Water Risk Analysis and Management

We continue to assess water risk at all our active facilities using the WRI Aqueduct and WWF Water Risk Filter tools. This has allowed us to develop management plans, quantify potential impacts and design mitigation strategies to reduce our exposure to water risk. In 2024, following the change in the U.S. operation, we conducted a new assessment of water stress levels. **This resulted in none of our facilities being located in areas with high-extreme water stress levels.**

Percentage of facilities located in water-stressed watersheds



Co-processing waste from the Estéreo Picnic Festival in Colombia



Circular economy

This approach is based on waste reduction and pollution minimization, from design to materials entering the economic cycle, to ensure that they are optimally utilized for as long as possible.

MANAGEMENT OF OUR WASTE

We remain steadfast in our commitment to implement actions that reflect the principles of the circular economy—waste prevention, reduction, reuse and recycling. We do this through integrated management of the waste generated and compliance with current regulations. Some key initiatives are:

- Post-consumer alliances, in which we promote extended producer responsibility by returning to our suppliers waste electrical and electronic equipment, lighting fixtures and lead-acid batteries
- Management of organic waste from our food services, through composting programs
- Donation of cement and concrete waste to local communities to support the improvement of their infrastructure
- Marketing of scrap metal for reuse in different production chains

49% OF OUR WASTE WAS REUSED

MANAGEMENT OF OUR PACKAGING

We manage our packaging with a sustainable approach through our **Green Sacks** program, which for more than ten years has been promoting the use of packaging waste through reverse logistics.

We launched the **Soluble Bags** initiative, designed to dissolve during the mixing process, which eliminates on-site waste. These actions reinforce our commitment to the circular economy by reducing our environmental impact and optimizing the management of materials throughout the life cycle of our products. **MORE INFORMATION ON THESE PROGRAMS CAN BE FOUND ON PAGE 122.**

In 2024, total aggregate production at Bello quarry in Colombia decreased by 20% due to market contraction. However, we were able to increase the production of recycled aggregates by 77%.

SUCCESS CASE

SEPARATION OF PLASTIC WASTE: A commitment of our operation in Honduras

Argos Honduras launched a transformative initiative to promote a culture of separating non-recyclable plastic waste in the homes of our employees. More than 30 employees actively participate, collecting around 25 kg of plastic waste per month, which is delivered to the Piedras Azules plant to be converted into refuse-derived fuel (RDF), partially replacing the use of fossil fuels. This action, involving their families and friends, contributes to the reduction of CO₂ emissions and reinforces our employees' commitment to sustainability. For 2025, we aim to double our participation and extend this practice to the communities near our operations, in addition to integrating textile waste management.

USE OF ALTERNATIVE RAW MATERIALS AND ALTERNATIVE FUELS

Our sector faces the challenge of having waste or by-products of sufficient quality and quantity to contribute to the circular economy. The variability of its composition and the lack of adequate infrastructure for its collection and processing limit its use in cement production.

In 2024, we achieved a 4.1% substitution of conventional fossil fuels with alternative fuels, such as tires, biomass, refuse-derived fuels (RDF), among others. We also achieved 4.1% in the use of alternative raw materials, such as ash or slag, in cement production and 8% substitution of supplementary cementitious materials in the ready-mix business. We managed to take advantage of more than 479,000 tons of waste in our production processes and prevented waste from ending up in landfills.



Other emissions

We are focused on the proper measurement, control, and reduction of SO₂, NO_x, and particulate matter emissions generated by our production processes, as well as on the prevention and mitigation of our dispersed particulate matter (dust) emissions through operational control, optimization, and renewal of emission control systems.

In 2024, NO_x emissions improved, reducing by 6% vs. the previous year. However, there was an increase in PM and SO₂ emissions. Nevertheless, all of our operations complied with the applicable regulations in each of the regions where we operate.

CHALLENGES AHEAD

- Extend our biodiversity-related risk assessment methodology to prioritized suppliers and customers.
- Advance in building our operations roadmap toward a net positive impact on nature.
- Develop closure and rehabilitation plans for all facilities, as well as implement specific biodiversity management plans for those facilities located in areas of high ecological value.
- Ensure the integration and alignment of our circular economy roadmap, focusing on the effective articulation of the 6 defined axes, which will allow us to maximize the impact of our actions in the circular economy.
- Assure the continuous supply of high-quality raw materials and alternative fuels while increasing the use of waste and by-products.
- Maintain the implementation of control measures for the reduction of PM, SO₂ and NO_x emissions, in order to advance in the fulfillment of the objectives established in the environmental strategy.

SUSTAINABLE PRODUCTS AND SOLUTIONS



SDG



Business Impact

- Revenue generation

Go to our website



Green Sacks Program in Colombia

We want to be allies of our costumers in the design, construction and sustainability of the territories where we are present. To achieve this, we offer sustainable products and solutions that seek to meet the challenges of the future. The challenge then lies in adapting to and addressing the changes that are taking place in the value chain of construction, business environment, and customers' needs.

HOW IT IS MANAGED

We declare our commitment to a more sustainable future and invite current and future generations of construction professionals to become informed, decide and act in favor of their environment. We offer our portfolio of products and solutions, which, together with design and construction strategies, help to obtain sustainable building certifications and other benefits.

OUR PORTFOLIO



Low carbon products

- Cements and concretes



Products that optimize materials, extend service life, promote adaptability to climate change and are 100% recyclable

- High resistance concrete
- Concrete for pavements
- Durable low permeability concrete
- Advanced concrete (UHPC)
- Steel framing



Solutions that reduce the consumption of other materials

- Modular solutions



Product that allows the management of water resources, promotes adaptability to climate change and is 100% recyclable

- Permeable concrete



Products that contribute to well-being and comfort, promote human health, reduce the heat island effect and energy consumption in buildings

- Architectural concrete
- Colored concrete
- White cement



Solutions that promote the circular economy

- Green Sacks Program
- Soluble bags



Solutions that reduce the use of natural resources

- Road solutions
- Road cement



Digital building solutions that enable automation and modeling in the industry

- Automation of Life Cycle Analysis (LCA)
- BIM portfolio and 3D printing

2024 PERFORMANCE

43%

OF THE COMPANY'S REVENUES come from the sale of sustainable products and solutions.

Colombia Regional

We received third-party verification of the Environmental Product Declaration (EPD) for type I/II cement produced and exported from our Cartagena plant. This is thanks to our efforts to lead the transformation toward more sustainable construction.

This verification was carried out by ASTM International and is a recognition of the transparency with which the Company communicates the environmental impacts of its products and its contribution to the development of responsible practices in the sector.

Benefits for the international market:

- Ideal for projects seeking certifications such as LEED or EDGE
- Comply with public procurement requirements
- Builders can be sure that they are working with materials that have a lower environmental impact

IMPLEMENTATION OF ACTIVATING ADMIXTURES IN CONCRETE PRODUCTION

In 2024, we achieved a reduction of 40,000 t CO₂ eq vs. 2023, thanks to the combined use of Structural Max cement, General Purpose cement, the addition of ash, and the implementation of liquid activator additives in concrete mixes that enhance the reactivity of the cementitious material.



Learn more about this product.



This initiative reflects our commitment to offer costumers superior service through a portfolio of low-carbon products and solutions that promote conscious construction, thus contributing to climate change mitigation and adaptation, the circular economy, the reduction of the use of non-renewable resources, the increase in the useful life of structures, and the well-being, comfort and health of users."

Carlos Horacio Yusty
Colombia Regional Vice President

WE STEPPED UP TO THE PLATE AND RESULTS OF OUR ROAD SOLUTIONS PROVE IT!

We achieved positive results in the implementation of our Road Solutions strategy (i.e sustainable technologies for road infrastructure such as concrete slabs, soil cement, concrete paving, concrete pavers, gutters and drains), as highlighted below:

- We provided the marketing channel with the information and solutions needed to take advantage of market opportunities within the framework of the government's Community Roads for Peace plan
- We gained **21%** of around 1,170 business opportunities, which translates into close to 8,380 tons of cement sold, about COP 4.1 billion
- **More than 570 people participated in our Road Solutions e-learning course**, designed to empower community leaders and ordinary people with the knowledge they need to improve local roads
- We designed commercial tools and a **calculator to estimate the materials** needed to build the concrete slabs projects

+140

COSTUMERS TRAINED in sustainable and efficient technologies

+1,170

BUSINESS OPPORTUNITIES identified out of 1,940 agreements awarded in Secop⁷



Learn more about our road solutions.

⁷ This is the platform where state entities must publish the documents of the process, from the planning of the contract to its liquidation. It also allows state entities and the private sector to have open and regulated communication on contracting processes.



We decided to work with Argos because they offer experience, quality and good support. In addition, we have end-to-end support and installation services for prefabricated panels."

Juan Esteban Henao Resident engineer at 23 Living—one of the projects built with our Modular Solutions.



Modular Solutions for 23 Living Hotel in Colombia

14,000 m²CLOSER TO OUR COSTUMERS THROUGH MODULAR SOLUTIONS

We managed to be chosen by 8 construction companies in the country be their allies in the development of their projects, a vote of confidence that fills us with gratitude and pride.

In 2024, we executed housing and industrial projects for more than 14,000 m², from our modular concrete solutions plant, represented in more than 6 projects located mainly in Bogotá, Medellín, Chía, Zipaquirá, Funza, Mosquera and Rionegro. In addition, we were able to produce more than 11,400 m² of specialized elements, such as **stairs, slabs, walls and roofs.**

- In 2 years of operation, Soluciones Modulares Argos achieved revenues of more than COP 9.6 billion.

MORE THAN A DECADE TRANSFORMING OUR SACKS INTO USABLE RESOURCES!

Our Green Sacks program has established itself as the environmental solution for the management of cement, ready-mix and lime bag waste. In an articulated work with our customers, at no cost and through reverse logistics, we collect the empty bags and use them to give them a new life cycle in other industries.

- **More than 10 years of operation**
- **More than 500 customers enrolled** throughout the program
- **More than 19 million empty packages** have been collected, which is equivalent to more than 3,100 tons of paper that have been transformed into raw material for the production of paper pulp, cardboard and fiber cement
- **711 tons of paper** collected in 2024, which is equivalent to avoiding the felling of approximately 7,110 trees and avoiding the emission of 190,000 kg of CO₂



Learn more about our full portfolio and the projects we have developed.



Learn more about our program.

SUCCESS CASE



Soluble Bag in Colombia



Learn more about this product.

ALL THE STRENGTH OF STRUCTURAL CEMENT, NOW IN A SOLUBLE BAG

We launched Yumbo Plant Structural Cement and Cartagena Plant Max Structural Cement in soluble bags, a package that completely disintegrates in the concrete mixer by the action of water and gravel, leaving no residue, and ensuring that the cement maintains its technical specifications.

+14,000

TONS OF CEMENT were packed with this solution.

We estimate that **about 100 tons of cement packing** were integrated into the concrete mix.

Our soluble bag **does not impact the quality, performance, strength, durability and color of concrete mixes.** In addition, it does not generate waste in the construction process as it is completely added to the mixing drum, thus promoting the circular economy.

All the strength of our structural cement now in a soluble package, which dissolves and resolves:

- 1 Resolves with your pocket**
It reduces on-site waste management costs and makes the most of every gram of cement, with no waste
- 2 Resolves with your time**
Saves minutes without having to break each bag, shake it and transport it to the disposal site
- 3 Resolves with your and the planet's health**
Solve the inadequate disposal of empty cement bags: less particulate matter in the environment and less effort for its use

It is projected that in the next few years the soluble bags will be available in other plants and departments of the country.



Honduras Eco Multipurpose Cement

Central America Regional

WE OFFER SUSTAINABLE SOLUTIONS FOR THE MARKET AND THE ENVIRONMENT

Concrefácil, our integrated solution launched in 2021 in Panama, has proven to be a disruptive product in the market, and has achieved sales of over 20,000 tons in 2024, which represents a 47% growth vs. 2023.

This performance validates its acceptance as a practical and efficient product, responding to specific construction needs in areas of difficult access and challenging climatic conditions, to improve the quality of our customers' production systems and contribute to sustainability by reducing waste and saving storage space.

Moreover, Panamanian ready **mixes sold more than 48,000 tons** during the year, consolidating them as a key solution for projects that require practicality and sustainability.

Concrefácil, ready mixes and cements with low carbon emission characteristics—including all-purpose cement, masonry cement and structural cement—are manufactured in the first plant with the carbon neutrality recognition granted by the state's voluntary program 'Reduce your Corporate Footprint'.

ECO FRIENDLY PORTFOLIO

In 2024, Argos Honduras consolidated the **ECO Friendly Seal**, launched in 2023, across its entire product portfolio.

General purpose, ECO Multipurpose, Uno, Structural and Road cements comply with more than 25 indicators designed to reduce environmental impact, incorporating sustainable practices such as:

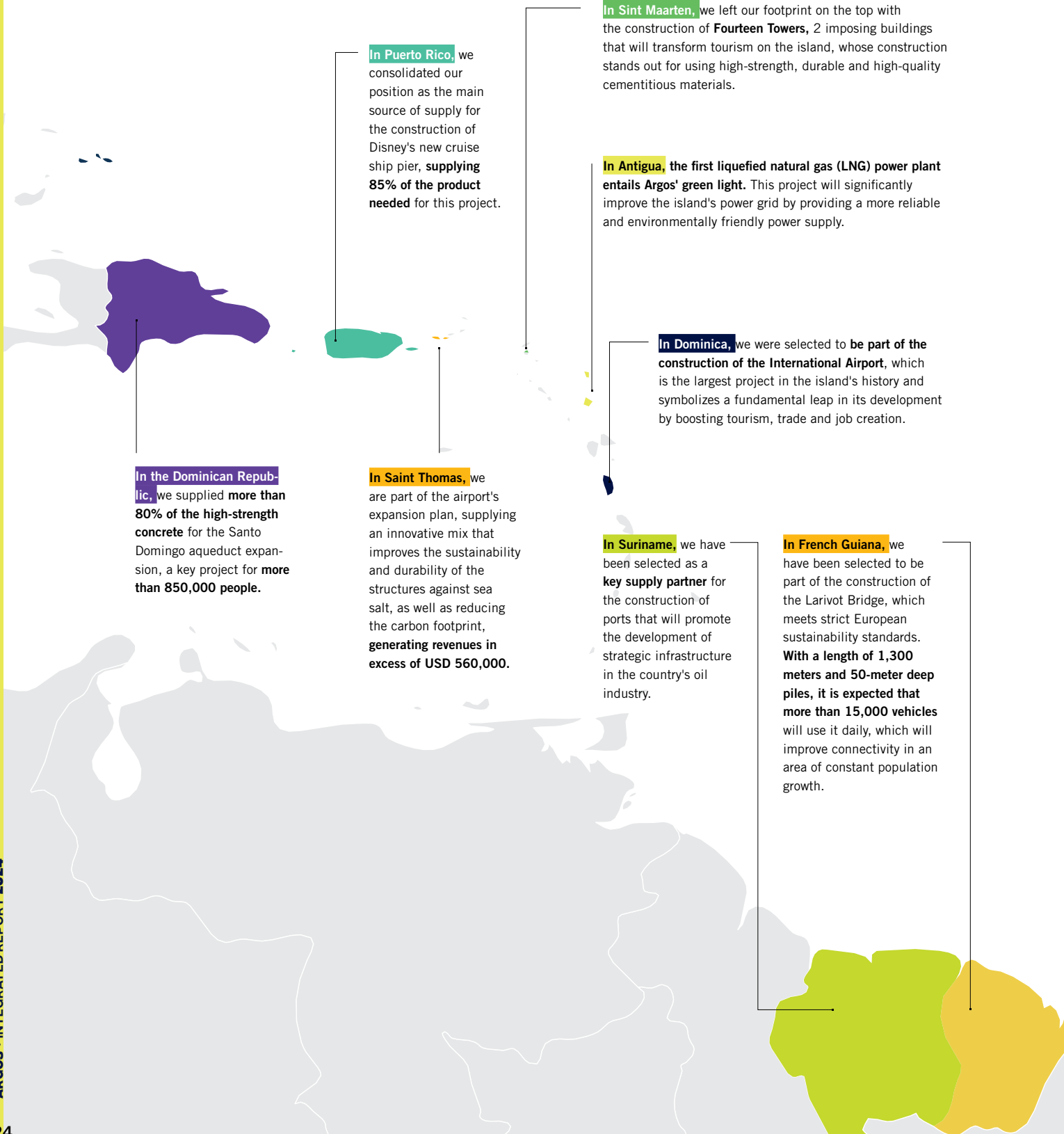
- Waste co-processing and the use of tires as alternative fuels
- Hydrogen injection to reduce consumption of fossil fuels
- Responsible water management

In 2024, we exceeded **350,000 tons** of ECO Multipurpose cement and **190,000 tons** of structural cement sales. In its second year of launch, Road cement grew by **16%**, reaffirming its ability to offer high-performance solutions for sustainable rural roads.

Caribbean Regional

OUR ABILITY TO OFFER SOLUTIONS TO THE SPECIFIC NEEDS OF CUSTOMERS HAS ALLOWED US TO BE GREEN LIGHT FOR THE CARIBBEAN!

In 2024, we highlight our participation in the following projects:



CHALLENGES AHEAD

- Continue to sensitize our costumers on the importance of designing and building their projects with a sustainable portfolio that responds to their needs and the challenges they face in the territories.
- Consolidate, expand and encourage the use of our portfolio of sustainable products and solutions in the territories where we operate.
- Advance the Life Cycle Assessment (LCA) of various Company products to evaluate their environmental performance, identify opportunities for improvement and support compliance with the decarbonization roadmap.
- Continue to actively participate in discussions on emerging sustainability issues in the industry and promote the adoption of best practices in the Company.
- Raise market awareness of the correct use of soluble bags and increase the number of structural concrete bags with this type of packaging.



Builder training in Puerto Rico

WE BUILD THE SUSTAINABLE FUTURE OF PUERTO RICO WITH ECO MASONRY CEMENT!

Eco Masonry is leading the way towards more sustainable construction in Puerto Rico, combining innovation and environmental commitment:

- Reduces CO₂ emissions by 40%
- Allows for easier and more uniform finishing
- Significantly reduces cracking

During 2024:

- **We have impacted more than 60 customers**, representing **2,180 tons** sold
- **We launched Argos Summer Eco Trips**, an educational and practical tour of hardware stores in Puerto Rico that promotes sustainable construction with Eco Masonry. This project brought together customers, partners and contractors to transform the industry and bring innovative solutions to more places
- We signed **a strategic alliance** with National University College (NUC) to promote educational development in Puerto Rico's construction industry

IN SURINAME, WE OFFER AN EASY, FAST AND EFFICIENT CONCRETE SOLUTION

Ready2mix is an innovative product that offers ready-to-use concrete in a single bag, requiring only the addition of water. It minimizes waste, optimizes resources and eliminates the need for internal storage, reducing environmental impact. In addition, by avoiding aggregate drying processes, it contributes to a more responsible energy consumption.

Benefits

- Reduction of waste and clutter in the project
- Better control of on-site materials inventory
- Easy transportation and faster on-site execution



Learn more about our product.

DELIVERING CUSTOMER VALUE



Hardware customer in Puerto Rico

SDG

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

17 PARTNERSHIPS FOR THE GOALS

Business Impact

- Revenue generation

Go to our website



We focus our commitment on our costumers, offering differentiated, secure and innovative solutions to improve their management and generate revenue for the Company. We seek to drive the transformation of the industry and to be strategic allies for those who make the housing and infrastructure dreams that enable a more sustainable, prosperous and inclusive society a reality.

HOW IT IS MANAGED

In our corporate culture, the customer is our passion and is at the center of our decisions. The path towards this strategy is led by the management team, with whom we deepen our understanding of the current experience of our customers and their needs and focus on:



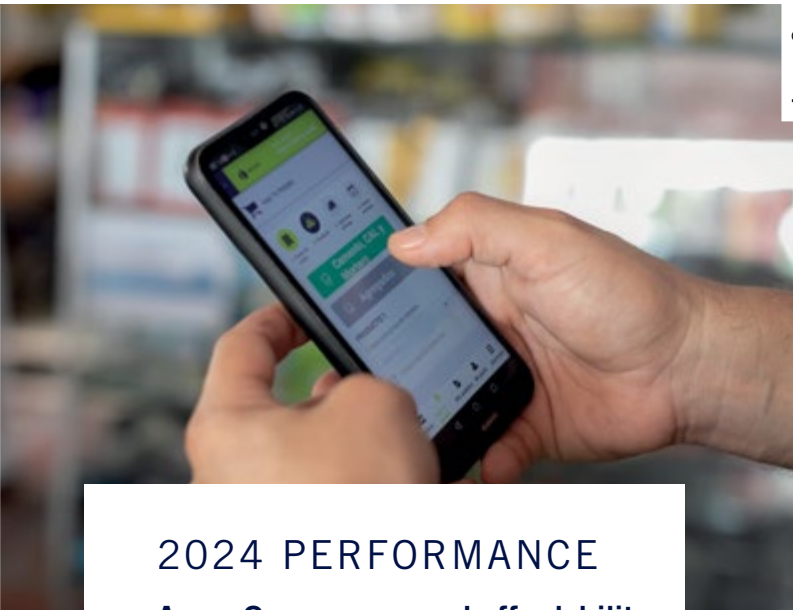
The development of customer-centric culture capabilities and methodologies for the relationship of employees with the consumer.



Customer service processes and channels, established through the customer experience model.



The evaluation system, which allows the monitoring of results and the identification of opportunities for improvement.



Argos One

2024 PERFORMANCE

Argos One, access and affordability

Currently, through the Digital Global Score, we comprehensively monitor the digital behavior of our costumers, taking into account the various functionalities that Argos One offers them for their self-management:

- Order placement
- Queries and modification of orders
- Logistics tracking and vehicle tracking
- Payments
- Scheduling
- Checking financial information

73% AND **57%**

WERE THE RESULTS OF DIGITAL ADOPTION for the cement and ready-mix businesses, respectively.⁸

The results of the indicator reflect the level of digital interaction of our costumers, as well as their trust and closeness with Argos One as a self-management and commercial relationship tool.

Our goal is to maintain high levels of adoption and continuously improve the digital experience by understanding their behaviors and needs and making data-driven decisions to implement actions that generate value for both the customer and the Company.

IN THE CENTRAL AMERICA REGIONAL, WE DRIVE INNOVATION AND COMMERCIAL EXCELLENCE

In Honduras, the implementation of a commercial performance model has allowed us to align commercial processes with customer expectations, which strengthens our ability to anticipate and meet market expectations. This model has encouraged the accompaniment of costumers in the digitalization of processes, a key element in our strategy, and has allowed us to establish programs, such as the Commercial Academy and Digital Induction for costumers. During the year, this facilitated the development of critical competencies for the delivery of satisfactory customer service; it also reinforced our response to the challenges of the market.

59% IS THE RESULT of digital adoption in Honduras.

In Panama, the year's efforts focused on consolidating our competitive position through the digitalization of processes and the customer experience throughout the journey map:

- **Real-time order tracking:** Customers can check the status of their orders and track them via GPS, increasing transparency and confidence in our operations
- **Digital ordering of combos:** Now they can request combinations of the product portfolio and view the final price online in the purchase order
- **Payment methods:** Direct payments to invoices or credits to accounts can be made to facilitate financial management
- **Argos Express:** Allows last-minute orders, with guaranteed next day and early morning delivery. Orders can now include ready mixes

The accompaniment in digital **adoption and the use of digital** channels allow our customers to quickly adapt to technological solutions, which optimizes their experience and strengthens their loyalty to our brand.

⁸ This measurement is based on the countries of Colombia, Central America and the Caribbean that have a digital transformation strategy for their processes.

Expansion and strengthening of the Caribbean Regional

In the Dominican Republic, we face important challenges, such as expanding our production capacity, maintaining customer satisfaction and standing out in a competitive and growing market.

To overcome them, in 2024 the construction and assembly phase of a project was executed to increase the production capacity of the Najayo Plant by 25% through the installation of a clinker pre-grinding plant that optimized the mill's performance.

This project has many benefits, including the expansion of our supply capacity, and therefore, the maintenance of our market position by responding more effectively to our customers' demands.

Our strategic aspiration for 2025 is to be a benchmark in agility, innovation, quality and product portfolio, by delivering a differentiating experience to our customers and maximizing the generation of sustainable value.



Customer-facing artificial intelligence deployment

ARTURO LAUNCHING

Arturo is the new virtual assistant that is part of the innovation and digitalization strategy of Colombia Regional and is a key step towards optimizing processes and improving the customer experience. This technology is facilitating the automation of repetitive queries, thereby reducing waiting times and improving operational efficiency by allowing our employees to focus on more consistent, accurate and personalized attention.

Now that digitalization is a differential factor, having an assistant like Arturo gives us a greater competitive advantage and reinforces our image as an innovative and adaptable Company to new market demands and trends.

PROACTIVE SCHEDULING OF COMMERCIAL ADVISORS

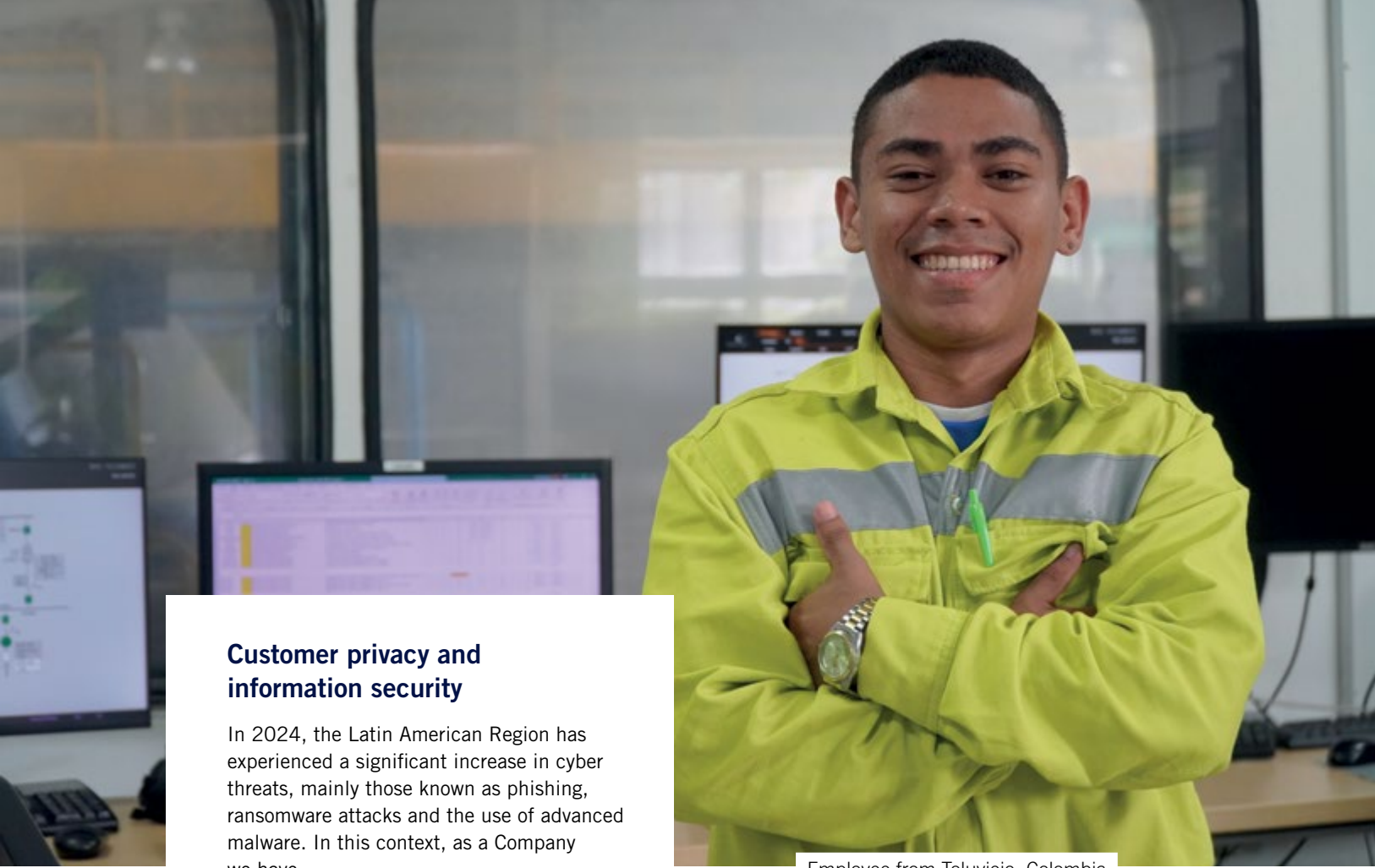
This project, developed in collaboration with the Business Management team in Panama, incorporates machine learning algorithms to optimize the weekly planning of customer visits. The tool takes account of factors such as purchasing behavior, probability of purchase and customer location, in order to achieve an efficient balance in the assigned routes.

Benefits of the tool:

- Propose proactive visits
- Minimize the risk of losing costumers
- Strengthen commercial relationships in a strategic and personalized manner

Dispatch center in the Dominican Republic





Employee from Toluviejo, Colombia

Customer privacy and information security

In 2024, the Latin American Region has experienced a significant increase in cyber threats, mainly those known as phishing, ransomware attacks and the use of advanced malware. In this context, as a Company we have:

- 1
- 2
- 3
- 4

Strengthened cybersecurity governance through the regular participation of senior management in strategic committees, consolidating a comprehensive management model to protect information and critical assets.

Reinforced cybersecurity training and awareness program for executives, employees and suppliers, which included awareness talks and simulations of threats such as phishing, assessing the level of awareness and skills of personnel.

Improved transactional systems, implementing controls stated in the best practices of the SOX (Sarbanes-Oxley) framework.

Developed and executed a robust plan to strengthen technological controls in all geographies where we operate. This plan included strengthening cybersecurity in production plants, automating incident response flows and deploying advanced technological solutions.

- 5
- 6

Initiated a supply chain cyber risk management program. This program includes the definition of specific policies and the evaluation of critical third parties, ensuring that cybersecurity is a priority in relationships with strategic suppliers and strengthening the Company's comprehensive protection.

Improved response capacity to technological unavailability caused by cyber-attacks. This included the creation of crisis management committees, business continuity training, recovery drills and incorporation of alternate technologies.

These initiatives, complemented by internal and external audits, have been instrumental in strengthening the Company's cybersecurity posture and ensuring the protection of its information and critical assets, to guarantee the sustainability and operational efficiency of the organization.

SUCCESS CASE

CUSTOMER EXPERIENCE AND RECOMMENDATION

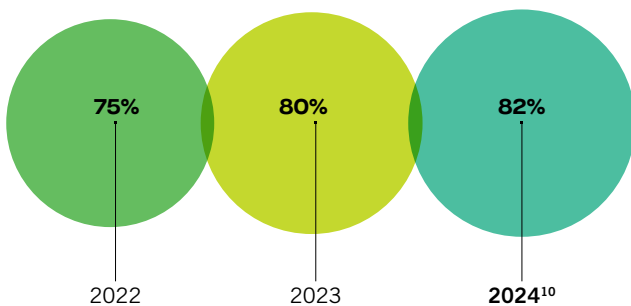
In the Company, since 2019, with different instruments and statistical tools, we have asked our customers about their experience with the organization through the different channels we have for them.

The qualification and the feelings we have collected over time with these mechanisms have allowed us:

- 1 To understand the reality of many of our customers**
- 2 To challenge ourselves and transform the way we do things**

This, with a view to **build extraordinary solutions that allow them to access our product portfolio more easily**, and consequently, meet the sales volume expected by the organization.

Currently and since 2021, the Net Promoter Score (NPS)⁹ is the indicator we have used to determine the recommendation percentage of our customers:



⁹ According to Retently, a leading provider of NPS software, the average rating for the construction industry is 45%, while QuestionPro puts it at 52%. In NPS, the relative comparison with industry players is more important than the absolute rating, but Bain & Co (creators of the indicator) suggest that above 20% is good, above 50% is excellent and above 80% is world-class performance.

¹⁰ The 2024 NPS corresponds to operations in Colombia, Central America and the Caribbean. This, taking into account Argos USA exit from the operation.

¹¹ First contact refers to the ability to provide solutions to the needs expressed by customers in a single contact through different channels.

In 2024, the findings identified in the evaluations have allowed us to implement different action plans. For example, we highlight 2 processes in the Colombia Regional that have had excellent results:

New customer segment approach

New customers are those who naturally seek us out with the intention of acquiring the products offered in our portfolio. When we got to know the perception of these customers about their relationship with the Company, we understood that we did not have an efficient model to provide them with a solution at first contact¹¹ and, therefore, they felt frustration and lack of information to start a commercial relationship with us.

In response to this call, we formulated and implemented a specific service model for this segment, which, in addition to taking into account the capabilities already installed in the service line advisors and the concrete scheduling and dispatch center, was strengthened with specific knowledge in the commercial, technical and marketing areas. Accordingly, we were able to team up with roles from different areas and **everyone helped to provide a faster response to customers!**

At the end of the year, the main achievements of this new model were as follows:

Serving more than 600 customers with a first contact solution.

Deepening knowledge of this segment.

Achieving the purchase intent of these customers and achieving more than 2 billion in cement and concrete invoiced.



Hardware customer in Colombia

Direct withdrawal of products at the plant

Mass business customers who pick up products at our facilities stated that the process could be improved in terms of the attention of plant personnel and delivery times, product availability, timely communication and information on key data for entering the facilities or new developments that prevent the delivery of products as initially agreed, among others.

Considering the above and with the participation of the Process, Customer Experience and Logistics areas, we worked on a plan that allowed us to improve all those aspects that customers had expressed and to make this process more efficient, easier and more compliant.

This took us from an NPS rated by these customers of 50% to over 80%.

At Argos, we believe that it is possible to fulfill our customers' needs with passion!

CHALLENGES AHEAD

- Maintaining a value offer to customers that allows us to continue growing profitably
- Consolidating a structure focused on customer experience in the countries of the Caribbean Regional, supported by commercial tools that guarantee effectiveness and fulfillment of objectives

TRADING



Silodome in Cartagena plant

SDG



Business Impact

- Revenue generation

The Trading and Business Intelligence general management is a service area specialized in international negotiations for the supply of cement, clinker, raw materials, products and equipment related to cement production. It not only connects international markets through trading and marketing, but also drives sustainable growth and ensures the Company's strategic sourcing through efficient logistics solutions, advanced analytics and a focus on innovation.

HOW IT IS MANAGED



International cement, clinker and raw materials trading

- We manage a significant volume of international transactions, exceeding 3.2 million tons of finished products and key raw materials for our industry, including cement, clinker, and petcoke
- We continuously analyze market trends, prices and international regulations to maximize profitability and make informed decisions. This allows us to connect markets and capitalize on global opportunities

Key topics of the Trading business

Global Corporate Purchasing

- Centralized purchasing
- Cross-functional negotiations

Technical Development and Process Innovation

- Design of production and logistics network
- Planning of future operations
- Process innovation

Analytics and Market Intelligence

- Analytics strategies
- Digital transformation



International Negotiation

- Cement and clinker
- Key raw materials

Maritime Transport and International Supply Chain

- Fleet of ships
- Charter contracts

International Trading

- Trading in international markets
- Port network



Global Corporate Purchasing

- We centralize corporate purchasing to optimize the acquisition of goods and services
- Through cross-functional negotiations, we drive operational efficiency, negotiation excellence and sustainable strategic sourcing. This approach contributes directly to the Company's strategic objectives



Analytics and Market Intelligence

- We implement analytics and market intelligence strategies to obtain, analyze and disseminate key information from the cement sector, thus optimizing decision-making
- We automate internal trading processes through digital transformation, optimizing key operations and strengthening our competitive advantage



Maritime Transport and International Supply Chain

- We design and efficiently manage the international supply chain, including the maritime transportation of cement, clinker, and other raw materials
- We manage a fleet of 4 pneumatic vessels and use charter contracts to ensure continuous supply in the Caribbean and the U.S.
- We integrate demand planning with international logistics to optimize costs and guarantee service fulfillment



International Trading

- We market our products to international customers in 31 markets in the Caribbean, Latin America and the USA. The Company has an extensive network of 23 ports of origin and more than 50 destination ports
- We drive growth by developing new lines of business that enable the technical advancement of our operations and expand our customer base



Technical Development and Process Innovation

- We drive future competitiveness through technical development and process innovation in all business units
- We facilitate strategic decision making in the supply chain, including the definition of the production and logistics network, new sourcing strategies, and the technical preparation of the organization for the future of the cement operation



Operation in Puerto Rico

2024 PERFORMANCE

USD 15 MILLION

was the EBITDA of Trading general management in 2024, 36% above budget.

Compliance guaranteed: first year achievements with summit materials

This achievement included the export of 478,548 metric tons of cement from Zona Franca Argos (Cartagena, Colombia) and the supply of 559,194 metric tons from international origins. This combination of in-house and third-party sourcing and the optimization of our production and supply capacity enabled us to meet the contract requirements. This export contract from Zona Franca Argos to the U.S. has a duration of 5 years for cement and 2 years for globally sourced raw materials.

We successfully executed our contract with Summit Materials and secured deliveries of close to **1 million metric tons of cement and 437,000 metric tons of raw materials** in the first year.

Savings and alliances: keys to sourcing

We were able to optimize costs and strengthen key commercial relationships with new suppliers through direct negotiation of raw material shipments.

This strategic agreement allowed us to secure a reliable supply and establish direct relations with a leading fuel supplier, consolidating a competitive advantage in terms of costs and operational reliability.

We surpassed our savings goal, reaching USD 7.7 million, and closed an additional shipment of petcoke for Argos Honduras, with **savings of more than USD 981,000.**

Global strategic sourcing

We strengthened our global supply chain by strategically integrating Asian suppliers, thus expanding cost options and improving operational efficiency. We implemented the measurement of ROSMA (Return on Supply Management Assets), a metric that evaluates the profitability of strategic purchases.

+COP 20

BILLION IN SAVINGS, equivalent to 12 times the annual investment in Global Purchasing.

This achievement optimizes resources and substantially improves operational efficiency, ensuring a sustainable competitive advantage.



Operation in Antilles

Data at a click: foreign trade business intelligence

We developed a comprehensive import and export query tool with historical data since 2018, covering origins, destinations, volumes and prices for most of the countries where we have a presence. This tool—adopted at management and executive level in all Argos' productive operations, provides us with key information for strategic decision making and improves visibility and efficiency in supply management and international trade.

Digital tools at the service of supply chain efficiency

We continued to adopt and optimize a digital tool that improves visibility into the international supply chain, enabling more effective shipment planning and optimization of clinker, cement and raw material inventories in the U.S. and Caribbean operations. Its integration with a real-time vessel monitoring tool also enables detailed vessel tracking, including historical times, loads, location, origins, destinations and volumes, to strengthen logistics efficiency and inventory management.

Global markets: growth and geographic diversification

We consolidated our presence in more than 30 markets, where we are a leading supplier of gray cement, white cement, and other key products. This was a joint effort with Zona Franca Cartagena, Puerto Rico and Sint Maarten operations, with the support of Supply Chain, Shipping and Trading.

We have achieved:

- The supply of cement for Disney's cruise ship dock in Eleuthera, Bahamas
- Leadership in Aruba, Curaçao and St. Lucia, with a market share of 60%
- A 110% increase in containerized white cement sales to 14,803 tons vs. 7,030 tons in 2023

SUCCESS CASE



Dock in Cartagena

RECORD EXPORTS AND OPERATING EFFICIENCY:

Key achievements of the articulated network

The articulated supply chain network is key to optimizing the logistics flow and ensuring the continuous supply of products in international markets, especially in contexts of supply chain delays. This initiative has been crucial to the Company's expansion in the U.S., Caribbean and Central America. The network is supported by TACC (a subsidiary shipping company), using four pneumatic vessels and charter contracts, which ensures an efficient fleet mix. As a result, in 2024, we achieved:

A record in exports from Zona Franca Cartagena, exceeding 1,433,750 metric tons.

A 19% decrease in the cost overrun due to traffic delay per ton vs. 2023, thanks to the consolidation of the new berthing platform and joint planning with Colombia Regional.

CHALLENGES AHEAD

- Establishing a new road-map for the U.S. market with the closing of the Summit Materials and Quikrete business
- Identifying and evaluate alternatives for capacity increases within the framework of new market opportunities
- Preparing the Company for the potential implications of conflicts in the Middle East and their impact on global supply chains and fuel costs
- Implementing CBAM in Europe may be an opportunity to introduce supplementary cements as a new line of growth
- Efficiently serving operations, supported by digital tools.

CULTURE, TALENT AND SOCIAL VALUE DIFFERENTIATORS

TALENT MANAGEMENT AND INCLUSION



Employee in the Dominican Republic

We need the best team to achieve our goals as a Company. We focus on providing a work environment that seeks to attract, retain and promote the development of people in order to implement our business strategy, ensure the achievement of objectives and goals, manage risks and maximize customer value as a key source of revenue generation.

HOW IT IS MANAGED

At Argos, we consider our talent as a strategic asset. By managing it, we are maximizing the potential of our people and ensuring that they are aligned with our higher purpose.

The 5-pillar approach ensures that our talent is the engine that drives our success by transforming our work environment into a space for growth, collaboration and well-being:

- 1 Culture:** A defined culture is the one that allows us to impact all the processes of the organization.
What is our culture like and what do we want at Argos?
- 2 Leadership:** Focused on the development of the self based on the competencies we have already identified.
How are we going to achieve our objectives?
- 3 Ways of working:** An integral model designed to balance business productivity with the personal well-being of each employee.
How do we work at Argos?
- 4 Diversity, equity and inclusion:** Respect for people in order to recognize and value each other without bias.
How do we value and respect ourselves?
- 5 Health and well-being:** Human-centered vision, giving importance not only to physical health but also to well-being and mental health inside and outside the Company.
How do we take care of ourselves?

2024 PERFORMANCE

Culture

Our 4-pillar culture enables our strategy and is the way we bring together talents to maximize results and achieve the growth and impact we declare in our higher purpose.

WE ARE GREEN LIGHT, a culture that inspire us



1 We are solution oriented: We build trusting relationships with customers, maximizing value for all and offering solutions that are tailored to their needs.



2 We are a winning team: We believe that by adding our talents we can achieve great goals, we encourage direct conversations and recognize diversity to achieve extraordinary results.



3 We are drivers of profitable growth: We embrace a profitable growth mindset with agility and flexibility. We innovate to be competitive and move towards our purpose.



4 We take ownership: We take responsibility for the results and interests of the organization. We do this by respecting, recognizing, valuing and caring for people and the environment.

THE CUSTOMER IS OUR PASSION: FROM MINE TO MARKET

We continue to work on developing strategies to improve our understanding of our customers and their needs. We highlight the implementation of a culture challenge in 100% of the teams of the Colombia Regional, aimed to develop solutions to improve the customer experience by setting up elite teams with expert employees. **FOR MORE DETAILS ON THIS INITIATIVE, SEE PAGE 126.**

CULTURE BUILDERS IN CENTRAL AMERICA

Since 2023, the **Culture Builders** initiative has been key to strengthening employees' connection to our culture, promoting feedback and recognition, and valuing group and individual contributions. In 2024, we expanded our reach to three countries: Honduras, Panama and Guatemala.



Administrative employees in Medellín, Colombia

**UNION AND DIALOGUE:
PROMOTERS OF BETTER
WORKING ENVIRONMENTS**

In 2024, we managed the negotiation processes derived from the expiration of the collective bargaining agreements with the unions in the cement and ready-mix concrete businesses in Colombia. Despite the challenges associated with changes in the organization's national and local boards of directors, agreements were reached with all the unions, which strengthened the labor relationship within a framework of respect for differences, equity and inclusion.

Collective bargaining was also successfully carried out in Panama. The follow-up meeting on operations in Honduras was also held, with excellent results, under the International Framework Agreement signed between Cementos Argos, the Building and Wood Workers' International (BWI) and several of the Company's unions.

**COLOMBIA REGIONAL BETS ON
RELIABLE OPERATIONS**

In 2024, we continued to work on strengthening our culture through the **Reliable Operations strategic project**. With this project, we not only seek to mobilize the way we do things by enhancing teamwork, but also to optimize production and logistics costs by increasing productivity and maintaining safety and health standards. This, in the end, translates into improved service levels for each of our customers.



Click here to see the indicators of this material issue.

Leadership

At Argos, individual development is a conscious and deliberate process in which each person works to close gaps in their competencies, improve their performance in their current role and prepare for future opportunities. This approach allows the adoption of new behaviors that enhance personal and professional growth.

At Argos, each person is the protagonist of their own development!



MAYA, OUR LEARNING GUIDE

We highlight the creation of Maya, the agile learning expert created with artificial intelligence to help our employees in their professional development.

We highlight the following results of the Argos Academy:

- **We certified 184 people** in Líder Argos and LíderArte, our strategic programs that develop the seven prioritized leadership competencies
- **305 people** experienced inspiration and action through Kinnto, an action-driven agile learning solution to empower corporate talent around specific behaviors or competencies
- **17 people** were certified in data analytics, 32% of whom are women
- The Platzi and Coursera platforms have been great allies and have helped us to massify access to learning. **211 people** participated in programs, with satisfaction ratings above 9.5
- The Academy continues to be a dynamic development strategy. This year we assessed **285 people with Korn Ferry tests**. Their results are incorporated into the prioritization of competencies, which allows us to focus development on issues that really generate impact for people and the results of our organization



Watch this video to learn more about Maya.

**PERFORMANCE EVALUATION
BASED ON OUR CULTURE**

At Argos, each person takes action to lead their personal and professional growth. This is why we have adopted a holistic view of the performance evaluation process to seek compliance with our objectives and alignment with our culture.

The coverage of this exercise was **100% of the executive level, senior management, middle management and specialists. At the Company level, it reached 79% of the population.**

PERFORMANCE MANAGEMENT
Permanent annual cycle



Types of evaluations: Objective-oriented management, 360° evaluations, and ongoing and agile conversations.



Employees at administrative headquarters in Honduras

DEVELOPMENT AND SUCCESSION PATHS

Our challenge is to guarantee business continuity, facilitate the transfer of critical knowledge and ensure the integrity of the organizational structure.

In 2024, we consolidated and strengthened the strategic talent planning model, which allows us to fill critical positions and manage the leadership of the next generation. In the Colombia Regional, a support program was defined for **76 key talents, 36 of them prioritized for their criticality.** In addition, we closed 2024 with 9 development routes, which allow us to mobilize our talent. We reached a 67% occupancy rate of vacancies by people participating in the same route.



Employee in the Dominican Republic

SUCCESS CASE

KEY TALENT: A catalyst for our business transformation

In 2024, we made progress in identifying key talent to take on management positions. As a result of this process, at **Argos Dominicana**, we identified 23 employees, 57% men and 43% women, who began a development process focused on improving their communication skills, the use of new technologies and the strengthening of key competencies, under a self-development approach.

As a result of this process, 53% of the participants received professional development opportunities, such as temporary coverage in strategic positions and movements within the organizational structure.

This initiative has had a significant impact, both in terms of performance and productivity. One example is that **external personnel were not hired** to cover the prolonged absences of the Steering Committee leaders, which generated estimated **savings of USD 17,700** in lodging, food and travel expenses.

In Colombia, we have three success stories in senior and middle management roles. This **represented efficiencies for the Company of approximately COP 1.15 billion**.





Ways of Working

At Argos, the ways of working go beyond the simple choice between on-site or home office. They represent a comprehensive model designed to balance business productivity with the personal well-being of each employee. This model, known as **flexibility with responsibility**, drives productivity and well-being and is based on key principles that have guided its implementation and consolidation as a strategic pillar of our organizational culture.

This model is based on 3 fundamental principles

- 1** Mutual trust
- 2** Results-based productivity
- 3** Work-life balance

Some of the practices implemented to strengthen the model are as follows

-  Home office
-  Hybrid work
-  Focus time
-  4-day week pilots

Diversity, Equity and Inclusion

In 2024, we reaffirm our commitment to an inclusive and equitable industry, not only within the Company but also in the value chain, through:

EQUITABLE SELECTION, TRAINING AND DEVELOPMENT PROCESSES

We increased the number of women in historically male-dominated operational roles. We have **more than 700 women** in our workforce, including 25 female mixer truck drivers. We achieved 39.3% of women in leadership positions and 27.8% in STEM positions.

MANAGEMENT CAPACITY BUILDING WITH EMPHASIS ON GENDER EQUITY



Learn about our Gender Equity and Diversity Policies.

The purpose of this program is to promote the development of women in managerial positions by closing gaps in technical and leadership skills. In 2022 we started with 24 women, to whom we provided management skills. In 2024, we have a **second cohort of 33 women**, to enhance management skills.

39.3%
OF LEADERSHIP POSITIONS are held by women.

STRENGTHENING THE DIVERSITY MULTIPLIERS PROGRAM

At the end of the year, **156 people** made up the Business Group's network of leaders. Training topics in this program include: DEI design and strategy, sexual diversity, racism, alternative masculinities, cultural intelligence, psychological safety, unconscious bias, socioeconomic diversity, disability, and gender.

DEFINITION OF A PROTOCOL FOR SEXUAL HARASSMENT IN THE WORKPLACE AND AN APPLICATION GUIDE FOR LEADERS

This was in response to the requirement of Colombian Law 2365/2024. However, as a best practice, these will have Company-wide coverage.

EXECUTION OF THE 2ND MEETING WITH DEI APPROACH

Together with our Business Group, we talked to **nearly 500 suppliers, customers and contractors** about topics such as: why are diversity, equity and inclusion profitable; how can this can help reduce absenteeism, turnover and manage multiculturalism; how to incorporate more women in their teams

Health and Well-being

This pillar is made up of 2 focal points:
Proactive occupational health

1

management: We work to transform operations with the intention of reducing exposure to health risks for our employees and contractors.

FOR MORE DETAILS ON THE MANAGEMENT OF THIS TOPIC, SEE PAGE 144.

2

Integral health: Promotes a human-centered vision, giving importance not only to physical well-being but also to mental well-being and health inside and outside the Company.

COMMITTED TO THE WELL-BEING AND QUALITY OF LIFE OF EMPLOYEES

- In 2024, we conducted training sessions on psychological first aid, in which **nearly 400 people** participated, to provide essential tools to identify and address emotional crisis situations, promoting the well-being of individuals and strengthening resilience in work and social environments.
- In addition, we conducted **psychosocial risk measurements** in Colombia, Panama, Dominican Republic, Honduras and Puerto Rico, in order to provide coverage with this exercise to geographies where this assessment is not required by the authorities.



Healing Organizations Conference

ARGOS, AN ORGANIZATION FOCUSED ON HUMAN CARE

At Argos, we want to become a healing organization, a human-centered organization.

We are convinced that a healing work environment promotes the integral well-being of people by creating a safe, respectful, inspiring and harmonious space where our employees can fully develop and reach their maximum potential.

This is why, **in 2024, we launched our healing organization approach**, which prioritizes a holistic approach to wellness, taking into account physical, emotional, mental, social and spiritual aspects.

AWARDS AND RECOGNITIONS

- The Colombian Chamber of Diversity recognized Argos as a **Friendly Biz** Company, a certification that accredits us as a place that is friendly to sexual diversity.
- In the Dominican Republic we achieved fourth place as the Company with the best reputation in the sector.
- In the Merco Talento Colombia measurement, we **ranked 19th**.
- We **ranked 23rd out of 100** in SUMMA magazine's ranking of the most sustainable companies in Central America and the Dominican Republic.
- In Colombia, we are recertified with the **Equipares Labor Equity Seal, gold category**, for our efforts in gender equity, diversity, and inclusion.
- We achieved the **recertification of Sí Género**, a **gold level** gender equality seal in Panama.

CHALLENGES AHEAD

- Strengthening our high-performance culture as a driver of innovation, long-term value generation and achievement of strategic objectives
- Preparing talent for the transformation of the world of work, driven by the development of artificial intelligence (AI) and other disruptive technologies, ensuring their adaptation and professional growth
- Advancing Argos' approach as a healing organization. This implies continuing to work on the physical, emotional and professional well-being of employees, promoting their integral health and psychological safety as a basis for developing their full potential and contributing to the sustainable success of the organization
- Consolidating the Leadership Academy and position leaders as protagonists of their development, with a focus on essential leadership, based on integrity, transparency, respect and sustainability. We seek to raise awareness, align decisions with our values and build purposeful leadership

OCCUPATIONAL HEALTH AND SAFETY



Employee in Honduras

SDG



Business Impact

- Risk

Go to our website



At Argos, safety and health are core values. Given that stakeholders may be exposed to risks in our operations, we manage these risks through a model focused on a culture of care and co-responsibility. This model seeks to offer safe and healthy working conditions, both physical and mental, for our employees and the people who interact with our facilities.

HOW IT IS MANAGED

Ten years have passed since we began the transformation of safety with the 'I Promise' program, which has been the catalyst for a profound cultural change. This program has empowered our employees and contractors to take an active role in creating a safe and healthy work environment. **With the right tools, 'I Promise' has reinforced the idea that safety is a shared value and everyone's responsibility, bringing us ever closer to the goal of zero incidents.**

We continue to prioritize our plans to strengthen a solid and sustainable preventive culture. This improves safety and health indicators through visible and meaningful leadership, supported by operational discipline as the basis for achieving operational excellence.

Our priority plans for achieving the strategy are:¹³



Leadership and accountability: We share our vision in safety and health by ensuring that we all understand and assume our responsibility and empower ourselves to achieve and sustain zero.

Goal:

- **Zero serious injuries** to our employees and contractors by 2030



Competency development and integrated risk management: We work to ensure that everyone is aware of the risks and apply control measures to prevent occupational injuries and illnesses.

Goals:

- **Reduce total injuries by 50%** by 2030, to achieve a maximum of 123 cases
- Reduce occupational illnesses by 30% by 2030



Communication and culture: We motivate and inspire teams to choose to work safely and healthily by recognizing expected behaviors and being aware of the consequences of compliance or non-compliance with proper risk management.

Goal:

- **Annually formulate at least one project** that enhances the change of trends in behavioral indicators in operations



Operational excellence: We inspire work teams to choose to work safely and healthily, applying, understanding and being aware of the consequences of compliance or non-compliance with proper management.

Goals:

- **Reduce absenteeism due to general illness by 15%** by 2030
- **100% of high-risk situations** will be intervened within the deadlines established on the safety app

¹³ Review of goals, strategy and prioritized plans: we are currently carrying out a review of our strategy and prioritized plans, considering the expectations of our stakeholders and the results achieved. For this reason, the compliance dates of our goals have been adjusted from 2025 to 2030.

2024 PERFORMANCE

Safety

ARTIFICIAL INTELLIGENCE (AI); A KEY ALLY!

AI has enabled us to analyze large volumes of data to identify patterns and predict risks more accurately. We have optimized vehicle routes, implemented early warning systems and developed more efficient response protocols and processes.

Let us see an application:

For unsafe condition reporting, we have implemented a voice event logging system that, through AI, transcribes and classifies incidents in real time. This innovation has allowed us to significantly improve reporting times, which facilitates decision-making and the implementation of corrective measures.

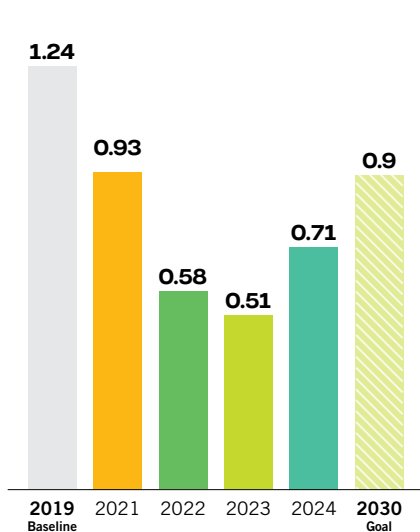
MILESTONES THAT MAKE US PROUD¹⁴

It has been 10 years since the implementation of the **I Promise** program, and the results reflect our commitment to excellence in safety.

84%

was the reduction achieved in the consolidated frequency rate over the last 10 years.

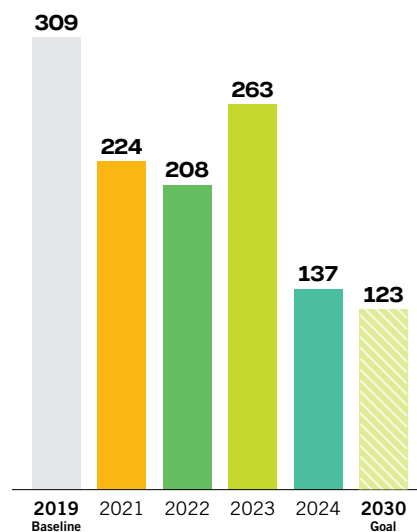
Frequency index



48%

was the reduction in total injuries vs. 2023, with a cumulative decrease of 56% over the last 5 years.

Total injuries



93%

of high-risk situations were intervened promptly.

High risk situations



16%

WAS THE REDUCTION IN THE ROAD ACCIDENT RATE

vs. 2023.

6

CONSECUTIVE YEARS

with no fatal incidents among direct employees and contractors.

¹⁴ To facilitate comparability in performance, the historical figures presented in this section are recalculated without the information corresponding to Argos USA operations.



Employee in Cartagena plant

These achievements inspire us to continue working with enthusiasm!

I Promise continues to be the driving force behind our continuous improvement, pushing us to find new ways to prevent risks and promote a culture of mutual care. We firmly believe that by combining human expertise with technological innovation, we can move towards a safer future.



Click here to see the indicators of this material issue.

What has made these achievements possible?

In addition to the implementation of technology, we have placed special emphasis on:

- **Integral contractor management:** By working together in the induction and supervision processes and applying continuous improvements in contractor companies, we have achieved greater alignment with our safety standards
- **Operational discipline and risk management:** Timely intervention in unsafe conditions and rigorous application of Life-Saving Standards (LSS) have been key to preventing incidents
- **Motivation and recognition:** Our safety and health performance recognition scheme, combined with progressive and transparent discipline, has encouraged a culture of commitment and accountability
- **Road safety:** With synergies between different areas, we have promoted road safety education in communities and developed customer support plans, which have contributed to safer mobility

SUCCESS CASE

SAFETY MANAGEMENT WITH CONTRACTORS

Our commitment to safety goes beyond our operations. We believe in a shared responsibility with our contractors and work tirelessly to ensure a safe and healthy working environment at all our facilities. During 2024, we implemented a series of strategic initiatives **in Panama** that helped us to strengthen safety management with contractors:



Contractor training in Panama



ON-BOARDING AND TRAINING:

+790

ON-BOARDING training evaluations for new contractors.

+380

TRAINED DRIVERS

+100

PEOPLE PARTICIPATED in a comprehensive training plan on safety-related issues.



GOVERNANCE AND MONITORING:

We set up accountability committees in our cement, aggregates, and logistics operations to ensure rigorous monitoring of our commitments.

26 AUDITS

to contractors and follow-up on their performance with periodic evaluations.



PARTICIPATION AND RECOGNITION:

We organize events such as the SISO Contractor Cup and the heavy equipment operators' contest to recognize and reward good practices.



SUPERVISION AND CONTROL:

We implemented a health and safety supervision scheme with specialized personnel and developed standard operating procedures for contractor management.

+2,200

ALCOHOL TESTS and **98 drug tests** performed on contractors, ensuring a substance-free work environment.

Thanks to these actions, we have achieved:

- Increased commitment of contractor companies to our safety culture
- Continuous improvement through accountability committees and regular audits
- Promoting a culture of risk prevention and safer working conditions

CHALLENGES AHEAD

- Continuing to reduce our injuries by strengthening the responsibility for safety and health in the chain of command
- Ensuring the process of operational discipline, doing what is agreed and established, in a safe, healthy, correct and consistent manner at all times
- Promoting innovation and the adoption of technologies that enable more efficient risk management
- Strengthening contractor management and ensuring their commitment to safety through effective selection, development/implementation and post-implementation evaluation processes
- Reactivating contractor committees in the regions



Health program in the Dominican Republic

Health

WELL-BEING AND PRODUCTIVITY: PILLARS OF OUR HUMAN TALENT

As a Company, we value the well-being and contribution that each employee brings to the organization; therefore, we invest in their health and thus build a healthier and more productive workforce in the long term. That is why we have a comprehensive re-training program that provides employees with the right tools and support to overcome health challenges and return to work with confidence. This program is designed to provide personalized support to each employee who faces a health situation that prevents them from performing their normal duties.

The program includes **evaluation and follow-up, medical support, job adaptation, as well as training, development and follow-up.**

In 2024 and thanks to the teamwork of various departments and the search for integral solutions, we achieved:

Reducing by **57%**
THE NUMBER OF CASES of workplace accidents and occupational diseases, as compared to the records of Colombia Regional in 2022.

50% OF REINSTATED
EMPLOYEES
recovered at least 75% of their productivity.

COMMUNITY ENGAGEMENT



Community in Toluviejo

SDG



Business Impact

- Risk

Go to our website



We work to ensure business sustainability, minimize social risks and strengthen community support, while maintaining a high reputational standard. To this end, we consider the particularities of each territory, in order to generate a positive impact and be allies of local development.

HOW IT IS MANAGED

We create value for society through our community engagement and social impact strategy, which is based on:

1

Acting responsibly by promoting respect for human rights in our operations. By 2030, we commit to:

- Zero risk materialization for the community
- Zero percent of operations with high and critical risks of affecting communities

2

Building trust-based relationships through a fluid and transparent dialogue. By 2030, we commit to:

- Zero reiterative complaints from the community
- Achieve 70% satisfaction in communities


3

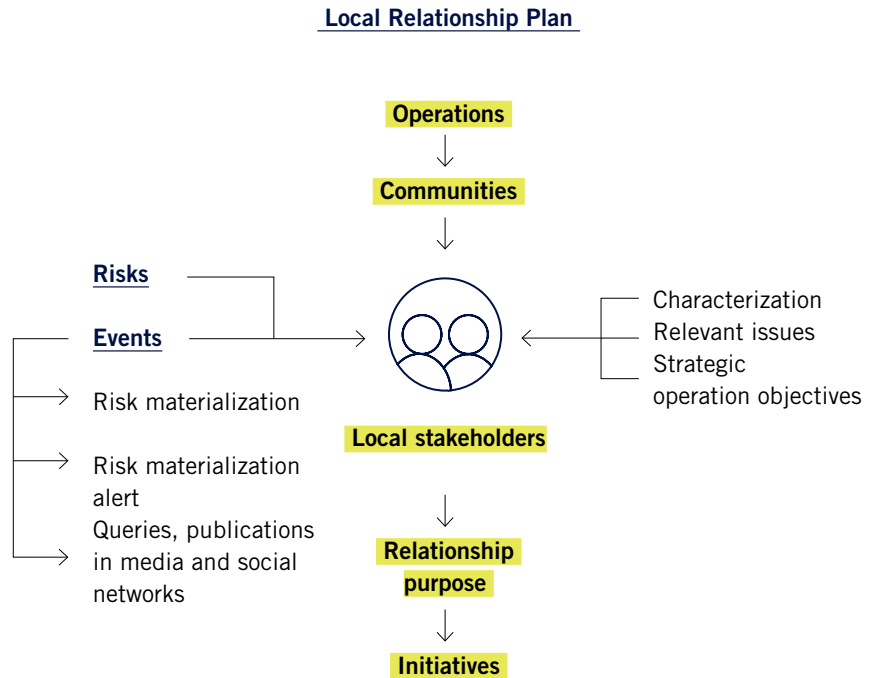
Generating development opportunities to promote the growth of territories. By 2030, we commit to:

- Achieve 30% of resources leveraged with third parties
- Achieve 630,000 people impacted through social investment programs

The strategy is monitored by integrating the elements of our Local Relationship Plan (PRL), thus contributing to the management of community relations in the territories.

 **Learn more** about our community strategy.

 **Click here** to see the indicators of this material issue.



Volunteers in Puerto Triunfo, Antioquia

2024 PERFORMANCE

Our presence in the territories is framed by our community strategy, the compass that guides our relationship with our neighbors and enables the generation of value for our stakeholders and profitable growth for the Company.

COP 31,862,597,782

was our total **SOCIAL INVESTMENT** in 2024.

Investment in Community Infrastructure and Housing in the Central America and Caribbean Regionals

As part of our strategy, we have social investment lines that give us a strategic focus to maximize the positive impact in the territories and strengthen the relationship with the communities as a support to our operational continuity.

USD 750,651

WAS OUR SOCIAL INVESTMENT in the Central America and Caribbean Regionals.



House improvement in the Dominican Republic

Some of the programs we highlight include:

HOGARES SALUDABLES

Dominican Republic

In order to contribute to the reduction of the qualitative housing deficit, through Hogares Saludables (Healthy homes, in English) we intervened in homes and replaced dirt floors with concrete floors. We also improved walls and roofs and built bathroom units. This not only fulfills an aesthetic and functional function by increasing the comfort of families and allowing for more visually pleasing spaces, but also contributes to the cognitive development of the children who live there.

In addition, these improvements reduce the risk of disease by eliminating parasites, bacteria and viruses present in dirt floors, as well as insects that transmit different types of diseases.

215 INTERVENTIONS

that benefited

+740 people, including children, people with disabilities and senior citizens.

8,122 m² BUILT

60 JOBS CREATED

CONCRETANDO SUEÑOS

Panama

'Concretando Sueños' (Fulfilling dreams, in English) volunteer program is an exceptional example of how companies can generate a positive impact, both in the communities and within our own organization.

Concretando Sueños contributes to our business objectives through:

1. Strengthening engagement with communities
2. Visibility and use of products
3. Responsibility for sustainability
4. Employee engagement
5. Corporate reputation

This effort demonstrates the Company's commitment to social development by transforming homes into more dignified and safer spaces, thereby significantly improving the quality of life of vulnerable families in Panama.

This initiative reflects our capacity to mobilize resources, talents, and our products, such as Concreácil, towards high social impact objectives.



Volunteers in Panama

6 VOLUNTEERING DAYS
for Concretando Sueños

10 NEW HOUSES

11 BENEFITED FAMILIES

87 VOLUNTEERS PARTICIPATED

NUC UNIVERSITY AGREEMENT

Puerto Rico

Faced with the growing demand for construction professionals and the shortage of skilled labor in Puerto Rico, NUC University and Argos Puerto Rico have joined forces to build a stronger future for the sector. This alliance not only offers educational talks and practical workshops, but also represents an innovative solution to a structural problem by aligning academic training with the real needs of the industry. Both institutions are committed to developing local talent capable of driving economic growth.

Argos will contribute resources, such as cement and surfaces for the workshops, and both institutions will work to retain local talent and strengthen the industry in Puerto Rico, where there are currently challenges due to the limited labor force in the sector.



Valle de Ángeles Field, in Honduras

SPORTS FIELD

Honduras

Aligned with our purpose of building housing and infrastructure dreams that are enablers of better society, the construction of a sports field in Valle de Ángeles strengthens our relationship with this community, thus fulfilling joint agreements and demonstrating our commitment to the development of the people and the territory.

This investment in community infrastructure is in line with our business and also projects a positive image of the Company, which reinforces the trust of our stakeholders.

+USD 22,000

IN BUDGET INVESTMENT

Beneficiaries: 360 students and 15 teachers.

United for Colombia: Generating Impact through Powerful Alliances

Aware that transparent and trusting relationships are essential for the proper development of our operational continuity and our presence in the territories, and convinced that by working hand in hand with our allies we achieve a greater impact, we have programs that maintain an active relationship and feedback with the territories.

COP 28,804,631,037

WAS THE SOCIAL INVESTMENT in Colombia benefiting more than 389,000 people.

In addition to the direct contribution, social investment in areas such as housing, infrastructure, community development, among others, has an expansion factor from which we calculate a social return on investment of USD 12,216,109, which we quantify through our Value Added to Society (VAS) model.

Some of the initiatives are as follows:

“

With Miiroku and through our social undertaking 'Casa Para Mí', we want to demonstrate that it is possible to have a well-made, modular and industrialized house that not only resists weather adversities, but also honors the roots and ancestral knowledge. We dream of awakening a new conscience in Colombia, one that understands that no matter how remote a community is, its dreams are the same: to have a decent home of its own, a refuge where families can grow and prosper."

Juan Esteban Calle
Cementos Argos President



Juan Esteban Calle in Miiroku project, La Guajira

MIIROKU: A HISTORIC PARTNERSHIP BETWEEN THE PUBLIC AND PRIVATE SECTORS

Thanks to a public-private partnership, thirty houses are being built in Uribia, Alta Guajira.

This project, called Miiroku, which means 'water site' in the Wayúu language, seeks to improve the living conditions of the Kayuswaaralu and Naleep indigenous communities.

Each house, designed under high construction standards and adapted to the climatic conditions of the region, respects Wayúu cultural traditions.

Miiroku provides decent homes and strengthens the social fabric and preserves the cultural heritage of one of the most vulnerable communities in the country.



Learn more about this initiative in this video.

SUCCESS CASE



Road section in Dabeiba

WORKS FOR TAXES: Leadership in the Country's Transformation

Works for Taxes is a mechanism created in Colombia so that taxpayers can allocate part of their income tax to the execution of projects with social and economic impact in the areas most affected by the armed conflict. Between 2017 and 2024, about COP 2.9 trillion has been earmarked for investment in these territories.

As a business group, we are certain that we are protagonists in the construction of the country and an ally for the integral development of the territories. For this reason, we have taken action in the leadership, creation and consolidation of the Works for Taxes management model, articulating taxpayers, territorial entities and the central government. This has led us to:

- Mobilize about **12% of total investments**
- Leverage investments for about **COP 350 billion**
- Invest more than **75%** of mobilized resources in tertiary road infrastructure and the remaining **25%** in resources for the education sector
- Benefit **+395,000 people**
- Generate alliances with **more than 19 companies**

Some of the milestones achieved in 2024 are:

- **Improvement of the Dabeiba-Camparrusia road:** 4.1 km stretch, benefiting **+24,000 people**
- **Improvement of the Alto de La Queiebra-Santo Domingo road infrastructure:** 9.1 km road section, benefiting **+25,000 people**
- **Construction of Las Cruces vehicular bridge on the Dabeiba road:** Work that will benefit **+24,000 people**
- **Start of construction of basic educational infrastructure for La Pérez school in Quebradona district of Ituango:** An educational institution with an area of 1,443 m² and **600 direct beneficiaries**
- **Start of construction of the pedestrian bridge over the Cauca River in the township of Puerto Bélgica:** 250 m bridge benefiting **+30,000 people**

This mechanism has generated recognition for Grupo Empresarial Argos. Thanks to its trajectory and leadership, it has achieved that more than 19 external companies have decided to contribute part of their income tax to the projects developed under the Works for Taxes model, and by adding capacities, they become agents of the country's transformation.

It also allows companies to contribute to a high social impact objective, which generates closeness with communities, boosts local economies, contributes to the construction of the social license and strengthens the reputation of contributors.

JUNTOS POR URABÁ

To commemorate the 90th Anniversary of Grupo Empresarial Argos, 'Juntos por Urabá' was created with the help of allies. This intervention will improve the quality of life of more than 12,000 inhabitants of Nueva Colonia, Turbo, in the Urabá region of Antioquia, by mobilizing more than COP 100 billion in resources. With this initiative, the Group reaffirms its commitment to the sustainable development of the country in a region that is not only one of the most promising for its industrial development, but also one of those facing the greatest social challenges.

This initiative, which brings together more than 15 organizations, has as its main project the construction of a sewerage and basic sanitation system in Nueva Colonia, which will be financed through the Works for Taxes mechanism. In addition, the project includes the improvement of 1,000 homes, thanks to 'Hogares Saludables' program, and the construction of the high school building of Institución Educativa 29 de Noviembre, which will benefit 500 students, and the Alegría-Construmundo park.

'Juntos por Urabá' will mobilize more than COP 100 billion and improve the quality of life of more than 12,000 inhabitants of Nueva Colonia in Urabá Antioqueño.



Community in Urabá

TOLUVIEJO COMMUNITY TO THE CLASSROOM

Thanks to the alliance with SENA and the Mayor's Office of Tolúviejo, the first SENA building in the municipality became a reality, with which more than 200 Tolúviejo inhabitants will be able to access higher education of the highest quality.

This alliance will enable young people to receive job training and thus become part of the economic life of the department.

CHALLENGES AHEAD

One of the constant challenges for the relationship is the constant social and political changes that communities experience and that can affect the perception and expectations that communities have of the Company. In addition, this challenge has involved maintaining a stronger relationship with local political actors as an increasingly involved stakeholder group.

ACKNOWLEDGMENTS

- Camacol's National Award for Corporate Social Responsibility
- Recognition from the Regional Environmental Leadership Program for Sustainable Business Progres, awarded by Cornare
- Socially Responsible Company Seal, from FundahRSE, for the 6th consecutive year, Honduras
- Recognition for Corporate Social Responsibility (CSR) through the Healthy Homes initiative, by the 5th Edition of Conep and UNDP's Promising Practices, Dominican Republic

HUMAN RIGHTS



Employees in Antilles

SDG



Business Impact

- Risk

Go to our website



Human rights risk and impact management is fundamental to our Company. With our culture, trust-based relationships and an ethical environment based on respect, we seek to prevent non-compliance in our operations.

HOW IT IS MANAGED

The principles of human rights are embodied in our actions, operations and daily relationships with all of our stakeholders. We have permanent due diligence and risk management processes that allow us to monitor the behaviors of the Company and our prioritized stakeholders.

This process consists of 5 steps:



1 Identification of risks and quantification of impacts

According to both the occurrence and the level of human rights violations in the prioritized stakeholders.



2 Action and remediation plans

Definition of plans to reduce risks or close gaps.



3 Follow-up and monitoring

Dialogue channels to execute action plans, monitor impacts and generate alerts in the event of increased risks or the emergence of new risks.



4 Risk update

Ongoing updating of risk information through direct consultation with stakeholders and different tools, such as demographic studies, environmental characterizations, characterization surveys, workshops and/or focus groups and interviews.



5 Communication

Communicate human rights management to promote transparency and participation and build trust.

CHALLENGES AHEAD

- Updating the human rights due diligence processes for our cement plants in Colombia and Central America to identify and assess the most relevant risks and prevent impacts from materializing
- Keeping all our processes and tools up to date in the midst of a changing socio-political, regulatory and environmental landscape
- Integrating human rights with climate and nature issues, to seek to quantify potential impacts

2024 PERFORMANCE

During this year **we updated our Human Rights Policy and prioritized the following rights** that respond to the particularities of our business:

1. Freedom of association and recognition of the right to collective bargaining.
2. Elimination of all forms of forced or compulsory labor.
3. Elimination of all forms of human trafficking.
4. Effective abolition of child labor.
5. Elimination of discrimination in respect of employment and occupation.
6. Equal compensation.
7. Safe and healthy work environment.
8. Healthy environment: precaution with respect to environmental challenges with the encouragement of initiatives that promote environmental responsibility.
9. Access to complete and transparent information.
10. Elimination of corrupt practices.



See here our Human Rights Policy.

Together with a specialized consultant, this year **we updated our human rights due diligence process by means of a risk and impact identification and assessment tool** that quantifies the scale, scope, irremediability and severity of the risk. With this, we are able to have a framework for action to prevent, mitigate, and if necessary, remedy the adverse effects that operations may have on human rights.

In doing so, we not only fulfill our ethical responsibility, but also strengthen our reputation, ensure the viability of our business and avoid potential conflicts with our stakeholders. In addition, with an adequate management of human rights risks and impacts, we contribute to the creation of a fairer and more equitable labor and social environment, thus promoting sustainable development and respect for the rights of all people involved in its activities.



05

ANNEXES

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JUAN JOSÉ RADA

📍 **COLOMBIA**

As the winner of 'Del Metaverso a la Realidad' Tournament, he inspired with his creativity and social commitment the design of Parque Alegría, which is being built at Nueva Colonia district in Urabá, Antioquia.



CERTIFICATION FROM THE LEGAL REPRESENTATIVE OF THE COMPANY

Dear
Shareholders
Cementos Argos S.A.
Barranquilla

The undersigned Cementos Argos S.A. Legal Representative

HEREBY CERTIFIES:

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

In witness whereof, I have hereunto set my hand on February 24, 2025.



Juan Esteban Calle Restrepo
Legal representative

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

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

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

In witness whereof, we have hereunto set our hands on February 24, 2025.



Juan Esteban Calle Restrepo
Legal representative



Óscar Rodrigo Rubio Cortés
Corporate Accounting Manager
T.P. 47208-T



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

To the Shareholders
Cementos Argos S.A.:

Opinión

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

In my opinion, the aforementioned consolidated financial statements and attached to this Report, present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024, the consolidated results of its operations and its consolidated cash flows the nine-month period ending on that date, in accordance with Accounting and Financial Information Standards accepted in Colombia, applied on a basis consistent with that of the preceding year.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) accepted in Colombia. My responsibilities under those standards are further described in the "Statutory Auditor's Responsibilities for the Audit of 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 above mentioned IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis paragraph

I draw attention to Note 1 to the consolidated financial statements, which indicates that the Company's bylaws were amended on April 5, 2024, regarding the accounting close established for the presentation of consolidated financial statements in 2024, for the first closure a period between January 1, 2024 and March 31, 2024 and the second closure between April 1, 2024 and December 31, 2024, the latter defining a nine-month period ending on December 31, 2024. For comparability purposes, the corresponding figures were included in the consolidated



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, 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with corporate governance are responsible for overseeing the Group's financial reporting process.

Statutory Auditor's Responsibilities in relation to 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 nullification or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I were to conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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



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, 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with corporate governance are responsible for overseeing the Group's financial reporting process.

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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 nullification or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I were to conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 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 to 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 I identify during my audit.

I also provide those charged with corporate 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.

(Original Signed in Spanish)
Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of Cementos Argos S.A.
Registration No. 43668 - T
Member of KPMG S.A.S.

February 25, 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31 and March 31, 2024 | Million Colombian Pesos

| | Notes | December 2024 | March 2024 |
|---|-------|----------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | 5 | \$ 1,065,075 | \$ 1,991,158 |
| Derivative financial instruments | 6 | 1,187 | 114,527 |
| Other financial assets | 7 | 135 | 673,565 |
| Trade and other accounts receivable, net | 8 | 530,276 | 595,907 |
| Tax assets | 9 | 162,904 | 263,616 |
| Inventories | 10 | 702,488 | 725,242 |
| Other non-financial assets | 24 | 126,796 | 112,161 |
| Assets held for sale | 18 | 9,056,041 | - |
| Total current assets | | \$ 11,644,902 | \$ 4,476,176 |
| Trade and other accounts receivable, net | 8 | 26,841 | 40,274 |
| Investments in associates and joint ventures | 12 | 44,858 | 7,672,607 |
| Derivative financial instruments | 6 | 146,755 | 26,185 |
| Other financial assets | 7 | 1,091,606 | 895,396 |
| Deferred tax asset | 9 | 101,155 | 108,295 |
| Intangible assets, net | 14 | 386,961 | 405,168 |
| Right-of-use assets in lease, net | 20 | 123,318 | 150,527 |
| Biological assets | 11 | 16,738 | 15,879 |
| Property, plant and equipment, net | 15 | 5,101,509 | 4,955,707 |
| Investment property | 16 | 215,273 | 199,126 |
| Goodwill, net | 17 | 1,033,955 | 923,106 |
| Other non-financial assets | 24 | 10,346 | 10,437 |
| Total non-current assets | | \$ 8,299,315 | \$ 15,402,707 |
| TOTAL ASSETS | | \$ 19,944,217 | \$ 19,878,883 |
| LIABILITIES | | | |
| Financial Liabilities | 19 | 740,721 | 1,405,455 |
| Lease liabilities | 20 | 29,624 | 46,924 |
| Trade liabilities and accounts payable | 21 | 734,575 | 889,964 |
| Tax liabilities | 9 | 59,612 | 68,766 |
| Employee benefits liability | 22 | 163,691 | 136,127 |
| Provisions | 23 | 35,276 | 32,249 |
| Other financial liabilities | 26 | 89,941 | 101,163 |
| Derivative financial instruments | 6 | 35,885 | 159,243 |
| Outstanding bonds and preferred shares | 25 | 271,221 | 145,347 |
| Other non-financial liabilities | 24 | 205,753 | 174,730 |
| Total current liabilities | | \$ 2,366,299 | \$ 3,159,968 |
| Financial Liabilities | 19 | 777,686 | 677,684 |
| Lease liabilities | 20 | 99,698 | 101,750 |
| Employee benefits liability | 22 | 199,593 | 223,185 |
| Derivative financial instruments | 6 | 82,414 | 134,391 |
| Provisions | 23 | 50,867 | 48,742 |
| Outstanding bonds and preferred shares | 25 | 1,976,130 | 2,462,877 |
| Other non-financial liabilities | 24 | 72,284 | 81,461 |
| Deferred tax liability | 9 | 372,103 | 507,116 |
| Total non-current liabilities | | \$ 3,630,775 | \$ 4,237,206 |
| TOTAL LIABILITIES | | \$ 5,997,074 | \$ 7,397,174 |
| Issued capital | 27 | 2,290,218 | 2,242,552 |
| Repurchased own shares | 27 | (452,507) | (238,797) |
| Reserves | 28 | 5,758,562 | 867,356 |
| Retained earnings | | 1,606,103 | 6,420,788 |
| Other comprehensive income | 28 | 3,933,605 | 2,531,675 |
| Total equity attributable to controlling interests | | \$ 13,135,981 | \$ 11,823,574 |
| Non-controlling interests | 30 | 811,162 | 658,135 |
| EQUITY | | \$ 13,947,143 | \$ 12,481,709 |
| TOTAL LIABILITIES AND EQUITY | | \$ 19,944,217 | \$ 19,878,883 |

Notes are an integral part of the consolidated financial statements.



Juan Esteban Calle Restrepo
Legal representative
(See attached certification)



Óscar Rodrigo Rubio Cortés
Corporate Accounting Manager
T.P. 47208-T
(See attached certification)



Gonzalo Alonso Ochoa Ruiz
Statutory Auditor T.P. 43668-T
Member of KPMG S.A.S.
(See my report of February 25, 2025)

Cementos Argos S.A. and Subsidiaries


CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine-month period ended December 31, 2024 and 2023 | Million Colombian Pesos

| | Notes | 2024 | 2023 (unaudited) |
|---|----------|---------------------|---------------------|
| Continued operations | | | |
| Ordinary activities income | 31, 32 | \$ 3,967,619 | \$ 3,916,013 |
| Cost of sales | 10 | (2,974,810) | (2,936,431) |
| Gross profit | | \$ 992,809 | \$ 979,582 |
| Administrative expenses | 33 | (383,853) | (348,222) |
| Selling expenses | 33 | (158,120) | (162,065) |
| Other operating income (expense), net | 34 | 6,687 | (1,793) |
| Impairment of assets | 17 | - | (204) |
| Operating income | | \$ 457,523 | \$ 467,298 |
| Financial income | 36 | 138,985 | 61,646 |
| Financial expenses | 37 | (549,368) | (599,161) |
| Gain (Loss) by difference in foreign exchange, net | 35 | 9,730 | (35,167) |
| Net interest in investee income | 12 | 820 | 874 |
| Income (loss) before income taxes | | \$ 57,690 | \$ (104,510) |
| Income tax expense | 9 | (29,950) | (180,630) |
| Net income (loss) from continuing operations | | \$ 27,740 | \$ (285,140) |
| Net income from discontinued operations | 13.6, 18 | 228,190 | 583,376 |
| Net income | 38 | \$ 255,930 | \$ 298,236 |
| Period income attributable to: | | | |
| Controlling interests | 38 | 201,344 | 241,519 |
| Non-controlling interests | 30, 38 | 54,586 | 56,717 |
| Net income | 38 | \$ 255,930 | 298,236 |
| OTHER COMPREHENSIVE INCOME NET FROM TAX | | | |
| Items that will not be reclassified to profit or loss | | | |
| Gain (loss) remeasurements of post-defined benefit | 22 | 14,065 | (61,024) |
| Gain (loss) from equity investments at fair value | | 196,007 | (321,069) |
| Income tax | 9.2 | (5,490) | 20,990 |
| Total items that will not be reclassified to profit or loss | | \$ 204,582 | (361,103) |
| Items that may be reclassified to profit or loss | | | |
| Net losses on cash flow hedges | | (68,197) | (34,003) |
| Gains (Loss) by exchange differences on translation of foreign operations | | 1,676,103 | (1,833,008) |
| Income tax | 9.2 | (14,764) | 12,795 |
| Total items that may be reclassified to profit or loss | | \$ 1,593,142 | (1,854,216) |
| Other Comprehensive Income net from taxes | | \$ 1,797,724 | (2,215,319) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | \$ 2,053,654 | (1,917,083) |
| Other period income attributable to: | | | |
| Controlling interests | | 1,701,317 | (2,033,023) |
| Non-controlling interests | 30 | 96,407 | (182,296) |
| Other comprehensive income | | \$ 1,797,724 | (2,215,319) |
| Total comprehensive income attributable to: | | | |
| Controlling interests | | 1,902,661 | (1,791,504) |
| Non-controlling interests | 30 | 150,993 | (125,579) |
| Total comprehensive income | | \$ 2,053,654 | (1,917,083) |
| Basic and diluted earnings per share: | | | |
| Loss attributable to controlling interests continuing operations | 39 | (20,75) | (292,23) |
| Income attributable to controlling interests discontinued operations | 39 | 176,36 | 498,68 |

Notes are an integral part of the consolidated financial statements.

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

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

 **Gonzalo Alonso Ochoa Ruiz**
Statutory Auditor T.P. 43668-T
Member of KPMG S.A.S.
(See my report of February 25, 2025)

Cementos Argos S.A. and Subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY


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

| Notes | Issued capital | Repurchased own shares | Legal reserve | Other reserves | Retained earnings | Comprehensive income and other equity components | Total attributable equity to controlling interests | Non-controlling interests | Total equity |
|--|----------------|------------------------|---------------|----------------|-------------------|--|--|---------------------------|--------------|
| Balance as of April 1, 2024 | \$ 2,242,552 | (238,797) | 266,648 | 600,708 | 6,420,788 | 2,531,675 | 11,823,574 | 658,135 | 12,481,709 |
| Period income | - | - | - | - | 201,344 | - | 201,344 | 54,586 | 255,930 |
| Other comprehensive income for the period, net of tax | - | - | - | - | - | 1,701,317 | 1,701,317 | 96,407 | 1,797,724 |
| Comprehensive period income | \$ - | - | - | - | 201,344 | 1,701,317 | 1,902,661 | 150,993 | 2,053,654 |
| Reacquisition of ordinary shares | - | (210,546) | - | - | 5,182 | - | (205,364) | - | (205,364) |
| Reacquisition of preferred shares | - | (3,164) | - | - | 62 | - | (3,102) | - | (3,102) |
| Transfers from other comprehensive income to retained earnings | - | - | - | - | 301,238 | (301,238) | - | - | - |
| Ordinary dividend declared in cash | - | - | - | - | (428,509) | - | (428,509) | (9,578) | (438,087) |
| Preferred dividend declared in cash | - | - | - | - | (151) | - | (151) | - | (151) |
| Reserves constitution | - | - | - | - | (4,891,205) | - | - | - | - |
| Purchase of non-controlling interest | - | - | - | 30,900 | 4,860,305 | - | 1,851 | - | 1,851 |
| Purchase commitments to non-controlling interests | - | - | - | - | - | - | - | 11,222 | 11,222 |
| Conversion of preferred shares into ordinary shares | 47,666 | - | - | - | - | - | 47,666 | - | 47,666 |
| Other variations by equity method subsidiaries | - | - | - | 1 | (2,646) | - | (2,645) | 390 | (2,255) |
| Balance as of December 31, 2024 | \$ 2,290,218 | (452,507) | 297,548 | 5,461,014 | 1,606,103 | 3,933,605 | 13,135,981 | 811,162 | 13,947,143 |
| Balance as of April 1, 2023 (unaudited) | \$ 2,242,552 | (113,797) | 184,252 | 313,613 | 1,696,412 | 6,236,606 | 10,559,638 | 925,799 | 11,485,437 |
| Period income | - | - | - | - | 241,519 | - | 241,519 | 56,717 | 298,236 |
| Other comprehensive income for the period, net of tax | - | - | - | - | - | (2,033,023) | (2,033,023) | (182,296) | (2,215,319) |
| Comprehensive period income | \$ - | - | - | - | 241,519 | (2,033,023) | (1,791,504) | (125,579) | (1,917,083) |
| Reacquisition of ordinary shares | - | (40,174) | - | - | (538) | - | (40,712) | - | (40,712) |
| Reacquisition of preferred shares | - | (4,024) | - | - | (78) | - | (4,102) | - | (4,102) |
| Ordinary dividend declared in cash | - | - | - | - | (268,941) | - | (268,941) | (20,872) | (289,813) |
| Preferred dividend declared in cash | - | - | - | - | (48,067) | - | (48,067) | - | (48,067) |
| Reserves constitution | - | - | - | 50,399 | 136,578 | - | (48,897) | - | - |
| Purchase of non-controlling interest | - | - | - | - | - | (48,897) | (48,897) | (72,892) | (121,789) |
| Purchase commitments to non-controlling interests | - | - | - | - | - | - | - | 6,168 | 6,168 |
| Other variations by equity method subsidiaries | - | - | (1) | - | (2,012) | 1 | (2,012) | 6,972 | 4,960 |
| Balance as of December 31, 2023 | \$ 2,242,552 | (157,995) | 234,650 | 450,191 | 1,431,318 | 4,154,687 | 8,355,403 | 719,596 | 9,074,999 |

Notes are an integral part of the consolidated financial statements.


Juan Esteban Calle Restrepo
 Legal representative
 (See attached certification)


Óscar Rodrigo Rubio Cortés
 Corporate Accounting Manager
 T.P. 47208-T
 (See attached certification)


Gonzalo Alonso Ochoa Ruiz
 Statutory Auditor T.P. 43668-T
 Member of KPMG S.A.S.
 (See my report of February 25, 2025)

Cementos Argos S.A. and Subsidiaries


CONSOLIDATED CASH FLOW STATEMENT


For the nine-month period ended December 31, 2024 and 2023 | Million Colombian Pesos

| | Notes | December 2024 | 2023 (unaudited) |
|---|----------|-----------------------|---------------------|
| CASH FLOW FROM OPERATION ACTIVITIES | | | |
| Year net income | 38 | \$ 255,930 | \$ 298,236 |
| Adjustments to reconcile profit or loss: | | | |
| Depreciation & Amortization | 38.2 | 368,025 | 347,633 |
| Income tax | 9 | 29,950 | 180,630 |
| Financial expenses, net | 36, 37 | 410,383 | 537,521 |
| Provisions and post-employment benefit obligations | | 11,963 | 18,490 |
| Impairment of financial assets, inventories, and other net assets | 8, 10 | 59,791 | 12,351 |
| (Unrealized gain) loss on foreign exchange difference | | (15,068) | 35,167 |
| Loss (gain) from fair value measurement of investment property and other assets | | 42,214 | (6,063) |
| Interest of net loss from associates and joint ventures | 12 | (820) | (874) |
| (Gain) on non-current assets and business disposal | | (14,501) | (16,036) |
| Discontinued operations | 13.6, 18 | (228,190) | - |
| Other adjustments to reconcile profit or loss | | (14,451) | (8,727) |
| Total adjustments to reconcile profit or loss | | \$ 649,296 | \$ 1,100,092 |
| Changes in working capital of: | | | |
| Inventories | | 3,696 | 51,277 |
| Trade and other receivables | | 53,969 | 44,606 |
| Trade liabilities and accounts payable | | (6,641) | (9,927) |
| Other assets and liabilities, net | | 590 | (381,066) |
| Taxes paid | | (89,006) | (184,096) |
| Discontinued operations | 13.6 | - | 1,039,620 |
| Net cash flows from operating activities | | \$ 867,834 | \$ 1,958,742 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for PPE, investment property and improvements to right-of-use assets in lease, net | 15, 16 | (301,921) | (243,047) |
| Proceeds from sale of financial investments | | 24 | 673,550 |
| Payments for financial assets | | (317,964) | (209,195) |
| Proceeds from sale of property, plant and equipment | | 18,724 | 35,360 |
| Received dividends | | 30,598 | 28,321 |
| Interest received | | 96,502 | 63,015 |
| (Payments) proceeds of intangible assets | 14 | (1,700) | 6,148 |
| Contributions of interests in associates and joint ventures | | - | 400 |
| Proceeds from sale of Biological assets | | 1,927 | 3,109 |
| Proceeds from sales of non-current assets held for sale | | - | 6,930 |
| Proceeds from loss of control of subsidiary | | (92,507) | (774) |
| Proceeds from liquidation of fixed-income securities | 7 | 1,012,125 | - |
| Discontinued operations | 13.6 | - | (346,329) |
| Net cash flows (used) in investing activities | | \$ 445,808 | \$ 17,488 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Payment of loans and debt instruments | 19.4 | (2,505,916) | (1,074,176) |
| Amounts from loans | 19.4 | 1,783,329 | 1,679,068 |
| Paid interest | 19.4 | (393,779) | (527,316) |
| Paid dividend on ordinary shares | 29 | (430,834) | (457,810) |
| Paid dividend on preferred shares | 29 | (24,396) | (67,474) |
| Lease liability payments | 19.4 | (42,404) | (47,784) |
| Payments from financial derivatives contracts | 19.4 | (197,969) | (27,920) |
| Receivables from financial derivative contracts | 19.4 | - | 73,415 |
| Repurchase of own ordinary shares | 19.4 | (210,545) | (40,174) |
| Repurchase of own preferred shares | 19.4 | (3,164) | (4,024) |
| Outstanding bond payments | 19.4 | (302,415) | (477,384) |
| Purchases of interests in non-controlling interests | 19.4 | (874) | - |
| Other cash outflows | 19.4 | - | (15,677) |
| Discontinued operations | 13.6 | - | (523,066) |
| Net cash flow used in financing activities | | \$ (2,328,967) | (1,510,322) |
| (Decrease) increase in cash and cash equivalents | | (1,015,325) | 465,908 |
| Variation effect in exchange rate on cash | | 89,242 | (139,257) |
| Net (decrease) increase in cash and cash equivalents | | (926,083) | 326,651 |
| Cash and cash equivalents at beginning of period | | \$ 1,991,158 | 681,876 |
| Cash and cash equivalents at the end of the period | | \$ 1,065,075 | \$ 1,008,527 |

The notes are an integral part of the consolidated financial statements

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

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

 **Gonzalo Alonso Ochoa Ruiz**
Statutory Auditor T.P. 43668-T
Member of KPMG S.A.S.
(See my report of February 25, 2025)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

(Million Colombian pesos and American Dollars, unless otherwise specified)

NOTE 1: GENERAL INFORMATION

Cementos Argos S.A. (the Company) is a commercial corporation, incorporated in accordance with the Colombian laws on August 14, 1944, headquartered in the city of Barranquilla, Atlántico department, Republic of Colombia. The company's business purpose is the cement industry exploitation, the production of concrete mixes and any other materials or items made from cement, lime, or clay, the acquisition and exploitation of minerals or exploitable minerals deposits in the cement industry, and similar, the rights to explore and mine the aforementioned minerals, whether by concession, privilege, lease or another title. Its main address is in the city of Barranquilla and the term of the company expires on August 14, 2060, with an extended duration. The headquarters address is Carrera 53 N° 106-280 Centro Empresarial Buenavista Piso 17, Barranquilla. There are no branches established in Colombia or abroad.

Cementos Argos S. A. is part of Grupo Empresarial Argos, whose parent company is called Grupo Argos S.A. Note 13 details the companies that make up the group, its corporate purpose and the corresponding direct and indirect interest.

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

The Board of Directors authorized that the Group consolidated financial statements for the year ended December 31, 2024 be submitted to the Shareholders' Meeting for approval on February 24, 2025.

NOTE 2: BASIS FOR PRESENTATION AND MATERIAL ACCOUNTING POLICIES

2.1. Compliance status

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

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

Additionally, the Group, in compliance with laws, decrees, and other regulations in force, applies the following accounting criteria, specifically issued for Colombia by regulatory entities:

- External Circular No. 36/2014 from the Financial Superintendency of Colombia: The accounting treatment of the positive net differences generated in NCIF first-time application may not be distributed to stem losses, carry out capitalization processes, distribute profits and/or dividends, or be recognized as reserves. Negative net differences will not be considered for technical equity, minimum capital to operate, or other legal controls, for financial information preparers and security issuers subject to control.
- Decree 2496 dated December 23, 2015: Determines that the parameters for accounting post-employment benefits must correspond to Decree 2783/2001 as the best market approximation. For 2016, Decree 2131 of December 22, 2016 eliminated the obligation to apply these assumptions for the measurement of post-employment benefits, allowing the

application of the IAS 19 – Employee Benefits requirements, with these requirements being applicable only for financial information disclosure purposes. Decree 1625/2016 determines that the pension liabilities calculation must be disclosed in accordance with the parameters established in said standard and in the case of partial pension commutation, in accordance with Decree 1833/2016, as well as the differences arising from the calculation carried out in accordance with IAS 19 – Employee Benefits.

- Decree 2617 dated December 29, 2022: Alternative recognition and presentation of the effects on deferred tax applicable in Colombia: The value of the deferred tax derived from the change in income tax rate and the change in the income tax rate for occasional gains, for the taxable period 2022, may be recognized within the entity's equity in the accumulated results of previous years. Those who choose this alternative must disclose it in the notes to the financial statements indicating its effect on the financial information.
- Decree 1311 of October 20, 2021: Establishes an accounting alternative to mitigate the effects of the change in the income tax rate in the taxable period 2021. This alternative consists in that the value of the deferred tax derived from the change in the income tax rate, generated by the amendment of article 240 of the Tax Statute introduced by article 7 of Law 2155 of 2021, which must be reflected in the result of the 2021 period, may be recognized within the equity of the entity in the results accumulated from previous years. Those who choose this alternative must disclose it in the notes to the financial statements indicating its effect on the financial information.
- Decree 1271 of 2024: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement No. 2): The amendments require companies to disclose information about their 'material' accounting policies rather than their 'significant' accounting policies. The effect of the amendments will depend on the existing accounting policy disclosures provided by individual entities. For some entities, the effect may be significant. However, those that already disclose entity-specific information with respect to materiality may, in some cases, assess the effect as insignificant.

For legal purposes in Colombia, the Separate Financial Statements are the main financial statements.

2.2 Basis of preparation and material accounting policies

2.2.1 EXTRAORDINARY YEAR-END CLOSING

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

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

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

2.2.2 BASIS OF PREPARATION

The Consolidated Financial Statements include Cementos Argos S. A. and its subsidiaries (the Group) financial statements as of December 31, 2024. These Financial Statements have been prepared on the accounting basis of accumulation or accrual, except cash flow information. The measurement basis is historical cost; however, certain financial instruments, associates considered investment entities, investment properties and biological assets are measured at fair value at the end of each reporting period. Financial statements are presented in Colombian pesos, which is the functional currency of the Group parent company, and all values in Colombian pesos are rounded up to the closest million. Also, values in dollars are rounded up to the closest thousand, unless otherwise indicated.

Fair value is the price that would be received when selling an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or

estimated using another valuation method. When estimating the fair value of an asset or a liability, the Group considers the asset or liability characteristics if the market participants consider these characteristics to value the asset or liability at the measurement date. The fair value, for measurement and/or disclosure purposes of these financial statements, is determined on that basis, except for payment transactions based on actions within the IFRS 2 scope, leasing transactions within the IFRS 16 scope, and measurements that have some similarities in fair value but are not fair value, such as the realizable value in IAS 2 or value in use in IAS 36.

Additionally, for financial information purposes, fair value measurements are categorized as Level 1, 2, or 3 based on the degree to which the entries to fair value measurements are observable and the importance of the entries to fair value measurements as a whole, which are described as follows:

- Level 1 entries are quoted (not adjusted) prices in active markets for identical assets and liabilities, to which the entity has access on the measurement date;
- Level 2 entries are entries different from the quoted prices included in Level 1 that are observable for an asset or liability, either directly or indirectly; and
- Level 3 entries are unobservable entries for an asset or liability.

The Group has an established control framework for fair value measurements, including a valuation team that oversees all significant measurements, reporting directly to the Financial Vice-Presidency. Independent valuation firms are recurrently involved in the valuation of significant assets and specific non-recurring valuations, selected for their experience, market knowledge, reputation and independence.

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

The Group has applied the significant accounting policies, judgments, estimates and assumptions described in Notes 2 and 4. The judgments include factors such as exchange rate risk, cost escalation risk, liquidity risk, credit risk and volatility. Changes in these assumptions could affect the reported fair values of financial instruments.

2.2.3. CONSOLIDATION PRINCIPLES

Investments over which the Group has control are consolidated using the global integration method. This method consists of adding to the parent company's financial statements all the assets, liabilities, equity, income, costs and expenses of the subsidiaries. Previously, the investments made in the equity of the subsidiaries, as well as the reciprocal transactions and balances existing at the date of preparation of the consolidated financial statements, are eliminated in the parent company.

The Group controls an investee when it has power over it, is exposed, or has the right to variable returns from its involvement in the investee, and can influence those returns through its power over it. The Group reassesses whether or not it controls an investee if the facts and circumstances indicate that there are changes to one or more of the three elements of control mentioned above. In assessing control, the Group considers:

- Existing substantive voting rights.
- Contractual agreements between the entity and other parties.
- The rights and ability to appoint and remove key members of management.

When the Group has less than a majority of voting rights, it is determined whether it has power when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. For this assessment, the following are considered:

- The percentage size of voting rights of the Group regarding the size and dispersion of the percentages of other voting holders;
- Potential voting rights held by the Group, other shareholders or other parties.
- Rights derived from contractual agreements.
- Any additional facts or circumstances that indicate the current ability to direct the relevant activities at the time of decision-making, including voting patterns at previous shareholders' meetings.

Financial statements of subsidiaries are included in the consolidated financial statements from the date where the Group obtains control over the subsidiary, which may be different from the acquisition date, until the date where the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or sold during the year are included in the consolidated statement of profit and loss and Other Comprehensive Income, from the date the Group gains control until the date the Group ceases to control the subsidiary.

In acquisitions of subsidiaries, associates and/or joint ventures, the Group evaluates the cutoffs to initiate the consolidation and/or equity method process, considering the date closest to the closing date of the transaction, except when the intermediate days of the month that are further consolidated or unconsolidated have a material impact on the financial statements taken as a whole.

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

When the Group loses control of a subsidiary, the gain or loss is recognized in the results and is calculated as the difference between (i) the fair value aggregate of the consideration received and the fair value of the retained interest, and (ii) the previous carrying amount of the subsidiary's assets (including goodwill) and liabilities, and any non-controlling interests. Amounts previously recognized in Other Comprehensive Income regarding that subsidiary are recorded as if the Group had directly sold the relevant assets (i.e., reclassified to profit or loss or transferred to another equity category as specified/allowed by the applicable IFRS). The fair value of the investment retained in the former subsidiary, on the date where control was lost, should be considered as the fair value for the initial recognition of a financial asset under IFRS 9 or, when applicable, the cost of the initial recognition of an investment in an associate or joint venture.

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

The financial information of consolidated subsidiaries is prepared on the basis of International Financial Reporting Standards (IFRS), however, some of subsidiaries and associates abroad prepare their financial statements for statutory purposes, applying accounting principles generally accepted in their countries of origin, so adjustments are included to align these principles with the NCIF applicable to Colombia.

The Management must make estimates and assumptions that affect the reported figures of assets and liabilities, income, costs and expenses disclosures of assets and liabilities as of the date of the consolidated financial statements. Note 4 details the critical accounting judgments and key estimates sources carried out by the Management.

Differences between the Group consolidated controlling equity and Parent's equity

The consolidated controlling shareholders' equity of Cementos Argos S.A. presents differences compared to its separate equity, derived from several significant transactions that are accounted for differently under International Financial Reporting Standards (IFRS). The main causes of these differences are the purchase of minority interest shares and the sale of shares of subsidiaries without loss of control. In the separate financial statements, these transactions are recognized as earnings and increases in investment, while in the consolidated financial statements they are reflected as redistributions in equity between the controller and non-controlling interests.

2.2.4. MATERIAL ACCOUNTING POLICIES

Below are the material accounting policies applied by the Group in the preparation of these Consolidated Financial Statements:

1. Business and goodwill combinations

Business combinations are accounted for by the acquisition method. Identifiable assets acquired, liabilities, and contingent liabilities assumed by the acquiree are recognized at fair value at the acquisition date, acquisition costs are recognized in profit or loss, and goodwill as an asset in the Consolidated Statement of Financial Position.

The consideration transferred is measured as the sum of the fair value at the acquisition date, 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.

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

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit agreements are recognized and measured in accordance with IAS 12 Income Tax and IAS 19 Employee Benefits, respectively;
- Liabilities or equity instruments related to the acquiree's share-based payment agreements, or the Group share-based payment agreements carried out as a replacement for the acquiree's share-based payment agreements are measured in accordance with IFRS 2 at the acquisition date; and
- Assets (or group 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 are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the value of any non-controlling interest, and as applicable, the fair value of any interest previously held in the acquiree, over the net value of the acquired assets, liabilities, and contingent liabilities assumed at the acquisition date.

When the consideration transferred is less than the fair value of the acquiree's net assets, the corresponding gain is recognized in profit or loss for the period, at the acquisition date.

Non-controlling interests that represent ownership interests and guarantee to their holders a proportionate share of the net assets of the entity, in the event of liquidation, could be initially measured at fair value or the proportional share of the non-controlling interests of the recognized amounts of the identifiable net assets of the acquiree. The measurement base selection is carried out on a transaction-on-transaction basis. Other types of non-controlling interest are measured at fair value or, where applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration agreement, 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 measurement period adjustments are adjusted retroactively, with corresponding adjustments 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) on facts and circumstances that existed at the acquisition date. The subsequent recording of changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not subsequently remedied and its subsequent cancellation is recorded within the equity.

Contingent consideration that is classified as an asset or liability is referred to its reporting date under IFRS 9 Financial Instruments, or IAS 37 Provisions, Liabilities and Contingent Assets, where appropriate, being the corresponding gain or loss recognized as profit or loss. In cases of business combinations carried out in stages, the Group equity interest in the acquiree is remeasured at its fair value at the acquisition date (that is, the date where the Group obtained control) and the resulting gain or loss, if any, is recognized in profit or loss.

Amounts resulting from the interest in the acquiree prior to the acquisition date that had previously been recognized in Other Comprehensive Income are reclassified to profit or loss, provided that such treatment is appropriate, in the event that such interest is sold.

If the initial accounting for a business combination is not completed at the end of the period where 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 necessary assets or liabilities to reflect new information obtained on facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognized at that date.

Goodwill is not amortized. It is measured at cost minus any accumulated impairment loss. If the cash-generating unit recoverable amount is less than the unit carrying amount, the impairment loss is allocated first to reduce the goodwill carrying amount allocated to the unit and then to the other unit assets, proportionally, based on the carrying amount of each unit asset. Cash-generating units to which the goodwill is allocated are subject to impairment assessments annually, or more frequently if there is an indication that the unit may have suffered impairment. Impairment losses are recognized in the statement of comprehensive income in the profit and loss section of the period. The impairment loss on goodwill cannot be reversed in the following period. In the event of withdrawal of a cash-generating unit, the goodwill attributable amount is included in the profit or loss calculation on withdrawal.

2. Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position and in the Cash Flow Statement include money in cash and in banks, highly liquid investments that are easily convertible into a certain amount of cash and subject to an insignificant risk of changes in value, with a three-month maturity or less from the acquisition date.

3. Financial instruments

Financial assets and liabilities are initially recognized at fair value plus (minus) directly attributable to transaction costs, except for those that are measured later at fair value with changes in the Income Statement. The Group subsequently measures financial assets and liabilities at an amortized cost or fair value, depending on the Group business model for managing financial assets and the contractual cash flows characteristics of the instrument.

FAIR VALUE MEASUREMENTS

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

FINANCIAL ASSETS

Financial assets other than those at amortized cost are subsequently measured at fair value with recognized changes in the Income Statement. However, for investments in equity instruments that are not held for negotiation purposes, the Group may choose, during the initial recognition and irrevocably, to present the profits or losses from fair value measurements in Other Comprehensive Income. When disposing of investments at fair value in Other Comprehensive Income, the accumulated value of profits or losses is directly transferred to retained earnings and are not reclassified as income for the period. Cash dividends received from these investments are recognized in the Income Statement. The Group has chosen to measure some of its investments in equity instruments at fair value in Other Comprehensive Income. A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to hold them in order to obtain contractual cash flows, and its contractual terms grant, on specific dates, cash flows which are only capital and interest payments on the outstanding capital value.

A financial asset or part of one is written off from the Consolidated Statement of Financial Position when it is sold, transferred, it matures or control is lost over the instrument contractual rights or cash flows, or when the financial asset is transferred and transfer meets with derecognition requirements. A financial liability or part of one is written off from the Consolidated Statement of Financial Position when the contractual obligation has been settled or has matured. When derecognizing a financial asset or part of one, the difference between its book value and the sum of the consideration received is recognized in profit or loss (including any new asset obtained minus any liability assumed).

When an existing financial liability is replaced by another from the same counterparty on substantially different terms, or if the terms of an existing liability are substantially modified, such an exchange or modification is treated as an original liability write-off and the new liability recognition, and the difference in the respective book values are recognized in the Income Statement.

FINANCIAL ASSETS IMPAIRMENT

The impairment model, in accordance with IFRS 9, reflects expected credit losses. The Group records expected credit losses from debt securities, trade accounts receivable, and leases at the end of the reporting period. In the calculation of expected credit losses under IFRS 9, the Group applies a simplified approach, which allows not to track changes in the credit risk, but to recognize a provision for losses based on expected credit losses during the asset's lifetime on each reporting date, i.e., to recognize the expected credit losses resulting from possible breach events during the expected financial instrument lifetime. In cases where there is objective evidence that a financial asset is impaired, the Group recognizes an individual impairment loss provision, excluding the collective impairment evaluation under the expected loss model.

To determine the expected credit losses, the Group has used a provision matrix based on the number of days that a trade account receivable is in default, i.e., by grouping the portfolio by ranges of overdue days and applying to the accounts receivable balance an expected default percentage on the measurement day for each range of overdue days. The default percentage according to overdue days in the portfolio is determined using the transition matrix methodology, according to Markov chain theory. Each subsidiary portfolio is segmented into two homogeneous groups, industrial and massive business.

Loss from impairment is recognized in the administrative expense and costs of sale in the Group Consolidated Income Statement. When there is confirmation that the trade account receivable will be uncollectible, the gross book value of the account receivable is then written off in accounts against the associated provision.

EXPENSES ASSOCIATED WITH AN INITIAL PUBLIC OFFERING (IPO)

The expenses directly related to the IPO preparation are analyzed to determine which are expenses in the income statements and which should be a lower value of the issued equity (capital and/or premium). As of December 31, 2022, those disbursements that will be offset in equity were recognized in other non-financial assets, and once the capital issuance is made, the asset will be derecognized in order to offset it with equity. In the event that the IPO is not completed, or its completion is not probable, said capitalized expenses will become an expense for the period.

Financial liabilities

The financial liabilities initial recognition is carried out at fair value and subsequently valued at the amortized cost using the effective interest method. Losses and profits are recognized in the Income Statement when liabilities are written off, as well as accrued interest using the effective interest method. The amortized cost is calculated considering any discount or premium on acquisition and installments or costs that are an integral part to the effective interest method.

The effective interest method is the method used to calculate the amortized cost of a financial asset or a financial liability and for the distribution and recognition of interest income or interest expense in the income for the period throughout the corresponding period. The amortized cost of a financial asset or financial liability is that at which it was measured at initial recognition, minus capital repayments, plus or minus, the accumulated amortization, using the effective interest method, of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any value correction for losses.

Liabilities with non-controlling interests have been recognized in accordance with IAS 32 Financial Instruments: Presentation in the "Other financial liabilities" account to the extent that there are selling options for non-controlling owners and purchase obligations by the Group, even if the possibility of exercising said option is remote. Selling options are accounted for as transactions between owners. For this reason, in subsequent measurements, the liability is remeasured at fair value and its change is reflected in equity.

Financial derivatives

Financial derivatives are recorded in the consolidated statement of financial position at their fair values, considering the market curves in force at the valuation date. The accounting for changes in the fair value of derivatives depends on the derivative use and its designation as an accounting hedging instrument. Certain derivatives embedded in other financial instruments (implicit derivatives) are treated as separate derivatives when their risk and characteristics are not closely related to the main contract, and it is not recorded at fair value with its unrealized profits and losses included in the Income Statement.

To mitigate risks in foreign currency transactions and exposure to interest rates, the Group undertakes natural hedging and financial hedging operations by using derivative financial instruments, mainly derivative swap contracts and forward contracts. All derivatives in force have been designated as accounting hedging instruments for cash flow or fair value in accordance with the criteria of IAS 39 Financial Instruments. The Group does not use derivative instruments or any other financial instruments for speculative purposes.

Certain derivative transactions that do not qualify to be accounted for as derivatives for hedging are treated and reported as derivatives for negotiation, even though they provide effective hedging for the management of risk positions. The Group formally appoints and documents the relationship for derivatives that qualify to be accounted for as hedge accounting, at the beginning of the hedging relationship, as well as the goals for the risk management and the hedging strategy.

Financial swap operations (“Swap”) correspond to financial transactions in which the Group, through a contractual agreement with a bank, exchanges cash flows to reduce currency, rate, term, or issuer risks, as well as assets or liabilities restructuring.

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

The Group also uses interest rate swaps to manage its exposure to interest rates. In the case of interest rate swaps, there is no exchange of capital, the Group is responsible for its debts with defined amounts and terms, its accounting record is independent of the swap. These swaps are intended to convert financial instruments, either from a fixed rate to a variable rate or from a variable rate to a fixed rate, there may be instruments that in the long term are negotiated with a variable rate at a variable rate and when market conditions are optimal, they are converted from variable rate to fixed rate.

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

- The designation, including identification of the hedging instrument, hedged item or transaction, or hedging relationship, hedging objective, and risk management strategy;
- Designation and hedging relationship, hedging objective and risk management strategy;;
- Designation date of the accounting hedge; and
- Procedure to assess the effectiveness of the hedging and method to evaluate the effectiveness of the prospective and retroactive hedging and its periodicity.

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

- Fair value hedges, when they hedge exposure to changes in the fair value of recognized assets or liabilities or unrecognized firm commitments. In fair value hedging relationships, changes in the fair value of the hedged item and the hedging instrument are recognized and offset in the Consolidated Income Statement for the period, presented as financial cost or income. The change in 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 under the income statement section as a financial income or cost.
- Cash flow hedges, when hedging exposure to variations in the cash flows attributed either to a particular risk associated with a recognized asset or liability or to a highly probable foreseen transaction, or to the exchange rate risk related to an unrecognized firm commitment. In cash flow hedging relationships, changes in the fair value of the hedging instrument are recognized directly in the Consolidated Other Comprehensive Income by the effective hedging portion, the ineffective portion is recognized in the consolidated financial income or expenses. The profits or losses recognized in equity are reclassified later to the Consolidated Income Statement when the hedged item affects the Group consolidated income.

In highly probable transactions hedging relationships, changes in the fair value of the hedging instrument are directly recognized in the Consolidated Other Comprehensive Income by the effective hedging portion. Thus, the ineffective portion is recognized in the consolidated financial income or expenses. Profits or losses recognized in equity are reclassified at the end of the hedging relationship to the same account of the hedged item.

The effective portion of the profit or loss from measuring the hedging instrument is immediately recognized in the Other Comprehensive Statement, whereas the ineffective portion is immediately recognized in the Statement of Comprehensive Income under the income statement section as a financial cost.

Values recognized in the Other Comprehensive Income are reclassified to the Statement of Comprehensive Income under the income statement section when the hedged transaction affects the income, as well as when the hedged financial income or financial expense is recognized, or when the foreseen transaction takes place. When the hedged item constitutes the cost of a non-financial asset or liability, the values recognized in the Other Comprehensive Income are reclassified to the initial book value of the non-financial asset or liability. If the foreseen transaction or firm commitment is no longer expected to take place, the cumulative gain or loss previously recognized in the Other Comprehensive Income is reclassified to the Statement of Comprehensive Income, under the income statement section.

If the hedging instrument matures or is sold, resolved, or exercised without a replacement or successive renewal of a hedging instrument for another hedging instrument, or if its designation as a hedge is revoked, any cumulative profit or loss previously recognized in Other Comprehensive Income remains in the Other Comprehensive Income until the foreseen operation or firm commitment affects the result.

Derivatives that are not designated as hedges for accounting purposes under IAS 39 are measured at fair value.

4. Provision for decommissioning, restoration and rehabilitation

The Group recognizes as part of the cost of a property, plant, and equipment item the current value of the estimated future costs expected to be incurred for dismantling or restoration, when there is a legal or implicit obligation to dismantle an asset or restore the site where it was built.

The provision for decommissioning or restoration is recognized at the current value of estimated future disbursements to pay the obligation. Cash flows adjusted to reflect liability risks are discounted at a risk-free rate before taxes.

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

5. Exploration and evaluation disbursements

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

6. Fair value measurements

Fair value is the price that would be received when selling an asset or would be paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value of all financial assets and liabilities is determined as of the financial statements' presentation date, for recognition or disclosure in the notes to the separate financial statements. Judgments include data such as liquidity risk, credit risk, and volatility. Changes to the hypotheses about these factors might affect the reported fair value for financial instruments.

7. Foreign currency

Transactions in foreign currencies corresponding to those transactions in currencies other than the functional currency of the entity are recorded initially at the exchange rate of the functional currency in force on the transaction date. Later, the monetary assets and liabilities in foreign currencies are converted at the exchange rate of the functional currency in force

on the closing date of the period. Non-monetary items measured at their fair value are converted using the exchange rates of the date when their fair value is determined, and non-monetary items measured at historical cost are converted using the exchange rates determined to be applicable on the date of the original transaction and have not been re-converted.

All exchange rate differences of monetary items are recognized in the income statement, except for monetary items that provide an effective hedge for a net investment in a foreign business, as well as those that come from investments in shares classified at fair value through equity. For the presentation of the Group consolidated financial statements, the assets and liabilities of foreign operations have been converted into Colombian pesos at the exchange rate in force on the reporting period closing date. Revenues, costs and expenses, and cash flows are converted at the average exchange rates of the period unless these fluctuate significantly during the period, in which case the exchange rates of the date of the transactions are used. Any exchange rate differences that arise, as the case may be, are recognized in Other Comprehensive Income and are accumulated in equity (attributed to non-controlling interests when appropriate).

When disposing of a foreign operation, including the disposal of the Group total interest in a foreign operation and disposal involving the partial sale of a stake in a joint venture or associate that includes a foreign operation in which the retained interest becomes a financial asset, all exchange differences accumulated in equity relating to that attributable operation and the owners of the Group are reclassified from equity to income for the consolidated period.

Additionally, regarding the partial subsidiary disposal (which includes a foreign operation), the entity will attribute again the proportional share of the accumulated amount of the exchange differences to the non-controlling interests, and these are unrecognized in profit or loss. For any other partial disposals (i.e., the partial disposal of associations or joint agreements that do not involve the loss of significant influence and joint control by the Group), the entity will reclassify to profits or losses only the proportional share of the cumulative amount of exchange differences.

Adjustments corresponding to goodwill and the fair value of identifiable acquired assets and liabilities generated in the acquisition of a foreign operation are treated as foreign operation assets and liabilities and are converted at the exchange rate in force at the end of each reporting period. Any exchange differences that may arise will be recognized in Other Comprehensive Income.

8. Impairment value of non-financial assets

At the end of each period, the Group evaluates the existence of any indications that an asset's value may be impaired. If there are indications of impairment or at least annually for goodwill, from intangible assets with an indefinite useful life and intangible assets that are not yet in use, the recoverable asset value or the cash-generating unit(s) is estimated, the latter level when it is not possible to estimate the recoverable amount of the individual asset. When a reasonable and consistent basis of distribution is identified, common assets are also allocated to the cash-generating units or distributed to the smallest group of cash-generating units for which a reasonable and consistent distribution basis might be identified.

The recoverable value of an asset is the highest value between the fair value minus the costs of sales, whether it is an asset or a cash-generating unit, and its value in use. When estimating the value in use, estimated future cash flows are discounted from the current value using a discount rate before taxes that reflect current market valuations of the temporary money value and the specific risks for the asset, for which the estimated future cash flows have not been adjusted. When the book value of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired, and the value is reduced to its recoverable amount.

When an impairment loss is reversed later, the book value of the asset (or cash-generating unit) is increased to the revised estimated value of its recoverable amount, so that the increased book value does not exceed the book value that would have been measured if the asset's (or cash-generating unit's) impairment loss had not been recognized in previous years. The reversal of an impairment loss is recognized in income. Goodwill impairment losses cannot be reversed.

9. Taxes

The expense for income tax represents the sum of the payable current income tax and the deferred tax.

CURRENT INCOME TAX

Current assets and liabilities for the income tax of the period are measured by the values expected to be recovered or paid to the tax authority. The expense for income tax is recognized in the current tax according to the refinement carried out between the income tax and the accounting profit or loss affected by the income tax rate for the current year and pursuant to the tax standards provisions of each country. The tax rates and regulations used to compute these values are those that have been approved or substantially approved by the end of the reporting period, in the countries in which the Group operates and generates taxable profits.

DEFERRED TAX

Deferred income tax is recognized using the liability method calculated on the temporary differences between the assets and liabilities tax bases and their book values. The deferred tax liability is recognized for temporary taxable differences and the deferred asset tax is recognized for temporary deductible differences and future offset of tax credits and unused tax losses, to the extent that the availability of future taxable income against which they may be allocated is likely. These assets and liabilities are unrecognized if the temporary differences arise from the initial recognition (other than the business combination) of other assets and liabilities in an operation that does not affect the tax profit or the accounting profit. Furthermore, deferred tax liabilities are unrecognized if the temporary difference arises from the initial goodwill recognition.

Liabilities deferred due to temporary taxable differences associated with investments in subsidiaries and associates and interests in joint ventures, except those where the Group can control the reversal of the temporary difference, and when there is the possibility that this might not be reversed in the near future, it must be recognized. Deferred tax assets that arise from deductible temporary differences associated with such investments and interests are only recognized to the extent that the entity will likely have future taxable profit, against which the temporary differences might be charged and when there is the possibility that these might be reversed in the near future.

The book value of a deferred tax asset should be subject to revision at the end of each reporting period and should be reduced to the extent it is likely that it will not have sufficient taxable profits in the future, in order to allow the asset to be recovered, either in total or in part. Deferred tax assets and liabilities should be calculated using the tax rates that are expected to be applicable during the period in which the asset is realized or the liability is settled based on the rates (and tax laws) that have been approved or practically approved by the end of the reporting period, after the approval process has been completed. The measurement of deferred tax liabilities and deferred tax assets will reflect the tax consequences that would occur from the manner in which the entity expects to recover or settle the book value of its assets and liabilities at the end of the reporting period. Deferred taxes are not discounted.

Deferred tax is recognized in the period income, except those related to items recognized outside the income. In this case, they will be presented in Other Comprehensive Income or directly in equity. In the case of a business combination when current or deferred tax arises from the initial accounting for the business combination, the tax effect is considered within the accounting for the business combination.

See note 2.1. on treatment adopted in accordance with Decree 2617 dated December 29, 2022.

10. INTANGIBLE ASSETS

Intangible assets acquired separately are initially calculated at cost. The cost of intangible assets acquired in business combinations are recognized separately from goodwill by its fair value at the acquisition date (which is regarded as its cost). After the initial recognition, intangible assets are carried at cost minus any accumulated amortization and any accumulated impairment losses. Internally generated costs for intangible assets, except for development costs that meet recognition criteria, are not capitalized and when disbursed, these are recognized in the Statement of Comprehensive Income at the time when they are incurred.

Disbursements arising from research activities are recognized as an expense in the period in which they are incurred. An internally generated intangible asset as a result of development activities (or of the development phase of an internal project) is recognized if, and only if, the following conditions are met:

- Technically, it is possible to complete the production of the intangible asset so that it may be available for use or sale;
- Its ability to complete the intangible asset in question, either to use it or to sell it;
- Its ability to use or sell the intangible asset;
- How the intangible asset will generate probable economic benefits in the future;

- The availability of adequate technical, financial, or other kinds of resources, to complete its development and to use or sell the intangible asset; and
- Its ability to reliably measure the expenditure attributable to the intangible asset during its development.

The amount initially recognized for an internally generated intangible asset will be the sum of the disbursements incurred from the time when the item meets the conditions for recognition, which were set forth above. After the initial recognition, an internally generated intangible asset will be accounted for at cost minus the amortization and the accumulated amount of impairment losses, on the same basis as intangible assets that are acquired separately.

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at least at the end of each period. Changes in the estimated useful life of the asset are prospectively recognized. The expense for the amortization of intangible assets with finite useful lives is recognized in the Statement of Comprehensive Income. Intangible assets with indefinite useful lives are not amortized, but rather tested for impairment.

An intangible asset is written off at the time of disposal, or when no future economic benefits from its use or disposal are expected. Profits or losses arising from the write-off of an intangible asset, calculated as the difference between the net income from the asset sale and its book value is recognized in the consolidated profits or losses at the time the asset is written off.

11. Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in financial policy and operational decisions of the investee, but without having absolute or joint control over it.

A joint venture is a joint agreement, whereby the parties that have joint control have rights to the net assets of the agreement. Joint control is shared control contractually agreed upon, which only exists when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The results, assets, and liabilities of the associate or joint venture are incorporated into the consolidated financial statements using the equity method unless the investment or a portion thereof is classified as held for sale, in which case it is accounted under IFRS 5. Under this method, the investment is initially recorded at cost and adjusted with the changes in the Group interest and are subsequently adjusted to account for the Group interest in profits or losses and Other Comprehensive Income for the associate or joint venture, minus any losses due to impairment of the investment.

When the Group interest in the losses of an associate or joint venture exceeds the Group interest in the associate or joint venture (including any long-term interest that is basically a part of the Group net investment in the associate or joint venture), the Group ceases to recognize its interest in future losses. Additional losses are recognized as long as the Group has acquired a legal or implicit obligation or has made payments on behalf of the associate or joint venture.

When the equity method applies, the necessary adjustments are carried out to standardize the accounting policies of the associate or joint venture with those of the Group. The share belonging to the Group is included in the obtained profits or losses and unrealized losses from transactions between the Group and the associate or joint venture. The equity method is applied from the date where the investee becomes an associate or joint venture. This is because, for example, it can occur in stages, and it is not the acquisition date, until significant influence or joint control over the entity is lost. In the investment acquisition in the associate or joint venture, any excess of the investment cost on the net fair value distribution of identifiable assets and liabilities of the investee is recognized as goodwill, which is included in the amount book value for the investment.

Any excess in the Group distribution of the net fair value of identifiable assets and liabilities over the investment cost, after having been revaluated, is immediately recorded in profit or losses for the period where the investment was acquired. IFRS 9 requirements are applied to determine whether it is necessary to account for an impairment loss regarding the Group investment in an associate or joint venture. The entire investment carrying amount (including goodwill) is tested for impairment under IAS 36 Impairment of Assets, as an individual asset by comparing its recoverable amount (highest between the use-value and the fair value minus the disposal costs) to its book value. Any recognized impairment loss is part of the investment carrying amount. Any reversal of that impairment loss is recognized under IAS 36 until the recoverable investment amount increases later.

The Group stops using the equity method on the date where the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group has a stake in a former associate or joint venture and the holding is a financial asset, the Group measures the holding at fair value on that date, and the fair value considered as its fair value during the initial recognition, according to IFRS 9. The difference between the carrying book amount of the associate or joint venture on the date the use of the equity method was discontinued and the fair value of any retained interest and any result from the sale of a part of the interest in the associate or joint venture, is included in determining the gain or loss on the sale of the associate or joint venture.

Additionally, the Group records all previously recognized amounts in Other Comprehensive Income regarding that associate or joint venture on the same basis that would have been required if the associate or joint venture had directly sold the financial assets or liabilities. Therefore, if a profit or loss previously accounted in Other Comprehensive Income by the associate or joint venture had been reclassified to profits or losses upon selling the related assets or liabilities, the Group would reclassify the profit or loss from equity to profits or losses (as a reclassification adjustment) at the time when they stop using the equity method.

The Group continues using the equity method when an investment in an associate becomes an investment in a joint venture, or an investment in a joint venture becomes an investment in an associate. There is no recalculation at fair value at the time of such changes in ownership interests. When the Group reduces its equity share in an associate or a joint venture but continues to use the equity method, the Group reclassifies to profits or losses the share of the profit or loss that had been previously recognized in Other Comprehensive Income regarding that reduction in the shareholding, if such a profit or loss were reclassified to profit or losses upon the sale of the corresponding assets or liabilities.

If a Group entity enters into a transaction with a Group associate or joint venture, the profits and losses resulting from such transactions are accounted for in the separate financial statements of the Group, solely for the share portion in the associate or joint venture that is not related with the Group. Goodwill arising from the acquisition of an associate, or a joint venture is included in the investment carrying amount and is not individually amortized or subjected to impairment tests.

12. Investment properties

Investment properties are properties (i.e. land or buildings considered, either in whole or in part, or both) that are held (by the Group or by a lessee under a financial lease) to earn income, capital gains, or both, instead of a) using it for goods or services production or supply, or for administrative purposes, or b) selling it in the ordinary course of operations, including investment properties under construction for such purposes. These are measured initially at their acquisition price, plus all costs associated with the transaction and non-recoverable indirect taxes, after deducting financial or commercial discounts, as well as the directly attributable costs to placing the investment property under the necessary conditions for it to operate in the manner intended by the Management. After the initial recognition, investment properties are measured at fair value, regarding the price that would be received on the measurement date, when disposing of the asset in a market transaction. In the determination of the reasonable value, the Group hires independent experts with recognized professional capability and experience in property appraisal. Changes in the fair value of investment property are recognized in the period income as they arise. Investment property may be transferred from and to property, plant, and equipment.

An investment property is written off when it is disposed of or when the investment property is permanently withdrawn from use and no future economic benefits are expected to be received from its sale. Any profit or loss arising from writing off the property (measured as the difference between the net income from the sale and the asset book value) is included in the consolidated income for the consolidated period where the property was written off.

13. Non-current assets held for sale and discontinued operations

Non-current assets and groups of assets for disposal are classified as held for sale if their book value and may be recovered through a sales transaction, rather than through their continued use. These assets or groups of assets are presented separately as assets and liabilities in the statement of financial position, at either their book value or fair value minus sales costs and are not depreciated or amortized from their classification date.

This condition is considered to be met only when the sale is highly likely and the asset (or group of assets for disposal) is available for immediate sale in its present condition, subject only to the usual terms adapted for the sale of these assets (or group of assets for disposal). The Management must be committed to the sale, which should be recognized as a completed sale within one year after the classification date.

When the Group is committed to a sales plan involving loss of control of a subsidiary, all assets and liabilities of that subsidiary are classified as held for sale when they meet the criteria described above, regardless of whether the Group is going to keep a non-controlling interest in its former subsidiary after its sale.

When the Group is committed to a sales plan involving the sale of an investment, or a portion of an investment in an associate or joint venture, the investment or portion of the investment that will be sold is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method regarding the portion that is classified as held for sale. Any portion retained of an investment in an associate or a joint venture that has not been classified as held for sale, will continue to be accounted under the equity method. The Group discontinues the use of the equity method at the time of sale when the sale results in the Group losing significant influence over the associate or joint venture.

After the sale is carried out, the Group recognizes any interest retained in the associate or joint venture under IFRS 9, unless the interest retained is still an associate or a joint venture, in which case the Group uses the equity method (see the accounting policy regarding the influence over an associate or joint venture). In cases where the Group undertakes to distribute an asset (or group of assets for disposal) to the owners, said non-current asset (or group of assets for disposal) is classified as held for distribution to owners. For this to be the case, the assets must be available for immediate distribution in their current conditions, and the distribution must be highly likely, i.e. activities must be underway to complete the distribution and should be expected to be completed within a year from the classification date. The Group has classified its subsidiaries in liquidation processes as groups of assets to distribute to the owners.

A discontinued operation is a component of the entity that has been disposed of or classified as held for sale and is classified as discontinued:

- (b) represents a line of business or a geographic area, which is significant and can be considered separate from the rest;
- (c) is part of a single coordinated plan to dispose of a significant line of business or geographic area of the operation that can be considered separate from the rest; or
- (d) is a subsidiary acquired solely for the purpose of resale.

On January 12, 2024, the Group disposed of 100% of its subsidiaries Argos North America Corp., Argos USA LLC and Southern Star Leasing LLC, which until then were part of the United States segment and cash generating unit. This transaction was classified as a discontinued operation for meeting the criteria of the preceding paragraph.

Revenues, costs, and expenses from a discontinued operation are presented separately from those from continuing operations—in a single item after income taxes—in the Consolidated Income Statement for the current period and the comparative period of the previous year, even though the Group retains a non-controlling interest in the subsidiary after the sale. In addition, net cash flows attributable to operating, investing and financing activities of discontinued operations are presented separately from the other components from continuing operations. This disclosure may be presented in the notes or in the financial statements. The separate presentation of discontinued operations is made for the current period and all prior periods presented in financial statements.

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 might show impairment:

- Significant financial difficulties of the associate or joint venture
- Contract violations, 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 will go into bankruptcy or some other form of financial reorganization
- The disappearance of an active market for net investment due to financial difficulties of the associate or joint venture
- Significant changes with adverse effects that have taken place in the environment, technological, market, economic or legal aspects, in which the associate or joint venture operates; or

A significant and prolonged decrease in the fair value of an investment in an associate or joint venture that is an equity instrument below its cost.

14. Property, plant and equipment

Property, plant, and equipment includes the amount of land, buildings, furniture, vehicles, equipment, computing equipment, and other facilities owned by the consolidated entities, and which are used for the entity's operations. The Group recognizes an item of property, plant, and equipment when it is likely that the asset will generate future economic benefits, it is expected to be used for a period longer than one year, or all the risks and benefits inherent to the asset have been received and its value may be reliably measured. Spare parts and permanent maintenance equipment are recognized as an item of property, plant, and equipment as they meet the recognition criteria.

The fixed assets are measured at cost minus accumulated depreciation and accumulated impairment losses, if any. Trade discounts, rebates, and other similar items are deducted from the acquisition cost of the fixed asset. Properties under construction for administrative, production, or service supply purposes are recorded at cost minus any recognized impairment loss. The cost includes professional fees, decommissioning and removal direct costs, and in the case of qualifying assets, capitalized loans costs following the Group accounting policy. These properties are classified in the appropriate property, plant, and equipment categories at the time of their completion and when they are ready for their intended use. Depreciation of these assets, as in the case of other property assets, begins when assets are ready for use. Depreciation begins when the asset is available for use and is calculated on a straight-line basis over the estimated technical useful life of the asset as follows:

| | |
|--|----------------|
| Buildings and constructions | 40 to 70 years |
| Aqueduct, networks and communications routes | 20 to 40 years |
| Machinery and production equipment | 10 to 30 years |
| Office, computer and communication equipment | 3 to 10 years |
| Overland transport equipment | 3 to 10 years |
| River transport fleet | 3 to 45 years |
| Mines, quarries, and mineral deposits | 2 to 38 years |

Property land is not depreciated.

An item of property, plant, and equipment will be written off at the time of disposal or when economic future benefits are no longer expected from their continued use. The profit or loss arising from writing off an asset of property, plant, and equipment is measured as the difference between sales revenue and the asset book value, and it is recognized in profit or losses. The assets' residual values, useful lives, and depreciation methods are reviewed and adjusted prospectively at each year-end if required.

15. Leases

The Group recognizes leases, sub-leases, and contracts with similar characteristics and circumstances considering the lessor or lessee capacity, the underlying asset, and the contract term.

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

THE GROUP AS LESSEE

As a lessee, at the beginning or in the modification of a contract that contains a lease component, the Group assigns consideration in the contract to each lease component based on their relative independent prices.

The Group initially recognizes on the lease start date a right-of-use asset that represents the right to use the underlying asset of the contract, as well as a lease liability, that represents its obligation to make the payments agreed upon in the contract. Right-of-use assets are measured at cost, minus any accumulated depreciation and impairment losses, and are adjusted with new lease liabilities measurements. The cost of right-of-use assets includes the value of recognized lease liabilities, initial direct costs incurred, and lease payments made before the contract start date minus any lease incentives received. Unless

the Group has reasonable assurance of obtaining ownership of the leased asset at the end of the lease term, the assets recognized by the right-of-use are amortized in a straight line over the lease term. Right-of-use assets are subject to impairment.

On the lease start date, the Group recognizes the lease liabilities at the current value of the lease payments to be made during the lease term. Lease payments include fixed payments (including essentially fixed payments) minus lease incentives receivable, variable lease payments depending on an index or rate, and amounts expected to be paid based on residual value guarantees. Lease payments include the year's price of a purchase option when the Group has reasonable assurance that it will be exercised and the penalties for canceling the lease if the lease term reflects that the Group will exercise an option to terminate the lease. Variable lease payments that do not depend on an index or a rate are recognized as an expense in the period where the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate on the lease start date if the interest rate implicit in the lease may not be readily determined. After the start date, the lease liabilities value is increased to reflect interest accrual and is reduced by the lease payments made. In addition, the lease liabilities book value is remeasured if there is a modification, a change in the lease term, a change in essentially fixed lease payments, or a change in the valuation to acquire the underlying asset.

The Group recognizes the depreciation of the right-of-use assets and distributes the lease payments between the financial expense and the lease obligations reductions. Financial expense is charged directly to income unless it is directly attributable to eligible assets, in which case these are capitalized following the general borrowing costs policy. The Group recognizes leases payments for contracts with a lease term of 12 months or less and no purchase option, or contracts whose underlying asset is of low value (i.e. assets whose new value is equal to or less than 3,500 dollars for assets intended for operation, and 5,000 dollars for administrative use assets), as a lease expense minus lease incentives related, in a straight-line basis during the term corresponding to the lease, unless another systematic distribution basis is more representative to more adequately reflect the temporal pattern of the lease benefits to the lessee.

The Group presents the right-of-use assets in the lease and the 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 the lease liability separately from the asset depreciation charge for the lease right-of-use. Interest expense on the lease liability is a financial costs component, which is presented separately in the consolidated statement of comprehensive income.

The Group classifies in the Consolidated Cash Flow Statement, cash payments for capital and interest from lease payments as financing activities, as well as payments for short-term leases and payments for leases of low-value assets as operating activities.

SHORT-TERM LEASES AND LOW-VALUE ASSET LEASES.

The Group has decided not to recognize the lease right-of-use assets and the lease liabilities for leases with a lease term of 12 months or less and no purchase option (short-term leases), and leases whose underlying asset is of low value (i.e., assets whose new value is equal to or less than 3,500 dollars for assets intended for operation and 5,000 dollars for administrative use assets), including IT equipment. The Group recognizes the lease payment associated with these leases as a linear lease expense over the lease term.

THE GROUP AS LESSOR

At the beginning or when modifying a contract that contains a lease component, the Group assigns the consideration in the contract to each lease component based on their relative independent prices.

As a lessor, the Group classifies the leases as financial or operating at the beginning of the lease, evaluating the extent to which the risks and benefits derived from the asset ownership affect it. The Group classifies a lease as financial when all the risks and benefits inherent to the property are substantially transferred and operating when all the risks and benefits inherent to the property are not substantially transferred.

The Group recognizes amounts owed by lessees under finance leases as accounts receivable at the amount of the Group net investment in the leases. Finance lease income is distributed over the accounting periods to reflect a regular rate of return that is constant on the Group net pending investment regarding the leases.

Revenue stemming from operating leases is recorded using the straight-line method over the same period as the lease term. Initial direct costs incurred upon negotiating and agreeing on an operating lease are added to the leased asset's book value and recorded on a straight-line basis over the lease term.

16. Borrowing costs

The Group capitalizes borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset if these costs could have been avoided and if no disbursements had been carried out for the asset. Borrowing costs are capitalized as part of the cost of the asset when they are likely to generate future economic benefits and maybe reliably measured. The capitalization of borrowing costs starts as part of the cost of a qualified asset on the date on which the following conditions are met: a. Disbursements are incurred regarding the asset, b. Borrowing costs are incurred, and c. Necessary activities to prepare the asset for its intended use or sale are carried out.

The Group suspends borrowing costs capitalization during the periods where the activities development of a qualifying asset are interrupted. However, borrowing costs capitalization is not interrupted by leases during a period if important technical or administrative actions are being carried out. Borrowing costs capitalization will not be suspended either when a temporary delay is necessary as part of the preparation process of a qualified asset for its intended use or sale.

Borrowing costs capitalization ends when all necessary activities to prepare a qualified asset for its intended use or sale have been substantially completed. If the asset has components and these components may be used separately while the construction continues, the borrowing costs capitalization on these components should be stopped.

17. Biological assets

The Group recognizes a biological asset or agricultural product when it controls the biological asset or agricultural product as a result of past events, it is likely it will generate future economic benefits and the cost of the biological asset or agricultural product may be reliably measured.

The Group measures biological assets both at the beginning and at the end of the period, at fair value minus selling costs. The biological asset's fair value is established by its quoted market price in an active market. In the event there are different active markets for the same biological asset, the asset fair value will be determined by the price quoted in the most relevant asset market. If there is no asset market, the Group uses the following information to determine the fair value, provided it is available, and select the most reliable: a) the price of the most recent market transaction, assuming there have been no significant changes in economic circumstances between the transaction date and the end of the reporting period, b) the market price of similar assets, adjusted to reflect existing differences, c) sector benchmarks, such as plantations value expressed as a function of surfaces or capacity, weight or volume units.

Profits or losses arising from the initial recognition of a biological asset or agricultural product at fair value minus selling costs and from changes in this value are included in the income statement of the consolidated period when they occur.

18. Provisions

Provisions are recognized when the Group has a current, legal or implicit obligation as a result of a past event, the Group will likely have to dispose of resources to settle the obligation, and the obligation value may be reliably estimated. In cases where the Group expects the provision to be partially or fully reimbursed, the reimbursement is recognized as a separate asset, only when such reimbursement is virtually certain, and the amount of the account receivable may be reliably measured.

Provisions are measured with the Management's best estimate of the future disbursements required to settle the current obligation and it is discounted using a risk-free rate. The expense related to the provisions is presented in the income statement, net from any reimbursement. The provision increase due to the passage of time is recognized as a financial expense in the income statement. The Group recognizes the present obligations, derived from an onerous contract, as provisions. An onerous contract is one in which the unavoidable costs of meeting the obligations it implies exceed the economic benefits expected to be received from it.

CONTINGENT LIABILITIES

Possible obligations arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly under the control, are unrecognized in the consolidated statement of financial position, but are disclosed as contingent liabilities.

Contingent liabilities acquired in a business combination are initially measured at their fair values on the acquisition date. At the end of the subsequent reporting periods, such contingent liabilities are measured either between the amount at which it would have been recognized under IAS 37 and the amount at which it was initially recognized minus the accumulated amortization recognized under IFRS 15 Revenue from ordinary activities.

19. Post-employment benefit plans

The Group recognizes liabilities related to pensions, pension securities and bonds, retirement premiums, and other post-employment benefits under the IAS 19 Employee Benefits requirements.

On December 22, 2016, the Ministry of Commerce, Industry and Tourism issued Decree 2131, whereby it is required to disclose the pension liabilities calculation, following the parameters established in Decree 1625/2016 and, in the case of partial pension commutation, under Decree 1833/2016, as well as the differences arising from the calculation carried out under IAS 19 Employee Benefits. This information is included in Note 22 employee benefits.

The Group recognizes the benefit plans classified as contribution plans in the consolidated income statement as administrative or sales expense, or cost of merchandise sold according to a submission by function on the date where it occurs. The Group recognizes benefit plans classified as benefit plans defined as an asset or liability in the statement of financial position by the difference between the fair value of the plan assets and the current value of the obligation of said plan, using the Projected Unit Credit Method to determine the current value of the obligation related to the defined benefits and the cost of the current service and, where applicable, the cost of past services, at least once a year. Plan assets are measured at fair value, which is based on the market price information, and, in the case of quoted securities, it constitutes the published purchase price.

The Projected Unit Credit treats each period of service as a generator of an additional entitlement unit to benefits and measures each unit separately to build up the final obligation. The Group deducts the total value of post-employment benefits obligation, even if part of it is to be paid within the twelve months following the reporting period. The estimate of the liability for post-employment benefits is carried out by an independent actuary.

Actuarial profits or losses, the yield on plan assets, and changes in the effect of the asset ceiling, excluding amounts included in the net interest on the liability (asset) of the defined net benefits, are recognized in the Other Comprehensive Income. Actuarial profits or losses include the effects of changes in actuarial assumptions, as well as experience adjustments. The net interest on the liability (asset) of defined net benefits includes income from interest on plan assets, interest costs for the defined benefit obligation, and interest on the effect of the asset ceiling.

The current service cost, the past service cost, any liquidation or reduction of the plan are recognized immediately in the Statement of Comprehensive Income, in the statement section for the period where they arise.

20. Inventory

Assets acquired with the intention of selling them in the ordinary course of business or to be consumed in the rendering services process are classified as inventories. The inventory of raw materials, products in process, merchandise not manufactured for sale, and finished products are measured at the acquisition cost. The Group recognizes a decrease in the value of inventories of finished goods, materials, spare parts, and accessories if the cost exceeds the net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, minus the estimated costs of finalization and the estimated costs necessary to make the sale. Inventories include goods in existence that do not require transformation, materials such as minor parts and accessories for rendering services, as well as goods in transit and held by third parties.

Inventories are valued using the weighted average method and its cost includes costs directly related to the acquisition and those incurred to give them their current condition and location.

21. Income

IFRS 15 requires the recognition of ordinary income when the promised goods or services are transferred to customers, for the amounts that reflect the consideration that the entity expects to receive in exchange for said goods or services, through the application of a five-step approach: Step 1: Identify the contract(s) with the customer; Step 2: Identify performance obligations within the contract; Step 3: Determine the transaction price; Step 4: Assign the transaction price to each performance obligation based on the individual relative sale price of each good or service; and Step 5: Recognize ordinary income when (or to the extent that) the entity meets performance obligations by transferring control of promised goods and services to the customer. Performance obligations may be fulfilled at a point in time or over some time

SALE OF GOODS

In the sale of goods, a single performance obligation is established. The Group recognizes revenue when the obligation is fulfilled, i.e., when control of the goods or services underlying the performance obligation has been transferred to the customer, at a point in time.

RENDERING SERVICES

The Group renders some services that are sold on their own in contracts with customers or bundled with the sale of goods to a customer. In both scenarios, revenues from service contracts are satisfied at a point in time.

IFRS 15 excludes from its scope the recognition requirements for dividend and interest revenues and operating leases, for which the Group continues to apply the same accounting treatment.

DIVIDEND AND INTEREST INCOME

Income from investment dividends is recognized once the shareholders' rights to receive this payment have been established—as long as it is probable that the economic benefits will flow to the company and that ordinary income can be reliably measured. Income from dividends generated from investments, where the equity method has previously been recognized on the distributed profits, is recognized as lower investment value.

Interest income from a financial asset is recognized when it is probable that the Group will receive the economic benefits associated with the transaction and the amount of revenue from ordinary activities can be reliably measured. Interest income is recorded on a time basis, about the outstanding principal and the applicable effective interest rate, which is the discount rate that exactly equals the estimated receivable or payable cash flows along with the life expectancy of the financial instrument with the net book value of the financial asset upon initial recognition.

OPERATING LEASES REVENUE

The Group policy for the revenue recognition from operating leases consists of recognizing the payments received as revenue in the Income Statement on a straight-line basis throughout the useful life of the contract, unless another basis of distribution is deemed representative.

22. Operating segments

An operating segment is a component of the Group that develops business activities from which it can earn revenue and incur expenses, whose operating results are regularly reviewed by the highest authority in the Group operating decision-making, to decide on the resources to be allocated to the segment, evaluate its performance and relating to which differentiated financial information is available. The Management has determined its operating segments based on financial information provided to the Group Steering Committee, which is used by its members in making operational decisions to allocate resources and evaluate performance. The Steering Committee evaluates the performance of the operating segments based on the net sales, operating profit and EBITDA for each segment. On the other hand, the total assets and liabilities by operating segment are not evaluated internally for administrative purposes and therefore, are not disclosed by the Group.

23. Related parties

The Group considers as a related party Grupo Argos S.A. subsidiaries and associates and direct joint ventures, the entities that exercise joint control or significant influence over Cementos Argos S.A., and the key management personnel, which includes the members of the Board, Nomination and Remuneration Committee, Audit and Finance Committee, Sustainability and Corporate Governance Committee, Directive Committee (made up by the President and Vice President), and any other committee that directly depends on Cementos Argos S.A. and Grupo Argos S.A. Board of Directors, as well as the Managers who have the ability to direct, plan and control activities and their close relatives.

Transactions between related parties are considered as any transfer of resources, services, and obligations between the Group and a related party, as well as the outstanding balances between them at the preparation date of the consolidated financial statements, including any commitment and guarantee granted or received between both parties.

The information that is disclosed with related parties is provided according to the categories established by IAS 24 Related Party Disclosures, which correspond to transactions with (a) the parent company, (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 similar nature are grouped for disclosure purposes.

The transactions characteristics with related parties do not differ from those carried out with third parties, nor do they imply differences between market prices for similar operations.

24. Materiality

The Group considers that information is material if its omission, inappropriate expression or obscuring could reasonably be expected to influence the decisions made by the main users regarding financial statements. The Group materiality assessment is carried out along the following 4 phases:

- **Phase 1:** The Group identifies information about transactions and conditions that the main users might need to understand the decision-making about the flow of resources to the Company. The primary users are existing and potential investors, lenders, and other creditors. The Company intends to satisfy common information needs, which includes resources, acquired rights (assets), obligations, commitments, rights against (liabilities and equity), changes in those resources (income and expenses) and the extent to which the Management and the governing bodies of the Company have efficiently and effectively fulfilled their responsibilities for the use of the entity's resources.
- **Phase 2:** The Group assesses whether the information identified in phase 1 is material. The evaluation includes elements judged regarding the specific circumstances of the Company in terms of its nature, magnitude and a combination of both.
- In this phase, quantitative and qualitative factors are assessed. To determine the quantitative factor, the Company takes as a reference the income, profitability, assets level, liabilities and equity. Within the qualitative evaluation, we consider internal (unusual transactions, with related parties, among others) and external (social, political, environmental, economic conditions, among others) factors.
- **Phase 3:** The information identified in phase 2 is classified and organized so that it is properly disclosed.
- **Phase 4:** This last phase allows reassessing the financial situation, financial performance and cash flows from a global perspective, to conclude that the information identified and revealed is indeed material for the main users. This review may lead to additional information, different disaggregation, or deletion of non-material information.

25. Going concern

The consolidated financial statements of the Group have been prepared on a going concern basis, in accordance with International Financial Reporting Standards (IFRS) and the provisions of Decree 1378 of October 28, 2021. As of December 31, 2024 and March 31, 2024, there are no material uncertainties related to events or conditions that could cast significant doubt on the ability of any of the Group companies to continue as a going concern.

The Group has the required liquidity and solvency to continue operating the business for the foreseeable future. The Group financial statements, available financial information and projections are monitored on an ongoing basis to identify potential impairment and insolvency risks. The current consolidated financial indicators reflect a positive position and support the long-term viability of the Group operations.

NOTE 3: ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

3.1 STANDARDS INCORPORATED IN COLOMBIA

3.1.1 STANDARDS INCORPORATED IN COLOMBIA AS OF JANUARY 1, 2024 - REGULATORY DECREE 1611 OF AUGUST 5, 2022

- **Amendment to IAS 1** - Presentation of Financial Statements and Practice Statement No. 2 - Making Judgments about Materiality: Disclosure of Accounting Policies. Although the amendments did not result in any change in the accounting policies themselves, they had an effect on the accounting policy information disclosed in the financial statements

The amendments require disclosure of 'material' accounting policies rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to the disclosure of accounting policies, helping entities to provide useful information about accounting policy and entity-specific information that users need to understand other information included in the financial statements.

Management reviewed the accounting policies and updated the disclosures in Note 2 Material accounting policies (2023: Significant accounting policies) in certain cases in accordance with the amendments.

- **Amendment to IAS 8** - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Estimates accounting
- **Amendment to IFRS 16** - Leases: Lease concessions related to COVID-19 after June 30, 2021.
- **Amendment to IAS 12** - Income Taxes: Deferred Taxes Relating to Assets and Liabilities Arising from a One-Time Transaction

The standards incorporated in Colombia as of January 1, 2024 did not have an impact on the financial statements. Group consolidated financial statements.

3.1.2 STANDARDS INCORPORATED IN COLOMBIA AS FROM OCTOBER 15, 2024 - REGULATORY DECREE 1271 OF OCTOBER 15, 2024

- **IFRS 17** - Insurance Contracts: Seeks to unify the delivery of results of insurance sector entities worldwide.
- **Initial Application of IFRS 17** - Insurance Contracts and IFRS 9 - Comparative Information: Adds a transition option relating to comparative information on financial assets, which is presented upon initial application of IFRS 17 - Insurance Contracts.

Decree 1271 of 2024 establishes that IFRS 17 will be applicable for the general purpose financial statements of entities classified in Group 1 as from January 1, 2027

3.2 Standards issued by the iasb not incorporated in Colombia

The following standards have been issued by the IASB, but have not yet been incorporated by Decree in Colombia:

- **Amendment to IFRS 16** - Leases: Lease liabilities on a sale and leaseback sale.
- **Amendment to IAS 7** - Statement of Cash Flows and IFRS 7 - Financial Instruments: Disclosures: Supplier Financing Arrangements
- **Amendments to IAS 12** - Income Taxes: International Tax Reform Pillar 2 Model Rules
- **Amendments to IAS 21** - The Effects of Changes in Foreign Exchange Rates: Lack of Convertibility
- **IFRS 18** Presentation of Disclosures in Financial Statements: Seeks to help investors analyze the financial performance of companies.
- **IFRS 19 Non-Publicly Accountable Subsidiaries**: Disclosures: Simplifies the preparation of financial statements of subsidiaries with reduced disclosure requirements.
- **IAS 1 Amendment to IAS 1** - Requires entities to disclose information about covenants that could affect the classification of liabilities as non-current when they are due to be met after the balance sheet date.

The Group will quantify the impact on the consolidated financial statements in a timely manner, so that once the Decree incorporating this standard into the Colombian Technical Regulatory Framework is issued, all the necessary activities for its implementation will be carried out.

As of December 31, 2024, Cementos Argos and Subsidiaries has not early adopted standards or improvements to standards.

NOTE 4: CRITICAL ACCOUNTING JUDGMENTS AND KEY ESTIMATION SOURCES

In preparing the Group consolidated financial statements, which are described in Note 2 - Basis of Preparation and Significant Accounting Policies, management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. These estimates and assumptions are based on management's historical experience and other factors that are considered relevant in the current context. The underlying estimates and judgments are reviewed periodically by management. Revisions to accounting estimates are recognized in the period in which the revision is made if it affects only that period, or in future periods if the revision affects both current and future periods.

The relevant accounting judgments and estimates and the key sources of uncertainty applied to these consolidated financial statements as of December 31, 2024, are the same as those applied by the group in its consolidated financial statements for the period ended March 31, 2024.

4.1 Judgments, other than those involving estimations, that the group has made in the process of applying the accounting policies and that have a significant effect on the amounts recognized in the financial statements

In accordance with paragraph 122 of IAS 1 Presentation of Financial Statements, significant judgments and estimates made by management in the process of applying the Group accounting policies that have a significant effect on the amounts recognized in the consolidated interim financial statements are presented below. These judgments and estimates are different from the estimates contemplated in paragraph 125 of the same IFRS, since, in management's judgment, they are not identified as having a significant risk of causing significant adjustments in the following accounting period.

4.1.1. SUBSIDIARIES CONSOLIDATION AND INTEREST IN OTHER ENTITIES

The Group Consolidated Financial Statements include the accounts of the subsidiaries, associates and joint ventures on which Cementos Argos S.A. has control, joint control or significant influence. In the control assessment, the Group evaluates the existence of power over the entity, the exposure, or right, to variable returns from its involvement with the entity; and the ability to use its power over the entity to influence the amount of the Group returns. Management applies its judgment to assess the time in which control exists and which type of control exists, if any, over an entity. Judgment is applied in determining the relevant activities of each entity and the ability to make decisions about these activities. For this aim, the Group evaluates the purpose and design of the entity, identifies the activities that most impact its performance and evaluates how decisions are made on the relevant activities. In evaluating decision-making, the Group considers existing voting rights, potential voting rights, contractual agreements entered into by and between the entity and other parties, and the rights and ability to appoint and remove key management members, in other aspects. Judgment is also applied in the identification of variable returns and the Group exposure to them. Variable returns include, but are not limited to, dividends and other distributions of economic benefits from the entity, compensation for managing the entity's assets or liabilities, fees, and exposure to loss for providing credit or liquidity support.

4.1.2. FUNCTIONAL CURRENCY

Management uses its judgment in determining its functional currency. The determination of the functional currency of the Parent Company and each of its investments in subsidiaries, associates and joint ventures is determined by evaluating the principle and indicators established in IAS 21 - The Effect of Changes in Foreign Exchange Rates.

4.1.3. CASH GENERATING UNITS

When testing non-current assets for impairment, assets that do not individually generate cash inflows that are largely independent of the cash inflows generated by other assets or groups of assets should be grouped to the cash-generating unit to which the asset belongs, which is the smallest identifiable group of assets that generates cash inflows in favor of the company that are largely independent of the cash flows derived from other assets or groups of assets. Management uses its judgment in determining the cash-generating units for purposes of impairment testing.

4.1.4. ACCOUNTING HEDGE ACCOUNTING

Management applies its judgment to establish whether a hedging relationship meets the requirements of IAS 39 Financial Instruments for hedge accounting, as well as assessing hedge effectiveness and sources of ineffectiveness. The company applies fair value and cash flow hedge accounting in its financial statements to hedge primarily foreign currency and interest rate risk. The decision to apply hedge accounting has a significant impact on the financial statements of Cementos Argos S.A. Refer to Note 2 basis of presentation and significant accounting policies, under financial instruments, for more information on the application of IAS 39 to financial derivatives.

4.1.5. DETERMINATION OF AVERAGE EXCHANGE RATES FOR THE TRANSLATION OF FINANCIAL STATEMENTS

Revenues, costs and expenses of subsidiaries whose functional currency differs from the parent company's functional currency are translated to the presentation currency using the average exchange rate for the reporting period in order to calculate Cementos Argos S.A. share in the results of its foreign subsidiaries. Management considers that the average exchange rates approximate the rates in effect at the date of the transaction.

4.1.6. DETERMINATION OF THE LEASE TERM FOR CONTRACTS WITH RENEWAL OPTIONS AND LEASES WHOSE TERM IS AUTOMATICALLY EXTENDED AT THE END OF THE ORIGINAL TERM.

An option is available under certain leases to lease the assets for additional terms. The Group applies its judgment in assessing whether it is reasonably certain to exercise the option to renew, i.e., it considers all relevant factors that create an economic incentive for the renewal to be exercised. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that are within its control and affect its ability to exercise (or not exercise) the option to renew. Additionally, the Group enters into leases that automatically renew 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 by the Group or the lessor. The Group also enters into leases whose term is automatically extended at the end of each year or at the original termination date for another full term.

The Group estimates the lease term for these contracts based on the existence of economic incentives, past experience, the expectation of use of the asset and the intention to continue with the lease, without prejudice that the lessor may at any time exercise its legal rights and terminate the lease. This judgment has a significant impact on the consolidated financial statements.

4.1.7. INCOME TAXES

The Group recognizes current income tax amounts in the interim financial statements given the volume of operations. 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 an income tax treatment for which there is uncertainty as to whether the taxing authority will accept the tax treatment under the tax law. A provision is recognized for current statutory proceedings only for those proceedings classified as probable and is not recognized for those proceedings classified 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 ACCOUNTS RECEIVABLE

To determine expected credit losses, the Group uses an allowance matrix based on the number of days that a trade account receivable is past due, that is, grouping the portfolio by ranges of days past due and applying an expected default percentage to the outstanding balance of accounts receivable at the measurement date for each range of days past due. The default percentage given the days of default of the portfolio was determined using the methodology of transition matrices according to the Markov chain theory. The inherent limitations of the statistical models, the parameters required by these models and the degree of uncertainty about future conditions may result in expected credit losses differing from future incurred credit losses and significantly affect the financial statement figures.

4.1.9. PENSION PLANS AND OTHER POST-EMPLOYMENT DEFINED BENEFIT PLANS

The post-employment benefit liability is estimated using the projected unit credit actuarial technique, which requires the use of financial and demographic assumptions, including, but not limited to, discount rate, inflation indexes, expected salary increase, life expectancy and employee turnover rate. The estimation of the liability, as well as the determination of the values of the assumptions used in the valuation is performed by an independent external actuary, considering the country in which the benefit plan operates and the market conditions existing at the measurement date. Given the long-term horizon of these benefit plans, the estimates are subject to a significant degree of uncertainty, any change in the actuarial assumptions directly impacts the value of the pension obligation and other post-employment benefits.

4.1.10. DECOMMISSIONING, REMOVAL OR REHABILITATION LIABILITIES

The provision for decommissioning, retirement or rehabilitation 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 the future disbursements to carry out the decommissioning, retirement or rehabilitation activities, the estimated date(s) on which the disbursements will 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, the estimates are subject to a significant degree of uncertainty and may materially affect the financial statement amounts.

4.1.11. ESTIMATED USEFUL LIVES, DEPRECIATION METHOD 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, 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, which imply a change in the pattern of consumption of the future economic benefits embodied in the asset, management performs an evaluation of the relevance of the depreciation or amortization method used and a new estimate of the life of the item. The definition of the depreciation or amortization method and the estimation of the useful lives of property, plant and equipment and intangible assets is determined based on the historical performance of the asset, management's expectation of use of the asset and existing legal restrictions on its use. The selection of the depreciation or amortization method and the estimation of useful lives requires management's judgment.

The accounting policy for property, plant and equipment and intangible assets indicates the estimated useful life.

4.2 Assumptions made about the future and other causes of estimation uncertainty, which have a significant risk of resulting in significant adjustments in the assets or liabilities book value within the following accounting period

4.2.1. PROVISIONS FOR CONTINGENCIES, LITIGATIONS AND CLAIMS

Litigation and claims to which the Company is exposed are administered by the legal area, the processes administered are labor, civil, criminal and administrative. The Company considers that a past event has given rise to a present obligation if, taking into account all available evidence at the reporting date, it is probable that a present obligation exists, regardless of future events. In these cases, the occurrence of an event is considered more likely than not to occur when the probability of occurrence is greater than 50%. The Group recognizes a provision when an outflow of future economic benefits is probable, discloses information about the contingency when its occurrence is possible, and does not record or disclose information when it concludes that the probability of occurrence of the event is remote. The Group engages the professional judgment of internal and external specialist lawyers to determine the likelihood of occurrence of a present obligation. In estimating the provision for litigation and claims, Management considers assumptions such as, but not limited to, inflation rate, lawyers' appraisal, estimated duration of the litigation or claim, statistical information of processes with similar characteristics and the discount rate to be applied to cash flows to determine the present value of the obligation, for those obligations that are expected to be settled in a period exceeding twelve (12) months at the end of the reporting period.

4.2.2. GOODWILL IMPAIRMENT ASSESSMENT

The Group carries out goodwill impairment tests at least annually, or when market or business conditions present significant changes that give impairment cues. The assessment of goodwill impairment requires an estimate of the value in use of the cash-generating unit or group of cash-generating units (operating segment) to which cash has been assigned. The estimation of the value in use requires the estimation of the future cash flows of the cash-generating unit or groups of cash-generating units (operating segment) as well, and the estimation of financial assumptions such as the inflation rate, the discount rate and the growth rate in perpetuity. In the process of measuring expected future cash flows, Management carries out estimates of future operating results. Changes in valuation assumptions may cause adjustments to the Group's goodwill for the next reporting period, in the event of impairment.

4.2.3 IDENTIFIABLE ASSETS, INTANGIBLES AND LIABILITIES ASSUMED IN BUSINESS COMBINATIONS

At the acquisition date, identifiable assets, intangible assets, assumed liabilities and any contingent assets or liabilities arising from a business combination are included by the full consolidation method in the Group interim financial statements at their fair values. In measuring fair value, assumptions are made about future operating results, key assumptions such as the discount rate and the perpetual growth rate. 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 valuation is performed by an independent external valuator. Any subsequent change in estimates affects goodwill provided that the change qualifies as a measurement period adjustment. Any other changes are recognized in the consolidated statement of income. The fair value of concession intangible assets acquired through business combinations is estimated using a discounted cash flow (DCF) valuation approach. The estimation of fair value requires estimating key assumptions used in the projections of future cash flows of these assets, and the discount rate.

To determine the fair value, the Group opted to hire independent experts with recognized professional capacity and experience in the valuation of this type of transactions.

4.2.4. FAIR VALUE OF INVESTMENT PROPERTIES

The fair value of investment properties is determined by independent experts with recognized professional capacity and experience in the valuation of real estate. The independent experts use their judgment to select the appropriate valuation method for the asset being measured, considering the three approaches permitted by IFRS 13: market approach, cost approach and income approach, and maximize 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 property.

Management believes that the valuation models selected and the assumptions used are appropriate in determining the fair value of real estate assets. However, the very limitations of the valuation models and the parameters required by these models may result in the estimated fair value of an asset not exactly matching the price at which the asset or liability could be delivered or settled at the measurement date.

4.2.5. DEFERRED INCOME TAXES

The Group recognizes deferred income tax amounts in the interim financial statements given the volume of operations. The determination of deferred income 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 the assessment, for purposes of recognizing the deferred tax asset, of the existence of sufficient taxable profit for its realization. The Group applies its judgment not to recognize deferred tax liabilities on investments in subsidiaries in its consolidated financial statements, taking into account that it is able to control the timing of the reversal of the differences.

These are temporary and are not likely to be reversed in the foreseeable future.

4.2.6. FAIR VALUE OF FINANCIAL INSTRUMENTS AND FINANCIAL DERIVATIVES OTHER THAN 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 no observable market price, using valuation 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 for Level 2 and Level 3 inputs (Note 2.3 Basis of preparation). Management must apply judgment in selecting 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 financial 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.

4.2.7. CONCESSION AGREEMENTS

The Subsidiaries of the Business Group have entered into concession agreements, which are within the scope of IFRIC 12 - Service Concession Arrangements. The remuneration of these agreements depends on the terms and conditions of each contract.

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

NOTE 5: CASH AND CASH EQUIVALENTS

For purposes of the Consolidated Cash Flow Statement, cash and cash equivalents include cash and banks. Cash and cash equivalents at the end of the reported period in the Consolidated Cash Flow Statement and in the Consolidated Statement of Financial Position are:

| | December 2024 | March 2024 |
|--|---------------|------------|
| Cash and banks | 1,065,075 | 1,991,158 |
| Value of restricted or unavailable cash and cash equivalents for use | 2,727 | 2,567 |

As of December 31, 2024 and March 31, 2024, Zona Franca Argos S.A.S, a Group subsidiary, maintains restricted use resources due to the constitution of a trust on May 29, 2019 by an amount of \$2,046. The purpose of this operation is to manage the resources destined to contract the expansion works controlling interest for Zona Franca Argos private port in the city of Cartagena, in compliance with the obligations of the concession contract subscribed with the National Infrastructure Agency (ANI, by its Spanish initials) and the entity.

Additionally, the Group reports cash and cash equivalents balances restricted by agreements entered into with Universidad de Antioquia in the amount of \$681, which is a research and development project that will increase capacities in the microalgae pilot plant in Cartagena. The concepts considered in the project to execute the resources co-financed by Min-ciencias are the following: equipment, academic events, technological services, materials and supplies, publications and dissemination of results, and specialized consulting.

The Company exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 26.

5.1 Relevant non-cash transactions

- On January 12, 2024, the Group acquired 31% of Summit Materials Inc. for USD\$2,006 million, this investment was received as consideration in the sale of the subsidiary Argos North America Corp. At the end of December 2024 the investment was classified as held for sale (See note 18). Since the initial acquisition and subsequent reclassification did not involve cash movements, these transactions are not included within investing activities reported in the consolidated statement of cash flows.
- As of December 31, 2024, the financial liability recognized in 2022 with non-controlling interests for the put option of the non-controlling shareholder and the Group purchase obligation of \$89,941 (March 2024: \$101,163) is retained.

NOTE 6: DERIVATIVE FINANCIAL INSTRUMENTS

| | December 2024 | March 2024 |
|---|----------------|------------------|
| Current | 1,187 | 114,527 |
| Non-current | 146,755 | 26,185 |
| Derivative financial assets designated as hedging instruments | 147,942 | 140,712 |
| Current | 35,885 | 159,243 |
| Non-current | 82,414 | 134,391 |
| Derivative financial liabilities designated as hedging instruments | 118,299 | 293,634 |
| Financial derivative assets (liabilities), net | 29,643 | (152,922) |

The Group transactions with financial derivatives as of December 31, 2024 and March 31, 2024 are listed below:

SWAP Operations designated as hedging instruments

| Swap type | Underlying | Underlying rate | SWAP | Expiration | Underlying value ⁽¹⁾ | | Fair value | |
|-----------------------------------|------------------|------------------|-------------|------------|---------------------------------|-------------|-----------------|------------------|
| | | | | | December 2024 | March 2024 | December 2024 | March 2024 |
| Interest rate | Bonds | CPI+2.24% | TF+9.74% | 25-Aug-24 | COP 50,000 | COP 50,000 | - | (1,120) |
| Interest rate | Bonds | CPI+2.24% | TF 9.60% | 25-Aug-24 | COP 50,000 | COP 50,000 | - | (1,084) |
| Interest rate | Bonds | CPI+2.24% | TF 9.55% | 25-Aug-24 | COP 50,000 | COP 50,000 | - | (1,072) |
| Interest rate | Bonds | CPI + 7.19% | TF 7.87% | 28-Apr-24 | COP 100,000 | COP 100,000 | - | (6) |
| Interest rate | Bonds | CPI + 4.5% | TF 9.69% | 16-Aug-24 | COP 150,000 | COP 150,000 | - | (2,954) |
| Interest rate | Bonds | CPI + 3.64% | IBR + 1.65% | 24-Aug-27 | COP 50,000 | COP 50,000 | 941 | 1,045 |
| Interest rate | Bonds | CPI+3.64% | TF 9.93% | 24-Aug-24 | USD 50,000 | USD 50,000 | - | (1,168) |
| Interest rate | Bonds | CPI+3.64% | TF 11.29% | 24-May-26 | COP 100,000 | COP 100,000 | (4,717) | (4,832) |
| Interest rate | Bonds | CPI+3.64% | TF 11.62% | 24-Aug-26 | COP 100,000 | COP 100,000 | (6,718) | (6,252) |
| Interest rate | Bonds | CPI+3.75% | TF 11.47% | 27-Sep-26 | COP 150,000 | COP 150,000 | (9,592) | (9,186) |
| Interest rate | Bonds | CPI+4.04% | TF 11.60% | 27-Sep-26 | COP 100,000 | COP 100,000 | (6,071) | (5,874) |
| Interest rate | Bonds | CPI + 3.99% | IBR + 2% | 24-Aug-27 | COP 150,000 | COP 150,000 | 2,812 | 2,792 |
| Interest rate | Bonds | CPI + 3.99% | IBR + 2% | 24-Aug-27 | COP 150,000 | COP 150,000 | 2,812 | 3,228 |
| Interest rate | Bonds | CPI + 3.99% | IBR + 2.46% | 24-Aug-27 | COP 50,000 | COP 50,000 | 376 | 160 |
| Interest rate | Bonds | CPI+4.47% | TF 8.30% | 13-Jul-27 | COP 150,000 | COP 150,000 | (12,246) | (10,990) |
| Interest rate | Bonds | CPI+4.21% | TF 8.30% | 27-May-27 | COP 200,000 | COP 200,000 | (14,968) | (14,027) |
| Currency | Short-term loans | SOFR 3m + 2.9% | TF 15.40% | 10-Nov-25 | USD 40,000 | USD 40,000 | (28,706) | (55,228) |
| Currency | Long-term credit | Libor 3m + 1.32% | TF 5.39% | 18-Feb-26 | USD 15,000 | USD 15,000 | 14,693 | 7,992 |
| Currency | Long-term credit | Libor 3m + 1.32% | TF 11.67% | 18-Feb-26 | USD 15,000 | USD 15,000 | 12,290 | 4,533 |
| Currency | Long Term Credit | TF 7.43% | TF 14.46% | 26-May-26 | USD 10,000 | USD 10,000 | - | (6,896) |
| Currency | Long Term Credit | SOFR 3m+3.58% | TF 15.10% | 26-May-26 | USD 20,000 | USD 20,000 | - | (13,127) |
| Currency | Long Term Credit | SOFR 3M +2% | TF 12.30% | 10-Apr-27 | USD 50,000 | - | 25,570 | - |
| Currency | Long Term Credit | SOFR 3M +2% | IBR + 3.76% | 10-Apr-27 | USD 50,000 | - | 25,646 | - |
| Interest rate | Long Term Credit | IBR+4.93% | TF 9.37% | 24-Jul-25 | COP 100,000 | COP 100,000 | - | 2,039 |
| Interest rate | Long Term Credit | IBR+4.93% | TF 8.69% | 24-Jul-26 | COP 100,000 | COP 100,000 | - | 4,397 |
| Interest rate | Bonds | CPI+4.04% | TF 1.50% | 27-Jun-38 | COP 25,850 | COP 25,850 | (2,946) | (2,714) |
| Interest rate | Bonds | CPI+4.47% | TF 3.12% | 13-Apr-31 | COP 23,650 | COP 23,650 | (1,161) | (510) |
| Interest rate | Bonds | CPI+3.99% | TF 1.03% | 24-May-42 | COP 50,500 | COP 50,500 | (5,683) | (4,756) |
| Interest rate | Bonds | CPI+3.64% | TF 1.03% | 24-Aug-27 | COP 88,145 | - | 8,585 | - |
| Interest rate | Bonds | CPI+4.21% | TF 5.15% | 27-May-26 | COP 100,000 | - | (443) | - |
| Interest rate | Bonds | CPI+3.99% | TF 1.03% | 24-May-42 | COP 88,145 | - | (17,870) | - |
| SWAP Operations Fair Value | | | | | | | (17,396) | (115,610) |

Some swaps disclosed as "currency" type hedge interest rate risk in combination.

Forward Operations designated as hedging instruments

| Type of forward | Underlying | Underlying value ⁽¹⁾ | Forward rate | Expiration | December 2024 | March 2024 |
|---|------------------|---------------------------------|----------------------|------------|---------------|-----------------|
| Purchase | Interco Credit | USD 27,000 | 4,907 | 17-Jun-24 | - | (27,637) |
| Purchase | Short-term loans | USD 8,000 | 4,488 | 16-Jul-24 | - | (4,499) |
| Purchase | Short-term loans | USD 15,059 | 4,538 | 12-Jul-24 | - | (9,236) |
| Purchase | Short-term loans | USD 40,000 | 4,240 | 25-Jul-24 | - | (12,664) |
| Purchase | Short-term loans | USD 8,000 | 4,455 | 17-Sep-24 | - | (3,888) |
| Purchase | Short-term loans | JPY 24,170 | 0.007 ⁽²⁾ | 14-Aug-24 | - | (16,487) |
| Purchase | Short-term loans | JPY 677 | 0.007 ⁽²⁾ | 14-Aug-24 | - | (470) |
| Sale | Working capital | USD 125,000 | 4,012 | 30-Apr-24 | - | 18,817 |
| Sale | Working capital | USD 70,000 | 4,046 | 20-Dec-24 | - | 12,934 |
| Sale | Dividends | USD 22,810 | 4,137 | 26-Dec-24 | - | 2,814 |
| Sale | Dividends | USD 21,758 | 3,976 | 30-Apr-24 | - | 2,511 |
| Sale | Dividends | USD 3,751 | 3,943 | 30-Apr-24 | - | 308 |
| Sale | Dividends | USD 3,751 | 4,073 | 26-Nov-24 | - | 297 |
| Sale | CAPEX | USD 1,968 | 3,901 | 8-Apr-24 | - | (112) |
| Sale | Dividends | USD 10,894 | 4,581 | 27-Jun-25 | 645 | - |
| Valor razonable de operaciones forward | | | | | 645 | (37,312) |

Operations with Options designated as hedging instruments

| Type of Option | Underlying | Underlying value ⁽¹⁾ | Amount Option | Rate Option | Expiration | December 2024 | March 2024 |
|--|---|---------------------------------|---------------|-------------|------------|---------------|------------------|
| Buy Put | Target exports 2025 | USD 10,000 | USD 10,000 | 4,100 | 30-Mar-25 | 7 | - |
| Buy Put | Target exports 2025 | USD 10,000 | USD 10,000 | 4,100 | 30-Jun-25 | 42 | - |
| Buy Put | Target exports 2025 | USD 10,000 | USD 10,000 | 4,100 | 30-Sep-25 | 88 | - |
| Buy Put | Target exports 2025 | USD 10,000 | USD 10,000 | 4,100 | 31-Dec-25 | 132 | - |
| Buy Put | Target exports 2025 | USD 9,859 | USD 9,859 | 4,100 | 30-Mar-25 | 7 | - |
| Buy Put | Target exports 2025 | USD 11,354 | USD 11,354 | 4,100 | 30-Jun-25 | 47 | - |
| Buy Put | Target exports 2025 | USD 10,413 | USD 10,413 | 4,100 | 30-Sep-25 | 92 | - |
| Buy Put | Target exports 2025 | USD 9,752 | USD 9,752 | 4,100 | 31-Dec-25 | 128 | - |
| Calls spread - Put | Coupon Only Swap with USDCOP Call at Expiration | USD 92,721 | USD 92,721 | 4,175 | 20-Sep-29 | 149,203 | - |
| Calls spread - Sale | Coupon Only Swap with USDCOP Call at Expiration | USD 92,721 | USD 92,721 | 5,175 | 20-Sep-29 | (96,173) | - |
| Buy Put | Coverage Target exports 2025 ⁽³⁾ | | | | | (7,179) | - |
| Forward operations fair value | | | | | | 46,394 | - |
| Swap, forward and options operations fair value | | | | | | 29,643 | (152,922) |

(1) The underlying value is rounded to the nearest thousand units when it's expressed in dollars, and to the nearest thousand when it's expressed in Colombian pesos or Japanese yen.

(2) Japanese yen

(3) Corresponds to the premium payable for the option

NOTE 7: OTHER FINANCIAL ASSETS

| | December 2024 | March 2024 |
|---|------------------|------------------|
| Financial assets at fair value through changes in profit or loss - advances | 2,276 | 2,276 |
| Financial assets at fair value through changes in profit or loss | 3,702 | 676,658 |
| Financial assets at fair value through Other Comprehensive Income (Note 26.2.1) | 1,085,763 | 889,990 |
| Financial assets measured at amortized cost | - | 37 |
| Total - Other financial assets | 1,091,741 | 1,568,961 |
| Current | 135 | 673,565 |
| Non-current | 1,091,606 | 895,396 |
| Total - Other financial assets | 1,091,741 | 1,568,961 |

As of December 31, 2024, none of these assets are past due or impaired.

The category of other financial assets at fair value with changes in Other Comprehensive Income includes investments held by the Group in Grupo de Inversiones Suramericana S. A. The investment is measured at fair value with changes in Other Comprehensive Income with a monthly frequency. In Note 26.2.1., Financial assets are measured at fair value with changes in Other Comprehensive Income, this investment value is detailed for the periods reported.

During the period, the group liquidated fixed income instruments for a value of 1,012,125, which were classified as financial assets in accordance with IFRS 9 - Financial Instruments. The measurement and recognition of these instruments was made in accordance with the applicable business model and the contractual characteristics of the cash flows.

7.1 Inhibition of shares in Grupo Sura S.A.

During the third quarter of 2024, Cementos Argos S.A. initiated a process to contribute a portion of its common shares in Grupo Sura S.A. to an autonomous patrimony. This autonomous patrimony has irrevocable instructions to refrain from exercising the voting rights associated with these shares. This transaction is part of the share repurchase program implemented by Grupo Sura S.A., according to the relevant information disclosed to the market by said company.

Once the contributions of the shares to the autonomous equity are made, Cementos Argos S.A. will continue to retain a percentage interest in the outstanding common shares of Grupo Sura S.A. Consequently, the investment will continue to be accounted for as a financial asset in accordance with the requirements of IFRS 9 "Financial Instruments" and will continue to be measured at fair value through other comprehensive income.

It is important to note that, despite the inhibition of the political rights, Cementos Argos S.A. will continue to receive the economic rights derived from the shares contributed to the autonomous equity, including dividends. The irrevocable instruction not to exercise the political rights does not affect the nature of the expected cash flows from the investment, which will continue to be recognized in the Company's results.

The shares at the end of the reporting period are detailed below:

| | Total Shares | Shares Contributed to the Autonomous Equity | Direct Shares |
|---------------------------|--------------|---|---------------|
| Grupo Suramericana Shares | 28,394,940 | 24,300,000 | 4,094,940 |

NOTE 8: TRADE AND OTHER ACCOUNTS RECEIVABLE

| | December 2024 | March 2024 |
|---|----------------|----------------|
| Trade accounts receivable | 424,291 | 445,851 |
| Other accounts receivable | 176,310 | 230,723 |
| Impairment for expected credit losses and doubtful accounts | (43,484) | (40,393) |
| Trade and other receivables | 557,117 | 636,181 |
| Current | 530,276 | 595,907 |
| Non-current | 26,841 | 40,274 |
| Trade and other receivables | 557,117 | 636,181 |

The movement of impairment for expected credit losses and doubtful accounts of trade accounts receivable and other accounts receivable as of December 31 and March 31, 2024 is detailed below:

| | December 2024 | March 2024 |
|--|-----------------|-----------------|
| Movement in impairment of expected credit losses and doubtful accounts receivable | | |
| Opening balance | (40,393) | (76,443) |
| Value impairment losses recognized on accounts receivable | (2,282) | (1,083) |
| Punishment of amounts considered uncollectible | 1,635 | 2,304 |
| Reversal of impairment losses | 3,477 | 15,187 |
| Loss of control of subsidiary (Note 13.4) | - | 17,312 |
| Foreign currency conversion result | (5,003) | 2,330 |
| Other changes | (918) | - |
| Closing balance | (43,484) | (40,393) |

The contractual amounts of financial assets written off during the reporting period that are still subject to enforcement activities are \$1,163 (2023:\$933).

As of December 31, 2024, the group sold commercial debtors and other debtors to Bancolombia, BBVA and Bancóldex for a value of \$424,744 (March 2024 \$103,279) having an effect on income of \$ 7,965 (March 2024 \$2,312).

For each range of days past due on the portfolio, the following table presents the value of trade and other receivables subject to credit risk before recognizing any impairment loss, the values of expected losses determined individually and collectively, the value of receivables after considering the expected impairment, at the end of the reporting period, and the percentage of expected credit loss determined using the transition matrix methodology according to the Markov chain theory.

| December 2024 | Expected Credit Loss Rate | Gross Accounts Receivable | Impairment of Expected Credit Loss | Net accounts receivable |
|---|---------------------------|---------------------------|------------------------------------|-------------------------|
| Impairment for expected credit losses explanation | | | | |
| Not expired | 0.12% | 337,831 | (419) | 337,412 |
| Between 0 and 30 days | 0.41% | 86,578 | (353) | 86,225 |
| Between 31-60 days | 1.23% | 32,162 | (395) | 31,767 |
| Between 61-90 days | 1.76% | 13,682 | (241) | 13,441 |
| Between 91-120 days | 2.38% | 12,332 | (294) | 12,038 |
| Between 121-150 days | 8.27% | 3,762 | (311) | 3,451 |
| Between 151-180 days | 29.31% | 2,939 | (861) | 2,078 |
| Between 181-360 days | 16.36% | 5,286 | (865) | 4,421 |
| More than a year | 37.48% | 106,029 | (39,745) | 66,284 |
| Total balances and impairment for expected credit losses | | 600,601 | (43,484) | 557,117 |

| March 2024 | Expected Credit Loss Rate | Gross Accounts Receivable | Impairment of Expected Credit Loss | Net accounts receivable |
|---|---------------------------|---------------------------|------------------------------------|-------------------------|
| Impairment for expected credit losses explanation | | | | |
| Not expired | 0.16% | 355,365 | (575) | 354,790 |
| Between 0 and 30 days | 0.13% | 144,235 | (185) | 144,050 |
| Between 31-60 days | 1.34% | 28,246 | (380) | 27,866 |
| Between 61-90 days | 0.50% | 10,186 | (51) | 10,135 |
| Between 91-120 days | 0.73% | 16,724 | (121) | 16,603 |
| Between 121-150 days | 1.65% | 6,365 | (105) | 6,260 |
| Between 151-180 days | 24.89% | 2,310 | (575) | 1,735 |
| Between 181-360 days | 2.23% | 39,003 | (870) | 38,133 |
| More than a year | 50.62% | 74,140 | (37,531) | 36,609 |
| Total balances and impairment for expected credit losses | | 676,574 | (40,393) | 636,181 |

The average credit period over the sale of goods is 30.4 days. No interest surcharge is carried out on trade accounts receivable after the average credit period. The Group assesses at the end of the period on which it is reported and with the same periodicity of financial information. If there is objective evidence that financial assets are impaired, and if this is the case, it recognizes a loss in the income statement due to a value impairment. The Group recognizes an impairment on individual clients when they are in an economic insolvency state or when a financing or restructuring agreement of the account receivable is agreed upon, and collectively grouping the portfolio by default days ranges and applying to these values the non-compliance percentages using the transition matrix methodology according to the Markov chain theory. In determining the recoverability of a trade account receivable, the Group considers any change in the credit quality of the account from the date the credit was initially granted until the end of the reporting period. The concentration of credit risk is limited because the customer database is long and independent.

NOTE 9: INCOME TAX

The current tax provisions establish that the official income tax rates for 2024 and 2023 applicable to Cementos Argos S.A. and its subsidiaries located in Colombia, Antigua, Bermuda, Curaçao, Dominica, Dominican Republic, French Guiana, Guatemala, Haiti, Honduras, British Virgin Islands, Panama, St. Maarten, St. Thomas, Suriname, Puerto Rico and the United States are the following:

| Country | 2024 | 2023 | Country | 2024 | 2023 |
|-----------------------------------|------|--------|------------------------|-------|-------|
| Antigua & Barbuda | 25% | 25% | Haiti | 31% | 31% |
| Bermuda | 0% | 0% | Honduras | 30% | 30% |
| Colombia ⁽¹⁾ | 35% | 35% | British Virgin Islands | 0% | 0% |
| Colombia Free Zone ⁽²⁾ | 15% | 15% | Panama | 25% | 25% |
| Curaçao | 22% | 22% | Puerto Rico | 37.5% | 37.5% |
| Dominica | 25% | 25% | Dominican Republic | 27% | 27% |
| USA ⁽³⁾ | NA | 24.75% | Saint Maarten | 34.5% | 34.5% |
| French Guiana | 25% | 25% | St. Thomas | 31% | 31% |
| Guatemala | 25% | 25% | Suriname | 36% | 36% |

(1) Income tax in Colombia is settled at a rate of 35% for 2024 and 2023.

(2) A special tax regime is presented for Free Zones whose benefits include an income tax rate of 15%. Zona Franca Argos has a Legal Stability Contract until 2028.

(3) The U.S. federal tax rate for 2023 is 21%. Also, in the United States, there is a state tax rate, which varies between 3% and 7%, depending on the state. In the state of Texas, there is a single rate of 1%, called: "Texas Margin Tax". On January 12, 2024, the Group disposed of 100% of the investment in its subsidiaries Argos North America Corp., Argos USA LLC and Southern Star Leasing LLC, which until that moment were part of the segment and cash generating unit in the United States. This transaction was classified as a discontinued operation.

Below are the main legal rules and issues applicable to the Group, in the countries where the main activities are carried out:

COLOMBIA:

On December 13, 2022, the National Government issued Act 2277, the Equality and Social Justice Reform, whereby significant changes are introduced in terms of taxes, effective as of January 1, 2023. The most significant changes for income and complementary tax purposes were the following:

- The general income rate is maintained at 35% for national companies and their similar companies obliged to present the annual declaration of income and complementary tax in Colombia.
- In 2023, The Constitutional Court declared the articles of the tax reform that modified the rental rate of free zone users enforceable. At the same time, it noted that users who met the conditions to access the regime before December 13, 2022 maintain the 20% tax.
- A minimum tax is established for residents in Colombia, setting an additional tax in the event that the adjusted income tax with some modifications is less than 15% of the accounting profit before taxes with certain adjustments. Therefore, taxpayers must: (i) Determine the Colombian taxpayer adjusted tax, or the adjusted tax of the group in case it becomes part of a business group; (ii) Determine the Colombian taxpayer or the group adjusted profit, in the event that it becomes

part of a business group; and (iii) Determine the Colombian taxpayer or the group adjusted tax rate, in the event that it becomes part of a business group. If the effective rate (adjusted tax/adjusted profit) is less than 15%, the tax to be added must be calculated to reach the rate of fifteen percent (15%) of the taxpayer or of the group in case it becomes part of a business group. At the end of 2023, no adjustments were presented for this concept.

- The occasional income tax rate is increased, remaining at 15% (until 2021, 10%).
- The amount of the sum of some non-taxable income, special deductions, exempt income and tax discounts is limited to 3% per year of ordinary liquid income.
- In the last tax reform, Act 2277/2022, royalty payments referred to in articles 360 and 361 of the National Constitution are not deductible, regardless of the payment name, the accounting treatment and the payment method (money or kind). The non-deductible amount corresponds to the total cost of production of non-renewable resources. However, in 2023 the Constitutional Court declared article 19 of Act 2277 of 2022 unenforceable, which sought to prohibit the deductibility of royalties from income tax. This decision of the Court is of outmost relevance for the future of the oil industries, as well as for mining in Colombia.
- The possibility of taking as a tax discount 50% of the ICA value that has been effectively paid before filing the declaration is eliminated. 100% accrued and paid prior to filing the income statement will be deductible.
- 100% of the taxes, rates and contributions effectively paid in the taxable year, which are causally related to income generation (except income tax), continue to be deductible; 50% of the tax on financial movements (GMF) will be deductible, regardless of whether or not it has a causal relationship with the income-generating activity.
- Payments for affiliations to social clubs, labor expenses of support staff at home or other activities unrelated to the income-producing activity, personal expenses of partners, participants, shareholders, clients, and/or their relatives, will not be deductible, and will be considered income in kind for their beneficiaries.
- Tax on taxed dividends will be determined: (i) applying the income rate corresponding to the year in which they are decreed (35%) and (ii) the rate corresponding to the non-taxed dividend will be applied to the remainder, depending on the beneficiary. (If it is a resident natural person or illiquid succession of deceased resident, the table from Article 241 of the Tax Code shall apply).
- Dividends declared charged to profits from 2016 and prior years will retain the current treatment at that time; those corresponding to profits for 2017, 2018 and 2019 that are decreed as of 2020 shall be governed by the rates provided in Act 2010.

UNITED STATES OF AMERICA

In the United States, the Federal Tax rate is 21%. Also, there is a state tax rate, which varies by state from 3% to 7%. In the state of Texas, there is a particular rate of 1%, called the "Texas Margin Tax".

PANAMA

The income tax rate (ISR) applicable for 2024 is 25% (2023: 25%).

Act No. 8 dated March 15, 2010, amends the Alternate Calculation of Income Tax (CAIR), forcing a legal person which gives rise to income above one million five hundred thousand dollars (US\$1,500,000) to determine as a taxable income, the greater amount between: (a) the net taxable income calculated by the ordinary method established in Title I from the Fourth Book of Panama Fiscal Code, and the net taxable income that is applied to the total taxable income, the four-point sixty-seven percent (4.67%).

Legal entities that incur losses due to the tax calculated under the presumptive method or that, due to the application of the said presumptive method, their effective rate exceeds the applicable tax rates for the fiscal period in question, may request the General Directorate of Revenue to be authorized to calculate the tax under the ordinary calculation method.

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

In accordance with the current Panamanian tax legislation, companies are exempt from paying income tax for profits from foreign sources. They are also exempt from income tax, interest earned on time deposits in local banks, interest earned on Panamanian state securities, and investments in securities issued through the Panama Stock Exchange.

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

The following table details the reconciliation of the effective tax rate applicable to the Group:

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

| | 2024 | 2023 |
|---|---------------|------------------|
| Income before income taxes from continuing operations | 57,690 | (104,510) |
| Current tax expense at applicable legal rates | 15,692 | (28,858) |
| Dividends, net | 336,280 | 272,754 |
| Non-taxable dividends | (10,434) | (52,572) |
| ECE Regime (Foreign Controlled Entities Regime), net | 7,582 | 18,941 |
| Non-taxable income | (22,291) | (17,408) |
| Use of tax losses or presumptive income in excess not previously recognized | - | (1,257) |
| Special operations, net | (314,556) | - |
| Non-deductible and other expenses, net | 17,677 | (10,970) |
| Income tax expense from continuing operations | 29,950 | 180,630 |
| Effective income tax rate | 51.92% | 172.84% |

Variations between the statutory rates applicable to Cementos Argos S.A. and its subsidiaries, individually considered, and the effective rate generated in the consolidated financial statements, are mainly due to:

- Tax effect for dividends received by Cementos Argos as taxed, and deferred tax assets generated by indirect tax discounts from the dividends distribution from abroad.
- Tax effect in Colombia, for passive income recognized by the Regime of Foreign Controlled Entities (ECE) application.
- Tax effect in Colombia of special operations for the sale of investments in the U.S.A
- Non-deductible expenses and untaxable income treated as permanent differences in the income tax calculation.

OTHER EFFECTS

- Tax benefits associated with a greater interest of the Zona Franca Argos S.A.S. subsidiary in operational activities, which is subject to a 15% rental rate by the Free Zone regime in Colombia. It should be noted that the company has a current legal stability contract signed with the Government in 2008 with a validity of 20 years
- The tax effect of the discontinued operation is explained in note 13.

9.2 Income tax recognized in other comprehensive income

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

| | 2024 | 2023 |
|--|-----------------|---------------|
| Cash flow hedges | (7,505) | 11,177 |
| New measurements of defined benefit plans | (5,284) | 21,211 |
| Difference in exchange for foreign business conversion | (7,259) | 1,618 |
| Measurement of equity investments at fair value | (206) | (221) |
| Income tax recognized in Other Comprehensive Income, total | (20,254) | 33,785 |
| Income tax recognized in Other Comprehensive Income, controlling interest | | |

9.3 Balances in favor of taxes, and current tax liabilities and deferred tax balances

| | December 2024 | March 2024 |
|--------------------------------|------------------|------------------|
| Current tax assets | 162,904 | 263,616 |
| Current tax liabilities | (59,612) | (68,765) |
| Current tax assets, net | 103,292 | 194,851 |
| Deferred tax asset | 101,155 | 108,295 |
| Deferred tax liabilities | (372,103) | (507,116) |
| Deferred tax asset, net | (270,948) | (398,821) |

The movement in the net deferred tax liability for the period ended December 31, 2024 and March 31, 2024 is detailed below:

| | Recognized in: | | | | |
|-------------------------------------|-------------------------------|-------------------|-------------------------------|----------------------|-----------------------------|
| | Opening balance March 2024 | Results | Other Comprehensive Income | Conversion effect | Closing balance Dec 2024 |
| Deferred tax December 2024 | | | | | |
| Other current assets | 1.121 | 1.962 | - | 255 | 3.338 |
| Other equity investments | (338.739) | 246.098 | (7.258) | (511) | (100.410) |
| Property, plant and equipment | (369.920) | 23.689 | - | (17.804) | (364.035) |
| Intangible assets | (67.742) | (12.542) | - | 5.604 | (74.680) |
| Other non-current assets | (364) | (1.967) | - | 131 | (2.200) |
| Provisions | 22.746 | 6.297 | - | 12 | 29.055 |
| Employee benefits | 8.142 | (6.417) | (5.285) | 458 | (3.102) |
| Financial liabilities | (750) | 4 | - | (106) | (852) |
| Financial instruments | 39.019 | (6.498) | (7.711) | 325 | 25.135 |
| Finance leases | 7.547 | 836 | - | 953 | 9.336 |
| Other liabilities | (870) | 2 | - | 868 | - |
| Unused tax credits | 97.166 | (91.564) | - | 722 | 6.324 |
| Unused tax losses | 198.328 | (7.103) | - | 9.918 | 201.143 |
| Unused presumptive income in excess | 5.495 | (5.495) | - | - | - |
| Deferred tax asset, net | (398.821) | \$ 147.302 | (\$ 20.254) | \$ 825 | (\$ 270.948) |

| | Recognized in: | | | | | |
|-------------------------------------|-----------------------------|---------------|----------------------------------|---|----------------------|-------------------------------|
| | Opening balance Dec 2023 | Results | Other Comprehensive Income | Loss of control and discontinued operations | Conversion effect | Closing balance March 2024 |
| Deferred tax March 2024 | | | | | | |
| Other current assets | 12,197 | (208) | - | (10,847) | (21) | 1,121 |
| Other equity investments | (13,804) | 176,429 | (1,346) | (499,405) | (613) | (338,739) |
| Property, plant and equipment | (771,211) | (10,717) | - | 398,593 | 13,415 | (369,920) |
| Intangible assets | (114,894) | 21,111 | - | 40,272 | (14,231) | (67,742) |
| Other non-current assets | 12,982 | 515 | - | (13,857) | (4) | (364) |
| Provisions | 36,740 | (8,761) | - | (5,215) | (18) | 22,746 |
| Employee benefits | 6,593 | 778 | (673) | (3,928) | 5,372 | 8,142 |
| Financial liabilities | 27,160 | (1,083) | - | (26,863) | 36 | (750) |
| Financial instruments | 43,674 | 205 | 332 | (2,792) | (2,400) | 39,019 |
| Finance leases | 31,241 | (2,331) | - | (22,080) | 717 | 7,547 |
| Other liabilities | 5,880 | 869 | - | (5,880) | (1,739) | (870) |
| Unused tax credits | 229,006 | (129,617) | - | (2,378) | 155 | 97,166 |
| Unused tax losses | 220,708 | (9,068) | - | (14,093) | 781 | 198,328 |
| Unused presumptive income in excess | 5,495 | - | - | - | - | 5,495 |
| Deferred tax asset, net | (268,233) | 38,122 | (1,687) | (168,473) | 1,450 | (398,821) |

The Group evaluates the recoverability of its assets for deferred taxes from tax credits, reviewing the rights validity, the compensation times according to the regulation in each country, and estimating the probability of their use before their maturity, through the analysis of generation of sufficient future taxable income.

When analyses indicate that there is no high probability of using the deferred tax asset in its entirety, the asset is reduced to its recoverable amount. In such 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 deferred tax assets are recognized in income tax expense in the period when it is concluded that there is no likelihood of full or partial recovery.

To assess the likelihood that income tax deferred assets will be realized, the financial and taxable income projections from the companies are considered, encompassing all available evidence both positive and negative, including, but not limited to, industry analyses, market conditions, expansion plans, tax strategies, tax structure and expected changes thereto, tax losses maturity and other applicable tax credits, and the future reversal of temporary differences. Likewise, variations are analyzed in each period between the actual results against the estimates, to determine whether such variations affect the amounts of such assets and to carry out the adjustments considered necessary, based on the relevant information available, which is recognized in income in the period in which its determination is conducted.

The active deferred tax recognition of the Colombia segment was based on the analysis of financial projections that Management has calculated, applying technical criteria in the generation of operational profit, which captures the most likely scenario of market share and costs and expenses association. Likewise, these projections capture through cash flows simulation, the variation of the obligations and associated financial expenses, obtaining the profit before tax, which is the fiscal analysis basis. Based on tax regulations in force in Colombia and the tax profile of each company, we proceed to calculate the tax base with the main tax premises identified in the financial projections for the companies: assets depreciation and amortization, ECE passive income (controlled entity from abroad) and taxable dividends. As a result of the above, the Management may conclude that sufficient taxable income is generated to use tax credits before their maturity..

9.4 Unrecognized deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, presumptive income in excess, unused tax losses, and unused tax credits for which deferred tax assets have not been recognized are attributable to the following:

| | Unused Losses and Tax Credits | | Total tax benefits for which deferred tax was not recognized | |
|----------------------------|----------------------------------|---------------|---|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| Between one and five years | 49,620 | 41,307 | 49,620 | 41,307 |
| More than five years | 19,381 | 18,178 | 19,381 | 18,178 |
| No time limit | 145 | 145 | 145 | 145 |
| Total tax benefits | 69,146 | 59,630 | 69,146 | 59,630 |

9.5 Impact on income tax on dividends proposed or declared before the financial statements issuance and on the potential dividends payment to its shareholders

No proposed dividends are presented before the consolidated financial statements have been authorized for issuance, on which an impact on income tax could be expected.

The Group has no potential consequences on tax return in case of dividends payment to its shareholders.

9.6 Group tax risk management

Tax risks are a formal part of the Board of Directors' supervision mandate. Each quarter, the Board's Risk Committee receives reports on the evolution of strategic risks, including tax risks, included within the Group's 16 strategic risks, and reviews and advises on possible impacts that could negatively affect relationships with key stakeholders and brand reputation.

Tax teams ensure that their pairs at Cementos Argos S. A. fully understand the tax function and legal requirements, including tax planning, policies and procedures. For this reason, the tax teams work with regional teams to provide clear, timely, and relevant advice to the tax issues that arise, recommending alternative strategies (if identified) to achieve the business results expected with the more efficient approach to tax and with compliance with applicable laws, and seeking to ensure a detailed understanding of alternative tax, and the financial and reputational consequences associated. These business decisions and their inputs include the evaluation, quantification, and presentation of tax provisions included in financial results.

According to reputational risk assessment and risk tolerance, the Company works hard to avoid any negative impact on shareholder value. To ensure adequate risk monitoring, permanent tax management controls and a periodic tax risk assessment are carried out.

The Group assesses tax risks on an ongoing basis, even if its tax strategy is not aggressive. The Group believes that for its strategy to be efficient in the short term, it does not necessarily have to adopt an aggressive approach. The risks that have been identified above have been assessed as part of the Company's strategic financial risk, so they are all being addressed in accordance with the corporate risk strategy.

For the Group, the best tax strategy is a strategy that creates maximum added value for all its stakeholders (which in turn, creates benefits for the Company) and not just for shareholders, using optimization strategies. Thanks to this interpretation, Argos also ensures the returns of its tax strategy in the medium and long term, providing benefits for the company, such as good relationships with the authorities, a good reputation and the increase of the resources available for local development, through its contributions. In this way, Argos sees its tax strategy as its main tool to mitigate risks.

The tax policy for Cementos Argos is aligned with our Corporate Governance Code, which provides the framework for the relationship between the different interest groups and aims at transparency and proper management of information and the responsibility of officials.

The tax strategy used by Argos is also aligned with our Code of Business Conduct, which develops the principles of the Good Governance Code for Argos employees, implementing the disclosure of financial information and the transparency policy regarding Argos' financial statements and its subsidiaries. Taxes are paid in accordance with all relevant rules and regulations of the countries in which we operate.

The Corporate Governance Code and the Code of Business Conduct are approved by the Board of Directors. In addition, the tax policy was approved by the Board Directors along with the other accounting policies applied in the financial statements, which are annually approved by the Board of Directors.

Our tax strategy efficiently supports the operation and consolidation of procedures and protocols for transparency and accountability, implementation and regulatory compliance in each country, by Cementos Argos and its subsidiaries, which in turn is in the best interest of its shareholders.

NOTE 10: INVENTORIES

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Raw materials and direct materials | 220,038 | 217,431 |
| Materials, spare parts and accessories | 215,019 | 224,572 |
| Finished product | 70,323 | 84,234 |
| Products in process | 116,985 | 126,612 |
| Inventory in transit | 22,685 | 18,422 |
| Goods not manufactured by the company | 25,089 | 20,062 |
| Other inventories | 24,014 | 27,246 |
| Advances for inventory acquisition | 8,335 | 6,663 |
| Inventories, net | 702,488 | 725,242 |

At December 31, 2024 and 2023 the cost of inventories recognized as the cost of merchandise sold during the period, including unabsorbed costs, is \$2,974,810 (December 2023: \$2,936,431). The adjustment to net realizable value (impairment) corresponds to \$62,172 (December 2023: 9,570) with an impairment reversal of \$566 (December 2023: \$96). The impairment increase corresponds mainly to Cimenterie Nationale S.E.M.(CINA) for\$ 55,253. In 2023 it corresponds mainly to Cementos Argos for \$3,273 and Argos Dominicana for \$2,201. The reversal of the impairment corresponds, in both periods, to Argos Panamá S.A. The value of the unabsorbed costs in the inventory is \$62,844 (December 2023: \$80,175)

As of December 31 and March 31, 2024, Cementos Argos S.A. and its subsidiaries do not maintain committed inventories as a liabilities guarantee and expect to carry out their inventories within 12 months.

NOTE 11: BIOLOGICAL ASSETS

| | December 2024 | March 2024 |
|---|---------------|---------------|
| Biological assets | | |
| Book value opening balance | 15,879 | 16,164 |
| Changes in fair value minus selling costs | 1,786 | - |
| Additions | 285 | - |
| Biological assets selling | (1,212) | (285) |
| Book value ending balance | 16,738 | 15,879 |

Cementos Argos S.A. carries out agricultural activities through forestry projects. The Company biological assets are measured at fair value minus the estimated costs of sale at the harvest or collection point, considering significant Level 3 observable inputs. Changes in biological assets fair value are presented in the statement of comprehensive income, such as income or valuation expense as appropriate.

For the valuation of plantations, the discounted cash flow model was used, considering that the future economic benefits associated with the forest cover are expected to be carried out 3 or 4 times over time, as follows: at the moment when the 2 or 3 thinning are carried out, which depend on the plantation age and diameter, and at the last moment when the clear felling is carried out.

In this sense, fair value is determined by applying a discount rate to future net cash flows, for which purpose Weighted Average Cost of Capital (WACC) was used, which was estimated at 10.67% for December 2024 (March 2024 12.42%).

he sale price, volume, determined based on forestry experience and studies, and the estimation of costs and expenses are significant unobservable input data for the measurement.

Valuation losses were recognized amounting to \$1,786 for December 2024 (March 2024 \$0). The valuation was based on market prices, which remain constant and costs grow with the CPI throughout the projection.

During 2024, a total of 119 hectares of Eucalyptus plantations were sold for a value of \$2,403, leaving a profit of \$1,191.

The Cementos Argos S.A. biological assets are composed of plantations, as follows:

| | December 2024 | March 2024 |
|-------------------------------------|---------------|------------|
| Plantations (hectares planted = ha) | 843 | 936 |

As of December 31, 2024 and comparative, plantations mainly include teak, eucalyptus, pine, rubber, and acacia, distributed throughout the national territory in Boyacá, Riosucio (Caldas), Montebello (Antioquia), Rioclaro (Antioquia), Cartagena (Bolívar), Victoria (Caldas), and Puerto Nare (Antioquia).

At the end of the reporting and comparative periods, there are no restrictions on the ownership of the Group's biological assets, nor contractual commitments for their development or acquisition and they have not been pledged as collateral for debts fulfillment.

NOTE 12: INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The detail of the Group's associates and joint ventures at the date of the reporting period is as follows:

| Investee | Type | Location | Main activity | Proportion of shareholding and voting power | |
|--|---------------|------------------------|--|---|------------|
| | | | | December 2024 | March 2024 |
| Trans Atlantic Shipmanagement Ltd. | Joint venture | Virgin Islands British | Ocean freight forwarding | 50.00 | 50.00 |
| MMC Cement Division C.V. | Joint venture | Curaçao | Cement marketing | 50.00 | 50.00 |
| Soluciones de Crédito S.A.S. | Associate | Colombia | Credit and microcredit provision | - | 48.98 |
| Saint-Gobain Colombia S.A.S. | Associate | Colombia | Other manufacturing industries N.C.P. | 40.00 | 40.00 |
| Granulados Recicladados de Colombia Greco S.A.S. | Joint venture | Colombia | Use of construction and demolition waste | 43.98 | 43.98 |
| Summa S.A.S. | Associate | Colombia | Business Services | 25.00 | 25.00 |
| Summit Materials, Inc (Note 12.1) | Associate | USA | Construction supplies | 31.00 | 31.00 |

All associates and joint ventures are accounted for using the equity method in the consolidated financial statements. None of the investments in associates and joint ventures maintained by the Group is listed in a national or foreign stock market, except for Summit Materials, Inc. a construction materials company listed on the New York Stock Exchange since 2015 (Note 12.1).

12.1. Acquisition of associates

On January 12, 2024, the Group acquired a 31% interest in Summit Materials Inc. (hereinafter 'Summit'), corresponding to 54,720,000 common shares and 1 preferred share. This transaction is in accordance with the sale agreement of the United States Regional signed on September 7, 2023 (Note 13.4).

Summit is a building materials company listed on the New York Stock Exchange since 2015. It operates in more than 20 states in the United States and Canada, in the cement, ready-mix, aggregates and other complementary businesses, with assets that include 217 aggregates mines, 2 cement plants on the Mississippi River and about 84 ready-mix plants.

The company after the combination of the Argos operation in the United States will have a presence in 30 states, with positioning in high-growth markets, with full vertical integration from quarries to the end customer in many of them. Access to a network of ports and terminals will enable the competitive importation of building materials to serve customers, complementing domestic production capacity.

The Group has determined that it has significant influence over Summit by holding a 31% interest and participating with three members in Summit's Board of Directors. For accounting purposes, this investment is classified as held for sale (note 18); therefore, it is measured under the equity method. To determine the initial cost of the investment, the consulting firm Deloitte & Touche was hired to allocate the purchase price - PPA (Purchase Price Allocation) and to determine adjustments for conversion of accounting policies.

The cost of the investment is detailed below (figures in thousands of dollars):

| | Thousands of USD |
|---|------------------|
| Number of shares | 54,720,000 |
| Price per share at acquisition date (USD) | 36.66 |
| Total investment cost | 2,006,035 |

| | Thousands of USD |
|--|------------------|
| Net assets at fair value | 4,292,282 |
| Net assets per equity interest (31%) | 1,338,660 |
| Price paid | 2,006,035 |
| Goodwill implicit in the investment | 667,375 |

The net assets at fair value acquired from Summit include the fair values of Argos North America together with the intangibles and goodwill identified in the analysis of the combination performed by Summit, as well as the adjustments for the translation of financial statements under IFRS.

12.2. Investments in associates and joint ventures

The summarized financial information regarding each of the Group's associates is presented below. This information represents amounts shown in the associates' financial statements, which were prepared in accordance with IFRS:

| Financial Information on Group's Associates and Joint Ventures | | | | | | | | |
|--|------------------------------------|------------|--------------------------------------|------------|-------------------------|------------|--|------------|
| | Trans Atlantic Shipmanagement Ltd. | | Summit Materials Inc. ⁽²⁾ | | MM Cement Division C.V. | | Individually not significant Investees | |
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| Current assets | 10,246 | 6,012 | - | 5,167,743 | 9,907 | 7,415 | 61,796 | 90,569 |
| Non-current assets | 107,196 | 96,226 | - | 26,069,771 | 8,904 | 8,511 | 23,264 | 20,927 |
| Current liabilities | 53,729 | 48,756 | - | 2,005,711 | 5,725 | 4,682 | 65,862 | 91,350 |
| Non-current liabilities | - | - | - | 13,022,534 | - | - | 4,244 | 3,439 |
| Ordinary income ⁽¹⁾ | 26,481 | 29,202 | - | - | 23,361 | 23,994 | 59,597 | 41,812 |
| Continuous operations ⁽¹⁾ | 2,163 | 3,328 | - | - | 168 | 403 | 1,179 | (1,376) |
| Total comprehensive income ⁽¹⁾ | 2,163 | 3,328 | - | - | 168 | 403 | 1,179 | (1,376) |

| Detailed Financial Information on Significant Associates and Joint Ventures | | | | | | |
|---|------------------------------------|------------|--------------------------------------|------------|-------------------------|------------|
| | Trans Atlantic Shipmanagement Ltd. | | Summit Materials Inc. ⁽²⁾ | | MM Cement Division C.V. | |
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| Cash and cash equivalents | 6.158 | 4.441 | - | 1.913.888 | 735 | 782 |
| Current financial liabilities | 49.740 | 44.737 | - | 127.998 | - | - |
| Non-current financial liabilities | - | - | - | 11.035.016 | - | - |
| Depreciation ⁽¹⁾ | 7.445 | 7.380 | - | - | 861 | 797 |
| Interest income ⁽¹⁾ | - | - | - | - | - | - |
| Interest expense ⁽¹⁾ | 1.121 | 3.128 | - | - | - | - |

(1) Values correspond to a 9-month period.

(2) Values for Summit Materials Inc. correspond to local standards and before IFRS adjustments.

The reconciliation of the summarized financial information with the associates and joint ventures book value in the consolidated financial statements is:

| Reconciliation of Investments in Associates and Joint Ventures with Their Financial Information | | | | | | | | |
|---|------------------------------------|---------------|-----------------------|------------------|-------------------------|--------------|--|------------------|
| | Trans Atlantic Shipmanagement Ltd. | | Summit Materials Inc. | | MM Cement Division C.V. | | Individually not significant Investees | |
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| Investee net assets | 63,713 | 53,482 | - | 16,220,820 | 13,086 | 11,244 | 14,954 | 16,707 |
| Share in the investee | 50,00% | 50,00% | - | 31,00% | 50,00% | 50,00% | 25%-44% | 25%-49% |
| Equity in income (loss) for the period ⁽¹⁾ | 1,081 | 1,664 | - | - | 84 | 202 | (345) | (992) |
| Investee book value | 31,857 | 26,741 | - | 7,633,135 | 6,543 | 5,622 | 6,458 | 7,109 |
| Total book value of investments in investees | | | | | | | 44,858 | 7,672,607 |
| Total share in income for the period ⁽¹⁾ | | | | | | | 820 | 874 |

(1) Values correspond to a period of 9 months

For the reported periods, investments in associates and joint ventures do not have unrecognized losses of the current or prior period, nor did they declare dividends.

12.3. Significant restrictions

As of December 31, 2024 and comparative periods there are no significant restrictions on the ability of associates or joint ventures to transfer funds to the Group as cash dividends, or to repay loans or advances made by the Group. The Group has no contingent liabilities related to its investments in associates and joint ventures.

NOTE 13: SUBSIDIARIES

13.1. Group composition

The following are the companies included in the consolidated financial statements of Cementos Argos S.A.:

ARGOS DOMINICANA S.A.

A stock company incorporated under Dominican Republic laws on February 12, 1996. Its main purpose is clinker and cement manufacture, marketing, import, and export; exploitation and marketing of minerals used and related to the cement industry. The company's main domicile is in the city of Santo Domingo and its term is indefinite. It consolidates with Concretos Argos Dominicanos, S. R. L.

ARGOS GUATEMALA S.A.

Incorporated in the city of Guatemala, on January 7, 2020. Its corporate purpose is cement, clinker, concrete, aggregates, related products, and derivatives manufacture, sale, export, and import; as well as all types of raw material, machinery, equipment, and spare parts import for cement, clinker, concrete, aggregates and related products, and derivatives manufacture and sale, all of the above with the assistance of professionals on the matter. The main domicile is in Guatemala, and it was established for an indefinite term. This company was acquired on June 9, 2020.

ARGOS GUYANE S.A.S.

Incorporated on March 23, 1989, its main address is Cayenne, French Guiana. Its corporate purpose is cementing manufacture and all derived products, as well as the import of all raw materials and finished products necessary for the cement and related products preparation, marketing, and export. The company duration is 99 years from March 23, 1989, unless early dissolution or extension. This company was acquired in April 2014.

ARGOS HONDURAS S.A. DE C.V.

Incorporated in accordance with Honduran law on July 10, 1975. Its domicile is Tegucigalpa. Its main purpose is cement exploitation of all kinds, their derivatives, and products being manufactured from them; obtaining exploration permits,

and exploitation concessions of land and mineral deposits, whose substances are required for cement manufacture and its derivatives. Its duration is for an indefinite period. In November 2019, it absorbs Cementos del Sur S. A. and Concretos Argos Honduras, S. A., companies, which it consolidated.

ARGOS PANAMA S.A.

A stock corporation incorporated under the Republic of Panama laws on June 25, 1943. Its main purpose is cement and derivatives manufacture, sale, import, and export; as well as all types of raw material, machinery, equipment, and spare parts importation for cement manufacture and sale. The company main domicile is located in Panama City, Republic of Panama, and the term is in perpetuity. This company consolidates with Cayena II Investments S.A., Concreto S.A., and Terminal Granelera Bahía Las Minas S.A. In November 2019, it absorbed its subsidiary Grava, S.A.

ARGOS PUERTO RICO CORP.

Acquired on February 8, 2017, in Puerto Rico. Argos San Juan, Corp., is a for-profit corporation, organized under the Commonwealth of Puerto Rico laws, to engage in cement manufacture and sale. It is registered in the Registry of Corporations from Puerto Rico State Department and its term is indefinite. In February 2018, it absorbed the Argos Puerto Rico, LLC company, a maritime cement terminal that had been acquired on April 30, 2015 and was dedicated to cement receipt, storage, sale and distribution. This company consolidates with Argos Trading Puerto Rico LLC, whose activity is cement and related products export.

ARGOS SEM, LLC

Established on March 21, 2014, in Panama City, (and relocated in December 2018 to Delaware, United States, at which time the name transformation from Argos SEM SA to Argos SEM, LLC was produced). Its purpose is to establish and operate as a Multinational Company Headquarters to provide all and any management and/or administration services for operations in a specific or global geographical area of a company from the business group; also, to internationally dedicate to the manufacture and marketing of goods of all kinds, as well as to the services marketing of all kinds, as allowed in the law from the respective state or jurisdiction. In May 2018, it absorbed the International Cement Company S.A. company, an entity incorporated in Panama on November 24, 1997, with the purpose of acquiring, owning, administering, taxing, leasing, and disposing of in any way all kinds of goods, whether on their own or third parties.

BMR LTD

Incorporated under the laws of Bermuda on April 19, 2022. Its main address is at Crawford House, 50 Cedar avenue, Hamilton, Pembroke, HM 11, Bermuda. Its corporate purpose is reinsurance for the management of the company's risks. Its term of duration is indefinite. On April 22, 2022, the Company acquired 100% of the shares.

CEMENT AND MINING ENGINEERING INC.

Incorporated under Panamanian laws on February 4, 1997. Its primary residence is located in Panama City, Panama. Its purpose is towards social construction, technical assistance, equipment installation, and assembly, purchase, real and personal property sale and management, investments, funding, and share in societies, patents purchase or acquisition, trademarks, copyrights, licenses and formulas, operations with banks or other financial institutions. Likewise, sale of shares, securities or bonds, financing and share in companies, mining, maritime, and any other lawful business allowed by the Republic of Panama laws. Its term is in perpetuity.

CEMENTOS DE CALDAS S.A.

Incorporated in accordance with Colombian laws on July 17, 2007. Its main domicile is in Villamaría, Caldas department. Its corporate purpose is the exploitation of the cement industry and the production of concrete mixtures and their derivatives. Its term of duration extends until July 22, 2054.

C.I. DEL MAR CARIBE (BVI) INC.

Incorporated in accordance with the British Virgin Islands laws on June 2, 2004. Its main domicile is in Tortola and its corporate purpose is cement, clinker, and lime marketing. Its term is in perpetuity.

COLCARIBE HOLDINGS, S.A.

Incorporated under Panamanian laws on June 25, 1996. Its principal domicile is in Panama City. Its corporate purpose is to negotiate or dispose of securities, bonds, shares in other Companies and rights of any kind, either on its own or third parties, as well as open, operate, close accounts and deposits in financial institutions, lend or accept money in loans and give guarantees in favor of third parties in any currency of the world. Its term is in perpetuity. This company consolidates with Inmuebles Miraflores.

CONCRETOS ARGOS S.A.S.

A corporation constituted in accordance with Colombian laws on April 22, 1985. Its main purpose is the exploration, exploitation, transport, benefit, integral use, marketing, and sale of stony minerals such as: sand, cement, gravels, pre-mixed concrete and precast concrete elements, concrete blocks, and any materials and own elements, accessories, and supplements used in the construction industry. The main domicile of the company is Bogotá, and the term of duration is until September 8, 2093.

CORPORACIONES E INVERSIONES DEL MAR CARIBE S.A.S.

Incorporated in accordance with Colombian laws on December 14, 1982. Its principal domicile is in the city of Medellín, and the term of duration is indefinite. The Company's corporate purpose is to carry out any lawful economic activity, both in Colombia and abroad. Currently, it is dedicated to investment in shares or interest rates. This Company consolidates with Argos USVI Corp., Argos (Dominica) Ltd., Argos Saint Maarten N.V. and Cementos Argos Company Limited.

FRAMING COLOMBIA S.A. BIC.

Framing Colombia S.A.S. BIC is a simplified joint stock company, domiciled in Medellín, established by private document on June 3, 2021, whose purpose is the study, planning, contracting, design and construction of homes, warehouses and other types of works through the implementation of alternative, light, resistant and environmentally friendly construction systems. It was acquired through the subsidiary Corporaciones e Inversiones del Mar Caribe on March 10, 2023.

HAITI CEMENT HOLDING, S.A.

Incorporated and domiciled in Panama City, Republic of Panama on October 7, 1997. Its main activity is to acquire, buy, invest in securities, bonds, shares, equity interests in other companies, as well as any lawful business allowed by the Republic of Panama laws. The duration of the company is in perpetuity. This company consolidates with Cimenterie Nationale S.E.M. (CINA).

LOGÍSTICA DE TRANSPORTE S.A.

Incorporated in accordance with Colombian laws on April 16, 1996. Its principal domicile is the city of Medellín. Its corporate purpose is the transport of people and all types of cargo inside or outside the country, in any of its modalities, land, air, river and sea, whether in vehicles, ships or aircraft owned or owned by third parties that are affiliated with it. The term of the company expires on April 16, 2026..

SOLUCIONES MODULARES ARGOS S.A.

Incorporated in accordance with Colombian law on February 16, 2022. Its corporate purpose is the design, production, transportation, assembly, marketing, and sale of precast concrete elements. Cementos Argos S.A. participates in the capital stock with a 100% interest, equivalent to 100,000 ordinary shares. The term of duration of the company is indefinite.

SURCOL HOUDSTERMAATSCHAPPIJ N.V.

Company incorporated in accordance with Suriname laws on March 1, 2006 and the term is indefinite. Its main purpose is investments realization. The company's main domicile is in Paramaribo, Suriname. This company consolidates with Vensur N.V.

TRANSATLANTIC CEMENT CARRIERS, INC.

Incorporated in accordance with Panamanian laws on July 26, 1974, with principal domicile in Panama City and the term of duration is indefinite. Its corporate purpose is maritime transport, especially cement, clinker and the sale of these same products. In June 2018, through merger, it absorbed Compañía Marítima de Graneles S.A., which had been established in accordance with Panamanian laws on December 29, 1978, and which was dedicated to maritime transport, especially cement and clinker and the purchase and sale of these same products, ships chartering and especially the provisioning of them.

VALLE CEMENT INVESTMENTS LTD.

Incorporated in accordance with the British Virgin Islands laws on November 18, 1998. Its main domicile is in the British Virgin Islands and its corporate purpose is to make investments of any kind. The duration term of the company is indefinite.

VENEZUELA PORTS COMPANY, S.A.

Incorporated in Panama City, Republic of Panama on February 26, 2002. Its domicile is in Panama City. Its main activity is to invest in societies, companies, or projects, and the negotiation, exploitation, or participation in industrial, mining, commercial, real estate, maritime, or any other kind of companies, as well as any licit business allowed by the Republic of Panama laws. The duration of the company is in perpetuity.

ZONA FRANCA ARGOS S.A.S.

Incorporated in accordance with Colombian laws on July 5, 2007, its principal domicile is the city of Cartagena and its term of duration is indefinite. Its corporate purpose is the exploitation of the cement industry, the production of concrete mixtures and any other materials or articles based on cement, lime or clay, the acquisition and disposal of minerals or ore deposits that can be used in the cement industry and its similar, rights to explore and exploit minerals indicated, either by concession, privilege, lease or any other title, direct, manage, supervise, promote and develop a free zone, carry out all activities that in its condition of a single user of a special free zone are convenient, relevant or necessary, carry out the following activities as a port operator: loading and unloading, storage in ports, import and export of goods and services, general cargo handling, containerized cargo handling. It was declared in 2007 as a permanent special free zone.

The details of the Group's subsidiaries at the reporting period date, as well as the shareholding and voting power for 2024 are as follows:

| Subsidiary | Type | Location | Main activity | December 2024 | March 2024 |
|---|------|--------------------|---|---------------|------------|
| American Cement Terminals Trust (BVI) | P | Virgin Islands | Investments | 00.00 | 100.00 |
| Argos (Dominica) Ltd. | A | Dominica | Cement distribution | 100.00 | 100.00 |
| Argos Dominicana S.A. | A | Dominican Republic | Cement production and marketing | 80.00 | 80.00 |
| Argos Guatemala | A | Guatemala | Cement production and marketing | 100.00 | 100.00 |
| Argos Guyane S.A.S. | A | French Guiana | Cement production and marketing | 100.00 | 100.00 |
| Argos Honduras S.A. de C.V. | A | Honduras | Cement production and marketing | 53.29 | 53.29 |
| Argos Panamá, S.A. | A | Panama | Cement and concrete industry and marketing | 83.35 | 83.35 |
| Argos Puerto Rico, Corp | P | Puerto Rico | Cement distribution and sale | 60.00 | 60.00 |
| Argos SEM, LLC | I | United States | Investments | 100.00 | 100.00 |
| Argos St. Maarten N.V. | S | St. Maarten | Cement distribution | 100.00 | 100.00 |
| Argos Trading Puerto Rico LLC | I | Puerto Rico | Export | 60.00 | 60.00 |
| Argos USVI Corp. | S | Virgin Islands | Cement distribution | 100.00 | 100.00 |
| BMR Limited | S | Bermuda | Reinsurance | 100.00 | 100.00 |
| Cayenne II Investments S.A. | S | Panama | Asset Management | 83.35 | 00.00 |
| Cement and Mining Engineering Inc. | S | Panama | Investments | 100.00 | 100.00 |
| Cementos Argos Company Limited | S | Antigua | Cement distribution | 100.00 | 100.00 |
| Cementos de Caldas S.A. | S | Colombia | Cement production | 99.64 | 99.64 |
| CI del Mar Caribe (BVI) Inc. | S | Virgin Islands | Marketing | 100.00 | 100.00 |
| Cimenterie Nationale S.E.M. (CINA) | S | Haiti | Cement industry and marketing | 65.00 | 65.00 |
| Colcaribe Holdings, S.A. | S | Panama | Investments | 100.00 | 100.00 |
| Concreto S.A. | S | Panama | Ready-mix concrete manufacturing | 83.35 | 83.35 |
| Concretos Argos S.A. | S | Colombia | Concrete production and marketing | 100.00 | 100.00 |
| Corporaciones e Inversiones del Mar Caribe S.A.S. | S | Colombia | Investments | 100.00 | 100.00 |
| Framing Colombia S.A.S. BIC | S | Colombia | Execution of civil works and movable property | 70.00 | 70.00 |
| Haiti Cement Holding, S.A. | S | Panama | Investments | 100.00 | 100.00 |
| Inmuebles Miraflores S.A. | S | Panama | Property management | 100.00 | 100.00 |
| Logística de Transporte S.A. | S | Colombia | Transport | 99.99 | 99.99 |
| Soluciones Modulares Argos S.A.S. | S | Colombia | Precast concrete industry | 100.00 | 100.00 |
| Surcol Houdstermaatschappij N.V. | S | Suriname | Investments | 50.00 | 50.00 |
| Terminal Granelera Bahía Las Minas S.A. | S | Panama | Sea ports operation | 83.35 | 83.35 |
| Transatlantic Cement Carriers, Inc. | S | Panama | Maritime transportation | 100.00 | 100.00 |
| Valle Cement Investments | S | Virgin Islands | Investments | 100.00 | 100.00 |
| Venezuela Ports Company, S.A. | S | Panama | Investments | 100.00 | 100.00 |
| Vensur N.V. | S | Suriname | Cement production and marketing | 42.10 | 42.10 |
| Zona Franca Argos S.A.S. | S | Colombia | Cement industry | 100.00 | 100.00 |

I = Investees; S = Shares.

Details of partially owned subsidiaries that have material non-controlling interests in the Group are disclosed in Note 13.5.

13.2. Incorporation, contributions of investments in subsidiaries and repurchases of shares from minority interests resulting in changes in the ownership interest of subsidiaries

- On September 13, 2024, Cementos Argos S.A. entered into a share purchase agreement to acquire the entire capital stock of Concretos Argos S.A., (634,338 shares), Logística de Transporte S.A. (21,586 shares), Corporaciones e Inversiones del Mar Caribe S.A.S. (3,618 shares) and Grupo Argos (2 shares), at a price of \$19,726 per share, which resulted in a total disbursement of \$13,010.

With this transaction, Cementos Argos S.A. increased its net shareholding by 0.00003%, thus reaching 100% of the capital stock of Concretos Argos S.A., consolidating its total control over the company.

13.3. Incorporation, investment contributions and repurchase of shares of subsidiaries that do not result in changes in the interest of subsidiaries

- On May 13, 2024 the spin-off of Concreto S.A., a company of Cementos Argos S.A. through its subsidiary Argos Panamá S.A. was authorized, which resulted in the creation of a new company called Cayena II Investments S.A. The transaction corresponded to the transfer of 8 real estate assets, involving a total amount of \$1,368,317.11 USD representing a capital of 45,033 shares without par value. Through this transaction Cementos Argos obtained an 83.35% interest in the company. This spin-off did not generate monetary variation within the consolidated balances since it was a transfer of assets between both companies.

13.4. Contributions and restitution of contributions from investments in subsidiaries

- On December 23, 2024, the Board of Directors of ARGOS SEM approved the return in cash of capital contributions to Cementos Argos S.A. in the amount of USD \$250,025,000.
- On September 17, 2024, Cementos Argos S.A. capitalized the company Valle Cement Investments Inc. for USD \$112,602,709 through a share premium investment. Since the Company has only one shareholder, Panamanian law allows the capitalization to be made without issuing shares.

13.5. Details of partially owned subsidiaries that have material non-controlling interests

The following table shows the detail of partially owned Group subsidiaries that have material non-controlling interests in the periods ended December 31, 2024 and 2023:

| Subsidiary | Place of incorporation and business headquarters | Proportion of shareholding and voting rights held by non-controlling interests | | Profit (loss) allocated to non-controlling interests | | Cumulative non-controlling interests | |
|--|--|--|------------|--|---------------|--------------------------------------|----------------|
| | | December 2024 | March 2024 | 2024 | 2023 | December 2024 | March 2024 |
| Argos Honduras S.A. de C.V. | Honduras | 46.7% | 46.7% | 62,200 | 37,944 | 674,884 | 545,668 |
| Argos Panamá, S. A. and subsidiaries | Panama | 16.7% | 16.7% | 302 | 2,326 | 5,133 | (19,001) |
| Argos Puerto Rico, Corp. | Puerto Rico | 40.0% | 40.0% | 1,710 | 2,671 | 106,185 | 90,967 |
| Argos Dominicana S.A. and subsidiary | Dom. Rep. | 20.8% | 20.8% | 14,514 | 12,547 | 32,485 | 23,952 |
| | | | | 78,726 | 55,488 | 818,687 | 641,586 |
| Individually intangible subsidiaries, with non-controlling interests | | | | (24,140) | 1,229 | (7,525) | 16,549 |
| TOTAL CUMULATIVE NON-CONTROLLING INTERESTS | | | | 54,586 | 56,717 | 811,162 | 658,135 |

The summarized financial information regarding each of the Group's subsidiaries that has material non-controlling interests is presented below. The summarized financial information below represents amounts prior to intergroup eliminations:

| December 2024 | Current assets | Non-current assets | Current liabilities | Non-current liabilities | Ordinary income | Net income | Other comprehensive income | Total comprehensive income |
|--------------------------------------|----------------|--------------------|---------------------|-------------------------|-----------------|------------|----------------------------|----------------------------|
| Argos Dominicana S.A. and subsidiary | 194,239 | 94,653 | 125,658 | 837 | 333,955 | 72,557 | 17,257 | 89,814 |
| Argos Honduras S. A. de C.V. | 256,040 | 1,486,016 | 185,615 | 111,633 | 463,906 | 133,159 | 144,116 | 277,275 |
| Argos Panamá, S.A. and subsidiaries | 208,592 | 617,700 | 222,627 | 10,902 | 290,890 | 1,815 | 76,247 | 78,062 |
| Argos Puerto Rico Corp. | 125,372 | 295,215 | 66,788 | 65,655 | 241,601 | 4,275 | 37,032 | 41,307 |

| March 2024 | Current assets | Non-current assets | Current liabilities | Non-current liabilities | Ordinary income ⁽¹⁾ | Net income | Other comprehensive income | Total comprehensive income |
|--------------------------------------|----------------|--------------------|---------------------|-------------------------|--------------------------------|------------|----------------------------|----------------------------|
| Argos Dominicana S.A. and subsidiary | 133,856 | 68,351 | 77,703 | 4,771 | 426,422 | 81,482 | 12,462 | 93,944 |
| Argos Honduras S. A. de C.V. | 1,003,106 | 553,348 | 278,986 | 109,288 | 439,304 | 81,232 | (261,156) | (179,925) |
| Argos Panamá, S.A. and subsidiaries | 246,067 | 543,512 | 258,736 | 9,601 | 343,038 | 13,971 | (111,509) | (97,537) |
| Argos Puerto Rico Corp. | 118,278 | 269,280 | 72,674 | 67,817 | 230,041 | 8,905 | (52,536) | (43,631) |

(1) Revenues, net income and other comprehensive income (comparative) presented with balances as of December 2023 (unaudited)

13.6. Discontinued operations

- On September 7, 2023, Cementos Argos S.A. and its subsidiaries Valle Cement Investments Inc. and Argos SEM, LLC entered into an agreement with Summit Materials, Inc. ("Summit"), a construction materials company in the United States listed on the New York Stock Exchange since 2015. The agreement refers to the disposition of the group of assets associated with the United States region in which the subsidiaries Argos North America Corp. are located, which in turn consolidates Argos USA LLC and Southern Star Leasing LLC. At a meeting held on January 11, 2024, Summit's shareholders approved this transaction and on January 12 the transaction was successfully completed, where 100% of the shares of Argos North America Corp. were transferred and in consideration the Group received USD\$482 million in cash and 54,720,000 common shares and one preferred share of Summit, equivalent to a 31% interest recognized at fair value according to the quoted price for USD\$2,006 million. Additionally, Summit cancelled financial debt of Argos USA LLC for USD\$664 million, which included USD\$250 million of debt with its parent company Valle Cement Inc. for a total initial sale transaction of USD\$3,104 million (including the payment of the debt and cancellation of the contingent consideration) plus transaction expenses recognized for accounting purposes in Argos USA LLC for USD\$21 million.

As part of the cash received in the sale transaction, a contingent consideration was included, which, during 2024, was recognized at fair value, generating the recognition of an account payable to Summit Materials for a total of USD 47.7 million. Of this amount, USD 37.4 million were recognized in March and USD 10.3 million in August, the latter equivalent to COP 40,449 million, presented in the consolidated statement of comprehensive income as part of the discontinued operation. During the third quarter of 2024, the contingent consideration was settled, and the update to its fair value, together with its settlement, were recognized as part of the gain on the sale of the subsidiary.

- The detail of the net income of the transaction recognized as discontinued operations as of December 2024 is as follows:

| 2024 | Thousands of USD | Millions of COP |
|--|------------------|------------------|
| Sales price | 2,440,505 | 9,590,674 |
| Investment cost | (1,352,420) | (5,314,725) |
| Subtotal profit on sale | 1,088,085 | 4,275,949 |
| Less: Deferred profit - intangible assets transferred in use of trademark ⁽¹⁾ | (21,400) | (84,098) |
| Less: Punishment of the receivable associated to Argos USA LLC | (480) | (1,886) |
| More: Transfer from OCI to period income (note 28) | - | 1,605,319 |
| Operating income | | 5,795,284 |
| Less: Deferred tax ⁽²⁾ | - | (499,799) |
| Net income | | 5,295,485 |

| 2024 | Millions of COP |
|---------------------------------------|------------------|
| Compensation received, in cash | 2,786,818 |
| Cash and cash equivalents disposed of | (338,853) |
| Cash inflow, net | 2,447,965 |

- Details of balances reclassified to discontinued operations as of December 31, 2024 for the nine-month period are as follows:

| 2024 | Millions of COP |
|---|-----------------|
| Equity method investment Summit Materials (See note 18) | 268,639 |
| Contingent consideration Argos USA sale (See note 13.6) | (40,449) |
| Cash inflow, net | 228,190 |

- The detail of balances reclassified to discontinued operations, from April 1 to December 31, 2023, and the reconciliation of the third quarter reported in 2023, is as follows:

| December 2023 | Before reclassifications | Discontinued operations | With reclassifications (unaudited) |
|--|--------------------------|-------------------------|------------------------------------|
| Sales revenue | 9,335,638 | 5,419,625 | 3,916,013 |
| Cost of sales | (7,087,461) | (4,151,030) | (2,936,431) |
| Gross profit from discontinued operations | 2,248,177 | 1,268,595 | 979,582 |
| Administrative and sales expenses | (986,581) | (476,294) | (510,287) |
| Other income (expense), net | 53,383 | 55,176 | (1,793) |
| Impairment of non-current assets | (204) | - | (204) |
| Operating income | 1,314,775 | 847,477 | 467,298 |
| Interest expense, net | (632,146) | (94,631) | (537,515) |
| Difference in foreign exchange, net | (35,173) | (6) | (35,167) |
| Interest in associates and joint ventures | 874 | - | 874 |
| Income before taxes | 648,330 | 752,840 | (104,510) |
| Income tax | (350,094) | (169,464) | (180,630) |
| Net income from continued operations | 298,236 | 583,376 | (285,140) |
| Net income from discontinued operations | - | 583,376 | 583,376 |
| Net income for the year | 298,236 | - | 298,236 |
| Attributable to: | | | |
| Controlling interest | 241,519 | 583,376 | 241,519 |
| Non-controlling interests | 56,717 | - | 56,717 |
| Net income | 298,236 | 583,376 | 298,236 |

- Net cash flows from discontinued operations from April 1 to December 31, 2023

| December 2023 | Before reclassifications | Discontinued operations | With reclassifications (unaudited) |
|--|--------------------------|-------------------------|------------------------------------|
| Inventories | 61,844 | (10,567) | 51,277 |
| Trade accounts receivable | 222,910 | (178,303) | 44,607 |
| Creditors and other trade accounts payable | 11,333 | (21,260) | (9,927) |
| Other assets and liabilities, net | (298,109) | (82,956) | (381,065) |
| Taxes paid | (204,791) | 20,695 | (184,096) |
| Adjustments to reconcile profit | 2,165,557 | (767,229) | 1,398,328 |
| Discontinued operating activities | - | 1,039,620 | 1,039,620 |
| Operating activities | 1,958,744 | - | 1,958,745 |
| Payments for property, plant, and equipment, and investment | (677,401) | 434,354 | (243,047) |
| Proceeds from sale of property, plant and equipment and investments | 109,969 | (74,609) | 35,360 |
| Interest received | 76,433 | (13,418) | 63,015 |
| Other investment activities | 508,489 | - | 508,489 |
| Discontinued Investments activities | - | (346,327) | (346,327) |
| Investment activities | 17,490 | - | 17,490 |
| Amounts from loans | 1,674,414 | 4,654 | 1,679,068 |
| Receivables from financial derivative contracts | 78,020 | (4,605) | 73,415 |
| Payments of loans and debt instruments | (1,419,505) | 345,327 | (1,074,178) |
| Lease liabilities payments | (95,868) | 48,084 | (47,784) |
| Paid interest | (651,748) | 124,431 | (527,317) |
| Other financing activities | (1,095,639) | 5,175 | (1,090,464) |
| Discontinued financing activities | - | (523,066) | (523,066) |
| Financing activities | (1,510,326) | - | (1,510,326) |
| Cash flows from operation, investment, and financing activities | 465,908 | - | 465,908 |

Transaction costs were recognized from Argos USA LLC, corresponding mainly to consulting and advisory fees and recognized in the sales price by Summit Materials under the agreement for US\$21 million.

- Taxes associated with the transaction:

(1) The sales contract established the transfer of the use of the 'Argos' trademark in the United States, under this agreement, the parties executed a 7-year valuation on the trademark for US\$21,400,000. The value was invoiced by Cementos Argos in Colombia and paid by Summit in the United States. This payment had a withholding tax of 30% for US\$6,420,000. The invoiced value was recognized as deferred income and will be amortized monthly in 'operating income' over time for up to 7 years.

(2) Deferred tax of \$499,799 generated on the potential cash generated in the operation distributable as dividend and/or capital reimbursement as taxable for Cementos Argos S.A. from Argos SEM, LLC and Valle Cement Investments Inc, on which the gain on sale is recognized as they are the direct holders of the shares.

13.7. Liquidation of subsidiaries

- During the second quarter of 2024, the company completed the liquidation of American Cement Terminal Trust, a company whose only asset was linked to the operation of Argos North America Corp. The sale of the Argos North America Corp. operation and the liquidation of American Cement Terminal Trust were part of an integrated transaction. Due to the reciprocal nature of the related transaction, the asset of American Cement Terminal Trust was eliminated in the consolidation process, therefore the liquidation of this company had no effect on the consolidated balances. The resulting gain on the sale of the Argos North America Corp operation has been duly recognized in the results of the first quarter of 2024.

13.8. Significant restrictions and financial support

The Group has no subsidiaries with significant restrictions on transferring and/or receiving assets from other Group companies, nor are there any protective rights to non-controlling interests that may significantly restrict the Group's ability to access or use the assets and settle the liabilities of subsidiaries; nor are there any guarantees or other requirements that may restrict dividends and other capital distributions payable within the Group.

As of December 31, 2024 and comparatives, the Group has not provided financial support without having any contractual obligation to do so to any investee, nor has it assisted in obtaining financial support

13.9. Issuance of bonds

On September 20, 2024 Cementos Argos S.A. made a private issuance of bonds outside Colombia, subject to Panamanian law, for USD 198,500,000, which may be subscribed by any of its subordinates, except for those domiciled and/or operating in Panama. This transaction, which is part of the corporate reorganization of some of Cementos Argos' foreign subsidiaries, will not increase the Company's leverage at the consolidated level. Since the bonds were issued exclusively abroad, they were not authorized by the Financial Superintendency of Colombia, nor were they registered in the National Registry of Securities and Issuers and, therefore, may not be offered or sold in Colombia.

NOTE 14: INTANGIBLE ASSETS, NET

14.1 Reconciliation of cost, accumulated depreciation and intangible assets impairment

| December 2024 | Opening balance | Additions | Amortization | Effect of Exchange Rate Differences | Sales and retirement of assets | Other changes | Closing Balance |
|--|------------------|--------------|-----------------|-------------------------------------|--------------------------------|---------------|------------------|
| Brands with indefinite useful life | 115,389 | - | - | - | - | - | 115,389 |
| Brands, customer lists and related | 652,202 | - | - | 75,469 | - | - | 727,671 |
| Concessions, franchises and rights | 335,523 | - | - | 7,548 | (22,796) | - | 320,275 |
| Patents, licenses and software | 218,515 | 884 | - | 2,061 | (138) | 3,695 | 225,017 |
| Intangible assets in progress | 2,013 | 816 | - | 37 | (250) | (1,031) | 1,585 |
| Other intangible assets | 48,236 | - | - | 45 | - | - | 48,281 |
| Historical cost | 1,371,878 | 1,700 | - | 85,160 | (23,184) | 2,664 | 1,438,218 |
| Brands, customer lists and related | 445,460 | - | 34,022 | 53,023 | - | - | 532,505 |
| Concessions, franchises and rights | 261,886 | - | 11,610 | 5,635 | (22,784) | (236) | 256,111 |
| Patents, licenses and software | 211,281 | - | 1,733 | 1,590 | (139) | (107) | 214,358 |
| Other intangible assets | 48,083 | - | 155 | 45 | - | - | 48,283 |
| Value depreciation and impairment | 966,710 | - | 47,520 | 60,293 | (22,923) | (343) | 1,051,257 |
| Intangible assets, net | 405,168 | 1,700 | (47,520) | 24,867 | (261) | 3,007 | 386,961 |

| March 2024 | Opening balance | Additions | Amortization | Effect of Exchange Rate Differences | Loss of subsidiary control | Sales and retirement of assets | Other changes | Closing Balance |
|--|------------------|------------|-----------------|-------------------------------------|----------------------------|--------------------------------|---------------|------------------|
| Brands with indefinite useful life | 115,389 | - | - | - | - | - | - | 115,389 |
| Brands, customer lists and related | 1,084,541 | - | - | 12,811 | (445,150) | - | - | 652,202 |
| Concessions, franchises and rights | 439,281 | - | - | 2,996 | (107,548) | (28) | 822 | 335,523 |
| Patents, licenses and software | 246,340 | 49 | - | 789 | (28,663) | - | - | 218,515 |
| Intangible assets in progress | 2,359 | 83 | - | 4 | - | - | (433) | 2,013 |
| Other intangible assets | 48,231 | - | - | 5 | - | - | - | 48,236 |
| Historical cost | 1,936,141 | 132 | - | 16,605 | (581,361) | (28) | 389 | 1,371,878 |
| Brands, customer lists and related | 848,221 | - | 10,845 | 11,566 | (425,172) | - | - | 445,460 |
| Concessions, franchises and rights | 317,362 | - | 5,016 | 1,758 | (62,233) | (16) | (1) | 261,886 |
| Patents, licenses and software | 238,231 | - | 671 | 757 | (28,357) | - | (21) | 211,281 |
| Other intangible assets | 47,615 | - | 465 | 3 | - | - | - | 48,083 |
| Value depreciation and impairment | 1,451,429 | - | 16,997 | 14,084 | (515,762) | (16) | (22) | 966,710 |
| Intangible assets, net | 484,712 | 132 | (16,997) | 2,521 | (65,599) | (12) | 411 | 405,168 |

As of December 31, 2024 and comparative years, intangible assets in progress do not include capitalized borrowing costs. The useful lives of other intangible assets are:

| Intangible | Ranges useful life in years | Depreciation method |
|---|-----------------------------|---------------------|
| Argos Brand | Indefinite | |
| Other brands | Finite: Between 2 and 20 | Linear |
| Client lists and client-related intangibles | Finite: Between 5 and 15 | Linear |
| Rights | Finite: Between 4 and 35 | Linear |
| Concessions, franchises and licenses | According to the agreement | Linear |
| Licenses, patents and software | Finite: Between 2 and 12 | Linear |
| Other intangibles | Finite: Between 4 and 16 | Linear |

Intangibles amortization is recognized as expenses in the consolidated income statement, in the cost of sales, administrative expenses, and selling expenses line, and impairment losses are recognized as expenses in the income statement, in the goodwill impairment and other assets line.

During 2024, the subsidiary Soluciones Modulares Argos S.A.S. and Cementos Argos S.A., made disbursements for research and development projects and were recorded as part of administrative and selling expenses for the amount of \$ 9,465 (2023: \$545). As of December 31, 2024 and comparatives there are no restrictions on the realization of intangible assets because none of them have been pledged as collateral for the fulfillment of obligations, nor does the Group have contractual obligations to acquire or develop intangible assets.

The net carrying value and the remaining amortization period for other significant intangible assets is:

| Intangible | Remaining amortization period | December 2024 | March 2024 |
|-------------|-------------------------------|---------------|------------|
| Client list | 5 years | 158,279 | 168,542 |
| Argos Brand | Undefined | 115,389 | 115,389 |

The Management determined that the Argos Brand, purchased and paid in cash from Grupo Argos S. A. in December, 2005 for \$115,389, is an intangible asset with an indefinite useful life given that Cementos Argos S. A., due to the legal rights acquired at the time of the purchase from Grupo Argos S. A., has the capacity to control the future economic benefits of the brand and expects it to generate economic benefits indefinitely (See Note 'Impairment').

The Argos brand does not present any event or circumstance that constitutes an impairment indicator; however, since it is an intangible asset with an indefinite useful life, an impairment test was performed to verify its value, allowing concluding that for the year 2024 the brand does not present decreases in value due to impairment. The recoverable value was determined using the value in use, the projection of cash flows was made at a consolidated level for a period of 10 years, considering the expected business conditions for each Regional.

The discount rate applied to the cash flow projections was a pre-tax WACC of 10.67%. It was calculated using the CAPM methodology, including risk-free rate, average country risk considering the geographies where Argos has presence, equity market premium, sector beta, implicit devaluations, average tax rate, D/E ratio, cost of debt of Cementos Argos S.A. and perpetual growth rate: 2.5%.

NOTE 15: PROPERTY, PLANT AND EQUIPMENT

15.1 Reconciliation of cost, accumulated depreciation and impairment of property, plant and equipment

| December 2024 | Opening balance | Additions and depreciation | Classified as held for sale | Effect of Exchange Rate | Sale and retirements | Others changes ⁽¹⁾ | Closing balance |
|---|------------------|----------------------------|-----------------------------|-------------------------|----------------------|-------------------------------|------------------|
| Land | 970,717 | - | (5,574) | retirements | (4,787) | 1,312 | 978,453 |
| Assets in progress, assembly and transit ⁽²⁾ | 805,429 | 285,170 | - | 9,892 | - | (205,972) | 894,519 |
| Buildings and constructions | 1,036,771 | 72 | - | 69,433 | (6,515) | 33,094 | 1,132,855 |
| Machinery and production equipment | 4,572,099 | 8,929 | - | 142,668 | (159,071) | 145,860 | 4,710,485 |
| Office, computer and communication equipment | 118,262 | 3,640 | - | 4,529 | (4,712) | 5,695 | 127,414 |
| Mines, quarries, and mineral deposits | 199,873 | 4,345 | - | 3,435 | (49) | 357 | 207,961 |
| Overland transport equipment | 371,692 | 612 | - | 15,504 | (11,807) | 21,714 | 397,715 |
| River transport fleet | 2,152 | - | - | - | - | 549 | 2,701 |
| Aqueduct, networks and communications routes | 130,327 | - | - | 1,582 | (1,921) | 891 | 130,879 |
| Advances given to third parties | 34,066 | 536 | - | 2,875 | - | (6,721) | 30,756 |
| Total historical cost | 8,241,388 | 303,304 | (5,574) | 266,703 | (188,862) | (3,221) | 8,613,738 |
| Buildings and constructions | 482,003 | 35,261 | - | 37,363 | (6,471) | 241 | 548,397 |
| Machinery and production equipment | 2,278,869 | 193,142 | - | 82,800 | (157,515) | 281 | 2,397,577 |
| Office, computer and communication equipment | 89,520 | 6,931 | - | 3,714 | (4,708) | 508 | 95,965 |
| Mines, quarries, and mineral deposits | 126,064 | 7,717 | - | 435 | (49) | (109) | 134,058 |
| Overland transport equipment | 247,657 | 19,448 | - | 13,153 | (10,995) | (10) | 269,253 |
| River transport fleet | 1,042 | 88 | - | - | - | - | 1,130 |
| Aqueduct, networks and communications routes | 60,526 | 6,190 | - | 1,054 | (1,921) | - | 65,849 |
| Total depreciation and impairment | 3,285,681 | 268,777 | - | 138,519 | (181,659) | 911 | 3,512,229 |
| Property, plant and equipment, net | 4,955,707 | 34,527 | (5,574) | 128,184 | (7,203) | (4,132) | 5,101,509 |

(1) As of December 31, 2023, it mainly includes transfers between accounts due to activation and closure of ongoing projects.

(2) Construction in progress, equipment in assembly and transit includes the assets of the Helios project, which to date has an investment of \$583,546 million pesos, of which \$526,681 and \$526,789 million pesos are still in progress for the years of December 2024 and March 2024, respectively, corresponding to the construction and updating project of one of the cement plants, which is part of the existing integrated network for Colombia and is expected to start operating in 2025.

| March 2024 | Opening balance | Additions and depreciation | Effect of Exchange Rate | Sale and retirements | Loss of control of subsidiary | Others changes ⁽²⁾ | Balances at end of period |
|---|-------------------|----------------------------|-------------------------|----------------------|-------------------------------|-------------------------------|---------------------------|
| Land | 1,357,196 | - | 10,807 | - | (405,139) | 7,853 | 970,717 |
| Assets in progress, assembly and transit ⁽²⁾ | 1,156,844 | 37,719 | 9,166 | - | (361,053) | (37,247) | 805,429 |
| Buildings and constructions | 2,410,153 | 468 | 36,167 | (523) | (1,402,932) | (6,562) | 1,036,771 |
| Machinery and production equipment | 8,827,293 | 725 | 113,456 | (13,198) | (4,385,016) | 28,839 | 4,572,099 |
| Office, computer and communication equipment | 252,333 | 296 | 3,655 | (11,766) | (133,912) | 7,656 | 118,262 |
| Mines, quarries, and mineral deposits | 2,508,815 | 1,276 | 59,833 | - | (2,370,051) | - | 199,873 |
| Overland transport equipment | 1,142,810 | - | 20,234 | (1,963) | (789,407) | 18 | 371,692 |
| River transport fleet | 53,600 | - | 1,330 | - | (52,778) | - | 2,152 |
| Aqueduct, networks and communications routes | 352,437 | - | 5,548 | (3) | (227,726) | 71 | 130,327 |
| Advances given to third parties | 27,565 | 7,577 | (38) | - | - | (1,038) | 34,066 |
| Total historical cost | 18,089,046 | 48,061 | 260,158 | (27,453) | (10,128,014) | (410) | 8,241,388 |
| Buildings and constructions | 1,095,971 | 7,766 | 16,762 | (507) | (638,190) | 201 | 482,003 |
| Machinery and production equipment | 4,209,908 | 50,282 | 52,545 | (12,783) | (2,020,889) | (194) | 2,278,869 |
| Office, computer and communication equipment | 193,658 | 2,046 | 2,727 | (11,766) | (97,193) | 48 | 89,520 |
| Mines, quarries, and mineral deposits | 270,692 | 2,331 | 3,810 | - | (150,769) | - | 126,064 |
| Overland transport equipment | 604,520 | 6,641 | 9,650 | (1,963) | (371,191) | - | 247,657 |
| River transport fleet | 17,057 | 27 | 415 | - | (16,457) | - | 1,042 |
| Aqueduct, networks and communications routes | 174,156 | 1,684 | 2,850 | (2) | (118,162) | - | 60,526 |
| Total depreciation and impairment | 6,565,962 | 70,777 | 88,759 | (27,021) | (3,412,851) | 55 | 3,285,681 |
| Property, plant and equipment, net | 11,523,084 | (22,716) | 171,399 | (432) | (6,715,163) | (465) | 4,955,707 |

(1) As of March 31, 2024, it mainly includes transfers between accounts due to activation and closure of ongoing projects.

(2) Construction in progress, equipment in assembly and transit includes the assets of the Helios project for \$526,789 and \$583,546 for the years 2024 and 2023, respectively, corresponding to the construction and updating project of one of the cement plants, which is part of the existing integrated network for Colombia and is expected to start operating in 2025.

For 2024 and comparatives there were no capitalizations of costs per loans.

As of December 31, 2024 and March 2024, there are no assets pledged as collateral for the fulfillment of property, plant and equipment obligations.

At the end of the reporting period and comparable ones, there are no restrictions on property, plant and equipment realization, nor contractual commitments for the acquisition of property, plant and equipment. The Group did not obtain compensation from third parties for damaged, lost or abandoned property, plant and equipment.

NOTE 16: INVESTMENT PROPERTIES

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Fair value of investment properties as of April 1 | 199,126 | 240,569 |
| Additions for purchases or construction | - | 596 |
| Transfers to investment properties | (607) | - |
| Effect of foreign exchange differences | 12,845 | 1,561 |
| Net profits from fair value adjustments | 3,909 | - |
| Loss of control of subsidiaries | - | (43,600) |
| Fair value of investment properties as of December 31 | 215,273 | 199,126 |

The fair value of investment properties is determined by an independent valuation company. The appraisal companies used the comparative market and/or residual approach methodology to estimate the fair value.

The inputs to the fair value estimate are classified as level 2 inputs within the fair value hierarchy, a hierarchy that also corresponds to the complete estimate, since they correspond to bid prices, appraisals or transactions of similar properties that are observable, either directly or indirectly, in the market, and that have been adjusted or homogenized by factors such as area, access roads, immediate neighborhood, finishes, improvements, state of preservation, among others.

Rental income from investment properties for the period amounted to\$ 1,230 (2023: \$881). Direct expenses related to investment properties that did not generate rental income are\$ 2,409 (2023: \$2,054) ,) and related to rental income-generating properties are \$184 (2023: \$5,718). As of December 31 and March 31, 2024, the Group has no contractual obligations to acquire, build or develop investment property, nor are there any restrictions on any investment property.

NOTE 17: GOODWILL AND ASSETS VALUE IMPAIRMENT

17.1 Goodwill movement by transaction segment

| | December 2024 | | | | March 2024 | | | | |
|---|----------------|-----------------|------------|------------------|----------------|-----------------|------------|----------------|------------------|
| | Caribbean | Central America | Colombia | Total | Caribbean | Central America | Colombia | United States | Total |
| Gross value | 125,403 | 797,407 | 296 | 923,106 | 126,718 | 793,577 | 296 | 1,277,670 | 2,198,261 |
| Accumulated value impairment | - | - | - | - | - | - | - | (596,500) | (596,500) |
| Goodwill as of April 1 | 125,403 | 797,407 | 296 | 923,106 | 126,718 | 793,577 | 296 | 681,170 | 1,601,761 |
| Currency conversion effect | 14,315 | 96,534 | - | 110,849 | (1,315) | 3,830 | - | 17,546 | 20,061 |
| Loss of control of subsidiary | - | - | - | - | - | - | - | (698,716) | (698,716) |
| Goodwill as of December 31 | 139,718 | 893,941 | 296 | 1,033,955 | 125,403 | 797,407 | 296 | - | 923,106 |
| Gross value | 139,718 | 893,941 | 296 | 1,033,955 | 125,403 | 797,407 | 296 | - | 923,106 |
| Accumulated value impairment | - | - | - | - | - | - | - | - | - |
| Goodwill as of December 31 | 139,718 | 893,941 | 296 | 1,033,955 | 125,403 | 797,407 | 296 | - | 923,106 |
| Intangible assets other than goodwill with indefinite useful lives 2024 | | | | | | | | | 115,389 |
| Intangible assets other than goodwill with indefinite useful lives 2023 | | | | | | | | | 115,389 |

Current goodwill is allocated in some countries in the Caribbean, Central America and Colombia, since Management controls goodwill at this level, both for financial reporting purposes and for impairment testing.

Impairment losses are recognized as an expense in the statement of income in the goodwill and other assets impairment line. No goodwill impairment losses were recognized during 2024 (December 2023: \$188).

17.2 Goodwill value impairment

Goodwill and intangible assets with an indefinite useful life are not subject to amortization, the Group annually reviews the existence of impairment. At the end of the reporting period and comparatives, no impairment losses on goodwill were recognized.

For 2024 and 2023 the Group conducted impairment tests based on the value in use of its operating segments, except for the United States segment, which for 2023 the impairment test was carried out based on its fair value.

The Group performed impairment tests based on the value in use of its operating segments. The key assumptions used by the Group in determining value in use are as follows:

| Key assumption | Description |
|--|---|
| Cash flow projection | The Group projects ordinary income based on the inflation of each country plus the addition of points associated with the expectation of market growth. On the other hand, costs are projected based on the inflation in each country. |
| Cash flow projection period | The period defined by Management for flows projection is 10 years with perpetuity, because the capital investments made by the Group in the operating segments require long recovery periods. |
| Discount rate applied to cash flow projections | The Group uses the valuation model of financial assets called CAPM (Capital Asset Pricing Model) to determine the discount rate, which uses as main variables: <ul style="list-style-type: none"> - Risk-free rate: return on a portfolio that has no default risk. It takes as a reference U.S. treasury bonds yield with long-term maturity. - Beta: risk measure that associates the share volatility with the market volatility. - Market premium: spread between risk-free rate and market profitability. - Country risk premium: it is the spread above the U.S. treasury bonds required by investors in international markets. The sources used to determine these variables were: Damodaran and SBBi (Stocks, Bonds, Bills and Inflation) yearbook. |
| Growth rate | Perpetuity corresponds to the company value at the end of the explicit period. The growth rate is defined considering not to exceed: <ul style="list-style-type: none"> - The growth expectations of the operating country and business segment. - The flows average growth of the explicit period in recent years. |

Values of the key assumptions used by the Group in determining the value in use of the operating segments are presented below:

| | Discount rate (before taxes) | | Perpetual growth rate | |
|-----------------|------------------------------|----------------|-----------------------|------------|
| | 2024 | 2023 | 2024 | 2023 |
| Caribbean | 10.1% - 17.4% | 9.14% - 9.31% | 2.5%-3.5% | 2.5% -3.5% |
| Central America | 11.2% - 12.1% | 9.83% - 10.89% | 2.5% | 2.5% |
| Colombia | 12.79% | 16% - 16.5% | 2.5% | 0% |

Fair value - The values used by the Group in determining the fair value for the United States segment in 2023 are presented below:

| Segment | Year | Fair value CGU |
|---------------|------|--------------------|
| United States | 2023 | US \$3,400 million |

The fair value or enterprise value for 2023 was communicated to the market through Summit Materials, Inc. and Cementos Argos S.A. on September 7, 2023, in which the sale agreement of Argos North America Corp. and its subsidiaries, companies that make up the United States segment, was announced.

The enterprise value of the United States segment is an appropriate indicator of the current condition of the Company and one of the main indicators from a quantitative point of view to determine whether goodwill impairment is necessary. Additionally,

Morgan Stanley, Summit Materials' financial advisor with respect to the transaction, derived an enterprise value range on the U.S. segment of US\$3,400 million to US\$4,800 million. The fair value used of US\$3,400 million results in a relatively conservative value for the purposes of the goodwill impairment test. Management analyzed whether these amounts, based on estimated future cash flows, would exceed the book value of the CGU using the historical EBITDA and comparing it with the recoverable value of the identified assets including goodwill, concluding that for 2023, there is no impairment to recognize in the financial statements as of December 31, 2023.

On January 12, 2024, the sale transaction was closed for US\$3,200 million, a value that, when compared with the book value of the assets of the United States regional, including goodwill, it was evident that they have no impairment. The Group, pursuant to the closing of this transaction, received US\$1,200 million in cash and 31% of the shares of Summit Materials on January 12, 2024.

17.3 Impairment value of other assets

IAS 36 – Impairment of Assets requires assessing impairment indicators of non-current assets at the end of the reporting period, based on available external and internal information. The Group reviews the carrying value of non-current impairment assets whenever events or circumstances indicate that the carrying value may not be recoverable. If the total discounted future cash flows are less than the carrying value, the non-current asset carrying value is not recoverable, and an impairment loss is recognized in the consolidated income statement.

The Argos brand has been assigned to the three geographic operating segments: Colombia, Caribbean and Central America, for contributing to the generation of future economic benefits of all operating segments. Management determined that the Argos Brand, purchased and paid in cash from Grupo Argos S. A. in December 2005 for \$115,389, is an intangible asset with an indefinite useful life given that Cementos Argos S. A. due to the legal rights acquired at the time of the purchase from Grupo Argos, and has the capacity to control the future brand economic benefits and expects it to generate economic benefits indefinitely.

Considering that the Argos Brand intangible is an intangible with an indefinite useful life and contributes to the generation of future economic benefits of the operating segments, and that the allocation of its carrying value is not significant to each individual segment.

The Argos brand does not present an event or circumstance that constitutes an impairment indicator. However, because it is an intangible asset with an indefinite useful life, an impairment test was carried out to verify its value, allowing to conclude that by 2024 the brand does not present decreases for impairment value. The recoverable amount was determined using the value in use; the cash flows projection was carried out at a consolidated level for a period of 10 years, considering the expected business conditions for each Region.

The discount rate applied to cash flow projections was a pre-tax WACC of 13.14%. It was calculated using the CAPM methodology, including risk-free rate, average country risk considering the geographies where Argos has a presence, stock market premium, beta sector, implicit devaluations, average tax rate, D/E ratio, debt cost from Cementos Argos S.A., and perpetual growth rate: 2.5%.

NOTE 18: ASSETS HELD FOR SALE

The Group holds assets that are expected to be realized through a sale transaction rather than held for continued use and for which a sale plan has been initiated, these assets have been classified as held for sale in accordance with IFRS 5. Assets are available for immediate sale and their sale is highly probable.

The items mentioned above are detailed below:

| | December 2024 | March 2024 |
|---|------------------|------------|
| Investment properties and other real estate | 608 | - |
| Investments in associates and joint ventures ⁽¹⁾ | 9,049,400 | - |
| Property, plant and equipment | 6,033 | - |
| Total assets held for sale | 9,056,041 | - |

18.1. Discontinued operations

(1) As part of our strategy to strengthen our financial strength and generate shareholder value, Cementos Argos has decided to sell its 31% stake in Summit Materials, a company listed on the New York Stock Exchange. The transaction, valued at USD 52.5 per share, will generate estimated proceeds of USD 2,875 millions. In October 2024, Quikrete Holdings, Inc. a leader in building materials, publicly announced its intention to acquire Summit Materials through a tender offer registered with the New York Stock Exchange.

As of December 31, 2024, the book balance of this investment amounts to COP \$9,049,400 and the income recognized by the equity method is \$268,639 (Income presented in the consolidated statement of comprehensive income as discontinued operations).

NOTE 19: FINANCIAL OBLIGATIONS

| | December 2024 | March 2024 |
|--|------------------|------------------|
| Bank overdrafts. | 2,485 | 20,355 |
| Foreign and domestic currency promissory notes | 1,498,506 | 2,062,080 |
| Other obligations ⁽¹⁾ | 17,416 | 704 |
| | 1,518,407 | 2,083,139 |
| Current | 740,721 | 1,405,455 |
| Non-current | 777,686 | 677,684 |
| | 1,518,407 | 2,083,139 |

(1) In December and March 2024 corresponds mainly to taxes payable in the Honduras operation.

19.1 Loan agreements summary

Financial obligations in foreign currency and local currency comprise short-and long-term loans taken by the Group companies. Refer to Table 26.7 in Note 26 for information about average interest rates on financial liabilities. The Group's credits are rounded to the nearest million units when they are expressed in Colombian pesos, lempiras or Japanese yen and to the nearest thousand units when they are expressed in dollars.

| Bank | Entity | Concept | Expiration | Currency | Nominal value | | Currency | Book value | |
|----------|-----------------------------------|-----------------|------------|----------|---------------|------------|----------|------------------|------------------|
| | | | | | December 2024 | March 2024 | | December 2024 | March 2024 |
| Foreign | Santander | Working capital | 2025 | USD | 15,000 | 15,000 | COP | 66,665 | 58,077 |
| Foreign | Santander | Working capital | 2026 | USD | 15,000 | 15,000 | COP | 66,665 | 58,077 |
| Foreign | Banco Popular | Working capital | 2026 | USD | 2,250 | 3,600 | COP | 9,953 | 13,859 |
| National | Bancolombia | Working capital | 2025 | COP | 135,000 | 135,000 | COP | 137,744 | 138,002 |
| National | Banco de Bogotá | Working capital | 2027 | COP | 272,000 | 272,000 | COP | 279,310 | 280,470 |
| Foreign | Scotiabank | Working capital | 2025 | USD | 20,000 | 20,000 | COP | 88,540 | 77,139 |
| Foreign | NATIXIS | Working capital | 2025 | USD | 40,000 | 40,000 | COP | 178,075 | 155,311 |
| National | BBVA ⁽¹⁾ | Working capital | 2026 | COP | 30,000 | 30,000 | COP | 30,035 | 30,398 |
| Foreign | BCP | Working capital | 2024 | USD | - | 8,000 | COP | - | 31,935 |
| Foreign | BBVA | Working capital | 2024 | USD | - | 40,000 | COP | - | 161,741 |
| Foreign | BCP | Working capital | 2026 | USD | - | 25,984 | COP | - | 100,647 |
| National | BBVA | Working capital | 2025 | COP | - | 50,000 | COP | - | 50,173 |
| Foreign | CitiBank | Working capital | 2025 | HNL | 175,000 | 175,000 | COP | 30,512 | 27,295 |
| Foreign | Citibank NY | Working capital | 2024 | JPY | - | 27,063 | COP | - | 621,587 |
| Foreign | General Bank | Working capital | 2025 | DOP | 100,000 | 100,000 | COP | 7,215 | 6,498 |
| Foreign | General Bank | Working capital | 2025 | USD | 10,000 | 10,000 | COP | 44,209 | 38,609 |
| National | Bancolombia | Working capital | 2025 | COP | - | 210,000 | COP | - | 212,262 |
| Foreign | Santander | Working capital | 2027 | USD | 100,000 | - | COP | 444,278 | - |
| National | Banco de Occidente | Working capital | 2025 | COP | 100,000 | - | COP | 100,874 | - |
| Foreign | Banco Múltiple BHD ⁽²⁾ | Working capital | 2029 | DOP | 200,000 | - | COP | 14,431 | - |
| | | | | | | | | 1,498,506 | 2,062,080 |

(1) In August 2023 the company Cementos Argos S.A. took out a loan with BBVA for a period of 3 years and for COP \$30,000 million, in which the interest rate is linked to sustainability indicators and the following financial commitments are made:

- a. Specific net CO2 emissions
- b. Specific water consumption in the cement business

(2) The debt that the Dominican Republic operation has with Banco BHD includes the following indicators for such operation:

- a. Minimum liquidity ratio of 1.5 times.
- b. Interest coverage of 2.5 times.

Guarantees provided for the applicable credits are disclosed in note 26.8 Collateral.

19.2 Maturity of financial obligations

| Maturity | Financial obligations in national currency | Financial obligations in foreign currency | Bank overdrafts and other financial obligations | Total |
|--------------|--|---|---|------------------|
| Year or less | 275,962 | 444,858 | 19,901 | 740,721 |
| 1 to 5 years | 272,000 | 505,686 | - | 777,686 |
| Total | 547,962 | 950,544 | 19,901 | 1,518,407 |

19.3 loan agreement breach

During the reporting periods, the Company did not present defaults on capital or interest on financial liabilities and/or loans payable, nor on the indicators of its loan agreements

In turn, during 2024 there were no material modifications to the existing credit agreements.

19.4 Reconciliation of changes in liabilities and cash flows arising from financing activities

| 2024 | Obligations and other financial liabilities | Lease liabilities | Dividend liability | Derivative liabilities, net | Compound bonds and financial instruments | Other liabilities associated with financing activities | Total liabilities with impact on financing cash flows | Non-controlling interest | Total liabilities and non-controlling interest |
|---|---|-------------------|--------------------|-----------------------------|--|--|---|--------------------------|--|
| Balance as of April 1, 2024 | 2,184,303 | 148,671 | 249,448 | 152,922 | 2,608,225 | (247,001) | 5,096,568 | 658,135 | 5,754,703 |
| Loan payments | (2,505,916) | - | - | - | - | - | (2,505,916) | - | (2,505,916) |
| Amounts from loans | 1,783,329 | - | - | - | - | - | 1,783,329 | - | 1,783,329 |
| Reacquisition of ordinary shares | - | - | - | - | - | (210,545) | (210,545) | - | (210,545) |
| Reacquisition of preferred shares | - | - | - | - | - | (3,164) | (3,164) | - | (3,164) |
| Paid interest | (172,792) | (16,428) | - | - | (204,559) | - | (393,779) | - | (393,779) |
| Paid dividend on ordinary shares | - | - | (430,834) | - | - | - | (430,834) | - | (430,834) |
| Lease liability payments | - | (42,404) | - | - | - | - | (42,404) | - | (42,404) |
| Payments from financial derivatives contracts | - | - | - | (197,969) | - | - | (197,969) | - | (197,969) |
| Paid dividend on preferred shares | - | - | (21,116) | - | (3,280) | - | (24,396) | - | (24,396) |
| Outstanding bond payments | - | - | - | - | (302,415) | - | (302,415) | - | (302,415) |
| Purchase of interests in subsidiaries | - | - | - | - | - | (874) | (874) | - | (874) |
| Other cash inflows | - | - | - | - | - | - | - | - | - |
| Change from financing cash flows | (895,379) | (58,832) | (451,950) | (197,969) | (510,254) | (214,583) | (2,328,967) | - | (2,328,967) |
| Interest caused | 168,378 | 16,428 | - | 134,706 | 197,047 | - | 516,559 | - | 516,559 |
| Dividends decreed in equity | - | - | 438,238 | - | - | - | 438,238 | - | 438,238 |
| Foreign currency conversion | 247,798 | 27,546 | (1,602) | (1,062) | - | - | 272,680 | - | 272,680 |
| New leases, net write-off | - | 10,379 | - | - | - | - | 10,379 | - | 10,379 |

Continued on the next page

| | | | | | | | | | |
|--|------------------|----------------|----------------|-----------------|------------------|------------------|------------------|----------------|------------------|
| Fair value measurement of derivatives | - | - | - | (152,359) | - | - | (152,359) | - | (152,359) |
| Difference in unrealized change | (21,069) | (105) | 1,134 | 33,113 | - | - | 13,073 | - | 13,073 |
| Loss of control of a subsidiary | (62,756) | (14,913) | - | - | - | - | (77,669) | - | (77,669) |
| Other changes | (12,928) | 148 | - | 1,006 | (47,667) | (1) | (59,442) | 153,027 | 93,585 |
| Changes other than cash flows | 319,423 | 39,483 | 437,770 | 15,404 | 149,380 | (1) | 961,459 | 153,027 | 1,114,486 |
| Balance as of December 31, 2024 | 1,608,347 | 129,322 | 235,268 | (29,643) | 2,247,351 | (461,585) | 3,729,060 | 811,162 | 4,540,222 |

| 2023 | Obligations and other financial liabilities | Lease liabilities | Dividend liability | Derivative liabilities, net | Compound bonds and financial instruments | Other liabilities associated with financing activities | Total liabilities with impact on financing cash flows | Non-controlling interest | Total liabilities and non-controlling interest |
|---|---|-------------------|--------------------|-----------------------------|--|--|---|--------------------------|--|
| Balance as of April 1, 2023 | 4,451,081 | 656,558 | 250,054 | (44,498) | 3,213,170 | - | 8,526,365 | 925,799 | 9,452,164 |
| Loan payments | (1,419,505) | - | - | - | - | - | (1,419,505) | - | (1,419,505) |
| Amounts from loans | 1,674,414 | - | - | - | - | - | 1,674,414 | - | 1,674,414 |
| Reacquisition of ordinary shares | - | - | - | - | - | (40,174) | (40,174) | - | (40,174) |
| Reacquisition of preferred shares | - | - | - | - | - | (4,024) | (4,024) | - | (4,024) |
| Paid interest | (262,561) | (32,526) | - | - | (356,661) | - | (651,748) | - | (651,748) |
| Paid dividend on ordinary shares | - | - | (457,810) | - | - | - | (457,810) | - | (457,810) |
| Lease liability payments | - | (95,868) | - | - | - | - | (95,868) | - | (95,868) |
| Payments from financial derivative contracts | - | - | - | (28,063) | - | - | (28,063) | - | (28,063) |
| Receivables from financial derivative contracts | - | - | - | 78,020 | - | - | 78,020 | - | 78,020 |
| Paid dividend on preferred shares | - | - | (64,988) | - | (2,486) | - | (67,474) | - | (67,474) |
| Outstanding bond payments | - | - | - | - | (477,384) | - | (477,384) | - | (477,384) |
| Other cash inflows | - | - | - | - | - | - | (20,706) | - | (20,706) |
| Change from financing cash flows | (7,652) | (128,394) | (522,798) | 49,957 | (836,531) | (44,198) | (1,510,322) | - | (1,510,322) |
| Interest caused | 289,635 | 32,526 | - | 11,742 | 317,338 | - | 651,241 | - | 651,241 |
| Dividends decreed in equity | - | - | 337,880 | - | - | - | 337,880 | - | 337,880 |
| Foreign currency conversion | (665,560) | (102,104) | (39,373) | 7,938 | - | - | (799,099) | - | (799,099) |
| New leases, net write-off | - | 68,710 | - | - | - | - | 68,710 | - | 68,710 |
| Fair value measurement of derivatives | - | - | - | 219,396 | - | - | 219,396 | - | 219,396 |
| Difference in unrealized change | 45,568 | (1,289) | 6,607 | (49,036) | - | - | 1,850 | - | 1,850 |
| Other changes | 28,681 | (227) | 1 | (25,397) | 2 | - | 3,060 | (206,203) | (203,143) |
| Changes other than cash flows | (301,676) | (2,384) | 305,115 | 164,643 | 317,340 | - | 483,038 | (206,203) | 276,835 |
| Balance at December 31, 2023 | 4,141,753 | 525,780 | 32,371 | 170,102 | 2,693,979 | (44,198) | 7,499,081 | 719,596 | 8,218,677 |

NOTE 20: RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

20.1 Leases as a lessee

20.1.1 LEASING AGREEMENTS

In the ordinary course of business, the Group subscribes agreements for the lease of land, buildings, yellow machinery, vehicles, including concrete mixer trucks and equipment, which are accounted for as assets for a lease's right-of-use in the Consolidated Financial Statements, except for those leases whose leasing term is less than twelve months or the new contract underlying asset is less than US\$3,500 for administrative assets and US\$5,000 for operating assets.

On the other hand, there are no significant lease agreements that provide significant restrictions related with the dividend's distribution, additional debt and new leasing agreements, nor are there significant contingent fees, renewal options or escalator clauses.

As of December 31 and March 31, 2024, most of the real estate lease contracts recognized are linked to the consumer price index of each jurisdiction in which they were subscribed. Few lease contracts are referenced at reference rates or payments that vary to reflect changes in market rental prices.

20.1.2 RIGHT-OF-USE ASSETS AND LIABILITIES IN LEASE

Balance of of right-of-use assets and liabilities in lease includes:

| December 2024 | Right-of-use assets in lease | | | | | Closing Balance | Lease liability closing balance ⁽²⁾ |
|-------------------------------------|------------------------------|---------------|-----------------|------------------------------|--|-----------------|--|
| | Opening balance | Additions | Depreciation | Other changes ⁽¹⁾ | | | |
| Land | 4,731 | 1,148 | (2,555) | 2,251 | | 5,575 | 4,626 |
| Buildings and constructions | 48,899 | 1,627 | (11,402) | 3,391 | | 42,515 | 40,272 |
| Machinery and production equipment | 26,040 | 2,453 | (9,886) | (490) | | 18,117 | 17,598 |
| Office and communication equipment | - | 68 | (25) | 4 | | 47 | 29 |
| Overland transport equipment | 13,918 | 7,481 | (5,458) | 518 | | 16,459 | 16,735 |
| River transport fleet | 56,939 | 414 | (23,104) | 6,356 | | 40,605 | 50,062 |
| Lease assets and liabilities | 150,527 | 13,191 | (52,430) | 12,030 | | 123,318 | 129,322 |

| March 2024 | Right-of-use assets in lease | | | | | Closing Balance | Lease liability closing balance |
|-------------------------------------|------------------------------|---------------|-----------------|------------------|------------------------------|-----------------|---------------------------------|
| | Opening balance | Additions | Depreciation | Loss of control | Other changes ⁽¹⁾ | | |
| Land | 89,101 | - | (759) | (86,634) | 3,023 | 4,731 | 4,320 |
| Buildings and constructions | 70,305 | 195 | (3,256) | (19,914) | 1,569 | 48,899 | 40,906 |
| Machinery and production equipment | 119,046 | 638 | (3,234) | (94,444) | 4,034 | 26,040 | 28,391 |
| Overland transport equipment | 101,847 | 246 | (1,804) | (88,691) | 2,320 | 13,918 | 14,196 |
| River transport fleet | 52,924 | 10,613 | (6,403) | - | (195) | 56,939 | 60,861 |
| Lease assets and liabilities | 433,223 | 11,692 | (15,456) | (289,683) | 10,751 | 150,527 | 148,674 |

(1) Includes the variation due to changes in the valuation of leases recorded in the asset, asset withdrawals for right of use and the conversion effect.

(2) During the period, the Company recognized income from use in the amount of \$4,906, derived from the derecognition of liabilities related to lease contracts that were terminated early. This derecognition was made in accordance with the guidelines established in IFRS 16 - Leases, since, after the termination of such contracts, the Company no longer has any future obligations associated with them.

The contractual cash flows of lease liabilities classified by maturity as of December 31 are:

| | December 2024 | March 2024 |
|--|----------------|----------------|
| One year or less | 76,272 | 71,110 |
| Between 1 and 3 years | 55,963 | 86,309 |
| Between 3 and 5 years | 22,977 | 26,447 |
| Between 5 and 10 years | 7,715 | 8,861 |
| More than 10 years | 6,375 | 6,257 |
| Total contractual cash flows from lease liabilities | 169,302 | 198,984 |
| Discount effect of lease liabilities | (39,980) | (50,310) |
| Total lease liabilities | 129,322 | 148,674 |
| Current | 29,624 | 46,924 |
| Non-current | 99,698 | 101,750 |
| Total lease liabilities | 129,322 | 148,674 |

20.1.3 ITEMS RECOGNIZED IN THE INCOME STATEMENT AND CASH FLOWS FROM LEASES

| | 2024 | 2023 |
|---|--------|--------|
| Interest expense from lease liabilities | 16,309 | 15,286 |
| Expenses related to short-term leases and variable leases | 16,519 | 16,454 |
| Expenses related to leases of low-value assets | 2,034 | 2,004 |
| Lease cash flows | 58,832 | 63,070 |

20.1.4 RENEWAL OPTIONS

Most of the Group's leases contain renewal options that the Group can exercise to extend the lease term from one year to 20 years, and that can be exercised up to one year before the end of the non-cancellable contract period. Generally, the Group exercises these renewal options for the financial and operational facilities they provide. The renewal options are only exercis-

able by the Group and not by the lessor. The Group evaluates on the lease start date if it is reasonably safe to exercise the renewal options and considers them in the lease term determination. The Group reassesses whether it is reasonably safe to exercise the options if there is an event or significant changes in the circumstances under its control.

20.2 Leases as a lessors

20.2.1 FINANCIAL LEASES

The Company has no financial lease agreements in which it acts as lessor.

20.2.2 OPERATING LEASES

The Group signs leasing agreements as lessors of commercial premises, warehouses, apartments and houses, as well as leasing of machinery and operating equipment, fleet and transport equipment. All leases are classified as operating leases from the lessor perspective. The minimum future lease rights of non-cancellable operating leases for ranges of years and in total, consisted of the following:

| | December 2024 | March 2024 |
|--|---------------|------------|
| 1 year or less | 1,247 | 629 |
| Between 1 and 2 years | 420 | 40 |
| Between 2 and 3 years | 199 | 40 |
| Between 3 and 4 years | 199 | 40 |
| Between 4 and 5 years | 199 | 40 |
| 5 years or more | 235 | 44 |
| Non-cancelable operating lease rights | 2,499 | 833 |

The lease income recognized by the Group during 2024 was \$2,687 (2023: \$1,355)

NOTE 21: TRADE LIABILITIES AND OTHER ACCOUNTS PAYABLE

| | December 2024 | March 2024 |
|---------------------------------|----------------|----------------|
| National suppliers | 338,134 | 320,981 |
| Costs and expenses payable | 60,713 | 77,737 |
| Dividends payable | 235,269 | 249,448 |
| Foreign suppliers | 62,387 | 61,129 |
| Current commercial accounts | 12,871 | 165,649 |
| Accounts payable to contractors | 842 | 513 |
| Miscellaneous creditors | 1,422 | 1,651 |
| Other accounts payable | 22,937 | 12,856 |
| | 734,575 | 889,964 |

The average credit period for the Group's purchases ranges between 8 and 60 days. No interest is paid to suppliers for 60-day payments.

NOTE 22: EMPLOYEE BENEFITS

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Post-employment employee benefits - defined benefit plans | 243,060 | 264,336 |
| Post-employment employee benefits - defined contribution plans | 15,949 | 11,315 |
| Short-term employee benefits | 102,636 | 82,359 |
| Employee benefits for termination | 74 | 197 |
| Share-based payments | 1,565 | 1,105 |
| | 363,284 | 359,312 |
| Current | 163,691 | 136,127 |
| Non-current | 199,593 | 223,185 |
| | 363,284 | 359,312 |

22.1 Post-employment benefit plans - defined benefit plans

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. Pension liabilities, pension bonds and titles, retirement premiums, and other post-employment benefits are accounted for in accordance with the IAS 19 requirements.

The actuarial valuation of plan's assets and the current value of the defined benefit obligation are calculated annually by independent actuarial consultants. The current value of the defined benefit obligations and the related current and past service costs were calculated using the projected unit credit method.

On December 22, 2016, the Ministry of Commerce, Industry and Tourism issued Decree 2131, whereby it is required to disclose the pension liabilities calculation in accordance with the parameters established in Decree 1625/2016 and, in the case of partial pension commutation, in accordance with Decree 1833/2016, as well as the differences arising from the calculation carried out in accordance with IAS 19 – Employee Benefits.

The amount included in the consolidated statement of financial position arising from the entity's obligation to defined benefit plans, the movement in the current value of the defined benefit obligation in the current year and changes in the fair value of plan assets in the current period is presented below:

| 2024 | Pension plan | Pension securities and bonds | Seniority bonus and similar | Retirement bonus | Other defined benefit plans | Total Benefit plans |
|--|----------------|------------------------------|-----------------------------|------------------|-----------------------------|---------------------|
| Current obligations value as of April 1, 2024 | 196,851 | 36,833 | 10,938 | 17,024 | 22,696 | 284,342 |
| Current service cost | - | - | 103 | 1,002 | 1,236 | 2,341 |
| Interest cost in defined benefit obligation | 19,820 | 3,410 | 477 | 1,457 | 1,516 | 26,680 |
| Past service cost | - | - | (1,228) | - | - | (1,228) |
| Actuarial (gain)/loss from changes in: | | | | | | |
| Experience | 3,515 | 2,580 | 621 | (109) | 28 | 6,635 |
| Financial assumptions | (20,869) | (302) | (178) | (439) | (19) | (21,807) |
| Effect of foreign exchange differences | 1 | - | 1,216 | 61 | 4,892 | 6,170 |
| Benefits directly paid by the Company | (23,236) | (7,460) | (248) | (352) | (5,190) | (36,486) |
| Profits paid from the asset fund | - | - | (2,767) | - | - | (2,767) |
| Other changes | - | - | - | - | (341) | (341) |
| Current obligations value as of December 31, 2024 | 176,082 | 35,061 | 8,934 | 18,644 | 24,818 | 263,539 |
| Current plan assets value as of April 1, 2024 | - | - | 10,090 | 9,914 | - | 20,004 |
| "Risk-free" interest income | - | - | 406 | 767 | - | 1,173 |
| Return on plan assets, excluding interest | - | - | (351) | 1,358 | - | 1,007 |
| Contributions made by the Company | - | - | 16 | 496 | - | 512 |
| Payments made by the plan | - | - | (2,852) | - | - | (2,852) |
| Effect of foreign exchange differences | - | - | 1,202 | - | - | 1,202 |
| Other changes | - | - | (575) | 8 | - | (567) |
| Current plan assets value as of December 31, 2024 | - | - | 7,936 | 12,543 | - | 20,479 |
| Current obligation value as of December 31, 2024 | 176,082 | 35,061 | 998 | 6,101 | 24,818 | 243,060 |

The plan assets fair value is composed as follows:

| | December 2024 | March 2024 |
|--------------------------------------|---------------|---------------|
| Cash and cash equivalents | 4,937 | 5,395 |
| Investment funds | 15,542 | 21,319 |
| Fair value of the plan assets | 20,479 | 26,714 |

22.1.1. LIABILITIES COMPARISON FOR DEFINED BENEFIT PENSION PLANS, SECURITIES AND PENSION BONDS

On December 22, 2016, the Ministry of Commerce, Industry and Tourism issued Decree 2131, whereby it is required to disclose the pension liabilities calculation, following the parameters established in Decree 1625/2016 and, in the case of partial pension commutation, under Decree 1833/2016, as well as the differences arising from the calculation carried out under IAS 19 Employee Benefits. The following is the comparison between the benefits plans liabilities established for pension plans, securities and bonds, calculated in accordance with Decree 1625/2016 and, in the case of partial pension swaps, in accordance with Decree 1833/2016 and with the calculation pursuant to IAS 19 Employee Benefits, as of December 31, 2024 and comparatives.

| | Calculation made in accordance with IAS 19 Employee Benefits | Calculation made in accordance with Decree 1625/2016 | Comparison between the liability calculated in accordance with IAS 19 and Decree 1625 |
|---|--|--|---|
| Current obligations value as of: | | | |
| December 31, 2024 | 211,143 | 255,268 | (44,125) |
| December 31, 2023 | 233,684 | 244,818 | (11,134) |

The main actuarial assumptions used to determine obligations for the defined benefit plans are the following:

| | 2024 | 2023 |
|---------------------------|--|--|
| Colombia | | |
| Inflation rate (%) | 4.50% | 4.33% |
| Discount rate (%) | 11.74% | 10.26% |
| Salary increase (%) | 5.50% | 2.18% |
| Minimum wage increase (%) | 5.50% | 5.44% |
| Mortality table | 2008 Valid rentiers | 2008 Valid rentiers |
| Turnover table | 75% SOA Pensión Turnover | 150% SOA Pension turnover |
| Panama | | |
| Inflation rate (%) | 2,00% | 2.00% |
| Discount rate (%) | 5,00% | 4.83% |
| Salary increase (%) | 5,50% | 5.50% |
| Mortality table | Urban Panama population with 30% adjustment | Urban Panama population with 30% adjustment |
| Turnover table | 2003 SOA Pension Plan Turnover Study with an adjustment factor of 150% | 2003 SOA Pension Plan Turnover Study with an adjustment factor of 150% |
| Honduras | | |
| Inflation rate (%) | 4,00% | 4,00% |
| Discount rate (%) | 10,25% | 9,75% |
| Salary increase (%) | 5,50% | 5,50% |
| Minimum wage increase (%) | 5,50% | 5,50% |
| Mortality table | 2008 Valid Renters adjusted to 110% | 2008 Valid Renters adjusted to 110% |
| Turnover table | 2003 SOA Pension Plan Turnover Study with an adjustment factor of 120% | 2003 SOA Pension Plan Turnover Study with an adjustment factor of 12% |

The total expense recognized in the statement of income for the period represents contributions for defined benefit and is \$63,335 (2023: \$84,911). The Group expects to make contributions for the next annual period for \$118,466 (2023: \$86,396).

22.2. Pension plans, securities and pension bonds

PENSION PLAN AND SOCIAL SECURITY CONTRIBUTIONS - COLOMBIA

According to the Colombian Labor Code, the pension benefits granted to employees under the new social security regime (Act 100/1993) are accounted for as defined contribution plans, the Company covers its obligation to pensions through the payment of contributions to the Social Security Institute (ISS, by its Spanish acronym), and/or to the private pension funds under the terms and conditions contemplated by such law.

The pension benefits granted to employees not covered under the new social security regime (Act 100/1993), which essentially correspond to senior staff, are accounted as unfunded defined benefit plans. The company must pay retirement pensions or issue pension bonds to their employees or beneficiaries who meet certain requirements regarding age and length of service.

The benefit gives employees the right to a lifetime monthly retirement pension or an old age pension, equivalent to seventy-five percent (75%) of the average wages earned in the last year of service, subject to a minimum payment of a monthly minimum wage and a maximum wage equal to 25 monthly minimum wages. In addition, two additional payments are made, one in June and one in December.

When the participant expects to receive benefits from the Social Security Institute (ISS), these benefits are deducted from the benefits payable by the Company's and therefore, reduce the Company's obligation. Pension payments increase according to inflation. When a participant receives a pension equal to the minimum wage, the pension increases in accordance with the minimum wage increases.

On the other hand, the death benefit takes place in the event of death after retirement, in which the beneficiary receives 100% of the pension for a period that will depend on each beneficiary. Payments for social security pensions to Pension Administration Funds are the responsibility of the Company as the employer.

For workers who have retired from the company with a conventional or anticipated pension, which in any case is shared, the company continues to make contributions to the pension system until such time the pensioner meets the old-age requirements stated by the ISS (Colpensiones). Thus, the company is in charge of 100% of pension contributions until those requirements are met. The contribution is calculated based on the pension value. Additionally, in terms of health, Cementos Argos S. A. A. partially assumes a percentage of the pensioner's contribution.

Additionally, the defined benefit obligation for retirement pensions includes employees of Compañía Industrial Hullera S. A., in liquidation, as a result of the normalization process of pension liabilities in which Cementos Argos S.A. assumed in a definitive manner the obligation proportion that corresponds to it, according to the Official Communication set forth in October 9, 2012, issued by the Ministry of Labor.

BENEFIT FOR PENSION GAP AT RETIREMENT

The benefit of this provision consists in the granting of a single premium at the time of disengagement with the entity to enjoy the old age pension, the value corresponds to the money needed to finance a lifetime pension for the executive (NOT INCLUDING BENEFICIARY SUBSTITUTION) equal to the shortfall in relation to the maximum legal pension of 70% of 25 legal minimum salaries, to reach an ideal pension whose amount is a function of the number of years worked in the group, with a maximum of 35% of the salary earned at the time of retirement (this maximum is achieved with 30 or more years of service).

22.3. Retirement bonus

For employees covered by any of the collective bargaining agreements, when the contract of a worker for the recognition of retirement, disability, or old age pension is terminated; a bonus equivalent to 8 current legal minimum wages is granted.

22.4. Pension bonds and securities plans - 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 has issued pension bonds, Type A Pension Bond Modality 2 and Type A Pension Bond Modality 1. This obligation applies to some areas where the ISS did not have pension coverage prior to 1994.

The benefit is conferred at the withdrawal time from the company until the time the participant retires in the Colombian Social Security system. During this period, the company makes contributions to the social security system on behalf of the employee. Pension bonds and titles constitute resources destined to contribute to the formation of the necessary capital to finance pensions of the Colombian General Pension System affiliates.

22.5. Other defined benefit plans

DENTAL AID, EDUCATION, DEATH, AND OTHER PLANS – COLOMBIA

Retired employees in Colombia receive a death benefit that increases according to the Consumer Price Index (CPI), equivalent to 5 five legal minimum wages (SMLV, for its Spanish acronym). For the Valle plant retired employees in Colombia, education assistance is granted until their death and also to the children of retirees, until they reach the age of 25 years old. The beneficiary receives the amount regardless of the worker's survival.

Every year, the benefit increases according to the Consumer Price Index (CPI), as does as the dental benefit until the death of the employee as long as the service is formally requested, with annual increases according to Consumer Price Index (CPI).

RETROACTIVE LAYOFF PLAN – COLOMBIA

According to Colombian labor regulations, employees linked before the entry into force of Act 50/1990, have the right to receive, at the end of the employment contract, one month of current salary for each year of service and proportionally by fraction year as a layoff pay, for any reason that ends employment, including: retirement, disability, death, etc. The benefit is settled at the time of the employee's retirement, based on the last salary earned. Distributions may exist before the retirement date at the request of the worker, which are not compulsorily distributable.

Retroactive redundancies of workers who entered into employment contracts before the entry into force of Act 50/1990 are counted as unfunded defined benefit plans. With the entry into force of Act 50/1990, the Colombian Government allowed companies, subject to the approval of their employees, to transfer their layoff assistance obligation to private pension funds. Layoffs of all workers who entered into employment contracts after the entry into force of Act 50/1990 and former workers who took advantage of this system are counted as a defined contribution scheme.

SENIORITY PREMIUM PLAN AND LAYOFF FUND - PANAMA

In accordance with the Republic of Panama labor regulations, any indefinite-term employee who leaves the company for any reason and regardless of their age or years of service on the retirement date is recognized an amount of money equivalent to the average weekly salary in the last five years of service, or of the entire period of service if it is less than five years for each year and fraction of a year of service that the employee has at retirement.

On the other hand, as of 1995, Act 44/1995 introduced the obligation of the employer to establish a trust through a Pension Fund Administrator, that guarantees the employee payment to the obligation for Seniority Premium and compensation for unjustified dismissal called Layoff Fund, which is considered, for the purposes of assessing the commitment, as the asset that supports the Seniority Premium payment.

LAYOFF AID PLAN – HONDURAS

In accordance with the provisions of the Honduran Labor Code, the compensation that accumulates in favor of the Company's employees may be paid in the event of unjustified dismissal or death, at the rate of one month's salary for each uninterrupted year of services rendered with a maximum of 25 years. However, the company's policy is to pay its employees said benefit, even if they have submitted the respective resignation.

For unionized staff, the payment is 100% of the benefits (layoff and notice). For the voluntary retirement of trusted personnel, benefits are recognized from 100% of benefits before 5 years of service, and up to 110% of the benefits after five years of service. The amount is determined based on the employee's years of service established by the benefit percentage.

In 2022, the company Argos Honduras established as a policy to provide the employee with an alternative payment of social benefits in terms of what corresponds to layoffs, in case both parties so wish voluntarily, establishing an agreement between the collaborators and Argos Honduras, for the subsequent advance payment in cash.

As of December 31, 2024 and comparatives, the Group has no reimbursement rights related to defined benefit plan obligations.

The average duration in years of the defined benefit obligation is as follows:

| | Pension plan | Pension securities and bonds | Seniority bonus and similar | Retirement bonus | Other defined benefit plans | Total average duration |
|--------------------------------|--------------|------------------------------|-----------------------------|------------------|-----------------------------|------------------------|
| Average duration December 2024 | 6.4 | 2.1 | 7.1 | 6.5 | 1.1 | 5.2 |
| Average duration March 2024 | 7.8 | 2.5 | 10.7 | 6.9 | 8.1 | 7.2 |

The significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increases and mortality. The sensitivity analyses below have been determined on the basis of possible reasonable changes in the corresponding presumptions that occur at the end of the reporting period while maintaining all other presumptions constant.

| | 2024 | | 2023 | |
|--|-----------|-----------|-----------|-----------|
| | Decreases | Increases | Decreases | Increases |
| Higher (lower) discount rate, 100 basis points | 263,314 | 235,786 | 292,814 | 260,106 |
| Expected salary growth increases (decreases) by 1% | 40,674 | 33,616 | 38,180 | 31,487 |
| Life expectancy increases (decreases) by one year | 197,746 | 207,818 | 220,678 | 232,933 |

The reported value in the table above is the value of the defined benefit plan liability given the isolated change in the significant estimate defined by Management. However, the sensitivity analysis presented above may not be representative of real change in the defined benefit obligation, since assumptions are not likely to change in isolation from one another, given that some of the assumptions may be correlated.

Additionally, in the above sensitivity analysis, the current value of the defined benefit obligation was calculated using the projected unit credit method at the end of the reporting period, which is the same that was applied when calculating the liability of the defined benefit obligation recognized in the statement of financial position.

NOTE 23: PROVISIONS

| December 2024 | Litigation, lawsuits and other contingencies ⁽ⁱ⁾ | Dismantling ⁽ⁱⁱ⁾ | Environmental ⁽ⁱⁱⁱ⁾ | Other provisions ^(iv) | Total |
|---|---|-----------------------------|--------------------------------|----------------------------------|---------------|
| Book value as of April 1, 2024 | 11,897 | 55,717 | 11,395 | 1,982 | 80,991 |
| Realized provisions | 3,505 | 1,800 | 630 | 4,877 | 10,812 |
| Use of provisions | (3,348) | (2,743) | (3,624) | - | (9,715) |
| Realized reversals | (26) | (942) | (4) | (117) | (1,089) |
| Discount rate adjustment | (1,110) | 2,779 | 705 | - | 2,374 |
| Conversion effect | - | 2,307 | - | 782 | 3,089 |
| Other changes | (138) | (181) | - | - | (319) |
| Book value as of December 31, 2024 | 10,780 | 58,737 | 9,102 | 7,524 | 86,143 |
| Current | 10,780 | 7,870 | 9,102 | 7,524 | 35,276 |
| Non-current | - | 50,867 | - | - | 50,867 |
| Book value as of December 31, 2024 | 10,780 | 58,737 | 9,102 | 7,524 | 86,143 |

| March 2024 | Litigation, lawsuits and other contingencies ⁽ⁱ⁾ | Dismantling ⁽ⁱⁱ⁾ | Environmental ⁽ⁱⁱⁱ⁾ | Other provisions ^(iv) | Total |
|---|---|-----------------------------|--------------------------------|----------------------------------|----------------|
| Book value as of January 1, 2024 | 65,809 | 66,263 | 17,570 | 107,298 | 256,940 |
| Realized provisions | 2,710 | 553 | 87 | 674 | 4,024 |
| Use of provisions | (1,406) | (413) | (346) | - | (2,165) |
| Realized reversals | (254) | (615) | 4 | (3,012) | (3,877) |
| Discount rate adjustment | (230) | 1,054 | 806 | - | 1,630 |
| Conversion effect | 1,413 | 368 | 174 | 2,733 | 4,688 |
| Loss of control | (56,145) | (11,483) | (6,900) | (105,711) | (180,239) |
| Other changes | - | (10) | - | - | (10) |
| Book value as of March 31, 2024 | 11,897 | 55,717 | 11,395 | 1,982 | 80,991 |
| Current | 10,920 | 8,464 | 10,883 | 1,982 | 32,249 |
| Non-current | 977 | 47,253 | 512 | - | 48,742 |
| Book value as of March 31, 2024 | 11,897 | 55,717 | 11,395 | 1,982 | 80,991 |

((i) The Group is a party to judicial proceedings of different natures, both as plaintiff and defendant, which are being addressed diligently by qualified attorneys hired by the Company. Conflicts are of labor, civil, administrative, criminal and tax character. These types of litigations arises in the ordinary course of business of any company the size of Argos, and the Company expects a probable outflow of resources.

The appropriate reserves have been estimated for these processes based on criteria, such as the nature of the process, the evidence contained, economic factors, the possible sentence projected, etc., which will cover the possible unfavorable sentences or decisions that may occur. We believe that the estimated time of resolution for these processes ranges between three (3) and eight (8) years, approximately.

(ii) Cementos Argos S.A. and its subsidiaries in Colombia are obliged to incur future costs for compliance with mining legal regulations, in the face of the mineral resources exploitation, corresponding to the dismantling of assets and the environmental restoration, where these assets were built, which is carried out at the time a mining operation is terminated or a mining title expires, whichever date is less.

The maximum execution date of decommissioning obligations is the expiration date of the mining title concession, so the disbursement of economic resources is estimated for five years before the legal requirement. However, in some cases where the operation is completed in an area covered by a title that is still effective for more than five years, the provision disbursements are estimated to be made within five years after completing the operation. In order to determine the best estimate to be used to settle, the Management considers the areas affected by mining exploitation, the mining exploitation schedule and the costs incurred during past decommissioning operations.

(iii) Cementos Argos S.A. and its subsidiaries in Colombia are forced to incur costs for environmental obligations related to forestry offsets for quarries and forestry exploitation, costs for the removal and subsequent disposal of hazardous waste, specifically PCBs (polychlorinated biphenyls), previously stored. For forest compensation, Cementos Argos S.A. and its subsidiaries in Colombia have committed to liquidating their environmental obligations within a maximum period of five years or as indicated in the Resolution corresponding to each identified environmental liability. In order to determine the best estimate to be used to settle; the Management mainly considers financial variables and planting, maintenance and isolation costs for a period of four years.

(iv) The company Cautiva BMR, records within its liabilities a technical reserve for unearned premium, which considers peaks in claims to proportionally recognize earned and unearned premiums. The company applies a straight-line accrual considered as a provision.

NOTE 24: OTHER NON-FINANCIAL ASSETS AND LIABILITIES

24.1 Other non-financial assets

| | December 2024 | March 2024 |
|---|----------------|----------------|
| Expenses paid in advance ⁽¹⁾ | 66,363 | 75,582 |
| Assets for VAT, ICA and other taxes | 70,779 | 47,016 |
| Other non-financial assets | 137,142 | 122,598 |
| Current | 126,796 | 112,161 |
| Non-current | 10,346 | 10,437 |
| Other non-financial assets | 137,142 | 122,598 |

24.2 Other non-financial liabilities

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Advances and forecasts received from clients | 71,950 | 76,161 |
| Liabilities for VAT, ICA and other taxes | 128,501 | 92,080 |
| Income received in advance | 73,657 | 82,610 |
| Other liabilities | 3,929 | 5,340 |
| Other non-financial liabilities | 278,037 | 256,191 |
| Current | 205,753 | 174,730 |
| Non-current | 72,284 | 81,461 |
| Other non-financial assets | 278,037 | 256,191 |

(1) The sales contract of the Subsidiary Argos North America Corp (Note 13.4) established the transfer of the right to use the 'Argos' trademark in the United States for a period of 7 years, the parties valued this trademark at US\$21,400,000, which was invoiced by Cementos Argos S.A., in Colombia and paid by Summit in the United States. The invoiced value was recognized for accounting purposes as deferred income and will be amortized monthly in income from ordinary activities for up to 7 years.

NOTE 25: OUTSTANDING BONDS AND PREFERRED SHARES

| | December 2024 | March 2024 |
|--|------------------|------------------|
| Outstanding bonds | 2,247,263 | 2,563,389 |
| Preferred shares classified as compound financial instruments (25.2) | 88 | 44,835 |
| Outstanding bonds and preferred shares | 2,247,351 | 2,608,224 |
| Current | 271,221 | 145,347 |
| Non-current | 1,976,130 | 2,462,877 |
| Outstanding bonds and preferred shares | 2,247,351 | 2,608,224 |

25.1. Outstanding bonds

Outstanding bonds issued by Cementos Argos S. A., comprised the following as of December 31, 2024 and comparatives.

| Broadcast | Date of placement | Deadline | Effective rate | Form of payment interest | December 2024 | March 2024 |
|---------------|-------------------|---------------------------|----------------|--------------------------|------------------|------------------|
| 2009 issuance | April 28, 2009 | 15 years | CPI + 7.19% | Quarterly in arrears | - | 106,130 |
| 2012 issuance | May 16, 2012 | 15 years | CPI + 4.50% | Quarterly in arrears | 303,082 | 303,082 |
| 2014 issuance | November 27, 2014 | 10 years | CPI + 3.80 | Quarterly in arrears | - | 167,385 |
| 2014 issuance | November 27, 2014 | 15 years | CPI + 4.21 | Quarterly in arrears | 311,707 | 311,707 |
| 2016 issuance | April 13, 2016 | 10 years ⁽¹⁾ | CPI + 4.19 | Quarterly in arrears | 116,575 | 121,075 |
| 2016 issuance | April 13, 2016 | 15 years ⁽¹⁾ | CPI + 4.47 | Quarterly in arrears | 184,157 | 184,157 |
| 2017 issuance | May 24, 2017 | 13 years ⁽²⁾ | CPI + 3.64% | Quarterly in arrears | 388,145 | 388,145 |
| 2017 issuance | May 24, 2017 | 25 years ⁽²⁾ | CPI + 3.99% | Quarterly in arrears | 400,500 | 400,500 |
| 2018 issuance | June 27, 2018 | 10 years ⁽³⁾ | CPI + 3.75% | Quarterly in arrears | 158,550 | 158,550 |
| 2018 issuance | June 27, 2018 | 20 years ⁽³⁾ | CPI + 4.04% | Quarterly in arrears | 125,850 | 125,850 |
| 2020 issuance | November 25, 2020 | 4.25 years ⁽⁴⁾ | CPI + 2.24% | Quarterly in arrears | 144,347 | 168,747 |
| 2022 issuance | December 1, 2022 | 2.24 years ⁽⁵⁾ | CPI + 8.75% | Quarterly in arrears | 102,350 | 102,350 |
| | | | | | 2,235,263 | 2,537,678 |

(1) The issuance is part of the issuance and placement program for ordinary bonds and commercial papers charged to a global quota of \$1,000,000 approved through Resolution No. 0422 from the Financial Superintendence of Colombia on March 23, 2012.

(2) The issuance is part of the issuance and placement program for ordinary bonds and commercial papers charged to a global quota of \$1,000,000 approved through Resolution No. 0518 from the Financial Superintendence of Colombia of April 3, 2017, through which the global quota increase of the emission and collation program approved previously through resolution 0422 of 2012, was approved.

(3) The issuance is part of the issuance and placement program for ordinary bonds and commercial papers charged to a global quota of \$1,000,000 approved through Resolution No. 0585 from the Financial Superintendence of Colombia ("SFC") on May 10, 2018.

(4) The issuance constitutes the second section that is part of the program for the issuance and placement of ordinary bonds and commercial papers charged to a global quota of \$1,000,000 approved by Resolution No. 0585 from the Financial Superintendence of Colombia ("SFC") on May 10, 2018.

(5) The issuance constitutes the second lot of the second issuance of ordinary bonds corresponding to the bond issuance and placement program of Cementos Argos S.A. in the main market. The Company awarded in the market \$102,350 in bonds and \$212,499 in commercial papers. The commercial papers were fully paid at the end of December 2023.

All issues are rated AA+ with a stable outlook by the rating agency Fitch Ratings Colombia S.A. and are nominative securities, issued to order and negotiable in the secondary market through the Colombian Stock Exchange; on September 21, 2023, the aforementioned rating agency placed the company's long-term ratings under positive observation, and this process was resolved with an increase to AA+ on March 14, 2024.

During the period April through December 2024, bonds and commercial paper maturing in the amount of \$227,015 (March 2024: no maturities) and repurchases during the period April through December 2024 of \$75,400 (March 2024: \$76,500) of securities maturing in 2024 and 2025.

During the period from April to December 2024, interest expense of \$190,847 (March 2024: \$82,412) on the common bonds and \$6,200 (March 2024: \$1,903) on the preferred shares was recorded.

25.2. Preferred shares

Per the approval of the General Shareholder's Meeting on March 15, 2013, Cementos Argos carried out the issuance and placement of shares with preferred dividends and no voting rights (hereinafter, preferred shares) in May 2013 for \$ 1,610,824, allocating 209,197,850 preferred shares with a subscription price of \$ 7,700 per preferred share, as determined by the Board of Directors of the Company.

The issuance of preferred shares is a compound financial instrument. The issuer, for its subsequent recognition and measurement, identified the debt and equity components by assessing the contractual instrument terms, as well as the issuer's obligations. Given the contractual obligation of the issuer to pay the minimum annual dividend to shareholders if the Company generates profits, the issuance incorporates a financial liability component. Once this liability has been measured, the difference between the received value and the obligation value constitutes an equity component. The part corresponding to the financial liability should be measured at least during each interim period and recognize their impact on the result of the period; the equity element is not subject to further measurement.

Cementos Argos determined the liability component by discounting the cash flows corresponding to the preferred minimum dividend, which were calculated in perpetuity based on the provisions of section 11.1.1 from the prospectus; the discount rate applied corresponded to the market rate at the issuance date of similar instruments that did not incorporate an equity component. Considering the difficulty of identifying a financial instrument on the market with the same characteristics as the issuance, the financial liability discount rate was determined by referencing the current yield of longer-term bonds issued by Cementos Argos S.A. in Colombian pesos. For these purposes, the valuation rate of Cementos Argos 2024 bond issuance, issued in May 2012, is long-term (15 years) and indexed to the CPI.

Preferred shares had a 3% minimum yearly dividend on the subscription price that was paid during the first 12 quarters starting from the placement date. In April 2016, this last minimum dividend corresponding to 3% per year on the subscription price was paid and as of the thirteenth quarter, the minimum annual dividend will be \$10 per share, which will increase with the annual CPI at the end of each year. Issuance prospectus does not contain options to buy or sell the preferred shares.

Holders of shares with preferred dividends and no voting rights are entitled to receive a minimum dividend in a preferred manner, compared to the one corresponding to ordinary shares, provided they generated distributable profits during the immediately preceding accounting year. Under no case may the dividend received by the holders of the ordinary shares be higher than the one decreed in favor of the preferred shares; to the preferred reimbursement of their contributions, once the external liability has been paid, in the event of the issuer dissolution and liquidation; and the other rights provided for in the issuer's bylaws for holders of ordinary shares, except (i) the right to preferentially subscribe ordinary shares, and (ii) the right to vote on the proposals at the issuer's General Shareholders' Meeting. By way of exception, preferred shares will grant their holders the right to vote in the events described in the prospectus placement and issuance.

The liability recognized by the issuance of preferred shares is composed of the valuation of the debt component and the reduction of direct issuance costs allocated to the liability component, according to the interest percentage of each component in the issuance amount. The debt component is measured at amortized cost using the effective interest rate. The effective interest rate for the subsequent debt component measurement at amortized cost was determined by matching cash flows receivable or payable estimated over the financial instrument expected life to the net book value of the liability component at the time of initial recognition. The financial liability increases with the recognition of interest applying the effective interest rate and decreases to the extent that the minimum dividends are accounted for to the preferred shareholders.

During 2024 a representative decrease in the value of the preferred share liability was generated due to the conversion of 99.8% of its preferred shares into common shares at a ratio of 0.85 common shares for one preferred share, as approved by the Shareholders' Meeting on March 18 and subsequently by the Colombian Financial Superintendency.

During the period April to December 2024, 397,705 preferred shares were repurchased, leaving a balance of 396,996; the financial expense on account of preferred shares during the period April to December 2024 was \$6,200 million (March 2024: \$1,903).

NOTE 26: FINANCIAL INSTRUMENTS

26.1. Capital risk management

The Group manages its capital from a long-term perspective, seeking to maintain a balanced, efficient and flexible capital structure to safely accompany and support the organization growth process. The Group considers equity shares, both ordinary and preferred, short and long-term financial obligations, as well as ordinary bonds as capital. Cementos Argos S.A. is not subject to externally imposed capital requirements.

The Group uses the Net debt / EBITDA + dividends indicator to monitor the capital structure. The net debt consists of financial obligations minus cash and temporary investments. This indicator allows establishing the leverage level of the Group regarding its cash generation. Additionally, this indicator is included in the long-term loan agreements that Company has. Other indicators, such as the debt's short-term and long-term relationship, average life, and free cash flow, also are considered to analyze the capital structure. In line with the above, a correct balance between debt and equity is maintained.

The Group periodically monitors that the Net debt / EBITDA + dividends leverage indicator stays within a specific range that enables a sustainable growth and the goals achievement set forth by the Management.

In order to manage other indicators, such as the average debt life, and its long and short-term distribution, there is ample access to credit through approved lines with national and international banks and the possibility of accessing the capital market through the issuance of ordinary bonds and/or commercial papers in the local market.

The composition of the Group's liabilities conservates an adequate balance between currencies, taking advantage of natural hedges between assets and liabilities denominated in the same currency. The capital structure of the Group considers the fit between the indebtedness denominated in dollars and the EBITDA generated in the Central American and Caribbean countries operations, which generate their flows mainly in dollars.

In 2024 and comparative period, there have been no significant changes in the Group's capital management objectives, policies or processes.

26.2 Financial instruments categories

| | December 2024 | March 2024 |
|--|------------------|------------------|
| Cash and cash equivalents (Note 5) | 1,065,075 | 1,991,158 |
| Purchase of financial assets advances (Note 7) | 2,276 | 2,276 |
| Fair value through profit or loss (Note 7) | 3,702 | 676,658 |
| Instruments derived from hedging relationships (Note 6) | 147,942 | 140,712 |
| Financial assets measured at amortized cost (Note 8) | 557,116 | 636,218 |
| Financial assets measured at fair value with changes in other Comprehensive Income (Note 26.2.1) | 1,085,763 | 889,990 |
| Financial assets | 2,861,874 | 4,337,012 |
| Instruments derived from hedging relationships (Note 6) | 118,299 | 293,634 |
| Financial liabilities measured at fair value through equity (1) | 89,941 | 101,163 |
| Financial liabilities measured at amortized cost | 4,500,333 | 5,581,328 |
| Financial liabilities | 4,708,573 | 5,976,125 |
| Financial liabilities, net | 1,846,699 | 1,639,113 |

(1) Corresponds to financial liability recognized with non-controlling interests by non-controlling shareholder put option and purchase obligation by the Group.

26.2.1. FINANCIAL ASSETS MEASURED AT FAIR VALUE WITH CHANGES IN OTHER COMPREHENSIVE INCOME

| | December 2024 | March 2024 |
|---|------------------|----------------|
| Grupo de Inversiones Suramericana S. A. | 1,056,292 | 865,478 |
| Carvajal Pulpa y Papel S. A. | 619 | 619 |
| Cemex S. A. | 2,312 | 3,220 |
| Other investments | 26,539 | 20,673 |
| | 1,085,762 | 889,990 |
| Recognized dividends related to investments held at the end of the period | 572 | 39,957 |

Equity investments indicated in the table above are not held for negotiation purposes, these are held for strategic purposes in the mid- and long-term. The Group's management believes that this classification for these strategic investments provides more reliable financial information, rather than reflecting changes to their fair value immediately in the period results. Some investments that are not listed on the public stock market are held at cost, and the Group considers that this value is adequate as a reference for their fair value.

26.2.2. FINANCIAL ASSETS RECLASSIFICATION

During the current period, the Group has not carried out changes in the business model for financial assets management and administration; therefore, financial assets have not been reclassified under the fair value modality towards the amortized cost, or vice versa.

26.3. Financial risk management objectives

The Group's financial policies are defined by the Corporate Finance committee and managed by the Corporate Finance Management, and they seek to ensure a solid financial structure and maintain the Group's exposure to market risk, liquidity and credit at optimal levels, according to the nature of the operations. The Group is exposed to exchange rate risks, interest rate, credit, and liquidity risk. The risk is mitigated by using natural hedging or financial derivatives, to the extent allowed by the market. The use of financial derivatives for speculative purposes is not allowed.

Special transactions such as acquisitions and issuances of shares or bonds may temporarily exceed the limit established by Management, a situation that is controlled through permanent monitoring of volatility and the execution of the investment plans associated with the specific transaction carried out.

26.3.1. FOREIGN EXCHANGE RISK MANAGEMENT

The Group is exposed to exchange rate risk as a result of the investments it maintains in subsidiaries with a functional currency other than the Colombian peso, for transactions carried out in currencies other than its functional currency, including foreign currency borrowing operations. Fluctuations in exchange rates have direct impacts on cash and consolidated financial statements. The Group monitors exchange rate risk by analyzing the balance sheet and cash flow exposure.

The analysis of exposure to exchange rate risk is carried out on the subsidiaries that have assets, liabilities, income, and expenses in currencies other than their functional currency, and where the local currency floats freely without exchange controls since those subsidiaries located in Countries with currency exchange controls have low volatility in exchange rate fluctuations. The exposure of the statement of financial position is determined by calculating the net position in dollars, made up of the liabilities and assets in dollars of said companies. The Group uses different natural hedging mechanisms to meet its objective of minimizing the volatility of the foreign exchange difference item in the consolidated income statement. Exposure to cash flows is monitored by analyzing the compensation of income and expenses in foreign currency, seeking to maximize the match between cash inflows and outflows in the same currency in order to minimize dollars purchases or sales in the spot market.

The concentration of foreign exchange risk is measured regarding the net position limit of +/- US 30 million. To the extent that the net position of the Group moves away from that figure, the exposure to foreign exchange risk is considered to increase.

The carrying amounts of the monetary assets and liabilities denominated in foreign currency at the end of the reporting period are as follows:

| | Monetary assets | | Monetary liabilities | | Net exposure | |
|--|-----------------|------------|----------------------|------------|---------------|------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| U.S. dollar, expressed in million pesos | 1,810,457 | 926,683 | 2,089,642 | 1,133,552 | (279,185) | (206,869) |
| U.S. dollar, expressed in thousand dollars | 410,614 | 241,179 | 473,933 | 295,019 | (63,319) | (53,840) |

| | Monetary assets | | Monetary liabilities | | Net exposure | |
|-----------------------------------|-----------------|------------|----------------------|------------|---------------|------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| Euro, expressed in million pesos | 170 | 153 | 13,272 | 2,063 | (13,102) | (1,910) |
| Euro, expressed in thousand euros | 37 | 37 | 2,907 | 497 | (2,870) | (460) |

26.3.2. RISK MANAGEMENT OF INTEREST RATES AND INFLATION INDICES

Interest rate risk arises mainly from the type of interest rate to which the company's loans are indexed. An increase in interest rates increases financial spending. This increase materializes more immediately in loans whose interest rate is determined based on a variable rate. For fixed-rate loans, the interest rate increase materializes at the time of credit renewal. The risk is reduced by maintaining a portion of the debt portfolio in fixed-rate loans with maturities in the medium and long term.

The concentration of interest rate risk materializes when a very high exposure to a particular index is detected in the financial debt portfolio. The Group considers a minimum fixed rate exposure of between 20% and 30% of its total consolidated debt is optimal. The Group's debt profile is reported monthly to management, indicating the levels of fixed vs. variable rate concentration term distribution (short-term vs. long-term) and distribution by currency (COP vs. USD vs. other currencies). With the results presented, decisions are made to manage the debt portfolio, such as the advance payment of obligations, structuring of financial derivatives to balance the position in interest rates and/or currencies, etc. As of December 31, 2024, 46.5% of the consolidated debt was agreed at a fixed interest rate, including hedges (March 2024: 73%).

The reference interest rates of the Colombian financial market that generate exposure to the Group are the CPI, IBR. The Group has not considered exposure to other local or international rates.

26.3.3. CREDIT RISK MANAGEMENT

The credit risk derived from financial assets that imply the risk of the counterparty defaulting is reduced by evaluating and assessing clients with exposure or who require credit beyond the established limits and actual collaterals. The maximum exposure to credit risk is represented by the balance of the financial assets. Management has developed policies for credit authorization to customers. The exposure to credit risk is constantly monitored according to the debtor's payment behavior.

The credit risk derived from the investments made by the Group in the financial system is monitored through the use of an issuer quota model, which stipulates the maximum amount that the Group may have invested in an American, European, Honduran, or Colombian bank, in which most of the Group's cash is concentrated and with which financial derivative operations are agreed. The policy restricts the amount of investment in banks to the limit calculated by the model quotas, without the authorization of the Financial Vice President. The models incorporate variables, such as national and international rating, leverage indicators, and liquidity indicators of banking entities. When the amounts invested in a bank exceed the values calculated by the quotas model, the risk is considered to be highly concentrated in a single issuer. The Company balances that concentration, when the market allows it, by divesting the issuer that has exceeded the amount stipulated by the model and recomposing the investments with different alternatives, according to the calculated quotas. For banks that are not part of the model, the Company does not measure the issuer quota risk. In turn, banks that are not part of that model are entities in which there are no significant investments at the time of this report.

26.3.4. LIQUIDITY RISK MANAGEMENT

The Group has financial obligations with counterparties in the banking system and in the capital market. In order to mitigate the liquidity risk in the possible renewals of these credits, the Group plans the concentration of maturities monthly in order to avoid accumulating very high maturities in any given month of the year. Additionally, it has a broad portfolio of liquidity providers in different currencies, types of indexers, and terms, including national banks, international banks, commercial

financing companies, stockbrokers, and issuance of bonds and trade papers in the capital market as a recurring issuer, where the main investors of these papers are pension funds and insurance companies. The balance of the debt distribution by term is another clear objective of management, with the goal of not concentrating more than 30% of financial liability maturities in the short-term. The years of duration of the financial liabilities are monitored month by month, and the objective is that the average life of the portfolio exceeds 3.5 years. These debt duration objectives can be affected at specific times by acquisitions and divestitures operations, etc., involving bridge or short-term financing, while adjusting the capital structure to the objectives set. Likewise, the Group has uncommitted credit quotas in national and international banks in a sufficient amount to cover any eventuality. The Group is also exposed to liquidity risk for breach of their financial commitments, which would trigger cross compliance clauses in other contracts. To mitigate this risk, the financial obligations in the credit agreements are monitored monthly and reported to Management.

Accounting working capital, defined as current assets minus current liabilities, shows a negative balance. This is mainly due to short-term loans and reclassifications of those loans that were long-term and whose maturity is already within the next 12 months. At the end of December, the company has available uncommitted quotas and is a recurring issuer in the Colombian stock market, with a quota in its bond and commercial paper issuance and placement program of \$750,000 million. These bank quotas and in the stock market allow the structuring of sufficient financing alternatives to renew the current debt portion, together with the internal generation of the company.

26.4 Foreign currency sensitivity analysis

The Group is mainly exposed to the USD currency both through monetary assets and liabilities and through future cash flows denominated in this currency. In general terms, the company has a long exposure in USD, benefiting from the appreciation of this currency with respect to the Colombian peso, mainly because it receives more flows in dollars from its subsidiaries abroad than the payments made in this currency. Regarding the exposure to foreign currency in the company's balance sheet, the following analysis is carried out to determine the impact on net income.

The following table shows the impact on net income of a 20% depreciation or appreciation in the Colombian peso, against the relevant foreign currencies after considering the hedge accounting effect. The 20% represents the sensitivity rate used when reporting currency risk internally to key management personnel and represents management's assessment of a possible but extreme scenario. The sensitivity analysis includes only outstanding monetary items denominated in foreign currency and adjusts their translation at the end of the period for a 20% change in exchange rates. The sensitivity analysis includes external loans, as well as loans for foreign operations within the Group, where the loan denomination is in a currency other than the currency of the lender and the borrower. Monetary liabilities denominated in dollars exceed monetary assets denominated in dollars, so when only the exposure of the company's balance sheet to the US dollar is considered, it is observed that the appreciation of the Colombian peso has a positive effect on net income.

| | December 2024 | March 2024 |
|--|---------------|------------|
| 20% increase in US dollar regarding functional currency | | |
| Income before taxes, expressed in million pesos | (55,837) | (41,374) |
| Equity | 151,580 | (32,127) |

FOREIGN CURRENCY SENSITIVITY ANALYSIS IN CONSOLIDATED FINANCIAL STATEMENTS

The sensitivity analysis uses a 20% increase or decrease in the closing exchange rate and moving average, which represents the management's assessment of the possible reasonable change in exchange rates.

| | December 2024 | March 2024 |
|--|---------------|------------|
| 20% increase in US dollar regarding functional currency | | |
| Impact on profit before taxes, expressed in million pesos | 76,508 | 8,153 |
| Other Comprehensive Income, expressed in million pesos | 2,675,397 | 1,645,607 |

A 20% drop in the Colombian peso against the US dollar would have produced the opposite effect. For the analysis, all other variables are assumed to be constants.

26.5 Sensitivity analysis of interest rates and inflation indices

The Group carries out determined sensitivity analysis based on exposure to interest rates and inflation indices, for both derivative and non-derivative instruments at the end of the reporting period. For liabilities at variable rates, an analysis is carried out, 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 internally informing key management personnel about interest rate risk, an increase or decrease of 100 basis points over the indicator's spot rate is used, which represents management's assessment of the possible reasonable change in interest rates.

During the period, there have been changes in the methods and hypotheses used for the sensitivity analysis.

| | CPI | | SOFR | | IBR | |
|---|---------------|------------|---------------|------------|---------------|------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| Increase of 100PB over the indexer spot rate | | | | | | |
| Income before taxes, expressed in million pesos | 6,664 | 7,877 | - | - | 4,070 | 4,702 |
| Other comprehensive income | 30,557 | 35,715 | 11,969 | 4,748 | (13,276) | (6,663) |

26.6. Derivative contracts in foreign currency and interest rate

The following table details foreign currency derivative contracts and the notional capital amounts and remaining terms of interest rate swap contracts under hedge accounting outstanding at the end of the reporting period:

| | Derivative contract average rate | | Underlying notional value in Colombian pesos ⁽¹⁾ | | Assets (liabilities) fair value | |
|--|----------------------------------|------------|---|------------------|---------------------------------|------------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| US dollar | | | | | | |
| 1 year or less, purchase forward | - | 4,422 | - | 384,335 | - | (58,037) |
| 1 year or less, forward of sale | 4,581 | 4,031 | 48,034 | 949,316 | 645 | 37,681 |
| 1 year or less, other currencies | - | 0,007 | - | 633,856 | - | (16,956) |
| 1 year or less, purchase options | 4,100 | - | 358,811 | - | (6,637) | - |
| 1 to 5 years, purchase options | 4,175 | - | 408,822 | - | 149,204 | - |
| 1 to 5 years, put options | 5,175 | - | 408,822 | - | (96,173) | - |
| Total foreign currency derivative contracts | | | 1,224,489 | 1,967,507 | 47,039 | (37,312) |
| Interest rate swap, cash flow hedge | | | | | | |
| 1 year or less | | | 176,366 | 450,000 | (28,706) | (7,403) |
| From 1 to 5 years | | | 1,961,335 | 2,352,690 | 38,969 | (100,226) |
| 5 years or more | | | 188,145 | 100,000 | (27,659) | (7,980) |
| Total interest rate derivative contracts | | | 2,325,846 | 2,902,690 | (17,396) | (115,609) |
| Total foreign currency derivatives and interest rates | | | 3,550,335 | 4,870,197 | 29,643 | (152,922) |

(1) The underlying notional value includes values in American dollars and Japanese yen. For disclosure purposes, these amounts have been converted into Colombian pesos using the closing exchange rate in force for each reporting date.

26.7 Interest risk and liquidity tables

The following tables detail the remaining contractual maturity of the Group for its non-derivative financial liabilities with agreed-upon reimbursement periods. Tables have been designed based on the undiscounted cash flows of financial liabilities, based on the date on which the Group must make payments. Tables include both interest and capital cash flows. When the interest is at the variable rate, the undiscounted amount is derived from market 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 the payment.

| | Weighted average effective rate | 1 year or less | From 1 to 5 years | 5 years or more | Total, contractual cash flows | Book value |
|--|---------------------------------|------------------|-------------------|------------------|-------------------------------|------------------|
| December 31, 2024 | | | | | | |
| Non-interest bearing financial liability | | 734,575 | - | - | 734,575 | 734,575 |
| Instruments with variable interest rates | 11.49% | 900,884 | 2,353,250 | 1,691,260 | 4,945,394 | 3,419,998 |
| Instruments with fixed interest rates | 11.69% | 317,000 | 20,895 | - | 337,895 | 345,672 |
| Other liabilities | | 5 | 21 | 354 | 380 | 88 |
| | | 1,952,464 | 2,374,166 | 1,691,614 | 6,018,244 | 4,500,333 |

| | Weighted average effective rate | 1 year or less | From 1 to 5 years | 5 years or more | Total, contractual cash flows | Book value |
|--|---------------------------------|------------------|-------------------|------------------|-------------------------------|------------------|
| March 31, 2024 | | | | | | |
| Non-interest bearing financial liability | | 889,964 | - | - | 889,964 | 889,964 |
| Instruments with variable interest rates | 13.84% | 1,462,753 | 1,962,129 | 2,282,814 | 5,707,696 | 3,579,095 |
| Instruments with fixed interest rates | 11.58% | 1,011,238 | 129,243 | - | 1,140,481 | 1,067,434 |
| Other liabilities | | 2,516 | 10,710 | 186,211 | 199,437 | 44,835 |
| | | 3,366,471 | 2,102,082 | 2,469,025 | 7,937,578 | 5,581,328 |

The following table details the Group's liquidity analysis for its derivative financial instruments. The table has been designed based on discounted contractual net cash flows that are written off on a net basis, and discounted gross cash flow on those derivatives that require a gross payment. When the amount payable or receivable is not fixed, the amount disclosed has been determined by referencing projected interest rates, as illustrated by the yield curves at the end of the reporting period. As of December 31, 2024 and comparatives, the Group does not have derivative contracts that are settled in their gross amount.

| | December 31, 2024 | | | | March 31, 2024 | | | |
|----------------------------|-------------------|-----------------------|-----------------|---------------|-----------------|-----------------------|-----------------|------------------|
| | 1 year or less | From 1 to 5 years old | 5 years or more | Total | 1 year or less | From 1 to 5 years old | 5 years or more | Total |
| Net settled amount: | | | | | | | | |
| Forward | 645 | - | - | 645 | (37,312) | - | - | (37,312) |
| Swaps | (28,706) | 38,969 | (27,659) | (17,396) | (7,403) | (100,227) | (7,980) | (115,610) |
| Options | (6,637) | 53,031 | - | 46,394 | - | - | - | - |
| | (34,698) | 92,000 | (27,659) | 29,643 | (44,715) | (100,227) | (7,980) | (152,922) |

26.8 Collateral

As of December 31, 2024, the financial assets pledged as collateral are as follows:

- 27,194,423 shares from the issuer Grupo de Inversiones Suramericana S.A. to the financial entity Banco Santander as collateral for two loans for USD 130 million taken in 2021 and 2024. For such operation, U\$2,055,958.98 are also pledged as collateral.
- Argos SEM LLC subsidiary has pledged 360,600 ordinary shares of Argos Puerto Rico Corp. to secure credit between Argos Puerto Rico Corp. and Banco Popular de Puerto Rico. Under this credit, the accounts receivable, escrow accounts, and inventory from Argos Puerto Rico Corp. were also pledged.

At the end of December, the company has no shares of Grupo de Inversiones Suramericana as collateral for passive repos.

26.9 Financial assets and liabilities fair value

The Group determines the fair value of all its financial assets and liabilities in the reporting period for measurement or disclosure in the financial statements.

The following table shows, for each of the levels of fair value hierarchy, the Group's assets and liabilities measured at fair value as of December 31, 2024 and March 31, 2024:

| | December 31, 2024 | | | | March 31, 2024 | | | |
|---|-------------------|----------------|-----------------|------------------|------------------|------------------|------------------|------------------|
| | Level 1 | Level 2 | Level 3 | Total fair value | Level 1 | Level 2 | Level 3 | Total fair value |
| <i>Financial assets at fair value :</i> | | | | | | | | |
| In results - advances | 2,276 | - | - | 2,276 | 2,276 | - | - | 2,276 |
| In results | 3,702 | - | - | 3,702 | 676,658 | - | - | 676,658 |
| In other comprehensive income | 1,058,604 | 27,159 | - | 1,085,763 | 868,697 | 21,293 | - | 889,990 |
| Financial derivatives | - | 147,942 | - | 147,942 | - | 140,712 | - | 140,712 |
| Financial assets at fair value | 1,064,582 | 175,101 | - | 1,239,683 | 1,547,631 | 162,005 | - | 1,709,636 |
| <i>Financial liabilities at fair value:</i> | | | | | | | | |
| In other equity items | - | - | 89,941 | 89,941 | - | - | 101,163 | 101,163 |
| Financial derivatives | - | 118,299 | - | 118,299 | - | 293,634 | - | 293,634 |
| Financial liabilities at fair value | - | 118,299 | 89,941 | 208,240 | - | 293,634 | 101,163 | 394,797 |
| Net assets (liabilities) at fair value | 1,064,582 | 56,802 | (89,941) | 1,031,443 | 1,547,631 | (131,629) | (101,163) | 1,314,839 |

The following table shows the carrying amount and estimated fair value of the financial assets and liabilities of the Group that is not measured at fair value in the financial statements, but are required to be disclosed:

| | December 31, 2024 | | March 31, 2024 | |
|--|-------------------|---------------------|------------------|---------------------|
| | Book value | Fair value, Level 2 | Book value | Fair value, Level 2 |
| Non-interest bearing liabilities | 734,575 | 734,575 | 889,964 | 889,964 |
| Instruments with variable interest rates | 3,419,998 | 3,301,883 | 3,579,095 | 3,344,092 |
| Instruments with fixed interest rates | 345,672 | 347,723 | 1,067,434 | 1,080,729 |
| Preferred share liability | 88 | 76 | 44,835 | 30,711 |
| Financial liabilities | 4,500,333 | 4,384,257 | 5,581,328 | 5,345,496 |

| | December 31, 2024 | | March 31, 2024 | |
|--|--------------------|---------------------|--------------------|---------------------|
| | Book value | Fair value, Level 2 | Book value | Fair value, Level 2 |
| Cash and cash equivalents | 1,065,075 | 1,065,075 | 1,991,158 | 1,991,158 |
| Amortized cost of investments with high liquidity ⁽¹⁾ | - | - | 36 | 36 |
| Accounts receivable | 557,117 | 557,117 | 636,182 | 636,182 |
| Financial assets | 1,622,192 | 1,622,192 | 2,627,376 | 2,627,376 |
| Financial liabilities, net | (2,878,141) | (2,762,065) | (2,953,952) | (2,718,120) |

(1) In March 2024 it corresponds to TDC constituted by Cementos Argos S.A.

As of December 31 and March 31, 2024, there were no transfers between fair value hierarchy levels, or changes to the assets and liabilities measured at fair value on a recurrent basis using unobservable variables classified at level 3 of the fair value hierarchy.

NOTE 27: ISSUED CAPITAL

As of December 31 and March 31, 2024, the authorized capital is made up of 1,500,000,000 shares with a nominal value in pesos of \$416 each for a total value of \$624,000. The subscribed and paid-in capital is made up of 1,411,481,471 ordinary shares and 464,508 preferred shares, with a nominal value in pesos of \$416 for a total of \$587,176 and \$193, respectively. Own shares reacquired are 109,677,767 (March 2024 84,018,157). As of December 31 and March 31, 2024 the outstanding shares are 1,302,268,212 (March 2024: 1,359,234,010), the decrease between both periods corresponds to the share repurchase program, with a total of 56,965,798 shares repurchased. The value of a share placement premium is \$1,702,849.

| | December 2024 | March 2024 |
|---|------------------|------------------|
| AUTHORIZED CAPITAL | | |
| 1,500,000,000 ordinary shares with a nominal value of \$416 | 624,000 | 624,000 |
| SUBSCRIBED AND PAID CAPITAL | | |
| 1,411,481,471 ordinary shares with a nominal value of \$416 | 587,176 | 513,367 |
| 464,508 preferred shares with a nominal value of \$416 | 193 | 87,026 |
| | 587,369 | 600,393 |
| Premium on share placement | 1,702,849 | 1,642,159 |
| Total issued capital | 2,290,218 | 2,242,552 |

27.1. Conversion of preferred and non-voting shares with dividends into ordinary shares

Cementos Argos S.A. successfully concluded the process of converting its non-voting preferred dividend shares ("preferred shares") into common shares at a ratio of 0.85 common shares for one preferred share, as approved by the Shareholders' Meeting on March 18 and subsequently by the Colombian Financial Superintendency.

The conversion was carried out after a period of 10 business days for receipt of notices of non-conversion, during which those shareholders who decided to keep their preferred shares communicated such decision to the Company. As a result of this process, 99.8% of the preferred shares were converted into common shares and, thus, the latter now represent 99.96% of the Company's outstanding shares.

The preferred shares issued by Cementos Argos S.A. in 2013 did not contemplate conversion mechanisms, so their replacement by common shares in May 2024 entails the decision of the holders of the preferred shares, who were already shareholders of the Company, but without voting rights, to anticipate their maturity in order to achieve new conditions for their securities that now basically allow them to vote, but without having the right to the preferred dividend.

Considering the foregoing, and that the conversion of the preferred shares did not involve cash payments, it was concluded that the transaction does not involve either a repurchase or a payment of liabilities with shares, but is more related to the capitalization of a liability, according to which the accounting management should be aligned with the provisions of either paragraph 16F or paragraph AG32 of IAS 32, according to which, the amounts recognized in equity of the preferred shares should be transferred to ordinary shares accounts considering the par value of the shares and the differential increasing or decreasing the additional paid-in capital and the liability, which remains recorded in the accounting at its amortized cost, should be derecognized from the liability and recorded in equity increasing the additional paid-in capital of the common shares, without generating any gain or loss in the recording.

27.2. Share repurchase program

On March 18, 2024, the Shareholders' Meeting approved the second phase of the common and preferred share repurchase program for an amount of \$125,000 million. The term to carry out the program is two (2) years as from its approval by the Shareholders' Meeting, that is, until March 18, 2026

On June 13, 2024, the Shareholders' Meeting authorized, with the required majority, the extension of the Share Repurchase Program and consequently approved the allocation of \$375,000 million from the share repurchase reserve to such program. With this approval, the value of the Share Repurchase Program amounts to \$500,000 million, whose term of execution will be until March 18, 2026

The Company's investments in associates and joint ventures do not hold any common or preferred shares of Cementos Argos S.A. or any of its subsidiaries at the reporting date or in comparative periods. The Company has not reserved any common or preferred shares under option contracts or contracts for the sale of shares

Cementos Argos S.A. may only acquire its own shares by decision of the General Shareholders' Meeting with the favorable vote of the number of subscribed shares determined by law, with funds taken from liquid profits and provided that such shares are fully paid up.

27.3. Reconciliation of paid ordinary shares

| | | Number of shares | Social capital | Share placement premium |
|---------------------------------|----------------------|------------------|----------------|-------------------------|
| Balance as of March 31, 2024 | Paid ordinary shares | 1,234,054,317 | 513,367 | 268,089 |
| Balance as of March 31, 2024 | Preferred shares | 209,197,850 | 87,026 | 1,374,069 |
| Balance as of December 31, 2024 | Paid ordinary shares | 1,411,481,471 | 587,176 | 1,699,798 |
| Balance as of December 31, 2024 | Preferred shares | 464,508 | 193 | 3,051 |

Each ordinary share gives its owner the right to participate in the General Shareholders' Meeting decisions and vote in it, trade the shares freely, inspect the books and social papers freely during the fifteen (15) business days prior to the General Meeting in which the year-end financial statements are examined, and receive a proportionate share of the social assets at the time of settlement and once the company's external liabilities have been paid, among others included in the bylaws.

The shareholders holding ordinary shares shall have the right to preferentially subscribe in all-new issuance of ordinary shares, an amount proportional to those held on the date on which the competent social agency approves the subscription regulations.

NOTE 28: RESERVES AND OTHER COMPREHENSIVE INCOME

28.1 Reserves

The Group consolidated reserves include Cementos Argos S. A. reserves value, and interest in reserves changes from subsidiaries, associates, and joint ventures accounted for by the equity method, in the percentage held by the Group, after the date of the first IFRS adoption. The following table shows separately the legal reserve and other reserves from Cementos Argos S. A. controlling entity, as well as those corresponding to subsidiaries, associates, and joint ventures.

| | Legal reserve | Reserve for share repurchase | Other reserves | Total reserves |
|---|----------------|------------------------------|------------------|------------------|
| December 2024 | | | | |
| Cementos Argos S. A., controlling entity | 293,685 | 738,797 | 4,499,864 | 5,532,346 |
| Subsidiaries, associates and joint ventures | 3,863 | - | 222,353 | 226,216 |
| Total Cementos Argos S.A. and subsidiaries | 297,548 | 738,797 | 4,722,217 | 5,758,562 |
| March 2024 | | | | |
| Cementos Argos S. A., controlling entity | 262,785 | 363,797 | 14,559 | 641,141 |
| Subsidiaries, associates and joint ventures | 3,863 | - | 222,352 | 226,215 |
| Total Cementos Argos S.A. and subsidiaries | 266,648 | 363,797 | 236,911 | 867,356 |

LEGAL RESERVE

National companies are obliged to appropriate as a legal reserve 10% of their annual net profits until the reserve balance is equivalent to 50% of the subscribed capital. As of December 31, 2024 and March 31, 2024, the legal reserve value amounts to \$297,548 and \$266,648, respectively. For both periods said reserve is above what is legally established.

The reserve is not distributable before the Company liquidation, but it should be used to absorb or reduce annual net losses. Appropriations made in excess of the 50% mentioned above are freely available by the General Shareholders' Meeting.

RESERVE FOR SHARE REPURCHASE

This reserve, on the reacquired own shares, in accordance with the provisions set forth in the Commercial Code, is only distributable to the shareholders until the shares are sold again. As long as the shares belong to the Company, the rights inherent to them will be suspended.

On June 13, 2024, the Shareholders' Meeting approved, with the required majority, the extension of the Share Repurchase Program, authorizing the allocation of an additional \$375,000 million from the reserve earmarked for this program. With this approval, the total amount of the program amounts to \$500,000 million, with a term of execution until March 18, 2026.

Previously, on March 18, 2024, the Shareholders' Meeting had approved the second phase of the common and preferred share repurchase program in the amount of \$125,000 million. The term for the execution of this phase is two years from the date of approval, that is, until March 18, 2026.

The following table provides a summary of the changes in the reserve during the year:

| | December 2024 | March 2024 |
|---------------------------|---------------|------------|
| Shares repurchase reserve | 738,797 | 363,797 |
| Own shares repurchased | (452,506) | (238,797) |

RESERVE FOR TAX PROVISIONS

It is a mandatory reserve that originates in the requirement made by the Colombian Tax Statute, to appropriate the equivalent of 70% of the greater value requested for tax depreciation over the accounting. According to legal provisions, this reserve can be released to the extent that the subsequently recorded depreciations exceed those requested annually for tax purposes, or the assets that generated the greatest value deducted are sold.

OCCASIONAL RESERVES AT THE DISPOSAL OF THE HIGHEST SOCIAL BODY AND OTHER RESERVES INCLUDING RESERVES FOR STRENGTHENING EQUITY

In addition to the reserves established by law or the bylaws, the General Shareholders' Meeting may constitute freely available reserves for specific purposes.

28.2 Other comprehensive income, net from taxes, attributable to the controlling interest

In 2024, with the sale transaction of the United States region, the Group transferred \$9,742 of employee benefits to retained earnings.

In December 2024 and March 2024 the value reclassified from Other Comprehensive Income to the result of the period the item of financial expense and exchange difference for cash flow hedges is \$119,412 and \$52,809 respectively.

In 2024, with the sale transaction of the United States region, the Group transferred to income for the period \$1,595,233 for currency translation and \$10,086 for cash flow hedges net of taxes, as part of the gain on sale recognized for accounting purposes in discontinued operations.

28.3 Impact of NCIFs first-time implementation

The impact of NCIFs application of unrealized assets and liabilities and retroactive adjustments due to the change in investment property policy is not distributable to shareholders unless realization is demonstrated.

NOTE 29: DIVIDENDS

The Extraordinary Stockholders' Meeting held on June 13, 2024 declared cash dividends on the ordinary and preferred shares of \$324.06 per share per year, payable in three (3) installments, as follows:

- In July 2024, between the 15th and 26th of the month, an installment of \$83.8 pesos per share, of which \$83 will be distributed in cash and \$0.8 will be distributed as retained earnings.
- In October 2024, between the 15th and 25th of the month, an installment of \$83.8 pesos per share, of which \$83 will be distributed in cash and \$0.8 will be distributed as retained earnings.
- In January 2025, between the 8th and 22nd of the month, an installment of \$156.46 pesos per share, of which \$155 will be distributed in cash and \$1.46 will be distributed as retentions to be carried forward.

Additionally, in an extraordinary meeting held on June 22, 2023, an extraordinary dividend payment was approved on ordinary and preferred shares at the rate of \$229.77 per share, for a total of \$317,008, to be paid in three cash installments corresponding to \$89,647 and \$16,022 of ordinary and preferred shares, in the months of July, October and December 2023.

During the period, Cementos Argos S.A. decreed and made the following dividend payments:

| Provided dividends | Shares | From April 1 to December 30, 2024 | | From April 1 to December 30, 2023 | |
|---|---------------|-----------------------------------|----------------|-----------------------------------|----------------|
| | | \$ dividend per share | Total | \$ dividend per share | Total |
| Cementos Argos S.A. | | | | | |
| Extraordinary dividend (ordinary shares) | 1,170,478,742 | - | - | 229.77 anual | 268,941 |
| Extraordinary dividend (preferred shares) | 209,197,850 | - | - | 229.77 anual | 48,067 |
| Extraordinary dividend (ordinary shares) | 1,322,314,765 | 324.06 annually | 428,509 | - | - |
| Extraordinary dividend (preferred shares) | 464,508 | 324.06 annually | 151 | - | - |
| | | | 428,660 | | 317,008 |
| Non-controlling interests | | | 9,578 | | 20,872 |
| | | | 438,238 | | 337,880 |
| <i>Provided dividends, equity</i> | | | 438,238 | | 337,880 |
| <i>Provided dividends, liabilities</i> | | | - | | - |

The provided dividends are based on the shares outstanding at the time of the declaration.

| Paid dividends | Over No. of shares | From April 1 to December 30, 2024 | | From April 1 to December 30, 2023 | |
|--|--------------------|-----------------------------------|--------------------|-----------------------------------|----------------|
| | | \$ dividend per share | Total paid in cash | \$ dividend per share | Total paid |
| Cementos Argos S.A. | | | | | |
| Ordinary dividend (on ordinary shares) | 1,170,478,742 | - | - | 322,54 | 377,526 |
| Ordinary dividend (on preferred shares) | 209,197,850 | - | - | 322,54 | 67,474 |
| Ordinary dividend (on ordinary shares) | 1,154,508,739 | 117,54 | 135,701 | - | - |
| Extraordinary dividend (on ordinary shares) | 1,322,314,765 | 167,60 | 221,620 | - | - |
| Ordinary dividend (on preferred shares) | 206,897,961 | 117,54 | 24,318 | - | - |
| Extraordinary dividend (on preferred shares) | 464,508 | 167,60 | 78 | - | - |
| | | | 381,717 | | 445,000 |
| Non-controlling interests | | | 73,513 | | 80,284 |
| | | | 455,230 | | 525,284 |

NOTE 30: NON-CONTROLLING INTERESTS

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Opening balance | 658,135 | 719,596 |
| Profit share of the year | 54,586 | 10,731 |
| Ordinary dividends distributed in cash | (9,578) | (63,690) |
| Non-controlling interest generated by other comprehensive income | 96,407 | 4,396 |
| Purchase commitments to minorities | 11,222 | (12,897) |
| Participation by other equity movements | 390 | (1) |
| Closing balance | 811,162 | 658,135 |

NOTE 31: INCOME FROM ORDINARY ACTIVITIES

31.1 Income composition from ordinary activities

The Group's income for the period for continuing operations excludes income from investments (Note 36 Financial Income)

| | 2024 | 2023 (no auditado) |
|---|------------------|--------------------|
| Income from sale of goods | 3,880,217 | 3,877,098 |
| Income from services provision and others | 87,402 | 38,915 |
| | 3,967,619 | 3,916,013 |

Cementos Argos consolidated operating income is generated mainly by cement and ready-mixed concrete sale. Our concrete businesses are the main customer of our cement production. Sales of our products between geographic or operating segments are made at market prices comparable to those made with third parties. Our cement and ready-mix concrete sales are highly dependent on the construction industry performance, including residential, commercial and infrastructure projects, in each of the countries where we operate or sell our products. Fluctuations in the construction industry behavior significantly affect the cement and ready-mix concrete volumes that we are able to sell, as well as the selling prices that we can receive for our products (Note 32).

31.2 Contractual balances from contracts with clients

The Group has no balance for contract assets. The movement of contract liabilities during the period is presented below:

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Opening Balance | 159,539 | 89,947 |
| Advances and income received in advance | 67,254 | 163,560 |
| Amounts included in contract liabilities that were recognized as revenue in the current period | (87,255) | (89,947) |
| Loss of control | - | (3,248) |
| Foreign currency translation result | 4,628 | (773) |
| | 144,166 | 159,539 |
| Current | 71,882 | 78,077 |
| Non-current (note 31.3) | 72,284 | 81,462 |
| | 144,166 | 159,539 |

31.3 Performance obligations

As of December 31, 2024 the balance of non-current performance obligations for \$72,284 corresponds to the transfer of the right to use the 'Argos' trademark to Summit in the United States for a period of 7 years, the parties valued this trademark at US\$21,400,000, value that was invoiced by Cementos Argos S.A. in Colombia. The invoiced value was recognized for accounting purposes as deferred income and will be amortized monthly in income from ordinary activities for up to 7 years.

As of December 31 and March 31, 2024, the Group has no commitments that are estimated to generate losses.

NOTE 32: SEGMENT REPORTING

32.1 Operating segments, products and services that generate revenue from those segments

Management has determined the operating segments based on the financial information provided to the Steering Committee of Cementos Argos S.A., whose members periodically monitor the results of the businesses to make decisions on the allocation of resources and the evaluation of their performance.

The cement, ready-mix concrete and aggregates business is organized and managed across three main geographic regions where the Group has a presence: Colombia, Central America and the Caribbean, and an additional segment called Trading, operated through subsidiary companies.

In addition to these operating segments, the Group has a segment called Corporate and others, which includes the results of businesses other than the operating core, as well as general corporate income and expenses related to the general management of the businesses. Within this segment, the Group manages its portfolio of strategic investments, managing on the one hand the participations in related and associated companies, as well as the income and expenses associated with these investments, and on the other hand the participations in portfolio companies of vital importance, mainly the investment held with Grupo de Inversiones Suramericana S. A. This segment, with its distribution of activities among the related, associated and portfolio companies, mainly the investment held with Grupo de Inversiones Suramericana S. A., is managed independently, given the fact that the Group manages its portfolio of investments in related and associated companies, as well as the income and expenses associated with these investments, is managed independently, given the difference in the nature of their operations, as well as the associated risks and benefits.

The three geographic segments generate their revenues from the cement, ready-mix concrete and aggregates businesses as follows:

Cement: Comprises the production, marketing, transportation and distribution of cement in all its forms and types, raw materials and semi-finished cement products, including the trading of clinker. The plants produce a wide range of products, such as clinker, general purpose cement, structural cement, Portland cement (types I, II, I/II and III), white cement, masonry cement and oil cement.

Ready-mix concrete: Includes the production and marketing of ready-mix concrete in all its forms and types. The product portfolio includes specialty concrete for infrastructure, architecture, public spaces, and other uses.

Aggregates: Materials of natural origin or industrial by-products used to provide strength to concrete. They are classified into coarse and fine aggregates, with main sources being limestone, conglomerates, sandstones and basalts.

The Steering Committee evaluates performance and allocates resources based on geographic segmentation, without regularly monitoring segmentation by product or service at this level.

The performance of the operating segments is measured principally based on the net sales and operating income of each segment, excluding the effects of financial income and expenses and income taxes, which are managed at the corporate level. The accounting policies applied in the preparation of segment information are the same as those described in Note 2.2 Accounting Policies. No asymmetric allocations have been made in the Group's operating segments.

32.2 Operating segment financial information

| 2024 | Colombia | Caribbean | Central America | Trading | Corporate and others | Total |
|--|------------------|----------------|-----------------|----------------|----------------------|------------------|
| Operating income | 2,781,288 | 851,142 | 825,345 | 694,520 | 31,813 | 5,184,108 |
| Minus: inter-segment | (577,296) | (33,591) | (65,395) | (539,663) | (544) | (1,216,489) |
| Consolidated operating income (expense) | 2,203,992 | 817,551 | 759,950 | 154,857 | 31,269 | 3,967,619 |
| Cost of sale | (1,433,155) | (649,080) | (473,385) | (100,623) | (7,659) | (2,663,902) |
| Depreciation and amortization | (215,493) | (35,130) | (37,430) | (22,855) | - | (310,908) |
| Gross profit | 555,344 | 133,341 | 249,135 | 31,379 | 23,610 | 992,809 |
| Other depreciation and amortization | (4,580) | (13,955) | (33,947) | (52) | (4,583) | (57,117) |
| Administrative and sales expenses | (185,734) | (65,648) | (84,927) | (7,738) | (140,809) | (484,856) |
| Other operating income (expenses), net | 1,826 | 12,914 | 22,917 | (1,016) | (29,954) | 6,687 |
| Operating profit (loss) | 366,856 | 66,652 | 153,178 | 22,573 | (151,736) | 457,523 |
| Financial income | | | | | | 138,985 |
| Financial expenses | | | | | | (549,368) |
| Loss by difference in foreign exchange, net | | | | | | 9,730 |
| Net interest in investee income | | | | | | 820 |
| Income before tax | | | | | | 57,690 |
| Income tax | | | | | | (29,950) |
| Year net income | | | | | | 27,740 |

| 2023 (no auditado) | Colombia | Caribbean | Central America | Trading | Corporate and others | Total |
|--|------------------|----------------|-----------------|---------------|----------------------|------------------|
| Operating income | 2,898,279 | 815,567 | 844,425 | 932,632 | 7,754 | 5,498,657 |
| Minus: inter-segment | (654,259) | (28,869) | (58,006) | (840,959) | (551) | (1,582,644) |
| Consolidated operating income (expense) | 2,244,020 | 786,698 | 786,419 | 91,673 | 7,203 | 3,916,013 |
| Cost of sale | (1,513,926) | (600,474) | (497,816) | (26,915) | (6,070) | (2,645,201) |
| Depreciation and amortization | (211,790) | (24,152) | (38,231) | (17,042) | (15) | (291,230) |
| Gross profit | 518,304 | 162,072 | 250,372 | 47,716 | 1,118 | 979,582 |
| Other depreciation and amortization | (6,591) | (8,216) | (35,323) | (45) | (6,227) | (56,402) |
| Administrative and sales expenses | (180,330) | (64,577) | (81,591) | (6,581) | (120,806) | (453,885) |
| Other operating income (expenses), net | 13,576 | 6,951 | 2,226 | (844) | (23,702) | (1,793) |
| Impairment value of non-current assets | - | (188) | - | - | (16) | (204) |
| Operating profit (loss) | 344,959 | 96,042 | 135,684 | 40,246 | (149,633) | 467,298 |
| Financial income | | | | | | 61,646 |
| Financial expenses | | | | | | (599,161) |
| Loss by difference in foreign exchange, net | | | | | | (35,167) |
| Net interest in investee income | | | | | | 874 |
| Income before tax | | | | | | (104,510) |
| Income tax | | | | | | (180,630) |
| Year net income | | | | | | (285,140) |

32.3 Information by geographical area and significant customers

| | Revenue from external customers | | Non-current assets | |
|--------------------|---------------------------------|---------------------------|--------------------|-------------------|
| | December 2024 | December 2023 (unaudited) | December 2024 | March 2024 |
| Colombia | 2,231,385 | 2,245,395 | 4,342,549 | 4,357,983 |
| United States | - | - | 790,758 | 7,482,309 |
| Panama | 312,907 | 335,734 | 776,701 | 1,563,445 |
| Honduras | 435,412 | 413,788 | 591,057 | 537,919 |
| Haiti | 19,822 | 15,798 | 1,767 | 14,638 |
| Dominican Republic | 333,955 | 315,201 | 90,273 | 65,306 |
| Suriname | 27,510 | 30,048 | 23,259 | 20,487 |
| Caribbean Islands | 562,207 | 522,145 | 305,509 | 279,786 |
| Guatemala | 44,421 | 37,904 | 739 | 247 |
| Total | 3,967,619 | 3,916,013 | 6,922,612 | 14,322,120 |

For these purposes, the basis used to attribute income from external clients to countries is the location of the Company. Non-current assets include property, plant and equipment, intangible assets, investment properties, investments in associates and joint ventures, goodwill, lease rights assets and biological assets. As of December 31, 2024 and March 31, 2024, the Group does not have any clients representing 10% or more of the consolidated income.

32.4 Information by product and service

| | 2024 | 2023 (unaudited) |
|----------------|------------------|------------------|
| Cement | 2,664,150 | 2,711,335 |
| Concrete | 861,807 | 847,308 |
| Other products | 441,662 | 357,370 |
| Total | 3,967,619 | 3,916,013 |

Cementos Argos consolidated operating income is generated mainly by cement and ready-mixed concrete sale. Our concrete businesses are the main customer of our cement production. Sales of our products between geographic or operating segments are made at market prices comparable to those made with third parties.

Our cement and ready-mix concrete sales are highly dependent on the construction industry performance, including residential, commercial and infrastructure projects, in each of the countries where we operate or sell our products. Fluctuations in the behavior of the construction industry significantly affect the volumes of cement that the Company is able to sell, as well as the sales prices that the Company is able to receive for its products.

NOTE 33: ADMINISTRATIVE AND SALE EXPENSES

| | Management expenses | | Sale Expenses | | Administrative and sale expenses | |
|--|---------------------|------------------|----------------|------------------|----------------------------------|------------------|
| | 2024 | 2023 (unaudited) | 2024 | 2023 (unaudited) | 2024 | 2023 (unaudited) |
| Staff expenses | 189,411 | 175,566 | 59,226 | 54,616 | 248,637 | 230,182 |
| Services | 72,833 | 61,087 | 26,733 | 30,050 | 99,566 | 91,137 |
| Amortization of intangible assets | 3,218 | 8,145 | 31,592 | 32,754 | 34,810 | 40,899 |
| Fees | 44,300 | 21,973 | 1,134 | (75) | 45,434 | 21,898 |
| Taxes | 5,839 | 9,902 | 25,890 | 29,606 | 31,729 | 39,508 |
| Maintenance and repairs | 12,721 | 16,979 | 749 | 1,492 | 13,470 | 18,471 |
| Property, plant and equipment depreciation | 16,102 | 9,470 | 122 | 110 | 16,224 | 9,580 |
| Insurance | 12,804 | 11,810 | 1,946 | 1,652 | 14,750 | 13,462 |
| Trade receivables impairment | 81 | 1,189 | 2,141 | 3,201 | 2,222 | 4,390 |
| Right-of-use assets depreciation | 4,518 | 4,704 | 1,524 | 1,219 | 6,042 | 5,923 |
| Contributions and affiliations | 4,612 | 3,675 | 953 | 857 | 5,565 | 4,532 |
| Leases | 3,181 | 3,153 | 177 | 187 | 3,358 | 3,340 |
| Travel expenses | 9,220 | 8,248 | 3,084 | 2,853 | 12,304 | 11,101 |
| Supplies and stationery | 702 | 851 | 108 | 159 | 810 | 1,010 |
| Fuel and lubricant | 255 | 402 | 816 | 700 | 1,071 | 1,102 |
| Adaptation and installation | 617 | 607 | 13 | 10 | 630 | 617 |
| Restaurant | 737 | 608 | 267 | 349 | 1,004 | 957 |
| Legal expenses | 676 | 881 | 86 | 68 | 762 | 949 |
| Transportation | 965 | 1,035 | 300 | 279 | 1,265 | 1,314 |
| Representation and public relations expenses | 996 | 1,656 | 565 | 643 | 1,561 | 2,299 |
| Miscellaneous | 65 | 6,281 | 694 | 1,335 | 759 | 7,616 |
| | 383,853 | 348,222 | 158,120 | 162,065 | 541,973 | 510,287 |

NOTE 34: OTHER (EXPENSES) OPERATING INCOME, NET

| | 2024 | 2023 (unaudited) |
|---|--------------|------------------|
| Gain of property, plant and equipment and other assets sale | 13,725 | 16,807 |
| Gain on insurance recoveries and other recoveries | 28,481 | 21,879 |
| Gain on investment properties valuation, net (Note 16) | 3,909 | 6,774 |
| Net compensation gain ⁽¹⁾ | 12,317 | 4,892 |
| Gain in exploitations | 4,478 | 1,831 |
| Gain on biological assets sale | 1,000 | 1,525 |
| Claims | - | 220 |
| (Loss) profit of biological assets valuation, net (Note 11) | 1,786 | (711) |
| (Loss) other income expenses ⁽²⁾ | (9,955) | (2,362) |
| Donations | (10,467) | (10,767) |
| Loss due to legal process | (7,386) | (6,214) |
| Loss on property, plant and equipment and other assets sale | (7,603) | (12,415) |
| Loss on sale of investments | (110) | - |
| Loss on 4X1000 assumed tax and other taxes | (23,563) | (23,235) |
| Government grant income (loss) | 75 | (17) |
| Total other operating income, net | 6,687 | (1,793) |

(1) The variation is mainly due to the receipt in Haiti of income from property damage insurance of \$10,903.

(2) In 2024 an agreement was signed between Cementos Argos and the Foundation in which Cementos Argos assumed all legal expenses and judicial proceedings incurred by the Foundation associated with the release of land related to the land restitution process for \$10,250.

NOTE 35: EXCHANGE DIFFERENCE GAIN (LOSS)

| | 2024 | 2023 (unaudited) |
|---|--------------|------------------|
| Exchange difference income | 211,343 | 241,242 |
| Exchange difference expense | (201,613) | (276,409) |
| Gain (loss) by difference in foreign exchange, net | 9,730 | (35,167) |

NOTE 36: FINANCIAL INCOME

| | 2024 | 2023 (unaudited) |
|-----------------------------------|----------------|------------------|
| Interest income | 97,331 | 47,432 |
| Dividends from equity investments | 572 | (46) |
| Derivatives valuation income | 41,082 | 14,260 |
| Total financial income | 138,985 | 61,646 |

NOTE 37: FINANCIAL EXPENSES

| | 2024 | 2023 (unaudited) |
|---|----------------|------------------|
| Interest on bonds and preferred shares (Note 25 and 26) | 197,047 | 317,338 |
| Interest on overdrafts and bank loans | 160,071 | 178,288 |
| Interest on obligations under leases (Note 20) | 16,309 | 15,286 |
| Other financial expenses ⁽¹⁾ | 19,539 | 13,146 |
| Interest on financial derivatives (Note 26) | 134,706 | 49,368 |
| Total interest expense on financial liabilities | 527,672 | 573,426 |
| Discount effect of provisions, employee benefits and factoring operations | 21,696 | 25,735 |
| Total financial expenses | 549,368 | 599,161 |
| | 2024 | 2023 (unaudited) |
| Financial income (Note 36) | 138,985 | 61,646 |
| Financial expenses | 549,368 | 599,161 |
| Total financial expenses, net | 410,383 | 537,515 |

(1) Includes expenses related to treasury and administrative expenses of managing and issuing bonds.

NOTE 38: NET PROFIT FOR THE FISCAL YEAR

Profit for the year from continuing operations is attributed to

| | 2024 | 2023 (unaudited) |
|------------------------------|----------------|------------------|
| Company controlling interest | 201,344 | 241,519 |
| Non-controlling interests | 54,586 | 56,717 |
| | 255,930 | 298,236 |

38.1. Impairment losses on financial assets

| | 2024 | 2023 (unaudited) |
|--|-------|------------------|
| Loss by impairment value on trade accounts receivable | 2,222 | 4,390 |
| Losses reversal of impairment value on trade accounts receivable | 3,471 | 1,768 |

38.2. Depreciation and amortization expenses in profit or loss for the period

| | 2024 | 2023 (unaudited) |
|--|----------------|------------------|
| Property, plant and equipment depreciation | 291,707 | 250,887 |
| Right-of-use assets depreciation | 29,201 | 31,052 |
| Amortization of intangible assets | 47,117 | 65,694 |
| Depreciation & amortization | 368,025 | 347,633 |

38.3. Employee benefit expenses

| | 2024 | 2023 (unaudited) |
|-----------------------------------|----------------|------------------|
| Cost | 343,920 | 341,009 |
| Administrative expenses | 189,411 | 175,566 |
| Selling expenses | 59,226 | 54,616 |
| Employee benefits expenses | 592,557 | 571,191 |

NOTE 39: EARNINGS PER SHARE

Total basic earnings per share and earnings and weighted average number of common shares used in the calculation of basic earnings per share are as follows:

| | 2024 | 2023 (no auditado) |
|--|---------------|--------------------|
| Basic (loss) per share from continuing operations, pesos per share | (20.75) | (292.23) |
| Basic earnings per share from discontinued operations, pesos per share | 176.36 | 498.68 |
| (Loss) for the year attributable to continuing operations | (26,846) | (341,857) |
| Income for the year attributable to discontinued operations | 228,190 | 583,376 |
| Weighted average number of common shares | 1,293,862,307 | 1,169,829,991 |

The Group does not hold any financial instruments or other types of contracts that entitle it to receive potential ordinary shares, therefore earnings per diluted share is equal to basic earnings per share.

The variation in the weighted average number of shares corresponds to the effect of the implementation of the share repurchase program (note 27).

NOTE 40: RELATED PARTY DISCLOSURES

The immediate Cementos Argos S. A. parent company is Grupo Argos S. A., with its principal address in Medellín, Colombia, which holds a share of 54.22% in the Company.

40.1 Qualitative information on transactions between related parties

40.1.1 TRANSACTIONS BETWEEN CEMENTOS ARGOS S. A. AND OUR SUBSIDIARIES OR BETWEEN OUR SUBSIDIARIES

- Clinker purchase and sale between us and our subsidiaries, and our subsidiaries among themselves, regardless of the region where they are located. The transaction involves the companies that produce clinker and sell it to the companies that produce cement, and the latter using it as a raw material to produce cement.
- Cement purchase and sale between us and our subsidiaries, and our subsidiaries among themselves, regardless of the region where they are located. The transaction involves the companies that produce cement and sell it to the companies that produce concrete, and the latter uses it as a raw material to produce concrete. In the case of purchases and sales among cement companies, cement is transferred with the purpose of being commercialized.
- Aggregates purchase and sale between us and our subsidiaries, and our subsidiaries among themselves, regardless of the region where they are located. The transaction involves the companies that produce aggregates and sell them to the companies that produce cement or concrete, and they use it as a raw material for their products.
- Provision of transportation services between Logitrans S. A. and Cementos Argos S. A., Concretos Argos S. A. and Zona Franca S.A.S. The transaction involves Logitrans S. A., as a cargo transport intermediary, outsourcing transportation of Cementos Argos S.A. products or raw materials.
- Purchase and sale of back-office services between Cementos Argos S. A. and Zona Franca Argos S. A.S.; the transaction consists of Cementos Argos S. A. providing back-office services to Zona Franca Argos S. A.S. in exchange for a consideration for them. The services provided are basically financial, administrative and technological support.
- Management support contracts between Cementos Argos, S.A. with Argos Honduras S.A., Argos Guatemala S.A., Argos Panamá S.A. Argos Dominicana S.A. Vensur NV, Argos Guyane S.A.S., Cementos Argos Company Limited, Argos St. Maarten N.V., Argos Dominica Ltd. and Argos USVI Corp. and on the other hand Argos Panamá S.A. has a support contract with Argos Honduras S.A., Aros Guatemala S.A., Argos Dominicana S.A. Argos Guyane S.A.S., Vensur N.V., Argos Puerto Rico Corp., Cimenterie Nationale S.E.M. and Argos St. Maarten N.V.; the transaction consists of Cementos Argos S.A. and Argos Panamá S.A. providing management support services to the indicated subsidiaries in exchange consideration for them. Among the services provided are basically administrative management services.

- Leasing contracts between us and our subsidiaries, and our subsidiaries among themselves, the transaction consists in that the lessor gives as lessee the right-to-use real estate and river transport fleet for the development of its activities.
- Provision of maritime transport services between Transatlantic Cement Carriers Inc. and Cementos Argos S. A. and /or its subsidiaries. The transaction consists of Transatlantic Cement Carriers Inc., acting as an intermediary of maritime transport, subcontracting with third parties the transport of raw materials products of Cementos Argos S. A. and/or its subsidiaries.

These transactions have been eliminated in the consolidated financial statements.

40.1.2 TRANSACTIONS BETWEEN GRUPO ARGOS S. A. AND CEMENTOS ARGOS S. A. AND/OR OUR SUBSIDIARIES

- Lease of real estate between Grupo Argos S. A. and/or its subsidiaries and Cementos Argos S. A. and/or its subsidiaries; the transaction consists of Grupo Argos S. A. and/or its subsidiaries lease spaces (offices, warehouses and/or batches) to Cementos Argos S. A. and / or its subsidiaries, so that the latter carry out their activities, whether productive or administrative.

40.1.3 TRANSACTIONS THAT TAKE PLACE BETWEEN ENTITIES THAT EXERT SIGNIFICANT INFLUENCE OVER THE PARENT COMPANY AND THE GROUP

- Cementos Argos S.A. and its subsidiaries contract real, property, and personal damage insurance, mainly through the life and general insurers that are part of Grupo de Inversiones Suramericana. This operation is carried out to cover capital losses in all the regional offices, using the risk retention and distribution schemes negotiated jointly with said insurers, all in accordance with the regulations that apply in accordance with the corresponding jurisdiction.

40.1.4 TRANSACTIONS BETWEEN CONSOLIDATED CEMENTOS ARGOS S.A. AND GRUPO ARGOS. SUBSIDIARIES

- Energy purchase and sale between Celsia S.A. and Zona Franca Argos S.A.S., the transaction consists of Zona Franca Argos S.A.S. providing energy to Celsia S.A. for marketing purposes.

40.1.5 TRANSACTIONS BETWEEN THE GROUP AND INVESTMENTS IN ASSOCIATES

- Provision of business services. The transaction consists of SUMMA Servicios Corporativos Integrales S.A.S. providing specialized business services and administrative support services to Cementos Argos S.A. through the execution of an operating mandate agreement without representation, in exchange for a consideration by them. Among the services provided are basically financial, administrative, legal assistance, purchasing, human management, risks and insurance, communications and information technology services, among others. In the mandate agreement exercise, SUMMA Servicios Corporativos Integrales S.A.S. will pay all necessary expenses to carry out its operations and at the end of each period, will request the reimbursement of such expenses from Cementos Argos S.A.
- Air transport service between Internacional Ejecutiva de Aviación S.A.S. and Cementos Argos S.A. This deal consists of Internacional Ejecutiva de Aviación S.A.S. providing air transport service to Cementos Argos S.A. senior executives.

40.1.6 TRANSACTIONS BETWEEN THE GROUP AND INVESTMENTS IN JOINT VENTURES

- Cement and concrete sale to Odinsa S.A. joint ventures, a Grupo Argos S.A. Subsidiary. The transaction consists of cement and concrete sale to Odinsa S.A. consortiums for the elaboration of infrastructure works in different regions of the country.
- Provision of maritime transport services between Transatlantic Cement Carriers Inc. and Trans-Atlantic Shipmanagement Ltd. The transaction consists of Trans-Atlantic Shipmanagement Ltd. (among other providers) providing the ocean freight service and ship leasing to Transatlantic Cement Carriers Inc. for the transportation of raw materials and finished products for Cementos Argos S. A. and/or its subsidiaries.

40.2 Transactions between related parties

The following table presents the transactions carried out during the period with the subsidiaries of our immediate parent company Grupo Argos S. A. Transactions between Cementos Argos S. A. and its subsidiaries have been eliminated in the preparation of the consolidated financial statements.

| | Parent company | Entities with significant influence in the Group | Subsidiaries of Grupo Argos parent company | Associated of the Group and its controlling interest | Joint ventures of the Group and its controlling interest | Key Management Personnel | Total related parties |
|--------------------------------------|----------------|--|--|--|--|--------------------------|-----------------------|
| 2024 | | | | | | | |
| Sale of goods and other income | 217 | 68 | 18,504 | 146,661 | 250 | - | 165,700 |
| Purchase of goods and other expenses | 1,135 | 31,590 | 17,624 | 59,409 | 16,612 | 60,777 | 187,147 |
| 2023 | | | | | | | |
| Sale of goods and other income | 548 | - | 14,788 | 3 | 505 | - | 15,844 |
| Purchase of goods and other expenses | 2,406 | 29,780 | 17,382 | 7,848 | 26,910 | 129,406 | 213,732 |
| December 2024 | | | | | | | |
| Amounts receivable | 27 | 9,942 | 6,401 | 16,968 | 4,448 | - | 37,786 |
| Amounts payable | 110,450 | 2,309 | 3,455 | 79,479 | - | - | 195,693 |
| Lease assets | 1,453 | - | - | 3,035 | 23,344 | - | 27,832 |
| Lease liabilities | 770 | - | - | 5,398 | 27,981 | - | 34,149 |
| March 2024 | | | | | | | |
| Amounts receivable ⁽¹⁾ | 1,726 | 39,763 | 8,814 | 27,741 | 10,871 | - | 88,915 |
| Amounts payable | 83,127 | 751 | 5,129 | 154,546 | 5,894 | - | 249,447 |
| Lease assets | 1,079 | - | - | 4,637 | 29,778 | - | 35,494 |
| Lease liabilities | 658 | - | - | 10,427 | 32,397 | - | 43,482 |

(1) The comparative of the transactions corresponding to the ESF is March 2024.

As of December 31, 2024 and comparatives, the Group has not recognized impairment and impairment expense of securities receivable with related parties. The Group has not received or provided any guarantees for balances receivable or payable to related parties. Transactions between the reporting Company and its related parties are carried out on terms equivalent to those that exist in transactions between independent parties.

The average term of accounts receivable from related parties regarding the sale of goods is 30 days. The average term of loans payable to related parties for 2024 is 3 months in pesos, agreed at a rate in pesos of 14.00% (March 2024: 16.21%). The average term of loans payable to related parties for 2024 is 1 month in pesos and 60 months in dollars, agreed at a rate of 12.88% in pesos and 6.16% in dollars.

40.3 Board of directors and key management personnel compensation

| | 2024 | 2023 |
|--|---------------|----------------|
| Wages and other short-term employee benefits | 56,383 | 117,463 |
| Pensions and other post-employment benefits | 3,163 | 5,812 |
| Termination benefits | 474 | 2,064 |
| Share-based payments | 757 | 4,067 |
| Total compensation of key management personnel for the period | 60,777 | 129,406 |

Key management staff members include the members of the Board of Directors, Appointment and Remuneration Committee, Audit and Finance Committee, Sustainability and Corporate Governance Committee, Steering Committee (consisting of the President and Vice-Presidents), and any other Committee that reports directly to Cementos Argos S. A. and Grupo Argos S. A. Boards of Directors, as well as to Managers and their close relatives.

NOTE 41: BASIS OF CONVERSION

Transactions and balances in foreign currency are translated at the representative market exchange rate certified by Banco de la República. In the preparation of the interim financial statements, assets and liabilities, as well as revenues, 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:

| | December 2024 | | March 2024 | |
|--------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Closing exchange rate | Average exchange rate | Closing exchange rate | Average exchange rate |
| Colombian peso | 4,409.15 | 4,073.75 | 3,842.30 | 3,920.82 |
| Dominican peso | 61.11 | 59.41 | 59.13 | 58.80 |
| Euro | 0.966 | 0.924 | 0.926 | 0.921 |
| Honduran Lempira | 25.44 | 24.86 | 24.73 | 24.72 |
| Gourde of Haiti | 130.33 | 131.73 | 132.69 | 132.02 |
| Eastern Caribbean Dollar | 2.7 | 2.7 | 2.7 | 2.7 |
| Quetzal of Guatemala | 7.71 | 7.76 | 7.79 | 7.81 |

NOTE 42: CONTINGENT LIABILITIES, CONTINGENT ASSETS, AND ACQUIRED COMMITMENTS

On the date the financial statements are issued, there are certain contingent conditions that may result in a loss for Cementos Argos S.A. or its subsidiary companies. These contingencies are estimated by Management and its legal advisors based on their professional judgment. Considering the processes variability, it is possible that the probability of occurrence will vary in the future.

In estimating contingencies, legal advisors evaluate, among other aspects, the merits of the claims, the related jurisprudence and the status of each of the processes to date. These matters are considered to be resolved without any significant effect on our operations, financial position or operations results.

42.1 Contingent liabilities

At the preparation date of the notes to the financial statements, we state that Cementos Argos S. A. or its subsidiary companies are parties to legal proceedings of different nature, acting both as plaintiffs and defendants, which have been diligently attended by qualified lawyers hired by each company. Conflicts are of labor, civil, administrative, criminal and tax character. This type of litigation arises in the ordinary course of business of any company the size of Cementos Argos S.A., and the Company expects a probable outflow of resources. We believe that the estimated time of resolution for these processes ranges between three (3) and eight (8) years, approximately.

LITIGATION RELATED TO TRANSMILENIO

Due to pavement structural defects of the North Highway Project in Bogotá D.C. developed by Transmilenio S.A. (hereinafter "Project"), a public interest claim is underway against the Mayor's Office of Bogotá, the Urban Development Institute, Concretos Argos S.A.S. and certain public officials and Project providers. The public interest claim points out that Concretos Argos S.A.S., 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 Project.

In a judgment of first instance, Concretos Argos S.A.S. was ordered to carry out publications associated with the violation of consumer rights and asking for apologies. The aforementioned public interest claim is pending for a decision of second instance after the appeal and closing arguments presented by all the parties.

PUERTO NARE VALORIZATION

In December 2018, Cementos Argos S.A. filed an action for nullity and restoration of rights against a resolution of recovery contribution for the “Puerto Nare - Puerto Triunfo” road rectification and paving, in the Antioquia department, for \$18.126. The lawsuit was admitted, and, in its reply, the Antioquia department called in guarantee the firm that carried out the appraisal study. The Company presented a brief ruling on the answer to the lawsuit and requested again the suspension of the administrative act that contains the recovery contribution. We have not recorded any accounting provision considering that we have enough arguments to distort the payment obligation attributed to the Company.

42.2 Contingent assets

As at the preparation date of the notes to the financial statements, Cementos Argos S.A. and its subsidiaries are not parties to judicial proceedings, acting as a plaintiff, where the income or recovery of contingent assets exceeding five thousand million pesos is expected individually. In addition, there are executive processes initiated by Cementos Argos S.A. and its subsidiaries against third parties for the portfolio recovery through judicial means. We believe that the estimated time of resolution for these processes ranges between three (3) and eight (8) years, approximately.

42.3 Commitments acquired

In December 2023, Cementos Argos S.A. and Zona Franca Argos S.A.S. signed an agreement with the supplier Sator S.A.S. for the purchase of up to 320,000 tons of coal between January and April 2025. At the end of 2024, the minimum volume established in the initial agreement was met and, through the signing of an addendum, the minimum purchase obligation was eliminated. Although the contract does not provide for an automatic extension, the parties may extend its term by signing a new addendum.

NOTE 43: EVENTS OCCURRED AFTER THE REPORTING PERIOD

Sale of interest in Summit Materials

On February 10, 2025, Summit Materials announced the definitive closing of the agreement to acquire 100 % of its shares from Quikrete Holdings, a leading privately held U.S. corporation and a leader in the ready-to-use building materials segment.

As a result of this transaction, Cementos Argos completed the sale of its 31% interest in Summit Materials, receiving a total of USD 2,875 million in cash, equivalent to a price of USD 52.5 per share. This price represents an increase of 38% compared to the value at which Cementos Argos received these shares approximately one year ago, as part of the combination of its U.S. assets with Summit Materials.

The funds, amounting to USD 2.875 million, will be received in cash during the current week. These resources will significantly strengthen Cementos Argos' financial position and support its strategy for a new phase of expansion and value generation for its shareholders.

In addition, this transaction will allow Cementos Argos to explore new growth opportunities with its cement, ready-mix and aggregates businesses in the U.S. market, without restrictions, taking advantage of its deep knowledge, track record of success in that market, recognized export capacity and strategic connectivity with its operations in the Caribbean, Central America and Colombia.

Finally, it is important to note that most of the ancillary agreements negotiated in the combination with Summit Materials (now Quikrete Holdings), including the supply of materials through exports from Cartagena to the United States, will remain in place as originally established.

CERTIFICATION FROM THE LEGAL REPRESENTATIVE OF THE COMPANY

Dear
Shareholders
Cementos Argos S.A.
Medellín

The undersigned Cementos Argos S.A. Legal Representative

HEREBY CERTIFIES:

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

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



Juan Esteban Calle
Legal representative

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

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

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

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



Juan Esteban Calle Restrepo
Legal representative



Óscar Rodrigo Rubio Cortés
Corporate Accounting Manager
T.P. 47208-T



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

To the Shareholders
Cementos Argos S.A.

Report on the audit of the financial statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

KPMG Confidential



Emphasis Paragraph

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

Other Matters

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

Other Information

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

Report on Other Legal and Regulatory Requirements

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



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

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

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

January 29, 2025



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(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
STATUTORY AUDITOR'S INDEPENDENT REPORT ON THE COMPLIANCE WITH THE 1ST
AND 3RD NUMERALS OF ARTICLE 209 OF THE CODE OF COMMERCE

To the Shareholders:
Cementos Argos S.A.:

Main Matter Description

As part of my duties as Statutory Auditor and in compliance with Articles 1.2.1.2 and 1.2.1.5 of Single Regulatory Decree 2420 of 2015, amended by Articles 4 and 5 of Decree 2496 of 2015, respectively, I must report on compliance with the 1st) and 3rd) Numerals of Article 209 of the Code of Commerce, detailed as follows, by Cementos Argos S.A. hereinafter "the Society" as of December 31, 2024, as a conclusion of independent reasonable assurance, that the management performance has complied with the statutory and the General Shareholders' Meeting provisions and that there are adequate internal control measures, in all material aspects, by the criteria indicated in the paragraph called Criteria of this report:

- 1st) If the Society's management performance conforms with the bylaws and the instructions or decisions of the General Shareholders' Meeting, and
- 3rd) If there are and are adequate measures of internal control, maintenance, and custody of the Society's assets or third parties' assets in its possession.

Responsibility of Management

The Society's Management is responsible for the compliance with the bylaws and the General Shareholders' Meeting decisions and designing, implementing, by and maintaining adequate internal control measures, including the Money Laundering and Terrorism Financing Prevention Integral System for the maintenance and custody of the Society's assets and third parties' assets in its possession, in accordance with what is required in the internal control system implemented by the management and in Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia and.

Statutory Auditor's Responsibility

My responsibility is to examine whether the Society's management performance conforms to the bylaws and the General Shareholders' Meeting's decisions and if there are and are adequate the internal control, maintenance, and custody measures of the Society's assets or third parties' assets in its possession and report thereon expressing an independent reasonable security conclusion based on the evidence obtained. I performed my procedures by the International Standard on Assurance Engagements 3000 (Review) accepted in Colombia (International Standard on Assurance Engagements - ISAE 3000, issued by the International Auditing and Assurance Standards Board (IAASB), that was translated into Spanish and issued in 2018. Such



standard requires that I plan and perform the procedures necessary to obtain reasonable assurance about compliance with the bylaws and the General Shareholders' Meeting decisions and whether there are and are adequate the measures of internal control, maintenance, and custody of the Society's assets and third parties' assets that are in its possession, by the requirements of the internal control system implemented by management and in Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia, in all material aspects.

The Accountants Firm to which I belong and who appointed me as the Society's statutory auditor, applies the International Quality Control Standard No. 1 and, consequently, maintains a complete quality control system that includes policies and procedures documented in compliance with ethical requirements, applicable legal and regulatory professional standards.

I have complied with the independence and ethics requirements of the Code of Ethics for Accounting Professionals issued by the International Ethics Standards Board for Accountants - IESBA, which is based on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behavior.

The procedures selected depend on my professional judgment, including the risk assessment that the management performance does not conform to the bylaws and decisions of the General Shareholders' Meeting and that the internal control, conservation, and custody measures of the Society's assets and those of third parties that are in its possession are not properly designed and implemented, by the requirements of the internal control system implemented by management and in Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia.

This reasonable assurance engagement includes obtaining evidence for the year ending December 31, 2024. Procedures include:

- Obtaining a written representation from Management about whether the management performance conforms to the bylaws and the General Shareholders' Meeting's decisions and if there are adequate measures of internal control, maintenance, and custody of the Society's assets and third parties' assets in its possession, by the requirements of the internal control system implemented by management and in Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia.
- Reading and verifying compliance with the Society's bylaws.
- Obtaining a management certification at the meetings of the General Shareholders' Meeting, documented in the minutes.
- Reading the General Shareholders' Meeting's minutes and the bylaws and verification of whether the management performance conforms to them.



- Inquiries with Management about changes or modification projects to the Society's bylaws during the period covered and validation of its implementation.
- Evaluation of whether there are and are adequate the measures of internal control, including the Integrated System for Prevention and Control of Money Laundering and Financing of Terrorism, maintenance, and custody of the Society's assets and third parties' assets that are in its possession, by the requirements of the internal control system implemented by management, and in Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia, which includes:
 - Design, implementation, and operating effectiveness tests on the relevant controls of the internal control components on the financial report, that included the requirements in External Circular 012 of 2022, immersed in Chapter I, Title V of Part III of the Basic Legal Circular of the Financial Superintendency of Colombia and the elements established by the Society, such as control environment, risk assessment process by the entity, the information systems, control activities, and monitoring to controls.
 - Evaluation of the design, implementation, and operating effectiveness of relevant, manual, and automatic controls of the key business processes related to the significant accounts of the financial statements.
 - Verification of appropriate compliance with the rules and instructions on the Integrated System for Prevention and Control of Money Laundering and Financing of Terrorism.
 - Issuance of letters to management with my recommendations on deficiencies in internal control considered insignificant that were identified during the statutory audit work.
 - Follow-up on the matters included in the recommendation letters I issued regarding internal control deficiencies considered not significant.

Inherent Limitations

Due to the inherent limitations to any internal control structure, there may be effective controls at the date of my examination that change that condition in future periods, because my report is based on selective tests and for the evaluation of internal control has the risk of becoming inadequate due to changes in the conditions or because the degree of compliance with the policies and procedures may deteriorate. On the other hand, the inherent limitations of internal control include human error, failures due to the collusion of two or more people, or inappropriate oversight of controls by the management.

**Criteria**

The criteria considered for the evaluation of the matters mentioned in the paragraph Main Matter Description include: a) the bylaws and the minutes of the General Shareholders' Meeting and, b) the internal control components implemented by the Society, such as the control environment, the risk assessment procedures, its information and communications systems, and the monitoring of controls by the administration and those in charge of corporate governance, which is based on the established in the internal control system implemented by the administration and in Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia.

Conclusion

My conclusion is based on the evidence obtained on the matters described and is subject to the inherent limitations outlined in this report. I believe that the audit evidence I have obtained provides a reasonable assurance basis for my conclusion expressed below:

In my opinion, the management performance conforms to the bylaws and the General Shareholders' Meeting's decisions and the measures of internal control, including the Integrated System for Prevention and Control of Money Laundering and Financing of Terrorism for the maintenance and custody of the Society's assets and third parties' assets in its possession, in accordance with what is required in the internal control system implemented by the administration and in Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia.

(Original signed in Spanish)
Gonzalo Alonso Ochoa Ruiz
Statutory Auditor of Cementos Argos S.A.
Registration No. 43668- T
Member of KPMG S.A.S.


January 29, 2025


SEPARATE STATEMENT OF FINANCIAL POSITION

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

| | Notes | December 2024 | March 2024 |
|--|-------|----------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | 6 | \$ 610,177 | \$ 145,857 |
| Trade and other accounts receivable, net | 9 | 364,425 | 658,916 |
| Derivative financial instruments | 7 | 645 | 37,680 |
| Other financial assets | 8 | - | 260 |
| Current Tax assets | 10 | 108,778 | 145,637 |
| Inventories | 11 | 220,797 | 240,048 |
| Other non-financial assets | 12 | 40,568 | 50,106 |
| Assets held for sale | 19 | 608 | - |
| Total current assets | | \$ 1,345,998 | \$ 1,278,504 |
| Trade and other accounts receivable, net | 9 | 12,948 | 58,125 |
| Investments in subsidiaries | 15 | 14,156,156 | 13,110,825 |
| Investments in associates and joint ventures | 14 | 5,397 | 6,734 |
| Derivative financial instruments | 7 | 146,755 | 26,185 |
| Other financial assets | 8 | 1,067,210 | 875,394 |
| Intangible assets, net | 16 | 158,895 | 165,917 |
| Right-of-use assets in lease, net | 21 | 35,963 | 43,325 |
| Biological assets | 13 | 16,738 | 15,879 |
| Property, plant and equipment, net | 17 | 2,359,378 | 2,374,981 |
| Investment properties | 18 | 110,883 | 107,623 |
| Other non-financial assets | 12 | 6,624 | 6,577 |
| Total non-current assets | | \$ 18,076,947 | \$ 16,791,565 |
| TOTAL ASSETS | | \$ 19,422,945 | \$ 18,070,069 |
| LIABILITIES | | | |
| Financial liabilities | 20 | 633,482 | 1,011,994 |
| Right-of-use liabilities in lease, net | 21 | 8,675 | 9,403 |
| Trade liabilities and accounts payable | 22 | 500,159 | 484,926 |
| Current Tax liabilities | 10 | - | 39 |
| Employee benefit liabilities | 23 | 103,410 | 88,641 |
| Provisions | 24 | 20,091 | 25,632 |
| Derivative financial instruments | 7 | 28,874 | 65,329 |
| Outstanding bonds and preferred shares | 25 | 271,221 | 145,347 |
| Other non-financial liabilities | 12 | 115,007 | 92,226 |
| Total current liabilities | | \$ 1,680,919 | \$ 1,923,537 |
| Financial liabilities | 20 | 1,650,927 | 670,799 |
| Right-of-use liabilities in lease, net | 21 | 23,190 | 30,202 |
| Employee benefit liabilities | 23 | 175,077 | 200,788 |
| Derivative financial instruments | 7 | 82,414 | 134,391 |
| Provisions | 24 | 26,995 | 26,573 |
| Outstanding bonds and preferred shares | 25 | 1,976,130 | 2,462,877 |
| Deferred tax liabilities | 10 | 195,635 | 312,401 |
| Other non-financial liabilities | 12 | 72,284 | 81,461 |
| Total non-current liabilities | | \$ 4,202,652 | \$ 3,919,492 |
| TOTAL LIABILITIES | | \$ 5,883,571 | \$ 5,843,029 |
| Issued capital | 27 | 2,290,218 | 2,242,551 |
| Own shares repurchased | 28 | (452,506) | (238,797) |
| Reserves | 28 | 5,826,921 | 935,716 |
| Retained earnings | 29 | 1,646,125 | 6,758,564 |
| Other comprehensive income | 28 | 4,228,616 | 2,529,006 |
| EQUITY | | \$ 13,539,374 | \$ 12,227,040 |
| TOTAL LIABILITIES AND EQUITY | | \$ 19,422,945 | \$ 18,070,069 |

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

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

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

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


Cementos Argos S.A.


SEPARATE STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME

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

| | Notes | 2024 | 2023 (Unaudited) |
|---|----------|---------------------|---------------------|
| Continued operations | | | |
| Ordinary activities income | 30 | \$ 1,344,101 | \$ 1,535,137 |
| Cost of sales | 11 | (975,563) | (1,099,559) |
| Gross profit | | \$ 368,538 | \$ 435,578 |
| Administrative expenses | 31 | (232,055) | (219,440) |
| Selling expenses | 32 | (65,791) | (69,136) |
| Other operating expenses, net | 33 | (21,024) | (10,787) |
| Impairment of assets | | - | (16) |
| Operating income | | \$ 49,668 | \$ 136,199 |
| Financial income | 34 | 64,147 | 52,595 |
| Financial expenses | 35 | (487,195) | (570,900) |
| Foreign exchange loss, net | 38 | (16,831) | (28,529) |
| Net equity in income of investees | 14,15,30 | 499,185 | 740,520 |
| Income before taxes | | \$ 108,974 | \$ 329,885 |
| Income tax | 10 | 92,279 | (88,317) |
| Net income from continuing operations | 36 | \$ 201,253 | \$ 241,568 |
| OTHER COMPREHENSIVE INCOME NET OF TAXES | | | |
| Items that will not be reclassified to profit or loss for the period: | | | |
| Gain (loss) on measurement of defined benefit obligations | | 13,717 | (59,211) |
| Gain (loss) on equity investments at fair value | | 194,500 | (322,119) |
| Income tax on the components that will not be reclassified | 10 | (5,628) | 20,593 |
| Total items that will not be reclassified to profit or loss for the period | | \$ 202,589 | (360,737) |
| Items that will be subsequently reclassified to profit or loss for the period: | | | |
| Net gains (loss) on cash flow hedging instruments | | 21,789 | (34,073) |
| Exchange gains (losses) on translation differences | | 1,490,168 | (1,651,027) |
| Income tax on the components to be reclassified | 10 | (14,936) | 12,815 |
| Total items to may be reclassified to profit or loss for the period | | \$ 1,497,021 | (1,672,285) |
| Other comprehensive income, net of taxes | | \$ 1,699,610 | (2,033,022) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | \$ 1,900,863 | (1,791,454) |

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

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

 **Óscar Rodrigo Rubio Cortés**
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T.P. 47208-T
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Cementos Argos S.A.

SEPARATE STATEMENT OF CHANGES IN EQUITY

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

| Notes | Issued capital | Own shares repurchased | Legal reserve | Other reserves | Retained earnings | Other comprehensive income | Equity Cementos Argos S.A. with no investees | Investee reserves | Retained earnings of investees | Other comprehensive income from investees | Total equity |
|---|----------------|------------------------|---------------|----------------|-------------------|----------------------------|--|-------------------|--------------------------------|---|--------------|
| Balance as of April 1, 2024 | \$ 2,242,551 | (238,797) | 262,786 | 378,356 | 1,082,497 | 738,737 | 4,466,130 | 294,574 | 5,676,067 | 1,790,269 | 12,227,040 |
| Period income | - | - | - | - | (297,932) | - | (297,932) | - | 499,185 | - | 201,253 |
| Other comprehensive income (loss) for the period, net of income tax | - | - | - | - | - | 121,764 | 121,764 | - | - | 1,577,846 | 1,699,610 |
| Comprehensive income for the period | \$ - | - | - | - | (297,932) | 121,764 | (176,168) | - | 499,185 | 1,577,846 | 1,900,863 |
| Conversion of preferred shares to common | (13,023) | - | - | - | - | - | (13,023) | - | - | - | (13,023) |
| Additional paid-in capital (conversion) | 60,690 | - | - | - | - | - | 60,690 | - | - | - | 60,690 |
| Ordinary dividends declared in cash | - | - | - | - | 43,248 | - | 43,248 | - | (471,757) | - | (428,509) |
| Preferred dividends declared in cash | - | - | - | - | 15 | - | 15 | - | (166) | - | (151) |
| Repurchase of common shares (Purchase of treasury stock) | - | (210,542) | - | - | - | - | (210,542) | - | - | - | (210,542) |
| Preferred share repurchase (Purchase of treasury stock) | - | (3,167) | - | - | - | - | (3,167) | - | - | - | (3,167) |
| Establishment of reserves | - | - | 30,900 | 4,860,305 | 493,650 | - | 5,384,855 | - | (5,384,855) | - | - |
| Dividends recovered on repurchase of Common Stock | - | - | - | - | 5,197 | - | 5,197 | - | - | - | 5,197 |
| Dividends recovered on repurchase of Preferred Stock | - | - | - | - | 62 | - | 62 | - | - | - | 62 |
| Other variations | - | - | - | - | (40) | - | (40) | - | 954 | - | 914 |
| Balance as of December 31, 2024 | \$ 2,290,218 | (452,506) | 293,686 | 5,238,661 | 1,326,697 | 860,501 | 9,557,257 | 294,574 | 319,428 | 3,368,114 | 13,539,374 |
| Balance as of April 1, 2023 Not audited | \$ 2,242,551 | (113,797) | 180,389 | 113,820 | 2,067,398 | 1,064,590 | 5,554,951 | 225,912 | (48,259) | 5,108,694 | 10,841,298 |
| Period income | - | - | - | - | (498,952) | - | (498,952) | - | 740,520 | - | 241,568 |
| Other comprehensive income (loss) for the period, net of income tax | - | - | - | - | - | (375,175) | (375,175) | - | - | (1,657,847) | (2,033,022) |
| Comprehensive income for the period | \$ - | - | - | - | (498,952) | (375,175) | (874,127) | - | 740,520 | (1,657,847) | (1,791,454) |
| Ordinary dividends declared in cash | - | - | - | - | (268,941) | - | (268,941) | - | - | - | (268,941) |
| Preferred dividends declared in cash | - | - | - | - | (48,066) | - | (48,066) | - | - | - | (48,066) |
| Repurchase of common shares (Purchase of treasury stock) | - | (40,174) | - | - | - | - | (40,174) | - | - | - | (40,174) |
| Preferred share repurchase (Purchase of treasury stock) | - | (4,024) | - | - | - | - | (4,024) | - | - | - | (4,024) |
| Dividends recovered on repurchase of Common Stock | - | - | - | - | 538 | - | 538 | - | - | - | 538 |
| Dividends recovered on repurchase of Preferred Stock | - | - | - | - | 78 | - | 78 | - | - | - | 78 |
| Establishment of reserves | - | - | 50,399 | 136,578 | (186,977) | - | - | - | - | - | - |
| Other variations | - | - | - | - | (23,836) | - | (23,836) | - | 37,293 | - | 69,665 |
| Balance as of December 31, 2023 | \$ 2,242,551 | (157,995) | 230,788 | 250,398 | 1,041,242 | 689,415 | 4,296,399 | 282,120 | 729,554 | 3,450,847 | 8,758,920 |

The notes are an integral part of the separate financial statements

Juan Esteban Calle Restrepo
Legal representative
(See attached certification)

Óscar Rodrigo Rubio Cortés
Corporate Accounting Manager
T.P. 47208-T
(See attached certification)

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


Cementos Argos S.A.


SEPARATE CASH FLOW STATEMENT

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

| | Notes | December 2024 | 2023 (Unaudited) |
|--|----------|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Period income | 36 | \$ 201,253 | \$ 241,568 |
| Adjustments to reconcile profit of lost: | | | |
| Depreciation | 17 | 115,601 | 95,350 |
| Amortization | 16,21 | 21,116 | 31,237 |
| Deferred income tax | 10 | (136,933) | 54,585 |
| Current income tax | 10 | 44,654 | 33,732 |
| Financial income | 34 | (64,147) | (52,595) |
| Financial expenses | 35 | 487,195 | 570,900 |
| Provisions and post-employment benefit obligations | | 5,452 | 11,653 |
| Financial assets and inventory impairment, net | 9,11 | 2,295 | 3,922 |
| Impairment of intangible assets | | - | 16 |
| Asset retirement | | (285) | - |
| Unrealized exchange difference | 38 | 6,325 | (16,980) |
| Gain on fair value measurement | 33 | (5,654) | (2,574) |
| Realization of net foreign hedging | 26 | (89,985) | - |
| Equity in net income of subsidiaries and associated companies | 30 | (499,185) | (740,520) |
| Gain on disposal of non-current assets | 33 | (2,841) | (6,543) |
| Settlement of investment | | 194 | - |
| Other adjustments to reconcile net income | | 201 | 1,543 |
| Changes in working capital of: | | | |
| Inventories | 11 | 17,175 | 52,499 |
| Trade and other accounts receivable, net | 9 | 63,431 | 35,772 |
| Other non-financial assets | 12 | 22,017 | (3,634) |
| Trade liabilities and accounts payable | 22 | 161,731 | 556,569 |
| Income tax payments | | (103,432) | (391,674) |
| Net cash flows from operating activities | | \$ 246,178 | \$ 474,826 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Capitalization in Subsidiaries while retaining control | | (488,259) | - |
| Repatriation (Capital repayments) | | 1,093,764 | - |
| Capital contributions (Casa para mi projects) | | 261 | (1,821) |
| Acquisition of investments in financial instruments (fixed income) | 8 | (141,905) | - |
| Disposition of investments in financial instruments (RF OR RV) | | 154,025 | 338,765 |
| TIDIS additions (purchased) | | (55,429) | - |
| TIDIS Sales | | 30,000 | 65,514 |
| Purchases of property, plant and equipment and investment properties | 17,18 | (103,737) | (104,451) |
| Dividends received | 9 | 462,651 | 805,077 |
| Proceeds from sale of property, plant and equipment and investments | 17,18 | 6,198 | 6,203 |
| Purchases of intangible assets | 16 | (308) | (463) |
| Proceeds from the sale of intangible assets | | - | 2,800 |
| Proceeds from sale of biological assets | 13 | 1,927 | 3,109 |
| Payments of financial derivatives | 26 | (44,546) | - |
| Net cash flows from investing activities | | \$ 914,642 | \$ 1,114,733 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Borrowing and issuance of debt instruments | 20 | 2,965,361 | 1,282,803 |
| Repurchase of common and preferred stock | 27 | (213,709) | (44,198) |
| Payments of loans and debt instruments | 20 | (2,296,488) | (1,369,231) |
| Interest paid | 20,21 | (474,780) | (523,476) |
| Dividends paid on common stock | 29 | (355,205) | (377,527) |
| Dividends paid on preferred stock | 29 | (24,396) | (67,474) |
| Payments outstanding bonds | 25 | (302,415) | (477,384) |
| Lease liability payments | 21 | (8,873) | (9,805) |
| Collection of financial derivatives | 7 | 11,466 | 15,874 |
| Net cash flows used in financing activities | | \$ (699,039) | (1,570,418) |
| Increase cash and cash equivalents | | 461,781 | 19,141 |
| Cash and cash equivalents at beginning of period | 6 | \$ 145,857 | \$ 236,430 |
| Effect of exchange rate changes on cash and cash equivalents | | \$ 2,539 | 334 |
| Cash and cash equivalents at the end of the period | 6 | \$ 610,177 | \$ 255,905 |

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

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

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

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

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

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

NOTE 1: GENERAL INFORMATION

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

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

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

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

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

NOTE 2: BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Compliance status

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

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

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

- External Circular No. 36 of 2014 of the Financial Superintendency of Colombia - The accounting treatment of positive net differences generated in the first time application of NCIF cannot be distributed to offset losses, carry out capitalization processes, distribute profits and/or dividends, or be recognized as reserves. Negative net differences will not be computed for technical equity, minimum capital to operate and other legal controls, for financial information preparers, issuers of securities subject to control.
- Decree 2496 of December 23, 2015 - whereby it is determined that the parameters for accounting for post-employment benefits must correspond to Decree 2783 of 2001 as the best market approximation; for 2016, Decree 2131 of December 22, 2016, eliminated the obligation to apply these assumptions for the measurement of post-employment benefits,

allowing the application of the requirements of IAS 19 employee benefits, and these requirements being applicable only for financial information disclosure purposes. Decree 1625 of 2016 determines that the calculation of pension liabilities must be disclosed in accordance with the parameters established in that standard and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the differences with the calculation made in accordance with IAS 19 Employee Benefits.

- Decree 2617 of December 29, 2022 - Alternative for recognition and presentation of the effects on deferred tax applicable in Colombia: value of the deferred tax derived from the change in the income tax rate and the change in the occasional income tax rate, for the taxable period 2022, may be recognized in the entity's equity in the Retained earnings of previous years.
- Decree 1311 of October 20, 2021: Establishes an accounting alternative to mitigate the effects of the change in the income tax rate in the taxable period 2021. This alternative consists in that the value of the deferred tax derived from the change in the income tax rate, generated by the amendment of article 240 of the Tax Statute introduced by article 7 of Law 2155 of 2021, which must be reflected in the result of the 2021 period, may be recognized within the equity of the entity in the Retained earnings of previous years. Those who opt for this alternative must disclose it in the notes to the financial statements indicating its effect on the financial information.
- Decree 1271 of 2024: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement No. 2): The amendments require companies to disclose information about their 'material' accounting policies rather than their 'significant' accounting policies. The effect of the amendments will depend on the existing accounting policy disclosures provided by individual entities. For some entities, the effect may be significant. However, those that already disclose entity-specific information with respect to materiality may, in some cases, assess the effect as insignificant.

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

2.2 Basis of preparation and accounting policies

2.2.1 EXTRAORDINARY YEAR END CLOSING

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

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

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

2.2.2 PREPARATION BASES

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

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

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

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

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

2.2.2 ACCOUNTING POLICIES

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

1. Cash and cash equivalents

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

2. Financial instruments

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

FAIR VALUE MEASUREMENTS

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

FINANCIAL ASSETS

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

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

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

IMPAIRMENT OF FINANCIAL ASSETS

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

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

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

FINANCIAL LIABILITIES

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

The effective interest method is the method used to calculate the amortized cost of a financial asset or financial liability and to allocate and recognize interest income or interest expense in profit or loss over the relevant period. The amortized cost of a financial asset or financial liability is that at which it was measured at initial recognition, less principal repayments, plus or minus the cumulative amortization, using the effective interest method, of any difference between the initial amount and the amount at maturity and, for financial assets, adjusted for any value adjustment for losses.

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

FINANCIAL DERIVATIVES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. Provisions for decommissioning, restoration and rehabilitation

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

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

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

3. Exploration and evaluation disbursements

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

4. Fair value measurements

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

5. Foreign currency

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

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

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

On the disposal of a foreign operation, which includes the disposal of the Company's entire interest in a foreign operation and a disposal involving a partial sale of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset, all accumulated exchange differences in equity relating to that operation attributable to the owners of the Company are reclassified from equity to profit or loss for the separate period.

Additionally, with respect to the partial disposal of a subsidiary (which includes a foreign operation), the entity shall re-attribute the proportionate share of the cumulative amount of the exchange differences to non-controlling interests and not recognized in profit or loss. In any other partial disposal (i.e., partial disposal of associates or joint arrangements that do not involve the loss of significant influence and joint control by the Company), the entity shall reclassify to profit or loss only the proportionate share of the cumulative amount of the exchange differences.

Adjustments corresponding to goodwill and the fair value of identifiable assets and liabilities acquired in the acquisition of a foreign operation are considered as assets and liabilities of such operation and are translated at the exchange rate in effect at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

6. Impairment of non-financial assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. If there are indications of impairment or at least annually for goodwill, intangible assets with indefinite useful lives and intangible assets not yet in use, the recoverable amount of the asset or cash-generating unit(s) is estimated, the latter level when it is not possible to estimate the recoverable amount of the individual asset. When a reasonable and consistent basis of allocation is identified, the common assets are also allocated to the cash-generating units, or distributed to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount of an asset is the higher of the fair value less costs to sell of either an asset or a cash-generating unit and its value in use. In estimating value in use, the estimated future cash flows are discounted from the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

When an impairment loss is subsequently reversed, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for that asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized in income.

7. Taxes

Income tax expense represents the sum of current income tax payable and deferred income tax.

CURRENT INCOME TAX

Current income tax assets and liabilities for the period are measured at the amounts expected to be recovered or paid to the tax authorities. The income tax expense is recognized in current tax according to the adjustment made between the taxable income and the accounting profit or loss affected by the income tax rate of the current year and in accordance with the provisions of the tax regulations of each country. The tax rates and regulations used to compute these values are those that are enacted or substantively enacted at the end of the reporting period in the countries in which the Group operates and generates taxable income.

DEFERRED TAX

Deferred income tax is recognized using the liability method calculated on the temporary differences between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are recognized for taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and for the future offset of unused tax credits and tax losses, to the extent that it is probable that future taxable profits will be available against which they can be utilized. These assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit.

A deferred liability for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures should be recognized, except where the Company is able to control the reversal of the temporary difference and where there is a possibility that the temporary difference may not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized and when it is probable that the temporary differences will be reversed in the foreseeable future.

The carrying amount of a deferred tax asset should be reviewed at the end of each reporting period and reduced to the extent that it is probable that sufficient taxable profit will not be available in the future to allow all or part of the asset to be recovered. Deferred tax assets and liabilities should be measured using the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that at the end of the reporting period have been enacted or substantively enacted and the enactment process is substantially complete. The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred taxes are not discounted.

Deferred tax is recognized in profit or loss for the period, except for that related to items recognized outside profit or loss, in which case it is presented in other comprehensive income or directly in equity. In the case of a business combination when the current tax or deferred tax arises from the initial accounting for the business combination, the tax effect is considered within the accounting for the business combination.

See note 2.1. on treatment adopted in accordance with decree 2617 of December 29, 2022.

8. Intangible Assets

Intangible assets acquired separately are initially measured at cost. The cost of intangible assets acquired in business combinations is recognized separately from goodwill at their fair value at the acquisition date (which is considered to be their cost). After initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Costs of internally generated intangible assets, except for development costs that meet the recognition criteria, are not capitalized and on disbursement are recognized in the statement of comprehensive income when incurred.

Expenditures arising from research activities are recognized as an expense in the period in which they are incurred. An intangible asset generated internally as a result of development activities (or the development phase of an internal project) is recognized if, and only if, the following conditions are met:

- Technically, it is possible to complete the production of the intangible asset so that it can be available for use or sale;
- Your intention to complete the intangible asset in question, to use it or sell it;
- Its ability to use or sell the intangible asset;

- The manner in which the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial or other resources to complete the development and to use or sell the intangible asset; and
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for an internally generated intangible asset shall be the sum of the expenditures incurred from the time the item meets the conditions for recognition established above. Subsequent to initial recognition, an internally generated intangible asset shall be carried at cost less accumulated amortization and accumulated impairment losses on the same basis as intangible assets that are acquired separately.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the estimated useful life of the asset are recognized prospectively. Amortization expense for intangible assets with finite useful lives is recognized in the statement of comprehensive income. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in consolidated profit or loss when the asset is derecognized.

9. Investment in associates and joint ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to intervene in the financial and operating policy decisions of the investee, without having absolute control or joint control of the investee.

A joint venture is a joint arrangement whereby the parties that have joint control are entitled to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The results, assets and liabilities of the associate or joint venture are incorporated in the separate financial statements using the equity method, except if the investment or a portion thereof is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under this method, the investment is initially recorded at cost, adjusted for changes in the Company's interest and subsequently adjusted to account for the Company's share of profit or loss and other comprehensive income of the associate or joint venture, less any impairment loss on the investment.

When the Company's share of losses of an associate or joint venture exceeds the Company's interest in the associate or joint venture (which includes any long-term interest that, in substance, forms part of the Company's net investment in the associate or joint venture), the Company discontinues recognizing its share of future losses. Additional losses are recognized to the extent that the Company has incurred any legal or constructive obligations or made payments on behalf of the associate or joint venture.

When the equity method is applicable, the necessary adjustments are made to conform the accounting policies of the associate or joint venture to the Company's accounting policies, the Company's share of realized and unrealized gains or losses from transactions between the Company and the associate or joint venture is incorporated. The equity method is applied from the date on which the investee becomes an associate or joint venture. This is so, for example, because it can be done in stages, and is not the date of acquisition; until when significant influence or joint control over the entity is lost. On acquisition of the investment in the associate or joint venture, any excess of the cost of the investment over the net fair value allocation of the investee's identifiable assets and liabilities is recognized as goodwill, which is included within the carrying amount of the investment.

Any excess in the Company's distribution of the net fair value of identifiable assets and liabilities over the cost of investment, after revaluation, is recognized immediately in profit or loss in the period in which the investment was acquired. The requirements of IFRS 9 are applied in determining whether any impairment loss is required to be recognized in respect of the Company's investment in an associate or joint venture. The entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as an individual asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of such impairment loss is recognized in accordance with IAS 36 until the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Company holds an interest in a former associate or joint venture and the interest held is a financial asset, the Company measures the interest held at fair value at that date and the fair value is considered to be its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or joint venture at the date the use of the equity method was discontinued and the fair value of any retained interest and any gain or loss on the sale of a portion of the interest in the associate or joint venture is included in the determination of the gain or loss on the sale of the associate or joint venture.

In addition, the Company records all amounts previously recognized in other comprehensive income in respect of that associate or joint venture on the same basis as would have been required had the associate or joint venture sold the financial assets or liabilities directly. Therefore, if a gain or loss previously recognized in other comprehensive income by the associate or joint venture would have been reclassified to profit or loss upon the sale of the related assets or liabilities, the Company would reclassify the gain or loss from equity to profit or loss (as a reclassification adjustment) at the time it discontinues the use of the equity method.

The Company continues to use the equity method when an investment in an associate becomes an investment in a joint venture, or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value at the time of such changes in ownership interests. When the Company reduces its ownership interest in an associate or a joint venture, but continues to use the equity method, the Company reclassifies to profit or loss the proportion of the gain or loss that has previously been recognized in other comprehensive income in relation to that reduction in ownership interest, if that gain or loss would be reclassified to profit or loss on the sale of the related assets or liabilities.

If a Company entity enters into a transaction with an associate or joint venture of the Company, gains and losses resulting from such transactions are recognized in the Company's separate financial statements only for the portion of the interest in the associate or joint venture that is unrelated to the Company. Goodwill arising on the acquisition of an associate or joint venture is included in the carrying amount of the investment and is not amortized or individually tested for impairment.

10. Investment properties

Investment properties are properties (land or buildings, considered in whole or in part, or both) held (by the Company or by the lessee under a finance lease) to earn rentals, for capital appreciation or both, rather than for a) use in the production or supply of goods or services, or for administrative purposes, or b) sale in the ordinary course of business, including investment properties under construction for such purposes; are initially measured at acquisition cost, plus all associated transaction costs and non-recoverable indirect taxes, after deducting financial or trade discounts, and directly attributable costs to bring the investment property to the condition necessary for it to be capable of operating in the manner intended by management. Subsequent to initial recognition, investment properties are measured at fair value, with reference to the price that would be received, at the measurement date, upon disposal of the asset in a market transaction. In determining fair value, the Company engages independent experts with recognized professional competence and experience in the valuation of real estate. Changes in the fair value of investment properties are recognized in income for the period when they arise. Investment properties may be transferred to and from property, plant and equipment.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected to be received from the sale. Any gain or loss arising on derecognition of the property (calculated as the difference between the net sales proceeds and the carrying amount of the asset) is included in the results of the separate period in which the property was derecognized.

11. Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use; these assets or disposal groups are presented separately as current assets and liabilities in the statement of financial position at the lower of their carrying amount or fair value less costs to sell and are not depreciated or amortized from the date of classification.

This condition is considered to be met only when the sale is highly probable and the asset (or group of assets for disposal) is available for immediate sale in its present condition subject only to terms that are customary and appropriate for sales of those assets (or group of assets for disposal). Management must commit to the sale, which should be recognized as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan that involves the loss of control in a subsidiary, all assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Company will retain a non-controlling interest in its former subsidiary after the sale.

When the Company is committed to a sale plan involving the sale of an investment, or a portion of an investment, in an associate or joint venture, the investment or portion of the investment to be sold is classified as held for sale when the criteria described above are met, and the Company discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Company discontinues the use of the equity method at the time of sale when the sale results in the Company losing significant influence over the associate or joint venture.

The commitment to sell the subsidiary signed in September 2023 did not result in the classification of the net assets of the subsidiary as non-current assets held for sale, considering that, as of December 31, 2023, the transaction was not highly probable as it was subject to approval by Summit Materials' shareholders, which approval was given during January 2024. This transaction is a subsequent event that does not require adjustment in accordance with IAS 10 paragraph 22.

After the sale is completed, the Company accounts for any retained interest in the associate or joint venture in accordance with IFRS 9, unless the retained interest remains an associate or joint venture, in which case the Company uses the equity method (see the accounting policy that refers to influence over the associate or joint venture). In cases where the Company is committed to distribute an asset (or group of assets for disposal) to owners, such non-current asset (or group of assets for disposal) is classified as held for distribution to owners. For this to be the case, the assets must be available for immediate distribution in their present condition, and the distribution must be highly probable, i.e., activities to complete the distribution must have commenced and be expected to be completed within one year from the date of classification. The Company has classified its subsidiaries in liquidation proceedings as groups of assets for distribution to owners.

Income, costs and expenses from a discontinued operation are presented separately from those from continuing operations, in a single line item after income tax, in the separate statement of comprehensive income for the current and prior year comparative periods, even though the Company retains a non-controlling interest in the subsidiary after the sale.

The Company impairs a net investment in an associate or joint venture if, and only if, objective evidence indicates that one or more events, which occurred after initial recognition, have had an impact on the future cash flows of the net investment and that impact can be reliably estimated. The following events make it possible to establish whether there is objective evidence that these investments may be impaired:

- Significant financial difficulties of the associate or joint venture.
- Breaches of the contract, such as defaults or delays in payment by the associate or joint venture.
- The granting of concessions to associates and joint ventures that would not otherwise have been granted.
- It becomes probable that the associate or joint venture will enter bankruptcy or other form of financial reorganization.
- The disappearance of an active market for the net investment due to financial difficulties of the associate or joint venture.
- Significant changes with adverse effect that have taken place in the technological, market, economic or legal environment in which the associate or joint venture operates; or
- A significant and prolonged decline in the fair value of an investment in an associate or joint venture that is an equity instrument below its cost..

12. Property, plant and equipment

Property, plant and equipment includes the amount of land, real estate, furniture, vehicles, computer equipment and other facilities owned by consolidated entities and used in the operation of the entity. The Company recognizes an item of property, plant and equipment when it is probable that the asset will generate future economic benefits, it is expected to be used for a period of more than one year, all risks and rewards inherent to the asset have been received and its value can be measured reliably. Spare parts and permanent maintenance equipment are recognized as an item of property, plant and equipment when they meet the recognition criteria.

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Trade discounts, rebates and other similar items are deducted from the acquisition cost of fixed assets. Property under construction for administrative, production or service supply purposes is recorded at cost less any recognized impairment

loss. Cost includes professional fees, direct dismantling and removal costs and, in the case of qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified in the appropriate categories of property, plant and equipment upon completion and when ready for their intended use. Depreciation of these assets, as in the case of other property assets, begins when the assets are ready for their intended use. Depreciation begins when the asset is available for use and is calculated on a straight-line basis over the estimated technical useful life of the asset as follows:

| | |
|--|----------------|
| Construction and buildings | 40 to 70 years |
| Aqueduct, communication networks and roads | 20 to 40 years |
| Machinery and production equipment | 10 to 30 years |
| Office, computer and communication equipment | 3 to 10 years |
| Ground transportation equipment | 3 to 10 years |
| River fleet | 3 to 45 years |
| Mines, quarries and deposits | 2 to 38 years |

Land owned is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when future economic benefits are no longer expected to arise from the continued use of the asset.

The gain or loss arising from the retirement or disposal of an asset of property, plant and equipment is calculated as the difference between the sales proceeds and the carrying amount of the asset, and recognized in profit or loss. The residual values, useful lives and depreciation methods of assets are reviewed and adjusted prospectively at each year-end, if required.

13. Leases

The Company recognizes leases, subleases and contracts with similar characteristics and circumstances taking into consideration the quality of the lessor or lessee, the underlying asset and the term of the contract.

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract transfers the right to control the use of an identified asset for a period of time in exchange for consideration. In assessing whether a contract transfers the right to control the use of identified assets, the Company uses the definition of a lease in IFRS 16.

THE COMPANY AS LESSEE

As lessee, at the inception or modification of a lease containing a lease component, the Company allocates consideration in the lease to each lease component based on their relative independent prices.

The Company initially recognizes at the lease commencement date a right-of-use asset representing the right to use the underlying lease asset and a lease liability representing its obligation to make the lease payments agreed to in the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and are adjusted with the remeasurement of lease liabilities. The cost of right-of-use assets includes the value of lease liabilities recognized, initial direct costs incurred and lease payments made prior to the lease commencement date less any lease incentives received. Unless the Company has reasonable assurance of obtaining ownership of the leased asset at the end of the lease term, assets recognized for right-of-use are amortized on a straight-line basis over the lease term. Right-of-use assets are subject to impairment.

At the lease commencement date, the Company recognizes lease liabilities at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments (including fixed-in-lieu payments) less lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments include the exercise price of a purchase option when the Company has reasonable assurance that it will exercise the option and lease termination penalties if the lease term reflects that the Company will exercise an option to terminate the lease. Variable lease payments that are not index or rate dependent are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease cannot be readily determined. After the commencement date, the value of the lease liabilities is increased to reflect the accrual of interest and reduced by the lease payments made. In addition, the carrying value of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments in substance or a change in the assessment to acquire the underlying asset.

The Company recognizes depreciation of right-of-use assets and allocates lease payments between interest expense and reduction of lease obligations. Interest expense is charged directly to income, unless it is directly attributable to qualifying assets, in which case it is capitalized in accordance with the general borrowing cost policy. The Company recognizes lease payments for leases with a lease term of 12 months or less and without a purchase option or leases with a low underlying asset value (i.e., assets with a new value of \$3,500 or less for operating assets and \$5,000 for administrative assets), as a lease expense less related lease incentives on a straight-line basis over the term of the lease, unless another systematic basis of allocation is more representative to more appropriately reflect the time pattern of lease benefits to the lessee.

The Company presents right-of-use lease assets and lease liabilities separately in the consolidated statement of financial position. Right-of-use assets that meet the definition of investment property are presented within the investment property line.

The Company presents interest expense on the lease liability separately from the depreciation charge on the right-of-use lease asset. Interest expense on the lease liability is a component of finance costs, which are presented separately in the separate statement of comprehensive income.

The Company classifies in the separate statement of cash flows, cash payments for principal and interest on lease payments as financing activities and payments for short-term leases and lease payments for low-value assets as operating activities.

SHORT-TERM LEASES AND LEASES OF LOW-VALUE ASSETS

The Company has elected not to recognize right-of-use lease assets and lease liabilities for leases with a lease term equal to or less than 12 months and no purchase option (short-term leases), and leases whose underlying asset is of low value (i.e., assets whose value as new is equal to or less than \$3,500 for assets intended for operation and \$5,000 for assets for administrative use), including IT equipment. The Company recognizes the lease payment associated with these leases as a straight-line lease expense over the lease term.

THE COMPANY AS LESSOR

At inception or upon modification of a lease containing a lease component, the Company allocates consideration in the lease to each lease component based on their relative independent prices.

As lessor, at the inception of the lease, the Company classifies leases as finance or operating leases by evaluating the extent to which the risks and rewards incidental to ownership of the asset affect the Company. The Company classifies a lease as a finance lease when substantially all the risks and rewards incidental to ownership are transferred, and an operating lease when substantially all the risks and rewards incidental to ownership are not transferred.

The Company recognizes amounts due from lessees under capital leases as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated over the accounting periods to reflect a constant regular rate of return on the Company's outstanding net investment in the leases.

Rental income under operating leases is recognized using the straight-line method over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

14. Borrowing costs

The Company capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, if such costs could have been avoided had no expenditures been made for the asset. Borrowing costs are capitalized as part of the cost of assets when it is probable that they will generate future economic benefits and can be measured reliably. The capitalization of borrowing costs as part of the costs of a qualifying asset begins on the date on which the following conditions are met: a. Expenditures are incurred in relation to the asset, b. Borrowing costs are incurred, and c. Activities necessary for the asset to be classified as a qualifying asset are carried out. Activities necessary to prepare the asset for its intended use or sale are performed.

The Company suspends the capitalization of borrowing costs during periods in which the development of activities of a qualifying asset is interrupted. However, the capitalization of borrowing costs is not suspended during a period if significant technical or administrative actions are in progress. Nor will capitalization of borrowing costs be suspended when a temporary delay is necessary as part of the process of preparing a qualifying asset for use or sale.

Capitalization of borrowing costs ceases when substantially all activities necessary to prepare the qualifying asset for use or sale have been completed. In the event that the asset has components and these components can be used separately while construction continues, capitalization of borrowing costs on these components should stop.

15. Biological assets

The Company recognizes a biological asset or agricultural produce when it controls the biological asset or agricultural produce as a result of past events, it is probable that future economic benefits will flow to the Company and the cost of the biological asset or agricultural produce can be measured reliably.

The Company measures biological assets, both at the beginning and at the end of the period, at fair value less costs to sell. The fair value of a biological asset is given by the quoted price in an active market. If there are different active markets for the same biological asset, the fair value of the asset is the price quoted in the most relevant active market. If there is no active market, the Company uses the following information to determine the fair value, provided it is available and selects the most reliable: a) the price of the most recent transaction in the market, assuming that there is no significant change in economic circumstances between the date of the transaction and the end of the reporting period, b) the market price of similar assets, adjusted to reflect existing differences, c) industry benchmarks, such as the value of plantations expressed in terms of surface areas, units of capacity, weight or volume.

Gains or losses arising from the initial recognition of a biological asset or agricultural product at fair value less costs to sell and from a change in this value are included in profit or loss for the separate period when generated.

16. Provisions

Provisions are recorded when the Company has a present legal or constructive obligation as a result of a past event, it is probable that the Company will have to give up resources to settle the obligation, and a reliable estimate can be made of the value of the obligation. Where the Company expects that the provision will be partially or fully reimbursed, the reimbursement is recognized as a separate asset only where such reimbursement is virtually certain and the amount of the receivable can be reliably measured.

Provisions are measured at management's best estimate of the future disbursements required to settle the present obligation and are discounted using a risk-free rate. The expense corresponding to provisions is presented in the statement of income, net of any reimbursement. The increase in the provision due to the passage of time is recognized as a financial expense in the statement of income. The Company recognizes present obligations arising from an onerous contract as provisions. An onerous contract is one in which the unavoidable costs of fulfilling the obligations it entails exceed the economic benefits expected to be received from it.

CONTINGENT LIABILITIES

Possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control are not recognized in the separate statement of financial position, but are disclosed as contingent liabilities.

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

17. Post-employment benefit plans

The Company recognizes pension liabilities, pension securities and bonds, retirement premiums and other post-employment benefits in accordance with the requirements of IAS 19 Employee Benefits.

On December 22, 2016, the Ministry of Commerce, Industry and Tourism issued Decree 2131 by which it is required to disclose the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016 and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the differences with the calculation made in accordance with IAS 19 - Employee Benefits. This information is included in note 23 employee benefits.

The Company recognizes benefit plans classified as contribution plans in the separate statement of income as an administrative expense, sales or cost of goods sold in accordance with a presentation by function on the date on which they occur. The Company recognizes benefit plans classified as defined benefit plans as an asset or liability in the statement of financial position, at the difference between the fair value of the plan assets and the present value of the plan obligation, using the Projected Unit Credit Method to determine the present value of its defined benefit obligation and the related current service cost and where applicable past service cost, at least annually. Plan assets are measured at fair value, which is based on market price information and in the case of listed securities is the published purchase price.

The Projected Unit Credit treats each service period as generating an additional unit of benefit entitlement and measures each unit separately to arrive at the final obligation. The Company discounts the full value of the postemployment benefit obligation, even if a portion of the obligation is to be paid within twelve months after the reporting period. The estimate of the postemployment benefit liability is made by an independent actuary.

Actuarial gains or losses, the return on plan assets and changes in the effect of the asset ceiling, excluding the values included in the net interest on the net defined benefit liability (asset), are recognized in other comprehensive income. Actuarial gains or losses comprise the effects of changes in actuarial assumptions as well as experience adjustments. Net interest on the net defined benefit liability (asset) comprises interest income on plan assets, interest costs on the defined benefit obligation and interest on the effect of the asset ceiling.

The current service cost, past service cost, any settlement or curtailment of the plan is recognized immediately in the statement of comprehensive income in the statement of income section in the period in which they arise.

18. Investments in subsidiaries

A subordinate or controlled company is a company whose decision-making power is subject to the will of another or others that will be its parent or controlling company, either directly, in which case it will be called a subsidiary, or through the subordinates of the parent, in which case it will be called a subsidiary. Control is given by the fulfillment of one or more of the following cases:

- a). Power over the investee.
- b). Exposure, or right, to variable returns from its involvement in the investee.
- c). Ability to use its power over the investee to influence the amount of the investor's returns

Investments in subsidiaries are incorporated in the separate financial statements using the equity method, except if the investment or a portion thereof is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. With respect to the equity method, investments in subsidiaries are initially recognized in the statement of financial position at cost, and are subsequently adjusted to account for the Company's share of profit or loss and other comprehensive income of the subsidiary.

19. Inventories

Goods acquired with the intention of selling them in the ordinary course of business or consuming them in the process of rendering services are classified as inventories. Inventories of raw materials, work in process, merchandise not manufactured for sale and finished products are measured at acquisition cost. The Company recognizes a decrease in the value of inventories of finished goods, materials, spare parts and accessories if the cost exceeds the net realizable value. Net realizable value is the estimated selling price in the normal course of business, less estimated costs of completion and estimated costs necessary to make the sale. Inventories include goods in stock that do not require transformation, materials such as minor spare parts and accessories for the rendering of services and goods in transit and held by third parties.

Inventories are valued using the weighted average method and their cost includes costs directly related to acquisition and those incurred to bring them to their present condition and location.

20. Revenue

IFRS 15 requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration that the entity expects to receive in exchange for those goods or services, through the application of a five-step approach: Step 1: Identify the contract(s) with the customer; Step 2: Identify the performance obligations within the contract; Step 3: Determine the transaction price; Step 4: Allocate the transaction price to each performance obligation based on the individual relative selling price of each good or service; and Step 5: Recognize revenue when (or to the extent that) the entity satisfies the performance obligations by transferring control over the promised goods or services to the customer. Performance obligations may be satisfied at a point in time or over a period of time.

SALE OF GOODS

In the sale of goods, a single performance obligation is established. The Company recognizes revenue when the obligation is satisfied, that is, when control of the goods or services underlying the performance obligation has been transferred to the customer at a point in time.

PROVISION OF SERVICES

The Company provides some services that are sold on their own in contracts with customers or bundled together with the sale of goods to a customer. In both scenarios, revenue from service contracts is satisfied at one point in time.

IFRS 15 excludes in its scope the requirements for recognition of dividend and interest income and operating leases; therefore, the Company continues to apply the same accounting treatment.

DIVIDEND AND INTEREST INCOME

Dividend income from investments is recognized once the shareholders' rights to receive this payment have been established (provided that it is probable that the economic benefits will flow to the company and that ordinary income can be measured reliably). Dividend income generated from investments where the equity method of accounting has previously been recognized on distributed earnings is recognized as a reduction in the value of the investment.

Interest income from a financial asset is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue from ordinary activities can be measured reliably. Interest income is recognized on a time basis, by reference to the principal outstanding and the applicable effective interest rate, which is the discount rate that exactly matches the estimated cash flows receivable or payable over the expected life of the financial instrument to the net carrying amount of the financial asset on initial recognition.

OPERATING LEASE INCOME

The Company's policy for the recognition of income from operating leases is to recognize payments received as income in the income statement on a straight-line basis over the useful life of the lease, unless another basis of allocation is considered more representative.

21. Related parties

The Company considers as related parties subsidiaries and direct associates and joint ventures, entities that exercise joint control or significant influence over Cementos Argos S.A., and key management personnel, including members of the Board of Directors, Nomination and Compensation Committee, Audit and Finance Committee, Sustainability and Corporate Governance Committee, Steering Committee (consisting of the President and Vice Presidents), and any other committee that reports directly to the Boards of Directors of Cementos Argos S.A., and managers who have the ability to direct, plan and control activities and their immediate family members.

Related party transactions are considered to be all transfers of resources, services and obligations between the Company and a related party, as well as outstanding balances between them at the date of preparation of the separate financial statements, including any commitments and guarantees given or received between them.

Related party disclosures are provided according to the categories established by IAS 24 Related Party Disclosures, which correspond to transactions with: (a) the parent, (b) entities with joint control or significant influence over the entity, (c) subsidiaries, (d) associates, (e) joint ventures, (f) key management personnel and (g) other related parties. Likewise, items of a similar nature are grouped together for disclosure purposes.

The characteristics of transactions with related parties do not differ from those with third parties and do not imply differences between market prices for similar transactions.

2.2.3 MATERIALITY

The Company considers information to be material if its omission, inadequate expression or overstatement could reasonably be expected to influence the decisions of the primary users of the financial statements. Cementos Argos' materiality assessment is carried out through the following 4 phases:

- **Phase 1:** Cementos Argos identifies information about transactions and conditions that key users may need to understand in order to make decisions about the flow of resources to the Company. The primary users are investors, lenders and other existing and potential creditors. The Company seeks to satisfy common information needs, including resources, rights acquired (assets), obligations, commitments, rights against (liabilities and equity), changes in those resources (revenues and expenses) and the extent to which the Company's management and governing bodies have efficiently and effectively discharged their responsibilities for the use of the entity's resources.
- **Phase 2:** Cementos Argos assesses whether the information identified in phase 1 is material. The assessment includes elements judged in relation to the Company's specific circumstances in terms of their nature, magnitude and a combination of both.

In this phase, quantitative and qualitative factors are evaluated. For the determination of the quantitative factor, the Company takes as reference revenues, profitability, level of assets, liabilities and equity. Within the qualitative evaluation we consider internal factors (unusual transactions, with related parties, among others) and external factors (social, political, environmental, economic conditions, among others).

- **Phase 3:** The information identified in Phase 2 is classified and organized so that it is adequately disclosed
- **Phase 4:** This last phase allows a reassessment from an overall perspective of the financial position, financial performance and cash flows, to conclude that the information identified and disclosed is still material to the primary users. This review may lead to additional information, different disaggregation or elimination of non-material information.

2.2.4. GOING CONCERN

The separate financial statements have been prepared under the going concern assumption, in accordance with International Financial Reporting Standards (IFRS) and the provisions of Decree 1378 of October 28, 2021. As of December 31, 2024 and March 31, 2024, there are no material uncertainties related to events or conditions that could cast significant doubt on the ability to continue as a going concern.

Cementos Argos S.A. has sufficient liquidity and solvency to sustain the continuity of its operations in the foreseeable future. The financial statements, available financial information and the company's projections are continuously monitored in order to identify potential impairment and insolvency risks. Although the current ratio indicator is below 1, this situation stems from the company's current financial strategy, which prioritizes obtaining short-term financial obligations. This decision is supported by the expectation of receiving solid cash flow from our related companies abroad, which will be used to a large extent to settle these obligations in the short term.

NOTE 3: ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

3.1 IFRS INCORPORATED IN COLOMBIA

3.1.1 STANDARDS INCORPORATED IN COLOMBIA AS OF JANUARY 1, 2024 - REGULATORY DECREE 1611 DATED AUGUST 5, 2022

- **Amendment to IAS 8** - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- **Amendment to IAS 1** - Presentation of Financial Statements and Practice Statement No. 2 - Making Judgments about Materiality: Disclosure of Accounting Policies. Although the amendments did not result in any change in the accounting policies themselves, they had an effect on the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material' accounting policies rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to the disclosure of accounting policies, helping entities to provide useful information about accounting policy and entity-specific information that users need to understand other information included in the financial statements.

- **Amendment to IFRS 16** - Leases: Lease concessions related to COVID-19 after June 30, 2021
- **Amendment to IAS 12** - Income Taxes: Deferred Taxes Relating to Assets and Liabilities Arising from a One-Time Transaction

The standards incorporated in Colombia as of January 1, 2024 did not have an impact on the financial statements. separated from the Company.

3.1.2 STANDARDS INCORPORATED IN COLOMBIA AS FROM OCTOBER 15, 2024 - REGULATORY DECREE 1271 OF OCTOBER 15, 2024

- **IFRS 17** - Insurance Contracts: Seeks to unify the delivery of results of insurance sector entities .
- **Initial Application of IFRS 17** - Insurance Contracts and IFRS 9 - Comparative Information: Adds a transition option relating to comparative information on financial assets, which is presented upon initial application of IFRS 17 - Insurance Contracts.

Decree 1271 of 2024 establishes that IFRS 17 will be applicable for the general purpose financial statements of entities classified in Group 1 as from January 1, 2027.

3.2 Standards issued by the IASB that have not been incorporated in Colombia

The following standards have been issued by the IASB, but have not yet been incorporated by Decree in Colombia:

- **Amendment to IFRS 16** - Leases: Lease liabilities on a sale and leaseback sale.
- **Amendment to IAS 7** - Statement of Cash Flows and IFRS 7 - Financial Instruments: Disclosures: Supplier Financing Arrangements
- **Amendments to IAS 12** - Income Taxes: International Tax Reform Pillar 2 Model Rules
- **Amendments to IAS 21** - The Effects of Changes in Foreign Exchange Rates: Lack of Convertibility
- **IFRS 18** - Disclosures in Financial Statements: Seeks to help investors analyze the financial performance of companies.
- **IFRS 19** - Non-Publicly Accountable Subsidiaries: Disclosures: Simplifies the preparation of financial statements of subsidiaries with reduced disclosure requirements

The Company will quantify the impact on the separate financial statements in a timely manner, so that once the Decree that incorporates this standard into the Colombian Technical Regulatory Framework is issued, all the activities necessary for its implementation will be carried out..

As of December 31, 2024, the Company has not early adopted any standards or improvements to standards.

NOTE 4: CRITICAL ACCOUNTING JUDGMENTS AND KEY ESTIMATION SOURCES

4.1. Assumptions made about the future and other causes of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities within the next accounting period.

The relevant accounting judgments and estimates and the key sources of uncertainty applied to these separate financial statements as of December 31, 2024, are the same as those applied by the group in its separate financial statements for the period ended March 31, 2024.

4.2. Current and deferred income taxes

The Company recognizes significant amounts of current and deferred income tax in its separate financial statements given the volume of its operations and the multiple countries in which it operates, the determination of current and deferred tax is based on management's best interpretation of current and applicable laws and best practices in the jurisdictions in which it operates. The reasonableness of this estimate depends significantly on management's ability to integrate complex tax and accounting standards, to consider changes in applicable laws, and the assessment, for purposes of recognizing the deferred tax asset, of the existence of sufficient taxable profit for its realization.

An uncertain tax treatment is a tax treatment for which there is uncertainty as to whether the tax authority will accept the tax treatment under the tax law. The Company recognizes uncertain tax positions in accordance with the requirements of IFRIC 23. The probability analysis for recognizing uncertain tax positions is based on expert opinions and the interpretation of current tax regulations in the applicable jurisdiction.

Recognition of Deferred Tax Assets from Unused Tax Losses or Tax Credits

Management applies its judgment in determining the value and recognizing deferred tax assets arising from unused tax losses or unused tax credits by assessing whether it is probable that sufficient taxable profit will be available for offset and/or recovery in subsequent periods, together with future tax planning strategies.

4.3. Other judgments and estimates made

In preparing the financial statements, the Company makes judgments and estimates in the application of accounting policies.

These judgments and estimates do not have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities. Some of these judgments and estimates are detailed below:

- Conversion to NCIF of financial statements of subsidiaries, associates and joint ventures, for the application of the equity method.
- Determination of cash generating units
- Determination of average exchange rates for the translation of financial statements. The Company uses the moving average rate at the cut-off date of each issuance of financial statements, except in the case of one-time transactions, which can be separated from other transactions, and have a material effect on the financial statements. Such transactions are translated at the exchange rate at the transaction date.
- Determination of Average Exchange Rates for the Translation of Financial Statements
- Determining whether an instrument meets the requirements for hedge accounting under IAS
- Impairment Evaluation Of Non-Financial Assets
- Determination of the Lease Term for Leases with Renewal Options and Leases Whose Term is Automatically Extended at the End of the Original Term
- Fair Value Of Derivatives And Financial Assets
- Fair Value Of Investment Properties
- Determination of Expected Credit Losses from Trade Accounts Receivable
- Provisions for decommissioning, retirement or reclamation
- Provisions for Contingencies, Litigation and Claims
- Estimated Useful Life And Residual Values Of Property, Plant And Equipment And Intangible Assets
- Pension and Other Post-Employment Defined Benefit Plans Liabilities

NOTE 5: SEASONALITY

Cementos Argos S.A. is a multinational organization, producer and marketer of cement, the construction activity and, therefore, the demand for our products decreases considerably during the cold or rainy seasons in the region of Colombia, holidays and the number of working days of the period.

NOTE 6: CASH AND CASH EQUIVALENTS

For purposes of the separate statement of cash flows, cash and cash equivalents include cash and banks. Cash and cash equivalents at the end of the reporting period in the separate statement of cash flows and in the separate statement of financial position are:

| | December 2024 | March 2024 |
|---|---------------|------------|
| Cash and banks | 610,177 | 145,857 |
| Cash and cash equivalents restricted or unavailable for use | 681 | 649 |

As of December 31, 2024, the Company maintains balances of cash and cash equivalents restricted by agreements entered into with the Universidad de Antioquia, which is a research and development project that will allow increasing capacities in microalgae pilot plant in Cartagena plant in terms of microalgae cultivation systems and advance in the knowledge of bio-diesel production to continue in the research. The concepts considered in the project to execute the resources co-financed by the Ministry of Science are the following: equipment, academic events, technological services, materials and inputs, publications and dissemination of results and specialized consultancy. The main executor in the call for proposals is the Universidad de Antioquia, which receives the resources from the Ministry of Science and disburses them to the other actors involved in the project.

The Company's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 26.3.2. and 26.5. respectively.

NOTE 7: DERIVATIVE FINANCIAL INSTRUMENTS

| | December 2024 | March 2024 |
|---|----------------|---------------|
| Active financial derivatives designated as cash flow hedging instruments recorded at fair value | 147,400 | 63,865 |
| Active financial derivatives | 147,400 | 63,865 |
| Current | 645 | 37,680 |
| Non-current | 146,755 | 26,185 |
| Active financial derivatives | 147,400 | 63,865 |

| | December 2024 | March 2024 |
|---|----------------|------------------|
| Financial derivative liabilities designated as cash flow hedging instruments recorded at fair value | 111,288 | 199,720 |
| Financial derivatives liabilities | 111,288 | 199,720 |
| Current | 28,874 | 65,329 |
| Non-current | 82,414 | 134,391 |
| Financial derivatives liabilities | 111,288 | 199,720 |
| Net short position in financial derivatives | 36,112 | (135,855) |

The Company's financial derivative transactions as of December 31, 2024 and March 31, 2024 are as follows

Swap transactions:

| Swap type | Underlying | Underlying rate | SWAP | Expiration | Underlying value SWAP amount | | Fair value | |
|---------------------------------------|------------------|--|---|------------|--------------------------------|-------------|-----------------|------------------|
| | | | | | December 2024 | March 2024 | December 2024 | March 2024 |
| Currency | Long Term Credit | Libor 3m + 1.32%. | TF + 5.39%. | 18/02/2026 | USD 15,000 | USD 15,000 | 14,693 | 7,992 |
| Currency | Long Term Credit | Libor 3m + 1.32%. | TF + 11.67%. | 18/02/2026 | USD 15,000 | USD 15,000 | 12,290 | 4,533 |
| Interest rate | Bonds | CPI +7.19%. | TF + 7.87%. | 28/04/2024 | USD 100,000 | USD 100,000 | - | (6) |
| Interest rate | Bonds | CPI +2.24%. | TF + 9.60%. | 25/08/2024 | USD 50,000 | USD 50,000 | - | (1,084) |
| Interest rate | Bonds | CPI +2.24%. | TF + 9.55%. | 25/08/2024 | USD 50,000 | USD 50,000 | - | (1,072) |
| Interest rate | Bonds | CPI +2.24%. | TF + 9.74%. | 25/08/2024 | USD 50,000 | USD 50,000 | - | (1,120) |
| Interest rate | Bonds | CPI +4.5%. | TF + 9.69%. | 16/08/2024 | USD 150,000 | USD 150,000 | - | (2,954) |
| Interest rate | Bonds | CPI +3.64%. | TF + 9.93%. | 24/08/2024 | USD 50,000 | USD 50,000 | - | (1,168) |
| Interest rate | Bonds | CPI +3.64%. | IBR+1.65% IBR+1.65% IBR+1.65 | 24/08/2027 | USD 50,000 | USD 50,000 | 941 | 1,045 |
| Interest rate | Bonds | CPI +3.64%. | TF + 11.28%. | 24/05/2026 | USD 100,000 | USD 100,000 | (4,717) | (4,832) |
| Interest rate | Bonds | CPI +3.64%. | TF + 11.62%. | 24/08/2026 | USD 100,000 | USD 100,000 | (6,718) | (6,252) |
| Interest rate | Bonds | CPI +3.75%. | TF + 11.47%. | 27/09/2026 | USD 150,000 | USD 150,000 | (9,592) | (9,186) |
| Interest rate | Bonds | CPI +4.04%. | TF + 11.60%. | 27/09/2026 | USD 100,000 | USD 100,000 | (6,071) | (5,874) |
| Interest rate | Bonds | CPI +4.47%. | TF + 8.30%. | 27/05/2027 | USD 200,000 | USD 200,000 | (14,968) | (14,027) |
| Interest rate | Bonds | CPI +4.21%. | TF + 8.30%. | 13/07/2027 | USD 150,000 | USD 150,000 | (12,246) | (10,990) |
| Interest rate | Bonds | CPI+3.99%. | IBR+ 2% | 24/08/2027 | USD 150,000 | USD 150,000 | 2,812 | 2,792 |
| Interest rate | Bonds | CPI+3.99%. | IBR+ 2% | 24/08/2027 | USD 150,000 | USD 150,000 | 2,812 | 3,228 |
| Interest rate | Bonds | CPI+3.99%. | IBR+ 2.46%. | 24/08/2027 | USD 50,000 | USD 50,000 | 376 | 160 |
| Currency | Long Term Credit | SOFR 3m + 2.90% SOFR 3m + 2.90% SOFR 3m + 2.90% SOFR 3m + 2.90% | TF + 15.40%. | 10/11/2025 | USD 40,000 | USD 40,000 | (28,706) | (55,228) |
| Currency | Long Term Credit | TF+7.43%. | TF + 14.46%. | 26/05/2026 | USD 10,000 | USD 10,000 | - | (6,896) |
| Currency | Long Term Credit | SOFR 3m + 3.58% SOFR 3m + 3.58% SOFR 3m | TF + 15.10%. | 26/05/2026 | USD 20,000 | USD 20,000 | - | (13,127) |
| Interest rate | Long Term Credit | IBR + 4.93%. | TF + 9.37%. | 24/07/2025 | USD 100,000 | USD 100,000 | - | 2,039 |
| Interest rate | Long-Term Credit | IBR + 4.93%. | TF + 8.69%. | 24/07/2026 | USD 100,000 | USD 100,000 | - | 4,397 |
| Interest rate | Bonds | CPI +4.04%. | TF + 1.50%. | 27/06/2038 | COP 25,850 | COP 25,850 | (2,946) | (2,714) |
| Interest rate | Bonds | CPI +3.64%. | TF+1.03% TF+1.03% TF+1.03% TF+1.03% TF+1.03 | 24/08/2017 | COP 88,145 | - | 8,585 | - |
| Interest rate | Bonds | CPI +4.47%. | TF + 3.12%. | 13/04/2031 | COP 23,650 | COP 23,650 | (1,161) | (510) |
| Interest rate | Bonds | CPI +4.21%. | TF + 5.15%. | 27/05/2026 | COP 100,000 | COP 100,000 | (443) | - |
| Interest rate | Bonds | CPI +3.99%. | TF + 1.03%. | 24/05/2042 | COP 50,500 | COP 50,500 | (5,683) | (4,756) |
| Interest rate | Bonds | CPI +3.99%. | TF + 1.03%. | 24/05/2042 | COP 88,145 | COP 88,145 | (17,870) | - |
| Currency | Long Term Credit | SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2% | TF+12.30%. | 10/04/2027 | USD 50,000 | USD 50,000 | 25,570 | - |
| Currency | Long Term Credit | SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2% SOFR 3m + 2% | TF+3.76% TF+3.76 | 10/04/2027 | USD 50,000 | USD 50,000 | 25,646 | - |
| Fair value of swap transaction | | | | | | | (17,396) | (115,610) |

Forward transactions

| Type of forward | Underlying | Underlying value ⁽¹⁾ | Forward rate | Expiration | Fair value | |
|---|------------------|---------------------------------|--------------|------------|---------------|-----------------|
| | | | | | December 2024 | March 2024 |
| Purchase | Intercompany | USD 27,000 | 4.907,29 | 17/06/2024 | - | (27,638) |
| Purchase | Short-term loans | USD 8,000 | 4.487,98 | 16/07/2024 | - | (4,499) |
| Purchase | Short-term loans | USD 15,059 | 4.537,50 | 12/07/2024 | - | (9,236) |
| Purchase | Short-term loans | USD 40,000 | 4.240,47 | 25/07/2024 | - | (12,664) |
| Purchase | Short-term loans | USD 8,000 | 4.455,49 | 17/09/2024 | - | (3,888) |
| For sale | Working capital | USD 125,000 | 4.011,50 | 30/04/2024 | - | 18,817 |
| For sale | Working capital | USD 70,000 | 4.046,05 | 20/12/2024 | - | 2,950 |
| For sale | Dividends | USD 22,810 | 4.136,60 | 26/12/2024 | - | 2,814 |
| For sale | Dividends | USD 21,758 | 3.976,03 | 30/04/2024 | - | 2,511 |
| For sale | Dividends | USD 3,751 | 3.942,55 | 30/04/2024 | - | 308 |
| For sale | Dividends | USD 3,751 | 4.072,75 | 26/11/2024 | - | 297 |
| For sale | Dividends | USD 10,894 | 4.581,05 | 27/06/2025 | 645 | - |
| Fair value of forward transactions | | | | | 645 | (30,228) |

Operations option:

| Type(buy - sell) | Underlying | Underlying value ⁽¹⁾ | Option rate | Vencimiento | Fair value | |
|---|--|---------------------------------|-------------|-------------|---------------|------------------|
| | | | | | December 2024 | March 2024 |
| Calls spread - Purchase | Coupon Only Swap with USDCOP Call to maturity ⁽¹⁾ | USD 92,721,35 | 4.175,10 | 20/09/2029 | 149,204 | - |
| Calls spread - Sale | Coupon Only Swap with USDCOP Call at maturity ⁽²⁾ | USD 92,721,35 | 5.175,10 | 20/09/2029 | (96,173) | - |
| Fair value of transactions | | | | | 53,031 | - |
| Fair value of swap, forward, option transactions | | | | | 36,280 | (145,838) |

(1) The value of the underlying is rounded to the nearest million when expressed in Colombian pesos and to the nearest thousand when expressed in dollars.

(2) Corresponds to the premium payable for the option

NOTE 8: OTHER FINANCIAL ASSETS

| | December 2024 | March 2024 |
|--|------------------|----------------|
| Financial assets measured at fair value through other comprehensive income (see note 26) | 1,061,833 | 870,394 |
| Financial assets measured at fair value through profit or loss (see note 26) | 3,101 | 2,984 |
| Financial assets measured at amortized cost (See note 26) | 2,276 | 2,276 |
| Other financial assets | 1,067,210 | 875,654 |
| Current | - | 260 |
| Non-current | 1,067,210 | 875,394 |
| Other financial assets | 1,067,210 | 875,654 |

As of December 31, 2024, none of these assets are past due or impaired.

The category of other financial assets at fair value through other comprehensive income includes the investments held by the Company in Grupo de Inversiones Suramericana S.A, Occipital, Carvajal Pulpa Y Papel S.A. and Sociedad de Transporte Férreo S.A. The investment is measured at fair value through other comprehensive income on a monthly basis. Financial assets measured at fair value with changes in other comprehensive income, details the value of this investment for the periods reported.

The Administration has determined the operating segments based on the financial information supplied to the Steering Committee of Cementos Argos S.A., whose members periodically monitor the results of the businesses in order to make decisions about the allocation of resources and the evaluation of their performance.

In addition to the operating segments, the Group has a segment called Corporate and others, which includes the results of businesses other than the core operating business, as well as general corporate income and expenses related to the overall management of the businesses. Within this segment, the Group manages its portfolio of strategic investments, administering on the one hand the holdings in related and associated companies, as well as the income and expenses associated with these investments, and on the other hand the holdings in portfolio companies of vital importance, mainly the investment it had with the Grupo de Inversiones Suramericana S.A. This segment, with its distribution of activities among related, associated and portfolio companies, is managed independently, given the difference in the nature of its operations, as well as the associated risks and benefits.

8.1 Inhibition of Shares in Grupo Sura S.A.

During the third quarter of 2024, Cementos Argos S.A. initiated a process to contribute a portion of its common shares in Grupo Sura S.A. to an autonomous patrimony. This autonomous patrimony has irrevocable instructions to refrain from exercising the voting rights associated with these shares. This transaction is part of the share repurchase program implemented by Grupo Sura S.A., according to the relevant information disclosed to the market by said company.

Once the contributions of the shares to the autonomous equity are made, Cementos Argos S.A. will continue to retain a significant percentage interest in the outstanding ordinary shares of Grupo Sura S.A. However, such interest will not reach the level required to be considered significant influence under IAS 28 "Investments in Associates and Joint Ventures". Consequently, the investment will continue to be accounted for as a financial asset in accordance with the requirements of IFRS 9 "Financial Instruments" and will continue to be measured at fair value through other comprehensive income.

It is important to note that, despite the inhibition of the political rights, Cementos Argos S.A. will continue to receive the economic rights derived from the shares contributed to the autonomous equity, including dividends. The irrevocable instruction not to exercise the political rights does not affect the nature of the expected cash flows from the investment, which will continue to be recognized in the Company's results.

The shares at the end of the reporting period are detailed below:

| | Total Shares | Shares Contributed to the Autonomous Equity | Direct Actions |
|---------------------------|--------------|---|----------------|
| Suramericana Group shares | 28,394,940 | 24,300,000 | 4,094,940 |

NOTE 9: TRADE AND OTHER ACCOUNTS RECEIVABLE

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Trade accounts receivable | 166,686 | 198,951 |
| Other accounts receivable | 211,788 | 519,481 |
| Impairment for expected credit losses and impairment for doubtful accounts | (1,101) | (1,391) |
| | 377,373 | 717,041 |
| Current | 364,425 | 658,916 |
| Non-current | 12,948 | 58,125 |
| Trade and other receivables | 377,373 | 717,041 |

Following is the movement in impairment for expected credit losses on trade and other receivables as of December 31 and March 31, 2024:

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Movement in expected credit losses and doubtful accounts impairment | | |
| Balance at beginning of period | (1,391) | (1,640) |
| Reimbursement (Loss) for impairment recognized on accounts receivable ⁽¹⁾ | 53 | (129) |
| Write-off of amounts considered uncollectible ⁽²⁾ | 34 | 156 |
| Reversed impairment losses | 203 | 222 |
| Balance at end of period | (1,101) | (1,391) |

(1) Cementos Argos S.A. adopted the simplified approach for the measurement of impairment losses on trade receivables, contract assets and lease receivables, retroactively with the option not to restate comparative information. For presentation purposes, the movement in the impairment of expected credit losses for the year 2024 is presented in accordance with the new guidelines of IFRS 9 Financial Instruments.

(2) The contractual amounts of financial assets written off during the reporting period that are still subject to enforcement activities are \$34 (March 2024 \$ (156)).

For each range of days past due on the portfolio, the following table presents the value of trade and other receivables subject to credit risk before recognizing any impairment loss, the values of expected losses determined individually and collectively, the value of receivables after considering the expected impairment, at the end of the reporting period, and the percentage of expected credit loss determined using the transition matrix methodology according to the Markov chain theory.

| December 2024 | Expected credit loss rate | Gross accounts receivable | Impairment expected credit loss | Accounts receivable net |
|--|---------------------------|---------------------------|---------------------------------|-------------------------|
| Explanation of impairment due to expected credit losses | | | | |
| Undefeated | 0.11% | 268,905 | (41) | 268,864 |
| Between 0 and 30 days | 0.15% | 57,893 | (13) | 57,880 |
| Between 31-60 days | 0.61% | 4,774 | (2) | 4,772 |
| Between 61-90 days | 1.60% | 2,829 | (8) | 2,821 |
| Between 91-120 days | 2.35% | 2,367 | (1) | 2,366 |
| Between 121-150 days | 3.72% | 1,511 | (2) | 1,509 |
| Between 151-180 days | 8.22% | (364) | (8) | (372) |
| Between 181-360 days | 13.33% | 21,095 | (12) | 21,083 |
| More than one year | 45.87% | 19,464 | (1,014) | 18,450 |
| Total | | 378,474 | (1,101) | 377,373 |

| March 2024 | Expected credit loss rate | Gross accounts receivable | Impairment expected credit loss | Accounts receivable net |
|--|---------------------------|---------------------------|---------------------------------|-------------------------|
| Explanation of impairment due to expected credit losses | | | | |
| Undefeated | 0.12% | 457,852 | (46) | 457,806 |
| Between 0 and 30 days | 0.16% | 132,840 | (14) | 132,826 |
| Between 31-60 days | 0.62% | 48,454 | (10) | 48,444 |
| Between 61-90 days | 1.48% | 16,773 | (12) | 16,761 |
| Between 91-120 days | 2.44% | 3,856 | (13) | 3,843 |
| Between 121-150 days | 3.40% | 3,883 | (6) | 3,877 |
| Between 151-180 days | 5.37% | 1,174 | (1) | 1,173 |
| Between 181-360 days | 10.64% | 6,696 | (56) | 6,640 |
| More than one year | 1.10% | 46,904 | (1,233) | 45,671 |
| Total | | 718,432 | (1,391) | 717,041 |

The average credit period on the sale of goods is 30 days. No interest is charged on trade accounts receivable after the average credit period. Cementos Argos S.A. assesses at the end of the reporting period and with the same periodicity of financial reporting whether there is objective evidence that financial assets are impaired, and if this is the case, recognizes in the separate income statement an impairment loss. Cementos Argos S.A. recognizes impairment on individual customers when they are in a state of economic insolvency or when a financing agreement or restructuring of the account receivable is

agreed and collectively grouping the portfolio by ranges of days of default and applying to these values the percentages of default using the methodology of transition matrices according to the Markov chain theory. In determining the recoverability of a trade account receivable, Cementos Argos S.A. considers any change in the credit quality of the account from the date the credit was initially granted until the end of the reporting period. The concentration of credit risk is limited because the customer base is large and independent.

Cementos Argos S.A. as of December 31, 2024 and March 31, 2024 sold trade and other debtors to Bancolombia, BBVA and Bancóldex for \$187,285 (March 2024 \$ 31,758) with an effect on income of \$3,346 (March 2024 \$ 663).

NOTE 10: INCOME TAX

The applicable tax provisions in force in Colombia establish the following:

- Income tax in Colombia is calculated at a rate of 35% for the year 2024 (year 2023 35%).
- Occasional gains are taxed at a rate of 15%.
- For 2024 and 2023, the minimum percentage for determining income tax is 0%.
- Companies may offset losses against ordinary net income obtained in the following twelve (12) periods.
- The excess of presumptive income over ordinary income generated as from 2003 may only be offset against ordinary net income within the following five (5) years.
- In accordance with the provisions of Laws 788 of 2002 and 863 of 2003, income taxpayers that carry out operations with foreign related parties are required to determine the transfer pricing study for income tax and complementary tax purposes; As of the date of the statement of financial position, the Company has not completed the study with the operations of 2024; however, considering that the operations carried out with foreign related parties during 2024 had a similar behavior to those carried out in 2023, Management considers that it will not generate an impact on the income tax return for the period.
- As from 2017, the references contained in the tax regulations to the accounting standards will be to the International Financial Reporting Standards applicable in Colombia with the adjustments established by the National Government.
- Law 1819 of 2016, determined through article 22 that for the 2017 and following years, the determination of income tax and complementary taxes, in the value of assets, liabilities, equity, income, costs and expenses, of the taxpayers of this tax obliged to keep accounting, will apply the recognition and measurement systems, in accordance with the technical accounting regulatory frameworks in force in Colombia, when the tax law expressly refers to them and in the cases in which this does not regulate the matter. In any case, the tax law may expressly provide for a different treatment, in accordance with Article 4 of Law 1314 of 2009.
- Income tax returns for taxable years 2023,2022,2021, 2020, 2019, 2019, 2018,2017 and 2016 are subject to review and acceptance by the tax authorities.
- The general term of finality of the returns is 3 years (5 years for taxpayers who determine or offset tax losses or who are subject to the transfer pricing regime).
- Starting in 2019, the 4-year time limit for the use of the tax credit for taxes paid abroad is eliminated.

TAX REFORM

On December 13, 2022, the National Government issued Law 2277, Reform for Equality and Social Justice, which introduces significant tax changes effective as of January 1, 2023. The most significant changes for income and complementary tax purposes were the following:

- The general income tax rate is maintained at 35% for national companies and their assimilated companies obliged to file the annual income tax return in Colombia.
- A minimum tax rate of 15% is established, which requires the effective tax rate to be calculated based on the taxes paid and the adjusted accounting profit. In the event that the effective tax rate is lower than 15%, the tax must be adjusted to reach this rate. It is allowed to partially adjust the accounting profit with the equity method, the income not constituting income or occasional gain, some exempt income and the compensation of tax losses and excess of presumptive income. Taxpayers tax residents in Colombia whose financial statements are subject to consolidation and individually do not comply with the minimum rate, must determine the adjusted tax rate based on the results of the Group.

Exempt from this rule are the Economic and Social Zones - ZESE during the period that their income rate is zero (0%), taxpayers whose adjusted profit is equal to or less than zero, those who are governed by the provisions of Article 32 of the Tax Statute (Concessions), industrial and commercial companies of the state or mixed economy companies that exercise monopolies of luck, chance and liquor; hotels and theme parks provided they are not required to submit country by country report.

- The amount of the sum of certain income not constituting income, special deductions, exempt income and tax discounts is limited to 3% per year of ordinary net income.
- Article 158-1 is repealed, eliminating the possibility of deducting costs and expenses associated with investments in Science, Technology and Innovation (CTel), i.e. these investments will only be entitled to a tax discount. The possibility of taking as tax discount 30% of the investments in Science, Technology and Innovation (CTel) that have the approval of the National Council of Tax Benefits (CNBT) is maintained; the previous regulation established a discount of 25%.
- The possibility of deducting royalty payments referred to in Articles 360 and 361 of the National Constitution is eliminated, regardless of the denomination of the payment, the accounting treatment and the form of payment (money or in kind), the non-deductible amount corresponds to the total cost of production of non-renewable resources. (Rule that was discussed and declared deductible again by order 1240 of 2024 of the Constitutional Court).
- 100% of the taxes, rates and contributions effectively paid in the taxable year, which have a causal relationship with the generation of income (except income tax), will continue to be deductible; 50% of the tax on financial movements (GMF) will be deductible, regardless of whether or not it has a causal relationship with the income-generating activity.
- Payments for memberships to social clubs, labor expenses of housing support personnel or other activities unrelated to the income-producing activity, personal expenses of members, participants, shareholders, clients and/or their relatives, all of which will be considered income in kind for their beneficiaries, will not be deductible.
- It is established that the non-deductible amounts for sentences arising from administrative, judicial or arbitration proceedings correspond to the amounts that are of a punitive, sanctioning or compensatory nature (Section 3 of Article 105 of the E.T.).
- The occasional income tax rate is established at 15%.
- A withholding tax rate of 10% is established for dividends received by domestic companies that do not constitute income or occasional profit (previously 7.5%), which will be transferable to the resident individual or foreign investor. The exceptions established in the current regulations are maintained. Dividends and participations received by permanent establishments of national foreign companies that do not constitute income or occasional profit will be taxed at the special rate of 20%.
- It was provided that the tax on taxable dividends will be determined: (i) by applying the income tax rate corresponding to the year in which they are declared (35%) and (ii) on the remainder, the rate corresponding to the non-taxed dividend will be applied, depending on the beneficiary (if it is a resident individual or an unliquidated succession of a resident deceased person, the table of article 241 of the Tax Statute will be applied).
- Dividends declared against profits of 2016 and prior years will retain the treatment in effect at that time; and those corresponding to profits of 2017 and 2018 and 2019 that are declared as of 2020 will be governed by the rates set forth in the 2010 Law.

10.1. Income tax recognized in the income statement for the period

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

| | Current Tax | |
|---|-----------------------|-----------------------------------|
| | April - December 2024 | April - December 2023 (Unaudited) |
| With respect to the current year | 37,974 | 32,252 |
| Compared to the previous year | 6,680 | 1,480 |
| Current Tax | 44,654 | 33,732 |
| Origination and reversal of temporary differences | (136,933) | 54,585 |
| Deferred tax | (136,933) | 54,585 |
| Total taxes related to continuing operations | (92,279) | 88,317 |

In both years, the tax on net income was settled, using the tax discounts up to the maximum limit established by law, and the tax on occasional gain was generated.

The variation in the deferred tax expense was mainly due to the use of tax discounts in the year 2024, the differences generated by the tax treatment of financial instruments and the movements of the exchange difference generated by the fluctuation of the TRM during the year.

Effective rate reconciliation:

| | April - December 2024 | | April - December 2023 (Unaudited) | |
|--|-----------------------|----------------|-----------------------------------|--------------|
| | Value | % | Value | % |
| Income before taxes | 108,974 | | 329,885 | |
| Theoretical Tax | 38,141 | (35%) | 115,460 | (35%) |
| Equity method | (176,864) | (166.6%) | (261,989) | (79.2%) |
| Dividends, net | 162,111 | 148.8% | 208,849 | 67.2% |
| ECE Regime | 7,577 | 7.0% | 18,937 | 5.7% |
| Indirect Tax Credits | (16,063) | (14.6%) | (8,833) | (2.7%) |
| Non-deductible expenses | 588 | 93.6% | 10,388 | 3.1% |
| Non-deductible donations | 2,565 | 6.6% | 2,650 | 1.1% |
| Taxes for prior years | 5,504 | 8.5% | 9,054 | 2.7% |
| Other tax effects | (115,838) | (202.9%) | (6,199) | (6.2%) |
| Total current and deferred income tax | (92,279) | (84.7%) | 88,317 | 26.7% |

The Company's effective tax rate is -84.7% for 2024 (2023 26.7%), the variation with the theoretical rate is mainly generated by the net effect between the equity method and taxable dividends, tax effects such as differences in the useful lives of fixed assets, loss on asset retirements due to obsolescence, effects on financial derivatives and adjustments to provisions without tax effect, in addition to adjustments to deferred tax of previous years, the impact of the passive income of the Ece Regime and the effects of the sale of Argos USA shares.

The calculation of the tax under the ordinary income tax system is as follows:

| | April - December 2024 | Abril - December 2023 (Unaudited) |
|---|-----------------------|-----------------------------------|
| Net Taxable Income | 393,905 | 100,500 |
| Rental Rate | 35% | 35% |
| Current income tax | 137,867 | (35,175) |
| Occasional income | 5 | (638) |
| Discounts Applied | (105,753) | 8,833 |
| Income from previous years | 6,680 | 1,481 |
| Foreign expenses not originating in Colombia | 5,855 | 5,271 |
| Deferred tax | (136,933) | 54,586 |
| Total tax expense related to continuing operations | (92,279) | 88,317 |

10.2. Income tax recognized directly in equity

| | Deferred tax | |
|---|-----------------|----------------|
| | December 2024 | March 2024 |
| Generated by income and expenses recognized in other comprehensive income: | | |
| Difference in foreign exchange foreign investments | (6,907) | (1,222) |
| New defined benefit plan measures | (5,875) | - |
| Cash flow hedges | (7,385) | (2,068) |
| Changes in tax laws and rates | - | - |
| Total income tax recognized in comprehensive income | (20,167) | (3,290) |

10.3. Current tax assets and liabilities and deferred tax balances

| | Current tax | |
|-------------------------------|----------------|----------------|
| | December 2024 | March 2024 |
| Assets taxes | 108,778 | 145,637 |
| Current tax liabilities | - | (39) |
| Net current tax assets | 108,778 | 145,598 |

| | Deferred tax | |
|---------------------------------------|------------------|------------------|
| | December 2024 | March 2024 |
| Deferred tax | 570,171 | 645,731 |
| Deferred tax liabilities | (765,806) | (958,132) |
| Total deferred tax liabilities | (195,635) | (312,401) |

10.4. Deferred tax behavior

The analysis of the liabilities presented in the December 2024 statement of financial position and comparative periods is presented below:

| December 2024 | Balance at beginning of period | Recognized in results | Recognized in other comprehensive income | Balance at end of period |
|---------------------------------------|--------------------------------|-----------------------|--|--------------------------|
| Other current assets | 282 | (83) | - | 199 |
| Associated | (11,142) | 8,846 | (6,907) | (9,203) |
| Property, plant and equipment | (249,431) | 7,701 | - | (241,730) |
| Other equity investments | (322,417) | 238,509 | - | (83,908) |
| Intangible assets | (10,929) | (5,867) | - | (16,796) |
| Other non-current assets | (858) | (2,872) | - | (3,730) |
| Provisions | 17,044 | 6,518 | - | 23,562 |
| Employee benefits | (1,397) | (6,178) | (5,875) | (13,450) |
| Financial liabilities | (1,111) | (525) | - | (1,636) |
| Convertible instruments | 39,019 | (6,539) | (7,385) | 25,095 |
| Finance leases | 2,397 | 85 | - | 2,482 |
| Unused tax credits | 97,167 | (97,167) | - | - |
| Unused tax losses | 123,480 | - | - | 123,480 |
| Unused surplus of presumptive income | 5,495 | (5,495) | - | - |
| Total deferred tax liabilities | (312,401) | 136,933 | (20,167) | (195,635) |

| March 2024 | Balance at beginning of period | Recognized in results | Recognized in other comprehensive income | Balance at end of period |
|---|--------------------------------|-----------------------|--|--------------------------|
| Other current assets | 362 | (80) | - | 282 |
| Associated | (9,591) | (329) | (1,222) | (11,142) |
| Other equity investments | - | (322,417) | - | (322,417) |
| Property, plant and equipment | (242,196) | (7,235) | - | (249,431) |
| Intangible assets | (26,805) | 15,876 | - | (10,929) |
| Other non-current assets | (1,464) | 606 | - | (858) |
| Provisions | 24,670 | (7,626) | - | 17,044 |
| Employee benefits | (1,528) | 131 | - | (1,397) |
| Financial liabilities | (714) | (397) | - | (1,111) |
| Convertible instruments | 41,063 | 24 | (2,068) | 39,019 |
| Finance leases | 2,280 | 117 | - | 2,397 |
| Unused tax credits | 220,612 | (123,445) | - | 97,167 |
| Unused tax losses | 123,480 | - | - | 123,480 |
| Unused surplus of presumptive income | 5,495 | - | - | 5,495 |
| Total net deferred tax liabilities | 135,664 | (444,775) | (3,290) | (312,401) |

The Company recognizes deferred tax assets which will be offset by the reversal of current deductible temporary differences; however, if due to the timing of the reversal of taxable differences the deferred tax asset depends on future earnings, the Company bases the deferred tax asset on the projection of the generation of future taxable income. When in the development of the analysis it is determined that there is a high probability of rejection of the tax asset by the tax authorities or that it will

not be possible to use the deferred tax asset before its expiration, the deferred tax asset is not recognized. Both situations affect the income tax expense in the period in which it is determined.

In compliance with IAS 12, the Company did not record deferred tax liabilities related to temporary differences on investments in subsidiaries, mainly for items corresponding to undistributed earnings and tax adjustments on investments. This is due to the fact that: i) the Company has control of the subsidiaries and, therefore, can decide on the reversal of such temporary differences; and ii) the Company does not expect to realize them in the medium term; therefore, it is probable that such temporary differences will not be reversed in the foreseeable future.

| | December 2024 | March 2024 |
|-----------------------------|---------------|------------|
| Investments in subsidiaries | 8,849,188 | 7,723,264 |
| Investments in associates | (3,864) | (4,235) |

The provisions of the amendment to IAS 12 were reviewed and it was concluded that no modifications were identified that would impact the current application.;

The company availed itself of the voluntary exemption established in Article 1 of Decree 1311 of 2021 on the recognition of the effect of the change in the occasional gain rate from 10% to 15%, which established that it could be recognized in the entity's equity in the Retained earnings of previous years.

10.5. Unrecognized deductible temporary differences, unused tax loss carryforwards and unused tax credits

At year-end 2024, the Company has no tax credits without recognition of deferred tax assets.

10.6. Income tax impact of the potential payment of dividends to shareholders

The Company does not foresee any potential income tax consequences in the event of dividend payments to its shareholders.

The Company does not present dividends proposed or declared before the financial statements have been authorized for issuance, which could have an expected income tax impact.

10.7. Uncertainties in open tax positions

No additional taxes are expected on the occasion of possible visits by the tax authorities or due to the existence of uncertainties related to tax positions applied by the Company.

NOTE 11: INVENTORIES

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Materials, spare parts and accessories | 79,706 | 93,748 |
| Product in process | 68,746 | 64,954 |
| Raw materials and direct materials | 33,577 | 38,702 |
| Finished product | 21,998 | 28,973 |
| Inventory and transit | 8,047 | 3,802 |
| Inventory to be developed | 3,291 | 5,636 |
| Inventory of containers and packaging | 2,518 | 3,709 |
| Completed housing inventory | 2,092 | - |
| Inventory of goods not manufactured by the company | 651 | 441 |
| Advances for inventory purchases | 171 | - |
| Impairment of spare parts and accessories | - | 83 |
| Inventories | 220,797 | 240,048 |

Cementos Argos S.A. measures its inventory at the lower of cost and net realizable value.

The cost of inventories recognized as cost of goods sold during the period, with respect to operations in the separate statement of comprehensive income, corresponds to \$975,563 (2023\$ 1,099,559) of which correspond to unabsorbed costs \$43,472 (2023 \$ 53,458), distribution costs \$162,714 (2023 \$ 198,988).

During the period and comparatives there was no reversal of value of inventories. The value of the decrease in inventories to net realizable value corresponds to \$2,586 (2023 \$ 3,273) Cementos Argos S.A. expects to realize its inventories in a period of less than 12 months.

As of December 31, 2024 and March 31, 2024, Cementos Argos S.A. has no inventories pledged as collateral for liabilities.

NOTE 12: OTHER NON-FINANCIAL ASSETS AND LIABILITIES

12.1 Other non-financial assets

| | December 2024 | March 2024 |
|-----------------------------------|---------------|---------------|
| Prepaid expenses | 30,472 | 29,173 |
| VAT, ICA and other tax assets | 16,720 | 27,510 |
| Other non-financial assets | 47,192 | 56,683 |
| Current | 40,568 | 50,106 |
| Non-current | 6,624 | 6,577 |
| Other non-financial assets | 47,192 | 56,683 |

12.2 Other non-financial liabilities

| | December 2024 | March 2024 |
|--|----------------|----------------|
| Advances received | 117,449 | 134,785 |
| VAT, ICA and other tax liabilities | 68,563 | 37,784 |
| Deferred Income | 1,279 | 1,118 |
| Other non-financial liabilities | 187,291 | 173,687 |
| Current | 115,007 | 92,226 |
| Non Current ⁽¹⁾ | 72,284 | 81,461 |
| Other non-financial liabilities | 187,291 | 173,687 |

(1) The sales agreement between Cementos Argos and Summit Materials, established the transfer of the use of the 'Argos' trademark in the United States, by virtue of this agreement, the parties executed a seven (7) year valuation on the trademark for US\$21,400,000. The value was invoiced by Cementos Argos in Colombia and paid by Summit in the United States. This payment had a withholding tax of 30% for US\$6,420,000. The invoiced amount was recognized for accounting purposes as income received in advance and will be amortized monthly in operating income for a period of seven (7) years.

NOTE 13: BIOLOGICAL ASSETS

| | December 2024 | March 2024 |
|--|---------------|---------------|
| Balance at beginning of year | 15,879 | 16,164 |
| Additions | 285 | - |
| Changes in fair value less costs to sell | 1,786 | - |
| Sale of biological assets | (1,212) | (285) |
| Biological assets | 16,738 | 15,879 |

Cementos Argos S.A. carries out agricultural activities through forestry projects. The Company's biological assets are measured at fair value less estimated costs to sell at the point of harvest, considering significant Level 3 observable inputs. Changes in the fair value of biological assets are presented in the statement of comprehensive income as valuation income or expense as appropriate.

The discounted cash flow model was used for the valuation of the plantations, taking into account that the future economic benefits associated with the forest flight are expected to be realized 3 or 4 times in time, as follows: at the moment when the 2 or 3 thinning operations are carried out, which depend on the age and diameter of the plantation, and at the last moment when the clear-cutting is carried out.

In this regard, fair value is determined by applying a discount rate to future net cash flows, which, for this purpose, the weighted average cost of capital (WACC) was used, which was estimated at 10.67% for 2024 (March 2024 12.4%).

Sales price, volume, determined based on experience and forestry studies, and estimated costs and expenses are significant unobservable inputs to the measurement.

Valuation losses were recognized amounting to \$1,786 (March 2024 \$ 0). The valuation was based on market prices, which remain constant and costs grow with the CPI throughout the projection.

During 2024, a total of 119 hectares of Eucalyptus plantations were sold for a value of \$2,403, leaving a profit of \$1,191.

The biological assets of Cementos Argos S.A. consist of plantations, as follows:

| | December 2024 | March 2024 |
|-------------------------------------|---------------|------------|
| Plantations (Hectares planted = Ha) | 843 | 936 |

As of December 31, 2024 and comparative, plantations include mainly teak, eucalyptus, pine, rubber, acacia and melina, distributed throughout the country in Boyacá, Riosucio (Caldas), Montebello (Antioquia), Rioclaro (Antioquia), Cartagena (Bolívar), Victoria (Caldas), Puerto Nare (Antioquia).

At the end of the reporting and comparative periods, there are no restrictions on the ownership of the biological assets of Cementos Argos S.A., nor contractual commitments for their development or acquisition, and they have not been pledged as collateral for the fulfillment of debts.

NOTE 14: INVESTMENTS IN ASSOCIATES

14.1. Investments in associates

Summarized financial information with respect to each of Cementos Argos S.A.'s associates is presented below, this information represents amounts presented in the associate's financial statements prepared in accordance with IFRS:

| | SUMMA - Integral Corporate Services S.A.S. | | Credit Solutions S.A.S. | | Saint-Gobain Colombia S.A.S. | |
|---|--|------------|-------------------------|------------|------------------------------|------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| Current assets | 49,030 | 79,787 | - | 576 | 6,910 | 5,062 |
| Non-current assets | 11,246 | 7,253 | - | 4 | 5,127 | 6,030 |
| Current liabilities | 50,593 | 78,136 | - | 6 | 5,622 | 1,992 |
| Non-current liabilities | 3,798 | 2,668 | - | - | 0 | - |
| Ordinary income (Unaudited March 2023) | 35,904 | 8,584 | - | 76 | 10,913 | 2,296 |
| Net income (Unaudited March 2023) | (350) | 363 | - | (37) | (2,685) | (489) |
| Total comprehensive income (Unaudited March 2023) | (350) | 363 | - | (37) | (2,685) | (489) |

The reconciliation of the summarized financial information to the carrying value of the associates in the separate financial statements is as follows:

| | SUMMA - Integral Corporate Services S.A.S. | | Credit Solutions S.A.S. | | Saint-Gobain Colombia S.A.S. | | Total investees | |
|-----------------------------------|--|------------|-------------------------|------------|------------------------------|------------|-----------------|--------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| Net assets of the investee | 1,472 | 1,559 | - | 281 | 3,925 | 4,894 | 5,397 | 6,734 |
| Participation in the investee | 25% | 25% | 0% | 49% | 40% | 40% | 25%-0%-40% | 25%-49%-40% |
| Carrying value of investee | | | | | | | 5,397 | 6,734 |

- On September 27, 2024, in an extraordinary meeting, it was reported that Soluciones de Crédito S.A.S. was liquidated. As a result of such liquidation, the total net assets to be distributed amounted to Ps. 394 million.

The distribution of these assets was made among the three shareholders of the company, according to the percentage of participation in their shares. In this context, Cementos Argos S.A., with a 48.98% interest, received a remaining value of \$193 million pesos.

All associates are accounted for using the equity method in the separate financial statements. None of the investments in associates held by Cementos Argos S.A. are listed in a domestic or foreign stock market; therefore, there is no quoted market price for the investment.

In the reported periods, investments in associates did not declare dividends.

14.2. Significant restrictions

As of December 31, 2024 and comparative periods there are no significant restrictions on the ability of associates to transfer funds to Cementos Argos S.A., in the form of cash dividends, or for the repayment of loans or advances made by the Company. The Company has no contingent liabilities related to its investments in associates.

NOTE 15: SUBSIDIARIES

15.1. General information on investments in subsidiaries

ARGOS PANAMA S.A.

A corporation incorporated under the laws of the Republic of Panama on June 25, 1943; its main purpose is the manufacture, sale, import and export of cement and its derivatives; as well as the import of all types of raw materials, machinery, equipment, and spare parts for the manufacture and sale of cement. The main domicile of the company is located in Panama City, Republic of Panama, and the term of duration is indefinite. This Company consolidates with Concreto S.A., and Terminal Granelera Bahía Las Minas S.A.

ARGOS SEM, LLC.

Incorporated on March 21, 2014 in Panama City, (and redomiciled in December 2018 to Delaware, United States, at which time the name Argos SEM S.A. also changed to Argos SEM, LLC), its purpose is to establish and operate as a Multinational Company Headquarters to provide any and all management and/or administrative services for operations in a specific geographic area or globally for a company in a specific geographic or global area. by Argos SEM, LLC), aims to establish and operate as a Multinational Company Headquarters to provide all and any of the management and/or administration services for the operations in a specific geographic or global area of a company of the business group, to engage internationally in the manufacture and marketing of goods of all kinds, as well as the marketing of services of all kinds, as permitted by the law of the respective state or jurisdiction. In May 2018, it absorbed International Cement Company S.A., an entity incorporated in Panama on November 24, 1997, with the purpose of acquiring, owning, administering, encumbering, leasing, disposing and disposing in any way of all kinds of goods, either for its own account or for the account of third parties.

BMR LTD.

Incorporated under the laws of Bermuda on April 19, 2022; its principal place of business is at Crawford House, 50 Cedar avenue, Hamilton, Pembroke, HM 11, Bermuda, its corporate purpose is reinsurance for the management of the company's risks. Its term of duration is indefinite.

CEMENTOS DE CALDAS S.A.

Incorporated under the laws of Colombia on July 17, 2007; its main domicile is located in Villamaría, department of Caldas; its corporate purpose is the exploitation of the cement industry and the production of concrete mixes and its derivatives. Its term of duration is until July 22, 2054.

C.I. DEL MAR CARIBE (BVI) INC.

Incorporated under the laws of the British Virgin Islands on June 2, 2004; its principal place of business is in Tortola and its corporate purpose is the trading of cement, clinker and lime. Its term of duration is perpetual.

COLCARIBE HOLDINGS, S.A.

Incorporated under Panamanian law on June 25, 1996; its main domicile is in Panama City; its corporate purpose is to negotiate or dispose of securities, bonds, participations in other companies and rights of any kind either on its own account or on behalf of third parties, as well as to open, operate, close accounts and deposits in financial institutions, lend or accept money in loans and give guarantees in favor of third parties in any currency of the world. Its term of duration is perpetual.

CONCRETOS ARGOS S.A.S.

Simplified joint stock company incorporated under Colombian law on April 22, 1985; its main purpose is the exploration, exploitation, transportation, processing, integral use, marketing and sale of stone minerals such as sand, cement, gravel, ready-mix concrete and precast concrete elements, concrete blocks and any other materials and elements, accessories and complementary elements used in the construction industry. The principal domicile of the Company is in Bogotá and the term of duration is until September 8, 2093.

CORPORATIONS AND INVESTMENTS OF THE CARIBBEAN SEA S.A.S.

Incorporated under Colombian law on December 14, 1982, its main domicile is in the city of Medellín and the term of duration is indefinite; the Company's corporate purpose is to carry out any lawful economic activity both in Colombia and abroad. It is currently engaged in the investment in shares or quotas of interest. This Company consolidates with Argos USVI Corp., Argos (Dominica) Ltd., Argos Saint Maarten N.V. and Cementos Argos Company Limited.

HAITI CEMENT HOLDING, S.A.

Incorporated and domiciled in Panama City, Republic of Panama on October 7, 1997. Its main activity is to acquire, purchase, invest in securities, bonds, shares, participations in other companies, as well as any lawful business permitted by the laws of the Republic of Panama. The duration of the corporation is perpetual. This company consolidates with Cimenterie Nationale S.E.M. (CINA).

TRANSPORTATION LOGISTICS S.A.

Incorporated in accordance with Colombian law on April 16, 1996; its main domicile is located in the city of Medellín; its corporate purpose is the transportation of persons and all types of cargo within or outside the country in any of its modalities, by land, air, river and sea, whether in vehicles, vessels or aircraft owned by it or by third parties affiliated to it. The Company's term expires on April 16, 2026.

TRANSATLANTIC CEMENT CARRIERS, INC.

Incorporated in accordance with Panamanian law on July 26, 1974; its main domicile is in Panama City and its term of duration is indefinite. Its corporate purpose is maritime transportation, especially cement, clinker and the purchase and sale of these same products. In June 2018, through a merger, it absorbed Compañía Marítima de Graneles S.A., which had been incorporated under Panamanian law on December 29, 1978 and which was engaged in maritime transportation, especially cement and clinker transportation and the purchase and sale of these same products, ship chartering and especially the provisioning of these same products.

VALLE CEMENT INVESTMENTS INC.

Incorporated under the laws of the British Virgin Islands on November 18, 1998; its principal place of business is in the British Virgin Islands (and redomiciled in March 2021 to Panama, at which time the name Valle Cement Investments Limited was also changed to Valle Cement Investments INC), and its corporate purpose is to make investments of any kind. The term of the company's duration is indefinite.

FREE TRADE ZONE ARGOS S.A.S.

Incorporated under Colombian law on July 5, 2007, its main domicile is in the city of Cartagena and its term of duration is indefinite. Its corporate purpose is the exploitation of the cement industry, the production of concrete mixes and any other materials or articles based on cement, lime or clay, the acquisition and sale of minerals or deposits of minerals that can be used in the cement industry and its similar, of rights to explore and exploit minerals of the aforementioned, whether by concession, privilege, lease or any other title, to direct, administer, supervise, promote and develop a free zone, to carry out all the activities that in its condition of sole user of a special free zone are convenient, pertinent or necessary, to perform the following activities as port operator: loading and unloading, port storage, import and export of goods and services, general cargo handling, containerized cargo handling. It was declared a permanent special free zone in 2007.

15.2. Information on direct participation in investments in subsidiaries

| Name of subsidiary | Main activity | Place of incorporation and operations | Proportion of ownership interest | | Carrying amount | |
|--|------------------------------|---------------------------------------|----------------------------------|------------|-------------------|-------------------|
| | | | December 2024 | March 2024 | December 2024 | March 2024 |
| Argos SEM, LLC | Investments | United States | 100.00% | 100.00% | 9,959,698 | 9,774,817 |
| Argos S.A.S. Free Trade Zone. | Cement industry | Colombia | 100.00% | 100.00% | 1,567,040 | 1,433,474 |
| Valle Cement Investments INC | Investments | Virgin Islands | 100.00% | 100.00% | 1,057,398 | 491,089 |
| Colcaribe Holding S.A. | Investments | Panama | 100.00% | 100.00% | 78,378 | 67,990 |
| Argos Panamá S.A. | Cement and concrete industry | Panama | 83.35% | 83.35% | 861,117 | 797,597 |
| Concretos Argos S.A.S. | Extraction of stone minerals | Colombia | 100.00% | 93.12% | 196,254 | 175,774 |
| C.I. del Mar Caribe BVI | Marketing | Virgin Islands | 93.88% | 93.88% | 29,616 | 24,777 |
| Corporations and Investments of the Caribbean Sea S.A.S. | Investments | Colombia | 100.00% | 100.00% | 204,065 | 158,549 |
| Transatlantic Cement Carriers, INC | Maritime transportation | Panama | 100.00% | 100.00% | 190,288 | 151,272 |
| Transportation Logistics S.A. | Transportation | Colombia | 100.00% | 100.00% | 26,843 | 26,426 |
| Haiti Cement Holding S.A. | Investments | Panama | 50.00% | 50.00% | (20,611) | 2,832 |
| Cementos de Caldas S.A. | Cement production | Colombia | 40.07% | 40.07% | 3,827 | 3,818 |
| BMR | Insurance | Bermuda shorts | 100.00% | 100.00% | 2,243 | 2,410 |
| | | | | | 14,156,156 | 13,110,825 |

15.3. Information on indirect shareholdings in investments in subsidiaries

| Name of subsidiary | Main activity | Place of incorporation and operations | Proportion of ownership interest | |
|--|---|---------------------------------------|----------------------------------|------------|
| | | | December 2024 | March 2024 |
| Argos (Dominica) Ltd. | Cement distribution | Dominica | 100.00% | 100.00% |
| Argos Dominicana S.A., and subsidiaries | Exploitation of clinker and cement; marketing. | Dominican Rep. | 79.99% | 79.99% |
| BMR Ltda | Reinsurance | Bermuda | 100.00% | 100.00% |
| Argos Guatemala | Import and marketing of cement | Guatemala | 100.00% | 100.00% |
| Argos Guyane S.A.S. | Exploitation and commercialization of cement | French Guiana | 100.00% | 100.00% |
| Argos Honduras S.A. de C.V. and subsidiaries | Exploitation and commercialization of cement and cement derivatives | Honduras | 53.29% | 53.29% |
| Argos Panamá, S.A., and subsidiaries | Cement and concrete industry and marketing | Panama | 83.35% | 83.35% |
| Concrete S.A. | Ready-mix concrete plant | Panama | 83.35% | 83.35% |
| Bahía Las Minas S.A. Bulk Terminal. | Operation of seaports | Panama | 83.35% | 83.35% |
| Argos Puerto Rico Corp. | Distribution and sale of cement | Puerto Rico | 60.00% | 60.00% |
| Argos SEM, LLC | Investments | United States | 100.00% | 100.00% |
| Argos St. Maarten N.V. | Cement distribution | St. Maarten | 100.00% | 100.00% |
| Argos Trading Puerto Rico LLC | Exports from Puerto Rico of cement and related products | Puerto Rico | 60.00% | 60.00% |
| Argos USVI Corp. | Cement distribution | U.S. Virgin Islands | 100.00% | 100.00% |
| Cement and Mining Engineering Inc. | Investments | Panama | 100.00% | 100.00% |
| Cementos Argos Company Limited | Cement distribution | Antigua | 100.00% | 100.00% |
| Cementos de Caldas S.A. | Cement production | Colombia | 99.64% | 99.64% |
| CI del Mar Caribe (BVI) Inc. | Marketing | British Virgin Islands | 100.00% | 100.00% |
| Cimenterie Nationale S.E.M. (CINA) | Cement industry and marketing | Haiti | 65.00% | 65.00% |
| Colcaribe Holdings, S.A. | Investments | Panama | 100.00% | 100.00% |
| Concretos Argos S.A. | Stone mineral exploitation | Colombia | 100.00% | 99.99% |
| Corporations and Investments of the Caribbean Sea S.A.S. | Investments | Colombia | 100.00% | 100.00% |
| Framing Colombia S.A.S. BIC | Investments | Colombia | 70.00% | 70.00% |
| Haiti Cement Holding, S.A. | Investments | Panama | 100.00% | 100.00% |
| Property Miraflores S.A. | Property management | Panama | 100.00% | 100.00% |
| Transportation Logistics S.A. | Transportation | Colombia | 100.00% | 100.00% |
| Argos S.A.S. Modular Solutions. | Prefabricated concrete | Colombia | 99.99% | 99.99% |
| Surcol Houdstermaatschappij N.V. | Investments | Suriname | 50.00% | 50.00% |
| Transatlantic Cement Carriers, Inc. | Maritime transportation | Panama | 100.00% | 100.00% |
| Valle Cement Investments Limited | Investments | British Virgin Islands | 100.00% | 100.00% |
| Venezuela Ports Company, S.A. | Investments | Panama | 100.00% | 100.00% |
| Vensur N.V. | Cement production and marketing | Suriname | 42.10% | 42.10% |
| Argos S.A.S. Free Trade Zone. | Cement industry | Colombia | 100.00% | 100.00% |

| Subsidiary | Colombia | | Caribbean and Central America | | United States | |
|--|---------------|------------|-------------------------------|------------|---------------|------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| Number of wholly owned subsidiaries | 4 | 3 | 15 | 15 | 1 | 1 |
| Number of partially owned subsidiaries | 3 | 4 | 10 | 10 | 0 | 0 |

In 2024, the following movements were recorded in the subsidiaries and business acquisitions:

- On December 23, 2024, the Board of Directors of ARGOS SEM approved the distribution of USD \$20,475,000 in cash to Cementos Argos S.A., corresponding to the profits generated by the sale of the shares of Argos North America Corp. during the first quarter of 2024. Additionally, the return in cash of capital contributions to Cementos Argos S.A. for an amount of USD \$250,025,000 was approved.
- Grupo Cementos Argos informs that Summit Materials, a company in which it holds a 31% interest through its subsidiaries Argos SEM, LLC and Valle Cement Investments INC, has signed a definitive agreement to be acquired by Quikrete Holdings. The latter is a recognized leader in the ready-to-use building materials segment and one of the largest privately held corporations in the industry in the United States.

Since the decision to sell its interest in Summit Materials has already been made public and is considered highly probable, the subsidiaries Valle Cement Investments INC and Argos SEM, LLC have reclassified this investment in their financial statements as "held for sale".

- The increase the balance of investments is mainly due to the valuation under the equity method.
- On September 17, 2024, Cementos Argos S.A. capitalized the company Valle Cement for USD \$112,602,709 through an investment in additional paid-in capital. Since the Company has only one shareholder, Panamanian law allows the capitalization to be made without issuing shares.
- On September 13, 2024, Cementos Argos S.A. acquired 100% of the shares of its subsidiary Concretos Argos S.A.S., purchasing the participations held by Valle Cement Investments INC, Corporaciones e Inversiones del Mar Caribe S.A.S., Logística de Transporte S.A. and Grupo Argos S.A. in that company. With this transaction, Cementos Argos consolidated its total participation in the subsidiary, aligning this operation with its expansion strategy in the ready-mix concrete business.

15.4. Summarized financial information of subsidiaries

Summarized financial information with respect to each of the subsidiaries to which Cementos Argos S.A. applies the equity method is presented below. The summarized financial information below represents amounts before eliminations between group companies, and includes business combination adjustments, when applicable:

| December 2024 | Current assets | Non-current assets | Current liabilities | Non-current liabilities | Ordinary income | Net income | Other comprehensive income | Total comprehensive income |
|--|----------------|--------------------|---------------------|-------------------------|-----------------|------------|----------------------------|----------------------------|
| Argos SEM, LLC. | 35,218 | 2,061,083 | 1,105 | - | - | 132,475 | 3,249,219 | (3,480,222) |
| Valle Cement Investments Limited | 3,820 | 20,503 | 37,014 | - | - | (21,272) | 495,095 | (516,797) |
| Argos Panamá, S.A. and subsidiaries | 208,592 | 617,700 | 222,627 | 10,902 | 290,890 | 1,815 | 423,411 | (423,956) |
| Colcaribe Holdings S.A. | 57,886 | 74,999 | 36,583 | - | 86 | 1,180 | 279,469 | (277,918) |
| Argos S.A.S. Free Trade Zone. | 457,312 | 1,271,406 | 107,332 | 54,346 | 676,417 | 133,105 | 461 | (461) |
| CI del Mar Caribe (BVI) Inc. | 202,331 | - | 170,784 | - | 488,845 | 1,164 | 74,608 | (74,608) |
| Corporations and Investments of the Caribbean Sea S.A.S. | 36,635 | 180,258 | 7,902 | 5,066 | - | 25,842 | 47,384 | (3,404) |
| Transatlantic Cement Carriers Inc. | 170,552 | 75,216 | 6,576 | 48,905 | 194,828 | 15,428 | 40,334 | (40,334) |
| Concretos Argos S.A.S | 218,706 | 371,957 | 379,912 | 14,353 | 820,787 | 7,045 | 4,568 | (113) |
| Haiti Cement Holding S.A. | 4,165 | (45,387) | - | - | - | (43,662) | (43) | (30,142) |
| Transportation Logistics S.A. | 30,537 | 673 | 4,359 | 8 | 6,719 | 421 | 5 | - |
| BMR Ltda | 14,484 | - | 12,241 | - | 3,611 | (483) | 34 | (34) |
| Cementos de Caldas S.A. | 6,871 | 3,356 | 118 | 558 | 40 | 22 | (9) | (1) |

| March 2024 | Current assets | Non-current assets | Current liabilities | Non-current liabilities | Ordinary income | Net income | Other comprehensive income | Total comprehensive income |
|--|----------------|--------------------|---------------------|-------------------------|-----------------|------------|----------------------------|----------------------------|
| Argos SEM, LLC. | 1,503,268 | 8,586,647 | 128,758 | - | - | 13,823 | 2,126,319 | (426,640) |
| Valle Cement Investments Limited | 1,083,391 | 898,839 | 1,531,972 | - | - | (6,576) | 409,044 | (344,573) |
| Argos Panamá, S.A. and subsidiaries | 246,067 | 543,512 | 258,736 | 9,601 | 113,666 | 18,942 | 347,495 | (25,695) |
| Colcaribe Holdings S.A. | 50,358 | 49,683 | 31,866 | - | - | (2,323) | 25,976 | - |
| Argos S.A.S. Free Trade Zone. | 506,243 | 1,273,314 | 292,305 | 53,778 | 224,874 | 56,818 | - | (70,507) |
| CI del Mar Caribe (BVI) Inc. | 214,351 | - | 187,958 | - | 141,938 | 444 | 70,635 | (4,399) |
| Corporations and Investments of the Caribbean Sea S.A.S. | 6,360 | 161,463 | 6,901 | 3,644 | - | 2,148 | 27,005 | (16,380) |
| Transatlantic Cement Carriers Inc. | 145,230 | 86,082 | 37,422 | 42,617 | 70,070 | 6,744 | 17,008 | (113) |
| Concretos Argos S.A.S | 262,544 | 375,610 | 387,475 | 61,644 | 262,225 | 1,638 | 4,252 | (28,884) |
| Haiti Cement Holding S.A. | 3,630 | 2,035 | - | - | - | (2,575) | 3,212 | 0 |
| Transportation Logistics S.A. | 32,597 | 1,151 | 7,317 | 4 | 2,244 | 301 | 5 | 263 |
| BMR Ltda | 7,375 | - | 4,965 | - | - | 499 | (263) | (1) |
| Cementos de Caldas S.A. | 6,857 | 3,356 | 127 | 558 | 13 | (42) | 22 | (426,640) |

15.5. Significant restrictions

Cementos Argos S.A. has no subsidiaries with significant restrictions to transfer and/or receive assets from other Group Companies, nor are there any protective rights to non-controlling interests that may significantly restrict the Company's ability to access or use the assets and settle the liabilities of the subsidiaries; nor are there any guarantees or other requirements that may restrict dividends and other capital distributions payable within the Group.

As of December 31, 2024 and comparatives, Cementos Argos S.A. has not provided financial support without having any contractual obligation to do so to any investee, nor has it assisted in obtaining financial support

15.6. Analysis of signs of impairment

At the end of each period, the evidence of impairment associated with each investment is reviewed, based on available external and internal information. For investments with at least one indication of impairment, an impairment test was performed

Cementos Argos S.A. reviews the carrying value of investments for impairment whenever events or circumstances indicate that the carrying value may not be recoverable. If the total discounted future cash flows are less than the carrying amount, the carrying amount of the investment is not recoverable, and an impairment loss is recognized in the separate statement of income.

At the end of the reporting and comparative periods, no investments in subsidiaries presented impairment indicators, nor were impairment losses recognized.

NOTE 16: INTANGIBLE ASSETS, NET

16.1. Reconciliation of cost, accumulated depreciation and impairment of intangible assets

| Dec-24 | Balance at beginning of period | Additions | Amortization | Sale/Retirement Intangibles | Other Changes | Balances at end of period |
|--|--------------------------------|------------|----------------|-----------------------------|---------------|---------------------------|
| Intangible assets with indefinite useful lives | 115,389 | - | - | - | - | 115,389 |
| Mines | 252,999 | - | - | (22,796) | - | 230,203 |
| Patents, licenses and software | 197,978 | - | - | (38) | 1,769 | 199,609 |
| Intangible asset projects | 52 | 307 | - | (250) | 26 | 135 |
| Intangible assets under construction | 26,406 | - | - | - | - | 26,406 |
| Total historical cost | 592,824 | 307 | - | (23,184) | 1,795 | 571,742 |
| Mines | (233,015) | - | (8,267) | 22,784 | - | (218,498) |
| Patents, licenses and software | (193,892) | - | (595) | 138 | - | (194,349) |
| Total depreciation and impairment | (426,907) | - | (8,862) | 22,922 | - | (412,847) |
| Intangible assets, net | 165,917 | | | | | 158,895 |

| March 2024 | Balance at beginning of period | Additions | Amortization | Other Changes | Balances at end of period |
|--|--------------------------------|-----------|----------------|---------------|---------------------------|
| Intangible assets with indefinite useful lives | 115.389 | - | - | - | 115.389 |
| Mines | 252.205 | - | - | 794 | 252.999 |
| Patents, licenses and software | 197.978 | - | - | - | 197.978 |
| Intangible asset projects | 475 | 10 | - | (433) | 52 |
| Intangible assets under construction | 26.406 | - | - | - | 26.406 |
| Total historical cost | 592.453 | 10 | - | 361 | 592.824 |
| Mines | (228.630) | - | (4.401) | 16 | (233.015) |
| Patents, licenses and software | (193.509) | - | (383) | - | (193.892) |
| Total depreciation and impairment | (422.139) | - | (4.784) | 16 | (426.907) |
| Intangible assets, net | 170.314 | | | | 165.917 |

During the period, the Company made withdrawals of Intangibles for an amount of (\$261). These retirements did not represent cash movements, and therefore have been recognized as a write-down of income in the statement of cash flows, in accordance with the Company's accounting policies. Any gain or loss associated with these withdrawals has been reflected in the statement of income.

As of December 31, 2024 and comparative, intangible assets in progress do not include capitalized borrowing costs. The useful lives of other intangible assets are:

| | Useful life ranges in years | Depreciation method |
|--------------------------------------|-----------------------------|---------------------|
| Argos Brand | Indefinite | |
| Rights | Finite: 1-28 Years | Linear |
| Concessions, franchises and licenses | Finite: by agreement | Linear |
| Licenses, patents and software | Finite: 1-12 Years | Linear |

Amortization of intangibles is recognized under the straight-line method as an expense in the statement of comprehensive income, in the cost of sales, administrative expenses and selling expenses line, and impairment losses are recognized as an expense in the statement of comprehensive income in the asset impairment line.

As of December 31, 2024 there are no restrictions on the realization of intangible assets, Cementos Argos S.A. has no contractual obligations to acquire or develop intangible assets.

The carrying value as of December 31, 2024 and comparative, and the remaining amortization period for the significant assets is as follows:

| | Remaining amortization period | December 2024 | March 2024 |
|---|-------------------------------|---------------|------------|
| Intangible assets with indefinite useful life | Indefinite useful life | 115,389 | 115,389 |

Management determined that the Argos trademark acquired from Grupo Argos S.A. in December 2005 for \$115,389 is an intangible asset with an indefinite useful life since it is not possible to estimate a foreseeable limit of time over which it is expected to generate future economic benefits for the Company.

Disbursements for research and development projects recognized as expenses in the statement of comprehensive income during the period amounted to \$ 9,239 (March 2024 \$ 2,164). As of December 31 there are no restrictions on the realization of intangible assets, Cementos Argos S.A. has no contractual obligations to acquire or develop intangible assets.

The Argos brand does not present any event or circumstance that constitutes an impairment indicator; however, since it is an intangible asset with an indefinite useful life, an impairment test was performed to verify its value, allowing concluding that for the year 2022 the brand does not present decreases in value due to impairment. The recoverable value was determined using the value in use, the projection of cash flows was made at a consolidated level for a period of 10 years, considering the expected business conditions for each Regional.

The discount rate applied to the cash flow projections was a pre-tax WACC of 10.67%. It was calculated using the CAPM methodology, including risk-free rate, average country risk considering the geographies where Argos has presence, equity market premium, sector beta, implicit devaluations, average tax rate, D/E ratio, cost of debt of Cementos Argos S.A. and perpetual growth rate: 2.5%.

NOTE 17: PROPERTY, PLANT AND EQUIPMENT

17.1. Reconciliation of the cost, accumulated depreciation and impairment of property, plant and equipment

| December 2024 | Balance at beginning of period | Additions and depreciation | Sales and withdrawals | Other changes | Balances at end of period |
|---|--------------------------------|----------------------------|-----------------------|---------------|---------------------------|
| Land | 386,217 | - | (4,295) | 715 | 382,637 |
| Assets under construction, assembly and transit | 655,350 | 99,762 | - | (91,539) | 663,573 |
| Construction and buildings | 326,545 | 401 | (6,307) | 868 | 321,507 |
| Machinery and production equipment | 2,061,192 | 312 | (148,901) | 88,091 | 2,000,694 |
| Office, computer and communication equipment | 70,127 | 3,262 | (4,073) | 2,376 | 71,692 |
| Mines, quarries and deposits | 145,942 | - | (49) | 3,955 | 149,848 |
| Ground transportation equipment | 24,633 | - | (121) | 1,351 | 25,863 |
| River fleet | 2,151 | - | - | 549 | 2,700 |
| Aqueduct, communication networks and roads | 60,022 | - | (1,921) | 205 | 58,306 |
| Advances to third parties | 4,829 | - | - | (3,855) | 974 |
| Total historical cost | 3,737,008 | 103,737 | (165,667) | 2,716 | 3,677,794 |
| Construction and buildings | (139,536) | (11,617) | 6,307 | - | (144,846) |
| Machinery and production equipment | (1,014,117) | (91,726) | 147,755 | (48) | (958,136) |
| Office, computer and communication equipment | (49,986) | (3,991) | 4,071 | (520) | (50,426) |
| Mines, quarries and deposits | (108,252) | (4,623) | 49 | 110 | (112,716) |
| Ground transportation equipment | (16,581) | (863) | 119 | - | (17,325) |
| River fleet | (1,043) | (88) | - | - | (1,131) |
| Aqueduct, communication networks and roads | (32,512) | (3,245) | 1,921 | - | (33,836) |
| Total depreciation and impairment | (1,362,027) | (116,153) | 160,222 | (458) | (1,318,416) |
| Property, plant and equipment, net | 2,374,981 | | | | 2,359,378 |

| March 2024 | Balance at beginning of period | Additions and depreciation | Sales and withdrawals | Other changes | Balances at end of period |
|---|--------------------------------|----------------------------|-----------------------|---------------|---------------------------|
| Land | 378,364 | - | - | 7,853 | 386,217 |
| Assets under construction, assembly and transit | 666,775 | 12,259 | - | (23,684) | 655,350 |
| Construction and buildings | 312,082 | 338 | - | (7,741) | 304,679 |
| Machinery and production equipment | 2,049,108 | - | (5,132) | 17,216 | 2,061,192 |
| Office, computer and communication equipment | 63,416 | 237 | (469) | 6,943 | 70,127 |
| Mines, quarries and deposits | 145,948 | - | - | (6) | 145,942 |
| Ground transportation equipment | 24,633 | - | - | - | 24,633 |
| River fleet | 2,151 | - | - | - | 2,151 |
| Aqueduct, communication networks and roads | 60,024 | - | (2) | - | 60,022 |
| Other assets | 21,866 | - | - | - | 21,866 |
| Advances to third parties | 5,802 | - | - | (973) | 4,829 |
| Total historical cost | 3,730,169 | 12,834 | (5,603) | (392) | 3,737,008 |
| Construction and buildings | (132,047) | (1,978) | - | - | (134,025) |
| Machinery and production equipment | (997,820) | (21,334) | 5,037 | - | (1,014,117) |
| Office, computer and communication equipment | (49,231) | (1,176) | 470 | (49) | (49,986) |
| Mines, quarries and deposits | (106,785) | (1,467) | - | - | (108,252) |
| Ground transportation equipment | (16,277) | (304) | - | - | (16,581) |
| River fleet | (1,016) | (27) | - | - | (1,043) |
| Aqueduct, communication networks and roads | (31,787) | (727) | 2 | - | (32,512) |
| Other assets | (5,328) | (183) | - | - | (5,511) |
| Total depreciation and impairment | (1,340,291) | (27,196) | 5,509 | (49) | (1,362,027) |
| Property, plant and equipment, net | 2,389,878 | | | | 2,374,981 |

During the period, the Company made retirements of property, plant and equipment for an amount of (\$1,088). These retirements did not represent cash movements and therefore have been recognized as a write-down of income in the statement of cash flows, in accordance with the Company's accounting policies. Any gain or loss associated with these withdrawals has been reflected in the statement of income.

No new capitalized borrowing costs were incurred in 2024.

The item construction in progress, equipment in assembly and transit includes the assets of the Helios project, which to date has an investment of \$583,546 million pesos, of which \$526,681 and \$526,789 million pesos are still in progress for the years of December 2024 and March 2024, respectively, corresponding to the construction and updating project of one of the cement plants, which is part of the existing integrated network for Colombia and is expected to start operating in 2025.

As of December 31, 2024 and March 2024, there are no assets pledged as collateral for the fulfillment of property, plant and equipment obligations.

At the end of the reporting and comparative periods there are no restrictions on the realization of property, plant and equipment, nor contractual commitments for the acquisition of property, plant and equipment. Cementos Argos S.A. did not obtain compensation from third parties for impaired, lost or abandoned property, plant and equipment.

NOTE 18: INVESTMENT PROPERTIES

18.1. Reconciliation of investment properties

| | December 2024 | March 2024 |
|---|----------------|----------------|
| Opening balance | 107,623 | 107,027 |
| Additions | - | 596 |
| Net gain on fair value adjustments | 3,868 | - |
| Transfers to non current assets held for sale | (608) | - |
| Sales | - | - |
| Total investment properties | 110,883 | 107,623 |

The fair value of investment properties is determined by the independent valuation company Activos e Inventarios Ltda. The valuation firm used the comparative market approach methodology and/or residual technique to estimate the fair value.

The inputs for the fair value estimate are classified as level 2 inputs within the fair value hierarchy, a hierarchy that also corresponds to the complete estimate, since they correspond to bid prices, appraisals or transactions of similar properties that are observable, either directly or indirectly, in the market, and that have been adjusted or homogenized by factors such as area, access roads, immediate neighborhood, finishes, improvements, state of preservation, among others.

Rental income from investment properties for the period amounted to \$766 (March 2024 \$ 232). Direct expenses related to investment properties are \$2,409 (March 2024 \$ 1,031).

As of December 31, 2024 and March 2024, the Company has no contractual obligations to acquire, construct or develop investment properties, nor are there any restrictions on any properties.

NOTE 19: ASSETS HELD FOR SALE

Cementos Argos S.A. has assets that are expected to be realized through a sale transaction rather than held for continuing use and for which a sale plan has been initiated, these assets have been classified as held for sale in accordance with IFRS 5. The assets are available for immediate sale and their sale is highly probable.

As of December 31, 2024 and March 31, 2024 Cementos Argos S.A. has no discontinued operations classified as non-current assets held for sale or disposed of during the period. For these periods, the balance of non-current assets held for sale is as follows:

The items mentioned above are detailed below:

| December 2024 | Balance at beginning of period | Other changes | Balance at end of period |
|-------------------------------|--------------------------------|---------------|--------------------------|
| Property, plant and equipment | - | - | - |
| Other assets ⁽¹⁾ | | 608 | 608 |
| Historical cost 2024 | - | 608 | 608 |

| March 2024 | Balance at beginning of period | Sales | Balance at end of period |
|-------------------------------|--------------------------------|--------------|--------------------------|
| Property, plant and equipment | 236 | (236) | - |
| Historical cost 2024 | 236 | (236) | - |

(1) In December 2024, three assets were reclassified to Non-current assets held for sale, for a total value of \$ 608 million. This reclassification was made due to the expectation of their sale during 2025.

NOTE 20: FINANCIAL OBLIGATIONS

| | December 2024 | March 2024 |
|--------------------------------------|------------------|------------------|
| Promissory notes in local currency | 402,000 | 562,000 |
| Promissory notes in foreign currency | 746,213 | 553,229 |
| Interest Bank obligations | 17,688 | 23,861 |
| Other obligations | 1,118,508 | 543,703 |
| | 2,284,409 | 1,682,793 |
| Current | 633,482 | 1,011,994 |
| Non-current | 1,650,927 | 670,799 |
| Financial obligations | 2,284,409 | 1,682,793 |

20.1. Summary of loan agreements

Financial obligations in both local and foreign currency comprise both short-term and long-term loans.

Among the most significant are the following credits:

20.1.1. FINANCIAL OBLIGATIONS DECEMBER 2024

| Category | Entity | Concept | Expiration | Currency | Contractual Value (COP) | |
|----------------|--------------------|----------------------|------------|----------|-------------------------|---------|
| | | | | | 2024 | |
| Domestic banks | BBVA | Working capital loan | 2025 | COP | | 30,000 |
| Domestic banks | Banco de Occidente | Working capital loan | 2025 | COP | | 100,000 |
| Domestic banks | Banco de Bogotá | Working capital loan | 2025 | COP | | 272,000 |

| Category | Entity | Concept | Expiration | Currency | Valor Contractual (USD) | |
|--------------|-----------------|----------------------|------------|----------|-------------------------|---------|
| | | | | | 2024 | |
| Foreign bank | NATIXIS | Working capital loan | 2025 | Dollar | | 40,000 |
| Foreign bank | Banco Santander | Working capital loan | 2025 | Dollar | | 15,000 |
| Foreign bank | Banco Santander | Working capital loan | 2026 | Dollar | | 15,000 |
| Foreign bank | Banco Popular | Working capital loan | 2027 | Dollar | | 100,000 |

20.1.2. OBLIGACIONES FINANCIERAS MARCH 2024

| Category | Entity | Concept | Expiration | Currency | Contractual Value (COP) | |
|-------------------|-----------------|----------------------|------------|----------|-------------------------|--|
| | | | | | March 2024 | |
| Bancos nacionales | BBVA | Working capital loan | 2025 | COP | 50,000 | |
| Bancos nacionales | BBVA | Working capital loan | 2026 | COP | 30,000 | |
| Bancos nacionales | Banco de Bogotá | Working capital loan | 2028 | COP | 272,000 | |
| Bancos nacionales | Bancolombia | Working capital loan | 2025 | COP | 210,000 | |

| Category | Entity | Concept | Expiration | Currency | Contract Value (USD) | |
|----------------|-----------------|----------------------|------------|----------|----------------------|--|
| | | | | | March 2024 | |
| Domestic banks | BBVA | Working capital loan | 2024 | Dollar | 40,000 | |
| Foreign bank | BCP | Working capital loan | 2024 | Dollar | 8,000 | |
| Foreign bank | BCP | Working capital loan | 2026 | Dollar | 25,984 | |
| Foreign bank | NATIXIS | Working capital loan | 2025 | Dollar | 40,000 | |
| Foreign bank | Banco Santander | Working capital loan | 2025 | Dollar | 15,000 | |
| Foreign bank | Banco Santander | Working capital loan | 2026 | Dollar | 15,000 | |

20.2. Breach of loan agreement

During the reported periods, the Company did not default on principal or interest payments of financial liabilities and/or loans payable. In turn, during 2024 there were no material modifications to the credit agreements that already existed.

20.3. Reconciliation between the opening and closing balances of liabilities arising from financing activities:

| | Financial Obligations | Financial obligations - Related | Obligations Rights of use | Bonds | Coverage | Dividends | Total |
|--|-----------------------|---------------------------------|---------------------------|------------------|------------------|------------------|------------------|
| Balance as of April 1, 2024 | 1,139,091 | 543,702 | 39,604 | 2,563,389 | 263,586 | 210,759 | 4,760,131 |
| Changes in financing cash flows | - | - | - | - | - | - | - |
| Amounts from loans | 1,725,564 | 1,239,797 | - | - | - | - | 2,965,361 |
| Payments of loans and debt instruments | (1,781,865) | (514,623) | - | - | - | - | (2,296,488) |
| Interest Paid | (131,029) | - | (5,594) | (204,559) | (133,598) | - | (474,780) |
| Dividends paid on common stock | - | - | - | - | - | (355,205) | (355,205) |
| Dividends paid on preferred stock | - | - | - | - | - | (24,396) | (24,396) |
| Payment of outstanding bonds | - | - | - | (302,415) | - | - | (302,415) |
| Lease liability payments | - | - | (8,873) | - | - | - | (8,873) |
| Collection of financial derivatives | - | - | - | - | 11,466 | - | 11,466 |
| Total changes in financing cash flows | (187,330) | 725,174 | (14,467) | (506,974) | (122,132) | (379,601) | (485,330) |
| Other changes in other EFE lines | 214,140 | (150,369) | 6,728 | 190,846 | 48,410 | 380,184 | 689,939 |
| Balance as of December 31, 2024 | 1,165,901 | 1,118,507 | 31,865 | 2,247,261 | 99,879 | 211,342 | 4,874,755 |

| | Financial Obligations | Financial Obligations - Related | Obligations Rights of use | Bonds | Coverage | Dividends | Total |
|--|-----------------------|---------------------------------|---------------------------|------------------|-----------------|------------------|--------------------|
| Balance as of April 1, 2023 (Unaudited) | 1,776,061 | 613,496 | 42,028 | 3,147,024 | 49,883 | 200,450 | 5,828,942 |
| Changes in financing cash flows | - | - | - | - | - | - | - |
| Amounts from loans | 824,349 | 458,454 | - | - | - | - | 1,282,803 |
| Payments of loans and debt instruments | (973,163) | (396,068) | - | - | - | - | (1,369,231) |
| Payment of outstanding bonds | - | - | - | (477,384) | - | - | (477,384) |
| Dividends paid on common stock | - | - | - | - | - | (377,527) | (377,527) |
| Dividends paid on preferred stock | - | - | - | - | - | (67,474) | (67,474) |
| Interest Paid | (124,091) | - | (5,857) | (356,661) | (36,867) | - | (523,476) |
| Lease liability payments | - | - | (9,805) | - | - | - | (9,805) |
| Payments of financial derivatives | - | - | - | - | 15,874 | - | 15,874 |
| Total changes in financing cash flows | (272,905) | 62,386 | (15,662) | (834,045) | (20,993) | (445,001) | (1,526,220) |
| Other Changes in other lines of the statement of cash flows | (10,905) | (71,508) | 15,495 | 338,065 | 267,946 | 296,669 | 835,762 |
| Balance as of December 31, 2023 (Unaudited) | 1,492,251 | 604,374 | 41,861 | 2,651,044 | 296,836 | 52,118 | 5,138,484 |

NOTE 21: RIGHT-OF-USE LEASE ASSETS AND LIABILITIES

21.1. Leases as tenant

21.1.1. LEASE AGREEMENTS

In the ordinary course of business, Cementos Argos S.A. enters into lease agreements for land, buildings, yellow machinery, vehicles, including concrete mixer trucks and equipment, which are accounted for as right-of-use assets under lease in the separate financial statements, except for those leases whose lease term is less than twelve months or the underlying asset of the lease as new is less than US\$3,000 for administrative assets and US\$5,000 for operating assets.

On the other hand, there are no significant lease agreements that stipulate significant restrictions related to dividend distributions, additional indebtedness or new lease contracts, nor are there significant contingent installments, renewal options or escalation clauses.

As of December 31, 2024, the majority of recognized real estate leases are tied to the consumer price index of each jurisdiction in which they were entered into. Few leases are benchmarked to reference rates or payments that vary to reflect changes in market rental prices.

21.1.2. ASSETS AND LIABILITIES FOR RIGHT-OF-USE

The balance of assets and liabilities for leasehold rights of use comprises:

| December 2024 | Assets under lease right-of-use | | | | | Closing balance of lease liability |
|------------------------------------|---------------------------------|--------------|-----------------|----------------|----------------|------------------------------------|
| | Beginning balance | Additions | Depreciation | Other changes | Ending balance | |
| Land | - | 201 | - | (201) | - | - |
| Construction and buildings | 19,060 | (47) | (4,593) | (189) | 14,231 | 10,966 |
| Machinery and production equipment | 17,749 | 2,054 | (5,199) | (1,621) | 12,985 | 12,040 |
| Ground transportation equipment | 6,516 | 5,464 | (2,420) | (813) | 8,747 | 8,859 |
| Assets and liabilities, net | 43,325 | 7,672 | (12,212) | (2,824) | 35,963 | 31,865 |

| March 2024 | Assets under lease right-of-use | | | | | Closing balance of lease liability |
|------------------------------------|---------------------------------|--------------|----------------|---------------|----------------|------------------------------------|
| | Beginning balance | Additions | Depreciation | Other changes | Ending balance | |
| Land | (1) | - | - | - | (1) | - |
| Construction and buildings | 21,233 | (656) | (1,517) | - | 19,060 | 13,427 |
| Machinery and production equipment | 17,170 | 2,362 | (1,781) | (2) | 17,749 | 19,452 |
| Ground transportation equipment | 7,375 | (11) | (847) | - | 6,517 | 6,726 |
| Assets and liabilities, net | 45,777 | 1,695 | (4,145) | (2) | 43,325 | 39,605 |

During the period, the Company made withdrawals of assets and liabilities for right of use in lease for an amount of (\$1,634). These retirements did not represent cash movements and therefore have been recognized as a write-down of income in the statement of cash flows, in accordance with the Company's accounting policies. Any gain or loss associated with these withdrawals has been reflected in the statement of income.

Contractual cash flows from lease liabilities classified by maturity as of December 31, 2024 and March 2024 are:

| | December 2024 | March 2024 |
|--|---------------|---------------|
| One year or less | 17,463 | 18,028 |
| From 1 to 3 years old | 18,871 | 27,092 |
| 3 to 5 years old | 9,574 | 12,336 |
| From 5 to 10 years old | 849 | 4,088 |
| Total contractual cash flows of lease liabilities | 46,757 | 61,544 |
| Effect of discounting of lease liabilities | (14,892) | (21,939) |
| Total lease liabilities | 31,865 | 39,605 |
| Current | 8,675 | 9,403 |
| Non-current | 23,190 | 30,202 |
| Total lease liabilities | 31,865 | 39,605 |

21.1.3. ITEMS RECOGNIZED IN THE STATEMENT OF INCOME AND CASH FLOWS FROM LEASES

| | December 2024 | March 2024 |
|---|---------------|--------------|
| Leases under IFRS 16 | | |
| Interest expense on lease liabilities | 5,594 | 1,278 |
| Expenses related to short-term leases and variable leases | 5,258 | 1,776 |
| Expenses related to leases of low-value assets | 1,615 | 509 |
| Total Expenses | 12,467 | 3,563 |

21.1.4. RENEWAL OPTIONS

Most of the company's leases contain renewal options that can be exercised to extend the lease term from one year to 20 years, and can be exercised up to one year before the end of the non-cancelable period of the lease. Generally, the company exercises these renewal options because of the financial and operating facilities they provide. The renewal options are exercisable only by Cementos Argos S.A. and not by the lessor. The company assesses at the lease commencement date whether it is reasonably certain to exercise the renewal options and considers them in determining the term of the lease.

21.2. Leases as lessors

21.2.1. FINANCE LEASES

The Company has no finance lease agreements in which it acts as lessor.

21.2.2. OPERATING LEASES

Cementos Argos S.A. enters into leases as lessor of commercial premises, warehouses, apartments and houses, and leases of operating machinery and equipment and transportation fleet and equipment. All leases are classified as operating leases from the lessor's perspective. The minimum future lease rights of non-cancelable operating leases by year ranges and in total consisted of the following:

| | December 2024 | March 2024 |
|--|---------------|------------|
| Leases under IFRS 16 | | |
| 1 year or less | - | 587 |
| Non-cancelable operating lease rights | - | 587 |

Lease income recognized by the Company during 2024 was \$766.

NOTE 22: COMMERCIAL LIABILITIES AND OTHER ACCOUNTS PAYABLE

| | December 2024 | March 2024 |
|---|----------------|----------------|
| Commercial current accounts | 134,392 | 165,537 |
| Domestic suppliers | 103,563 | 109,192 |
| Dividends payable | 211,254 | 165,924 |
| Sundry creditors | 5,981 | 3,074 |
| Other accounts payable | 30,918 | 32,816 |
| Costs and expenses payable | 1,300 | 597 |
| Foreign suppliers | 12,362 | 7,568 |
| Accounts payable to contractors | 389 | 218 |
| Trade and other accounts payable | 500,159 | 484,926 |
| Current | 500,159 | 484,926 |
| Trade and other accounts payable | 500,159 | 484,926 |

The average credit period for the Company's purchases ranges from 8 to 60 days. No interest is paid to suppliers for 60-day payments.

NOTE 23: EMPLOYEE BENEFIT LIABILITIES

| | December 2024 | March 2024 |
|---|----------------|----------------|
| Short-term employee benefits | 60,800 | 43,095 |
| Post-employment employee benefits defined benefit plans | 216,840 | 240,826 |
| Post-employment employee benefits without actuarial calculation | 840 | 5,409 |
| Employee termination benefits | 7 | 99 |
| Employee benefits | 278,487 | 289,429 |
| Current | 103,410 | 88,641 |
| Non-current | 175,077 | 200,788 |
| Employee benefits | 278,487 | 289,429 |

23.1. Post-employment benefit plans - defined benefit plans

Pension liabilities, pension securities and bonds, retirement premiums and other post-employment benefits are accounted for in accordance with the requirements of IAS 19.

The actuarial valuation of plan assets and the present value of the defined benefit obligation are performed annually by independent actuarial consultants. The present value of the defined benefit obligation, and the related current service cost and past service cost were measured using the projected unit credit method.

On December 22, 2016, the Ministry of Commerce, Industry and Tourism issued Decree 2131 requiring disclosure of the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016 and in the case of

partial pension commutations in accordance with Decree 1833 of 2016 and the differences with the calculation made in accordance with IAS 19 - Employee Benefits.

For the year 2024 the amount included in the statement of financial position derived from the entity's obligation with respect to the defined benefit plans, the movement in the present value of the defined benefit obligation in the current year is presented below:

| | Pension plan | Pension securities and bonds | Seniority premium and similar | Retirement bonus | Other defined benefit plans | Total |
|--|----------------|------------------------------|-------------------------------|------------------|-----------------------------|----------------|
| Present value of obligations at April 1, 2024 | 196,851 | 36,833 | 12,871 | 3,532 | 284 | 250,371 |
| Current service cost | - | - | 780 | 159 | 1 | 940 |
| Interest cost in defined benefit obligation | 19,820 | 3,410 | 1,056 | 355 | 24 | 24,665 |
| (Gain)/Loss at actuarial gains and losses due to changes in: | | | | | | |
| Experience | 3,515 | 2,580 | - | 118 | 28 | 6,241 |
| Demographic assumptions | - | - | - | - | - | - |
| Financial assumptions | (20,868) | (302) | (112) | (367) | (18) | (21,667) |
| Benefits paid directly by the Company | (23,236) | (7,460) | - | (352) | (118) | (31,166) |
| Cost of past services | - | - | - | - | - | - |
| Present value of obligations at December 31, 2024 | 176,082 | 35,061 | 14,595 | 3,445 | 201 | 229,384 |
| Present value of plan assets as of January 1, 2024 | - | - | 9,921 | - | - | 9,921 |
| Risk-free interest income | - | - | 768 | - | - | 768 |
| Return on plan assets, excluding interest | - | - | 1,359 | - | - | 1,359 |
| Contributions made by the Company | - | - | 496 | - | - | 496 |
| Payments made by the plan | - | - | - | - | - | - |
| Present value of plan assets as of December 31, 2024 | - | - | 12,544 | - | - | 12,544 |
| Net present value of obligations at December 31, 2024 | 176,082 | 35,061 | 2,051 | 3,445 | 201 | 216,840 |

| | Pension plan | Pension securities and bonds | Seniority premium and similar | Retirement bonus | Other defined benefit plans | Total |
|---|----------------|------------------------------|-------------------------------|------------------|-----------------------------|----------------|
| Present value of obligations at April 1, 2023 | 151,773 | 28,299 | 8,908 | 2,491 | 389 | 191,860 |
| Current service cost | - | - | 579 | 109 | 5 | 693 |
| Interest cost in defined benefit obligation | 19,180 | 3,429 | 864 | 328 | 41 | 23,842 |
| Actuarial (gain)/loss from changes in: | | | | | | |
| Experience | 7,979 | 5,497 | - | 69 | (39) | 13,506 |
| Demographic assumptions | - | - | - | - | - | - |
| Financial assumptions | 39,410 | 1,824 | 2,520 | 691 | 54 | 44,499 |
| Benefits paid directly by the Company | (21,491) | (5,037) | - | (156) | (166) | (26,850) |
| Cost of past services | - | 2,821 | - | - | - | 2,821 |
| Present value of obligations at December 31, 2023 | 196,851 | 36,833 | 12,871 | 3,532 | 284 | 250,371 |
| Present value of plan assets as of January 1, 2023 | - | - | 8,720 | - | - | 8,720 |
| Risk-free interest income | - | - | 876 | - | - | 876 |
| Return on plan assets, excluding interest | - | - | (174) | - | - | (174) |
| Contributions made by the Company | - | - | 499 | - | - | 499 |
| Payments made by the plan | - | - | - | - | - | - |
| Present value of plan assets as of December 31, 2023 | - | - | 9,921 | - | - | 9,921 |
| Net present value of the obligations as of December 31, 2023 | 196,851 | 36,833 | 2,950 | 3,532 | 284 | 240,450 |

The fair value of plan assets is composed as follows:

| | December 2024 | March 2024 |
|----------------------------------|---------------|--------------|
| Investment funds | 12,544 | 9,921 |
| Fair value of plan assets | 12,544 | 9,921 |

23.1.1. COMPARATIVE LIABILITIES FOR DEFINED BENEFIT PENSION PLANS, PENSION SECURITIES AND BONDS

On December 22, 2016, the Ministry of Commerce, Industry and Tourism issued Decree 2131 by which it is required to disclose the calculation of pension liabilities in accordance with the parameters established in Decree 1625 of 2016 and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the differences with the calculation made in accordance with IAS 19 - Employee Benefits. Below is the comparative between the liability of defined benefit pension plans, pension securities and bonds calculated in accordance with Decree 1625 of 2016 and in the case of partial pension commutations in accordance with Decree 1833 of 2016 and the calculation made in accordance with IAS 19 - Employee Benefits, as of December 31, 2024 and 2023:

| | Calculation in accordance with the IAS 19 - Employee Benefits | Calculation in accordance with Decree 1625 of 2016 | Comparison between the liabilities calculated in accordance with the IAS 19 and Decree 1625 |
|----------------------------------|---|--|---|
| Present value of obligations at: | | | |
| December 31, 2024 | 211,143 | 255,268 | (44,125) |
| December 31, 2023 | 233,684 | 244,818 | (11,134) |

The main actuarial assumptions used to determine the defined benefit plan obligations are as follows:

| | 2024 | 2023 |
|---------------------------|--------------------------|--------------------------|
| Inflation rate (%) | 4.50% | 4.50% |
| Discount rate (%) | 11.74% | 10.51% |
| Salary increase (%) | 5.50% | 5.50% |
| Minimum wage increase (%) | 5.50% | 5.50% |
| Mortality table | Valid annuitants 2008 | Valid annuitants 2008 |
| Rotation table | 75% SOA Pension turnover | 75% SOA Pension turnover |

The total expense recognized in the statement of income for the period represents contributions for the defined contribution plans 2024 \$ 39,112 (2023 \$35,959). The Company expects to make contributions for the next annual period of 2024 \$72,177.

23.2. Pension plans, pension bonds and securities

In accordance with the Colombian labor code, pension benefits granted to employees under the new social security regime (Law 100 of 1993), are accounted for as defined contribution plans, the Company covers its pension obligation through the payment of contributions to the Social Security Institute (ISS), and/or to private pension funds under the terms and conditions contemplated in said law.

Pension benefits granted to employees not covered by the new social security regime (Law 100 of 1993), which essentially correspond to former employees, are accounted for as unfunded defined benefit plans, the Company must pay retirement pensions or issue pension bonds to its employees or beneficiaries who meet certain requirements as to age and length of service.

The benefit entitles the beneficiary to a lifetime monthly retirement pension or old age pension, equivalent to seventy-five percent (75%) of the average salary earned in the last year of service, subject to a minimum payment of one minimum monthly salary and a maximum of 25 minimum monthly salaries. In addition, two additional payments are made, one in June and the other in December.

When the participant is in expectation of receiving benefits with the Social Security Institute (ISS), these benefits are deducted from the benefits payable under the Company's plan, thereby reducing the Company's obligation. Pensions in payment increase in accordance with inflation. When a participant receives a pension equal to the minimum wage, the pension increases in accordance with increases in the minimum wage.

On the other hand, the Death Benefit occurs in the event of death after retirement, where the beneficiary receives 100% of the pension, for a term that will depend on each beneficiary. The social security pension contribution to the Pension Fund Administrators is paid by the Company, as the employer.

For workers who have retired from the company due to the recognition of a conventional or early pension, which in any case is shared, the company continues to make contributions to the pension system until the pensioner meets the old age pension requirements of the ISS (Colpensiones). Thus, the company is responsible for 100% of the pension contribution until the requirements are met. The contribution is calculated on the value of the pension. In addition, Cementos Argos S.A. partially assumes the percentage of the pensioner's contribution.

In addition, the defined benefit obligation for retirement pensions includes the employees of Compañía Industrial Hullera S.A., in liquidation, as a result of the process of normalization of pension liabilities in which Cementos Argos S.A. definitively assumes the proportion of the obligation that corresponds to it according to the Official Letter of October 9, 2012, issued by the Ministry of Labor.

23.3. Retirement bonus

For employees covered by any of the collective bargaining agreements, when an employee's contract is terminated due to the recognition of a retirement, disability or old age pension, a bonus equivalent to 5 minimum legal salaries in force is granted.

23.4. Pension bonds and securities plan

In accordance with the Colombian Labor Code, employers must pay retirement pensions or issue pension bonds to their employees who meet certain age and length of service requirements. The Company has issued pension securities, Bono Pensional Tipo A Modalidad 2 and Bono Pensional Tipo A Modalidad 1. This obligation applies to some areas where the ISS did not have pension coverage prior to 1994.

The benefit is granted at the time of retirement from the Company until the participant retires from the Colombian Social Security system. During this period, the Company makes contributions to the pension system on behalf of the employee. The pension bonds and securities constitute resources destined to contribute to the formation of the capital necessary to finance the pensions of the members of the Colombian General Pension System.

23.5. Other defined benefit plans

For retired employees in Colombia, a death benefit is granted, which is increased in accordance with the Consumer Price Index (CPI), equivalent to 5 minimum legal salaries in force (SMLV). For retired employees of the Valle plant in Colombia, the education allowance is granted until their death and also to the children of retirees until they reach 25 years of age. The beneficiary receives the amount regardless of the employee's survival. Each year the benefit is increased in accordance with the Consumer Price Index (CPI), as well as the dental benefit until death provided that they formally request the service, with an annual increase in accordance with the Consumer Price Index (CPI).

Pension gap benefit upon retirement

The benefit of this benefit consists of the granting of a single premium at the time of separation from the entity to enjoy the old age pension, the value of which corresponds to the money needed to close the pension gap of the executive. This benefit currently has contributions in private pension funds that will be used only at the time of compliance with the requirements to obtain the benefit.

Retroactive Severance Plan

In accordance with Colombian labor regulations, employees hired before the entry into force of Law 50 of 1990, are entitled to receive, upon termination of the employment contract, one month's salary for each year of service and proportionally for a fraction of a year as severance benefit, for any cause that terminates the employment, including: retirement, disability, death, etc. The benefit is liquidated at the time of retirement of the employee based on the last salary received.

As of December 31, 2024 and 2023, the Company has no reimbursement rights related to defined benefit plan obligations.

The average duration in years of the defined benefit obligation is as follows:

| | Pension plan | Pension securities and bonds | Retirement bonus | Other defined benefit plans | Total average duration |
|-----------------------|--------------|------------------------------|------------------|-----------------------------|------------------------|
| Average duration 2024 | 6,38 | 2,07 | 6,01 | 4,79 | 4,81 |
| Average duration 2023 | 7,77 | 2,47 | 6,79 | 5,19 | 5,44 |

The significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonable possible changes in the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

| | 2024 | | 2023 | |
|---|----------|----------|----------|----------|
| | Decrease | Increase | Decrease | Increase |
| Discount rate 100 basis points higher (lower) | 226,550 | 204,283 | 252,288 | 224,419 |
| Expected wage growth increases (decreases) by 1%. | 3,269 | 3,699 | 3,388 | 3,885 |
| Life expectancy increases (decreases) in one year | 181,352 | 171,254 | 203,280 | 190,997 |

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation, as the change in assumptions is not likely to occur in isolation from each other, as some of the assumptions may be correlated.

In addition, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the statement of financial position.

NOTE 24: PROVISIONS

| | Litigation, claims and other contingencies ⁽ⁱ⁾ | Dismantling ⁽ⁱⁱ⁾ | Environmental ⁽ⁱⁱⁱ⁾ | Other provisions ^(iv) | Total |
|---|---|-----------------------------|--------------------------------|----------------------------------|---------------|
| Carrying value as of April 1, 2024 | 9,424 | 28,246 | 8,761 | 5,774 | 52,205 |
| Provisions made | 5,690 | 2,081 | 710 | 16,890 | 25,371 |
| Use of provisions | (4,545) | (2,015) | (3,897) | (21,325) | (31,782) |
| Reversals made | - | (1,557) | 7 | - | (1,550) |
| Adjustment for discount rate | (1,973) | 3,052 | 1,763 | - | 2,842 |
| Carrying value as of December 31, 2024 | 8,596 | 29,807 | 7,344 | 1,339 | 47,086 |
| Current | 8,596 | 2,812 | 7,344 | 1,339 | 20,091 |
| Non-current | - | 26,995 | - | - | 26,995 |
| Carrying value as of December 31, 2024 | 8,596 | 29,807 | 7,344 | 1,339 | 47,086 |

| | Litigation, claims and other contingencies ⁽ⁱ⁾ | Dismantling ⁽ⁱⁱ⁾ | Environmental ⁽ⁱⁱⁱ⁾ | Other provisions ^(iv) | Total |
|---|---|-----------------------------|--------------------------------|----------------------------------|---------------|
| Carrying value as of January 1, 2024 | 8,605 | 27,976 | 8,856 | 4,309 | 49,746 |
| Provisions made | 2,477 | 552 | 87 | 7,320 | 10,436 |
| Use of provisions | (1,406) | (291) | (346) | (5,855) | (7,898) |
| Reversals made | - | (615) | 4 | - | (611) |
| Adjustment for discount rate | (252) | 624 | 160 | - | 532 |
| Carrying value as of March 31, 2024 | 9,424 | 28,246 | 8,761 | 5,774 | 52,205 |
| Current | 8,446 | 2,987 | 8,425 | 5,774 | 25,632 |
| Non-current | 978 | 25,259 | 336 | - | 26,573 |
| Carrying value as of March 31, 2024 | 9,424 | 28,246 | 8,761 | 5,774 | 52,205 |

(i) Cementos Argos S.A. is a party in legal proceedings of different nature, acting both as plaintiff and plaintiff, which are being diligently attended by qualified lawyers hired by the Company. The conflicts are of labor, civil, administrative, criminal and tax nature; this type of litigation are those that arise in the ordinary course of business developed by any Company of the size of operations of Cementos Argos S.A. and that the Company expects will probably result in an outflow of resources.

For these processes, the corresponding reserves have been estimated based on criteria such as the nature of the process, the evidence, economic factors, the possible projected sentence, etc., to cover possible sentences or unfavorable decisions that may occur. We consider that the estimated time of completion of these processes ranges between three (3) and eight (8) years approximately.

(ii) Cementos Argos S.A. is obliged to incur future costs for compliance with legal mining regulations, regarding the exploitation of mineral resources, corresponding to the dismantling of assets and restoration of the environment where these assets were built, which is carried out at the time a mining operation is terminated or a mining title expires, whichever date is less.

The decommissioning obligations have as a maximum execution date the expiration date of the mining title concession, so the disbursement of economic resources is estimated in a period of five years before the legal requirement. However, in some cases, where the operation of an area covered by a title that is still in force for more than five years has been completed, the disbursement of the provision is estimated to be made within the five years following the completion of the operation. In determining the best estimate for settlement, management considers the areas affected by mining, the mining schedule and the costs incurred in past decommissioning operations.

(iii) Cementos Argos S.A. is obliged to incur costs for environmental obligations related to forestry compensation for quarrying and logging, costs for the removal and subsequent disposal of hazardous waste, specifically PCB's (polychlorinated biphenyls), previously stored. For forestry compensations, Cementos Argos S.A. has committed to settle its environmental obligations in a maximum period of five years or as indicated in the Resolution corresponding to each environmental liability identified. In determining the best estimate to settle, Management considers mainly financial variables and the costs of planting, isolation and maintenance for a period of four years. In estimating the disposal of PCBs, the disbursements for packaging, transportation and disposal are mainly considered.

NOTE 25: OUTSTANDING BONDS AND PREFERRED SHARES

| | December 2024 | March 2024 |
|---|------------------|------------------|
| Bonds outstanding | 2,247,263 | 2,563,389 |
| Preferred shares classified as compound financial instruments | 88 | 44,835 |
| | 2,247,351 | 2,608,224 |
| Current | 271,221 | 145,347 |
| Non-current | 1,976,130 | 2,462,877 |
| Present value of obligations at December 31 | 2,247,351 | 2,608,224 |

25.1. Outstanding bonds

The outstanding bonds issued by Cementos Argos S.A., with cutoff at December 31, 2024 and March 31, 2024 comprised the following:

| Broadcast | Date of placement | Deadline | Effective rate | Form of payment interest | Securities issued | |
|---------------------------|-------------------|-------------------------|----------------------------|--------------------------|-------------------|------------------|
| | | | | | December 2024 | March 2024 |
| Issue 2009 | April 28, 2009 | 15 years | CPI + 7.19%. | Overdue quarter | - | 106,130 |
| Issuance 2012 | May 16, 2012 | 15 years | CPI + 4.50%. | Overdue quarter | 303,082 | 303,082 |
| Issue 2014 | November 27, 2014 | 10 years | CPI + 3.80%. | Overdue quarter | - | 167,385 |
| Issue 2014 | November 27, 2014 | 15 years | CPI + 4.21 | Overdue quarter | 311,707 | 311,707 |
| Issue 2016 | April 13, 2016 | 10 years ⁽¹⁾ | CPI + 4.19%. | Overdue quarter | 116,575 | 121,075 |
| Issue 2016 | April 13, 2016 | 15 years ⁽¹⁾ | CPI + 4.47%. | Overdue quarter | 184,157 | 184,157 |
| Issuance 2017 | May 24, 2017 | 13 years ⁽²⁾ | CPI + 3.64%. | Overdue quarter | 388,145 | 388,145 |
| Issuance 2017 | May 24, 2017 | 25 years ⁽²⁾ | CPI + 3.99%. | Overdue quarter | 400,500 | 400,500 |
| Issue 2018 | June 27, 2018 | 10 years ⁽³⁾ | CPI+ 3.75%. | Overdue quarter | 158,550 | 158,550 |
| Issue 2018 | June 27, 2018 | 20 years ⁽³⁾ | CPI+ 4.04%. | Overdue quarter | 125,850 | 125,850 |
| Issuance 2020 | November 25, 2020 | 5 years ⁽³⁾ | CPI+ 2.24%. | Overdue quarter | 144,347 | 168,747 |
| Reopening 2022 Issue 2020 | December 1, 2022 | 2 years | CPI + 8.75% ⁽⁴⁾ | Overdue quarter | 102,350 | 102,350 |
| | | | | | 2,235,263 | 2,537,678 |

(1) The issuance is part of the issuance and placement program of ordinary bonds and commercial paper under a global quota of \$1,000,000 approved by Resolution No. 0422 of the Financial Superintendency of Colombia on March 23, 2012.

(2) The issuance is part of the issuance and placement program of ordinary bonds and commercial paper under a global quota of \$1,000,000 approved by Resolution No. 0518 of the Financial Superintendency of Colombia on April 03, 2017. Previously, the increase of such quota had been approved by Resolution 0422 of 2012.

(3) The issuance is part of the issuance and placement program of ordinary bonds and commercial paper under a global quota of \$1 billion approved by Resolution No. 0585 of the Superintendencia Financiera de Colombia ("SFC") of May 10, 2018.

(4) The issuance constitutes the second lot of the second issue of ordinary bonds corresponding to the program of issuance and placement of bonds and commercial papers of Cementos Argos S.A. in the main market. The Company awarded in the market one hundred and two thousand three hundred and fifty million pesos (\$102,350).

On December 31, 2024 and March 31, 2024 the bonds with a nominal balance of \$0 (2023 \$ 273,515) matured. The payment made on these bonds is \$242,843 (2023: \$76,500).

All issues are rated AA with stable outlook by the rating agency Fitch Ratings Colombia S.A. and are nominative securities, issued to order and negotiable in the secondary market through the Colombian Stock Exchange; on September 21, 2023, the aforementioned rating agency placed the company's long-term ratings on positive watch.

The financial expense associated with bonds and commercial paper during the year was Ch\$190,847 million.

25.2 Preferred stock

In accordance with the approval of the General Shareholders' Meeting of March 15, 2013, Cementos Argos S.A. carried out the issuance and placement of preferred dividend shares without voting rights (hereinafter, preferred shares) in May 2013, for \$1,610,824 awarding 209,197,850 preferred shares, at a subscription price of \$7,700 per preferred share, determined by the Company's Board of Directors.

The issuance of preferred shares is a compound financial instrument. The issuer, for its recognition and subsequent measurement, identified the debt and equity components by evaluating the contractual terms of the instrument and the issuer's obligations. Given the issuer's contractual obligation to pay the minimum annual dividend to the holders of the shares if the Company generates profits, the issue incorporates a financial liability component. Once this liability is measured, the difference between the value received and the value of the obligation constitutes an equity component. The portion corresponding to the financial liability must be measured at least in each interim period and its effects recognized in profit or loss for the period, the equity component is not subject to subsequent measurement.

Cementos Argos S.A. determined the liability component by discounting the cash flows corresponding to the minimum preferred dividend, which were calculated in perpetuity; the discount rate applied corresponded to the market rate at the date of issuance of similar instruments that did not incorporate an equity component. Considering the difficulty of identifying in the market a financial instrument with the same characteristics of the issue, the discount rate of the financial liability was determined with reference to the current yield of the bonds issued by Cementos Argos S.A. for longer terms denominated in Colombian pesos. For these purposes, the valuation rate of the Cementos Argos S.A. 2024 bond issue, issued in May 2012, long-term (15 years) indexed to CPI.

The preferred shares had a minimum dividend of 3% per annum on the subscription price which was paid in the first 12 quarters from the placement. In April 2016, this last minimum dividend corresponding to 3% per annum on the subscription price was paid, and as of the thirteenth quarter the minimum annual dividend will be \$10 per share which will be increased by the annual CPI at the close of each year. The prospectus does not contain call or put options on the preferred shares.

The holders of shares with preferential dividend and without voting rights will be entitled to receive a minimum dividend on a preferential basis with respect to that corresponding to the common shares, provided that distributable profits have been generated in the immediately preceding accounting period. In no case may the dividend received by the holders of the common

shares be higher than that declared in favor of the preferred shares; to the preferential reimbursement of their contributions, once the external liabilities have been paid, in the event of dissolution and liquidation of the issuer; and the other rights provided in the issuer's bylaws for the holders of common shares, except (i) the right to preferentially subscribe common shares, and (ii) the right to vote the proposals at the issuer's General Shareholders' Meeting. By way of exception, the preferred shares will give their holders the right to vote in the events indicated in the placement and issuance prospectus.

The liability recognized for the issuance of preferred stock is comprised of the valuation of the debt component and the reduction of the direct issuance costs allocated to the liability component, according to the percentage participation of each component in the amount of the issuance. The debt component is measured at amortized cost using the effective interest rate. The effective interest rate for subsequent measurement of the debt component at amortized cost was determined by matching the estimated cash flows receivable or payable over the expected life of the financial instrument with the net carrying amount of the liability component at initial recognition. The financial liability is increased by the recognition of interest at the effective interest rate and decreased as minimum dividends to preferred stockholders are recognized.

As of December 31, 2024 and March 31, 2024, \$67,512 (\$1,662,272) preferred shares were repurchased, leaving a balance of 464,508 shares outstanding.

NOTE 26: FINANCIAL INSTRUMENTS

26.1. Capital risk management

Cementos Argos S.A. manages its capital from a long-term perspective, seeking to maintain a balanced, efficient and flexible capital structure that accompanies and safely supports the growth process of the organization. The Company considers as capital the issued shares, both common and preferred, financial obligations and ordinary bonds. Cementos Argos S.A. is not subject to external capital requirements.

The Company uses the Net Debt / EBTIDA + dividends indicator at the consolidated level to monitor the capital structure. Net debt is composed of financial obligations less cash and temporary investments. This indicator makes it possible to establish the Company's level of leverage with respect to its cash generation. In addition, this indicator is included in the Company's long-term credit contracts. Other indicators such as the short and long term debt ratio, average maturity, and free cash flow are also taken into account to analyze the capital structure.

The Company periodically monitors that the leverage indicator Net Debt / EBITDA + dividends remains within a specific range that allows for sustainable growth and compliance with the objectives established by Management.

For the management of other indicators such as average life of the debt and its long and short term distribution, there is ample access to credit through approved lines of credit with national and international banks and the possibility of accessing the capital market through the issuance of ordinary bonds and/or commercial paper in the local market.

The composition of the Group's liabilities shows an adequate balance between currencies, taking advantage of natural hedges between assets and liabilities denominated in the same currency. The Group's capital structure considers the match between the dollar-denominated debt and the EBITDA generated in the operations of the Central American and Caribbean countries, which generate their cash flows mainly in dollars.

In 2024 and comparative period, there have been no significant changes in the Company's capital management objectives, policies or processes.

26.2. Categories of financial instruments

| | Financial Assets | |
|---|------------------|------------------|
| | December 2024 | March 2024 |
| Cash and banks (See Note 6) | 610,177 | 145,857 |
| Derivative instruments in hedging relationships (See note 7) | 147,400 | 63,865 |
| Financial assets measured at amortized cost (See note 9) | 377,373 | 717,041 |
| Financial assets measured at fair value through other comprehensive income (see note 8) | 1,061,833 | 870,394 |
| Financial assets | 2,196,783 | 1,797,157 |

| | Financial liabilities | |
|--|-----------------------|--------------------|
| | December 2024 | March 2024 |
| Derivative instruments in hedging relationships (See note 7) | 111,288 | 199,720 |
| Financial liabilities measured at amortized cost | 5,031,918 | 4,775,943 |
| Financial liabilities | 5,143,206 | 4,975,663 |
| Financial liabilities, net | (2,946,424) | (3,178,505) |

26.2.1. FINANCIAL ASSETS MEASURED AT FAIR VALUE WITH CHANGES IN OTHER COMPREHENSIVE INCOME

| | December 2024 | March 2024 |
|--|------------------|----------------|
| Grupo de Inversiones Suramericana S.A. | 1,056,291 | 865,477 |
| Occipital INC | 4,850 | 4,225 |
| Carvajal Pulp and Paper S.A. | 620 | 620 |
| Railroad Transportation Company S.A. | 72 | 72 |
| | 1,061,833 | 870,394 |
| Dividends recognized during the period related to investments that: | | |
| Remain recognized at the end of the period | - | 39,753 |
| Total dividends recognized during the period related to investments | - | 39,753 |

The equity investment indicated in the table above is not held for trading purposes, instead, it is held for medium and long-term strategic purposes. The Company's management considers that this classification for this strategic investment provides more reliable financial information than reflecting the changes in its fair value immediately in the results of the period.

Cementos Argos S.A. has investments in subsidiaries accounted for in foreign currency (dollar) which are restated on a quarterly basis using the equity method, these translation effects are recognized in equity within Other Comprehensive Income (OCI). When there is a disposal or sale of an investment, the translation gain or loss associated with these investments is transferred from ORI to income for the period.

Cementos Argos S.A. had two hedges designated as Net Investment Hedge (NIH), whose hedged item corresponds to a portion of the investment in Argos SEM. In December 2024, these hedges were liquidated due to the restitution of capital made by Argos SEM.

The accumulated balance of the hedge of net investment in foreign subsidiaries, recorded in Other Comprehensive Income (ORI), is only reclassified to income if any of the following events occur:

- Total sale of the foreign operation.
- Partial sale resulting in loss of control.
- Liquidation or significant closure.
- Exchanges that do not meet the definition of a foreign operation.

If none of the events (total sale, partial sale with loss of control, liquidation or closure, or changes in the classification of foreign operation) occurs, the accumulated balance of the hedge in Other Comprehensive Income (ORI) remains there indefinitely.

26.2.2. RECLASSIFICATION OF FINANCIAL ASSETS

During the current and prior periods, there have been no changes in the business model for the management and administration of financial assets; therefore, no financial assets have been reclassified from fair value to amortized cost or vice versa.

26.3. Financial risk management objectives

The financial policies of Cementos Argos S.A. are defined by the Corporate Finance Committee and administered by the Corporate Finance Management, and seek to ensure a sound financial structure and maintain the Company's market, liquidity and credit risk exposure levels at optimal levels, according to the nature of the operations. The Company is exposed to exchange rate risk, interest rate risk, credit risk and liquidity risk, among others. The risk is mitigated through the use of natural hedges or financial derivatives, to the extent permitted by the market. The use of financial derivatives for speculative purposes is not permitted.

Special transactions such as acquisitions and issuances of shares or bonds may temporarily exceed the limit established by Management, a situation that is controlled through permanent monitoring of volatility and the execution of the investment plans associated with the specific transaction carried out.

26.3.1. FOREIGN EXCHANGE RISK MANAGEMENT

The Company is exposed to exchange rate risk as a result of its investments in subsidiaries with functional currencies other than the Colombian peso, transactions carried out in currencies other than its functional currency and financing sources denominated in currencies other than its local currency. Fluctuations in exchange rates have a direct impact on cash and on the separate financial statements.

The analysis of exposure to exchange rate risk is performed on assets, liabilities, income and expenses in currencies other than the functional currency, and where the local currency floats freely without exchange controls, since those subsidiaries located in countries with foreign exchange controls have low volatility in exchange rate fluctuations. The statement of financial position exposure is determined by calculating the net dollar position, comprised of the dollar liabilities and assets of such companies. The company uses different natural hedging mechanisms to meet its objective of minimizing the volatility of the exchange difference item in the separate statement of income. Cash flow exposure is monitored by analyzing the offsetting of foreign currency inflows and outflows, seeking to maximize the match between cash inflows and outflows in the same currency in order to minimize purchases or sales of dollars in the spot market. When there is certainty about the occurrence of a short or long cash flow in foreign currency, hedges are made through financial derivatives if an imbalance with the natural position is found.

In the subsidiaries of the Colombia geographic segment, the net position at the end of 2024 is US\$209 million short (March 2024 US\$175 million short).

The carrying amounts of monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are as follows:

| | Monetary assets | | Monetary liabilities | | Net exposure | |
|---|-----------------|------------|----------------------|------------|---------------|------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| U.S. dollar, expressed in millions of pesos | 811,496 | 837,591 | 1,920,574 | 1,035,174 | 1,109,078 | 197,583 |
| Euro, expressed in millions of pesos | 170 | 153 | 3,114 | 1,545 | 2,944 | 1,392 |

26.3.2. INTEREST RATE AND INFLATION INDEX RISK MANAGEMENT

portfolio. The Company considers a minimum fixed rate exposure of 20% to 30% of its total consolidated debt to be optimal. The Company's debt profile is reported monthly to management, indicating the levels of fixed vs. variable rate concentration, distribution by term (short term vs. long term) and distribution by currency (COP vs. USD vs. other currencies). With the results presented, decisions are made to manage the debt portfolio, such as the prepayment of obligations, the structuring of financial derivatives to balance the position in interest rates and/or currencies, etc. As of December 31, 2024, 52% of the consolidated debt was at fixed interest rates, including hedges (March 2024: 73%).

The financial market reference interest rates that generate exposure to the Group are IPC, IBR, SOFR and TONAR. The Group has not considered exposure to other local or international rates.

26.3.3. CREDIT RISK MANAGEMENT

The credit risk arising from financial assets involving the risk of counterparty default is reduced by evaluations and valuations of customers with exposure or requiring credit beyond established limits and collateral. The maximum exposure to credit risk is represented by the balance of financial assets. Management has developed policies for the authorization of credit to customers. Credit risk exposure is constantly monitored according to the payment behavior of debtors.

The credit risk derived from the Company's investments in the financial system is monitored through the use of an issuer quota model, which stipulates the maximum amount that the Company may have invested in an American, European, Honduran or Colombian bank, in which most of the Company's cash is concentrated. The policy restricts investment amounts in banks to the limit calculated by the quota model, without the authorization of the Financial Vice-Presidency. The models incorporate variables such as national and international ratings, leverage indicators, and liquidity indicators of the banks. When the amounts invested in a bank exceed the values calculated by the quota model, it is considered that the risk is highly concentrated in a single issuer. The Company balances this concentration, when the market allows it, by divesting the issuer that has exceeded the amount stipulated by the model and recomposing the investments in the different alternatives, according to the calculated quotas. For banks that are not part of the model, the Company does not measure the issuer quota risk. In turn, the banks that are not part of the model are entities with which there are no significant investments as of the date of this report.

26.3.4. LIQUIDITY RISK MANAGEMENT

The Company has financial obligations with counterparties in the banking system and the capital market. To mitigate liquidity risk in the possible renewals of these loans, the Company plans maturity concentrations by month so as not to accumulate very high maturities in a given month of the year. In addition, the Company has a broad portfolio of liquidity providers in different currencies, types of indexers and terms, including domestic banks, international banks, commercial finance companies, stockbrokers and issuance of bonds and commercial paper in the capital market as a recurring issuer.

The balance between the distribution of debt by maturity is another clear objective of management, with the goal of not concentrating more than 30% of the maturities of financial liabilities in the short term. The years of duration of financial liabilities are monitored month by month, and the objective is for the average life of the portfolio to be greater than 3.5 years. Likewise, the Company has uncommitted credit quotas with domestic and international banks in an amount sufficient to cover any eventuality. The Company is also exposed to liquidity risk due to non-compliance with its financial commitments, which would trigger cross compliance clauses in other contracts. To mitigate this risk, the financial obligations in the credit agreements are monitored monthly and reported to management.

Financial commitments (covenant):

As of December 31, the company has no financial commitments (covenants), because on August 30, 2024 an additional agreement was signed between Cementos Argos S.A. and BBVA, where a loan was taken for a term of 3 years and an amount of COP\$30,000 million. The interest rate of this loan is linked to sustainability indicators, specifically to specific net CO2 emissions and specific water consumption in the cement business.

As of March 31, 2024, the company has the following financial commitments (covenant):

- Cementos Loan with BBVA COP 30,000, with the following financial commitment:
 - Net Debt/EBITDA ratio: Less than 4 times throughout the life of the loan, measured at the end of each quarter.
 - Interest coverage: Equal to or less than 2.5 times during the entire term of the loan.
- Cementos loan with Santander USD 30,000, with a covenant associated with the debtor's debt to EBITDA ratio at a separate level (6x in the 1st year, 5x in the 2nd year, 4.5x in the 3rd year).
- ESG loan with Banco de Bogotá, for COP 272,000, whose maintenance or reduction of the interest rate depends on compliance with sustainability KPIs: Specific net CO2 emissions.
 - Number of suppliers evaluated for sustainability in the last three years.
- Cementos loan with Santander USD 30,000,000. The non-compliance may be generated by the failure to send the compliance certificate.

Accounting working capital, defined as current assets minus current liabilities, shows a negative balance. This is mostly due to short-term loans and reclassifications of long-term loans maturing within the next 12 months. At the end of December, the company has available uncommitted quotas and is a recurring issuer in the Colombian securities market, with a quota in its program for issuing and placing bonds and commercial paper. These bank and stock market quotas allow the structuring of sufficient financing alternatives to renew the current portion of the debt, together with the internal generation of the company's liquid assets.

26.4. Foreign currency sensitivity analysis

The Company is mainly exposed to the USD currency. The following table shows the impact on net income of a 20% depreciation or appreciation in the Colombian peso against the relevant foreign currencies after considering the effect of hedge accounting. The 20% represents the sensitivity rate used when reporting foreign exchange risk internally to key management personnel and represents management's assessment of a possible but extreme scenario.

The sensitivity analysis includes only outstanding monetary items denominated in foreign currencies and adjusts their translation at the end of the period for a 20% change in exchange rates. The sensitivity analysis includes external loans, as well as loans for foreign operations within the Company where the denomination of the loan is in a currency other than the currency of the lender and the borrower. An appreciation of the Colombian peso has a positive impact on net income. Depreciation has the opposite effect.

During the period there have been changes in the methods and assumptions used for the sensitivity analysis from 25% to 20% in accordance with the policies established by the Company.

| | December 2024 | March 2024 |
|--|---------------|------------|
| 20% increase in the U.S. dollar with respect to functional currency | | |
| Income before income taxes, expressed in millions of pesos | (221,816) | (39,517) |
| Heritage | 53,528 | 154,845 |

26.5. Sensitivity analysis of interest rates and inflation indexes

The following sensitivity analyses have been determined based on the exposure to interest rates and inflation indexes for both derivative and non-derivative instruments at the end of the reporting period. For variable rate liabilities, a sensitization is performed assuming that the amount of the liability outstanding at the end of the reporting period has been the liability outstanding for the entire year. When reporting internally to key management personnel on interest rate risk, an increase or decrease of 100 basis points over the spot rate of the indicator is used, which represents management's assessment of the reasonable potential change in interest rates.

During the period there have been changes in the methods and assumptions used for the sensitivity analysis going from 25% to 100PB over the sport rate of the indexer as a homologation to the policies established by the Company.

| | IPC | | SOF | | IBR | |
|--|---------------|------------|---------------|------------|---------------|------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| 100PB increase over the spot rate of the indexer | | | | | | |
| Income before income taxes, expressed in millions of Mexican pesos | 6,664 | 7,877 | - | - | 2,720 | 3,352 |
| Other comprehensive income | 30,557 | 35,715 | 11,969 | 4,748 | (6,259) | (6,663) |

26.6. Foreign currency derivative contracts

The following table details the foreign currency derivative contracts under hedge accounting outstanding at the end of the reporting period:

| | Average rate derivative contract | | Notional value of the underlying in Colombian pesos ⁽¹⁾ | | Fair value of assets (liabilities) | |
|--|----------------------------------|------------|--|------------------|------------------------------------|-----------------|
| | December 2024 | March 2024 | December 2024 | March 2024 | December 2024 | March 2024 |
| United States dollar | | | | | | |
| 1 year or less, forward of purchase | - | 4,507 | - | 376,772 | - | (57,925) |
| 1 to 5 years, swap purchase | 3,930 | 4,185 | 749,556 | 384,230 | 49,493 | (62,725) |
| 1 year or less, forward of sale | - | 4,030 | - | 949,316 | - | 27,697 |
| Total foreign currency derivative contracts | | | 749,556 | 1,710,318 | 49,493 | (92,953) |

(1) The notional value of the underlying includes values in U.S. dollars, for disclosure purposes these amounts have been converted to Colombian peso applying the closing exchange rate in effect for each reporting date.

The following tables detail the notional principal amounts and remaining terms of the forward and swap contracts outstanding at the end of the reporting period.

26.7. Interest rate and liquidity risk tables

The following tables detail the remaining contractual maturity of Cementos Argos S.A. for its non-derivative financial liabilities with agreed repayment periods. The tables have been designed based on the undiscounted cash flows of the financial liabilities at the date on which the Company is required to make payments. The tables include both interest and principal cash flows. To the extent that interest is at a variable rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the minimum date on which the Company must make payment.

| | Weighted average effective rate | 1 year or less | From 1 to 5 years old | 5 years or more | Total contractual cash flows | Value in books |
|---------------------------------|---------------------------------|----------------|-----------------------|------------------|------------------------------|------------------|
| December 31, 2024 | | | | | | |
| Floating rate instruments | 11.48% | 719,204 | 2,035,547 | 1,691,260 | 4,446,011 | 3,002,945 |
| Fixed interest rate instruments | 12.23% | 166,522 | 316,540 | - | 483,062 | 410,219 |
| Other liabilities | | 5 | 21 | 354 | 380 | 88 |
| | | 885,731 | 2,352,108 | 1,691,614 | 4,929,453 | 3,413,252 |

| | Weighted average effective rate | 1 year or less | From 1 to 5 years old | 5 years or more | Total contractual cash flows | Value in books |
|---------------------------------|---------------------------------|------------------|-----------------------|------------------|------------------------------|------------------|
| March 31, 2024 | | | | | | |
| Floating rate instruments | 13.91% | 1,318,970 | 1,962,129 | 2,282,814 | 5,563,913 | 3,441,093 |
| Fixed interest rate instruments | 13.34% | 174,121 | 122,136 | - | 296,257 | 261,387 |
| Other liabilities | | 2,516 | 10,710 | 186,211 | 199,437 | 44,835 |
| | | 1,495,607 | 2,094,975 | 2,469,025 | 6,059,607 | 3,747,315 |

The following table details the Company's liquidity analysis for its derivative financial instruments. The table has been designed based on the discounted contractual net cash flows that cancel on a net basis, and the gross discounted cash flow on those derivatives that require a gross payment. Where the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to projected interest rates as illustrated by yield curves at the end of the reporting period.

As of December 31, 2024 and March 31, 2024 the Company has no derivative contracts that are settled on a gross basis.

| | December 31, 2024 | | | | March 31, 2024 | | | |
|----------------------------|-------------------|-----------------------|-------------------|---------------|-----------------|-----------------------|-------------------|------------------|
| | 1 year or less | From 1 to 5 years old | 5 years and older | Total | 1 year or less | From 1 to 5 years old | 5 years and older | Total |
| Net settled amount: | | | | | | | | |
| Forward | 645 | - | - | 645 | (30,228) | - | - | (30,228) |
| Swaps | (28,706) | 38,969 | (27,659) | (17,396) | (7,403) | (100,226) | (7,980) | (115,610) |
| Options | - | 53,031 | - | 53,031 | - | - | - | - |
| | (28,061) | 92,000 | (27,659) | 36,280 | (37,631) | (100,226) | (7,980) | (145,838) |

26.8. Collateral guarantee

In 2024, the financial assets pledged as collateral are as follows:

- 27,194,423 shares of the issuer Grupo de Inversiones Suramericana S.A. to the financial entity Banco Santander as collateral for two loans for USD 130 million taken in 2021 and 2024. For such operation, U\$2,055,958.98 are also pledged as collateral.
- The subsidiary Argos SEM LLC, has pledged 360,600 shares of Argos Puerto Rico Corp. common stock to secure the credit facility between Argos Puerto Rico Corp. and Banco Popular de Puerto Rico. Under this credit facility, the accounts receivable, deposit accounts and inventory of Argos Puerto Rico Corp. were also pledged.

At the end of 2024 the company has no shares of Grupo de Inversiones Suramericana as collateral for repo liabilities.

26.9. Fair value of financial assets and liabilities

The Company determines the fair value of all its financial assets and liabilities in the reporting period for measurement or disclosure in the financial statements.

The following table shows for each of the fair value hierarchy levels, the Company's assets and liabilities measured at fair value as of December 31, 2024 and March 31, 2024:

| | December 31, 2024 | | | March 31, 2024 | | |
|---|-------------------|----------------|------------------|----------------|------------------|------------------|
| | Level 1 | Level 2 | Total fair value | Level 1 | Level 2 | Total fair value |
| Financial derivatives | - | 111,288 | 111,288 | - | 199,720 | 199,720 |
| Financial liabilities at fair value | - | 111,288 | 111,288 | - | 199,720 | 199,720 |
| <i>Financial assets at fair value:</i> | | | | | | |
| In the results | | 3,100 | 3,100 | | 2,984 | 2,984 |
| In other comprehensive income (see note 8) | 1,056,911 | 4,921 | 1,061,832 | 866,097 | 4,298 | 870,395 |
| Financial derivatives | - | 147,399 | 147,399 | - | 63,865 | 63,865 |
| Financial assets at fair value | 1,056,911 | 155,420 | 1,212,331 | 866,097 | 71,147 | 937,244 |
| Net assets (liabilities) at fair value | 1,056,911 | 44,132 | 1,101,043 | 866,097 | (128,573) | 737,524 |

The carrying amounts and estimated fair values of assets and liabilities of Cementos Argos S.A. that are not recognized at fair value in the separate statement of financial position, but require disclosure at fair value as of December 31, 2024 and March 31, 2024 are as follows:

| | December 31, 2024 | | March 31, 2024 | |
|---|--------------------|---------------------|--------------------|---------------------|
| | Book value | Fair value, Level 2 | Book value | Fair value, Level 2 |
| Non-interest bearing financial liabilities | 500,159 | 500,159 | 484,926 | 484,926 |
| Floating rate instruments | 3,002,945 | 2,868,799 | 3,441,093 | 3,333,563 |
| Fixed interest rate instruments | 410,219 | 423,245 | 261,387 | 266,533 |
| Other liabilities | 88 | 76 | 44,835 | 30,711 |
| Financial liabilities measured at value | 3,913,411 | 3,792,279 | 4,232,241 | 4,115,733 |
| Cash and cash equivalents | 610,177 | 610,177 | 145,857 | 145,857 |
| Accounts receivable | 377,373 | 377,373 | 717,041 | 723,612 |
| Financial assets measured at fair value | 987,550 | 987,550 | 862,898 | 869,469 |
| Net financial liabilities measured at fair value | (2,925,861) | (2,804,729) | (3,369,343) | (3,246,264) |

As of December 31, 2024 and March 31, 2024, there were no transfers between fair value hierarchy levels and no changes in assets and liabilities measured at fair value on a recurring basis using unobservable inputs classified in level 3 of the fair value hierarchy.

NOTE 27: ISSUED CAPITAL

As of December 31, 2024 and March 31, 2024, the authorized capital is comprised of 1,500,000,000 shares with a par value in pesos of \$416 each, for a total value of \$624,000. The subscribed and paid-in capital consists of 1,411,481,471 (1,234,054,317) common shares and 464,508 (209,197,850) preferred shares with a par value in pesos of \$416 for a total of \$587,176 (\$513,367) and \$193 (\$87,026), respectively. Own shares repurchased are 109,677,767 (84,018,157). As of December 31, 2024 and March 31, 2024, outstanding shares are 1,302,268,212 (1,359,234,010). The separate statement of changes in shareholders' equity includes additional paid-in capital of \$1,702,849 (\$1,642,158).

27.1. Conversion of preferred and non-voting dividend shares into stock

Cementos Argos S.A. successfully concluded the process of converting its non-voting preferred dividend shares ("preferred shares") into common shares at a ratio of 0.85 common shares for one preferred share, as approved by the Shareholders' Meeting on March 18 and subsequently by the Colombian Financial Superintendency.

The conversion was carried out after a period of 10 business days for receipt of notices of non-conversion, during which those shareholders who decided to keep their preferred shares communicated such decision to the Company. As a result of this process, 99.8% of the preferred shares were converted into common shares and, thus, the latter now represent 99.96% of the Company's outstanding shares.

The preferred shares issued by Cementos Argos S.A. in 2013 did not contemplate conversion mechanisms, so their replacement by common shares in May 2024 entails the decision of the holders of the preferred shares, who were already shareholders of the Company, but without voting rights, to anticipate their maturity in order to achieve new conditions for their securities that now basically allow them to vote but without having the right to the preferred dividend.

Considering the foregoing and that the conversion of the preferred shares did not involve cash payments, it was concluded that the transaction does not involve either a repurchase or a payment of liabilities with shares, but is more related to the capitalization of a liability, in accordance with which the accounting management should be aligned with the provisions of either paragraph 16F or paragraph AG32 of IAS 32, according to which the amounts recognized in equity of the preferred shares should be transferred to common stock accounts considering the par value of the shares and the differential increasing or decreasing the additional paid-in capital, and the liability that remains recorded in the accounting at its amortized cost should be derecognized from the liability and recorded in equity increasing the additional paid-in capital of the common shares, without generating any gain or loss in the recording.

27.2. Share repurchase program

On March 18, 2024, the Shareholders' Meeting approved the second phase of the common and preferred share repurchase program for an amount of \$125,000 million. The term to carry out the program is two (2) years as from its approval by the Shareholders' Meeting, that is, until March 18, 2026.

On June 13, 2024, the Shareholders' Meeting authorized, with the required majority, the extension of the Share Repurchase Program and consequently approved the allocation of \$375,000 million from the share repurchase reserve to such program. With this approval, the value of the Share Repurchase Program amounts to \$500,000 million, whose term of execution will be until March 18, 2026.

The Company's investments in associates and joint ventures do not hold any common or preferred shares of Cementos Argos S.A. or any of its subsidiaries at the reporting date or in comparative periods. The Company has not reserved any common or preferred shares under option contracts or contracts for the sale of shares.

Cementos Argos S.A. may only acquire its own shares by decision of the General Shareholders' Meeting with the favorable vote of the number of subscribed shares determined by law, with funds taken from liquid profits and provided that such shares are fully paid up.

27.3. Reconciliation of common stock

| | | Number of shares | Capital stock | Additional paid-in capital |
|---------------------------------------|--------------------------------|------------------|---------------|----------------------------|
| Balance sheet as of March 31, 2024 | Paid-in shares of common stock | 1,234,054,317 | 513,367 | 268,089 |
| Balance sheet as of March 31, 2024 | Preferred stock | 209,197,850 | 87,026 | 1,374,069 |
| Balance sheet as of December 31, 2024 | Paid-in shares of common stock | 1,411,481,471 | 587,176 | 1,699,798 |
| Balance sheet as of December 31, 2024 | Preferred stock | 464,508 | 193 | 3,051 |

Each ordinary share confers on its owner the right to participate in the decisions of the General Shareholders' Meeting and to vote therein, to freely negotiate the shares, to freely inspect the corporate books and papers within fifteen (15) business days prior to the meetings of the General Meeting at which the year-end financial statements are examined and to receive a proportional part of the corporate assets, at the time of liquidation and once the company's external liabilities have been paid, among others included in the corporate bylaws.

Shareholders holding common shares shall have the right to subscribe preferentially in any new issue of common shares, an amount proportional to those held on the date on which the competent corporate body approves the subscription regulations.

NOTE 28: RESERVES AND OTHER COMPREHENSIVE INCOME

28.1. Reserves

LEGAL RESERVE

The company is obliged to appropriate 10% of its annual net income as a legal reserve until the balance of this reserve is equivalent to 50% of the subscribed capital. As of December 31, 2024 and March 31, 2024, the value of the legal reserve amounts to \$303,546 and \$272,646, respectively, and increases from one period to the other due to the considerations described in the plan of action.distribution of income for the year 2024. The value of the legal reserve without including other equity adjustments such as the equity method of accounting.

The Company's equity in the net income of subsidiaries amounted to \$293,686 and \$262,786, respectively.

The reserve is not distributable prior to the liquidation of the Company, but must be used to absorb or reduce net losses annual appropriations. Appropriations made in excess of 50% of the amount previously disbursed are freely available by the General Shareholders' Meeting mentioned.

RESERVE FOR SHARE REPURCHASE

This reserve, on repurchased treasury stock, in accordance with the provisions of the Commercial Code, is distributable only to shareholders until the shares are sold again. As long as the shares are owned by the Company, they will remain in rights inherent to them are suspended.

On June 13, 2024, the Shareholders' Meeting authorized, with the required majority, the extension of the Repurchase Program. The Company approved the allocation of \$375,000 million from the share repurchase reserve to the share repurchase program. With this approval, the value of the Share Repurchase Program amounts to \$500,000 million, whose term of execution will be until March 18, 2026.

As of December 31, 2024 and March 31, 2024, the value of the share repurchase reserve is:

| | December 2024 | March 2024 |
|------------------------------|---------------|------------|
| Reserve for share repurchase | 738,797 | 363,797 |
| Own shares repurchased | (452,506) | (238,797) |

In addition to the reserves established by law or the bylaws, the General Shareholders' Meeting may establish reserves with the following amounts unrestricted and earmarked. It is increased from one period to another due to the considerations described in the 2024 profit distribution plan.

Reserves for equity enhancement

In addition to the reserves established by law or the bylaws, the General Shareholders' Meeting may establish reserves with free availability and specific destination. It is increased from one period to another due to the considerations described in the profit distribution plan for the year 2024.

NOTE 29: RETAINED EARNINGS AND DIVIDENDS

29.1. Retained earnings

| | December 2024 | March 2024 |
|--|------------------|------------------|
| Balance at beginning of year | 6,758,564 | 1,770,796 |
| Loss attributable to owners of the Company | (297,932) | (536,911) |
| Common and preferred dividends distributed in cash | 43,263 | 291,250 |
| Dividends recovered Repurchase of Common Stock | 5,197 | - |
| Dividends recovered on repurchase of Preferred Stock | 62 | - |
| Establishment of reserves | 493,650 | 287,855 |
| Equity in the net income of subsidiaries | (5,356,639) | 4,946,513 |
| Other variations | (40) | (939) |
| Balance at end of period | 1,646,125 | 6,758,564 |

29.2 Dividends declared

The Extraordinary Stockholders' Meeting held on June 13, 2024 declared cash dividends on the common and preferred stock of \$324.06 per share per year, payable in three (3) installments, as follows:

In July 2024, between the 15th and 26th of the month, a share of \$83.8 pesos per share, of which \$83 will be distributed in cash and \$0.8 will be distributed as retained earnings.

In October 2024, between the 15th and 25th of the month, a share of \$83.8 pesos per share, of which \$83 will be distributed in cash and \$0.8 will be distributed as retained earnings.

In January 2025, between the 8th and 22nd of the month, a share of \$156.46 pesos per share, of which \$155 will be distributed in cash and \$1.46 will be distributed as retentions to be carried forward.

The dividend payment was made on April 17, 2023, for a total amount of \$127,992 corresponding to \$108,585 and \$19,407 of common and preferred shares, respectively.

Additionally, in an extraordinary meeting held on June 22, 2023, an extraordinary dividend payment was approved on common and preferred shares at the rate of \$229.77 per share, for a total of \$317,008, to be paid in three cash installments corresponding to \$89,647 and 16,022 of common and preferred shares, in July, October and December 2023.

During the period, Cementos Argos S.A. declared the following dividends:

| Dividends declared | Shares | April 1 through December 31, 2024 | | April 1 to December 31, 2023 (Unaudited) | |
|------------------------------------|----------------------------------|-----------------------------------|----------------|---|----------------|
| | | dividend per share | Total | dividend per share | Total |
| Cementos Argos S.A. | | | | | |
| Ordinary (extraordinary) dividend | 1,322,314,765 (1,170,478,742) | 324.06 per year | 428,509 | 229.77 per year | 268,941 |
| Preferred dividend (extraordinary) | 464,508 (209,197,850) | 324.06 per year | 151 | 229.77 per year | 48,066 |
| Total dividends declared | | | 428,660 | | 317,007 |

During the period, Cementos Argos S.A. made the following dividend payments:

| Dividends declared | Shares | April 1 through December 31, 2024 | | April 1 to December 31, 2023 (Unaudited) | |
|----------------------------|----------------------------------|-----------------------------------|----------------|---|----------------|
| | | dividend per share | Total | dividend per share | Total |
| Cementos Argos S.A. | | | | | |
| Ordinary dividend | 1,154,508,739 (1,170,478,742) | ⁽¹⁾ 441.60 per year | 355,205 | 322.54 per year | 377,527 |
| Preferred dividend | 206,897,961 (209,197,850) | ⁽¹⁾ 441.60 per year | 24,396 | 322.54 per year | 67,474 |
| | | | 379,601 | | 445,001 |

(1) (The \$441.60 pesos per share corresponds to earnings distributed as of December 31, 2023 of \$117.54 and earnings distributed from January 1 to March 31, 2024 of \$324.06).

NOTE 30: INCOME FROM ORDINARY ACTIVITIES

Below is an analysis of Cementos Argos S.A.'s income for the period for continuing operations (excluding financial income - see note 34).

| | April 1 to December 31, 2024 | 2023 (Unaudited) |
|-----------------------------------|---------------------------------|------------------|
| Income from sale of goods | 1,287,658 | 1,425,635 |
| Income from services rendered | 56,443 | 109,502 |
| | 1,344,101 | 1,535,137 |
| Net equity in income of investees | 499,185 | 740,520 |
| | 1,843,286 | 2,275,657 |

Cementos Argos S.A. has no commitments that are estimated to generate losses.

Cementos Argos S.A.'s operating income is generated primarily from the sale of cement. Sales are highly dependent on the performance of the construction industry, including residential, commercial and infrastructure projects, in each of the countries where Cementos Argos S.A. operates or products are sold. Fluctuations in the performance of the construction industry significantly affect the volumes of cement the Company is able

to sell, as well as the sales prices the Company is able to receive for its products.

30.1. Net equity in income of investees

| | 2024 | 2023 (Unaudited) |
|--|----------------|---------------------|
| Argos SEM, LLC | 334,967 | 477,214 |
| Argos Free Trade Zone Corporations and Investments of the Caribbean Sea S.A.S. | 133,105 | 114,130 |
| Valle Cement Investments INC | 24,711 | 41,862 |
| Transatlantic Cement | 4,118 | 62,934 |
| Concretos Argos S.A.S. | 15,428 | 34,592 |
| C.I. del Mar Caribe BVI | 7,045 | (3,131) |
| Argos Panamá S.A. | 1,394 | 3,833 |
| Colcaribe Holding S.A. | 391 | 10,222 |
| Transportation Logistics S.A. | 1,072 | (1,652) |
| BMR Ltd | 421 | 1,715 |
| Cementos de Caldas S.A. | (483) | 153 |
| Credit Solutions S.A.S. | 9 | 19 |
| SUMMA - Integral Corporate Services S.A.S. | - | (348) |
| Saint-Gobain Colombia S.A.S. | (88) | 82 |
| Haiti Cement Holding S.A. | (1,074) | (919) |
| | (21,831) | (186) |
| | 499,185 | 740,520 |

30.2. Contractual balances of contracts with customers

The changes in the contract liabilities during the period are presented below:

| | December 2024 | March 2024 |
|---|---------------|---------------|
| Balance at beginning of period | 53,324 | 58,866 |
| Advances and revenues received in advance customers nations | 44,814 | 53,015 |
| Amounts included in contract liabilities that were recognized as current period revenue | (53,324) | (58,866) |
| Advances and revenues received in advance from foreign customers | 352 | 309 |
| Balance at end of period | 45,165 | 53,324 |

30.3. Performance obligations

The final balance of the performance obligations of \$45,165 (March 2024 \$ 53,324), is expected to be satisfied in a period of less than one year. As of December 31, 2024 and March 31, 2024, the Company has no commitments that are expected to result in losses.

NOTE 31: ADMINISTRATIVE EXPENSES

Administrative expenses as of December 31 included the following:

| | 2024 | 2023 (Unaudited) |
|---|----------------|---------------------|
| Personnel expenses | 124,852 | 116,334 |
| Services | 45,900 | 40,832 |
| Fees | 20,915 | 9,380 |
| Maintenance and repairs | 8,261 | 10,330 |
| Insurance | 7,983 | 8,101 |
| Travel expenses | 7,277 | 6,298 |
| Depreciation of property, plant and equipment | 7,183 | 5,992 |
| Contributions and affiliations | 3,404 | 2,493 |
| Taxes | 2,611 | 5,213 |
| Leases | 2,178 | 2,311 |
| Amortization of intangible assets | 664 | 5,448 |
| Transportation | 625 | 546 |
| Legal expenses | 438 | 237 |
| Casino and restaurant | 405 | 385 |
| Adequacy and repairs | 237 | 543 |
| Commissions | 135 | 51 |
| supplies and stationery | 85 | 118 |
| Representation and public relations expenses | 63 | 103 |
| Impairment of accounts receivable | 31 | 45 |
| Various | (1,192) | 4,680 |
| | 232,055 | 219,440 |

NOTE 32: SELLING EXPENSES

Selling expenses as of December 31 included the following:

| | 2024 | 2023 (Unaudited) |
|---|---------------|---------------------|
| Personnel expenses | 31,924 | 28,950 |
| Services | 16,910 | 19,866 |
| Taxes | 10,050 | 12,443 |
| Travel expenses | 2,065 | 1,722 |
| Depreciation of property, plant and equipment | 807 | 756 |
| Contributions and affiliations | 795 | 747 |
| Transportation | 725 | 834 |
| Insurance | 565 | 468 |
| Fees | 537 | (501) |
| Maintenance and repairs | 348 | 1,228 |
| Casino and restaurant | 160 | 151 |
| Legal expenses | 57 | 23 |
| Leases | 30 | 30 |
| Supplies and stationery | 7 | 21 |
| Representation and public relations expenses | 3 | 136 |
| Adequacy and installation | 3 | 6 |
| Amortization of intangible assets | - | 31 |
| Impairment of accounts receivable | (84) | 731 |
| Various | 889 | 1,494 |
| Grand Total | 65,791 | 69,136 |

NOTE 33: OTHER NET OPERATING (EXPENSES) INCOME

Other net operating income as of December 31 included the following:

| | 2024 | 2023 (Unaudited) |
|---|-----------------|---------------------|
| Gain on recoveries | 9,909 | 7,050 |
| Gain on sale of fixed assets and other assets | 2,817 | 6,542 |
| Valuation income (loss) | 5,654 | 2,574 |
| Gain on use | 1,980 | 1,497 |
| Assumed tax loss 4*1000 | (16,219) | (16,343) |
| Gain on subsidies | 76 | - |
| Litigation loss | (6,603) | (4,053) |
| (Loss) gain on disposal of portfolio and fixed assets | 277 | (863) |
| Loss on donations | (1,189) | (1,972) |
| Loss from other taxes assumed | (2,309) | (4,029) |
| (Loss) other income and expenses | (15,445) | (1,190) |
| (Loss) gain on severance indemnities | 28 | - |
| | (21,024) | (10,787) |

NOTE 34: FINANCIAL INCOME

| | 2024 | 2023 (Unaudited) |
|-------------------------------|---------------|---------------------|
| Interest income | 27,628 | 42,883 |
| Other financial income | 36,519 | 9,712 |
| Total financial income | 64,147 | 52,595 |

NOTE 35: FINANCIAL EXPENSES

| | 2024 | 2023 (Unaudited) |
|---|----------------|---------------------|
| Interest on bonds and preferred stock | 197,047 | 317,338 |
| Interest from financial derivatives | 88,192 | 36,616 |
| Interest on overdrafts and bank loans | 128,390 | 145,898 |
| Interest on related party loans | 43,712 | 38,110 |
| Other financial expenses | 6,766 | 5,295 |
| Total interest expense on financial liabilities | 464,107 | 543,257 |
| Less amounts included in the cost of qualifying assets | - | - |
| Total interest expense on financial liabilities recorded in the income statement | 464,107 | 543,257 |
| Interest expense on lease liabilities (See note 21) | 5,594 | 5,857 |
| Effect of discounting provisions and employee benefits | 17,494 | 21,786 |
| Total financial expenses | 487,195 | 570,900 |

NOTE 36: INCOME FOR THE YEAR FROM CONTINUING OPERATIONS

Income for the year from continuing operations is attributable to:

| | 2024 | 2023 (Unaudited) |
|---------------------|---------|---------------------|
| Company Controllers | 201,253 | 241,568 |

Income for the year from continuing operations amounted to the amounts expressed above, after the following charges (credits):

36.1. Impairment losses on financial assets

| | December 2024 | March 2024 |
|--|---------------|------------|
| Impairment losses on trade receivables | 53 | 129 |
| Reversal of impairment losses on trade accounts receivable | 203 | 222 |

36.2. Depreciation and amortization expense

| | December 2024 | March 2024 |
|--|----------------|---------------|
| Depreciation of property, plant and equipment ⁽¹⁾ | 115,601 | 18,613 |
| Amortization of intangible assets | 8,862 | 4,784 |
| Depreciation of right-of-use assets ⁽²⁾ | 12,253 | 3,554 |
| Total depreciation and amortization expense | 136,716 | 26,951 |

(1) The total depreciation value of Property, plant and equipment (note 17) corresponds to \$116,153 (March 2024 \$ 27,196) of which \$552 (March 2024 \$ 8,583) is capitalized in inventory.

(2) The total depreciation value of the assets for rights of use in leases (note 21) corresponds to \$12,212 (March 2024 \$ 4,145) of which \$41 (March 2024 \$ 591) is capitalized in inventory.

NOTE 37: RELATED PARTY DISCLOSURES

The immediate parent company of Cementos Argos S.A. is Grupo Argos S.A. with its principal place of business in Medellín, Colombia, which holds a 54.22% interest in the Company (March 2024 61.23%).

37.1. Qualitative information about relationships between related parties.

37.1.1. RELATIONSHIPS THAT TAKE PLACE BETWEEN CEMENTOS ARGOS S.A. AND SUBSIDIARIES OR BETWEEN THE SAME SUBSIDIARIES

- Purchase and sale of clinker between Cementos Argos S.A. and its subsidiaries and between our subsidiaries themselves, regardless of the region in which they are located; the transaction consists of clinker producing companies selling clinker to cement producing companies, and the latter use it as raw material for cement production.
- Purchase and sale of cement between Cementos Argos S.A. and its subsidiaries and among our subsidiaries themselves, regardless of the region where they are located; the transaction consists of cement producing companies selling cement to concrete producing companies, and the latter use it as raw material for concrete production. In the case of sales and purchases between cement companies, cement is transferred for the purpose of trading.
- Purchase and sale of aggregates between Cementos Argos S.A. and its subsidiaries and between our subsidiaries themselves, regardless of the region in which they are located; the transaction consists of aggregates producing companies selling aggregates to cement or concrete producing companies, which use them as raw materials for their products.
- Provision of transportation services between Logitrans S.A. and Cementos Argos S.A., Concretos Argos S.A.S. and Zona Franca S.A.S.; the transaction consists of Logitrans S.A., as freight intermediary, subcontracting with third parties the transportation of Cementos Argos S.A.'s products or raw materials.
- Management support contracts between Cementos Argos S.A., with Argos Honduras S.A., Argos Dominicana S.A., Cimenterie Nationale S.E.M., Vensur NV, Argos Puerto Rico LLC, Argos Panamá and Ciments Guyanais; the transaction consists of Cementos Argos S.A. providing management support services to the aforementioned subsidiaries in exchange for consideration. Among the services rendered are basically administrative management services.
- Lease agreements between Cementos Argos S.A. and its subsidiaries and between our subsidiaries themselves, the transaction consists of the lessor delivering as lessee the right to use real estate and the river transportation fleet for the development of its activities.
- Provision of maritime transportation services between Transatlantic Cement Carriers Inc. and Cementos Argos S.A. and/or its subsidiaries. The transaction consists of Transatlantic Cement Carriers Inc. acting as a maritime transportation intermediary, subcontracting with third parties the transportation of products or raw materials of Cementos Argos S.A. and/or

its subsidiaries.

37.1.2. RELATIONSHIPS THAT TAKE PLACE BETWEEN GRUPO ARGOS S.A. WITH CEMENTOS ARGOS S.A. AND/OR WITH ITS SUBSIDIARIES

- Lease of real estate between Grupo Argos S.A. and/or its subsidiaries and Cementos Argos S.A. and/or its subsidiaries; the transaction consists of Grupo Argos S.A. and/or its subsidiaries leasing space (offices, warehouses and/or lots) to Cementos Argos S.A. and/or its subsidiaries, so that the latter may develop their activities, either productive or administrative.

37.1.3. RELATIONSHIPS OCCURRING BETWEEN ENTITIES EXERCISING SIGNIFICANT INFLUENCE OVER THE ULTIMATE PARENT COMPANY AND THE GROUP.

- Cementos Argos S.A. and its subsidiaries take out property, casualty and personal insurance, mainly through the life and general insurance companies that are part of the Suramericana Investment Group. This operation is carried out to cover property losses in all the regions, using the risk retention and distribution schemes negotiated jointly with these insurers, all in accordance with the regulations applicable in the corresponding jurisdiction.

37.1.4. RELATIONSHIPS BETWEEN CEMENTOS ARGOS S.A. AND SUBSIDIARIES OF GRUPO ARGOS.

- Purchase and sale of energy between Celsia S.A. and Zona Franca Argos S.A.S.; the transaction consists of Zona Franca Argos S.A.S. supplying energy to Celsia S.A. for the purpose of being marketed.

37.1.5. RELATIONSHIPS OCCURRING BETWEEN THE GROUP AND INVESTMENTS IN ASSOCIATES

- Sale of cement and concrete to Summit Materials INC. an associate of Cementos Argos S.A.; the transaction consists of the sale of cement and concrete to the associate for the elaboration of infrastructure works in the United States region.
- Rendering of business services. The transaction consists of SUMMA Servicios Corporativos Integrales S.A.S., an associate of the Group, and Cementos Argos S.A., providing financial and administrative support business services to the associate Summit Materials INC.
- Rendering of business services. The transaction consists of SUMMA Servicios Corporativos Integrales S.A.S. rendering specialized business and administrative support services to Cementos Argos S.A. through the execution of an operating mandate contract without representation, in exchange for a consideration for such services. Among the services rendered are basically financial, administrative, legal assistance, purchasing, human resources, risk and insurance, communications and information technology services, among others. Under the mandate contract, SUMMA Servicios Corporativos Integrales S.A.S. pays all expenses necessary to carry out its operations and at the end of each period requests reimbursement from Cementos Argos S.A. for such expenses.
- Air transportation service between Internacional Ejecutiva de Aviación S.A.S. and Cementos Argos S.A.; the transaction consists of Internacional Ejecutiva de Aviación S.A.S. providing air transportation to Cementos Argos S.A.'s senior executives.

37.1.6. RELATIONSHIPS OCCURRING BETWEEN THE GROUP AND INVESTMENTS IN JOINT VENTURES

- Sale of cement and concrete to joint ventures of Odinsa S.A. subsidiary of Grupo Argos S.A.; the transaction consists of the sale of cement and concrete to consortiums of Odinsa S.A. for the elaboration of infrastructure works in different regions of the country.
- Provision of Ocean Freight Service between Transatlantic Cement Carriers Inc. and Trans Atlantic Shipmanagement Ltd. The transaction consists of Trans Atlantic Shipmanagement Ltd. (among other suppliers) providing the service of maritime chartering and leasing of vessels to Transatlantic Cement Carriers Inc. for the transportation of raw materials and finished products for Cementos Argos S.A. and/or its subsidiaries.

37.2. Transactions between related parties

| | Matrix | Entities with significant influence in the Group | Subsidiaries | Associated | Joint ventures | Key management personnel | Total related parties |
|--|---------|--|--------------|------------|----------------|--------------------------|-----------------------|
| 2024 | | | | | | | |
| Sale of goods and other income | 217 | - | 1,509,966 | 15,244 | - | - | 1,525,427 |
| Purchase of goods and other expenses | - | 26,022 | 78,026 | 4,414 | - | 45,293 | 153,755 |
| Amounts receivable | 26 | 9,938 | 168,412 | 1,791 | - | - | 180,167 |
| Amounts payable | 110,450 | 1,974 | 1,260,984 | 4,268 | - | - | 1,377,676 |
| Lease assets | - | - | 11 | 3,035 | - | - | 3,046 |
| Lease liabilities | - | - | 16 | 5,398 | - | - | 5,414 |
| 2023 | | | | | | | |
| Sale of goods and other income (Unaudited) | 548 | - | 767,769 | (13) | - | - | 768,304 |
| Purchase of goods and other expenses (Unaudited) | (198) | 16,528 | 52,424 | 1,557 | - | 37,557 | 107,868 |
| Amounts receivable | 1,372 | 9,094 | 196,503 | 180 | - | - | 207,149 |
| Amounts payable | 16 | 1,898 | 618,633 | 4,278 | - | - | 624,825 |
| Lease assets | - | - | 5,806 | - | - | - | 5,806 |
| Lease liabilities | - | - | 11,759 | - | - | - | 11,759 |

As of December 31, 2024 and March 2024 Cementos Argos S.A. has not recognized impairment and impairment expense for securities receivable from related parties. Cementos Argos S.A. has not received or granted any guarantees of balances receivable from or payable to related parties. Transactions between the reporting company and its related parties are carried out under conditions equivalent to those existing in transactions between independent parties.

The average term of accounts receivable from related parties with respect to the sale of goods is 30 days; accounts payable between related parties have an average term of 30 days. The average term of loans made by the Company for the year 2024 is 1 month in pesos and 60 months in dollars, agreed at a rate in pesos of 12.88% and 6.16%, respectively. The average term of loans for the year 2024 is 3 months in pesos, agreed at a rate in pesos of 14.00%.

37.3. Compensation of the Board of Directors and key management personnel

| | 2024 | 2023 |
|---|---------------|---------------|
| Salaries and other short-term employee benefits | 41,699 | 34,857 |
| Pensions and other post-employment benefits | 3,594 | 2,700 |
| Total key management personnel compensation for the period | 45,293 | 37,557 |

Members of key management personnel include members of the Board of Directors, Nomination and Compensation Committee, Audit and Finance Committee, Sustainability and Corporate Governance Committee, Steering Committee (comprised of the President and Vice Presidents), and any other committee reporting directly to the Boards of Cementos Argos S.A. and Grupo Argos S.A., and Managers and their immediate families.

NOTE 38: EXCHANGE DIFFERENCE

| | 2024 | 2023 |
|--|-----------------|-----------------|
| Exchange difference income ⁽¹⁾ | 138,166 | 151,250 |
| Exchange difference expense ⁽²⁾ | 154,997 | 179,779 |
| Foreign exchange loss, net | (16,831) | (28,529) |

(1) Of the exchange difference income \$ 132,094 is realized and \$6,072 is unrealized.

(2) Of the exchange difference expense \$142,599 is realized and \$ 12,397 is unrealized.

NOTE 39: CONTINGENT ASSETS AND LIABILITIES

As of the date the financial statements are issued, there are certain contingent conditions that may result in a loss for Cementos Argos S.A. or its subsidiaries. These contingencies are estimated by Management and its legal advisors based on their professional judgment. Considering the variability of the processes, it is possible that the probability of occurrence may vary in the future.

In estimating contingencies, legal counsel evaluates, among other aspects, the merits of the claims, related case law and the status of each of the proceedings to date. It is believed that these matters will be resolved without any material effect on our operations, financial position or results of operations.

39.1 Contingent assets

At the date of preparation of the notes to the financial statements, Cementos Argos S.A. and its subsidiaries are parties to legal proceedings, acting as plaintiff, where the income or recovery of contingent assets exceeding \$5,000 (five billion pesos) individually is expected; in any case, there are executive proceedings initiated by Cementos Argos S.A. and its subsidiaries against third parties for the recovery of the portfolio through the judicial process. Cementos Argos S.A. considers that the estimated time of termination of these processes ranges between three (3) and eight (8) years approximately.

39.2 Contingent liabilities

As of the date of preparation of the notes to the financial statements, we state that Cementos Argos S.A. or its subsidiaries are parties to legal proceedings of different nature, acting both as plaintiffs and defendants, which are being diligently attended by qualified lawyers hired by each company. The disputes are civil, administrative, criminal and fiscal; these types of litigation are those that arise in the ordinary course of business carried out by any company of the size of Cementos Argos S.A. and its subsidiaries. We consider that the estimated time of completion of these processes ranges between three (3) and eight (8) years approximately.

VALORIZATION PUERTO NARE

In December 2018 Cementos Argos S.A. filed a claim for nullity and reestablishment of rights against a valuation contribution resolution for the rectification and paving of the "Puerto Nare - Puerto Triunfo" road in the department of Antioquia for COP 18,000 million. The claim was admitted and in the answer to the claim, the Department of Antioquia called as guarantor the firm that performed the valuation study. The company filed a written statement on the answer to the claim and again requested the suspension of the administrative act containing the valuation contribution. The tests were performed and the first instance ruling is pending. We have not recorded any accounting provision as we consider that we have sufficient arguments to disprove the payment obligation attributed to the company.

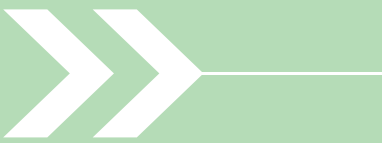
39.3 Commitments made

In December 2023 a coal purchase commitment agreement was signed with the supplier Sator S.A.S., where Cementos Argos S.A. and Zona Franca Argos S.A.S., commit to purchase 320,000 tons of total coal during January to April 2025. The value per ton will be COP\$225,000 (pesos). There will be no automatic extension, but the parties may extend its term by signing an additional agreement. In the event of a default in the purchase of coal by the companies, the value not purchased and committed to the supplier must be paid.

NOTE 40: EVENTS AFTER THE REPORTING PERIOD

The company evaluated subsequent events up to January 29, 2025, the date on which the separate financial statements were approved by the board of directors. The company concluded that no significant events have occurred that require recognition or disclosure in the separate financial statements.

PRO FORMA ANNUALIZED FINANCIAL STATEMENTS



SEPARATE STATEMENT OF FINANCIAL POSITION

As of December 31, 2024

| | December 2024 |
|--|----------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 610,177 |
| Derivative financial instruments | 364,425 |
| Trade and other accounts receivable, net | 645 |
| Current Tax assets | 108,778 |
| Inventories | 220,797 |
| Other non-financial assets | 40,568 |
| Assets held for sale | 608 |
| Total current assets | \$ 1,345,998 |
| Trade and other accounts receivable, net | 12,948 |
| Investments in subsidiaries | 14,156,156 |
| Investments in associates and joint ventures | 5,397 |
| Derivative financial instruments | 146,755 |
| Other financial assets | 1,067,210 |
| Intangible assets, net | 158,895 |
| Right-of-use assets in lease, net | 35,963 |
| Biological assets | 16,738 |
| Property, plant and equipment, net | 2,359,378 |
| Investment properties | 110,883 |
| Other non-financial assets | 6,624 |
| Total non-current assets | \$ 18,076,947 |
| TOTAL ASSETS | \$ 19,422,945 |
| LIABILITIES | |
| Financial liabilities | 633,482 |
| Right-of-use liabilities in lease, net | 8,675 |
| Trade liabilities and accounts payable | 500,159 |
| Employee benefit liabilities | 103,410 |
| Provisions | 20,091 |
| Derivative financial instruments | 28,874 |
| Outstanding bonds and preferred shares | 271,221 |
| Other non-financial liabilities | 115,007 |
| Total current liabilities | \$ 1,680,919 |
| Financial liabilities | 1,650,927 |
| Right-of-use liabilities in lease, net | 23,190 |
| Employee benefit liabilities | 175,077 |
| Derivative financial instruments | 82,414 |
| Provisions | 26,995 |
| Outstanding bonds and preferred shares | 1,976,130 |
| Deferred tax liabilities | 195,635 |
| Other non-financial liabilities | 72,284 |
| Total non-current liabilities | \$ 4,202,652 |
| TOTAL LIABILITIES | \$ 5,883,571 |
| Issued capital | 2,290,218 |
| Own shares repurchased | (452,506) |
| Reserves | 5,826,921 |
| Retained earnings | 1,646,125 |
| Other comprehensive income | 4,228,616 |
| EQUITY | \$ 13,539,374 |
| TOTAL LIABILITIES AND EQUITY | \$ 19,422,945 |

Cementos Argos S.A.

SEPARATE STATEMENTS OF INCOME

As of December 31, 2024

| | December 2024 | March 2024 | Total |
|--|-------------------|---------------------|---------------------|
| Continued operations | | | |
| Ordinary activities income | \$ 1,344,101 | \$ 441,038 | \$ 1,785,139 |
| Cost of sales | (975,563) | (319,481) | (1,295,044) |
| Gross profit | \$ 368,538 | \$ 121,557 | \$ 490,095 |
| Administrative expenses | (232,055) | (74,864) | (306,919) |
| Selling expenses | (65,791) | (22,808) | (88,599) |
| Other operating (expenses) income, net | (21,024) | 930 | (20,094) |
| Operating income | \$ 49,668 | \$ 24,815 | \$ 74,483 |
| Financial income | 64,147 | 62,163 | 126,310 |
| Financial expenses | (487,195) | (167,147) | (654,342) |
| Foreign exchange loss, net | (16,831) | (11,036) | (27,867) |
| Net equity in income of investees | 499,185 | 5,856,778 | 6,355,963 |
| Income before taxes | \$ 108,974 | \$ 5,765,573 | \$ 5,874,547 |
| Income tax | 92,279 | (445,706) | (353,427) |
| Net income from continuing operations | \$ 201,253 | \$ 5,319,867 | \$ 5,521,120 |

Cementos Argos S.A.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2024

| | December 2024 | Annual Conversion | Annual 2024 |
|---|----------------------|-------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,065,075 | \$ - | \$ 1,065,075 |
| Derivative financial instruments | 1,187 | - | 1,187 |
| Other financial assets | 135 | - | 135 |
| Trade and other accounts receivable, net | 530,276 | - | 530,276 |
| Tax assets | 162,904 | - | 162,904 |
| Inventories | 702,488 | - | 702,488 |
| Other non-financial assets | 126,796 | - | 126,796 |
| Assets held for sale | 9,056,041 | - | 9,056,041 |
| Total current assets | \$ 11,644,902 | \$ - | \$ 11,644,902 |
| Trade and other accounts receivable, net | 26,841 | - | 26,841 |
| Investments in associates and joint ventures | 44,858 | - | 44,858 |
| Derivative financial instruments | 146,755 | - | 146,755 |
| Other financial assets | 1,091,606 | - | 1,091,606 |
| Intangible assets, net | 386,961 | - | 386,961 |
| Right-of-use assets in lease, net | 123,318 | - | 123,318 |
| Biological assets | 16,738 | - | 16,738 |
| Property, plant and equipment, net | 5,101,509 | - | 5,101,509 |
| Investment property | 215,273 | - | 215,273 |
| Goodwill, net | 1,033,955 | - | 1,033,955 |
| Deferred tax asset | 101,155 | - | 101,155 |
| Other non-financial assets | 10,346 | - | 10,346 |
| Total non-current assets | \$ 8,299,315 | \$ - | \$ 8,299,315 |
| TOTAL ASSETS | \$ 19,944,217 | \$ - | \$ 19,944,217 |
| LIABILITIES | | | |
| Financial Liabilities | 740,721 | - | 740,721 |
| Lease liabilities | 29,624 | - | 29,624 |
| Trade liabilities and accounts payable | 734,575 | - | 734,575 |
| Tax liabilities | 59,612 | - | 59,612 |
| Employee benefits liability | 163,691 | - | 163,691 |
| Provisions | 35,276 | - | 35,276 |
| Other financial liabilities | 89,941 | - | 89,941 |
| Derivative financial instruments | 35,885 | - | 35,885 |
| Outstanding bonds and preferred shares | 271,221 | - | 271,221 |
| Other non-financial liabilities | 205,753 | - | 205,753 |
| Total current liabilities | \$ 2,366,299 | \$ - | \$ 2,366,299 |
| Financial Liabilities | 777,686 | - | 777,686 |
| Lease liabilities | 99,698 | - | 99,698 |
| Employee benefits liability | 199,593 | - | 199,593 |
| Derivative financial instruments | 82,414 | - | 82,414 |
| Provisions | 50,867 | - | 50,867 |
| Outstanding bonds and preferred shares | 1,976,130 | - | 1,976,130 |
| Other non-financial liabilities | 72,284 | - | 72,284 |
| Deferred tax liability | 372,103 | - | 372,103 |
| Total non-current liabilities | \$ 3,630,775 | \$ - | \$ 3,630,775 |
| TOTAL LIABILITIES | \$ 5,997,074 | \$ - | \$ 5,997,074 |
| Issued capital | 2,290,218 | - | 2,290,218 |
| Repurchased own shares | (452,507) | - | (452,507) |
| Reserves | 5,758,562 | - | 5,758,562 |
| Retained earnings | 1,606,103 | (301,238) | 1,304,865 |
| Other comprehensive income | 3,933,605 | 301,238 | 4,234,843 |
| Total equity attributable to controlling interests | \$ 13,135,981 | \$ - | \$ 13,135,981 |
| Non-controlling interests | 811,162 | - | 811,162 |
| EQUITY | \$ 13,947,143 | \$ - | \$ 13,947,143 |
| TOTAL LIABILITIES AND EQUITY | \$ 19,944,217 | \$ - | \$ 19,944,217 |

The conversion effect reflects the realization of Other Comprehensive Income (OCI) upon the disposal of the Argos USA operation.

Cementos Argos S.A.

CONSOLIDATED STATEMENTS OF INCOME

As of December 31, 2024

| | December 2024 | March 2024 | Total | Conversion | Annual 2024 |
|---|-------------------|---------------------|---------------------|-------------------|---------------------|
| Continued operations | | | | | |
| Ordinary activities income | \$ 3,967,619 | \$ 1,311,333 | \$ 5,278,952 | \$ 20,329 | \$ 5,299,281 |
| Cost of sales | (2,974,810) | (977,073) | (3,951,883) | (15,638) | (3,967,521) |
| Gross profit | \$ 992,809 | \$ 334,260 | \$ 1,327,069 | \$ 4,691 | \$ 1,331,760 |
| Administrative expenses | (383,853) | (117,482) | (501,335) | (1,134) | (502,469) |
| Selling expenses | (158,120) | (51,289) | (209,409) | (879) | (210,288) |
| Other operating income, net | 6,687 | 22,512 | 29,199 | 514 | 29,713 |
| Operating income | \$ 457,523 | \$ 188,001 | \$ 645,524 | \$ 3,192 | \$ 648,716 |
| Financial income | 138,985 | 91,611 | 230,596 | 1,331 | 231,927 |
| Financial expenses | (549,368) | (185,736) | (735,104) | (966) | (736,070) |
| Gain (Loss) by difference in foreign exchange, net | 9,730 | (11,025) | (1,295) | (54) | (1,349) |
| Net interest in investee income | 820 | (71,957) | (71,137) | 71,919 | 782 |
| Income (loss) before income taxes | \$ 57,690 | \$ 10,894 | \$ 68,584 | \$ 75,422 | \$ 144,006 |
| Income tax expense | (29,950) | (16,211) | (46,161) | (1,686) | (47,847) |
| Net income (loss) from continuing operations | \$ 27,740 | \$ (5,317) | \$ 22,423 | \$ 73,736 | \$ 96,159 |
| Net income from discontinued operations | 228,190 | 5,335,934 | 5,564,124 | (75,110) | 5,489,014 |
| Net income | \$ 255,930 | \$ 5,330,617 | \$ 5,586,547 | \$ (1,374) | \$ 5,585,173 |
| Period income attributable to: | | | | | |
| Controlling interests | 201,344 | 5,319,886 | 5,521,230 | (1,707) | 5,519,523 |
| Non-controlling interests | 54,586 | 10,731 | 65,317 | 333 | 65,650 |
| Net income | \$ 255,930 | \$ 5,330,617 | \$ 5,586,547 | \$ (1,374) | \$ 5,585,173 |

The conversion effect corresponds to the variation resulting from the annualized exchange rate compared to the average exchange rate used in each period.

TABLE OF CONTENTS

Statement of Use Cementos Argos has presented the information cited in this GRI table of contents for the period from January 1 to December 31, 2024, using the GRI Standards as a reference.

GRI 1 Used GRI 1: Foundation 2021

Note on applicable GRI sectoral standards At the date of publication of this Integrated Report, no sectoral standard applicable to us has been published.

| General Contents | | | | |
|------------------|-----|--|--|---|
| CODE | STD | INDICATOR | LOCATION | OMISSIONS |
| | GRI | Legal name | Cementos Argos S.A. | |
| | GRI | Nature of ownership and legal form | Private - Corporation | |
| 2-1 | GRI | Location of main office | Carrera 43A #, Cl. 1a Sur #143 (Medellín - Colombia) Address: Via 40, Las Flores (Barranquilla - Colombia) | |
| | GRI | Countries where it operates | We are present in 16 countries and territories and export to 31 markets. For more information, see gatefold page. 4-7 | |
| 2-2 | GRI | Entities included in sustainability reporting | About this Report p. 12-15 | |
| 2-3 | GRI | Reporting period, frequency | About this Report p. 12-15 This report is published in March 2025. | |
| | GRI | Point of contact | About this Report p. 12-15 | |
| 2-4 | GRI | Updating of information | With the closing of the negotiation in the United States between Argos U.S. and Summit Materials, environmental goals were redefined this year, including those related to climate change and its mitigation roadmap. In the case of climate change indicators and in order to comply with the GHG Protocol and GCCA CO ₂ Protocol, a recalculation was made not only of the baseline of the commitments already acquired but also of the results of the last four years of all associated indicators. For other indicators associated with material issues such as environmental, occupational health and safety, delivering customer value and sustainable products and solutions, the results for the years 2021 to 2023 were also recalculated so that the effect of the exit of the U.S. Regional Office in 2024 would not affect the trend analysis of the reported results. | |
| 2-5 | GRI | External verification | At Argos, we have defined the external audit as one of the mechanisms for monitoring the functioning of our Internal Control System. Our internal control system has a structure where the management, the Risk area, the Compliance area, the Internal Audit, the Statutory Auditor's Office and, the Board of Directors with its supportive committees, participate in the supervision, management and evaluation of the internal control system according to their roles and responsibilities, in accordance with the Company's Code of Good Corporate Governance, Bylaws, policies and other procedures. The information disclosed in this document was audited by BDO Audit S.A., an independent third party that verifies the accuracy, quality and relevance of the information. BDO Audit S.A., domiciled in Bogotá at Carrera 16 # 97-46, is certified with the ISO 9001 Quality Management System. Also, the financial information (statutory auditors) was audited by KPMG S.A.S.. BDO's assurance report can be found in the appendices on page 205. | |
| 2-6 | GRI | Sector of activity | Construction materials | |
| | GRI | Value chain | Gatefold p. 4-7 About this Report p. 12-15 | |
| 2-7 | GRI | Employees | Gatefold p. 4-7 | Omission Requirements: Hourly employees not guaranteed Reason: not applicable Explanation: The employee categories proposed in the GRI standard do not fully correspond to those defined by the organization |
| 2-8 | GRI | Non-employee workers | https://argos.co/wp-content/uploads/2025/04/Talent-indicators-2024.pdf | |
| 2-9 | GRI | Governance structure and composition | Corporate Governance, p. 38 | |
| 2-10 | GRI | Appointment and selection of the highest governance body | Corporate Governance, pp. 46-47 | |
| 2-11 | GRI | Chairman of the highest governing body | Corporate Governance, p. 48 | |

| General Contents | | | | |
|------------------|-----|---|---|--|
| CODE | STD | INDICATOR | LOCATION | OMISSIONS |
| 2-12 | GRI | Role of the highest governance body in overseeing impact management | Corporate Governance, p. 48 | |
| 2-13 | GRI | Delegation of responsibility for impact management | Corporate Governance, p. 48 | |
| 2-14 | GRI | Role of the highest governance body in sustainability reporting | Corporate Governance, p. 38 Materiality Analysis, pg. 73 Our ESG Governance, pg. 58 | |
| 2-15 | GRI | Conflicts of interest | Corporate Governance, p. 51 | |
| 2-16 | GRI | Communication of critical concerns | Corporate Governance, pp. 44-45 | |
| 2-17 | GRI | Collective knowledge of the highest governance body | Corporate Governance, p. 48 | |
| 2-18 | GRI | Performance evaluation of the highest governance body | Corporate Governance, p. 49 | |
| 2-19 / 2-20 | GRI | Compensation policy Process for determining compensation | Corporate Governance, p. 49 | |
| 2-21 | GRI | Total annual compensation ratio | Not reported due to confidentiality issues | Omission requirement: Annual total compensation ratio Reason: Confidentiality restrictions Explanation: The information requested by this indicator is restricted access and is not disclosed to the public |
| 2-22 | GRI | Sustainable Development Strategy Statement | Letter from the Chairman of the Board of Directors, p. 16-17 Management Report, p. 20-35 Sustainability strategy: https://argos.co/en/sustainability-strategy/ Link: https://argos.co/en/policies-and-codes/ | |
| 2-23 2-24 | GRI | Commitments and policies Incorporation of commitments and policies | Throughout the Integrated Report, the main policies/guidelines and commitments of the organization to guide the management of sustainability issues are highlighted | |
| 2-25 | GRI | Processes to remediate negative impacts | Materiality Analysis, p. 73-81 Business Ethics, Compliance and Integrity, p. 89-93 Human Rights, p. 158-159 Community Engagement, p. 150-157 https://argos.co/en/vas Transparency hotline: https://argos.co/en/transparency-hot-line/ | |
| 2-26 | GRI | Mechanisms for seeking advice and raising concerns | Business ethics, compliance and integrity. Page 89-93 Transparency hotline: https://argos.co/en/transparency-hot-line/ | |
| 2-27 | GRI | Compliance with laws and regulations | https://argos.co/wp-content/uploads/2025/04/Ethics-and-compliance-indicators-2024.pdf | |
| 2-28 | GRI | Membership in associations | https://argos.co/en/transparency-hot-line/ | |
| 2-29 | GRI | Approach to stakeholder engagement | https://argos.co/en/stakeholders/ | |
| 2-30 | GRI | Collective bargaining agreements | https://argos.co/wp-content/uploads/2025/04/Talent-indicators-2024.pdf | |
| Material issues | | | | |
| 3-1 | GRI | Process for determining material issues | About this Report, p. 12-15 Materiality Analysis, p. 73-81 https://argos.co/en/materiality/ | |
| 3-2 | GRI | Material issues | About this Report, p. 12-15 Materiality Analysis, p. 73-81 https://argos.co/en/materiality/ | |
| 3-3 | GRI | Management of material issues | https://argos.co/en/materiality/ | |

| Specific Contents | | | | | |
|---|----------|---|---|----------|-----------|
| CODE | STD | INDICATOR | LOCATION ON THE IR | VERIFIED | OMISSIONS |
| Profitable growth and fundamental value of the company | | | | | |
| 3-3 | GRI | Management of material issues | Profitable growth and fundamental value of the Company, p. 84-88 https://argos.co/en/materiality/?Profitable-growth | | |
| 201-1 | GRI | Direct economic value generated and distributed | https://argos.co/en/vas | | |
| A-LS1 | In-house | Value added to society | https://argos.co/en/vas | | |
| EM-CM-000.a | SASB | Production by main product line | Gatefold. P. 4-7 Reported data refers to tons of cement shipped | | |
| Business ethics, compliance and integrity | | | | | |
| 3-3 | GRI | Management of material issues | Ethics, Compliance and Integrity, p. 89-93. https://argos.co/en/materiality/?Business-ethics | | |
| 205-1 | GRI | Number and percentage of centers evaluated for risks related to corruption and significant risks detected | https://argos.co/wp-content/uploads/2025/04/Ethics-and-compliance-indicators-2024.pdf | | |
| 205-2 | GRI | Communication and training on anti-corruption policies and procedures | https://argos.co/wp-content/uploads/2025/04/Ethics-and-compliance-indicators-2024.pdf | | |
| 205-3 | GRI | Confirmed incidents of corruption and actions taken | https://argos.co/wp-content/uploads/2025/04/Ethics-and-compliance-indicators-2024.pdf | X | |
| 206-1 | GRI | Legal actions for anti-competitive behavior and antitrust and monopolistic practices | https://argos.co/wp-content/uploads/2025/04/Ethics-and-compliance-indicators-2024.pdf | | |
| 415-1 | GRI | Contribution to political parties and/or representatives | https://argos.co/wp-content/uploads/2025/04/Ethics-and-compliance-indicators-2024.pdf | | |
| A-ETH1 | In-house | Environmental, social, and human rights complaints received | https://argos.co/wp-content/uploads/2025/04/Ethics-and-compliance-indicators-2024.pdf | | |
| A-ETH3 | In-house | Number of corruption prosecutions or investigations - FCPA violations | https://argos.co/wp-content/uploads/2025/04/Ethics-and-compliance-indicators-2024.pdf | | |
| A-TAX1 | In-house | Taxes paid by country | https://argos.co/wp-content/uploads/2025/04/Ethics-and-compliance-indicators-2024.pdf | | |
| EM-CM-520a.1. | SASB | Total amount of monetary losses as a result of legal proceedings associated with cartelization, price fixing and antitrust activities | https://argos.co/wp-content/uploads/2025/04/SASB-Indicators-2024.pdf | | |
| Resilient supply chain | | | | | |
| 3-3 | GRI | Management of material issues | Resilient supply chain, 94-100 https://argos.co/en/materiality/?Supply-chain | | |
| 204-1 | GRI | Proportion of spending on local suppliers | Local supplier: a local supplier is a supplier located and registered in the country where each expense is reported. For example, local suppliers in the Colombia region are all those who are resident and registered in Colombia. Significant locations of operations are those from which the main operations of the business are carried out, such as administrative offices, plants, distribution centers and terminals. Our significant locations are in the 16 countries in which we operate. | | |
| 308-1 | GRI | Percentage of suppliers assessed for sustainability in the last 3 corporate years | https://argos.co/wp-content/uploads/2025/04/Supply-chain-indicators-2024.pdf | X | |
| 308-2 | GRI | Environmental impacts and measures | https://argos.co/wp-content/uploads/2025/04/Supply-chain-indicators-2024.pdf | X | |
| 414-1 | GRI | New suppliers that have passed selection filters based on social criteria | https://argos.co/wp-content/uploads/2025/04/Supply-chain-indicators-2024.pdf | X | |
| 414-2 | GRI | Social impacts and actions | https://argos.co/wp-content/uploads/2025/04/Supply-chain-indicators-2024.pdf | X | |
| CSA | In-house | Supplier profiling | https://argos.co/wp-content/uploads/2025/04/Supply-chain-indicators-2024.pdf | X | |
| CSA | In-house | Significant suppliers evaluated for sustainability | https://argos.co/wp-content/uploads/2025/04/Supply-chain-indicators-2024.pdf | X | |
| CSA | In-house | Support for corrective action plans at significant suppliers | https://argos.co/wp-content/uploads/2025/04/Supply-chain-indicators-2024.pdf | X | |
| CSA | In-house | Capacity building program with significant suppliers | https://argos.co/wp-content/uploads/2025/04/Supply-chain-indicators-2024.pdf | X | |
| Sustainable Products and Solutions | | | | | |
| 3-3 | GRI | Management of material issues | Sustainable Products and Solutions, p. 118-125 https://argos.co/en/materiality/?Sustainable-products | | |
| A-CS1 | In-house | Revenues from sustainable products and solutions | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| EM-CM-410a.1 | SASB | Percentage of products qualifying for sustainable building design credits and construction certifications | https://argos.co/wp-content/uploads/2025/04/SASB-Indicators-2024.pdf | X | |

| Specific Contents | | | | | |
|--|-------------|--|--|----------|---|
| CODE | STD | INDICATOR | LOCATION ON THE IR | VERIFIED | OMISSIONS |
| EM-CM-410a.2 | SASB | Total addressable market and market share for products that reduce energy, water and/or material impacts during use and/or production | https://argos.co/wp-content/uploads/2025/04/SASB-Indicators-2024.pdf | | Omission: This indicator is not reported due to the absence of official public information in the countries where Argos has a presence. This situation generates uncertainty due to high levels of estimates |
| Climate change mitigation and adaptation | | | | | |
| 3-3 | GRI | Management of material issues | Climate change mitigation and adaptation, p. 101-111 https://argos.co/en/materiality/?Climate-change In 2024, the environmental targets were redefined and the historical data for the most important environmental indicators were recalculated to facilitate comparability of performance, taking account of the exit of Argos USA operation. The historical figures presented in this chapter are recalculated by eliminating the information corresponding to U.S. operations . | | |
| 201-2 | GRI | Financial implications and other risks and opportunities arising from climate change | https://argos.co/wp-content/uploads/2025/05/Climate-and-Nature-Report-2024.pdf | X | |
| 305-1 EM-CM110a.1 | GRI SASB | Scope 1 gross emissions & percentage covered by emission limiting regulations | Using the methodology proposed by the GCCA in the CO ₂ Protocol and through a bottom-up and scenario-based future projection process for establishing CO ₂ reduction targets, each cement plant modeled multiple scenarios modifying the CO ₂ reduction levers: caloric consumption, clinker-cement factor, and use of alternative and low-carbon fuels. Following this process, a global reduction target was reached, at company level, of 514 kg CO ₂ /t cementitious material by 2030, with a base year of 2006 with recalculated emissions of 759 kg CO ₂ /t cementitious material. Reaching the 2030 target will mean a 32% reduction from the 2006 baseline. This roadmap was approved by the Sustainability and Corporate Governance Committee of the Board of Directors and should be monitored annually to verify compliance with the reduction goals and to review its validity, optimization and inclusion of new projects. https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| GCCA | GCCA | Total direct CO ₂ emissions - gross and net | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| 305-2 | GRI | Indirect GHG emissions (Scope 2) - by "location" and by "market" method | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| 305-3 | GRI | Other indirect GHG emissions (Scope 3) | Climate change mitigation and adaptation, p. 101-111. | X | |
| 305-4 | GRI GCCA | Direct specific emissions of CO ₂ - gross | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| A-EC1 | GCCA | Specific direct CO ₂ emissions - net | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| A-EC5 | In-house | Indirect Specific GHG Emissions (Scope 2 by "Market" method) | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| A-EC6 | In-house | Direct and indirect GHG emissions - by "locational" and "market" method | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| 302-1 | GRI | Energy consumption within the organization (including consumption of non-renewable energy) | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| 302-4 | GRI | Reduction of energy consumption | https://argos.co/wp-content/uploads/2025/05/Climate-and-Nature-Report-2024.pdf | X | |
| EM-CM-130a.1 | SASB | 1) Total energy consumed, (2) percentage of electricity from grid, (3) percentage of alternative, (4) percentage of renewable | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| GCCA | GCCA | Alternative fuels rate | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |

| Specific Contents | | | | | |
|---------------------------------|--------------------------|--|---|----------|-----------|
| CODE | STD | INDICATOR | LOCATION ON THE IR | VERIFIED | OMISSIONS |
| GCCA | GCCA | Biomass fuel rate | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| GCCA | GCCA | Specific caloric consumption of clinker production (MJ/ t of clinker) | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| A-ENE1 GCCA | In-house GCCA | Substitution of caloric consumption of fossil fuels by alternatives (%) | https://argos.co/wp-content/uploads/2025/04/Climate-change-indicators-2024.pdf | X | |
| Environmental Management | | | Environmental management, p. 112-117 https://argos.co/en/materiality/?Environmental-management | | |
| 3-3 | GRI | Management of material issues | In 2024, the environmental goals were redefined and the historical data for the most important environmental indicators were recalculated to facilitate comparability in performance, taking account of the exit of Argos USA operation. The historical figures presented in this chapter are recalculated by eliminating the information corresponding to U.S. operations. | | |
| 301-1 | GRI | Materials used by weight and volume: total consumption of materials, raw materials, semi-finished materials, auxiliary materials and packaging | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| GCCA | GCCA | Clinker/cement factor | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| A-EC2 GCCA | In-house GCCA | Alternative raw materials in cement (%) | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| A-EC3 | In-house | Supplementary Cementitious Material Concrete (%) | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| 303-3 | GRI | Water withdrawal by source in all the areas | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| A-A3 | In-house | Specific Freshwater withdrawal | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| 303-3 CDP | GRI CDP | Water withdrawal in water-stressed areas | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| CDP EM-CM-140A.1 | CDP SASB | (1) Water withdrawal by source, (2) Water withdrawal in water-stressed areas, (3) Water consumption in water-stressed areas | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| 303-4 | GRI CDP CSA | Water discharge | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| 303-5 | GRI GCCA | Water consumption | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| GCCA | GCCA | Specific water consumption (in cement) | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| 304-4 GCCA | GRI GCCA | Species on the IUCN red list and species on national conservation lists that inhabit areas affected by operations | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| A-B11 GCCA | In-house GCCA | Active and inactive quarries with high biodiversity value with a biodiversity management plan | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| EM_CM_160A.2 | SASB | Total affected area active operations | https://argos.co/wp-content/uploads/2025/04/SASB-Indicators-2024.pdf | X | |
| A-B12 EM-CM-160a.2 GCCA | In-house SASB GCCA | Released areas rehabilitated in active and inactive quarries (%) | Our indicator is cumulative and not only for the reporting period https://argos.co/wp-content/uploads/2025/04/SASB-Indicators-2024.pdf | X | |
| A-B13 | In-house | Percentage of active facilities located within, adjacent to, or containing protected areas or areas of high biodiversity value with a biodiversity management plan | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| A-B14 GCCA | In-house GCCA | Active and inactive quarries with an established closure plan | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| A-B15 | In-house | Number and area of active and evaluated facilities | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |

| Specific Contents | | | | | |
|--------------------------|---------------|---|--|----------|---|
| CODE | STD | INDICATOR | LOCATION ON THE IR | VERIFIED | OMISSIONS |
| A-B16 | In-house | Number and area of active facilities located within, adjacent to, or containing protected areas or GVB areas | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | <p>Omission requirements: The percentage of active facilities located within, adjacent to, or containing protected areas or areas of high biodiversity value by region and consolidated for the Company is reported. Detailed information such as location, size, biodiversity value, among others, is not disclosed.</p> <p>Reason: Confidentiality restrictions</p> <p>Explanation: The information requested by this indicator is restricted access and is not disclosed to the public.</p> |
| 304-1 | GRI | Active and assessed operations that have significant impacts on biodiversity or that are located within, adjacent to, or contain protected areas or areas of high biodiversity value and have implemented a biodiversity management plan. | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | | |
| A-B17 | In-house | Number and area of active facilities located within, adjacent to, or containing protected areas or GVB areas with PMBs | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| TNFD | In-house | Total area affected by quarries | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| EM-CM-160a.1 | SASB | Description of environmental management policies and practices for active sites | https://argos.co/wp-content/uploads/2025/04/SASB-Indicators-2024.pdf | X | |
| 306-3 | GRI | Total waste generated and its management | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| EM-CM-150A.1 | SASB | Quantity of waste generated, percentage of hazardous waste, percentage of recycled waste, etc. | https://argos.co/wp-content/uploads/2025/04/SASB-Indicators-2024.pdf | X | |
| 305-7 EM-CM-120a.1 KPI 3 | GRI SASB GCCA | Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| KPI3 | GCCA | Absolute emissions: Nitrogen oxides (NOx), sulfur oxides (SOx) and particulate matter (PM) (Furnaces only). | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| KPI3 | GCCA | Absolute emissions: Hg; HM1(Cd+TI); HM2 (Sum of Sb, As, Pb, Cr, Co, Cu, Mn, Ni, V), PCDD/PCDF. | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| A-OE1 GCCA | In-house GCCA | Specific Emissions PM, NOx, Sox | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| KPI3 | GCCA | Specific Emissions: Hg; PCDD/PCDF; HM1(Cd+TI); HM2 (Sum of Sb, As, Pb, Cr, Co, Cu, Mn, Ni, V), VOC/THC | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| KPI4 | GCCA | Total coverage PM, NOx, Sox | Percentage of clinker produced in covered kilns with monitoring systems for Sox, NOx and PM https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| KPI4 | GCCA | Hg coverage rate; VOC/THC, PCDD/PCDF; HM1 (Cd+TI); HM2 (Sum of SB, AS, Pb, Cr, Co, Cu, Mn; Ni, V) | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| KPI 2 | GCCA | Coverage with continuous monitoring of emissions (percentage of clinker produced in kilns covered with continuous monitoring systems for particulate matter, NOx, SO2). | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| KPI 1 | GCCA | Total coverage (percentage of clinker produced in kilns covered with monitoring systems, continuous or discontinuous, for particulate matter, NOx, SO2, VOC/THC, heavy metals) | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |
| CSA | In-house | Investments, expenses and environmental savings | https://argos.co/wp-content/uploads/2025/04/Environmental-indicators-2024.pdf | X | |

| Specific Contents | | | | | |
|---|--------------------------|--|---|----------|---|
| CODE | STD | INDICATOR | LOCATION ON THE IR | VERIFIED | OMISSIONS |
| Delivering Customer Value | | | | | |
| 3-3 | GRI CSA | Management of material issues | Delivering Customer Value, p. 126-131 https://argos.co/en/materiality/?Costumer-value | | |
| A-IM1 | In-house | Percentage of customer referrals | Delivering Customer Value, p. 126-131 https://argos.co/en/materiality/?Costumer-value | X | |
| A-EX4 | In-house | Digital Global Score | Delivering Customer Value, p. 126-131 | | |
| Talent Management and Inclusion | | | | | |
| 3-3 | GRI | Management of material issues | Talent Management and Inclusion, p. 137-143 https://argos.co/en/materiality/?Talent-management | | |
| 401-1 | GRI | New hires and employee turnover rate | https://argos.co/wp-content/uploads/2025/04/Talent-indicators-2024.pdf | X | |
| 404-1 | GRI | Average hours of training per year by type of training and employee, broken down by gender and by employee category | https://argos.co/wp-content/uploads/2025/04/Talent-indicators-2024.pdf | X | |
| 404-3 | GRI | Performance evaluation: employees whose performance and professional development is regularly evaluated, distributed by organizational level | https://argos.co/wp-content/uploads/2025/04/Talent-indicators-2024.pdf | | |
| 405-1 | GRI | Board of Directors broken down by age and gender | https://argos.co/wp-content/uploads/2025/04/Talent-indicators-2024.pdf | | |
| 405-2 | GRI | Ratio of basic salary of women to men, broken down by significant locations of activity | https://argos.co/wp-content/uploads/2025/04/Talent-indicators-2024.pdf | X | |
| A-TM4 | In-house | Percentage of leadership positions in the organization held by women. | https://argos.co/wp-content/uploads/2025/04/Talent-indicators-2024.pdf | X | |
| Occupational Health and Safety | | | | | |
| 3-3 | GRI | Management of material issues | Occupational Safety and Health, p. 144-149 https://argos.co/en/materiality/?Occupational-health-safety | | |
| 403-1 | GRI | Occupational health and safety management system | Occupational Health and Safety, p 144-149 | | |
| 403-2 | GRI | Hazard identification, risk assessment and incident investigation | Through our 'I Promise' management system with its programs and committees, we focus on integrated risk management. We strengthen the corporate culture to help us achieve and sustain the zero target, so that everyone is aware of the risks and applies control measures to prevent occupational injuries and illnesses. | | |
| 403-4 | GRI | Worker participation, consultation and communication on occupational health and safety. | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | | |
| 403-5 | GRI | Occupational health and safety training for workers | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | X | |
| 403-9 403-10 GCCA-S2 GCCA-R GCCA-S3 GCCA-T GCCA-S | GRI GCCA | Work-related injuries and occupational illnesses of employees and contractors | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | X | |
| GCCA | GCCA | Work-related injuries and occupational diseases third parties: fatalities | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | X | |
| A-SI1. EM-CM-320A.1 GCCA-U GCCA-KPI3 GCCA-KPI4 GCCA-KPI5 GCCA-V | In-house SASB GCCA | Frequency and Severity Rate - Contractors and employees and consolidated | The frequency index is reported under two formulas, one proprietary and the other following the SASB guidelines. Own frequency index: https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf SASB frequency index: https://argos.co/wp-content/uploads/2025/04/SASB-Indicators-2024.pdf | X | The SASB indicator referring to the total recordable incident rate is not reported because it does not reflect our context. |
| A-SI2 GCCA 403-10 | In-house GCCA GRI | Frequency and severity index of occupational diseases - Employees | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | X | |
| A-SI3 | In-house | Number of serious injuries to our employees and contractors (#) | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | X | |
| A-SI4 | In-house | Number of injuries per million man-hours worked (#) | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | X | |
| A-SI5 | In-house | Number of successful impact projects | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | | |
| A-SI6 | In-house | Absenteeism of direct employees due to illness | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | X | |
| A-SI7 | In-house | High-risk situations intervened in a timely manner | https://argos.co/wp-content/uploads/2025/04/Occupational-health-safety-indicators-2024.pdf | | |

| Specific Contents | | | | | |
|----------------------|----------|--|---|----------|-----------|
| CODE | STD | INDICATOR | LOCATION ON THE IR | VERIFIED | OMISSIONS |
| EM-CM-320a.2 | SASB | Number of cases of silicosis | https://argos.co/wp-content/uploads/2025/04/SASB-Indicators-2024.pdf | X | |
| Community Engagement | | | | | |
| 3-3 | GRI | Management of material issues | Community Engagement, p. 150-157 https://argos.co/en/materiality/?Community-engagement | | |
| A-COM1 | In-house | Social Investment | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | X | |
| 103-2 | GRI | Complaints about impacts on society | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | X | |
| A-COM2 | In-house | Revenues from commercial initiatives with social impact | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | | |
| A-COM3 | In-house | Type of philanthropic activities | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | | |
| A-COM7 | In-house | Corporate volunteering | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | X | |
| A-AR1 | In-house | Materializations of risks to the community | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | X | |
| A-AR2 | In-house | Operations with high and critical risks of impacting communities | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | X | |
| A-CC1 | In-house | Level of relationship with communities | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | X | |
| A-CC2 | In-house | Reiterative complaints | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | X | |
| A-GO1 | In-house | Leveraged resources | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | X | |
| A-GO2 | In-house | Beneficiaries impacted | https://argos.co/wp-content/uploads/2025/04/Community-engagement-indicators-2024.pdf | X | |
| Human Rights | | | | | |
| 3-3 | GRI | Management of material issues | Human Rights, p. 158-159 https://argos.co/en/materiality/?Human-Rights | | |

GLOSSARY OF TERMS

A

Anticompetitive behavior

Action by the organization or employees that may lead to collusion with potential competitors, with the purpose of limiting the effects of competition in the market.

B

Baseline

Starting point used to make comparisons.

Baseline year

Historical data (e.g., year) against which a measurement is tracked over time.

Business Partner

Entity with which the organization has some form of direct and formal engagement to achieve its business objectives.

Business relationships

The relationships that the organization has with business partners, entities in its value chain (including entities beyond the first level) and any other entity directly related to its operations, products or services.

C

Charter agreement

A legal agreement in the field of maritime transport whereby the owner of a vessel undertakes to make it available to another party (the charterer) to transport goods or persons in exchange for financial compensation. This agreement may be for a specific number of trips or for a specific time agreed upon by both parties.

Circularity measures

Measures taken to conserve the value of products, materials and resources and put them to new use for as long as possible and with the smallest carbon and resource footprint, so that fewer raw materials and resources are extracted and waste generation is prevented.

Climate change

Long-term change in temperature and other weather patterns. Changes can be natural or due to persistent human activities that alter the composition of the atmosphere or land use.

Co-processing

Process for taking advantage of the heat generation capacity and the mineral elements of different waste in the clinker production process, replacing the use of conventional fuels, such as coal and petcoke, which have a higher CO₂ emission factor than most alternative fuels.

Collective negotiation

All negotiations that take place between one or more employers or employers' organizations and one or more workers' organizations on the other.

Compensation

The base salary plus additional amounts paid to an employee.

Complaint and grievance mechanism

Systematic process by which complaints can be raised and remediation requested.

Conflict of interest

A situation in which a person is forced to choose between the requirements of his/her organization and other personal interests or responsibilities.

Contribution to political parties and/or representatives

Financial or in-kind support provided directly or indirectly to political parties, their elected representatives or individuals seeking political office.

Corruption

Abuse of entrusted power for personal gain, which may be instigated by individuals or organizations.

Corruption case confirmed

Corruption case that has been proven to be substantiated.

Note: *Confirmed corruption cases do not include corruption cases under investigation during the reporting period.*

Customer privacy

Right to privacy and personal protection of the customer.

D

Discrimination

The action and result of treating people unequally by imposing unequal burdens or denying unequal benefits.

Due diligence

The process of identifying, preventing, mitigating, remediating and communicating how an organization addresses its potential and actual negative impacts.

E

Effluent

Treated or untreated wastewater discharged.

Employee

A person who has an employment relationship with the organization, in accordance with national law or practice.

Energy reduction

The amount of energy that is no longer used or needed to carry out the same processes or tasks.

Environmental laws and regulations

Laws and regulations related to all types of environmental issues applicable to the organization.

F**Fleet mix**

Composition and variety of vehicles (or transport equipment) that a company uses to carry out its logistics or transport operations.

FOB rates

Also known as Free On Board is an international trade term that defines the point at which the responsibility and cost of the goods are transferred from the seller to the buyer. Includes all costs until the goods are loaded on board the vessel at the designated port of shipment.

Freedom of association

The right of employers and employees to join, create and direct their own organizations without prior authorization or interference from the state or any other entity.

G**Greenhouse effect**

A phenomenon in which the accumulation of gases forms a thick layer in the atmosphere that traps the sun's heat, thus increasing the planet's temperature.

Greenhouse Gas (GHG)

Gases that contribute to the greenhouse effect.

Greenhouse Gas (GHG) Trading

Purchase, sale or transfer of emission rights or greenhouse gas (GHG) emission offsets.

Groundwater

Water that is stored in a subway formation from which it can be extracted.

H**Hazardous waste**

Waste that exhibit any of the characteristics listed in Annex iii of the Basel Convention or that are considered hazardous according to national legislation.

High biodiversity value area

Area not subject to legal protection, but recognized by various governmental and non-governmental organizations for its important biodiversity.

Human Rights

Rights inherent to all human beings and encompass, at a minimum, all the rights set forth in the United Nations International Bill of Human Rights and the principles relating to fundamental rights included in the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO).

I**I-REC**

The Renewable Energy Certificate, also known as I-REC, is a global certificate that certifies the generation of energy from renewable sources. Each I-REC certificate guarantees that 1 MWh of energy was generated from renewable sources.

Impact

Impact that the organization has or could have on the economy, the environment or people, including effects on human rights, and which, in turn, may be indicative of its contribution (negative or positive) to sustainable development.

Incineration

Controlled burning of waste at high temperatures.

International supply chain

It is a complex, global network of activities that are coordinated to bring a product or service from its conception to the hands of the end consumer, crossing national borders.

L**Local community**

Individuals or groups of individuals who live or work in areas that are affected or could be affected by the organization's activities.

Local minimum wage

Minimum compensation for hourly employment or other unit of time permitted by law.

Local supplier

An organization or individual that provides a product or service to the reporting organization and is based in the same geographic market as the reporting organization (i.e. no international payments are made to a local supplier).

M**Marine waters**

Water from a sea or ocean.

Material issues

Topics that represent the organization's most significant impacts on the economy, environment, and people, including impacts on human rights.

Maximum governing body

Governing body with the highest authority in an organization.

Minor

A person under 15 years of age or the age of completion of compulsory schooling, whichever is higher.

Mitigation

Measures taken to reduce the severity of a negative impact.

Monopolistic and anticompetitive practices

Action of the organization that may give rise to collusion, in order to erect barriers to entry into the sector, or any other collusive action that prevents competition.

N**Net Promoter Score (NPS)**

It is a methodology used to calculate both the customers' perception of a brand and their intention to continue buying the products and services. It is measured based on a customer experience rating on a scale of 1 to 10, with 1 being the lowest and 10 being the highest. Then we take the percentage of "promoters", who are those who rated between 9 or 10, and subtract the percentage of "detractors", who are those who rated between 1 and 6, to arrive at the NPS percentage.

Non-renewable energy source

Energy source that cannot be replenished, reproduced, developed or generated in a short period of time through ecological cycles.

Non-renewable material

Resource that is not renewed in short periods of time.

O**Operation with significant actual or potential negative impacts on local communities**

Operation considered on its own or in conjunction with the characteristics of local communities that has an above-average potential for negative impacts, or that has actual negative impacts on the social, economic or environmental well-being of local communities.

P**Petcoke**

Petroleum coke, or petcoke as it is commonly known, is a by-product of petroleum refining. Petroleum coke refers to all types of carbonaceous solids obtained in petroleum processing. Petroleum coke is used as a fuel in the cement, metal and brick industries.

Product or service category

A group of related products or services that share certain characteristics and satisfy the specific needs of a given market.

Production and logistics network

A company network in terms of its production and distribution operations. It is a way to visualize and analyze the extent, location and configuration of your production and logistics related assets and infrastructure.

Protected area

Area protected from any damage derived from operational activities and where the environment remains in its original state, with a healthy and functional ecosystem.

R**Recovery**

Any operation in which products, components of products or materials that have become waste are prepared to fulfill a function instead of using new products, components or materials that would otherwise be used for that function.

Recycling

Reprocessing of products or product components that have become waste to create new materials.

Remediation

Measures to counteract or repair a negative impact or provide a remedy.

Renewable energy source

Energy source that is capable of being replenished in a short time through ecological cycles or agricultural processes.

Renewable material

Material from abundant resources that are rapidly replenished through ecological cycles or agricultural processes, so that the services provided by these and related resources are not endangered and remain available for future generations.

Reporting period

Time period covered by the information presented.

Responsible water management

Water use that is socially equitable, environmentally sustainable and economically beneficial. This is achieved through the stakeholder inclusion process, which involves the adoption of measures related to the facilities and the catchment area.

Restored area

Area that was affected by operational activities and where remediation measures have restored the environment to its original state or to a state in which it presents a healthy and functional ecosystem.

S**Significant impact on biodiversity**

An impact that may adversely affect the integrity of a region or geographic area, either directly or indirectly, by substantially changing its ecological characteristics, structures and functions throughout its entirety and over the long term, such that habitat, population levels and certain species that make the habitat important are no longer sustained.

Scope 1 CO₂ Emissions

Emissions generated from Argos' production operations.

Scope 2 CO₂ Emissions

Emissions generated from power purchase and consumption in Argos' operations.

Scope 3 CO₂ Emissions

Other indirect emissions are generated in the Argos value chain.

Severity (of an impact)

The severity of an actual or potential negative impact is determined by its scale (i.e. how significant it is), its scope (i.e. how widespread it is) and its irremediability (i.e. how difficult it is to counteract or repair the resulting damage).

Staff turnover

Employees leaving the organization voluntarily or due to layoff, retirement or death.

Stakeholders

Individuals or groups with interests that are affected or could be affected by the organization's activities.

Supplier

Entity upstream of the organization (i.e. in the organization's supply chain), which provides a product or service used for the development of the organization's own products or services.

Supplier evaluation and selection

Formal or documented process by which a set of performance criteria are applied to determine whether a relationship with a supplier is desired.

Supply chain

Various activities performed by entities upstream of the organization that provide products or services used for the development of the organization's own products or services.

Surface water

Water naturally present on the earth's surface in the form of ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers and streams.

Sustainable development

Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

T**Third-party water**

Municipal water suppliers and municipal wastewater treatment plants, public or private utilities and other organizations involved in the supply, transport, treatment, disposal or use of water and effluents.

Trading

Activities related to the purchase and sale of goods, raw materials or finished products between different actors in the chain, with the objective of satisfying market demand. It is a crucial part of logistics and supply management, especially in international markets.

V**Value chain**

Various activities performed by the organization, and by entities upstream and downstream of it, to bring the organization's products and services from conception to end use.

Violation of customer privacy

Non-compliance with applicable legal provisions and (voluntary) standards relating to the protection of customer privacy.

Vulnerable group

Group of people with specific conditions or characteristics (e.g. economic, physical, political, social) that may suffer the negative impacts of the organization's activities more severely than the general population.

W**Waste**

Anything that a person removes, wishes to remove, or is required to remove.

Water consumption

Sum of all the water that has been extracted and incorporated into the production process.

Water discharge

Sum of effluents, used water, and unused water released to surface water, groundwater, marine water, or other waters that will no longer be used by the organization during the reporting period.

Water extraction

Sum of all water withdrawn from surface water, groundwater, seawater or third parties for any use during the reporting period.

Water storage

Water retained in water storage facilities or reservoirs.

Water stress

Capacity, or lack of capacity, to meet human and ecological demand for water.



Sirs.
Shareholders and other interested parties of
CEMENTOS ARGOS S.A.
Medellín, Antioquia

INDEPENDENT LIMITED ASSURANCE REPORT

Scope

We have been engaged by the Management of CEMENTOS ARGOS S.A. (hereinafter "the Company") to perform a limited assurance engagement on the information detailed in Annex A (hereinafter, "the subject matter information"), included in the Integrated Report for the year ended December 31, 2024.

Our limited assurance engagement was conducted solely concerning the selected sustainability information included in Annex A. Our assurance report does not extend to prior periods, other information not included in the 2024 Integrated Report, or any other information related to the Report that may contain images, audio, or videos.

Criteria Applied by CEMENTOS ARGOS S.A.

The criteria used by the management of the Company to prepare the information subject to assurance detailed in Annex A and included in the 2024 Integrated Report were established considering the concepts, requirements, and principles outlined in the Global Reporting Initiative (GRI) standards, those defined by the Global Cement and Concrete Association (GCCA), the indicators from the Sustainability Accounting Standards Board (SASB), the variables involved in the calculation of the value-added model (VAS), as well as the criteria defined by the company for both its own indicators and the methodology of its double materiality analysis process.

Responsibilities of CEMENTOS ARGOS S.A.'s Management Regarding the Subject Matter Information Included in the 2024 Integrated Report

The Company's management is responsible for the preparation and presentation of the subject matter information included in the 2024 Integrated Report in accordance with the criteria mentioned above. This responsibility includes the design, implementation, and maintenance of internal controls necessary to ensure that the subject matter information is free from material misstatements, whether due to fraud or error.

Responsibilities of BDO

Our responsibility is to express a limited assurance conclusion on the information subject to assurance based on the procedures we have performed and the evidence we have obtained. We carried out our limited assurance work in accordance with ISAE 3000 (Revised), International Standard on Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires us to conclude whether any facts have come to our attention that lead us to believe that the management's statement is not presented fairly, in all material respects. In a limited assurance engagement, the practitioner performs procedures (mainly consisting of inquiries with management and others within the entity, as appropriate, and applying analytical procedures) and evaluates the evidence obtained.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes, inspection of documents, analytical procedures, assessment of the appropriateness of the quantification methods and reporting policies, and agreement or reconciliation with underlying records.

Given the nature of the engagement, we performed the following procedures:

- a) Through inquiries, an understanding of the Company's control environment and relevant information systems was obtained; however, we did not evaluate the design of specific control activities, nor did we obtain evidence regarding their implementation or test their operational effectiveness.
- b) Understanding of the tools used to generate, aggregate, and report the subject matter information through inquiries with those responsible for the related processes.

- c) Understanding, inquiries with management-designated representatives, and verification of the process carried out by the Company in 2024 for the preparation/update of its applicable double materiality analysis, including the participation of its stakeholders in this process.
- d) Interviews with Company personnel to understand its business operations and the process of preparing the 2024 Integrated Report.
- e) Review and understanding of the process for determining the double materiality of Cementos Argos.
- f) Interviews with Company personnel at the consolidation or indicator leadership level, responsible for the consolidated information of the businesses to be reported, to understand the process of data collection, consolidation, and presentation of the subject matter information.
- g) Interviews with the selected plants to review the information that feeds into the corporate-level consolidation of environmental topics.
- h) Interviews with the regional offices to review the information on social investment.
- i) Verification of the calculation criteria and their proper application according to the methodologies described in the criteria for the indicators subject to assurance.
- j) Execution of analytical procedures to support the reasonableness of the data.
- k) Comparison of the information presented in the Integrated Report with the corresponding underlying sources to determine whether it has been appropriately included in the Integrated Report.
- l) Analysis of the data collection processes and internal controls related to the quantitative data reflected in the Report, assessing the reliability of the information using analytical procedures and verification tests based on sampling.
- m) Reviewing the data on the MERO platform as of 28-02-2024.
- n) Reading the information included in the Integrated Report to compare it with the self-declared criteria established by the company according to the GRI 1 - Foundations compliance requirements.
- o) Reading the information included in the Integrated Report to compare it with the criteria defined by the GRI 2 - General Disclosures and GRI 3 - Material Topics standards.
- p) Application of substantive tests on a randomly selected sample of the subject matter information prepared by management to determine the standards and indicators and verify that the data has been measured, recorded, collected, and reported appropriately through:
 - i. Inspection of policies and procedures established by the Company.
 - ii. Inspection of internal and external supporting documents.
 - iii. Recalculations.
 - iv. Comparisons of the content presented by Management against the criteria established in this report.

Annex A details the subject matter information included within the scope of our engagement.

Our limited assurance engagement was conducted solely concerning the subject matter information included in Annex A for the year ended December 31, 2024. We have not performed any procedures related to prior years, projections, or future targets, nor any other element of additional information included in the Integrated Report for the year ended December 31, 2024. Therefore, we do not express any conclusion in this regard.

The procedures applied in a limited assurance engagement vary in terms of their nature and timing of application and are of a more limited scope compared to a reasonable assurance engagement. Consequently, the level of reliability obtained in a limited assurance engagement is substantially lower than that which would have been obtained if a reasonable assurance engagement had been conducted.

We consider that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Independence and Quality Management



We have complied with the ethical and independence requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm, BDO Audit S.A.S. BIC, applies International Standard on Quality Management (ISQM) 1 and, therefore, maintains a comprehensive quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards, and applicable laws and regulations.

Inherent Limitations of the Assurance Engagement

The selected sustainability information is subject to inherent uncertainty due to the use of non-financial information, which is subject to greater inherent limitations than financial information, given the nature of the methods used to determine, calculate, sample, or estimate such information. In preparing the selected information, the entity makes qualitative interpretations regarding the relevance, materiality, and accuracy of the information, which are subject to assumptions and judgments.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the subject matter information specified in Annex A of this report, and which was also included in the Integrated Report for the year ended December 31, 2024, of CEMENTOS ARGOS S.A., has not been prepared in accordance with the criteria set forth in this report.

Restriction on Use of the Report

Our report is issued exclusively for the purpose stated in the first paragraph and should not be used for any other purpose or distributed to third parties separately. This report refers solely to the matters mentioned in the preceding sections and the subject matter information included in Annex A and does not extend to any other financial or non-financial information included in the Integrated Report of CEMENTOS ARGOS S.A. for the year ended December 31, 2024, nor to its financial statements as a whole.

Action Plans

BDO Audit S.A.S. BIC provides CEMENTOS ARGOS S.A., through an additional report, with recommendations for future preparation of the Integrated Report, which do not modify the conclusion expressed in this report, aiming to strengthen the process of developing, managing, measuring, reviewing, reporting, and communicating the Company's sustainability indicators.

Luis Fernando
Gomez
Gonzalez

Firmado digitalmente por Luis
Fernando Gomez Gonzalez
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Bogotá, february 28, 2025.

ANNEX A
Scope of the Limited Assurance Engagement

The following details the GRI standards, SASB standards, the indicators defined by Management as own, and the information from CEMENTOS ARGOS S.A.'s double materiality assessment process covered under this assurance engagement.

These criteria form an integral part of our independent limited assurance report on CEMENTOS ARGOS S.A.'s Integrated Report for the period from January 1 to December 31, 2024.

| GRI Standard | Description |
|---------------------|--|
| 2-7 | Employees |
| 2-8 | Non-employee workers |
| 103-2 | Management of material topics |
| 201-2 | Financial implications and other risks and opportunities due to climate change |
| 204-1 | Proportion of spending on local suppliers in significant locations of operations |
| 205-3 | Confirmed incidents of corruption and actions taken |
| 301-1 | Materials used by weight and volume |
| 302-1 | Energy consumption within the organization |
| 302-4 | Reduction of energy consumption |
| 303-3 | Water withdrawal by source in all areas |
| 303-4 | Water discharge by destination in all areas |
| 303-5 | Water consumption |
| 304-1 | Active, ongoing, and evaluated operations that have significant impacts on biodiversity or that are located within, adjacent to, or contain protected or high-value biodiversity areas, and have an implemented biodiversity management plan |
| 304-4 | Species in the IUCN Red List and species in national conservation lists that inhabit areas affected by operations |
| 305-1 | Direct GHG emissions (Scope 1) |
| 305-2 | Indirect GHG emissions - Scope 2 (Location-based method) and (Market-based method) |
| 305-3 | Other indirect GHG emissions - Scope 3 |
| 305-4 | Direct CO2 emissions - specific gross emissions |
| 305-7 | Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions |
| 306-3 | Waste generated and management |
| 308-1 | Suppliers who have passed environmental selection filters: Suppliers evaluated on sustainability in the last 3 years |
| 308-2 | Environmental impacts and actions |

| GRI Standard | Description |
|--------------|---|
| 401-1 | Total number and turnover rate of employees, broken down by age group, gender, and region |
| 403-5 | Employee training hours on occupational health and safety |
| 403-10 | Occupational illnesses and diseases |
| 403-9 | Work-related injuries |
| 404-1 | Average annual training hours by type of training and employee, broken down by gender and employment category |
| 405-2 | Ratio of base salary and remuneration of women to men |
| 414-1 | New suppliers who have passed social criteria selection filters |
| 414-2 | Social impacts and actions |

| SASB GRI Standard | Topic |
|-------------------|---|
| EM-CM-110a.1 | Gross global direct emissions (Scope 1), percentage covered by emissions-limiting regulations |
| EM-CM-110a.2 | Analysis of long- and short-term strategy or plan to manage Scope 1 emissions, emission reduction targets, and an analysis of results in relation to those targets |
| EM-CM-120a.1 | Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) particulate matter (PM ₁₀), (4) dioxins/furans, (5) volatile organic compounds (VOCs), (6) polycyclic aromatic hydrocarbons (PAHs), and (7) heavy metals |
| EM-CM-130a.1 | (1) Total energy consumed, (2) percentage of grid electricity, (3) percentage of alternative energy, (4) percentage of renewable energy |
| EM-CM -140a.1 | (1) Water withdrawal by source, (2) Water withdrawal in water-stressed areas, (3) Water consumption in water-stressed areas |
| EM-CM-150a.1 | Amount of waste generated, percentage that is hazardous, percentage that is recycled |
| EM-CM-160a.1 | Description of environmental management policies and practices for active facilities |
| EM-CM-160a.2 | Land area disturbed, percentage of affected area that is remediated |
| EM-CM-320a.1 | Incident frequency rate (IFR) for (a) full-time employees and (b) contract employees |
| EM-CM-320a.2 | Number of reported cases of silicosis |
| EM-CM-410a.1 | Percentage of products that meet the requirements of sustainable building design and construction certification credits |

| Own Indicator | Description |
|---------------|---|
| OWN A-EC1 | Specific direct CO ₂ emissions - net |
| OWN A-OE1 | Specific emissions of PM, NO _x , SO _x |

| Own Indicator | Description |
|----------------------|--|
| OWN A-EC2 | Alternative raw materials in cement (%) |
| OWN A-EC3 | Supplementary cementitious materials in concrete (%) |
| OWN A-EC6 | Direct and indirect GHG emissions - by "location" method and "market" method |
| OWN A-BI1 | Active and inactive quarries with high biodiversity value that have a biodiversity management plan |
| OWN A-BI2 | Rehabilitated released areas in active and inactive quarries (%) |
| OWN A-BI3 | Percentage of active facilities located within, adjacent to, or containing protected areas or high biodiversity value areas with a biodiversity management plan |
| OWN A-BI4 | Active and inactive quarries with an established closure plan |
| OWN A-BI5 | Number and area of active and evaluated facilities |
| OWN A-BI6 | Number and area of active facilities located within, adjacent to, or containing protected areas or high biodiversity value areas |
| OWN A-BI7 | Number and area of active facilities located within, adjacent to, or containing protected areas or high biodiversity value areas with a biodiversity management plan |
| OWN TNFD | Total area affected by quarries |
| OWN A-ENE1 | Substitution of fossil fuel caloric consumption by alternative fuels (%) |
| OWN A-EC5 | Specific indirect CO2 emissions - Scope 2, market-based method (Kg CO2/t cementitious material) |
| OWN CSAnh | Environmental investments, expenditures, and savings |
| OWN A-ENE1 | Substitution of fossil fuel caloric consumption by alternative fuels (%) (Repeated) |
| OWN A-A1 | Specific water consumption |
| OWN A-A3 | Specific freshwater withdrawal |
| OWN A-COM1 | Social investment |
| OWN CSA | Supplier profiling |
| OWN CSA | Significant suppliers evaluated in sustainability |
| OWN CSA | Support for corrective action plans with significant suppliers |
| OWN CSA | Capacity-building program with significant suppliers |
| OWN A-TM4 | Percentage of leadership positions in the organization held by women |
| OWN A-SI1 | Frequency and severity index |
| OWN A-SI2 | Occupational disease frequency index - Employees |
| OWN A-SI3 | Number of serious injuries among employees and contractors (#) |
| OWN A-SI4 | Number of injuries per million hours worked (#) |
| OWN A-SI6 | Direct employee absenteeism due to illness |
| OWN A-SI7 | High-risk situations addressed in a timely manner |

| Own Indicator | Description |
|---------------|--|
| OWN A-AR1 | Risk materialization towards the community |
| OWN A-AR2 | Operations with high and critical risk of community impact |
| OWN A-CC1 | Level of relationship with communities |
| OWN A-CC2 | Recurrent complaints |
| OWN A-GO1 | Leveraged resources |
| OWN A-GO2 | Impacted beneficiaries |
| OWN A-COM7 | Corporate volunteering |
| OWN A-CS1 | Revenues obtained from sustainable products and solutions |
| OWN A-IM1 | Customer recommendation percentage |

GCCA Standard

Description

-
- Water withdrawal by source.
 - Total water discharge by destination.
 - Total water consumption.
 - Specific water consumption.
 - Recycled and reused water.
 - Number and percentage of active, inactive, and closure-phase quarries with high biodiversity value that have a biodiversity management plan.
 - Number and percentage of rehabilitated released areas in active and inactive quarries.
 - Percentage of active and inactive quarries with an established closure plan.
 - Species in the IUCN Red List and species on national conservation lists living in areas affected by operations.
-
- Total CO2 emissions - gross.
 - Total CO2 emissions - net.
 - Specific CO2 emissions - gross.
 - Specific CO2 emissions - net.
-
- Specific caloric consumption for clinker production.
 - Alternative fuel rate.
 - Biomass fuel rate.
 - Clinker/cement factor.
 - Percentage of alternative raw materials in cement.
-
- Total coverage (percentage of clinker produced in kilns covered with monitoring systems, continuous or discontinuous, for particulate matter, NOx, SOx, VOC/THC, heavy metals).
 - Continuous emission monitoring coverage (percentage of clinker produced in kilns covered with continuous monitoring systems for particulate matter, NOx, SO2).
 - Absolute particulate matter emissions from clinker kilns only.
-
- Particulate matter monitoring coverage rate.
-
- Specific NOx emissions.
 - NOx monitoring coverage rate.
-

Specific SOx emissions.
SOx monitoring coverage rate.
Absolute VOC/THC emissions.
Specific VOC/THC emissions.
VOC/THC monitoring coverage rate.
Absolute PCDD/F emissions.
Specific PCDD/F emissions.
PCDD/F monitoring coverage rate.
Absolute Hg emissions.
Specific Hg emissions.
Hg monitoring coverage rate.
Absolute HM1 emissions (Cd + Tl).
Specific HM1 emissions (Cd + Tl).
HM1 monitoring coverage rate (Cd + Tl).
Absolute HM2 emissions (sum of Sb, As, Pb, Cr, Co, Cu, Mn, Ni, V).
Specific HM2 emissions (sum of Sb, As, Pb, Cr, Co, Cu, Mn, Ni, V).
HM2 monitoring coverage rate (sum of Sb, As, Pb, Cr, Co, Cu, Mn, Ni, V).

Occupational injury frequency rate.
Frequency and severity rate - employees.
Frequency and severity rate - contractors.
Number of lost-time injuries: short and long absence.
Fatalities among direct employees.
Fatalities among contractors.
Fatalities among third-party employees.

| Topic |
|---|
| Direct GHG emissions Scope 1; Indirect GHG emissions from energy generation Scope 2 |
| Alternative materials and fuels: volume of material used, volume of material avoided, waste avoided |
| Average salary by gender |
| Total number of employees; number of employees leaving Argos by gender |
| Average exit age by gender; average retirement age; average exit age |
| Total number of training hours |
| Areas with extreme water scarcity; Areas of scarcity; Areas of water stress; Sufficient water reserves; Areas with water abundance |
| Water consumption in areas of water scarcity; Water consumption in areas of extreme water scarcity; water consumption in areas of water stress |
| Net impacts on biodiversity by ecosystem type (affected areas, restored areas, compensated areas) |
| Significant air emissions Particulate Matter, NOx, SOx, Hg |
| Number of short-term lost-time injuries |
| Number of long-term lost-time injuries |
| Number of occupational diseases |
| Number of fatalities |
| Supplier spending - Energy and fuels; Raw materials; Mining services and operations; Industrial and MRO; Logistics; Corporate and professional services; IT/Telecom; Administrative; Packaging |
| Social investment: <ul style="list-style-type: none"> • Community infrastructure: business initiatives with social impact; community investment; donations • Educational infrastructure: business initiatives with social impact; community investment; donations • Housing: business initiatives with social impact; community investment; donations • Scholarships • Quality education |

VAS Indicators

| Materiality Analysis | Description |
|---|---|
| Update and progress in 2024 on the results of the double materiality analysis for the year 2022 | Methodological process designed and implemented by Cementos Argos S.A. for the double materiality analysis (conducted in 2022), valid for two (2) years. For the 2024 report, BDO conducted its verification through inquiries and document inspection on the progress made in integrating the prioritized impacts, risks, and opportunities from the double materiality analysis with the corporate strategic risks, as well as monitoring material topics in connection with the business strategy. |

CERTIFICATION OF THE COMPANY'S LEGAL REPRESENTATIVE

In my capacity as Legal Representative of Cementos Argos S.A. (“Cementos Argos”) I certify that the 2024 Integrated Report contains the information required by External Circular 012 of 2022 of the Financial Superintendency of Colombia regarding the periodic year-end report and includes all material aspects of the business as of December 31, 2024.

The foregoing was done in compliance with the process of identification and evaluation of the controls and procedures used by Cementos Argos for the recording, processing and analysis of the information required for the purposes of reporting the 2024 year-end report through the National Registry of Securities and Issuers (RNVE).



Felipe Aristizabal Restrepo
Legal Representative

Creating value goes beyond numbers, it is also about providing support and trust as allies, driving development, transforming realities and creating meaningful connections with our stakeholders around the higher purpose of **making possible the construction of housing and infrastructure dreams that enable a more sustainable, thriving and inclusive society.**