ISSUER REPORT

TO THE JOINT GENERAL MEETING OF THE ORDINARY BONDHOLDERS OF GRUPO DE INVERSIONES SURAMERICANA S.A.

PARTIAL SPIN-OFF BY ABSORPTION OF CEMENTOS ARGOS S.A., GRUPO ARGOS S.A. Y GRUPO SURA S.A.

February 11, 2025

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INTRODUCTION

In accordance with the provisions of Article 6.4.1.1.18 of Decree 2555 of 2010 (the “Decree 2555”), the Legal Representative of Grupo de Inversiones Suramericana S.A. (“Issuer” or “Grupo SURA”) has prepared this report (the “Report”) in order to provide the joint general meeting of bondholders placed by Grupo SURA in the issuances indicated in Section 1 of the Report (the “Bondholders' Meeting”), with broad and sufficient information about the partial spin-off by absorption project between Grupo SURA, Grupo Argos S.A. (“Grupo Argos”) and Cementos Argos (“Cementos”), (the three companies, “the Companies”), which aims to dispose in an organized manner the shareholdings that, on one hand, Grupo SURA has in Grupo Argos and, on the other hand, Grupo Argos and Cementos have in Grupo SURA (the “Spin-Off Project”[1] or the “Spin-Offs”).

The Report contains financial, administrative, legal, and other relevant information that the Issuer considers necessary for the bondholders of Grupo SURA (the “Bondholders”) to make an informed decision about the Spin-Off Project, as well as the effects of these Spin-Offs on the interests of the Bondholders. It details the current situation of Grupo SURA and the status of its current issuances. It also describes the general considerations of the Spin-Offs, including their foundation and strategic rationale. The financial, accounting, and tax effects of this operation are analyzed, as well as its implications for creditors. Additionally, the required approvals, the report of Alianza Fiduciaria S.A. as the Legal Representative of the Bondholders, and the opinion issued by Fitch Ratings Colombia S.A. are related, where it is considered that Grupo SURA has the capacity to manage its liquidity profile, supported by a stable source of income derived from the dividends of its investments in the financial services sector.

[1] The Spin-Off Project is available on the Issuer's website: https://www.gruposura.com/wp-content/uploads/2025/01/sura-grupo-proyecto-escision-argos-asamblea-2025.pdf”

1. CURRENT ISSUANCES OF THE ISSUER

Grupo SURA has an Issuance and Placement Program for bonds and commercial papers authorized by the Financial Superintendence of Colombia (the "SFC") through Resolution 0564 of April 10, 2014, and subsequent modifications, under which three (3) tranches were issued in 2014, 2017, and 2020, and a bond issuance authorized in November 2009 and issued the same year. As of the date of this report, ordinary bonds amounting to one trillion two hundred sixty-two billion six hundred eighty-six million Pesos COP 1,262,686,000,000 are outstanding:

1.1. Current issuances of the Ordinary Bonds and Commercial Papers Issuance and Placement Program of April 2014:

Year of Issuance	2014	2017	2020		
Bond	Ordinary Bonds (First Tranch)	Ordinary Bonds (Second Tranch)	Ordinary Bonds (Third Tranch)		
Serie	D	C	C	C	C
Subserie	D16	C12	C7	C12	C20
Issuance Date	07/05/2014	23/02/2017	11/08/2020	11/08/2020	11/08/2020
Maturity Date	07/05/2030	23/02/2029	11/08/2027	11/08/2032	11/08/2040
Nominal	COP 100.000.000.000	COP 190.936.000.000	COP 296.350.000.000	COP 180.320.000.000	COP 299.580.000.000
Term (Years)	16	12	7	12	20
Indexation	IPC	IPC	IPC	IPC	IPC
Spread	4,15%	3,58%	2,54%	3,39%	3,78%
ISIN Code	COT13CB00074	COT13CB00116	COT13CB00132	COT13CB00140	COT13CB00157
Rating	AAA				
Rating Agency	Fitch Ratings				
Bondholders' Legal Representative	Alianza Fiduciaria				
Outstanding Balance as of the Bondholders' Meeting Call Date	COP 100.000.000.000	COP 190.936.000.000	COP 296.350.000.000	COP 180.320.000.000	COP 299.580.000.000
Saldo insoluto del empréstito del Programa Outstanding Balance as of the Program	COP 1.067.186.000.000				

1.2. Current issuances of 2009 bonds:

Year of Issuance	2009	
Bond	Ordinary Bonds	
Serie	C	C
Subserie	C20	C40
Issuance Date	25/11/2009	25/11/2009
Maturity Date	25/11/2029	25/11/2049
Nominal	COP 98.000.000.000	COP 97.500.000.000
Term (Years)	20	40
Indexation	IPC	IPC
Spread	5,90%	6,98%
ISIN Code	COT13CB00025	COT13CB00033
Rating	AAA	
Rating Agency	Fitch Ratings	
Bondholders' Legal Representative	Alianza Fiduciaria	
Outstanding Balance as of the Bondholders' Meeting Call Date	COP 98.000.000.000	COP 97.500.000.000

2. SPIN-OFFS

The terms used with initial capital letters, which are not defined in this document, have the meaning assigned to them in the Spin-Off Project, approved by each of the boards of directors of the Companies, published on January 31, 2025, and which will be submitted for approval at meetings of their shareholders' assemblies to be held in March of the current year. Below are the main issues contained in the Spin-Off Project. In case of any contradiction between the terms described here and the Spin-Off Project, it should be understood that the terms of the Spin-Off Project prevail.

2.1. Description of the Participating Companies

2.1.1. Grupo SURA

Grupo de Inversiones Suramericana S.A., is a corporation incorporated in the Republic of Colombia, identified with NIT 811.012.271-3, constituted by public deed number 2295 of December 24, 1997, and registered with the Medellín Chamber of Commerce on December 24, 1997. It is a holding company of a financial conglomerate, with a footprint in financial services in Latin America, presence in 10 countries, and a base of more than 73 million clients. Grupo SURA has an investment portfolio in leading companies, through Suramericana S.A. (insurance, trends, and risks), SURA Asset Management S.A. (pensions, savings, investments, and asset management), and Bancolombia S.A. (universal banking).

2.1.2. Grupo Argos

Grupo Argos S.A., is a corporation incorporated in the Republic of Colombia, identified with NIT 890.900.266-3, constituted by public deed number 472 of February 27, 1934, and registered with the Medellín Chamber of Commerce on March 2, 1934.

Grupo Argos is a holding company of investments in infrastructure, a reference in the American continent, and a leader in the cement business. Grupo Argos has an investment portfolio in road and airport concessions and a differentiating and innovative portfolio in conventional and renewable energies. As of the end of 2024, Grupo Argos, at a consolidated level, integrates approximately COP 52 trillion in assets, with presence in 18 countries and more than 9,500 employees.

2.1.3. Cementos Argos

Cementos Argos S.A., is a corporation incorporated in the Republic of Colombia, identified with NIT 890.100.251-0, constituted by public deed number 1,299 of August 14, 1944, and registered with the Barranquilla Chamber of Commerce on August 18, 1944. It is a company dedicated to the exploitation of the cement industry and the production of concrete mixes and any other materials or articles based on cement, lime, or clay.

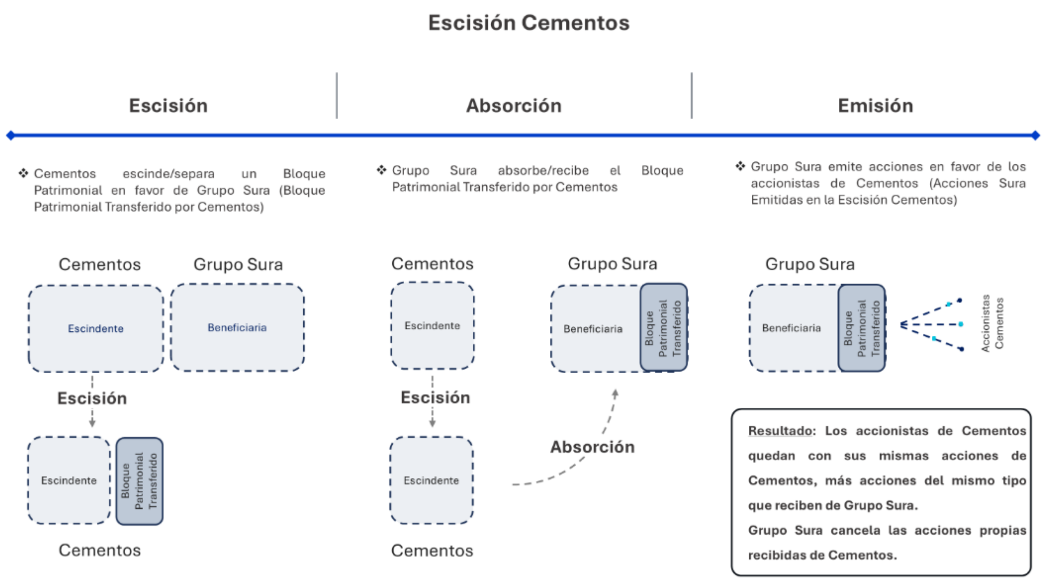
2.2. Description of the Spin-Offs

On December 18, 2024, Grupo Argos and Grupo SURA signed a Spin-Off Agreement. Subsequently, Cementos adhered to the Spin-Off Agreement, so Cementos, Grupo Argos, and Grupo SURA signed a Comprehensive Amendment to the Spin-Off Agreement on December 27, 2024. Through the agreement, the Companies agreed to dispose in an organized manner and ensure equitable treatment for all shareholders of the Companies, the shareholdings that, on one hand, Grupo SURA has in Grupo Argos and, on the other hand, Grupo Argos and Cementos have in Grupo SURA. This will be achieved through partial spin-offs by absorption, which will be approved and perfected substantially simultaneously.

In accordance with applicable corporate authorizations, Grupo SURA convened an ordinary meeting of its Shareholders' Assembly on March 28, 2025, including within the agenda the presentation and approval of the Spin-Off Project. The text of the Spin-Off Project is available on the Issuer's website and complements the aspects described in this Report.
Grupo Argos and Cementos will also submit the Spin-Off Project for approval by their respective shareholders' assemblies, in meetings already convened, which will be held on March 27 and 25, respectively.
The Spin-Offs will be approved based on the separate financial statements of each of the Companies as of December 31, 2024. They are regulated in the Spin-Off Project as follows:

2.2.1. First, Cementos will spin off in favor of Grupo SURA a Equity Block composed of certain asset accounts and their corresponding equity counterparts, which constitutes an economic exploitation unit composed of: (a) the Ordinary Shares it holds in Grupo SURA, and (b) the Ordinary Shares of Grupo SURA held by the Autonomous Equity FAP Cementos Inhibidor del Voto (the "Equity Block Transferred by Cementos"). The details of the components of the Equity Blocks are detailed later in Section 2.3 of this Report.

(Original diagram)

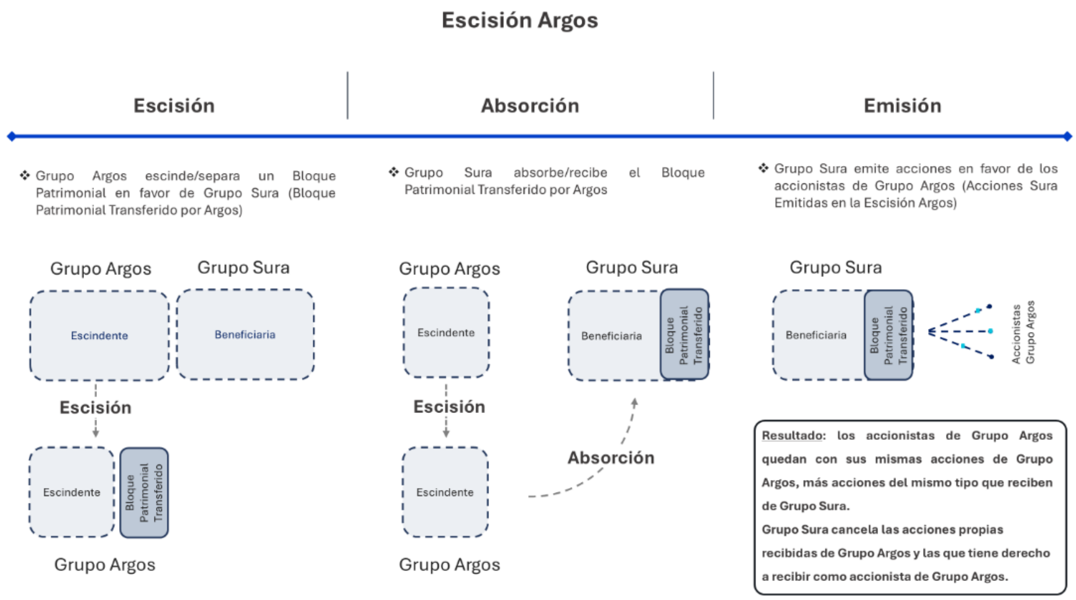


Then, substantially simultaneously:

Grupo Argos will spin off in favor of Grupo SURA a Equity Block composed of certain asset accounts and their corresponding equity counterparts, which constitutes an economic exploitation unit composed of: (a) the Ordinary Shares it holds in Grupo SURA (including the Ordinary Shares of Grupo SURA it has received as a result of the Cementos Spin-Off), and (b) the Ordinary Shares of Grupo SURA held by the Autonomous Equity FAP Grupo Argos Inhibidor del Voto[2] (the "Equity Block Transferred by Argos"). The details of the components of the Equity Blocks are detailed later in Section 2.3 of this Report.

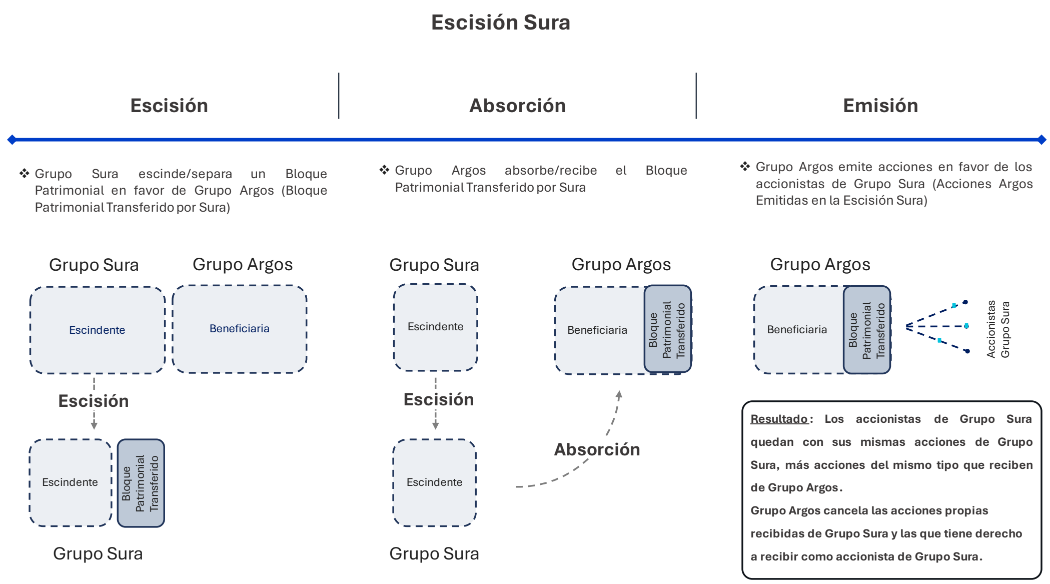
(Original diagram)

[2] Grupo Argos is the sole trustee of the Autonomous Equity FAP Grupo Argos Inhibidor del Voto, which was established with the purpose and irrevocable instruction not to exercise the political rights inherent to the trust shares under any event or circumstance, so Grupo Argos is not the real beneficiary of these shares.



Finally, Grupo SURA will spin off in favor of Grupo Argos a Equity Block composed of certain asset accounts and their corresponding equity counterparts, which constitutes an economic exploitation unit composed of: (a) the Ordinary Shares it holds in Grupo Argos, and (b) the Ordinary Shares of Grupo Argos held by the Autonomous Equity Inhibitor of Voting PA Acciones SP, of which Grupo SURA is the sole trustee (the “Equity Block Transferred by Sura”, and together with the Equity Block Transferred by Cementos and the Equity Block Transferred by Argos, the “Transferred Equity Blocks”). The details of the components of the Equity Blocks are detailed later in Section 2.3 of this Report.

(Original diagram)



It is highlighted that Cementos will only be the spin-off company in the Cementos Spin-Off and will not be the beneficiary company in any of the Spin-Offs. Grupo Argos will be the spin-off company in the Argos Spin-Off and the beneficiary company in the SURA Spin-Off, and Grupo SURA will be the spin-off company in the SURA Spin-Off and will be the beneficiary company in the Cementos Spin-Off and the Argos Spin-Off.

Consequently, Grupo Argos and Grupo SURA, as beneficiary companies in the Spin-Offs, and given the formation of the Transferred Equity Blocks, will receive their own shares as follows: (a) Grupo Argos will receive shares issued by itself as a result of the SURA Spin-Off, which will be canceled, and (b) Grupo SURA will receive shares issued by itself as a result of the Cementos Spin-Off and the Argos Spin-Off, which will be canceled.

As in any spin-off, the beneficiary company must issue shares to the shareholders of the spin-off company. Consequently, (i) Grupo Argos will issue shares to the shareholders of Grupo SURA; and (ii) Grupo SURA will initially issue shares to the shareholders of Cementos (including Grupo Argos) and subsequently to the shareholders of Grupo Argos. Cementos, not being a beneficiary company in the Spin-Offs, will not issue shares.

The distribution of shares of the beneficiary companies will be done by delivering to the shareholders of the corresponding spin-off companies, shares with economic and political rights equivalent in substance to those of the shares held in the spin-off companies, in proportion to their participation in the spin-off companies before the corresponding Spin-Off. Consequently, the economic and political rights that a shareholder will maintain in the spin-off company and will receive in the corresponding beneficiary company as a result of the corresponding Spin-Off, will be equivalent in substance to the economic and political rights that that shareholder had in the spin-off company before the corresponding Spin-Off. Thus, holders of Ordinary Shares in the corresponding spin-off company will be delivered Ordinary

Shares of the corresponding beneficiary company, and holders of shares with preferential dividends and without voting rights ("Preferential Shares") of the corresponding spin-off company will be delivered Preferential Shares of the corresponding beneficiary company.

2.2.2. As a result of the above, the distribution of shares in the capital of the beneficiary companies in favor of the shareholders of the spin-off companies will be carried out as follows and based on the number of shares outstanding of the spin-off companies as of January 31, 2025[3], without considering repurchase programs that the Companies have or may have[4]:

- Each Cementos shareholder would receive at least 0.021814 shares of Grupo SURA for each share they hold in Cementos,
- Taking into account the shares of Grupo SURA that Grupo Argos receives as a Cementos shareholder as a result of the Spin-Off, each Grupo Argos shareholder would receive at least 0.235135 shares of Grupo SURA for each share they hold in Grupo Argos, and
- Each Grupo SURA shareholder, including Cementos shareholders who received shares of Grupo SURA as a result of the Cementos Spin-Off, would receive at least 0.723395 shares of Grupo Argos for each share they hold in Grupo SURA.

2.2.3. Aa result of the cancellation of own shares that Grupo SURA must issue to itself as the beneficiary of the Argos Spin-Off, the percentage participation of the current shareholders of Grupo SURA in the capital of this company will increase and the number of subscribed and outstanding shares of Grupo SURA will decrease.

Due to the reduction in the number of subscribed shares, as part of the spin-off reforms authorized with the approval of the Spin-Off Project, and conditioned on the perfection of the Spin-Offs, the increase in the nominal value of Grupo SURA shares is authorized so that its capital is maintained as a result of the Spin-Offs. This increase will be determined by dividing: (i) the value of the subscribed capital on the corresponding cut-off date by (ii) the number of shares that will be subscribed by Grupo SURA once the Spin-Offs have been perfected.

2.2.4. The perfection of the Spin-Offs is subject to the conditions included in Section 7 of the Spin-Off Project, including the approval of the Spin-Off Project by the shareholders' assemblies of the Companies and the authorization of the Spin-Offs by the SFC and the Bondholders. Therefore, considering that the Spin-Offs are conditioned as described in Section 7 of the Project, it is possible that, even if they are approved by the shareholders' assemblies, the SFC, and the Bondholders, the Spin-Offs may not be perfected.

[3] Although the figures in the Spin-Off Project have been expressed with six truncated decimals, the number of shares each shareholder will receive will be calculated taking into account all the decimals resulting from calculating and applying the corresponding distribution ratio. If the application of the Distribution Ratio in the Spin-Offs results in fractions of shares in favor of the shareholders of the spin-off companies, then the Companies will apply the procedure described in Sections 8.5, 8.11, and 8.14 of the Spin-Off Project.

[4] The Sura Shares Issued in the Argos Spin-Off and the Cementos Spin-Off have not been registered under the U.S. Securities Act of 1933 nor under the applicable securities laws of any state or jurisdiction other than Colombia, and it is proposed to issue them without requiring their registration under the registration requirements of the U.S. Securities Act of 1933.

2.2.5. Since the Companies have, or may have, repurchase programs for their shares in execution, which may lead to an increase in the distribution ratio of the beneficiary company's shares to the shareholders of the corresponding spin-off company, the distribution ratios included here may vary between the date the Project was published and the cut-off date established in the Spin-Off Project. Consequently, the distribution ratios mentioned are not definitive and were included indicatively for the decision-making regarding the corresponding Spin-Off by the shareholders of each Company. Each Company will determine and disclose to the market in due course the date and duration of the suspension of its repurchase programs and the definitive distribution ratio of shares. Although the figures in the Spin-Off Project and this Report have been expressed with six truncated decimals, the number of shares each shareholder will receive will be calculated taking into account all the decimals resulting from calculating and applying the corresponding distribution ratio.

2.2.6. For more details on the Spin-Offs, Bondholders can consult the Spin-Off Project available on the Issuer's website.

2.3. Description of the Transferred Equity Blocks

As previously indicated, by virtue of the Spin-Offs, each Company, in its capacity as the spin-off company, transfers a Equity Block composed of certain asset accounts and their corresponding equity counterparts, which constitutes an economic exploitation unit composed of: (a) the Ordinary Shares it holds in Grupo SURA or Grupo Argos, as applicable, and (b) the Ordinary Shares in Grupo SURA or Grupo Argos held by the respective Autonomous Equity (as defined below).

2.3.1. Currently, the Equity Block Transferred by Cementos in the Cementos Spin-Off is composed as follows:

a. Ordinary Shares of Grupo SURA, representing 1.04% of the outstanding capital of Grupo SURA, and

b. 100% of the fiduciary rights of the Autonomous Equity FAP Cementos Argos Inhibidor del Voto, an autonomous equity whose sole trustee is Cementos, which in turn holds 24,300,000 Ordinary Shares of Grupo SURA, representing 6.15% of the outstanding capital of Grupo SURA, established with the purpose and irrevocable instruction not to exercise the political rights inherent to the trust shares under any event or circumstance, so Cementos is not the real beneficiary of these shares; and

c. With the corresponding equity counterparts, the Equity Block Transferred by Cementos is presented as follows in the proforma separate financial statements of Cementos (Annex D):

Equity Block Transferred by Cementos	
Asset Account / Equity Account	**Book Value of the Transferred Equity Block (see proforma details)**

4.094.940 ordinary shares of Grupo SURA held by Cementos	298.136
24.300.000 ordinary shares of Grupo SURA held by the PA Cementos Inhibitor	1.769.186
Total assets to be spun off[5]	**2.067.322**
Accumulated results	30.609
Other comprehensive income	2.036.713
Total equity to be spun off	**2.067.322**

Figures in millions of Colombian pesos.

2.3.2. Currently, the Equity Block Transferred by Argos in the Argos Spin-Off is composed as follows:

a. 26.507.774 Ordinary Shares of Grupo SURA, representing 1.04% of the outstanding capital of Grupo SURA, and

b. 100% of the fiduciary rights of the Autonomous Equity FAP GA Inhibidor del Voto, an autonomous equity whose sole trustee is Grupo Argos, which in turn held 155,200,000 Ordinary Shares of Sura, representing 39.28% of the outstanding capital of Grupo Sura, established with the purpose and irrevocable instruction not to exercise the political rights inherent to the trust shares under any event or circumstance, so Grupo Argos is not the real beneficiary of these shares, and

Additionally, the following assets will be added to the Equity Block Transferred by Argos later and in any case, before the dates indicated below:

a. At least 179.483 Ordinary Shares of Grupo Sura that it will receive before the date on which the approval of the Spin-Offs by the SFC becomes final, as a result of the disposal of the Ordinary Shares of Grupo Sura held by its subsidiary Celsia S.A. (understood that the figures included in this section may change as a result of the execution of Celsia's repurchase program), and

b. 15.399.412 Ordinary Shares of Grupo Sura that it will receive as a result of the Cementos Spin-Off in its capacity as a Cementos shareholder (understood that the figures included in this section may change as a result of the execution of Cementos' repurchase program).

c. With the corresponding equity counterparts, the Equity Block Transferred by Argos is presented as follows in the proforma separate financial statements of Grupo Argos (Annex C):

Equity Block Transferred by Argos	
Asset Account / Equity Account	**Book Value of the Transferred Equity Block (see proforma details)**

[5] The book value of the patrimonial block to be spun off includes the adjustment associated with the measurement of the asset at fair accounting value for accounting purposes.

42.086.669 ordinary shares of Grupo SURA held and to be held by Grupo Argos, as applicable	2.307.359
155.200.000 ordinary shares of Grupo SURA held by the PA Argos Inhibitor	8.508.685
Total assets to be spun off[6]	**10.816.044**
Share issue premium	1.503.373
Reserves	925.983
Accumulated results	7.756.826
Other equity components	90.784
Other comprehensive income	539.078
Total equity to be spun off	**10.816.044**

Figures in millions of Colombian pesos.

2.3.3. Currently, the Equity Block Transferred by SURA in the SURA Spin-Off is composed as follows:

a. 256.798.303 Acciones Ordinary Shares of Grupo Argos, representing 30.61% of the outstanding capital of Grupo Argos;

b. 100% of the fiduciary rights of the Autonomous Equity Inhibitor of Voting PA Acciones SP, an autonomous equity which in turn holds 29,036,085 Ordinary Shares of Grupo Argos, representing 3.46% of the outstanding capital of Grupo Argos, established with the purpose and irrevocable instruction not to exercise the political rights inherent to the trust shares under any event or circumstance, so Grupo SURA is not the real beneficiary of these shares; and

c. With the corresponding equity counterparts, the Equity Block Transferred by SURA is presented as follows in the proforma separate financial statements of Grupo SURA:

Equity Block Transferred by SURA	
Asset Account / Equity Account	**Book Value of the Transferred Equity Block (see proforma details)**
256.798.303 ordinary shares of Grupo Argos held by Grupo SURA	5.868.318
29.036.085 ordinary shares of Grupo Argos held by the PA SURA Inhibitor	663.529
Total assets to be spun off[7]	**6.531.847**
Share issue premium	2.433.033

[6] The book value of the equity block to be spun off includes the adjustment associated with the measurement of the asset at fair accounting value for accounting purposes.
[7] The book value of the equity block to be spun off includes the adjustment associated with the measurement of the asset at fair accounting value for accounting purposes.

Reserves	513.000
Accumulated earnings	3.585.814
Total equity to be spun off	**6.531.847**

Figures in millions of Colombian pesos.

2.4. Valuation Method and Distribution Ratio of Issued Shares

In accordance with the provisions of numeral 2.1.15 of Chapter IV, Title I, Part III of the Basic Legal Circular issued by the SFC (the "CBJ"), it is necessary to carry out valuations using recognized technical methods for the Equity Block Transferred by each of the Companies, taking into account the going concern principle and complying with the general criteria of numeral 2.11 of Chapter IV, Title I, Part III of the CBJ (General conditions of appraisals and other valuation studies).

The Companies hired Inverlink S.A.S. to carry out the valuation of each of them, and based on this valuation, the value of each of the Transferred Equity Blocks was determined.

The valuation method used to value the Companies was the sum-of-the-parts method, which aggregates discounted free cash flows, as described in Annex L of the Spin-Off Project. This method adheres to the criteria of objectivity, source certainty, transparency, integrity, commercial reasonableness, and sufficiency demanded by the aforementioned regulations and meets the requirements established in numerals 2.11.4.1 to 2.11.4.11 of Chapter IV, Title I, Part III of the CBJ. The valuation yielded value ranges per share for Cementos, Grupo Argos, and Grupo SURA, before giving effect to the Spin-Offs, as stated in chapter 11 of the Spin-Off Project, and within these ranges, each of the Companies defined a value per share.

Considering that, at the accounting level, Grupo SURA and Grupo Argos have always recorded their investments in associates in their consolidated financial statements under the equity method, and given that this method requires the elimination of cross-holdings, the value per share defined by the Companies, as described in the previous paragraph, was adjusted using the same methodology applied in the equity method. This will ensure the homogeneity and comparability of accounting records. Since Cementos does not recognize its investment in Grupo SURA under the equity method, it did not apply this purification procedure and selected a value within the range yielded by the valuation. Thus, a reasonable value per share of Grupo SURA was defined for accounting purposes for Cementos; a reasonable value per share of Grupo SURA for accounting purposes for Grupo Argos; and a reasonable value per share of Grupo Argos for accounting purposes for Grupo SURA.

The distribution ratio of the shares issued by the beneficiary companies of each spin-off is calculated by dividing the number of shares that the spin-off company will spin off from the beneficiary company by the number of shares outstanding of the spin-off company on the cut-off date established for each Spin-Off. It is highlighted that, as explained in Sections 11 and 12 of the Spin-Off Project, regardless of the value per share assigned to each of the Companies, the distribution ratio of shares for shareholders does not vary.

2.5. Reasons for the Spin-Offs for Grupo SURA

a. Allow Grupo SURA to have a greater focus and continue deepening its specialization and developing its long-term business plan. This, in turn, will increase its ability to attract more investors and capital to develop its strategy and business plan in the long term.
b. Develop Grupo SURA's strategy and its capital allocation focused on financial services.
c. Reveal value and enable a simpler shareholding structure that adapts to market trends and the vision of investors globally.
d. Allow shareholders to move from having indirect exposure to having a direct investment in specialized companies, preserving their economic value, through a simpler structure that enables greater value revelation.
e. Increase the float and encourage greater liquidity of the shares of the beneficiary companies, a determining criterion to allow entry into global indices.
f. Adapt the Companies' structure to international corporate governance standards as a mechanism to attract more institutional investors to Colombia and create conditions to promote savings among Colombian people.

2.6. Effects of the Spin-Offs and Absorptions on Grupo SURA's Equity

Below is a summary of Grupo SURA's equity position as a result of the SURA Spin-Off. For more details, see the proforma financial statements of Grupo SURA attached as Annex B. In any case, the proforma financial statements of Grupo SURA will be updated on the cut-off date.

Datos contables al 31 de diciembre de 2024	Grupo SURA before the Spin-Offs and Absorptions	Grupo SURA after the Spin-Offs and Absorptions
Total Assets	30.964.691	25.262.370
Total Liabilities	9.532.478	9.733.757
Net Equity	21.432.213	15.528.613
Authorized Capital	112.500	112.500
Subscribed and Paid Capital	109.121	109.121
Subscribed and Paid Shares*	581.977.548	514.767.772
Repurchased Shares*	186.848.946	186.848.946
Outstanding Shares*	395.128.602	327.918.826
Nominal Value per Share	187,50	211,98
Equity Value (intrinsic value) per share	54.241,11	47.355,05

Figures in millions of Colombian pesos, except for the nominal value per share and the equity value (intrinsic value) per share, which are in pesos.
*Number of shares.

Grupo SURA's equity will be divided into two parts: (a) one part that will remain with Grupo SURA, without modifying or diluting the participation of its shareholders, and (b) the Equity Block Transferred by SURA that will be spun off in favor of Grupo Argos, for which Grupo SURA's shareholders will be issued shares of Grupo Argos of the same type and in the same proportion as they had in Grupo SURA on the cut-off date as provided in the Spin-Off Project. For its part, the Equity Block Transferred by SURA, which constitutes an economic exploitation unit, is composed of certain asset accounts and their corresponding equity counterparts. The effect of the Spin-Off on Grupo SURA's financial position is reflected in the following table:

	As of December 31, 2024	Pre-Stage Effect	Argos Spin-Off Effect	SURA Spin-Off Effect	Proforma Balances[8]
Assets					
Investment in Grupo Argos	5.660.243	871.604	(6.531.847)		-
Other assets	25.304.448	(42.078)	-	-	25.262.370
Total Assets	**30.964.691**	**829.526**	**(6.531.847)**	**-**	**25.262.370**
Total Liabilities	**9.532.478**	**-**	**-**	**201.279**	**9.733.757**
Equity					
Issued Capital	109.121	-	-	-	109.121
Share issue premium	3.290.767	-	(2.433.033)	-	857.734
Reserves	566.470	-	(513.000)	-	53.470
Reserve for share repurchase	136.776	-	-		136.776
Net profit for the period	5.331.776	829.526	-	(201.279)	5.960.023
Accumulated earnings	9.735.037	-	(3.585.814)	-	6.149.223
Other comprehensive income	2.262.266	-	-	-	2.262.266
Total Equity	**21.432.213**	**829.526**	**(6.531.847)**	**(201.279)**	**15.528.613**
Total Liabilities and Equity	**30.964.691**	**829.526**	**(6.531.847)**	**-**	**25.262.370**

Figures in millions of Colombian pesos

2.8. Authorizations Required to Formalize the Spin-Offs

2.8.1. Authorization for the Call of the General Assembly of Bondholders

Considering that Grupo SURA is an issuer of bonds in the public securities market, in accordance with the provisions of Article 6.4.1.1.18 of Decree 2555 of 2010 and Part III, Title I, Chapter I, Numerals 4.3.1 and 4.3.2 of the CBJ, on March 7, the SFC approved the draft notice of the call for the Assembly of Bondholders and this Report.

2.8.2. Authorization of the Assembly of Bondholders

In accordance with Article 6.4.1.1.42 of Decree 2555 and Part III, Title I, Chapter I, Numeral 4.4 of the CBJ, the Issuer cannot spin off during the term of a bond issuance unless authorized by the General Assembly of Bondholders; or, alternatively and with prior authorization from the SFC, one of the options provided in the mentioned articles is implemented.

Since Grupo SURA has bonds registered in the National Registry of Securities and Issuers (RNVE), it will convene the General Assembly of Bondholders under the terms of Article 6.4.1.1.17 of Decree 2555 and following and Part III, Title I, Chapter I, Numeral 4 of the CBJ, to request authorization regarding the SURA Spin-Off and the Argos Spin-Off, in which the Issuer acts as the spin-off company and beneficiary company, respectively.

[8] For more details, see Annex A – Proforma Financial Statements of Grupo SURA

The following aspects developed in some other sections of this Report are highlighted:

- Grupo SURA has the financial capacity to continue fulfilling its obligations and thus continue organically reducing its debt.
- As a result of the Spin-Offs, Grupo SURA's assets will represent more than twice the respective external liabilities, and the Spin-Offs will not represent a deterioration in the Issuer's credit capacity.

2.8.3. Authorization of the General Assembly of Shareholders

The Spin-Off Project, in accordance with Article 4 of Law 222 of 1995, will be submitted for consideration by the shareholders of the Companies.

2.8.4. Authorization of the Spin-Offs by the SFC

Given that the Companies are subject to the exclusive control of the SFC, in addition to the respective corporate authorizations required by law and their bylaws, to formalize and perfect the Spin-Offs, prior authorization from the SFC is required in accordance with the provisions of literal B of Article 11.2.1.4.50 of Decree 2555 of 2010 and the provisions of Chapter IV of Title I Part III of the CBJ.

2.9. Financial Statements

Each Company has prepared separate financial statements that serve as the basis for the Spin-Offs, as of December 31, 2024, duly certified, audited, with notes, which are included as annexes to the Spin-Off Project. These will be submitted for approval at the Shareholders' Assembly of each of the Companies to be held in March of the current year, prior to the approval of the Spin-Off Projects.

Similarly, each Company has prepared its proforma financial statements as follows: (a) Cementos prepared proforma financial statements in relation to the Cementos Spin-Off, (b) Grupo Argos prepared proforma financial statements in relation to the Argos Spin-Off and the SURA Spin-Off, and (c) Grupo SURA prepared proforma financial statements in relation to the Cementos Spin-Off, the Argos Spin-Off, and the SURA Spin-Off; assuming that the Cementos Spin-Off is perfected before the substantially simultaneous implementation of the Argos Spin-Off and the SURA Spin-Off, all under the terms described in the Spin-Off Project. These proforma financial statements have been prepared based on the Spin-Off financial statements as of December 31, 2024, of each of the Companies and are included as annexes in the Spin-Off Project. For the purposes of this Report, the separate financial statements as of December 31, 2024, and the proforma financial statements of Grupo SURA are attached as Annex A and Annex B, respectively, in this Report.

3. EFFECTS OF THE SPIN-OFF ON THE ISSUER'S BONDHOLDERS

3.1. Financial and Tax Effects for Grupo SURA

3.1.1. Financial Effects for Grupo SURA

As a result of the Spin-Offs, no increase in Grupo SURA's debt balance is contemplated. The main financial effect for Grupo SURA is that it will stop receiving dividend income from its investment in Grupo Argos, which represented 7.1% and 7.7% of total cash income in 2023 and 2024, respectively.

Once the Spin-Offs are perfected, Grupo SURA's cash income will be mainly represented by dividends received from financial services companies: Suramericana S.A., Sura Asset Management S.A., and Bancolombia S.A., which have an adequate capital position, liquidity, balance sheet strength, and competitive position, and generated dividends for Grupo SURA of COP 1.48 trillion and COP 1.72 trillion in 2023 and 2024, respectively.

It is expected that the dividends received after the Spin-Off and the strength of its portfolio will allow the Issuer to maintain its financial flexibility and adequately manage its obligations. In addition to its internal cash generation, Grupo SURA has different financing alternatives such as: (i) issuance of local bonds, (ii) funding with local banks, and (iii) international banks, which allows it to adequately manage and reprofile its debt.

3.1.2. Tax Effects for Grupo SURA

The Spin-Offs comply with the requirements established by the tax neutrality rules applicable to spin-offs, in accordance with Articles 319-3, 319-4, 319-5, and 319-6 of the Tax Statute. The transfers under each Spin-Off, as provided in the Spin-Off Project, do not constitute a disposal of assets from a tax or accounting perspective, and therefore, the spin-off companies do not experience any taxable income as a result of the asset transfer, nor is it understood that such transfer constitutes a disposal for tax and accounting purposes. As a result, the Spin-Offs are tax-neutral. Additionally, as a consequence of the Spin-Offs, the useful life of the transferred assets will not be extended or reduced, nor will the fiscal cost base for depreciation or amortization be modified, nor will the fiscal nature of fixed or movable assets be changed.

3.2. Rating Agency Opinion

According to the report issued by Fitch Ratings Colombia S.A. Rating Agency ("Fitch") on January 15, 2025, Fitch considers that Grupo SURA has a stable source of income, mainly supported by dividends from its investments in Bancolombia S.A., Sura Asset Management S.A., and Suramericana S.A., companies with solid business models and stable performance. This source of income is expected to be maintained, providing Grupo SURA with a stable cash flow that will allow it to adequately support and manage its liquidity profile. Additionally, the rating agency indicates that the Issuer's liquidity management has been adequate, and although market challenges may arise, given that Grupo SURA may need to issue debt to refinance upcoming maturities, Fitch Ratings considers that Grupo SURA has the capacity to manage its liquidity profile. Furthermore, on February 6, 2025, Fitch verifies that the national scale ratings for Grupo SURA are 'AAA(col)' and 'F1+(col)' for long and short term respectively as an issuer, and 'AAA(col)' and 'F1+(col)' for senior debt, with evolving observation (Annex F).

3.3. Report of the Legal Representative of Bondholders

Grupo SURA has submitted this report and other information that the Legal Representative of Bondholders considered necessary to prepare the report to be presented to the Bondholders to Alianza Fiduciaria S.A. in its capacity as Legal Representative of the Bondholders. The report of the Legal Representative of Bondholders is attached as Annex E.

3.4. Risks for Bondholders

Regarding the rights of Grupo SURA's creditors, no impacts are foreseen since the total liabilities account and the suppliers and accounts payable account do not change as a result of the Spin-Offs, and the Issuer maintains sufficient equity to fulfill its obligations. It is worth noting that once the Spin-Offs are perfected, Grupo SURA's assets will represent more than twice its external liabilities.

As a result of the Spin-Offs, the Companies' assets represent more than twice the external liabilities, their creditors will not be able to demand the guarantees referred to in Article 6 of Law 222.

Consequently, no risks are evident for Bondholders other than those to which they are already exposed, as the Issuer's financial robustness and the facial conditions of the securities are maintained.

4. CURRENT STATUS OF THE SPIN-OFF PROJECT

The Spin-Off Project was prepared by the administrations of Cementos, Grupo Argos, and Grupo SURA, and submitted for consideration by the boards of directors of the Companies. In particular, the Board of Directors of Grupo SURA, in its session on January 30, 2025, recommended it for approval by the General Assembly of Shareholders in its ordinary session on March 28, 2025. Once the authorization of the shareholders and the Bondholders is obtained, it will be submitted to the SFC for approval.

Once all authorizations are obtained and all necessary procedures to carry out the Spin-Offs in accordance with the Spin-Off Project are completed, the Spin-Offs will be perfected. The approval of the Spin-Off Project by the Issuer's shareholders' assembly must be published in a nationally circulated newspaper with the information provided in Article 174 of the Commercial Code, and the social creditors must be notified in accordance with Article 5 of Law 222 of 1995.

5. CONCLUSION

Based on this report, as well as the report of the Legal Representative of Bondholders and the rating agency's opinion, it can be concluded that the Spin-Offs do not cause harm to Grupo SURA's Bondholders, given that: a) the terms and conditions of the bonds, including term, rate, and indexation, remain unchanged; b) Grupo SURA will maintain its financial capacity to fulfill its obligations; c) the Issuer will continue to develop its corporate purpose without interruptions, and (d) the Spin-Offs will allow the Issuer to strengthen its focus and specialization.

With the publication of the notice of the first call to the assembly of bondholders, the Report was made available to the Bondholders to broadly and sufficiently illustrate the Spin-Offs and their effects on their interests, including all pertinent financial, administrative, and legal information.

This Report, along with its annexes, was available to the Bondholders at (a) Grupo SURA's offices located at Carrera 43A number 5A – 113 Floor 13, Medellín; (b) the Company's website https://www.gruposura.com.co in the "Investor Relations – Bonds - Assembly of Bondholders" section; (c) the website of Alianza Fiduciaria S.A. in its capacity as legal representative of Bondholders https://www.alianza.com.co; (d) the SFC website www.superfinanciera.gov.co in the "Relevant Information" link by searching for the information published by Grupo SURA in SIMEV; (e) the website of the Colombian Stock Exchange S.A. https://www.bvc.com.co; and (f) the website of Deceval S.A. https://www.bvc.com.co/deceval.

6. ANNEXES

The annexes of this Issuer's report to the bondholders are as follows:

Anexo	Documento
Annex A	Financial Statements of Grupo SURA
Annex B	Proforma Financial Statements of Grupo SURA
Annex C	Proforma Financial Statements of Grupo Argos
Annex D	Proforma Financial Statements of Cementos
Annex E	Report of the Legal Representative of Bondholders - Alianza Fiduciaria S.A.
Annex F	Opinion issued by Fitch Ratings Colombia S.A. SCV
Annex G	Verification letter issued by Fitch Ratings Colombia S.A. SCV

(Original signed)

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Juan Esteban Toro Valencia
Legal Representative

ANNEX A

Financial Statements for Grupo Sura

Separate
financial statements

As of December 31, 2024 and
December 31, 2023

TABLE OF CONTENT

RESPONSIBILITIES OF THE DIRECTORS OVER THE ACCOUNTS

Medellin, January 30, 2025

As Legal Representative and Accountant of Grupo de Inversiones Suramericana S.A., each within our respective areas of competence, we report that:

1. The accompanying separate financial statements present fairly the financial position, results of operations and cash flows of the Company as of December 31, 2024 and December 31, 2023.

2. Appropriate accounting policies have been selected and then consistently applied so that the information contained in the financial statements is relevant, reliable, comparable and understandable.

3. Reasonable and prudent judgments and estimates have been used.

4. The separate financial statements attached have been prepared according to the accounting and financial reporting standards accepted in Colombia, established in Colombia by Law 1314 of 2009, regulated by Decree 2420 of 2015 "Single Regulatory Decree of the Accounting and Financial Reporting and Information Assurance Standards" *(Decreto Único Reglamentario de las Normas de Contabilidad y de Información Financiera y de aseguramiento de la información. Spanish original)* and other amending decrees. These accounting and financial reporting standards correspond to the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned decrees.

5. The enclosed separate financial statements have been prepared under the assumption that the Company will continue to operate as a going concern.

6. We are responsible for maintaining appropriate accounting records that reasonably reflect the Company's financial position.

7. We are responsible for safeguarding the assets of the Company and for establishing appropriate internal control measures for the prevention and detection of fraud and other irregularities.

Signed Original

Ricardo Jaramillo Mejía
Legal Representative

Signed Original

Juan Guillermo Chica Ramírez
Accountant
Professional Card 64093-T

CERTIFICATION OF THE LEGAL REPRESENTATIVE AND ACCOUNTANT

Medellin, January 30, 2025

Acting as Legal Representative and Accountant of Grupo de Inversiones Suramericana S.A. (the Company), each within their competencies and under whose responsibility the attached separate financial statements were prepared, we certify that these separate financial statements have been faithfully taken from the books and that before being made available to you and third parties, the following statements contained therein have been verified:

Existence: The assets and liabilities included in the separate financial statements of the Company exist and all transactions included in said financial statements have been carried out during the annual periods ending on December 31, 2024 and December 31, 2023.

Completeness: All economic events performed by the Company during the annual periods ended December 31, 2024 and December 31, 2023 have been recognized in the separate financial statements.

Rights and obligations: Assets represent probable future economic benefits (rights) and liabilities represent probable future economic sacrifices (obligations), obtained or payable by the Company at December 31, 2024 and December 31, 2023.

Valuation: All items have been recognized at appropriate amounts.

Presentation and disclosure: All economic events affecting the Company have been properly classified, described and disclosed in the separate financial statements.

The foregoing statements are certified according to Article 37 of Law 222 of 1995.

Furthermore, as Legal Representative of Grupo de Inversiones Suramericana S.A., I certify that the separate financial statements of the Company as of December 31, 2024 and December 31, 2023 do not contain any defects, inaccuracies or errors that prevent its true financial position from being known.

The above statement is certified according to Article 46 of Law 964 of 2005.

Signed Original

Ricardo Jaramillo Mejía
Legal Representative

Signed Original

Juan Guillermo Chica Ramírez
Accountant
Professional Card 64093-T

Financial statements

GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate financial position statement
At 31 December, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

	Note	December 31, 2024	December 31, 2023
Assets			
Cash and cash equivalents	6	132,040	442,550
Investments	6	59,209	60,110
Derivative financial instruments	6	711,184	302,091
Dividends receivable from related parties	7	252,852	439,832
Receivables		431	1,973
Current tax assets, net	8	-	143
Investments in associates	9	11,266,829	11,436,146
Investments in subsidiaries	9	18,381,470	17,546,364
Non-current assets held for sale	10	-	3,054,016
Property and equipment, net		1,826	1,932
Right-of-use assets		14,895	16,040
Deferred tax assets, net	8	133,150	-
Other assets		10,805	244
Total assets		**30,964,691**	**33,301,441**
Liabilities			
Financial liabilities	6	4,309,771	2,860,073
Derivative financial instruments	6	116,952	204,820
Lease liabilities		11,572	11,872
Accounts payable to related entities	7	177,747	223,603
Accounts payable	6	60,087	77,453
Current tax liabilities, net	8	754,820	-
Employee benefits	11	18,352	13,443
Bonds issued	6	3,623,356	3,487,199
Deferred tax liabilities, net	8	-	277,295
Preferred shares liability	12	459,821	459,834
Total liabilities		**9,532,478**	**7,615,592**
Equity			
Issued share capital	13	109,121	109,121
Premium on the issue of share	13	3,290,767	3,290,767
Reserves	13	566,470	138,795
Reserve for acquisition of treasury shares	13	136,776	7,261,206
Net earnings for the year		5,331,776	1,056,655
Retained earnings	13	9,735,037	12,008,392
Other comprehensive income	15	2,262,266	1,820,913
Total equity		**21,432,213**	**25,685,849**
Total equity and liabilities		**30,964,691**	**33,301,441**

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

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(See report dated January 30, 2025)

GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate income statement
January 1 to December 31, 2024 and January 1 to December 31, 2023
(Amounts expressed in millions of Colombian pesos)

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
Income			
Dividends	16	1,008,421	1,161,899
Net investment income	16	33,959	33,348
Net loss on investments measured at fair value	16	(30,533)	(19,130)
Income from equity method	16	1,210,240	1,187,172
Gain from sale of non-current assets held for sale	16	4,686,293	-
Other income	16	930	32,217
Operational income		**6,909,310**	**2,395,506**
Operational expenses			
Administrative expenses	17	(99,633)	(82,671)
Employee benefits	11	(48,335)	(41,204)
Fees	18	(35,835)	(50,537)
Depreciation		(2,645)	(2,429)
Other expenses		(1,678)	(72)
Other expenses		**(188,126)**	**(176,913)**
Operating profit		**6,721,184**	**2,218,593**
Net gain (loss) from fair value financial derivatives	19	156,737	(170,263)
Net foreign exchange difference	19	(205,079)	53,823
Interest expense	19	(883,064)	(661,031)
Other financial expenses	19	(17,577)	-
Net financial result		**(948,983)**	**(777,471)**
Profits before tax		**5,772,201**	**1,441,122**
Income tax	8	**(440,425)**	(384,467)
Profit for the period		**5,331,776**	**1,056,655**
Net earnings per share (common), expressed in Colombian pesos	20	12,263	1,894
Net earnings per diluted share, expressed in Colombian pesos	20	11,453	1,779

The notes are an integral part of the financial statements.

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GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate Statement of Comprehensive Income
January 1 to December 31, 2024 and January 1 to December 31, 2023
(Amounts expressed in millions of Colombian pesos)

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
Net income for the period		**5,331,776**	**1,056,655**
Other comprehensive income			
Items that will not be reclassified to income for the period, net of taxes			
(Loss) from investments in equity instruments	15	(8,091)	(16,381)
New defined benefit plan measures	15	652	(4,379)
Share of other comprehensive income of subsidiaries accounted for under the equity method	15	(10,361)	88,397
Total other comprehensive income that will not be reclassified to the results of the period, net of taxes		**(17,800)**	**67,637**
Items to be reclassified to income for the period, net of taxes			
Gain from cash flows hedges	15	18,939	80,655
Share of other comprehensive income of subsidiaries accounted for under the equity method	15	440,214	(2,562,919)
Total other comprehensive income to be reclassified to profit or loss, net of taxes		**459,173**	**(2,482,264)**
Total other comprehensive income		**441,353**	**(2,414,627)**
Total comprehensive income		**5,773,129**	**(1,357,972)**

The notes are an integral part of these financial statements.

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GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate Statement of Changes in Equity
At 31 December, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

	Note	Issued share capital	Premium on the issue of share	Reserves	Reserves for acquisition of treasury shares	Net income for the period	Retained earnings	Other Comprehensive Income (OCI)	Total equity
At December 31, 2022		**109,121**	**3,290,767**	**6,837,602**	**244,848**	**1,058,964**	**11,925,247**	**4,235,540**	**27,702,089**
Other comprehensive income	15	-	-	-	-	-	-	(2,414,627)	**(2,414,627)**
Net profit for the period		-	-	-	-	1,056,655	-	-	**1,056,655**
Total net comprehensive income for the period		**-**	**-**	**-**	**-**	**1,056,655**	**-**	**(2,414,627)**	**(1,357,972)**
Allocation to discretionary reserves		-	-	1,058,964	-	(1,058,964)	-	-	**-**
Ordinary dividend ($1,280 Colombian pesos per share) recognized as distributions to owners		-	-	(741,413)	-	-	-	-	**(741,413)**
Allocation of reserves for acquisition of treasury shares		-	-	(7,016,358)	7,016,358	-	-	-	**-**
Minimum dividends, preferred shares	12	-	-	-	-	-	40,475	-	**40,475**
Withholding tax attributable to shareholder		-	-	-	-	-	2,062	-	**2,062**
Movement from prior periods – subsidiaries	9	-	-	-	-	-	40,608	-	**40,608**
At December 31, 2023		**109,121**	**3,290,767**	**138,795**	**7,261,206**	**1,056,655**	**12,008,392**	**1,820,913**	**25,685,849**
Other comprehensive income	15	-	-	-	-	-	-	441,353	**441,353**
Net profit for the period		-	-	-	-	5,331,776	-	-	**5,331,776**
Total net comprehensive income for the period		**-**	**-**	**-**	**-**	**5,331,776**	**-**	**441,353**	**5,773,129**
Allocation to discretionary reserves		-	-	1,056,655	-	(1,056,655)	-	-	**-**
Ordinary dividend ($1,400 Colombian pesos per share) recognized as distributions to owners	14	-	-	(628,980)	-	-	-	-	**(628,980)**
Allocation of reserves for acquisition of treasury shares	13	-	-	-	2,358,416	-	(2,358,416)	-	**-**
Acquisition of treasury shares	13	-	-	-	(9,482,846)	-	-	-	**(9,482,846)**
Minimum dividends, preferred shares	12	-	-	-	-	-	40,475	-	**40,475**
Withholding tax attributable to shareholder		-	-	-	-	-	(550)	-	**(550)**
Lower dividend payable due to acquisition of treasury shares	14	-	-	-	-	-	43,825	-	**43,825**
Recognition of other comprehensive income from employee benefits	15						1,316		**1,316**
Other changes in equity		-	-	-	-	-	(5)	-	**(5)**
At December 31, 2024		**109,121**	**3,290,767**	**566,470**	**136,776**	**5,331,776**	**9,735,037**	**2,262,266**	**21,432,213**

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

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(See report dated January 30, 2025)

GRUPO DE INVERSIONES SURAMERICANA S.A.

Separate Cash Flow Statement

January 1 to December 31, 2024 and January 1 to December 31, 2023

(Amounts expressed in millions of Colombian pesos)

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
Cash flows from operating activities			
Net profit for the period, before income tax		**5,772,201**	**1,441,122**
Adjustments to reconcile net income			
Interest	19.2.	883,064	661,031
Depreciation and amortization expense		2,645	2,429
Unrealized foreign currency loss (gain)		386,110	(76,859)
Fair value - financial derivatives instruments and investments		(163,927)	172,071
Earnings from equity method	9.2.1.	(1,210,240)	(1,187,172)
Usufruct amortization	16	-	(32,177)
Gain on sale of non-current assets held for sale	10	(4,686,293)	-
Changes in operating assets and liabilities			
(Decrease) increase in other accounts payable		(17,366)	42,762
Decrease (increase) in other accounts receivable		1,542	(936)
Increase in accounts receivable from related parties		(947,077)	(1,161,977)
Adjustment for employee benefits		5,561	2,174
Withholding tax on dividends received		(550)	2,062
Other cash adjustments		33,516	-
Dividends received from associates and subsidiaries		1,899,071	1,788,998
Income tax (paid)		(106,107)	(2,425)
Interest paid		-	(4,874)
Cash flows from operating activities		**1,852,150**	**1,646,229**
Cash flows in investing activities			
Cash flows from decrease in subsidiaries	9.2.1.	668	-
Other payments to acquire equity or debt instruments	10	(1,557,870)	-
Other proceeds from the sale of equity or debt instruments	9.1.2.	23,958	-
Equipment purchases		(395)	(140)
Proceeds from sale of equipment		61	145
Cash flows (used in) from investment activities		**(1,533,578)**	**5**
Cash flows in financing activities			
(Proceeds) from derivative financial instruments		(117,934)	(173,939)
Amounts from loans		2,980,888	1,654,086
Loan repayments		(865,265)	(310,610)
Payment of financial lease liabilities		(1,103)	(1,994)
Dividends paid		(675,285)	(669,174)
Interest paid		(871,095)	(1,087,609)
Amounts paid to co-investors	6.2.4.4.	(1,050,470)	(612,818)
Cash flows (used in) from financing activities		**(600,264)**	**(1,202,058)**
Net (decrease) increase in cash and cash equivalents		**(281,692)**	**444,176**
Effect of exchange rate changes on cash and cash equivalents		(28,818)	(6,651)
Cash and cash equivalents at the beginning of the period		442,550	5,025
Cash and cash equivalents at the end of the period		**132,040**	**442,550**

The notes are an integral part of the financial statements.

Signed Original
Ricardo Jaramillo Mejía
Legal Representative

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Professional Card 140779-T
Designated by Ernst & Young Audit S.A.S. TR-530
(See report dated January 30, 2025)

Notes to the financial statements

GRUPO DE INVERSIONES SURAMERICANA S.A.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
As of December 31, 2024 and December 31, 2023

(Amounts expressed in millions of Colombian pesos except net earnings per share and exchange rates expressed in Colombian pesos).

NOTE 1. REPORTING ENTITY

Grupo de Inversiones Suramericana S.A., (hereinafter the Company) is a corporation, incorporated and domiciled in Colombia, whose shares are listed on the Colombian Stock Exchange. Its main domicile is at Carrera 43A, number 5A - 113, 14th Floor, Medellín, Colombia, but it may have branches, agencies, offices and representations in other cities in the country and abroad, when so determined by its Board of Directors. The term of duration of the Company is until 2120.

Its main corporate purpose is investment in real estate and personal property. Regarding investment in personal property, as well as any kind of personal property, investments may be in shares, quotas or parts in companies, entities, organizations, funds or any other legal figure that allows investment of resources. Similarly, it may invest in fixed or variable income securities or documents, whether or not they are registered on the public securities market. Regardless, the issuers as well as the recipients of the investment may be public or private, national or foreign.

The Company is subject to the supervision of the Financial Superintendence of Colombia *(SFC, acronym for the Spanish original)* and is listed on the Colombian Stock Exchange. Additionally, it is identified as a *"financial holding company"* in the SURA-Bancolombia financial conglomerate through resolution 156 of February 6, 2019 issued by the Financial Superintendence of Colombia.

NOTE 2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Note 2.1. Statement of compliance

The separate financial statements of the Company for the years ended December 31, 2024 and December 31, 2023, have been prepared according to the accounting and financial reporting standards accepted in Colombia, established in Colombia by Law 1314 of 2009, regulated by Decree 2420 of 2015 "Single Regulatory Decree of Accounting and Financial Reporting Standards and of Information Assurance" *(Decreto Único Reglamentario de las Normas de Contabilidad y de Información Financiera y de aseguramiento de la información. Spanish original)* and the other amending decrees. These accounting and financial reporting standards correspond to the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned decrees. The application of these international standards in Colombia is subject to some exceptions established by the regulatory bodies and contained in Decree 2420 of 2015 and the other amending decrees. The Company did not make use of any of the exceptions to IFRS that are set out in these decrees.

Note 2.2. Basis of presentation

The separate financial statements of the Company include the statement of financial position and the statement of changes in equity as of December 31, 2024 and December 31, 2023, and the statement of income, the statement of comprehensive income and the statement of cash flows for the years ended December 31, 2024 and December 31, 2023.

These separate financial statements are prepared and contain all the financial information disclosures required in the annual financial statements presented under IAS 1.

The Company has prepared the separate financial statements under the assumption that it will continue to operate as a going concern.

The separate financial statements have been prepared on the historical cost basis except for the following items:
- Financial instruments measured at fair value through other comprehensive income (FVTOCI),
- Financial liabilities measured at amortized cost using the effective interest rate,
- Employee benefits, which are measured at the present value of the defined benefit obligation, and
- Investments in subsidiaries measured under the equity method.

The separate statement of financial position presents assets and liabilities on the basis of their liquidity, since it is considered that this provides reliable information that is more relevant than that provided by an approach based on the distinction between current and non-current items.

The separate income statement and other comprehensive income are presented separately. The items in the income statement are broken down according to the nature of expense method, so as to provide reliable and more relevant information.

The separate cash flow statement is presented using the indirect method, whereby cash flows from operating activities are determined by adjusting profit for the effects of items not affecting cash flow, net changes in assets and liabilities related to operating activities and any other effects of items not classified as investing or financing activities. Interest income and expense are presented as components of operating activities.

The separate financial statements are presented in millions of Colombian pesos, unless otherwise indicated. The functional currency of the Company is the Colombian peso, the currency of the primary economic environment in which it operates, and which also reflects the currency that influences the structure of its costs and revenues.

The Company is in a non-hyperinflationary economy, which is why these separate financial statements do not include adjustments for inflation.

Note 2.3. Significant accounting policies

These separate financial statements as of December 31, 2024, have been prepared using the same accounting policies, measurements and bases used for the preparation and presentation of the separate financial statements as of December 31, 2023, except for the standards, new interpretations and amendments applicable as of January 1, 2024.

The adoption of the new standards in force from January 1, 2024, mentioned in Note 4.1, did not generate significant changes in these accounting policies compared to those used in the preparation of the separate financial statements as of December 31, 2023, and there were no significant impacts on their adoption.

The main policies used for the preparation of these separate financial statements are as follows:

Note 2.3.1. Cash and cash equivalents

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

In the statement of financial position, the accounts showing existing overdrafts at the level of the financial institution are classified as financial obligations. In the statement of cash flows, these overdrafts are presented as a component of cash and cash equivalents provided that they form an integral part of the cash management of the Company.

Note 2.3.2. Financial instruments

A financial instrument is any contract that gives rise simultaneously to a financial asset in one entity and a financial liability or equity instrument in another entity.

Financial assets

a) Definition

A financial asset is any asset that is:
- cash;
- an equity instrument of another entity;
- a contract that will or may be settled using equity instruments of the entity, or
- a contractual right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity on terms that are potentially favorable to the entity.

Accordingly, the Company has classified its financial assets as: cash and cash equivalents, investments, derivative instruments, accounts receivable and accounts receivable from related parties.

b) Classification of financial instruments included in investments

Financial assets are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company classifies its financial assets as investments in debt securities and subsequently measures them taking into account its business model for managing them and the characteristics of the contractual flows of the financial asset in the following groups:
- At fair value through profit or loss,
- At fair value with adjustment to OCI
- At amortized cost.

According to its liquidity and risk level strategy, the Company has classified most of its investments in debt securities as financial assets at fair value through profit or loss, and a smaller portion as debt securities at amortized cost. How the Company manages the investment business model is detailed in Note 3, Significant accounting judgments, estimates and uncertainties in the preparation of the financial statements.

For financial assets in equity instruments, the Company irrevocably elects to present subsequent changes in the fair value of the investment that is not held for trading in other comprehensive income in equity. Therefore, equity investments where there is no control or significant influence are recorded at fair value with changes in other comprehensive income.

c) Initial measurement

Regular purchases and sales of financial assets are recognized on the date on which The Company and its subsidiaries commit to purchase or sell securities. Financial assets at fair value through profit or loss are initially recognized at fair value and transaction costs are recognized as an expense when incurred. Financial assets classified as at amortized cost are recorded at acquisition or grant at their transaction value in the case of investments, or at their nominal value which, unless there is evidence to the contrary, coincides with their fair value, plus transaction costs directly attributable to their acquisition or grant.

d) Subsequent recognition

After initial recognition, investments are measured as follows:

- Investments classified and measured at fair value through profit or loss: profits and losses resulting from changes in fair value are presented net in the income statement in the account for net profit or loss on investments at fair value;
- Investments in debt securities measured at fair value with changes in OCI: changes in their fair value are recorded in the equity account of OCI. The accumulated value in this account is transferred to the retained earnings account when the investments are realized.
- Investments in equity instruments that are not classified as held for trading: changes in their fair value are recorded in the equity account of OCI. The accumulated value in this account is transferred to the retained earnings account when the investments are realized.
- Investment debt securities classified as at amortized cost, subsequent to their initial recording, they are adjusted with a credit to income based on the effective interest rate method, deducting payments or credits received from the issuers.

e) Effective interest rate method

The effective interest rate is the rate that exactly equals the estimated future cash payments or collections over the expected life of the financial instrument; or, when appropriate, for a shorter period, with the net book value of the asset at the initial time. To calculate the effective interest rate, the Company estimates cash flows considering the contractual terms of the financial instrument, except for future credit losses, and considering in the initial balance, transaction costs and premiums granted, less commissions and discounts received that are an integral part of the effective rate.

f) Impairment of financial instruments

At each reporting date, the Company measures and records through profit or loss the allowance for losses of a financial instrument at an amount equal to the expected credit loss over the life of the asset, if the credit risk of that financial instrument has increased significantly since its initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the allowance for losses for that financial instrument at an amount equal to the expected credit losses over the next 12 months.

g) Offsetting of financial instruments in the statement of financial position

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when legally there is a right to offset the recognized amounts and there is a management intention to settle them on a net basis or to realize the asset and settle the liability simultaneously.

h) Derecognition of Financial Assets

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to receive the cash flows from the financial asset are transferred.

Operations with derivative financial instruments and hedge accounting

A derivative is a financial instrument (a) whose value changes over time in reaction to changes in a variable known as the underlying (a specified interest rate, the price of a financial instrument, the price of a listed commodity, a foreign exchange rate, among others); (b) does not require a net initial investment or requires an investment lower than that which would be required for other types of contracts in relation to the underlying asset, and (c) is settled at a future date.

In the development of its operations, the Company and its subordinated entities trade in the financial markets with forward contracts, futures contracts, swaps and options that meet the definition of a derivative.

Derivative transactions are initially recorded at fair value. Subsequent changes in fair value are adjusted with a charge or credit to income, as appropriate, unless the derivative instrument is designated as a hedge and, if so, it will depend on the nature of the hedged item, in accordance with the following:

a) Fair value hedges of recognized assets or liabilities or firm commitments, in which case changes in the fair value of the derivative are recorded in the statement of income, as well as any change in the fair value of the asset, liability or firm commitment attributable to the hedged risk.

b) Cash flow hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction, in which case the effective portion of the changes in the fair value of the derivatives is recognized in "other comprehensive income" in equity.

c) The profit or loss on the derivative related to the portion that is not effective to the hedge or that does not correspond to the hedged risk is recognized immediately in the statement of income. The amounts accumulated in the other comprehensive income account are transferred to profit or loss in the same period in which the hedged item is taken to profit or loss.

d) Hedges of a net investment in a foreign currency, which are recorded in a manner similar to cash flow hedges: the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized in other comprehensive income and the ineffective portion is recognized in profit or loss. The gain or loss on the hedging instrument accumulated in equity is recorded in the statement of income when the net investment in a foreign subsidiary is fully sold or proportionally when it is partially sold.

The Company documents at the beginning of the transaction the relationship between the hedging instrument and the hedged item as well as the risk objective and the strategy for undertaking the hedging relationship.

Financial liabilities

A financial liability is any contractual obligation to deliver cash or another financial asset to another entity or third party, or to exchange financial assets or financial liabilities under conditions that are potentially unfavorable to the Company, or a contract that will or may be settled using the equity instruments of the entity.

Financial liabilities are recognized in the statement of financial position when the Company becomes a party, according to the contractual conditions of an instrument.

Financial liabilities are initially recognized at their transaction value, which, unless otherwise determined, is similar to their fair value minus the transaction costs that are directly attributable to their issuance. Subsequently, these financial liabilities are measured at amortized cost or at fair value with changes in results.

Financial liabilities measured at fair value through profit or loss include derivative financial instruments and are classified in this category when they are held for trading or are designated at fair value through profit or loss from the inception.

Financial liabilities measured at amortized cost include loans received and bonds issued, both of which are initially measured at their transaction value and the amount of cash received, net of transaction costs, and are later measured at amortized cost using the effective interest rate method, recognizing interest expenses on the basis of effective profitability.

Financial liabilities are derecognized from the statement of financial position when the contractual obligations have expired.

Non-voting preferred shares liability

The Company, as the issuer of a non-derivative financial instrument, assesses the conditions of this instrument to determine whether it contains liability and equity components. These components are classified separately as financial liabilities or equity instruments, as appropriate.

Based on the above and with regard to the non-voting preferred shares issued, the liability component, which is recorded at amortized cost, was initially separated from the equity component, which is recorded in equity, as the difference between the value received for the shares issued and the value determined as a liability.

The direct costs incurred at the time of placing the preferred shares were allocated and recorded proportionally in the liabilities and in the equity component of the shares.

Purchase and sale options with non-controlling interests

Exit options with non-controlling interests are classified as a derivative at fair value through profit and loss, with the exception of those in which it is considered that there are agreements that give rise to a present ownership interest in the underlying shares.

In the event that there is a present interest in the ownership of the underlying shares, the measurement effects are as follows:
- The shares subject to the call option are accounted for as acquired and a financial liability measured at the present value of the exercise price is recognized, and
- Subsequent changes in the liability are recognized in the income statement.

When it is determined that it is a derivative measured at fair value through profit or loss, and the option exercise price and the fair value of the underlying asset (shares subject to the contract) are at fair value, the net effect of the derivative is considered to be zero; that is:
- The value that would be paid for the option would be the same value received for the shares and
- In the separate financial statement there is no non-controlling interest

When the period for exercising the call or put option expires, the financial liability is derecognized, with a charge to the income statement if it has not been exercised. When the issued call or put option is exercised, the financial liability is derecognized with an adjustment to the cost of the shares subject to the option.

Interest income

Interest income is recognized using the effective interest rate method.

Note 2.3.3. Taxes

The Company is liable for taxes, fees, and contributions at the national and regional levels. These include, among others, income and supplementary taxes, as well as the industry and commerce tax.

Current income tax

Current income tax is calculated according to the adjustment made between the net taxable income and the accounting profit or loss. The tax rate and regulations used are those approved at the end of each financial year-end and in compliance with the Colombian tax regulations.

The Company constantly assesses the positions taken in tax returns regarding situations in which there may be certain interpretations in tax laws in order to adequately record the amounts expected to be paid.

Current income tax assets and liabilities for the period are measured at the amounts expected to be recovered from or paid to the taxation authority. Additionally, these are offset for presentation purposes if there is a legally enforceable right to do so with the same taxation authority and it is intended to settle them at net value or to realize the asset and settle the liability simultaneously.

Deferred income tax

Deferred income tax arises from temporary differences between the accounting base and the tax base of assets and liabilities. Deferred tax is recognized using the liability method. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting period.

The deferred income tax liability is recognized for all taxable temporary differences.

The deferred income tax asset is recognized for all deductible temporary differences and for the future offsetting of unused tax credits and tax losses only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss. Additionally, in the case of deferred tax liabilities, they are not recognized when they arise from the initial recognition of goodwill.

Deferred tax liabilities, related to investments in subsidiaries, associates, and interests in joint ventures, are not recognized when the timing of the reversal of temporary differences can be controlled, and it is probable that these differences will not reverse in the near future.

Deferred taxes assets related to investments in subsidiaries, associates, and interests in joint ventures, are recognized only to the extent that it is probable that temporary differences will be reversed, in the near future and the availability of future taxable profits to offset deductible differences is likely.

The book value of deferred tax assets is reviewed at each reporting date it is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to offset, the deferred tax asset in whole or in part. Unrecognized deferred tax assets are reassessed, at each reporting date, and are recognized to the extent that it is probable that future taxable income will be available.

The effect of deferred tax is recognized in profit or loss for the period or in other comprehensive income depending on where the gains or losses that gave rise to it were recorded and is presented in the statement of financial position under non-current items.

Deferred assets and liabilities are offset if, and only if:

- There is a legal recognition of the right to compensate, before the tax authorities, the amounts recognized in those items. and
- If they are derived from income tax corresponding to the same tax authority, which is levied on:
    - The same entity or fiscal subject. or
    - different entities, or subjects, for tax purposes that expect either to settle the current fiscal assets and liabilities for their net amount, or to realize the assets and to pay the liabilities simultaneously, in each of the future periods in which it is expected to settle, or recover significant amounts of assets or liabilities, for deferred taxes.

Deferred taxes are not discounted.

Note 2.3.4. Investments in subsidiaries and associates

Investment in subsidiaries

A subsidiary is an entity controlled directly or indirectly by the Company. Control exists when the Company has the power to manage the relevant activities of the subsidiary, which are generally operating and financing activities, with the aim of obtaining benefits from its activities and is exposed to or has rights to the variable returns of the subsidiary.

As of the date of acquisition, the excess of the acquisition cost over the share in the net fair value of the identifiable assets, liabilities and contingent liabilities assumed from the subsidiary is recognized as goodwill but is included in the acquisition cost.

Investments in subsidiaries are recognized using the equity method, whereby the investment is initially recorded at cost and subsequently adjusted to recognize changes in the Company's share of net assets after the acquisition date. This share is recognized in profit or loss for the period or in other comprehensive income, as appropriate.

Dividends are recognized when the right to receive payment is established and are deducted from the carrying amount of the investment.

The financial statements of the subsidiary are prepared for the same period as that reported by the Company. Where necessary, adjustments are made to align the accounting policies of the Company.

Unrealized gains or losses on transactions between the Company and its subsidiaries are eliminated by applying the equity method in proportion to the interest of the Company in said entities.

Transactions involving a loss of control in the subsidiary are accounted for by recognizing any retained interest at its fair value and the gain or loss resulting from the transaction is recognized in profit or loss for the period, including the corresponding items of other comprehensive income.

In transactions that do not involve a loss of control in a subsidiary, the equity method continues to be applied, and the portion of the gain or loss recognized in OCI relative to the reduction in ownership interest is reclassified to profit or loss.

If the share of the Company in the losses of a subsidiary equals or exceeds its interest, the Company ceases to recognize its share in the additional losses. Once the share of the Company is reduced to zero, a provision will be recognized, only to the extent that the Company has incurred legal or implicit obligations.

Investments in associates

An associate is an entity over which the Company has significant influence but not control or joint control, through the power to participate in the financial and operating policy decisions of the investee.

The Company is presumed to exercise significant influence in the following cases:
- It holds more than 20% or more of the voting power in the associate, unless it can be demonstrated that such influence does not exist through the management bodies;
- Even if it directly or indirectly holds less than 20% of the voting power in the associate, it can clearly demonstrate that significant influence exists through the management bodies, and
- When, through participation in the Board of Directors or equivalent body and in the course of the Board of Directors elections held by the General Meetings of Shareholders of the associates, political rights are exercised in proportion to their shareholding.

Investments are recognized at the cost of the transaction at the initial moment and dividends received in cash from the associate are recognized in income for the year.

Transactions involving a loss of significant influence in the associate are accounted for by recognizing any retained interest at fair value and the gain or loss resulting from the transaction is recognized in profit or loss for the period, including the corresponding items of OCI.

Impairment of investments in subsidiaries and associates

The Company analyzes periodically and on the date of presentation of its financial statements whether it is necessary to recognize an impairment loss on investments in subsidiaries and associates and on each date of presentation of financial statements it determines whether there is objective evidence that the investments have been impaired. If such evidence exists, the Company calculates the amount of the impairment as the difference between the recoverable amount (the greater of value in use and fair value less costs to sell) of the subsidiary and associate and its carrying amount, and then recognizes the loss in the income statement.

The identification of impairment is a key step in the evaluation process, as it determines whether or not an impairment test is necessary. For the subsidiaries and associates of the Company, the following facts and circumstances are considered to establish whether there is evidence of impairment.
- Loss in the operation or negative cash flows in the current period, compared to that budgeted.
- Increases during the year in interest rates associated with investments and debt.
- Significant technological changes, defined as the risk associated with losses arising from technology or the use of technology.
- Significant changes in the legal environment, defined as losses due to sanctions or lawsuits due to non-compliance with regulations or contractual obligations.
- Significant changes in the regulatory environment in which the investment operates.
- Changes in the competitive environment of the investment, new competitors or aggressiveness of current ones, revenue shortfall, among others.
- Significant changes in the way or the extent to which the investment is used or expected to be used.
- Issuance of new debt for investment.

Note 2.3.5. Non-current assets held for sale and discontinued operations

Non-current assets

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use; these assets or disposal groups are presented separately as non-current assets and liabilities in the statement of financial position at the lower of their carrying amount or fair value less transaction costs and are not depreciated or amortized from the date of classification.

If the asset or group of assets is available for immediate sale in its current condition, and the sale is highly probable and expected to take place within one year of the date of classification, it meets the criteria for classification as held for sale.

For a sale to be highly probable, the management of the Company must be committed to a plan to sell the asset or group of assets and must also consider the following:
- There is a commitment from the Company and a plan to proceed with the sale;
- The search for a buyer is already in progress and the necessary actions to carry out the sales plan have been initiated;
- A reasonable sales price has been set based on the market value of the asset, and
- It is expected that the sale will be completed within one year of the date of classification and the actions taken to execute the sale plan make it unlikely that significant changes to the plan will be made or that the plan will not be completed.

Discontinued operations

The Company shall identify a discontinued operation as a component or a transaction considered material that has been sold or otherwise disposed of or has been classified as held for sale and that, in addition:
- Represents a line of business or geographic area that is significant and can be considered separate from the rest,
- It is part of a single coordinated plan to divest or otherwise dispose of a line of business or geographic area of operation that is significant and can be considered separate from the rest or,
- It is a subsidiary acquired exclusively for the purpose of resale

In the income statement for the current period and the comparative prior period, the revenues, costs, and expenses of a discontinued operation are presented separately from those of continuing operations, in a single line item as post-tax results of discontinued operations. Additionally, in the cash flow statement for the same periods, cash flows are presented as cash flows from discontinued operations, separated from other cash flows.

Note 2.3.6. Properties and equipment

The Company defines property and equipment as those tangible assets that will be used in more than one accounting period and whose cost is expected to be recovered through use rather than sale.

Property and equipment are initially measured at cost; subsequently they are measured at cost less accumulated depreciation and less any accumulated impairment losses.

The cost of property and equipment includes the initial acquisition cost, import duties, non-recoverable indirect taxes and directly attributable costs to bring the asset to the location and condition of use intended by the management of the Company, net of trade discounts and rebates.

Maintenance and repair costs that do not generate future economic benefits are recorded as expenses.

All items of property and equipment are depreciated on a straight-line basis over their estimated useful lives.

Depreciation begins when the assets are in the location and condition necessary for them to be capable of operating and ceases when they are no longer used according to their estimated useful lives or at the time the asset is classified as held for sale or as investment property measured at fair value.

Property and equipment groups and useful lives are as follows:
- Furniture, fixtures, and equipment, between 6 and 10 years and
- Vehicles, between 4 and 10 years.

The useful lives and depreciation methods are reviewed at least at the end of each annual period and the changes, if any, are applied prospectively.

An item of property and equipment is derecognized upon its sale or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an asset is calculated as the difference between the net sale proceeds, if any, and the carrying amount of the asset, and is recognized in profit or loss for the period.

Note 2.3.7. Leases

The Company assesses at contract initiation whether a contract is, or contains, a lease. That is, whether the contract grants the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets that represent the right to use the underlying assets.

Initial recognition

The Company recognizes right-of-use assets on the lease commencement date, which is the date when the underlying asset is available for use.

Right-of-use assets are measured at cost, less any depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and payments made on or before the commencement date less lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. Furthermore, they are subject to review for impairment losses.

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments, less any lease incentives receivable, if applicable. They also include the exercise price of a purchase option that the Company is reasonably certain to exercise and penalties for terminating the lease if the lease term reflects that the Company will exercise said option.

In calculating the present value of lease payments, the interest rate implicit in the lease is used when it is readily determinable; if it is not readily determinable, the incremental borrowing rate at the inception of the lease is used.

Subsequent measurement

After the commencement date, the carrying amount of lease liabilities is increased to reflect the accrual of interest and reduced by lease payments made. Additionally, the carrying amount of lease liabilities is remeasured when there is a modification, a change in the lease term, a change in lease payments, or a change in the assessment of an option to purchase the underlying asset.

Note 2.3.8. Employee benefits

Employee benefits comprise all payments made by the Company in exchange for services received.

Short-term benefits

These are benefits expected to be paid within twelve months and after the closing date of the financial statements in which the employees render the services. Liabilities for short-term benefits are recognized in profit or loss to the extent that the employees render the services and are measured based on the best estimate of the disbursement that would be required to settle the obligation at the reporting date.

Including:
- Social security contributions and benefits mandated by legal requirements;
- Short-term performance incentives for employee profit sharing determined based on the fulfillment of corporate objectives previously set and communicated in a timely manner;
- Other short-term benefits, such as vacation bonus, extra-legal service bonus and Christmas bonus.

Post-employment benefits

These are all benefits granted to employees after retirement or termination of employment, other than severance payments. The Company has specific assets to support post-employment benefit plans.

Includes benefits for lump-sum retirement payments and lump-sum retirement payments.

One-time retirement payments apply to employees who retire for old age under any pension plan and who have had a labor relationship of 20 years of continuous or discontinuous service with the Company.

The liability for post-employment benefit plans is determined with the assistance of independent third parties based on the present value of estimated future payments, calculated based on actuarial studies prepared by the projected unit credit method, using actuarial assumptions as of the date of the reporting period, such as expectations of salary increases, life expectancy and interest rates determined based on current market yields of end-of-period bonds issued by the national government or high quality corporate bonds.

Under the projected unit credit method, the post-employment benefits to be paid to employees are allocated to each accounting period in which the employee provides service. Accordingly, the corresponding expense for these benefits recorded in the financial statements includes the present service cost allocated in the actuarial calculation plus the financial cost of the calculated liability.

Changes in the liability for changes in actuarial assumptions are recorded in other comprehensive income. Interest expense is recognized in the results of the period as financial costs, as well as any settlement or curtailment of the plan.

Defined contribution plans

These are post-employment benefit plans in which there is an obligation to make contributions of a predetermined nature to a separate entity (pension funds or insurance companies) and there is no legal or constructive obligation to make additional contributions. These contributions are recognized as expenses in the statement of income as the obligation to make the respective contribution is incurred.

Long-term benefits

These are all benefits additional to and different from short-term benefits, expected to be paid more than 12 months after the reporting date in which employees render their services and before their retirement or termination. These benefits include seniority bonuses. The Company does not have specific assets allocated to support long-term benefits.

Liabilities for long-term employee benefits are determined in the same way as post-employment benefits. Current service cost, past service cost, interest cost, actuarial gains and losses, as well as any plan settlements or curtailments, are recognized immediately in profit or loss.

Termination benefits

Termination benefits are early retirement payments or severance payments and therefore are recognized only when the employment contract is terminated before the normal retirement date, or when the employee accepts an offer of benefits in exchange for the termination of the employment contract or when it is part of the costs of a restructuring process.

Note 2.3.9. Provisions and contingencies

The Company recognizes as provisions liabilities that arise as a result of a past event and for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed periodically and are quantified taking into consideration the best information available at the date of the statement of financial position. Provisions are recognized at the present value of the best estimate of the expenditure required to settle the obligation, considering the risks and uncertainties in making the estimate.

Provisions for onerous contracts are recognized as a provision when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

A restructuring provision is recognized when there is a constructive obligation to restructure, that is, when a detailed, formal plan has been developed and there is a valid expectation among those affected that the restructuring will be carried out by announcing its main features before the end of the reporting period.

Contingent liabilities are (a) obligations that arise from past events and whose existence is subject to the occurrence or non-occurrence of future events not wholly within the control of the Company, or (b) present obligations that arise from past events for which the amount of the obligation cannot be reliably estimated or it is not probable that an outflow of resources will be required to settle the obligation. Contingent liabilities are not recorded in the financial statements but are disclosed in notes to the financial statements.

Contingent assets are assets of a possible nature, arising from past events, whose existence will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. Contingent assets are not recognized in the statement of financial position until the realization of their realization is virtually certain but are disclosed in notes to the financial statements.

Note 2.3.10. Income

Revenue is measured at the fair value of the consideration received or receivable, net of rebates, commercial discounts, financial discounts, and volume discounts, and excludes sales taxes.

Dividend income

The Company recognizes dividend income from its non-subsidiary investments when:
- The right to receive the dividend payment is established,
- It is probable that the economic benefits associated with the dividend will be received, and
- The value of the dividend can be measured reliably.

Income from equity method

Correspond to income resulting from the valuation of investments in subsidiaries, as detailed in the investments in subsidiaries policy in Note 2.3.4.

Note 2.3.11. Earnings per share

Common earnings per share are calculated by dividing the net income for the period attributable to the Company by the weighted average number of outstanding shares during the period, excluding, if applicable, common shares acquired and held by the Company as treasury shares.

Diluted earnings per share is calculated by adjusting the average number of shares outstanding to simulate the effects of all dilutive potential common shares, if any.

Put option contracts and commitments with non-controlling stockholders that may be settled with Company shares (Note 6.2.4.) could represent dilutive effects.

Note 2.3.12. Expenses

Expenses are recognized in profit or loss when (a) a decrease in economic benefits related to a decrease in assets or an increase in liabilities has occurred and its value is reliably measurable and (b) a disbursement does not generate future economic benefits or when it does not qualify for recognition as an asset.

NOTE 3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND CAUSES OF UNCERTAINTY IN THE PREPARATION OF THE FINANCIAL STATEMENTS

The preparation of financial statements requires making judgments, estimates and assumptions that impact the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the year; however, uncertainty about these assumptions and estimates could result in outcomes that would require material adjustments to the carrying amount of the affected asset or liability in future periods. The relevant estimates and assumptions are reviewed regularly and their results are recognized in the period in which the estimate is revised and in the future periods affected.

The determination of said estimates and assumptions involves internal control procedures and approvals, for which internal and external studies, industry statistics, environmental factors and trends, and regulatory and normative requirements, among others, are considered.

Estimates have been made based on the best information available on the events analyzed at the date of preparation of the financial statements, which may result in future modifications due to possible situations that may occur and that would require recognition prospectively, which would be treated as a change in an accounting estimate in future financial statements.

In the process of applying accounting policies the Company has made the following estimates, which have a significant impact on the amounts recognized in the separate financial statements:

Estimates:
- The assumptions used to calculate the fair value of financial instruments, (Note 21.);
- The valuation of expected losses on financial assets, (Note 6.1.);
- The evaluation of future profits for the recognition of deferred tax assets, (Note 8.2.);
- The estimate of useful life and residual value of property and equipment;
- The estimate in the measurement of the lease liability;
- The estimate of the probability of occurrence and the value to be recognized as provisions related to litigation and the evaluation of the existence of contingent liabilities;
- The assumptions used in the calculation of post-employment benefits and long-term employee benefits, such as inflation rates, mortality, discount rate and the consideration of future salary increases (Note 11.), and
- The assumptions used by independent third parties to determine the fair value of the equity instruments with which the direct exchanges of shares of the framework agreement were carried out (Note 10. and Note 13.3.3.).

Note 3.1. Fair value of financial instruments

The fair value of financial instruments where there is no active market or where quoted prices are not available are determined using valuation techniques. In these cases, fair values are estimated based on observable inputs for similar financial instruments or using models. Where observable market inputs are not available, they are estimated based on appropriate assumptions.

When valuation techniques (e.g., financial models) are used to determine fair values, they are validated and reviewed periodically by qualified personnel independent of those who obtained them. All models are certified prior to use and the models are calibrated to ensure that the results reflect actual data and comparative market prices. To the extent possible, the models use only observable data; however, areas such as credit risk (both own and counterparty credit risk), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 21 for fair value.

Business model of the Company

The structural portfolio has alternative investments which, due to their nature, do not meet the requirements to be classified at amortized cost, therefore, they must be classified at fair value through profit or loss. These include, but are not limited to, fixed-income securities with prepayment options, private equity funds, and structured products, among others. This type of investment may be acquired, with the objective of matching liabilities and maintaining them for a prolonged period, so that they may be part of the structural portfolio of the Company.

At initial recognition, the Company can irrevocably designate an equity instrument of other companies, that is not held for trading, such as at fair value through Other Comprehensive Income (OCI), this means that in its subsequent measurements, the changes in the fair value will not impact the income statement, but the equity of the Company.

Calculation of credit risk in derivatives

IFRS 13 introduced the requirement to incorporate credit default risk in fair value calculations: Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA).

Options present only one risk, and Cross Currency Swaps (CCS) present both risks, since the former can only be settled in favor or against depending on whether the right or the obligation is held, while CCS can be settled in both directions depending on market movements.

The Company has defined the following assumptions for the calculation of this credit risk, taking into account that IFRS 13 does not establish a single methodology:

- The calculation of CVA and DVA is performed per transaction and corresponds to an additional component within the valuation of transactions.
- To calculate the counterparty, risk the Expected Loss methodology is used, which has 3 components, Potential Future Exposure (PFE), Probability of Default (PD), Recovery Rate (RR).
    - Potential Future Exposure, which is defined as the maximum credit exposure expected during a specific period of time calculated with some level of confidence, by calculating the CVA (positive) as the DVA (negative.
    - Probability of Default is defined as the measure of credit rating given to a contract for the purpose of estimating its probability of default.
    - Recovery Rate, the percentage of the exposure at risk that is not expected to be recovered in the event of default.

Determining efficacy in derivatives

The hedging relationship will be considered effective as long as the hedging instrument minimizes the risk of the hedged item; that is, its effectiveness will be accepted as long as the hedging relationship has a lower exposure to the exchange rate than the item being hedged and regardless of the designated hedging instrument.

The Company has defined the following judgments to qualitatively assess hedge effectiveness, taking into account IFRS 9:

- Economic relationship: The value of the defined hedged item (USD foreign currency denominated debt issue) and the value of the designated hedging instrument (spot item) in this hedging relationship will change systematically and oppositely in response to movements in the USD/COP exchange rate, which is the hedged risk.
- Non-dominance of credit risk: The Company will monitor on a quarterly basis that there are no significant decreases in the credit rating of its counterparty, in order to maintain the high probability of future compliance with the flows of the derivative designated as a hedge.
- Proportional hedging relationship: Provided that, during the life of the hedging relationship, the USD/COP exchange rate is below USD/COP 6,000 (highly probable scenario); the hedging ratio between the hedged item and the hedging instrument will be one to one, fully effectively offsetting the exchange rate risk generated by the principal of the foreign currency (USD) denominated debt issue for the company).
  In a different scenario, when the exchange rate of the Colombian peso to the U.S. dollar during the life of the hedging relationship is above $6,000 Colombian pesos (low probability scenario), the hedge ratio between the hedged item and the instrument designated as a hedge will be, in a very extreme scenario, 0.78 to 1, partially offsetting the exchange rate risk generated by the principal of the debt issue denominated in foreign currency (U.S. dollars).

Note 3.2. Expected losses on financial assets

For the calculation of expected losses on financial assets, the future cash flows of the respective financial asset are estimated. See Note 2.3.2. of financial instruments, in the impairment section.

Note 3.3. Recognition of deferred tax asset

The deferred tax asset generated by deductible temporary differences is recognized to the extent that it is probable that future taxable profits will be available to offset those deductible temporary differences. Significant judgment by management is required to determine the amount of deferred tax asset to recognize, based on the probable expectation of generating future taxable profits and the tax planning strategies of the Company.

Note 3.4. The useful life and residual values of property and equipment,

The Company reviews the useful lives and residual values of property and equipment at least at the end of each accounting period. The effects of changes in useful lives are recognized prospectively over the remaining life of the asset.

Note 3.5. Measurement of lease liabilities

When determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. The assessment is reviewed if a significant event or change in circumstances occurs that affects this assessment.

Note 3.6. Provisions and contingent liabilities

The Company evaluates the existence of provisions and contingent liabilities related to legal and regulatory proceedings, arbitration glosses, taxes and other claims arising from the performance of its activities.

These provisions and contingent liabilities are evaluated taking into account the probability or possibility of occurrence and best estimates.

Based on these aspects and the probability of occurrence (probable, possible or remote), the necessary provisions are recorded whenever the available information indicates that their occurrence is probable. The opinions of internal and external experts are taken into account to make an adequate evaluation of the probability and estimate of the amounts to be recorded.

When the available information indicates that its occurrence is possible, the contingent liability is disclosed.

During the existence of a provision or contingency, the Company may obtain additional information that may affect the assessments related to the probability of occurrence or the estimated amounts; this additional information may lead to changes in the provisions or contingencies.

The Company considers the estimates used to determine the provisions as critical estimates, since the probability of occurrence and the necessary future disbursements are based on the criteria of management and its internal and external experts, which may not necessarily coincide with future results.

Note 3.8. Post-employment and long-term benefits

The measurement of post-employment and long-term benefit obligations involves a variety of assumptions and the making of assumptions that include the determination of key actuarial assumptions that allow the calculation of the value of the liability. Key assumptions include inflation rates, mortality rates, discount rates and consideration of future salary increases.

The projected unit credit method is used to determine the present value of the defined benefit obligation and the associated cost. Future measurements of the obligations may vary significantly from those presented in the financial statements, among others, due to changes in economic and demographic assumptions and significant events. See Note 11. employee benefits.

NOTE 4. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

Note 4.1. New and amended standards and interpretations issued

The Company applied new interpretations and amendments to IFRS issued by the International Accounting Standards Board (IASB) and regulated in Colombia, which are effective for periods beginning on or after January 1, 2024. The new standards adopted are as follows:

Standard	Description	Applicable period / Impact
Amendment to IAS 1 - Non-Current Liabilities with Agreed Conditions	This Amendment, which amends IAS 1 - Presentation of Financial Statements, is intended to improve the information that entities provide about long-term debt with covenants by enabling investors to understand the risk of early repayment of debt. IAS 1 requires an entity to classify debt as non-current only if the enterprise can avoid settling the debt within 12 months of the reporting date. However, the ability of an entity to do so is often subject to compliance with covenants. For example, an entity might have long-term debt that could be repayable within 12 months if the entity does not comply with the covenants within that 12-month period. The amendment requires an entity to disclose information about these covenants in the notes to the financial statements.	These changes had no impact on the financial statements. Prior to the issuance of this Amendment, the Company reviewed non-financial covenants to disclose compliance.
Amendment to IFRS 16 - Sale and Leaseback Transactions	This Amendment, which amends IFRS 16 - Leases, provides guidance on the subsequent measurement to be applied by an entity when it sells an asset and subsequently leases the same asset to the new owner.	These changes had no impact on the financial statements.
Amendment to IAS 7 and IFRS 7 - Supplier Financing Arrangements	This Amendment, which amends IAS 7 - Statement of Cash Flows and IFRS 7 - Financial Instruments: Disclosures, is intended to improve disclosures about its vendor financing arrangements by enabling users of financial statements to evaluate the effects of those arrangements on the entity's liabilities and cash flows and on the exposure of the entity to liquidity risk.	These changes had no impact on the financial statements. Prior to the issuance of this Amendment, the Company already disclosed these liabilities.

Standard	Description	Applicable period / Impact
	The Amendment requires disclosing the amount of liabilities included in such arrangements. It also requires a breakdown of amounts for which suppliers have already received payments from funding providers. Additionally, it should indicate where these liabilities appear on the balance sheet, along with the terms and conditions, ranges of payment due dates, and relevant liquidity risk information. Supplier financing arrangements are characterized by one or more financing providers offering to pay amounts that an entity owes to its supplier, according to the terms and conditions agreed upon between the entity and the financing provider.	
IFRS S1 - General requirements for disclosures of sustainability-related financial information	The objective of IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information is to require an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity cash flows, access to financing, or cost of capital in the short, medium, or long term. These risks and opportunities are collectively referred to as “sustainability-related risks and opportunities that could reasonably be expected to affect the prospects of the entity”. The information is expected to be useful to primary users of general-purpose financial reports in making decisions regarding the provision of resources to the entity.	The Company is in the process of implementing the necessary disclosures in the financial statements.
IFRS S2 - Climate-related Disclosures	The objective of IFRS S2 - Climate-related disclosures is to require an entity to disclose information about all climate-related risks and opportunities that could reasonably be expected to affect the cash flows of the entity, its access to finance or the cost of capital in the short, medium or long term (collectively referred to as "climate information"). The information is expected to be useful to primary users of general-purpose financial reports in making decisions related to the provision of resources to the entity.	The Company is in the process of implementing the necessary disclosures in the financial statements.

Note 4.2. New and amended standards and interpretations issued and not yet effective

The Company has not early adopted the following new and amended Standards, which have already been issued by the International Accounting Standards Board (IASB) but are not yet effective in Colombia as of the date of issuance of the financial statements:

Standard	Description	Applicable period / Impact
Amendment to IAS 21 - Lack of Exchangeability	This amendment to IAS 21 – The Effects of Changes in Foreign Exchange Rates aims to establish accounting requirements for situations where one currency is not exchangeable for another. Specifically, it specifies the exchange rate to be used and the information that must be disclosed in the financial statements. The amendment will enable entities to provide more useful information in their financial statements and assist investors by addressing an issue previously not covered in the accounting requirements for the effects of exchange rate variations.	January 1, 2025, with early adoption permitted. No significant impacts are expected from the application of this amendment.
IFRS 18 – Presentation and Disclosure in Financial Statements	This standard replaces IAS 1 – Presentation of Financial Statements, carrying forward many of its requirements without significant changes. It aims to help investors analyze the financial performance of entities by providing more transparent and comparable information to make better investment decisions. It introduces three sets of new requirements: - Improved comparability of the income statement, as there is currently no specific structure for it. Entities choose the subtotals they want to include, declaring an operating result, but the way it is calculated varies from one entity to another, reducing comparability. The standard introduces three defined categories of income and expenses (operating, investing, and financing) to enhance the income statement's structure and requires all entities to present newly defined subtotals.	January 1, 2027, with early adoption permitted. The Company is evaluating the impacts of the application of this IFRS.

Standard	Description	Applicable period / Impact
	- Greater transparency of management-defined performance measures: Most entities do not provide enough information for investors to understand how performance measures are calculated and how they relate to the subtotals in the income statement. The standard requires entities to disclose explanations about specific measurements related to the income statement, referred to as management-defined performance measures. - A more useful grouping of information in the financial statements: analysis of results by investors is hampered if the information disclosed is too summarized or detailed. The standard provides more detailed guidance on how to organize the information and its inclusion in the main financial statements or in the notes.	
IFRS 19 - Subsidiaries without public accountability: Disclosures	Simplifies reporting systems and processes for entities, reducing the costs of preparing financial statements of subsidiaries, while maintaining the usefulness of those financial statements for their users. Subsidiaries that apply IFRS for SMEs or national accounting standards in preparing their financial statements frequently have two sets of accounting records because the requirements of these standards differ from those of IFRS Accounting Standards. This standard will address these challenges in the following manner: - Allowing subsidiaries to have a single set of accounting records to meet the needs of both their parent company and the users of their financial statements; and - Reducing disclosure requirements and tailoring them to the needs of the users of their financial statements.	January 1, 2027. The Company is evaluating the impacts of the application of this IFRS.

Standard	Description	Applicable period / Impact
	A subsidiary applies IFRS 19 if, and only if: - It does not hold public accountability (generally, it is not publicly traded and is not a financial institution); and - The intermediate or ultimate parent of the subsidiaries produces consolidated financial statements that are available for public use and comply with IFRS Accounting Standards.	
Amendment to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments	This Amendment clarifies the classification of financial assets with environmental, social, corporate governance and similar characteristics. According to the characteristics of contractual cash flows there is confusion whether these assets are measured at amortized cost or at fair value. With these amendments, additional disclosure requirements have been introduced to improve transparency for investors regarding investments in equity instruments designated at fair value through other financial instruments and comprehensive income with contingent characteristics; for example, aspects related to environmental, social and corporate governance issues. Additionally, these amendments clarify the derecognition requirements for the settlement of financial assets or liabilities through electronic payment systems. The amendments clarify the date on which a financial asset or liability is derecognized.	January 1, 2026. The application of these amendments is not expected to have a significant impact.
Annual improvements to IFRS accounting standards	This document introduces several minor amendments to IFRS 1 First-time Adoption, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows. These amendments include clarifications, updates on cross-referencing within standards and outdated references, changes to illustrative examples, and adjustments to the wording of certain paragraphs to enhance the understandability of these standards and avoid ambiguities in their interpretation.	The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. No significant impacts are expected from the application of these Improvements.

Note 4.3. New and amended standards and interpretations issued but not yet applied

New standards and interpretations that have been published and issued as of January 1, 2024 but have not been applied by the Company at the date of the financial statements are presented below. The Company will adopt these standards on the date they become effective, according to the decrees issued by the local Colombian authorities.

Standard	Description	Applicable period / Impact
IFRS 17 – Insurance Contracts, issued in May 2017	New comprehensive standard for insurance contracts covering measurement, recognition, presentation, and disclosure. IFRS 17 replaced IFRS 4 and applies to all types of insurance contracts, regardless of the type of entities issuing them, as well as certain guarantees and financial instruments with discretionary participation features. The overall objective of the standard is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. Unlike the requirements of IFRS 4, which primarily aimed to preserve previous local accounting policies, IFRS 17 offers a comprehensive model for these contracts, covering all relevant aspects. The essence of this standard is a general model supplemented by a specific adaptation for contracts with direct participation features (the variable fee approach) and a simplified approach (the premium allocation approach), mainly for short-duration contracts.	It was included in the Colombian accounting framework through Decree 1271 of October 15, 2024, which will be effective as of January 1, 2027. The Company is evaluating the impacts of the application of this IFRS.
Amendment to IAS 12: International Tax Reform – Pillar Two Model Rules.	The amendments to IAS 12 have been introduced in response to the OECD's Pillar Two rules on preventing base erosion and profit shifting and include: ▪ A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from jurisdictional implementation of the second pillar model rules; and	

Standard	Description	Applicable period / Impact
	▪ Disclosure requirements for affected entities to assist users of financial statements to better understand the exposure of an entity to second pillar income taxes arising from such legislation, in particular before its effective date.	

NOTE 5. RELEVANT FACTS

The events and situations that in the opinion of the Management of the Company are relevant are presented below.

Completion of the framework agreement

On April 25, 2024 the second part of the direct exchange of shares was carried out, which finalized the execution of the framework agreement signed on June 15, 2023 and its subsequent amendments. As a result of this second part of the exchange, and as provided in the agreements, the Company and Grupo Argos S.A. ceased to be shareholders of Grupo Nutresa S.A., and JGDB Holding S.A.S., Nugil S.A.S. and IHC Capital Holding LLC ceased to be shareholders of the Company.

More details are disclosed in Note 10.

Liquidation of Sociedad Portafolio S.A. (in liquidation)

On May 9, 2024 the General Meeting of Shareholders of Sociedad Portafolio S.A. (in liquidation) approved an amendment to Article 3 of its Bylaws regarding the terms of duration of the company, adjusting the expiration date from August 12, 2050 to June 5, 2024.

In June 2024, management initiated the liquidation plan, as established in article 92 of the bylaws.

On September 24, 2024, the General Meeting of Shareholders of Sociedad Portafolio S.A. (in liquidation) approved the final liquidation account and the distribution of shares of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. to its shareholders in proportion to their ownership.

Further details are disclosed in Note 9.1.

Signing of the Memorandum of Understanding and Spin-Off Agreement

On October 25, 2024 the Company entered into a Memorandum of Understanding with Grupo Argos S.A. with the objective of exclusively negotiating and proposing to their respective boards of directors a transaction structure that would result in two independent companies, so that, to the extent possible, the Company and Grupo Argos S.A. would not be reciprocal investors, either directly or indirectly.

Accordingly, on December 18, 2024 the Company entered into a spin-off agreement with Grupo Argos S.A., to which Cementos Argos S.A. adhered on December 27, 2024, with the purpose of disposing of the crossed participations, through spin-offs by reciprocal absorption.

Consequently, Cementos Argos S.A. will first spin off its investment in the Company in favor of the Company and, subsequently, the Company will issue common and preferred shares to the shareholders of Cementos Argos S.A. in proportion to the participation they have in the latter company at the time of the spin-off. Once this operation is completed, the Company and Grupo Argos S.A. will proceed with the reciprocal spin-offs.

All shareholders will maintain the rights they had before the transaction and will receive from the other company the same type of shares they currently hold: common shareholders will receive common shares and preferred shareholders will receive preferred shares. At the end of the transaction, the shareholders of each company will retain the economic value they initially held, divided into direct participations in the two companies.

The spin-off project that materializes this transaction is subject to the approval of the General Meetings of Shareholders of the Company, Grupo Argos S.A. and Cementos Argos S.A., as well as the respective Meetings of Bondholders. Subsequent to such approval, it will be submitted for approval by the Financial Superintendence of Colombia and other pertinent authorities.

Statement of Objections of the Financial Superintendence of Colombia

On November 5, 2024 the Company received a statement of objections from the Colombian Superintendency of Finance related to the accounting record and disclosure in the notes to the financial statements of the exit agreements with non-controlling interests as of September 30, 2022. The Company responded to the statement of objections on December 18, 2024 without any further action having been taken in the process.

Termination of the agreement with Grupo Bolívar S.A. and Compañía de Seguros Bolívar S.A.

On December 12, 2024, once all the conditions of the agreement were fulfilled, including obtaining the necessary regulatory authorizations, the shares of Sura Asset Management S.A. were effectively transferred to the Company, Inversiones y Construcciones Estratégicas S.A.S. and Fundación SURA, and the remaining two installments were paid in full to finalize the transaction.

More details are disclosed in Note 6.2.4.

NOTE 6. FINANCIAL INSTRUMENTS

Note 6.1. Financial Assets

Note 6.1.1. Cash and cash equivalents

Cash and cash equivalents correspond to:

	December 31, 2024	December 31, 2023
Cash and banks	25	8
National banks	105,529	196,164
Foreign Bank	12	628
Cash equivalents (1)	26,474	245,750
Total cash and cash equivalents (2)	**132,040**	**442,550**

(1) Corresponds to simultaneous operations for $21,685 (December 31, 2023 -$-) and to fiduciary assignments for $4,789 (December 31, 2023 - $245,750).

(2) The decrease is mainly due to cash used for dividend payments.

Balances with banks bear interest at variable rates based on daily bank deposit rates. Short-term placements are made for varying periods of between one day and three months, depending on the immediate cash needs of the Company. At December 31, 2024 the Company recorded returns on cash and cash equivalents of $27,028 (December 31, 2023 - $24,763), which were recorded as income, as detailed in Note 16.

As of December 31, 2024 and December 31, 2023, there are no restrictions on cash and cash equivalents that limit their use or availability.

Note 6.1.2. Investments

The breakdown of investments is as follows:

	December 31, 2024	December 31, 2023
At fair value through profit or loss	33,749	26,559
At fair value through OCI (1)	25,460	33,551
Total Non-current investments	**59,209**	**60,110**

(1) The decrease is due to the drop in the share price of Enka de Colombia S.A.

The detail of investments by type is as follows:

	December 31, 2024	December 31, 2023
Sura SAC Ltd (1)	33,749	26,559
At fair value through profit or loss	**33,749**	**26,559**
Enka de Colombia S.A.	25,460	33,551
At fair value through OCI	**25,460**	**33,551**

(1) Account established in July 2022 in Bermuda after entering into a participation agreement with the third party Sura SAC Ltd. According to the nature of the investment, the funds invested do not meet the condition of generating contractual cash flows with specific payment dates for principal and interest. This investment was made to enable a retention scheme by the Company for risks associated with potential third-party claims. In the event of a loss, any obligation will be covered by the existing resources in the investment.

As of December 31, 2024 and December 31, 2023, there are no restrictions on the investment item that limit its use or availability.

The effect on the statement of income of the movements and valuations of investments measured at fair value through profit or loss is presented below.

	January 1 to December 31, 2024	January 1 to December 31, 2023
Effect of changes in fair value	2,907	(1,808)
Effect of changes in exchange rates (Note 16.)	4,283	(5,278)
Total	**7,190**	**(7,086)**

The effect on other comprehensive income, unrealized gain or (loss), of movements and valuations of investments measured at fair value through other comprehensive income is presented below (Note 15).

	January 1 to December 31, 2024	January 1 to December 31, 2023
Enka de Colombia S.A.	(8,091)	(16,381)

Note 6.1.3. Derivative financial instruments

The balance of derivative financial instruments is as follows:

	Note	December 31, 2024	December 31, 2023
Hedge Derivatives	6.2.2.1.	590,694	288,383
Trading Derivatives (1)	6.2.2.2.	120,490	13,708
Total derivatives (2)		**711,184**	**302,091**
Current		64,223	-
Non-current		646,961	302,091

(1) Includes $52,145 (December 31, 2023 - $-) with related parties (Note 7.3.).

(2) The variation in the asset position compared to the previous period is basically due to the effects in the valuation of the instruments, mainly due to the change in the market exchange rate.

Note 6.2. Financial liabilities

The balance of financial liabilities, including accounts payable and accounts payable to related parties, is as follows:

	Note	December 31, 2024	December 31, 2023
Financial liabilities	6.2.1.	4,309,771	2,860,073
Bonds issued	6.2.3.	3,623,356	3,487,199
Preferred shares	12	459,821	459,834
Financial liabilities		**8,392,948**	**6,807,106**
Derivative financial instruments	6.2.2.	116,952	204,820
Accounts payable to related parties	7.3.	177,747	223,603
Accounts payable	6.2.5.	60,087	77,453
Other financial liabilities		**354,786**	**505,876**
Total financial liabilities		**8,747,734**	**7,312,982**

Financial liabilities classified as current and non-current and their valuation methodology are presented below:

	December 31, 2024			
	Note	Amortized cost	Fair value	Total
Current				
Financial liabilities	6.2.1.	450,819	-	450,819
Derivative financial instruments	6.2.2.	-	1,171	1,171
Accounts payable to related parties	7.3.	142,442	-	142,442
Accounts payable	6.2.5.	46,575	-	46,575
Total current		**639,836**	**1,171**	**641,007**
Non-current				
Financial liabilities	6.2.1.	3,858,952	-	3,858,952
Derivative financial instruments	6.2.2	-	115,781	115,781
Accounts payable to related parties	7.3.	35,305	-	35,305
Accounts payable	6.2.5	13,512	-	13,512
Bonds issued	6.2.3	3,623,356	-	3,623,356
Preferred shares liability	12	459,821	-	459,821
Total non-current		**7,990,946**	**115,781**	**8,106,727**
Total financial liabilities		**8,630,782**	**116,952**	**8,747,734**

	December 31, 2023			
	Note	Amortized cost	Fair value	Total
Current				
Financial liabilities	6.2.1.	1,430,394	-	1,430,394
Derivative financial instruments	6.2.2.	-	68,638	68,638
Accounts payable to related parties	7.3.	188,746	-	188,746
Accounts payable	6.2.5.	36,530	-	36,530
Bonds issued	6.2.3.	167,502	-	167,502
Total current		**1,823,172**	**68,638**	**1,891,810**
Non-current				
Financial liabilities	6.2.1.	1,429,679	-	1,429,679
Derivative financial instruments	6.2.2.	-	136,182	136,182
Accounts payable to related parties	7.3.	34,857	-	34,857
Accounts payable	6.2.5.	40,923	-	40,923
Bonds issued	6.2.3.	3,319,697	-	3,319,697
Preferred shares liability	12	459,834	-	459,834
Total non-current		**5,284,990**	**136,182**	**5,421,172**
Total financial liabilities		**7,108,162**	**204,820**	**7,312,982**

Note 6.2.1. Financial liabilities

The balance of financial liabilities is as follows:

	December 31, 2024	December 31, 2023
Banks (1)	3,001,336	1,878,070
Club Deal (2)	1,308,435	-
Commitments with co-investors (3)	-	982,003
Total	**4,309,771**	**2,860,073**
Current	450,819	1,430,394
Non-current	3,858,952	1,429,679

(1) Corresponds to the following credits:

	December 31, 2024		
	$	Interest rate	Year of maturity
Bancolombia S.A.	228,979	IBR+1.70%	2025
Banco Davivienda S.A. Miami	90,416	SOFR 6 months+1.8%	2025
Banco Davivienda S.A. Miami	88,778	SOFR 6 meses	2025
Banco Bilbao Vizcaya Argentaria S.A. (*)	42,646	13.6% EAR	2025
Banco de Bogotá S.A.	133,144	IBR 3 months + 2.70%	2027
Banco Bilbao Vizcaya Argentaria S.A.	102,484	13.95% EAR	2028
Banco Davivienda S.A. (*)	255,457	IBR 3 months +2.85%	2029
Banco Davivienda S.A. (*)	201,214	12.25% EAR	2029
Bancolombia S.A. (*)	402,399	IBR 3 months +2.55%	2030
Bancolombia S.A.	355,291	IBR+3.07%	2030
Bancolombia S.A. (*)	400,614	IBR+3.53%	2032
Bancolombia S.A.	448,393	IBR+2.95%	2033
Bancolombia S.A. (*)	251,521	IBR 3 months +2.71%	2033
Total	**3,001,336**		

	December 31, 2023		
	$	Interest rate	Year of maturity
Bancolombia S.A.	202,808	IBR+0.40%	2024
Bancolombia S.A.	102,192	IBR+3.90%	2024
Bancolombia S.A.	98,682	IBR+2.20%	2024
Banco Bilbao Vizcaya Argentaria S.A.	44,709	15.9% EAR	2024
Bancolombia S.A.	231,501	IBR+1.70%	2025
Banco de Bogotá S.A.	130,270	IBR 1 month + 3.00%	2025
Banco Davivienda S.A. Miami	78,546	SOFR 6 months +1.8%	2025
Banco Davivienda S.A. Miami	77,111	SOFR 6 meses	2025
Banco Bilbao Vizcaya Argentaria S.A.	102,694	15% EAR	2028
Bancolombia S.A.	358,791	IBR+3.07%	2030
Bancolombia S.A.	450,766	IBR+2.95%	2033
Total	**1,878,070**		

The variation with respect to December 2023 corresponds mainly to the payment of loans maturing in 2024 and the acquisition of new loans referenced with (*) in the tables above.

The loans with Bancolombia S.A. are subject to standard acceleration events for treasury loans, including among others, changes of control.

Includes $1,858,218 with related parties as of December 31, 2024 and $1,444,739 as of December 31, 2023. Note 7.3.

(2) In March 2024 the Company signed a "Club Deal" type credit agreement with Citibank National Association (administrative agent), Banco Bilbao Vizcaya Argentaria S.A., Itaú Corpbanca S.A., Banco Latinoamericano de Comercio Exterior, S.A. and Banco General S.A. for USD 500 million in order to comply with the obligations of the Takeover Bid for the shares of Grupo Nutresa S.A. On April 3, 2024, USD 300 million were disbursed. This credit has an availability commission stipulated for a period of 6 months and in September 2024 it was extended for an additional 6 months until March 2025. The term of the loan is 5 years and has an agreed SORF (3 months) + 2.65 rate. The Company has pledged 45,250,000 common shares of Bancolombia S.A. to guarantee the operation.

This credit agreement includes restrictions on granting guarantees, guidelines to be followed in case of corporate reorganizations, prepayment rules in the event of asset disposals, and the obligation to maintain a net debt/dividend leverage ratio, among others.

(3) Corresponded to obligation with Grupo Bolívar S.A. and Compañía de Seguros Bolívar S.A. for the acquisition of 254,428 shares of Sura Asset Management S.A. This obligation was cancelled in December 2024. (Note 6.2.4.).

Note 6.2.2. Derivative financial instruments

The balance of derivative financial instruments is as follows:

	Note	December 31, 2024	December 31, 2023
Hedge derivatives	6.2.2.1.	97,999	106,551
Trading derivatives (1)	6.2.2.2.	18,953	98,269
Total derivative financial instruments (2)		**116,952**	**204,820**
Current		1,171	68,638
Non-current		115,781	136,182

(1) Includes $1,171 with related parties (December 31, 2023 - $67,715). Note 7.3.

(2) The variation in the liability position compared to the previous period is basically due to the valuation of the instruments.

Note 6.2.2.1. Hedging derivative financial instruments

The Company accesses international markets to obtain effective sources of funds. As part of this process, it assumes exposure to foreign currencies, mainly the U.S. dollar (USD). In accordance with the financial risk policy, the Company uses hedge accounting to hedge the exchange rate risk due to variations in cash flows from foreign currency obligations.

The foreign currency risk component is managed and mitigated using instruments such as cross-currency swaps and options, which exchange foreign currency payments for principal payments in the Company's functional currency. These instruments are applied to match the maturity profile of the estimated payments of debt instruments.

The foreign currency risk component is determined as the change in cash flows of foreign currency debt resulting solely from changes in the exchange rate for the related foreign currency swaps and options. Such changes constitute a significant portion of the overall changes in the cash flows of the instrument.

The effectiveness of these strategies is assessed by comparing changes in the fair value of the cross-currency swaps and options with changes in the fair value of the hedged debt attributable to the foreign currency risk of the hedged foreign currency obligations using the symmetry method of the critical elements of the hedging instruments and the hedged instruments.

The Company establishes the hedge ratio by crossing the notional value of the derivative with the principal amount of the point-in-time debt instrument being hedged. The possible sources of ineffectiveness are as follows:
- Differences in the timing of cash flows between debt instruments and hedging operations.
- Differences in the discount between the hedged item and the hedging instrument.
- The hedging of derivatives with a fair value different from zero at the initial date of designation as hedging instruments; and
- Counterparty credit risk, which impacts the fair value of uncollateralized hedging transactions, but does not affect the hedged items.
- The impact on the fair value of hedging instruments, caused by interest rate movements and volatilities of these instruments.

Since 2021 the Company implemented cash flow hedge accounting for bonds issued in 2026 (Note 6.2.2.3) with the following transactions:
- Twenty-two (22) principal-only cross currency swap;
- Four (4) call spread structures (call option bought + call option sold) and,
- Six (6) out-of-the-money call options sold that are part of the structure and are included in the CCS contracts.

Following the initial designation, modifications have been made to improve the range of coverage for the hedged portion, which has limited coverage over USD 255 million. This has implied:
- The modification of four (4) Sold Calls;
- The substitution of two (2) Call Purchased for two (2) CCS;
- The constitution of two (2) Seagull structures;
- Early termination of one (1) Call Spread structure;
- Five (5) call spread structures (call option bought + call option sold), the purpose of which is to widen the hedging range, and
- Modification of 3 main CCS and its ceiling.

As of December 31, 2024, and following the modifications implemented, the Company uses the following hedging instruments:

- Twenty-three (23) Principal-Only Cross Currency Swap (Principal-Only CCS).
- Two (2) call spread structures (call option bought + call option sold).
- Five (5) call spread structures (call option bought + call option sold), the purpose of which is to widen the hedging range.
- Two (2) Seagull structures (call option bought + call option sold + put option sold), whose purpose is to widen the hedging range of the two call spread structures.
- Seven (7) out-of-the-money call options sold that are part of the structure and are included in the CCS contracts.

In this set of structures, the company acquires the right to receive USD $530 million at maturity and semi-annual flows in USD at a fixed rate of 0% NASV; and in consideration it is obliged to pay an agreed amount and a specific fixed rate in COP in each of the derivatives that make up the structure.

According to the hedging strategies, the Company has decided to record the time value of the options and swaps in other comprehensive income and amortize it systematically to income over the term of the hedges.

The nominal value and fair value for each type of hedging derivative financial instrument are as follows:

	December 31, 2024		December 31, 2023	
	Nominal value (*)	Fair value	Nominal value (*)	Fair value
Assets				
Cross currency swap	1,464,913	375,948	942,059	129,623
Currency call option	1,456,210	214,746	1,456,210	158,760
Total assets	**2,921,123**	**590,694**	**2,398,269**	**288,383**
Liabilities				
Cross currency swap	-	-	522,854	7,500
Currency call option	2,733,685	97,712	2,733,685	92,249
Currency put option	329,650	287	329,650	6,802
Total liabilities	**3,063,335**	**97,999**	**3,586,189**	**106,551**

(*) The nominal value of CCS and forwards corresponds to the amount hedged in foreign currency multiplied by the hedging rate and in the case of options, the amount hedged/exposed by the exercise value of the option.

The effect on the income statement of the movements and valuations of derivative financial instruments for hedging, options and swaps (Note 19.1) is presented below:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Effect of changes in fair value	311,163	(494,284)

The effect on other comprehensive income, unrealized gain or (loss), of the movements and valuations of derivative financial instruments for hedging, options and swaps (Note 15.3.) is presented below:

	Note	Balance $
Balance as of December 31, 2022	15.3.	**(205,163)**
Effect of changes in fair value		231,482
Amortization of temporary differences – Effect on Results	19.2.	(107,396)
Balance as of December 31, 2023	15.3.	**(81,077)**
Effect of changes in fair value		135,316
Amortization of temporary differences – Effect on Results	19.2.	(106,180)
Balance as of December 31, 2024	15.3.	**(51,941)**

As of December 31, 2024, the number of derivative financial instruments for hedging is 50 (December 31, 2023 - 50).

Note 6.2.2.2. Trading derivative financial instruments

The Company has derivative financial instruments for trading purposes, especially cross currency swap and forward contracts. Although they are trading derivatives, the objective is to cover obligations in foreign currency, but they have not been designated as hedge accounting.

The nominal value and fair value for each type of trading derivative financial instrument are as follows:

	December 31, 2024		December 31, 2023	
	Nominal value (*)	Fair value	Nominal value (*)	Fair value
Assets				
Forward	802,154	59,671	-	-
Cross currency swap	2,047,610	60,819	1,562,983	13,708
Total assets	**2,849,764**	**120,490**	**1,562,983**	**13,708**
Liabilities				
Forward	91,063	1,171	1,291,199	76,640
Cross currency swap	769,262	17,782	848,262	21,629
Total liabilities	**860,325**	**18,953**	**2,139,461**	**98,269**

(*) The nominal value of CCS and forwards corresponds to the amount hedged in foreign currency multiplied by the hedging rate and in the case of options, the amount hedged/exposed by the exercise value of the option.

The effect of the movements of trading derivative financial instruments on the income statement is presented below (Note 19.):

	January 1 to December 31, 2024	January 1 to December 31, 2023
Income generated	2,638,362	105,780
Expenses incurred	(2,481,625)	(276,043)
Total	**156,737**	**(170,263)**

As of December 31, 2024, the number of derivative financial instruments held for trading is 23 (December 31, 2023 - 36).

Note 6.2.3. Bonds issued

Details of the bonds issued are presented below:

Date of issue	Maturity date	Nominal value	Emission rate	December 31, 2024 Amortized cost	December 31, 2024 Fair value	December 31, 2023 Amortized cost	December 31, 2023 Fair value
November 25, 2009	November 25, 2029	98,000	CPI + 5.90%	97,625	98,195	98,559	103,698
November 25, 2009	November 25, 2049	97,500	CPI + 6.98%	95,735	93,688	96,852	113,445
May 7, 2014	May 7, 2030	100,000	CPI + 4.15%	100,737	108,334	101,029	99,288
April 29, 2016 (1)	April 29, 2026	USD 530	5.50%	2,352,569	2,340,574	2,035,515	2,014,082
February 23, 2017	February 23, 2029	190,936	CPI + 3.58%	190,448	177,231	192,279	185,500
February 23, 2017 (2)	February 23, 2024	165,515	CPI + 3.19%	-	-	167,502	168,100
August 11, 2020	August 11, 2027	296,350	CPI + 2.54%	299,475	278,797	303,066	282,653
August 11, 2020	August 11, 2032	180,320	CPI + 3.39%	182,712	158,557	184,890	173,201
August 11, 2020	August 11, 2040	299,580	CPI + 3.78%	304,055	257,468	307,507	287,375
Total				**3,623,356**	**3,512,844**	**3,487,199**	**3,427,342**
Current				-	-	167,502	168,100
Non-current				3,623,356	3,512,844	3,319,697	3,259,242

(1) On April 29, 2016, the Company incurred a liability for the issuance of foreign currency bonds amounting to USD 550 million, with a single principal maturity on April 29, 2026, and a fixed interest rate of 5.50%, payable semi-annually. Subsequently, in 2022, USD 20 million were repurchase.

The bond covenants include a buyback clause in the event of a change of control, limitations on the granting of guarantees and guidelines that must be observed in the event of corporate reorganizations, among others. All the bond conditions are publicly available for investors to consult on the company's website.

(2) Bond due February 23, 2024.

As of December 31, 2024, and December 31, 2023, the Company had not defaulted on the payment of principal or interest or otherwise breached any covenants regarding these obligations.

Note 6.2.4. Commitments with non-controlling shareholders

The Company, as the parent company of the subsidiaries Suramericana S.A. and Sura Asset Management S.A., has entered into shareholder agreements through which rules have been formalized for the management of the participation of strategic partners in some of the subsidiaries of the Company. These agreements have established long-term relationships based on the mutual interest of sharing knowledge and business strategies in each of these subsidiaries. They have also been developed with the support of expert advisors in financial, legal, accounting and tax matters, among others, in line with the strategic objectives defined by the Company.

These agreements include corporate governance provisions, minimum shareholder tenure periods, declarations, exit mechanisms and, in general, the usual clauses for this type of contract in companies not listed on a stock market, and may eventually generate future commitments.

The general terms of these agreements are as follows:

Note 6.2.4.1. Agreement with Münchener Rückversicherungs - Gesellschaft Aktiengesellschaft, also known as Münchener Rück AG, or Munich Re (hereinafter "MRE") as shareholder of the subsidiary Suramericana S.A., holder of an 18.87% equity interest in such subsidiary.

The agreement signed in 2001 and amended in 2007 and 2010 establishes, among other matters, mechanisms by which an eventual divestment of MRE would be implemented. The contract establishes an option in which MRE can sell its 18.87% stake in Suramericana S.A. to the Company; the price of said stake would be determined by an independent third party using commonly accepted valuation methodologies and determining a fair market value for a minority investment. The option may only be exercised between March 1 and 31 of each year.

Note 6.2.4.2. Agreement with Caisse De Dépôt Et Placement Du Québec (hereinafter "CDPQ") as shareholder in the subsidiary Sura Asset Management S.A., holder of a 6.68% equity interest in said subsidiary.

Adopted in 2019, amended in 2022 and 2024, with the last amendment establishing that the Company may, during the period between February and May 2025, sell up to 3. 3% of the shares of the subsidiary Sura Asset Management S.A., without exceeding a total CDPQ participation of 9.9%, at fair market value, which will be determined by independent third parties

In addition, this agreement establishes the mechanisms by which an eventual divestment by CDPQ would be implemented, starting in April 2029, once the agreed period of permanence has ended. The agreement establishes that, after April 2029, as long as Sura Asset Management S.A. has not been listed on a recognized stock exchange or securities market and CDPQ has not executed a sale to a third party, CDPQ may sell its shares in Sura Asset Management S.A. to the Company at fair market value, which will be determined by independent third parties and paid in cash or with equity instruments, at the discretion of the Company, applying in all cases the corporate procedures required by Colombian law

Note 6.2.4.3. Agreement with Grupo Bolívar S.A. and Compañía de Seguros Bolívar S.A. (hereinafter "GB") as shareholders in the subsidiary Sura Asset Management S.A., former holders of a 9.74% equity interest in said subsidiary and the execution of a share purchase and sale agreement.

This Agreement was entered into in 2011, amended in 2013 and establishes the following mechanisms through which an eventual divestment of GB would be implemented: i) direct sale to third parties, ii) acquisition funded with dividends declared by Sura AM, and iii) exchange for the Company’s own equity instruments (preferred shares), applying in all cases the corporate procedures required by Colombian law.

This agreement was terminated on November 30, 2023 by mutual agreement of the parties by signing a share purchase agreement, amended on January 16, 2024 and December 11, 2024. Through this contract, the Company undertook to acquire all 254,930 ordinary shares owned by GB, equivalent to a 9.74% shareholding in the subsidiary Sura Asset Management S.A. The acquisition was agreed as follows: the Company acquired 254,928 ordinary shares, the subsidiary Inversiones y Construcciones Estratégicas S.A.S. acquired 1 ordinary share and Fundación SURA acquired 1 ordinary share.

The transaction price amounted to $1,615,573, minus the value of the dividends paid to GB between November 1, 2023, and the date on which the shares are effectively transferred. On the date the contract was signed, the price to be paid, discounting the extraordinary dividends paid by Sura Asset Management S.A. to GB on November 29, 2023, was $1,582,162. Thereafter, between the date of signature of the share purchase agreement and the date of transfer of the shares, this price was gradually adjusted to the extent that additional dividends were paid by Sura Asset Management S.A. to GB.

Initially the payment was agreed in three installments: one installment of $612,818 which was paid at the signing of the share purchase agreement and two remaining installments, each of $484,672 less the gross aggregate value of the capital distributions declared by Sura Asset Management S.A. and paid to the sellers between the day following the date of the first payment and the effective date of the respective payments, which were to be paid (i) within five business days following the closing of May 2024 or when the shares are effectively transferred, whichever occurs last, and (ii) within five business days following the closing of November 2024 or when the shares are effectively transferred, whichever occurs last.

During the last quarter of 2024, all conditions precedent were met, including obtaining the applicable regulatory approvals, and the share purchase agreement signed on November 30, 2023 was closed. To this extent, on December 12, 2024 the shares were effectively transferred in favor of the Company, Inversiones y Construcciones Estratégicas S.A.S. and Fundación SURA (according to the abovementioned participations) and the total payment of the two remaining installments for $1,050,470 was made to finalize the transaction.

Note 6.2.4.4. Exit option with non-controlling shareholders

The fair value of the financial derivatives arising from the commitments with CDPQ and MRE is $0, considering that the exercise price and the underlying asset (shares subject of the contract) are at fair value.

Valuations are prepared and reviewed periodically by qualified internal personnel and are compared with other accepted methodologies under international standards such as multiples of comparable companies and precedent transactions.

The estimated value of the commitments with non-controlling shareholders (MRE and CDPQ) was calculated based on the Dividend Discount Model discounted cash flow valuation methodology.

The most significant variables used in the calculation are as follows:

- Sum of shares of the main business units of the subsidiaries Sura Asset Management and Suramericana S.A;
- Dividends discounted over a 10-year horizon;
- Projections based on the business plans of the companies;
- Discount rate based on CAPM methodology and
- Macroeconomic assumptions according to the average expectation of market analysts.

On a quarterly basis, the estimate of commitments with non-controlling shareholders is updated with the discount rate, exchange rate and cash flow dates.

Note 6.2.5. Other accounts payable

Details of other accounts payable are shown below:

	December 31, 2024	December 31, 2023
Other accounts payable (1)	49,227	69,922
Suppliers	9,426	6,167
Taxes payable	1,434	1,364
Total	**60,087**	**77,453**
Current	46,575	36,530
Con-current	13,512	40,923

(1) Corresponds mainly to accounts payable for derivative premiums and withholdings at source. Includes $26 from related parties (December 31, 2023 - $866). Note 7.3

NOTE 7. RELATED PARTIES

Subsidiaries, associates, key management personnel and entities over which key management personnel may exercise control are considered related parties of the Company.

Note 7.1. Significant agreements

Transactions with related parties mainly refer to those between the Company and its subsidiaries and associates and are accounted for substantially according to the terms and conditions agreed between the parties and were carried out at market prices and conditions. The agreements are detailed below:

- Bancolombia S.A., provision of financial services and contracting of financial assets and liabilities.

- Seguros de Vida Suramericana S.A., and Seguros Generales Suramericana S.A., insurance acquisition.

- Inversiones y Construcciones Estratégicas S.A.S., reciprocal contracting of active and passive financial instruments.

- Arus S.A.S., provision of technology and data processing services, among others.

Note 7.2. Related party transactions

Transactions with related parties correspond to dividend income and expenses related to services received.

The value of income and expenses with related parties is as follows:

	December 31, 2024			December 31, 2023		
	Key management personnel	Associates	Subsidiaries	Key management personnel	Associates	Subsidiaries
Income						
Dividends (Note 16)	-	1,006,053	-	-	1,161,109	-
Usufruct amortization	-	-	-	-	-	32,177
Others	-	-	-	-	-	13
Total income	**-**	**1,006,053**	**-**	**-**	**1,161,109**	**32,190**
Expenses						
Financial expenses	-	183,839	-	-	112,070	-
Administrative costs	-	-	6,918	-	-	5,070
Employee benefits	24,154	-	-	14,508	-	-
Fees	2,329	-	-	2,090	-	-
Total expenses	**26,483**	**183,839**	**6,918**	**16,598**	**112,070**	**5,070**

The value of revenues with each related party is as follows:

	December 31, 2024		December 31, 2023	
	Associates	Subsidiaries	Associates	Subsidiaries
Inversiones y Construcciones Estratégicas S.A.S.	-	-	-	32,177
Suramericana S.A.	-	-	-	13
Bancolombia S.A.	831,004	-	831,004	-
Grupo Argos S.A.	164,705	-	134,714	-
Sociedad Portafolio S.A. (in liquidation)	10,344	-	-	-
Grupo Nutresa S.A.	-	-	195,391	-
Total income	**1,006,053**	**-**	**1,161,109**	**32,190**

The value of the expenses with each related party is as follows:

	December 31, 2024		December 31, 2023	
	Associates	Subsidiaries	Associates	Subsidiaries
Bancolombia S.A.	183,839	-	112,070	-
Inversiones y Construcciones Estratégicas S.A.S.	-	3,740	-	3,502
Consultoría en Gestión de Riesgos S.A.S.	-	51	-	38
Seguros de Vida Suramericana S.A.	-	866	-	595
Seguros Generales Suramericana S.A.	-	1,829	-	599
Operaciones Generales Suramericana S.A.S.	-	28	-	25
Sura Asset Management S.A.	-	17	-	-
Arus S.A.S.	-	386	-	306
Servicios de Salud IPS Suramericana S.A.S.	-	1	-	5
Total expenses	**183,839**	**6,918**	**112,070**	**5,070**

The value of employee benefit expenses for each of the benefit categories is as follows:

	December 31, 2024	December 31, 2023
Short-term benefits	12,589	10,253
Post-employment benefits	11,565	4,255
Total employee benefits	**24,154**	**14,508**

Note 7.3. Accounts receivable and accounts payable to related parties

The balance of accounts receivable from related parties is as follows:

	Associates		Subsidiaries		Total	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Dividend receivable	252,852	296,459	-	143,373	**252,852**	**439,832**

The balance of other accounts receivable from related parties, included in the balances of the respective asset accounts in the statement of financial position, is as follows:

	December 31, 2024		December 31, 2023	
	Associates	Subsidiaries	Associates	Subsidiaries
Derivative financial instruments (Note 6.1.3)	52,145	-	-	-
Other accounts receivable	-	130	-	1,731
Other assets		6,103		-

The balance of accounts receivable from each related party is as follows:

	December 31, 2024		December 31, 2023	
	Associates	Subsidiaries	Associates	Subsidiaries
Accounts receivable dividends				
Bancolombia S.A.	207,751	-	207,751	-
Grupo Argos S.A.	45,101	-	33,679	-
Grupo Nutresa S.A. (1)	-	-	55,029	-
Sura Asset Management S.A.	-	-	-	143,295
Others	-	-	-	78
Total accounts receivable dividends	**252,852**	**-**	**296,459**	**143,373**
Derivative financial instruments				
Bancolombia S.A.	52,145	-	-	-
Total derivative financial instruments	**52,145**	**-**	**-**	**-**
Other accounts receivable				
Suramericana S.A.	-	130	-	1,420
Sura Asset Management S.A.	-	-	-	311
Total other accounts receivable	**-**	**130**		**1,731**

(1) Associate reclassified as a non-current asset available for sale in June 2023; the sale was completed in February 2024 (See Note 10).

The balance of accounts payable to related parties is as follows:

	Associates		Subsidiaries		Total	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Dividends payable	142,442	188,746	-	-	**142,442**	**188,746**
Loans payable	-	-	35,305	34,857	**35,305**	**34,857**
Total					**177,747**	**223,603**

The balance of other payables to related parties, included in the respective liability accounts in the statement of financial position, is as follows

	December 31, 2024			December 31, 2023		
	Key management personnel	Associates	Subsidiaries	Key management personnel	Associates	Subsidiaries
Other accounts payable (Note 6.2.5.)	-	-	26	-	-	866
Derivative financial instruments (Note 6.2.2.)	-	1,171	-	-	67,715	-
Post-employment employee benefits (Note 11.3.)	17,533	-	-	43,937	-	-
Financial obligations (Note 6.2.1.)	-	1,858,218	-	-	1,444,739	-

The balance of accounts payable to each related party is as follows:

	December 31, 2024			December 31, 2023		
	Key management personnel	Associates	Subsidiaries	Key management personnel	Associates	Subsidiaries
Dividends and loans payable						
Grupo Argos S.A. (1)	-	73,652	-	-	41,604	-
Grupo Nutresa S.A.	-	-	-	-	19,850	-
Sociedad Portafolio S.A. (in liquidation)	-	-	-	-	-	-
JDGB Holding S.A.S. (2)	-	-	-	-	60,566	-
Other stockholders	-	68,790	-	-	66,726	-
Inversiones y Construcciones Estratégicas S.A.S.	-	-	35,305	-	-	34,827
Sura Asset Management S.A.	-	-	-	-	-	30
Total dividends and loans payable	**-**	**142,442**	**35,305**	**-**	**188,746**	**34,857**
Other accounts payable						
Servicios Generales S.A.S.	-	-	24	-	-	167
Seguros de Vida Suramericana S.A.	-	-	2	-	-	663
Consultoría en Gestión de Riesgos S.A.S	-	-	-	-	-	
Arus S.A.S.	-	-		-	-	26
Seguros Generales Suramericana S.A.	-	-		-	-	5
Servicios de Salud IPS Suramericana S.A.S.	**-**	**-**		**-**	**-**	6
Total other accounts payable			**26**			**867**
Derivative financial instruments						
Bancolombia S.A.	-	1,171	-	-	67,715	-
Total derivative financial instruments		**1,171**			**67,715**	
Financial obligations						-
Bancolombia S.A.	-	1,858,218	-	-	1,444,739	-
Total financial obligations	**-**	**1,858,218**	**-**	**-**	**1444,739**	**-**

(1) Includes dividend payable to Cementos Argos S.A., Sator S.A.S., Celsia S.A. and FAP Grupo Argos.

(2) Includes dividends payable from IHC Capital Holding L.L.C. and Nugil S.A.S.

NOTE 8. TAXES

The following are the taxes recognized in the statement of financial position:

Tax assets:

	Note	December 31, 2024	December 31, 2023
Current tax assets (net)	8.1.	-	143
Deferred tax asset (net)	8.2.	133,150	-

Tax liabilities:

	Note	December 31, 2024	December 31, 2023
Current tax liabilities (net)	8.1.	754,820	-
Deferred tax liabilities (net)	8.2.	-	277,295

Note 8.1. Current income tax

Note 8.1.1. Current income tax assets and liabilities

The balance of current income tax assets and (liabilities) recognized in the statement of financial position is as follows:

	December 31, 2024	December 31, 2023
Income tax asset receivable	-	143
Income tax and supplementary tax liability	(754,820)	-
Total current tax (liability) asset	**(754,820)**	**143**

The Company expects to recover and pay its current taxes as follows:

	December 31, 2024	December 31, 2023
Current tax assets recoverable within 12 months	-	143
Current tax (liability) payable within 12 months	(754,820)	-

Note 8.1.2. Income tax recognized in profit or loss

The components of the income tax expense recognized in the statement of profit or loss are as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Current tax expense	(861,068)	(1,873)
Prior period adjustment	(2)	(2)
Deferred tax income (expense) (Note 8.2.)	420,645	(382,592)
Total income tax (expense)	**(440,425)**	**(384,467)**

Note 8.1.3. Reconciliation of the effective tax rate

The reconciliation of the effective tax rate and the applicable tax rate is as follows:

	Rate	January 1 to December 31, 2024	Rate	January 1 to December 31, 2023
Income before taxes		**5,772,201**		**1,441,122**
Income tax at current tax rate	35%	(2,020,270)	35%	(504,393)
Items that increase taxable income		**(353,655)**		**(682,635)**
Non-deductible expenses (1)		(338,906)		(248,094)
Financial liabilities		(14,162)		(14,757)
Property and equipment		(587)		-
Capital gains (2)		-		(419,217)
Others		-		(567)
Items that decrease taxable income		**1,933,500**		**802,561**
Unrecorded income (3)		423,584		415,510
Capital gains (2)		1,188,943		-
Non-taxable dividends		320,436		362,783
Property and equipment		370		253
Provisions and contingencies		167		11,262
Exempt income		-		12,753
Income tax expense (4)	**10%**	**(440,425)**	**27%**	**(384,467)**

(1) Includes expenses due to legal limitations associated with non-income income, donations, among others.

(2) It corresponds to the net effect on the income tax at a 35% rate and on the capital gain at a 15% rate, arising from the exchange of Grupo Nutresa S.A. shares in compliance with the framework agreement

(3) Corresponds to income from equity method of subsidiaries.

(4) The variation in the effective rate is mainly due to the tax effect originated in the exchange of shares of Grupo Nutresa S.A. and in the liquidation of Sociedad Portafolio S.A. (in liquidation). The income tax originated in these transactions is summarized as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Current income tax	(858,445)	-
Deferred income tax on non-current assets held for sale	419,217	(419,217)
Net income tax on share exchange	**(439,228)**	**(419,217)**

Note 8.1.4. Current tax movement

The following is the change in the balance of income and supplementary items as of December 31, 2024 and December 31, 2023:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Income tax balance receivable (payable) at the beginning of the period	**(143)**	**407**
Current income tax liability	852,036	1,466
Withholding taxes, refunds, and advances	(97,073)	(2,016)
Income tax payable (receivable) balance	**754,820**	**(143)**

As a general rule, the income tax return becomes final in 3 years from the date of filing; for returns where a transfer pricing study was carried out, the term of its finality will be 5 years. For the taxable period 2023 the Company availed itself of the audit benefit and its finality will be of 6 months.

Note 8.2. Deferred tax

The movement and net balance of deferred taxes consists of the following items:

Account	December 31, 2024	Effect on results	Effect on other comprehensive income	December 31, 2023	Effect on results	Effect on other comprehensive income	December 31, 2022
Investments	-	120,513	-	(120,513)	(120,513)	-	-
Non-current assets held for sale	-	298,704	-	(298,704)	(298,704)	-	-
Property and equipment	32	(221)	-	253	(111)	-	364
Financial liabilities	129,558	1,709	(10,197)	138,046	35,227	(43,431)	146,250
Employee benefits	2,677	(343)	(2)	3,022	1,252	15	1,755
Rights of use	883	283	-	601	257	-	344
Total	**133,150**	**420,645**	**(10,199)**	**(277,295)**	**(382,592)**	**(43,416)**	**148,713**

The Company expects to recover and settle its deferred taxes as follows:

	December 31, 2024	December 31, 2023
Deferred tax asset recoverable within 12 months	-	3,008
Deferred tax asset recoverable after 12 months	326,912	149,256
(Liability) deferred tax due within 12 months	-	(419,217)
(Liability) deferred tax due after 12 months	(193,762)	(10,342)
Total	**133,150**	**(277,295)**

Note 8.3. Tax regulations applicable to the Company

- In 2024, the general income tax rate is 35% and 15% for income from occasional gains.

- In the case of financial institutions, a surcharge of 5 percentage points applies from 2022 to 2025.

- Through Law 2294 of 2023 (National Development Plan), the audit benefit is extended for the years 2024 to 2026 to reduce the time for the tax return to become final by 6 or 12 months, provided that the net income tax is increased by 35% or 25% respectively.

- With regard to the minimum tax rate of 15% created by Law 2277 of 2022, considering that the Company is the parent company of a group of entities and is therefore obliged to consolidate the determination of the final tax rate, the details of this calculation are disclosed in the consolidated financial statements.

Note 8.4. Tax credits and unrecognized deferred tax assets

Under current tax legislation, income and supplementary tax losses may be offset against the net income obtained in the following 12 periods, taking into account the formula established in Numeral 5 of Article 290 of the Tax Code. Tax losses determined should not be fiscally readjusted.

The deferred tax asset related to these tax losses has not been recognized because the Company has assessed and concluded that the deferred tax asset related to these losses is not likely to be recoverable.

Tax losses accumulated up to 2016 may be offset against future ordinary net income tax income at any time and without any percentage limitation. Tax losses from subsequent years may be offset against a maximum of the net income of the 12 years following the year in which they occurred.

Following is a detail, by maturity limit, of the deductible temporary differences corresponding to tax loss carryforwards and excess of presumptive income on which the deferred tax asset has not been recognized:

	Tax losses		Excess of presumptive income	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2024
Between 1 and 12 years old	-	-	-	-
No time limit	176,648	174,624	-	-
Total tax credits	**176,648**	**174,624**	**-**	**-**

Note 8.5. Uncertainty regarding income tax treatments

Considering the criteria and judgments in the determination and recognition of taxes, as of December 31, 2024, no situations have been identified that generate tax uncertainties and that should be recognized for accounting purposes according to the framework defined by IFRIC 23.

NOTE 9. INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

Note 9.1. Investments in associates

Note 9.1.1. Balance and movements of associates

The balance and movements in investments in associates are as follows:

	Bancolombia S.A.	Grupo Argos S.A.	Sociedad Portafolio S.A. (in liquidation)	Total
Balance as of December 31, 2023	**5,606,586**	**4,571,347**	**1,258,213**	**11,436,146**
Addition for share exchange I (1)	-	-	672,527	672,527
Addition for exchange II of shares (1)	-	-	692,774	692,774
Decrease due to share transfer (2)	-	-	(8,511)	(8,511)
Addition due to liquidation of Sociedad Portafolio S.A. (in liquidation) (3)	-	1,088,896	-	1,088,896
Decrease due to liquidation Sociedad Portafolio S.A. (in liquidation) (3)	-	-	(2,615,003)	(2,615,003)
Balance as of December 31, 2024	**5,606,586**	**5,660,243**	**-**	**11,266,829**

(1) The Company received shares of Sociedad Portafolio S.A. (in liquidation) on February 6, 2024 in the execution of exchange I, and on April 25, 2024 in the execution of exchange II (Note 10).

(2) During the second quarter of 2024 the Company delivered 955,698 shares of Sociedad Portafolio S.A. (in liquidation). (Note 10.)

(3) As a result of the liquidation of Sociedad Portafolio S.A. (in liquidation), 274,589,588 common shares held in this company were withdrawn and 49,368,456 common shares of Grupo Argos S.A. were received (Note 9.1.2.).

Note 9.1.2. General information on investments in associates

The information on the percentages of ownership and shares held in the associates, all domiciled in Colombia, is as follows:

	December 31, 2024			December 31, 2023		
Associates	Ownership interest (1)	Percentage of voting rights (2)	Number of shares	Ownership interest (1)	Percentage of voting rights (2)	Number of shares
Bancolombia S.A.	24.43%	46.11%	235.012.336	24.43%	46.11%	235.012.336
Grupo Argos S.A. (3)	33.80%	45.03%	283.654.138	27.16%	35.95%	234.285.682
Sociedad Portafolio S.A. (in liquidation) (4)	-	-	-	35.61%	35.61%	163.005.625

(1) Equity interest in the associate based on total shares issued.

(2) Equity in the associate based on the total number of common shares with voting rights.

(3) The increase in the percentage of ownership is generated as a result of the share repurchase program that this associate is executing since 2023 and by the shares received as a result of the liquidation of Sociedad Portafolio S.A. (in liquidation). As of December 31, 2024 the Company has contributed 29,036,085 shares of Grupo Argos S.A. to the autonomous voting inhibitor patrimony called PA Acciones SP.

(4) Associate liquidated in October 2024.

On May 9, 2024, the General Shareholders' Meeting of Sociedad Portafolio S.A. (in liquidation) approved an amendment to Article 3 of its Bylaws regarding the terms of duration of the company, adjusting the expiration date from August 12, 2050 to June 5, 2024. Once the term of duration expired, the associate went into dissolution and immediately and without the need of any additional formality entered into liquidation.

During the third quarter of 2024, the administration of the associate brought forward the liquidation plan as established in Article 92 of its Articles of Association; once the associate is dissolved, the liquidation and division of the company's assets must be brought forward in accordance with legal requirements.

On September 24, 2024, the General Shareholders' Meeting of Sociedad Portafolio S.A. (in liquidation) approved the final liquidation account and the delivery to its shareholders of the shares of the companies Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. in proportion to their participation.

On October 3, 2024 Sociedad Portafolio S.A. (in liquidation) decreased its interest in the Company from 62,028,167 to 10,328,121 outstanding common shares.

In turn, the Company repurchased 15,325,105 common shares directly and 21,885,349 common shares through PA Acciones Sociedad Portafolio S.A., an autonomous equity holding company.

On October 28, 2024, the Company reacquired the 21,885,349 ordinary shares that were in the autonomous equity PA Acciones Sociedad Portafolio S.A. Consequently, this equity was removed from the shareholding base of the Company when its participation was reduced to 0%.

On November 8, 2024, Sociedad Portafolio S.A. (in liquidation) delivered 10,328,121 common shares of the Company to Grupo Argos S.A. With this transfer, this company ceased to be a shareholder of the Company, reducing its stake to 0%.

The accounting effects of the liquidation of Sociedad Portafolio S.A. (in liquidation) are as follows:

	Note	$	Description
Investment in associates (Grupo Argos S.A.)	9.1.1	1,088,896	Received 49,368,456 shares of Grupo Argos S.A. common stock.
Cash		23,958	Cash received
Dividend receivable Grupo Argos S.A.		15,699	Recognition of the 3rd and 4th installment of the shares received from Grupo Argos S.A.
Repurchase of treasury shares		(1,502,150)	They receive 37,210,454 ordinary shares in the Company
Dividend payable	14	26,047	Derecognition of dividend payable on shares reacquired in the liquidation.
Total equity effect from the liquidation of Sociedad Portafolio S.A. (in liquidation), net of income statement effect		(1,476,103)	
Total income statement effect from the liquidation of Sociedad Portafolio S.A. (in liquidation) (Note 9.1.5.)		15,699	

Note 9.1.3. Cross shareholding

The associate Grupo Argos S.A. has an equity interest in the Company. Such shareholding is not prohibited by Colombian regulations since the shareholders are not subordinate companies of the Company. The interest that Grupo Argos S.A. has in the Company is as follows:

	December 31, 2024		December 31, 2023	
	Ownership interest	Voting rights percentage	Ownership interest	Voting rights percentage
Grupo Argos S. A. (1)	53.26%	10.95%	27.51%	34.14%
Sociedad Portafolio S.A. (in liquidation) (2)	-	-	10.71%	13.29%

(1) In 2024 Grupo Argos S.A. contributed 179,500,000 ordinary shares of the Company to the autonomous equity inhibitor of the vote called FAP Grupo Argos, which holds 63.51% of the outstanding ordinary shares of the Company. These shares do not give the right to vote.

(2) Associate liquidated in October 2024. (Note 9.1.2.).

Note 9.1.4. Collateral

As of December 31, 2024, the Company has 43,373,328 shares of Grupo Argos S.A. pledged as security for financial obligations with Bancolombia S.A. and has 45,250,000 shares of Bancolombia S.A. pledged as security for the Club Deal credit agreement. (Note 6.2.1).

Note 9.1.5. Dividend income

Dividend income is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Bancolombia S.A.	831,004	831,004
Grupo Argos S.A. (1)	164,705	134,714
Sociedad de Portafolio S.A. (in liquidation)	10,344	-
Grupo Nutresa S.A. (2)	-	195,391
Total dividends (Note 7.2. and Note 16)	**1,006,053**	**1,161,109**

(1) Includes $15,699 of dividends on shares received from Grupo Argos as part of the liquidation of Sociedad Portafolio S.A. (Note 9.1.2.).

(2) Non-current asset held for sale realized in 2024. See Note 10.

Note 9.1.6. Financial information of associates

The information on the assets, liabilities, equity and results of each of the associates is as follows:

	September 30, 2024					
	Assets	Liabilities	Equity	Income	Results	Other comprehensive income
Bancolombia S.A. (1)	353,413,322	311,498,816	41,914,506	16,152,072	4,666,250	1,573,692
Grupo Argos S.A. (1)	52,358,330	19,926,913	32,431,417	11,533,222	7,339,619	(350,165)

	December 31, 2023					
	Assets	Liabilities	Equity	Income	Results	Other comprehensive income
Bancolombia S.A.	342,928,809	303,879,080	39,049,729	21,089,711	6,214,971	(3,684,055)
Grupo Argos S.A.	49,402,341	21,612,927	27,789,414	22,593,101	1,459,998	(4,342,833)
Sociedad Portafolio S.A. (in liquidation)	2,855,684	326,815	2,528,869	31,681	31,216	(437,298)

(1) Latest published information as of September 30, 2024.

There are no restrictions on the ability of associates to transfer funds to the Company in the form of cash dividends or repayment of loans or advances made.

The Company has no contingent liabilities incurred in connection with its interests in associates.

The Company has no implicit obligations assumed on behalf of its associates whose losses exceed the investment held.

Note 9.2. Investments in subsidiaries

Note 9.2.1. Balance and movements of subsidiaries

The balance and movements of investments in subsidiaries accounted for using the equity method is as follows:

	December 31, 2023	Additions and (disposals) (1)	Equity method (2)	Dividends	Change in equity (3)	December 31, 2024
SURA Asset Management S.A.	12,482,775	-	826,104	(577,631)	364,519	13,095,767
Suramericana S.A. (4)	4,749,021	-	386,548	(225,678)	55,405	4,965,296
Inversiones y Construcciones Estratégicas S.A.S.	168,024	-	5,169	-	(2,023)	171,170
SURA Ventures S.A.	75,361	-	4,526	-	11,952	91,839
Arus Holding S.A.S.	66,755	-	(12,657)	-	42	54,140
Enlace Operativo S.A.	1,879	-	466	(1,010)	-	1,335
Arus S.A.S.	2,549	(668)	84	-	(42)	1,923
Total	**17,546,364**	(668)	1,210,240	(804,319)	429,853	**18,381,470**

(1) The decrease corresponds to the net value between (a) capitalization made in February 2024 for $1,010 and (b) impairment for ($1,678) in December 2024.

(2) The equity method in the subsidiary Suramericana S.A. includes the recognition of an expense of $222,860 and a recovery income of $35,825, both of which are from adjustments to prior periods of that subsidiary, which were generated by operational errors in the VAT returns of the subsidiaries Seguros de Vida Suramericana S.A., Seguros Generales Suramericana S.A. and Servicios Generales Suramericana S.A. These amounts will be recognized in the income statement of the Company in September and December 2024, the periods in which they were identified, and it is considered that they have no material effect on the financial statements taken as a whole for previous and current periods

The equity method of accounting for the subsidiary Arus Holding S.A.S. includes the recognition of an expense in that subsidiary for the impairment of the subsidiary Arus S.A.S. in the amount of $22,095.

(3) The variation mainly corresponds to the foreign currency translation adjustment of the companies operating in different countries of the region.

(4) As of June 30, 2024, Suramericana S.A. carries out the deconsolidation of EPS Suramericana S.A., supporting the loss of control as of that date. This situation has no significant effect on the separate financial statements of the Company.

	December 31, 2022	Additions and (disposals) (1)	Equity method	Dividends	Change in equity (2)	Restatement (3)	December 31, 2023
SURA Asset Management S.A.	12,593,897	1,582,155	760,122	(592,883)	(1,860,516)		12,482,775
Suramericana S.A.	5,094,599	-	415,139	(218,456)	(592,581)	50,320	4,749,021
Inversiones y Construcciones Estratégicas S.A.S.	199,983	-	(7,038)	(20,720)	(3,864)	(337)	168,024
SURA Ventures S.A.	75,784	-	17,138	-	(17,561)		75,361
Arus Holding S.A.S.	74,814	-	1,681	(867)	-	(8,873)	66,755
Enlace Operativo S.A.	1,607	-	329	(57)	-		1,879
Arus S.A.S.	3,250	-	(199)	-	-	(502)	2,549
Total	**18,043,934**	1,582,155	1,187,172	(832,983)	(2,474,522)	40,608	**17,546,364**

(1) The increase corresponds to the subscription of the share purchase agreement with Grupo Bolivar S.A. (Note 6.2.4.).

(2) The variation mainly corresponds to the foreign currency translation adjustment of the companies operating in different countries.

(3) These correspond to prior period adjustments that are not material to the financial statements of the Company, therefore, they were recognized in the periods in which they were identified.

Note 9.2.2. General information on investments in subsidiaries

The information on ownership percentages, country, and main economic activity of the subsidiaries is as follows:

Subsidiary	Country	Economic activity and date of incorporation	December 31, 2024 and December 31, 2023
Sura Asset Management S.A.	Colombia	Investing entity. Incorporated on September 15, 2011	93.32%
Arus Holding S.A.S.	Colombia	Investments in real estate and personal property. Incorporated on July 11, 2012	100%
Arus S.A.S. (1)	Colombia	Services and commercialization of telecommunications products and solutions. Incorporated on August 16, 1988	100%
Enlace Operativo S.A. (1)	Colombia	Information processing services via outsourcing. Incorporated on May 31, 2006	100%
Inversiones y Construcciones Estratégicas S.A.S.	Colombia	Investing entity. Incorporated on August 30, 2007	100%
Suramericana S.A.	Colombia	Investing entity. Incorporated on May 25, 1999	81.13%
Sura Ventures S.A.	Panama	Investing entity. Incorporated on February 21, 2018	100%

(1) Direct and indirect percentage obtained through its subsidiary Arus Holding S.A.S.

Note 9.2.3. Financial information of subsidiaries

The information on the assets, liabilities, equity and results of each subsidiary is as follows:

	December 31, 2024					
	Assets	Liabilities	Equity	Results	Other comprehensive income	Income
Sura Asset Management S.A. (1)	36,747,437	24,258,739	12,488,698	885,230	306,814	7,599,604
Arus Holding S.A.S. (1)	132,214	72,841	59,373	(13,138)	-	285,028
Arus S.A.S.	96,839	62,495	34,344	1,585	-	198,008
Enlace Operativo S.A.	34,386	11,103	23,283	8,118	-	86,999
Inversiones y Construcciones Estratégicas S.A.S.	177,353	6,184	171,169	5,168	(13,725)	20,063
Suramericana S.A. (1)	38,425,312	32,305,015	6,120,297	751,158	54,284	23,062,172
Sura Ventures S.A.	92,004	168	91,836	4,527	11,951	4,867

	December 31, 2023					
	Assets	Liabilities	Equity	Results	Other comprehensive income	Income
Sura Asset Management S.A. (1)	31,277,947	19,429,989	11,847,958	901,862	(2,142,341)	6,155,412
Arus Holding S.A.S. (1)	173,635	101,674	71,961	1,745	-	301,846
Arus S.A.S.	122,024	106,877	15,147	(3,848)	-	225,869
Enlace Operativo S.A.	44,028	11,249	32,779	5,748	-	75,937
Inversiones y Construcciones Estratégicas S.A.S.	173,612	5,588	168,024	(7,038)	(3,545)	29,304
Suramericana S.A. (1)	38,402,314	32,548,605	5,853,709	511,701	(613,743)	27,337,599
Sura Ventures S.A.	75,526	168	75,358	17,138	(17,561)	17,295

(1) Figures taken from the consolidated financial statements of subsidiaries.

Note 9.3. Impairment of investments in associates and subsidiaries

Note 9.3.1. Fair value of investments in associates

As of December 31, 2024 and December 31, 2023, the recoverable value of the associates was determined for impairment testing purposes.

Regarding Grupo Argos S.A., the recoverable amount of its portfolio of companies was calculated, including expenses, taxes and corporate-level indebtedness. Additionally, the recoverable amount of its portfolio investments was determined, which also includes the recoverable amount of the Company.

In the case of Bancolombia S.A., a valuation was made based on a discounted dividend model, based on recent results and expectations of future growth and profitability.

These exercises resulted in a recoverable amount of the associated investments that exceeds their carrying value, confirming that there is no impairment in any of them. In future periods, the recoverable amount of the investments may vary depending on the progress of business plans, risk perceptions, and the sustainability of the businesses that form the basis of the assumptions used in the valuation of each component.

The carrying amounts of investments in associates whose recoverable amounts exceed their recoverable amounts are as follows:

	December 31, 2024	December 31, 2023
Bancolombia S.A.	5,606,586	5,606,586
Grupo Argos S.A.	5,660,243	4,571,347
Sociedad Portafolio S.A. (in liquidation) (1)	-	1,258,213

(1) Associate liquidated in October 2024. (Note 9.1.2.).

Note 9.3.2. Key assumptions

Grupo Argos S.A. and its companies

For the calculation of the recoverable value of Grupo Argos S.A., the sum of parts of its investment portfolio was calculated, also incorporating its expenses, taxes and indebtedness at the corporate level.

In the case of Cementos Argos S.A. a discounted free cash flow model was made, with a projection for a 10-year horizon, this model was made by region (Colombia and Central America and the Caribbean).

The participation of Cementos Argos in Summit Materials Inc. was valued taking into account the acquisition offer made recently by Quikrete Hondings Inc. for 52.5 USD per share, which, for the nearly 55 million shares that Cementos Argos S.A. has in Summit Materials Inc., values its participation in Summit Materials Inc. at 2,875 million USD.

Revenue projections were estimated based on expectations and trends in the main regions. In general, quantity growth was modeled based on the expected economic growth of each region and prices were modeled based on inflation.

With regard to the EBITDA margin, an improvement in margins was also estimated in line with the most recent results of the Company in Colombia, Central America and the Caribbean.

In order to estimate the recoverable value of the associate, the cash flows were discounted using a discount rate based on its risk profile, where the risk of Colombia and Central American countries was weighted.

With regard to Celsia S.A., the sum of the parts of its investment portfolio was calculated, including its expenses, taxes and indebtedness at corporate level. The sum of parts exercise considers the valuations of Celsia Colombia S.A., and the value of other strategic assets such as Meriléctrica S.A. and other assets such as Caoba Inversiones S.A.S., Termoeléctrica Tesorito S.A.S. ESP, C2 Energía S.A.S. and PA Laurel at their most recent book values. Each asset was valued according to its particular characteristics, such as energy generation capacity, distribution and transmission, and taking into account their respective margin levels. The business of Celsia Colombia S.A. was estimated based on the energy demand projections of the Energy and Gas Regulatory Commission and the Mining and Energy Planning Unit, assuming price growth linked to the Producer Price Index / Consumer Price Index during the term of the tariff agreement, and keeping the EBITDA margin stable in the projection period.

To estimate the recoverable value of the companies, cash flows were discounted using a discount rate based on their risk profile and geography. This rate was calculated in both pesos and dollars in nominal terms, applying the Capital Asset Pricing Model methodology (CAPM).

A nominal growth rate between 2% and 3.5% was used to calculate the terminal value
The other companies in the Grupo Argos S.A. portfolio are valued at their book value as of September 30, 2024.

As for the investment of Grupo Argos S.A. in the Company, a fundamental valuation is performed using a sum-of-the-parts approach, which includes the recoverable value of Grupo Argos S.A.

In all valuation exercises, the respective shareholdings and controlling interests were taken into account.

The year shows a range of recoverable value above the book value recorded, so there is no evidence of impairment in the investment.

Bancolombia S.A.

A discounted dividend valuation exercise was carried out, for which the main financial figures and value levers of Bancolombia S.A. were projected for 10 years.

- Portfolio: consolidated growth in Colombian pesos between 7% and 8% for the period 2025 to 2034;
- Net interest margin: falling from 6.9% to 6% in the projection period, in line with a lower expected intervention rate of the Bank of the Republic
- Provisioning expense - Cost of credit: the cost of credit (provisioning expense/average portfolio) is estimated at between 2.0% and 1.8%, reflecting a normalization of the current cost of credit.
- Expenses and efficiency: Expenses and efficiency: Expenses were projected to grow in line with or slightly above revenue during the initial years of the projection, while maintaining an efficiency ratio slightly better than that recorded by the associate in 2023. This ratio is expected to range between 48% and 50% over the projection period;
- TIER I Solvency: the ability to pay dividends is modeled on the basis of maintaining a target basic solvency that is maintained at an average of around 11%;
- Net income and ROE: Based on the assumptions used, net income and the business's implied return on equity (ROE) are expected to range between 14.5% and 16.5% during the projection period, and
- Perpetuity / Discount rate: cash flows were discounted at a discount rate (cost of capital) of 13.7%).

The valuation yields 2024E Price Earnings (P/E) multiples of 9.3x and Price to Book Value (P/BV) multiples of 1.3x, which fall within the valuation range of comparable companies.

The year shows a range of recoverable value above the book value recorded, so there is no evidence of impairment in the investment.

Note 9.3.3. Fair value of investments in subsidiaries

For the subsidiaries Suramericana S.A. and Sura Asset Management S.A., impairment tests are also carried out in their respective subsidiaries and associates. These exercises include valuations of each of these companies which incorporate estimates of future dividend flows based on the business plans approved by their management and governing bodies.

These plans contain medium and long-term assumptions made by their administrations and are discounted using rates according to the Capital Asset Pricing Model methodology used by the Company.

These exercises reflect the best possible estimate of the administration based on the most recent figures from the companies, the economic outlook, the regulatory outlook and the current applicable legislation in the different geographical areas/industries where the businesses.

The impairment monitoring process will take into account any future material changes in these variables. For instance, a significant shift in the regulatory environment of certain businesses could have a substantial adverse effect on their recoverable amount, potentially leading to the recognition of impairment.

These exercises revealed that the recoverable amount of these companies exceeds the value recorded in the books of the Company, which determines that there is no impairment in any of them.

Lastly, within the impairment testing exercise, valuation models were prepared to estimate the recoverable amount of the subsidiary Arus S.A.S., itself a subsidiary of Arus Holding S.A.S., which incorporate their respective business plans. This exercise revealed that the recoverable amount of Arus S.A.S. is below the value recorded in the books of the Company, and therefore an impairment of the investment is recognized.

The carrying amounts of investments in subsidiaries whose recoverable amounts exceed the recoverable amounts are as follow:

	December 31, 2024	December 31, 2023
Sura Asset Management S.A.	13,095,767	12,482,775
Arus Holding S.A.S.	54,140	66,755
Arus S.A.S.	1,923	2,549
Enlace Operativo S.A.	1,335	1,879
Inversiones y Construcciones Estratégicas S.A.S.	171,170	168,024
Suramericana S.A.	4,965,296	4,749,021
Sura Ventures S.A.	91,839	75,361

NOTE 10. NON-CURRENT ASSETS HELD FOR SALE

The balance of non-current assets held for sale is as follows:

	December 31, 2024	December 31, 2023
Grupo Nutresa S.A.	-	3,054,016

Pursuant to the Framework Agreement signed by the Company on June 15, 2023 to dispose of its shareholding in Grupo Nutresa at the end of December 2023, the shares of Grupo Nutresa S.A. were reclassified to non-current assets held for sale, the spin-off of Sociedad Portafolio S.A. (in liquidation) and the deferred taxes associated with the transaction were recorded.

First direct exchange

On February 6, 2024, the first part of the exchange was executed and, as foreseen in the Framework Agreement, the following situations arose:

- The Company received the following from Nugil S.A.S., JGDB Holding S.A.S. and IHC Capital Holding LLC:
    - Ordinary shares representing 27.8% of the outstanding shares of the Company prior to the exchange were treated as treasury shares, in accordance with the authorization granted by the General Shareholders Meeting on November 24, 2023. Consequently, the economic and voting rights associated with these shares are suspended, reducing the number of shares outstanding in the Company (Note 13.3.3.).
    - Shares of Sociedad Portafolio S.A. (in liquidation), representing 11.8% of the total outstanding shares of that entity (Note 9.1.).
- The Company delivered all of its Grupo Nutresa shares to Nugil S.A.S., JGDB Holding S.A.S. and IHC Capital Holding LLC.

Takeover Bid for the shares of Grupo Nutresa S.A.

Amendment number 3 to the contracts was signed on February 5, 2024. The Company, Grupo Argos S.A., Graystone Holdings S.A. (vehicle of IHC Capital Holding LLC), JGDB Holding S.A.S. and Nugil S.A.S. jointly launched the takeover bid for 23.1% of the shares of Grupo Nutresa S.A. within the framework of the execution of the agreement signed on June 15, 2023.

On March 7, 2024, the agreement for the constitution, administration and execution of guarantees was signed between the Company, Valores Bancolombia S.A. and the Bolsa de Valores de Colombia S.A., as part of the takeover bid process, whereby it was agreed (a) to set up a deposit of two hundred and eighty billion pesos ($280,000) and (b) to provide a guarantee of 20,441,701 shares in Sociedad Portafolio S.A. (in liquidation) and 26,910,686 shares of the Company, in order to back the obligations arising from the takeover bid for the shares of Grupo Nutresa S.A.

On April 11, 2024, the takeover bid for 23.1% of the shares of Grupo Nutresa S.A. was concluded. launched by the company, Grupo Argos S.A., Graystone Holdings S.A., JGDB Holding S.A.S. and Nugil S.A.S., within the framework of the execution of the agreement signed on June 15, 2023.

As of June 30, 2024, regarding the guarantees, the following situations arose: (a) the deposited cash amounting to $280,000 was used for the fulfillment of the takeover bid, (b) 1,258,143 shares of the Company and 955,698 shares of Sociedad Portafolio S.A. (in liquidation) for the exchange and the rest of the shares were released.

The result of the tender offer for Grupo Nutresa S.A. shares was as follows:

Number of acceptances	Number of shares	Percentage of shares outstanding
1583	102.914.771	22.48%

And according to the method of payment:

Payment method	Number of shares	Percentage of outstanding shares	Shares awarded to the Company
In Colombian pesos	90.455,140	19.76%	32.895.537
In U.S. dollars	10.298.598	2.25%	1.592.935
In shares	2.161.033	0.47%	1.691.530
Total	**102.914.771**	**22.48%**	

Termination of the Framework Agreement

On April 25, 2024, the second part of the direct exchange of shares took place, thus finalizing the execution of the Framework Agreement signed on June 15, 2023. As a result of this second part of the exchange, and as foreseen in the agreements, the following situations were presented:

- The Company received from Nugil S.A.S., JGDB Holding S.A.S. and IHC Capital Holding LLC:

  - Ordinary shares held by the Company, corresponding to 5.38%, calculated based on the Company's outstanding ordinary shares before the second stage of the exchange, which were treated as reacquired shares, in accordance with the authorization granted by the General Shareholders Meeting on November 24, 2023. As a result, the economic and voting rights associated with these shares will be suspended, leading to a reduction in the number of shares outstanding; and
  - Shares of Sociedad Portafolio S.A. (in liquidation), corresponding to 12.83% of the total outstanding shares of this company.

- The Company delivered 36,180,002 shares of Grupo Nutresa S.A. to Nugil S.A.S., JGDB Holding S.A.S. and IHC Capital Holding LLC, which were acquired in the tender offer that concluded on April 11, 2024.

- Lastly, as a result of this second part of the exchange, the shareholding structure of the Company underwent several changes, including the fact that JGDB Holding S.A.S. is no longer a shareholder of the Company after having handed over the 6.1% of the ordinary shares of that it held in the Company prior to the second part of the exchange. Similarly, Nugil S.A.S. and IHC Capital Holding LLC ceased to be shareholders of the Company

The change in the shareholding structure was reflected at the close of operations on April 25, 2024, in the Company's shareholder register. With these transactions, the obligations outlined in the Framework Agreement were fully executed, fulfilling the objectives agreed upon by the subscribing parties. As a result, both the Company and Grupo Argos S.A. ceased to be shareholders of Grupo Nutresa S.A., and JGDB Holding S.A.S., Nugil S.A.S., and IHC Capital Holding LLC ceased to be shareholders of the Company.

Below are the accounting effects for each stage of the framework agreement, along with the total impact on the results and equity of the Company:

	$	Description
Repurchase of treasury stock (Note 13.3.3.)	7,104,288	Receives 129,957,072 shares of the common shares of the Company.
Non-current assets held for sale	(3,054,016)	Delivery of 163,005,625 Grupo Nutresa S.A. shares.
Dividend receivable	(39,306)	Write-off of the 11th and 12th installment of the dividend of Grupo Nutresa S.A.
Investment in Sociedad Portafolio S.A. (in liquidation) (Note 9.1.)	672,527	Receives 53,798,935 shares of Sociedad Portafolio S.A. (in liquidation)
Effect of the write-off of Grupo Nutresa S.A. shares in Exchange I (1)	4,683,493	
Non-current assets held for sale - cash	1,557,870	Acquisition of 34,488,472 from Grupo Nutresa S.A.
Non-current assets held for sale - exchange	65,119	Acquisition of 1,691,530 from Grupo Nutresa S.A.
Non-current assets held for sale - exchange	11,311	
Reallocation of the shares of the Company (Note 13.3.3.)	(65,119)	Delivery of 1,258,143 shares of the Company (repurchased) at average cost.
Shares of Sociedad Portafolio S.A. (in liquidation) (Note 9.1.)	(8,511)	Delivery of 955.698 shares of Sociedad Portafolio S.A. (in liquidation)
Effect of the takeover bid on results	2,800	
Repurchase of treasury stock (Note 13.3.3.)	941,527	Receives 18,190,890 shares of the common shares of the Company.
Investment in Sociedad de Portafolio S.A. (in liquidation) (Note 9.1.)	692,774	Receives 58.740.696 from Sociedad de Portafolio S.A. (in liquidation)
Non-current assets held for sale	(1,634,301)	Delivery of 36,180,002 Grupo Nutresa S.A. shares.
Effect on equity	**(3,294,403)**	
Effect on income (Note 16)	**4,686,293**	

The tax effect of the termination of the framework agreement is detailed in Note 8.1.3.

(1) Corresponds to the gain on the exchange generated mainly by the derecognition of the Grupo Nutresa S.A. asset. The value of the asset used in the transaction and which was part of the framework agreement was estimated based on the fair value determined by independent third parties.

NOTE 11. EMPLOYEE BENEFITS

The balance of employee benefits is as follows:

	Note	December 31, 2024	December 31, 2023
Short-term benefits	11.1.	9,760	9,806
Long-term benefits	11.2.	253	239
Post-employment benefits	11.3.	8,339	3,398
Total employee benefits		**18,352**	**13,443**

Note 11.1. Short-term benefits

Short-term benefits correspond to salaries, legal and extra-legal bonuses, vacations, severance payments and parafiscal contributions (except pension fund contributions) that are paid within 12 months after the end of the period.

Additionally, short-term benefits include the performance compensation, which acknowledges the contributions of all employees in achieving the goals and generating continued value to the Company. This benefit is defined by a framework of clear, measurable, and achievable performance indicators, which are established at the beginning of each year. These indicators must align with the Company's strategic direction, as well as with the activities and skills necessary to meet the objectives. The key components of this benefit include the measurement period, evaluation framework, monitoring and adjustments, and the definition of the indicators.

The balance of short-term benefits is as follows:

	December 31, 2024	December 31, 2023
Bonus (short-term)	7,400	8,354
Vacations	1,325	796
non-statutory bonuses	782	436
Severance payments	226	198
Interest on severance payments	27	22
Total	**9,760**	**9,806**

Note 11.2. Long-term benefits

The long-term benefits plan corresponds to the seniority bonus, which consists of granting employees a benefit associated with their time at work and every time they complete five years of service; they are calculated as days of salary per year worked.

This benefit is valued annually using the projected unit credit method or when significant changes occur. During the annual period ended December 31, 2024, there were no significant changes in the methods and assumptions used in preparing the calculations and sensitivity analyses.

The balance of long-term benefits is as follows:

	December 31, 2024	December 31, 2023
Seniority bonus	253	239

The balances and movements presented in the long-term benefit plan are as follows:

	$
Present value as of December 31, 2022	**222**
Costs incurred during the period	41
Payments to employees	(24)
Present value as of December 31, 2023	**239**
Costs incurred during the period	64
Effect of remeasurement recognized in profit or loss	(20)
Payments to employees	(30)
Present value as of December 31, 2024	**253**

The main actuarial variables and assumptions used to determine the obligations for long-term benefit plans are as follows:

	December 31, 2024	December 31, 2023
Discount rate (%)	8.50%	7.60%
Annual rate of salary increases (%)	4.50%	4.50%
Annual inflation rate (%)	3.00%	3.00%

Sensitivity analysis

The following table details a quantitative sensitivity analysis to a change in a significant key assumption (the discount rate and salary increase) that would generate a change in the net long-term benefit plan liability:

	Discount rate		Salary increases	
December 31, 2024	Increase +0.50%	Discount -0.50%	Increase +0.50%	Discount -0.50%
Present value of obligation	246	260	260	246
Variation due to sensitivity in the variables	7	(7)	(7)	7

	Discount rate		Salary increases	
December 31, 2023	Increase +0.50%	Discount -0.50%	Increase +0.50%	Discount -0.50%
Present value of obligation	232	246	246	232
Variation due to sensitivity in the variables	7	(7)	(7)	7

Note 11.3. Post-employment benefits

The Company has the following post-employment benefit plans:

- Retirement Bonus: Refers to a lump sum amount defined by the Company, payable to employees at the time of retirement.
- Severance Bonus: A benefit paid to an employee after completing their employment period. A bonus equivalent to 20 legal minimum monthly salaries will be granted, payable when the employee retires from the Company to enjoy their pension. This bonus is subject to legal withholdings. Employees with a special severance bonus regime will not be eligible for this benefit.

In Colombia, when employees retire after a certain number of years of age and service, retirement pensions are paid for by public or private pension funds based on defined contribution plans where companies and employees contribute monthly amounts defined by law in order to have access to the pension at the time of retirement.

The balance of post-employment benefits is as follows:

	December 31, 2024	December 31, 2023
Retirement bonus	8,125	3,217
Retirement severance bonus	214	181
Total	**8,339**	**3,398**

The balances and movements presented in the post-employment benefit plan are as follows:

	Retirement benefit (1)	Plan asset	Net benefit	Retirement severance bonus	Total
Present value of obligations at December 31, 2022	**35,365**	**35,047**	**318**	**115**	**433**
Costs incurred during the period	1,028	-	1,028	15	**1,043**
Interest costs	3,191	-	3,191	10	**3,201**
Recognition of plan assets	-	5,673	(5,673)	-	**(5,673)**
Changes in actuarial assumptions through OCI (Note 15.1.)	4,353	-	4,353	41	**4,394**
Present value of obligations at December 31, 2023	**43,937**	**40,720**	**3,217**	**181**	**3,398**
Costs incurred during the period	9,200	-	9,200	23	**9,223**
Interest costs	1,944	-	1,944	14	**1,958**
Recognition of plan assets	-	4,270	(4,270)	-	**(4,270)**
Changes in actuarial assumptions through OCI (Note 15.1.)	(1,966)	-	(1,966)	(4)	**(1,970)**
Payments to employees	(35,582)	(35,582)	-	-	**-**
Present value of obligations at December 31, 2024	**17,533**	**9,408**	**8,125**	**214**	**8,339**

(1) Corresponds to transactions with related parties (Note 7.3).

The main actuarial variables and assumptions used to determine the post-employment benefit plan obligations are as follows:

	Retirement bonus		Pension bonus	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Discount rate (%)	8.70%	7.70%	8.60%	7.70%
Annual salary increase rate and benefit (%)	4.00%	4.50%	4.00%	4.50%
Annual inflation rate (%)	3.00%	3.00%	3.00%	3.00%

Sensitivity analysis

The following table details a quantitative sensitivity analysis to a change in a significant key assumption (the discount rate and salary increase) that would generate a change in the post-employment benefit plan obligation:

	Retirement bonus			
	Discount rate		Salary increases	
December 31, 2024	Increase +0.50%	Discount-0.50%	Increase +0.50%	Discount -0.50%
Present value of obligation	16,885	18,212	18,241	16,852
Variation by sensitivity in the variables	648	(678)	(708)	681

	Retirement bonus			
	Discount rate		Salary increases	
December 31, 2023	Increase +0.50%	Discount -0.50%	Increase +0.50%	Discount -0.50%
Present value of obligation	43,653	44,236	44,245	43,642
Variation by sensitivity in the variables	284	(299)	(308)	295

	Pension bonus			
	Discount rate		Benefit Increase	
December 31, 2024	Increase +0.50%	Discount -0.50%	Increase +0.50%	Discount -0.50%
Present value of obligation	204	224	224	204
Variation by sensitivity in the variables	10	(10)	(10)	10

	Pension bonus			
	Discount rate		Benefit Increase	
December 31, 2023	Increase +0.50%	Discount -0.50%	Increase +0.50%	Discount -0.50%
Present value of obligation	172	191	191	172
Variation by sensitivity in the variables	9	(10)	(10)	9

Note 11.4. Defined contribution plans

The Company made contributions to defined contribution plans recognized as an expense in income for 2024 of $1,374 million and for 2023 of $1,357 million.

Note 11.5. Employee benefits expense

Employee benefits expense is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Bonuses (1)	(18,980)	(13,020)
Comprehensive salary	(16,019)	(16,364)
Salaries	(2,907)	(2,932)
Vacations	(2,688)	(956)
Vacation bonus	(1,494)	(1,686)
Pension contributions	(1,374)	(1,357)
Contributions to family compensation funds, ICBF, and SENA	(1,299)	(1,244)
Health contributions	(745)	(675)
Other employee benefits	(720)	(189)
Insurance	(409)	(265)
Extra-legal bonus	(397)	(351)
Staff training	(385)	(548)
Severance payments	(274)	(250)
First legal	(273)	(251)
Overtime	(92)	(79)
Disability leave	(74)	(34)
Contributions to occupational risk administrators	(55)	(52)
Indemnities	(47)	(601)
Retirement bonus	(37)	(283)
Seniority bonus	(36)	(41)
Interest on severance payments	(30)	(26)
Total	**(48,335)**	**(41,204)**

(1) The variation is basically due to salary increases and compliance with performance indicators for bonus payments.

NOTE 12. PREFERRED SHARES LIABILITY

On November 29, 2011, the issuance of 106,334,963 preferred shares was carried out at a subscription price of COP 32,500 each. From the issuance date and for three years, a quarterly dividend of 3% per annum was paid on the value of the issuance. Starting in 2015, a quarterly dividend of 0.5% per annum is paid on the issuance price.

On June 30, 2017, the Annual General Meeting of Shareholders approved the amendments to the regulations for the issuance and placement of preferred shares issued in 2011, which establish the payment of a minimum preferred dividend equivalent to 1% per annum on the sum equivalent to the reference subscription price (as defined below), provided that the value resulting from this calculation exceeds the dividend declared for ordinary shares; otherwise, the latter will be recognized.

The reference subscription price shall be understood as the subscription price of preferred shares in any placement of preferred shares by the Company in the most recent primary market transaction approved by the General Meeting of Shareholders, including, but not limited to, public issues and offerings, private issues, capitalization of claims, payment of dividends in shares, among others. In no case shall it be understood that the reference subscription price shall correspond to the trading price of the preferred shares in the secondary market. The General Meeting of Shareholders shall determine the form and dates of payment of the preferred share dividend under the same conditions as the common share dividend.

The former dividend will be paid in preference to the dividend corresponding to the ordinary shares.

On March 31, 2017, the Board of Directors of the Company set the subscription price of the preferred shares that would be delivered as payment of dividends in shares at thirty-five thousand nine hundred and seventy-three pesos ($35,973 Colombian pesos).

The balance and movement in preferred shares liabilities are as follows:

	Balance $
Balance as of December 31, 2022	**459,955**
Recognized Interest	40,354
Interest payments	(40,475)
Balance as of December 31, 2023	**459,834**
Recognized Interest	40,462
Interest payments	(40,475)
Balance as of December 31, 2024	**459,821**

NOTE 13. EQUITY

Note 13.1. Issued capital

The authorized capital of the Company consists of 600.000.000 shares with a nominal value of 187.50 Colombian pesos each. The subscribed and paid-up capital is represented by 581.977.548 shares. The balance of the issued capital amounts to 109,121.

As of December 31, 2024, the number of shares outstanding is 395.128.602 (December 31, 2023 – 579.228.875) and the number of treasury shares repurchased is 186.848.946 (December 31, 2023 – 2,748,673).

The balance is as follows:

	December 31, 2024	December 31, 2023
Common shares subscribed and paid	469.037.260	469.037.260
Common repurchased shares (1)	(186.416.831)	(2.316.558)
Total common shares outstanding	**282.620.429**	**466.720.702**
Preferred shares subscribed and paid	112.940.288	112.940.288
Preferred shares repurchased	(432.115)	(432.115)
Total preferred shares outstanding	**112.508.173**	**112.508.173**
Total shares outstanding	**395.128.602**	**579.228.875**

(1) On February 6, 2024, the Company received 129.957.072 ordinary treasury shares for $7,104,288 after the first exchange under the Framework Agreement, which were treated as repurchased shares, as authorized by the General Meeting of Shareholders on November 24, 2023; the economic and political rights corresponding to these shares are suspended and generated a 27.8% decrease in the number of outstanding shares of the company.

On April 25, 2024, the Company received 18.190.890 common treasury shares for $942,670, thus finalizing the execution of the Framework Agreement signed on June 15, 2023, which were treated as repurchased shares, according to the authorization given by the General Meeting of Shareholders on November 24, 2023. Furthermore, 1.258.143 ordinary shares were reallocated to comply with the Public Tender Offer mentioned in Note 10.

On October 3, 2024, the Company reacquired 15.325.105 common shares directly and 21.885.349 common shares through the autonomous equity fund PA Acciones Sociedad Portafolio S.A. as a result of the liquidation of Sociedad Portafolio S.A. (in liquidation).

As of December 31, 2024, there are 186.416.831 (December 31, 2023 – 2.316.558) common shares repurchased and 432.115 (December 31, 2023 – 432.115) preferred shares repurchased, for $20,438 (December 31, 2023 – $20,438) and $18,060 (December 31, 2023 – $18,060), respectively.

Changes in the shareholder structure

As of December 31, 2024, Grupo Argos S.A. and Cementos Argos S.A. have contributed 179.500.000 ordinary shares of the Company to the autonomous equity accounts that inhibit voting called FAP Grupo Argos and FAP Cementos Argos, equivalent to 63.51% of the outstanding ordinary shares and 45.42% of the total outstanding shares, including the outstanding preferred shares, in order not to exercise the political rights over them.

Note 13.2. Premium on issuance

The share issuance premium represents the excess paid over the nominal value of the shares. According to Colombian legal regulations, this balance can be distributed upon the liquidation of the company or capitalized. Capitalization refers to the transfer of a portion of this premium to a capital account as a result of a dividend distribution paid in shares of the Company.

The balance of additional paid-in capital is $3,290,767.

Note 13.3. Reserves

The reserves correspond to appropriations made by the General Meeting of Shareholders from the results of previous periods. In addition to the legal reserve, the occasional reserve and the reserve for the repurchase of shares.

The balance of reserves is as follows:

	Note	December 31, 2024	December 31, 2023
Legal	13.3.1.	138,795	138,795
Occasional	13.3.2.	427,675	-
Total other reserves		**566,470**	**138,795**
For share repurchase	13.3.3.	136,776	7,261,206
Total reserves		**703,246**	**7,400,001**

Note 13.3.1. Legal reserve

Article 452 of the Colombian Commercial Code establishes that corporations shall constitute a legal reserve amounting to at least fifty percent of the subscribed capital, formed with ten percent of the net profits of each financial year. The legal reserve fulfills two special objectives: (a) to increase and maintain the capital of the Company and (b) to absorb the losses generated in the operation. Additionally, its value cannot be distributed in dividends to the shareholders.

Note 13.3.2. Occasional reserve

These refer to allocations made by shareholders that are available for a specific purpose when deemed necessary.

Note 13.3.3. Reserve for acquisition of treasury shares

The changes in the acquisition of treasury shares reserve are as follows:

	Balance $
Balance as of December 31, 2022	**244,848**
Establishment of reserve for acquisition of treasury shares (1)	55,152
Establishment of reserve for acquisition of total treasury shares (2)	6,961,206
Balance as of December 31, 2023	**7,261,206**
Establishment of reserve for acquisition of total treasury shares (3)	2,358,416
acquisition of treasury shares in exchange **I** (4)	(7,104,288)
acquisition of treasury shares in exchange **II** (5)	(941,527)
Placement of shares in compliance with the tender offer (6)	65,119
acquisition of treasury shares in the liquidation of Sociedad de Portafolio S.A. (in liquidation) (7)	(1,502,150)
Balance as of December 31, 2024	**136,776**

(1) At the General Meeting of Shareholders on March 31, 2023, it was approved to appropriate $55,152 from the taxed component of the occasional reserve to be allocated to the reserve for the acquisition of treasury shares.

(2) On November 24, 2023, in the decisions of the Extraordinary Meeting of Shareholders, it was decided to appropriate $6,961,206 from the taxed and untaxed reserves recorded as of September 30, 2023, to add to the reserve for acquisition of treasury shares.

(3) In 2024, $2,358,416 of retained earnings, corresponding to the effect of the first-time adoption of the investment in Grupo Nutresa S.A., was transferred to the reserve for acquisition of treasury shares, according to decisions made at the Extraordinary Meeting of Shareholders on November 24, 2023.

(4) On February 6, 2024, the first exchange under the framework agreement was presented, in which the Company received 129.957.072 ordinary treasury shares for $7,104,288 (Note 10).

(5) On April 25, 2024, the second part of the direct share exchange took place, thus finalizing the execution of the framework agreement signed on June 15, 2023, in which the Company received 18.190.890 ordinary treasury shares for $941,527 (Note 10).

(6) Upon completion of the Tender Offer, the Company paid in-kind 0.5% of 1.258.143 shares of the Company for $65,119 (Note 10).

(7) On October 3, 2024, the Company directly reacquired 37.120.454 shares as a result of the liquidation of Sociedad Portafolio S.A. (in liquidation), for $1,502,150.

Note 13.4. Retained earnings

At December 31, 2024 the balance includes mainly the results (gains) from the first-time adoption of IFRS of $9,017,588 (December 31, 2023 - $11,376,004).

NOTE 14. DECLARED AND PAID DIVIDENDS

The General Meeting of Shareholders held on March 22, 2024 approved an ordinary dividend of $628,980, equivalent to an annual dividend of $1,400 Colombian pesos per share, on 449,271,803 ordinary and preferred shares outstanding at that date. The dividend was declared from the untaxed occasional reserve constituted with profits generated in 2023. This dividend is payable in cash on a quarterly basis in April, July and October 2024 and January 2025. Furthermore, it is 100% tax-free for the shareholder.

	Shares	Annual dividend per share in Colombian pesos	Total dividend declared
Ordinary shares	336.763.630	1,400	471,469
Preferred shares	112.508.173	1,400	157,511
Total	**449.271.803**		**628,980**

In April 2024 and pursuant to the framework agreement, the Company repurchased 18.190.890 common shares and resold 1.258.143 common shares, leaving 319.830.883 common shares and 112.508.173 preferred shares outstanding for a total of 432,339,056 total shares outstanding. This implied an adjustment of the dividend payable by $17,778 considering these movements.

In October 2024, the Company repurchased 37,210,454 common shares as part of the liquidation process of Sociedad Portafolio S.A. This involved an adjustment to the dividend payable of $26,047 (Note 9.1.3.). With these share movements, the total number of ordinary shares was 282.620.429, the number of preference shares did not vary, giving a total of 395.128.602 shares in circulation. Note 13.1.

Dividends paid during the year ended December 31, 2024 amounted to $490,095.

NOTE 15. OTHER COMPREHENSIVE INCOME

The balance and movement of each component of other comprehensive income and its tax effect is as follows:

Concept	Note	December 31, 2023	Movement	December 31, 2024
Defined benefit plan measurements	15.1.	184	652	836
Results from investments in equity instruments	15.2.	9,382	(8,091)	1,291
Conversion exchange rate differences		(10,827)	-	(10,827)
Hedging of cash flow derivatives	15.3.	(52,701)	18,939	(33,762)
Effect on other comprehensive income of subsidiaries accounted for using the equity method	15.4.	1,874,875	429,853	2,304,728
Total comprehensive income		**1,820,913**	**441,353**	**2,262,266**

Concept	Note	December 31, 2022	Movement	December 31, 2023
Defined benefit plan measurements	15.1.	4,563	(4,379)	184
Results from investments in equity instruments	15.2.	25,763	(16,381)	9,382
Conversion exchange rate differences		(10,827)	-	(10,827)
Hedging of cash flow derivatives	15.3.	(133,356)	80,655	(52,701)
Effect on other comprehensive income of subsidiaries accounted for using the equity method	15.4.	4,349,397	(2,474,522)	1,874,875
Total comprehensive income		**4,235,540**	**(2,414,627)**	**1,820,913**

Note 15.1. Defined benefit plan measurements

The component of defined benefit plan measures represents the cumulative value of actuarial gains or losses, excluding the values included in the net interest on the net defined benefit liability. The net value of remeasurements is transferred to retained earnings and is not reclassified to profit or loss for the period

The movements of the periods are as follows:

	Note	December 31, 2023	Movement	December 31, 2024
Movement (1)		(210)	(654)	(864)
Tax effect	8.2.	26	2	28
Total		**(184)**	**(652)**	**(836)**

	Note	December 31, 2022	Movement	December 31, 2023
Movement	11.3	(4,604)	4,394	(210)
Tax effect	8.2.	41	(15)	26
Total		**(4,563)**	**4,379**	**(184)**

(1) Corresponds to the restatement of benefit plans, net of transfer to retained earnings:

Changes in actuarial assumptions through other comprehensive income (Note 11.3.)	(1,970)
Transfer to retained earnings	1,316
Total	**(654)**

Note 15.2. Results from investments in equity instruments

Corresponds to the change in the investment of Enka de Colombia S.A., which is classified at fair value with changes in equity. Note 6.1.2.

Note 15.3. Cash flow hedge derivatives

The movement of the cash flow hedge derivatives is as follows:

	Note	December 31, 2023	Movement	December 31, 2024
Movement	6.2.2.1.	(81,077)	29,136	(51,941)
Tax effect	8.2.	28,376	(10,197)	18,179
Total		**(52,701)**	**18,939**	**(33,762)**

	Note	December 31, 2022	Movement	December 31, 2023
Movement	6.2.2.1.	(205,163)	124,086	(81,077)
Tax effect	8.2.	71,807	(43,431)	28,376
Total		**(133,356)**	**80,655**	**(52,701)**

Note 15.4. Effect on other comprehensive income of subsidiaries accounted for using the equity method

The changes in equity of subsidiaries that have an effect on other comprehensive income were as follows:

Concept	December 31, 2023	Movement	December 31, 2024
Revaluation surplus on properties.	37,874	192	38,066
Measurement of defined benefit plans	(9,698)	(603)	(10,301)
Gain (loss) on investments in equity instruments	(9,749)	(9,950)	(19,699)
Total other comprehensive income not to be reclassified to income for the period, net of deferred income taxes	**18,427**	**(10,361)**	**8,066**
Gain (loss) on foreign exchange translation differences	1,832,093	398,108	2,230,201
Hedging of cash flow derivatives	24,355	42,106	66,461
Total other comprehensive income to be reclassified to profit or loss, net of taxes	**1,856,448**	**440,214**	**2,296,662**
Total other comprehensive income	**1,874,875**	**429,853**	**2,304,728**

Concept	December 31, 2022	Movement	December 31, 2023
Revaluation surplus on properties.	(32,317)	70,191	37,874
Measurement of defined benefit plans	(1,444)	(8,254)	(9,698)
Gain (loss) on investments in equity instruments	(36,209)	26,460	(9,749)
Total other comprehensive income not to be reclassified to income for the period, net of deferred income taxes	**(69,970)**	**88,397**	**18,427**
Gain (loss) on foreign exchange translation differences	4,635,318	(2,803,225)	1,832,093
Hedging of cash flow derivatives	(215,951)	240,306	24,355
Total other comprehensive income to be reclassified to profit or loss, net of taxes	**4,419,367**	**(2,562,919)**	**1,856,448**
Total other comprehensive income	**4,349,397**	**(2,474,522)**	**1,874,875**

NOTE 16. INCOME

The following is a detail of income:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Gain on sale of non-current assets held for sale (Note 10)	4,686,293	-
Equity method (Note 9.2.1.)	1,210,240	1,187,172
Dividends (1)	1,008,421	1,161,899
Investment income, cash and cash equivalents (2)	33,959	33,348
Other income (3)	930	32,217
Net loss on investments at fair value (4)	(30,533)	(19,130)
Total	**6,909,310**	**2,395,506**

(1) Dividend income is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Dividend income from associates (Note 9.1.5.)	1,006,053	1,161,109
Dividend income from financial instruments	2,368	790
Total	**1,008,421**	**1,161,899**

(2) Corresponds to yields on cash, cash equivalents and investments deposited with third parties Bancolombia S.A., Banco Davivienda S.A., Davivienda Corredores S.A., Valores Bancolombia S.A. and Sura SAC Ltd. among others.

	January 1 to December 31, 2024	January 1 to December 31, 2023
Income from cash and cash equivalents (Note 6.1.1.)	27,028	24,763
Investment income	6,931	8,585
Total	**33,959**	**33,348**

(3) The detail of other income is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Recoveries and reimbursements	848	19
Recognition of work disability	82	21
Usufruct (a)	-	32,177
Total	**930**	**32,217**

(a) Corresponds to the recognition of income for the amortization of the deferred liability of the usufruct right contract over 73,240,000 shares of Grupo Nutresa S.A., which had a duration of 16 months.

(4) Corresponds to:

	January 1 to December 31, 2024	January 1 to December 31, 2024
Effect of exchange rate fluctuations on investments (Note 6.1.2.)	4,283	(5,278)
Effect of exchange rate fluctuations on cash	(34,816)	(13,852)
Total	**(30,533)**	**(19,130)**

NOTE 17. ADMINISTRATIVE EXPENSES

Administrative expenses are as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Commissions (1)	(32,998)	(4,812)
Taxes	(30,918)	(29,953)
Travel	(9,387)	(8,833)
Donations (2)	(7,469)	(20,097)
Insurance	(5,609)	(6,752)
Advertising and subscriptions	(3,970)	(3,452)
Contributions	(2,224)	(2,670)
Other expenses	(1,712)	(1,307)
Maintenance and repairs	(1,487)	(1,100)
Electronic data processing	(955)	(1,071)
Representation expenses	(904)	(1,171)
Utilities	(716)	(699)
Temporary services	(673)	(507)
Leases	(611)	(247)
Total	**(99,633)**	**(82,671)**

(1) The variation corresponds mainly to commissions for operations related to the execution of the framework agreement, and also includes the commission for the availability of the "Club Deal" loan.

(2) The variation is primarily due to the fact that in 2023, a donation to Fundación Suramericana for 20,000 was included.

NOTE 18. FEES

The fees are as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Advisory services (1)	(26,874)	(43,222)
Technical assistance	(4,793)	(3,470)
Board of Directors	(2,329)	(2,090)
Consulting services	(969)	(727)
Statutory audit	(681)	(676)
Technology	(189)	(14)
Other services	-	(338)
Total	**(35,835)**	**(50,537)**

(1) The decrease is primarily due to expenses incurred in 2023 related to the execution of the exchange agreement with Grupo Nutresa S.A. for $31,960, which were not incurred in 2024.

NOTE 19. FINANCIAL RESULT

The financial result is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Gain (loss) on trading financial derivative instruments (Note 6.2.2.2.)	156,737	(170,263)
Net exchange difference (Note 19.1.)	(205,079)	53,823
Interest (Note 19.2.)	(883,064)	(661,031)
Other financial expenses (1)	(17,577)	-
Total	**(948,983)**	**(777,471)**

(1) This refers to (a) consent fee expenses associated with a modification to the bond clause and (b) costs incurred in negotiating better market conditions for financial derivative instruments.

Note 19.1. Net exchange difference

The net exchange difference is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Hedging derivative financial instruments (Note 6.2.2.1.)	311,163	(494,284)
Loans in foreign currency	(201,761)	25,491
Bonds	(314,481)	522,616
Total (1)	**(205,079)**	**53,823**

(1) The variation is mainly due to the increase in the representative market rate and the establishment of the Club Deal loan.

Note 19.2. Interest

The interests are as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Financial obligations (1)	(340,301)	(122,092)
Bonds issued (2)	(261,438)	(369,292)
Others (3)	(133,681)	(17,533)
Hedging derivative financial instruments (6.2.2.1.)	(106,180)	(107,396)
Preferred shares liabilities	(40,462)	(40,354)
Lease liabilities	(805)	(820)
Repo operations	(197)	(3,544)
Total	**(883,064)**	**(661,031)**

(1) The increase is mainly due to new loans acquired.

(2) The variation is basically due to (a) bond maturity (Note 6.2.3.) and (b) the fact that the bonds in Colombian pesos are indexed to the Consumer Price Index, an indicator that decreased compared to 2023.

(3) This basically includes interest on the loan from Grupo Bolívar S.A. and Seguros Bolívar S.A. totaling 129 thousand million pesos. Note 6.2.4.3

NOTE 20. EARNINGS PER SHARE

Basic earnings per common share are calculated based on the weighted average number of common shares outstanding in each category during the year.

The calculation of basic and diluted earnings per common share is as follows:

	January 1 to December 31, 2024	January 1 to December 31, 2023
Profit for the period, net	**5,331,776**	**1,056,655**
Plus, interest expense on preferred shares (Note 12.) (1)	40,462	40,354
Less undistributed earnings to preferred shareholders (2)	(1,379,643)	(213,081)
Profit attributable to holders of ordinary equity instruments from continuing operations	**3,992,595**	**883,928**
Weighted average number of common shares	325.591.212	466.720.702
Earnings per common share from continuing operations	**12,263**	**1,894**
Shares to be issued from commitments with non-controlling interests (3)	30.985.911	37.263.034
Earnings attributable to holders of ordinary equity instruments from continuing operations with dilutive effects	**4,083,729**	**896,808**
Earnings per share from continuing operations with dilutive effect	**11,453**	**1,779**

(1) Corresponds to the interest on the guaranteed minimum preferred shares dividend accrued as an expense during the period.

(2) Represents the portion of parent company profit attributable to preferred shares that has not been declared as a dividend.

(3) A valuation of the subsidiary Sura Asset Management S.A. in 2024 resulted in an increase compared to 2023. Furthermore, the market price of the shares of the Company at the end of 2024 also rose compared to the closing price in 2023. The possible shares to be issued to non-controlling interests decrease based on the increase in these two variables (share price and valuation of Sura Asset Management S.A.), since as the share price increases, the possible shares to be issued are fewer.

Within the commitments with non-controlling interests described in Note 6.2.4.2., a dilutive effect could arise. For the agreement with Caisse De Dépôt Et Placement Du Québec, which can be settled with shares of some of the subsidiaries, after the end of the Lock Up (10 years after the signing of the Agreement), in the event that payment with ordinary shares of the Company is decided, the diluted effect on earnings per share as of December 31, 2024 is 810 Colombian pesos and 115 Colombian pesos as of December 31, 2023.

NOTE 21. FAIR VALUE

Fair value is the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of assets and financial liabilities traded in active markets, such as financial assets in debt securities, equity instruments, and actively traded derivatives listed on stock exchanges or interbank markets, is based on prices provided by a price source, calculated using price averages taken on the last trading day of the reporting date.

The fair value of financial assets not traded in an active market is determined using valuation techniques. The Company uses various methods and assumes assumptions based on prevailing market conditions on each reporting date. Valuation techniques include the use of recent comparable transactions under similar conditions, reference to other substantially identical instruments, discounted cash flow analysis, option pricing models, and other valuation techniques commonly used by market participants, making maximum use of market data.

Valuation techniques used for non-standard financial instruments, such as options, currency swaps, and over-the-counter derivatives, include the use of interest rate or currency curves constructed by providers and extrapolated to the specific conditions of the instrument for valuation, discounted cash flow analysis, option pricing models, and other valuation techniques commonly used by market participants based primarily on market data rather than entity-specific data.

The result of a model is always an estimate or approximation of a value that cannot be determined with certainty, and the valuation techniques used may not fully reflect all relevant factors for the Company's positions. Therefore, valuations are adjusted, if necessary, to account for additional factors, including country risk, liquidity risk, and counterparty risk.

Fair value hierarchy

The judgments and estimates used to determine the fair values of financial instruments that are recognized and measured at fair value in the financial statements are as follows.

The Company uses data from the three levels specified by accounting standards:
- Level 1: Level 1 input data are quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date;
- Level 2: Level 2 input data are distinct from quoted prices included in Level 1, as they are observable for assets or liabilities, directly or indirectly, in inactive markets
- Level 3: Level 3 input data are unobservable inputs for the asset or liability.

The fair value hierarchy level within which the fair value measurement is classified in its entirety is determined based on the lowest-level input that is most significant for measuring its total fair value. The relevance of an input is evaluated in relation to the overall fair value measurement. Financial instruments traded in markets not considered active, but valued based on quoted market prices, price quotations from price providers, or alternative price sources supported by observable inputs, are classified in Level 2.

If a fair value measurement uses observable data that require significant adjustments based on unobservable inputs, this measurement is classified as Level 3. Evaluating the significance of a particular input for the overall fair value measurement requires judgment, taking into account factors specific to the asset or liability.

Determining what is considered observable requires significant judgment by the Company. Observable data refers to market data that is already available, distributed, or updated by price providers, and is reliable and verifiable, free from proprietary rights, and provided by independent sources actively participating in the relevant market.

Note 21.1. Fair value measurement on a recurring basis

Fair value measurements on a recurring basis are those required or permitted in the financial statements at the end of each period.

The following table presents the balance of assets and liabilities measured at fair value on a recurring basis and the hierarchy of the inputs used:

December 31, 2024	Level 1	Level 2
Investments		
At fair value through profit or loss (Note 6.1.2.)	-	33,749
At fair value through other comprehensive income (Note 6.1.2.)	25,460	-
Total investments	**25,460**	**33,749**
Derivative financial instruments for trading		
Interest rate swap	-	43,037
Forward	-	58,500
Total derivative financial instruments held for trading (6.2.2.2.) (1)	**-**	**101,537**
Hedging derivative financial instruments		
Interest rate swap	-	375,948
Options	-	116,747
Total derivative financial instruments used for hedging (6.2.2.1.) (1)	**-**	**492,695**

December 31, 2023	Level 1	Level 2
Investments		
At fair value through profit or loss (Note 6.1.2.)	-	26,559
At fair value through other comprehensive income (Note 6.1.2.)	33,551	-
Total investments	**33,551**	**26,559**
Derivative financial instruments for trading		
Interest rate swap	-	(7,921)
Forward	-	(76,640)
Total derivative financial instruments held for trading (6.2.2.2.) (1)	**-**	**(84,561)**
Hedging derivative financial instruments		
Interest rate swap	-	122,123
Options	-	59,709
Total derivative financial instruments used for hedging (6.2.2.1.) (1)	**-**	**181,832**

(1) Derivative financial instruments are presented net (assets less liabilities).

For assets and liabilities that are recorded at fair value, there were no transfers during the period between the different hierarchy levels, nor changes in the valuation processes, techniques and types of inputs used.

Note 21.2. Determination of fair value

Investments measured at fair value through profit or loss

The Company assigns a price to its debt investments using prices provided by its official price provider and assigns the corresponding hierarchy level based on the procedure described above. For unlisted securities, such as certain bonds issued by other financial institutions, the Company generally determines fair value using standard internal valuation techniques. These techniques include determining future cash flows, which are discounted using applicable currency or interest rate curves, such as the Consumer Price Index (CPI), adjusted with a credit and liquidity risk premium. The interest rate is typically determined using observable market data and benchmark yield curves obtained from quoted interest rates in appropriate time bands, aligning the timing of the cash flows with the maturities of the instruments.

Investments measured at fair value through other comprehensive income

The Company values its equity investments at market prices by applying the prices provided by its official price provider and assigns the corresponding hierarchy level based on the procedure described above. Similarly, the fair value of unlisted equity instruments is based on the individual evaluation of investments using methodologies that include publicly traded comparable, obtained by multiplying a key performance metric (such as earnings before interest, taxes, depreciation, and amortization) by the relevant valuation multiple observed for comparable companies and, if deemed necessary, subject to discounts for lack of liquidity and/or marketability.

Derivative financial instruments

The Company maintains positions in standardized derivative instruments, such as futures on local stocks and the representative market exchange rate (TRM), which are valued using information provided by the official price provider. This valuation corresponds with the information supplied by the central counterparty clearing houses that settle and clear these instruments.

Additionally, the Company records positions in over-the-counter (OTC) derivative financial instruments, which, in the absence of prices, are valued using the inputs and methodologies provided by the price provider. Key inputs depend on the type of derivative financial instrument and the nature of the underlying instrument, and include yield curves, foreign exchange rates, the spot price (market price at a given moment) of the underlying volatility, and credit curves.

Note 21.3. Fair value of financial assets and liabilities measured at amortized cost or other valuation method

The book value and fair value of assets and liabilities measured at a value other than fair value are as follows:

	December 31, 2024		December 31, 2023	
	Book value	Fair value	Book value	Fair value
Related parties receivables (1) (Note 7.3.)	252,852	252,852	439,832	439,832
Other accounts receivable (1)	9,345	9,345	1,973	1,973
Total assets	**262,197**	**262,197**	**441,805**	**441,805**
Financial obligations (Note 6.2.1.)	4,309,771	4,309,771	2,860,073	2,860,073
Finance lease liabilities	11,572	11,572	11,872	11,872
Related parties payables (1) (Note 7.3.)	177,747	177,747	223,603	223,603
Other accounts payable (1) (Note 6.2.5.)	68,736	68,736	77,453	77,453
Bonds (2) (Note 6.2.3.)	3,623,356	3,512,844	3,487,199	3,427,342
Preferred shares liabilities (3) (Note 12)	459,821	449,927	459,834	401,776
Total liabilities	**8,651,003**	**8,530,597**	**7,120,034**	**7,002,119**

(1) For these accounts, the book value was considered similar to their fair value, due to their short-term nature.

(2) The fair value of securities issued is determined based on quoted or estimated prices provided by the price provider. This is considered a level 2 valuation.

(3) The fair value of the liability for preferred shares is valued using the TES curve *(TES, Títulos de Tesorería, in Spanish original. Government debt securities issued by the Colombian government).*

NOTE 22. FINANCIAL RISK MANAGEMENT

For the Company, risk management is a dynamic and interactive process, which is a fundamental component of the strategy that supports decision-making processes. Understanding risks as opportunities, preparing for uncertainty, configuring new businesses, exploring geographies, enhancing talent, among other aspects, are essential parts of this management. This management model is consistent with our vision of risks as an investment manager, reaffirms our comprehensive approach to the aggregated risks of the portfolio, and enables us to conduct forward-looking risk analysis considering the correlation between them.

Financial risk refers to the possibility that the results of the Companies and their capital structure may be affected by variations in the prices of assets, the non-payment of their obligations by third parties or risk situations arising from the environment

It is essential for the Company to have optimal capital structures and adequate levels of capital to enable it to meet its obligations to its stakeholders. For this reason, management systems are required to monitor and manage exposure to different financial risks, such as credit, market and liquidity risk.

Below is a detailed description of the management conducted by the Company regarding the main financial risks.

Note 22.1. Credit risk management

Credit risk management seeks to reduce the probability of incurring losses derived from non-compliance with financial obligations contracted by third parties with the Company.

Description of the objectives, policies and processes for risk management.

To manage this risk, treasury resource management has defined guidelines to facilitate the analysis and monitoring of issuers and counterparties, ensuring that investments are always backed by issuers and/or managers with adequate credit strength.

Methods used to measure risk

Risk management teams at the Company analyze counterparties, issuers, and managers to assess their credit support and establish the investment limits to be considered by the treasury.

Summary of quantitative data on credit risk exposure

Cash investments are mostly concentrated in liquid mutual funds managed by high credit quality managers and in bank savings and checking accounts.

To cover the credit risk in derivative financial instruments, the Company deals with local and international banks with adequate credit ratings, all of which are above investment grade.

The following is a list of the counterparties, their credit rating (in international and local scale) and the net exposure with each counterparty:

Net exposure in financial derivatives			
Bank	Rating	December 31, 2024	December 31, 2023
Merrill Lynch & Co., Inc.	A+	187,585	48,118
Citibank National Association	A+	50,974	30,655
JP Morgan Chase Bank N.A.	A+	162,145	75,970
Morgan Stanley & Co International PLC	A+	10,644	8,127
Goldman Sachs International	A+	61,305	13,823
Banco Santander S.A.	A+	-	(11,709)
Banco Bilbao Vizcaya Argentaria S.A.	BB+	24,511	-
Bancolombia S.A.	BB+	97,068	(67,715)

Details of financial assets are shown in Note 6.1.

Other minor assets, not material to the Company, are loans and receivables corresponding to loans to employees and other accounts with low credit risk.

Impairment of assets and receivables

The Company periodically analyzes the existence of impairment indicators and, if necessary, recognizes impairment losses.

Note 22.2. Market risk management

Market risk refers to how changes in market prices affect the income of the Company or the value of its investments.

Market risk in the Company is mainly generated by the following factors and activities:

- Treasury liquidity management through exposure to collective portfolios and issuers of fixed-income instruments; these activities do not generate significant market risk due to their low volatility and short duration;
- Financial liabilities contracted in foreign currencies and those tied to variable rates that result in exposure to exchange rate risk and fixed or variable interest rates, and
- Transactions with derivative financial instruments structured as hedging mechanisms for the financial liabilities that make up the obligations of the Company.

Note 22.2.1. Exchange rate risk

Exchange rate risk refers to the probability that the fair value or future cash flows of a financial instrument may fluctuate as a result of variations in one currency relative to another. The Company is exposed to this risk to the extent that it has assets and liabilities denominated in foreign currencies.

To manage this risk, the Company monitors its exposures in accordance with the policies and guidelines issued by the Board of Directors and, if necessary, determines the convenience of having a hedging scheme.

Methods used to measure risk

The management of exchange rate risk carried out by the treasury department of the Company focuses on analyzing the advisability of hedging to neutralize the impacts that exchange rate variations may have on its results and thus reduce exposure to this risk.

Description of changes in risk exposure

During 2024, the ceilings of certain hedging derivative financial instruments were extended through swaps and options transactions.

Sensitivity analysis on foreign exchange risk exposure

A sensitivity analysis is presented below to estimate the impact of changes in the exchange rate on U.S. dollar liabilities, derivative financial instruments and income before taxes. These sensitivities are made taking into account simulated variations of +/- 10% in the Colombian peso – U.S dollar exchange rate compared to its closing value:

December 31, 2024 Representative Market Rate at closing: $4,409.15 pesos	+10% in the exchange rate	-10% in the exchange rate
Financial liabilities	(384,327)	384,327
Derivative financial instruments	357,105	(364,847)
Total	**(27,222)**	**19,480**

December 31, 2023 Representative Market Rate at closing: $3,822.05 pesos	+10% in the exchange rate	-10% in the exchange rate
Financial liabilities	(204,906)	204,906
Derivative financial instruments	309,197	(315,558)
Total	**104,291**	**(110,652)**

For the analysis of the results, it is important to highlight that the economic effect is the net result of considering the variation of the liability against the valuation of the hedging derivative.

Note 22.2.2. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate as a result of changes in market interest rates. Exposure to this risk arises from holding fixed-income assets and/or liabilities associated with variable interest rates.

To manage exposure to this risk, the Company monitors its exposures and, if necessary, determines the convenience of having a hedging scheme, periodically monitored and aligned with the guidelines issued by its Board of Directors.

Methods used to measure risk

The interest rate risk management performed by the treasury of the Company focuses on the analysis of the convenience of hedging in order to neutralize the impact that interest rate variations may have on its results and thus reduce exposure to this risk.

Description of changes in risk exposure

There were no significant changes in risk exposure.

Sensitivity analysis of the exposure to interest rate risk

The following is a sensitivity analysis with the objective of estimating the impact that a variation in the interest rate would have on the valuation of hedging derivative financial instruments, based on scenarios of +/- 10 basis points in the interest rate in Colombian pesos:

	December 31, 2024	
	+10bp in the interest rate	-10bp in the interest rate
Financial liabilities	3,817	(3,828)
Derivative financial instruments	(946)	950
Total	**2,871**	**(2,878)**
	December 31, 2023	
	+10bp in the interest rate	**-10bp in the interest rate**
Financial liabilities	397	(398)
Derivative financial instruments	(849)	853
Total	**(452)**	**455**

Note 22.2.3. share price risk

Equity price risk is the probability that the fair value of a financial instrument will decline as a result of changes in equity asset prices.

Description of the objectives, policies and processes for risk management.

To manage this risk, treasury resource management has defined guidelines to facilitate the analysis and monitoring of how variations in the market prices of the instruments held could affect the Company.

Methods used to measure risk

The internal risk management system considers the evaluation process in relation to how variations in market prices affect the income of the Company or the value of its investments.

Summary of quantitative data on the risk exposure of the entity.

Given the nature of the portfolio and investments, exposures to this risk are not material. Details of financial assets are shown in Note 6.1.

Note 22.3. Liquidity risk management

Liquidity risk refers to the ability of the Company to generate the necessary resources to meet its obligations and the functioning of its business.

To manage this risk, the Company orients its actions within the framework of a short- and long-term liquidity management strategy according to the policies and guidelines issued by the Board of Directors and Senior Management, which consider situational and structural aspects, in order to ensure that the obligations acquired are fulfilled under the conditions initially agreed and without incurring cost overruns.

Methods used to measure risk

For the management of this risk, in accordance with the policies and guidelines set by the Board of Directors and Senior Management, cash flow is monitored in the short term to manage collection and payment activities from the treasury, as well as cash flow projections in the medium term, enabling the determination of liquidity position and the anticipation of necessary measures for proper management.

In addition, the Company has credit lines available with financial institutions and has cash investments that could be sold as a mechanism to access liquidity, in addition to other complementary sources of liquidity.

Summary of quantitative data on the risk exposure of the entity

The maturities associated with assets to manage risk are as follows:

December 31, 2024	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Cash and equivalents (Note 6.1.1.)	132,040	-	-	132,040
Investments (Note 6.1.2.)	-	-	25,460	25,460
Related party receivables (Note 7.3.)	252,852	-	-	252,852
Other accounts receivable	9,345	-	-	9,345
Total	**394,237**	**-**	**25,460**	**419,697**

December 31, 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Cash and equivalents (Note 6.1.1.)	442,550	-	-	442,550
Investments (Note 6.1.2.)	-	-	33,551	33,551
Related party receivables (Note 7.3.)	439,832	-	-	439,832
Other accounts receivable	1,973	-	-	1,973
Total	**884,355**	**-**	**33,551**	**917,906**

The following are the maturities associated with the financial obligations:

December 31, 2024	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations (Note 6.2.1)	450,819	2,758,424	1,100,528	4,309,771
Derivative financial instruments (Note 6.2.2)	1,171	115,781	-	116,952
Accounts payable to related parties (Note 7.3)	142,442	35,305	-	177,747
Other accounts payable (Note 6.2.5)	55,224	13,512	-	68,736
Bonds issued (Note 6.2.3)	-	2,749,669	873,687	3,623,356
Preferred shares liability (Note 12)	-	-	459,821	459,821
Total	**649,656**	**5,672,691**	**2,434,036**	**8,756,383**

December 31, 2023	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Financial obligations (Note 6.2.1)	1,430,394	620,123	809,556	2,860,073
Derivative financial instruments (Note 6.2.2)	68,638	136,182	-	204,820
Related parties payable (Note 7.3)	188,746	34,857	-	223,603
Other accounts payable (Note 6.2.5)	36,530	40,923	-	77,453
Bonds issued (Note 6.2.3)	167,502	2,338,581	981,116	3,487,199
Preferred shares liability (Note 12)	-	-	459,834	459,834
Total	**1,891,810**	**3,170,666**	**2,250,506**	**7,312,982**

Description of changes in exposure to risk during the period

Based on the extraordinary obligations that have arisen during 2024, the Company has maintained stable and adequate levels of coverage of expenses over revenues and debt over dividends, which allow us to anticipate, with a reasonable degree of certainty, that the Company has the necessary resources to meet its projected cash commitments.

Below are the events and situations that the Management of the Company believes are relevant to communicate to the different interest parties due to their potential impact on the liquidity situation of the Company:

Agreements with co-investors

Regarding the joint venture agreements with Caisse De Dépôt Et Placement Du Québec (CDPQ) and Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft, also known as Münchener Rück AG, or Munich Re (MRE), to date no enforceable requirements for cash or liquid resources have been identified as a result of these documents. Therefore, these options do not currently represent immediate liquidity pressures.

With regard to the transaction agreement between the Company and Grupo Bolívar S.A., during the last quarter of 2024, all the conditions precedent were met, including the obtaining of the applicable regulatory authorizations, and the closing of the share purchase agreement signed on November 30, 2023, was carried out. Consequently, on the agreed date, the transfer of 254,930 ordinary shares of Sura Asset Management S.A. was completed, equivalent to 9.74% of its capital.

Subscription of material financial contracts

Consistent with previous reports, the guaranteed credit agreement under the Club Deal modality with Banco Bilbao Vizcaya Argentaria S.A. New York Branch, Itaú Chile New York Branch, Banco General S.A., Banco Latinoamericano de Comercio Exterior S.A. and Citibank National Association. for a committed value of USD 500,000,000, of which USD 300,000,000 was disbursed in the second quarter of 2024. The remaining balance is available until March 2025 and is intended to meet the obligations of the framework agreement signed on June 15, 2023 and to reduce or re-profile existing debt levels. The term for repayment of the loan is five years from the date of signing the Contract, including a two-year grace period for repayment of the principal, and interest will be charged based on the SOFR rate plus a spread under market conditions, payable quarterly.

As is common in such transactions, this contract includes certain default clauses that may result in the acceleration of obligations. These events are categorized by materiality, and some of them are subject to cure periods. It is important to note that management continuously monitors the status of these clauses to anticipate and prevent any negative effects for the Company.

Furthermore, to cover the liquidity requirements arising from the operation with Grupo Bolívar S.A., the Company made use of the committed credit lines with Bancolombia S.A. and Davivienda S.A. reported in previous periods. In the case of Bancolombia S.A., the entire committed credit of $0.65 billion was disbursed. For its part, with Davivienda S.A. there was a committed credit line for up to $0.82 billion, of which $0.29 billion was disbursed in the second quarter of 2024 and $0.20 billion in the fourth quarter of 2024, resulting in an available balance of $0.33 billion at an effective annual cost of 0.60%. This line of credit remains available at the end of 2024 given that in November 2024 its availability period was extended until February 2025, with interest rates and terms to be agreed at the time of each disbursement, under market conditions for this type of financing.

The funding strategy described above adequately meets the previously outlined requirements, maintaining appropriate levels of indebtedness, liquidity, and solvency. Additionally, the debt service generated by the acquisition of these loans is consistent with the Company's income level and within its current repayment capacity.

Memorandum of Understanding and Spin-off Agreement.

The Company signed an agreement with Grupo Argos S.A. with the aim of disposing of the cross-shareholdings, called the "Spin-off Agreement". This objective will be achieved through a single operation consisting of reciprocal spin-offs by absorption as part of the Memorandum of Understanding signed between the parties, as detailed in Note 5.

According to the aforementioned and given that the transaction does not involve the disbursement of funds or the assumption of additional liabilities, it is estimated that the immediate effect on the liquidity of the Company will be neutral. Nevertheless, as a result of the disposal of one of the dividend-generating assets and one of its operating segments, a decrease in the associated cash flows is expected once the transaction is completed. The dividends received from Grupo Argos S.A. represented 8% of the total dividends received during 2024. Furthermore, the Company is implementing various capital optimization and efficiency strategies in the other investments in its portfolio, with the aim of boosting its capacity to distribute profits, preserving the strength and adequate liquidity of the Company.

Overall, this operation strengthens the strategy of the Company to move towards a portfolio with a greater focus on financial services, favoring its consolidation in the medium and long term without compromising the strength of its liquidity.

Suramericana S.A.

Suramericana S.A. maintains a strong overall liquidity position in its businesses, carrying out proactive monitoring based on short- and medium-term cash flow projections, managing treasury activities and optimizing resource management, always seeking to ensure compliance with adequate levels of reserve matching and solvency. On the basis of the analyses carried out, no events have been identified that could have a potentially significant impact on the short- and medium-term liquidity of Suramericana S.A. and, therefore, of the Company. In the case of the subsidiary EPS Suramericana S.A., and especially regarding the request submitted on May 28, 2020, regarding the Progressive Dismantling Program to the National Health Superintendency, the Company continues to monitor the relevant variables of that business in order to identify in advance those scenarios that could eventually represent risks to its liquidity position. The other subsidiaries and lines of business of Suramericana S.A. in Colombia and Latin America remain within the established risk appetites in relation to the defined levels of liquidity and solvency, reflecting adequate equity strength that allows it to meet its obligations. Liquidity risk is considered moderate and no material threats to the liquidity position are identified in the short and medium term.

Sura Asset Management S.A.

With regard to the savings and retirement business, no events with a significant impact on the liquidity of Sura Asset Management S.A. and, therefore, of the Company, have been identified. Nevertheless, in the case of Asulado S.A., due to the risks associated with the development of the insurance business and the organic growth it is experiencing, capitalization needs may arise in the short term to enable its growth, which will be analyzed in a timely and comprehensive manner by the corporate teams.

NOTE 23. CAPITAL MANAGEMENT

The policy of the Company is to maintain a solid capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital and the level of dividends paid to shareholders.

Management attempts to maintain a balance between the higher returns that can be obtained with higher credit levels and the advantages and security provided by a strong capital position.

The Company monitors capital using an adjusted net debt to equity ratio. To this end, adjusted net debt is defined as total financial liabilities (financial obligations and bonds issued) including interest-bearing loans, plus proposed dividends not yet accrued, minus cash and equivalents.

The adjusted net debt to equity ratio is as follows:

	December 31, 2024	December 31, 2023
Financial liabilities (Note 6.2.) (1)	7,933,127	6,347,272
Cash and cash equivalents (Note 6.1.1.)	(132,040)	(442,550)
Derivative financial instruments, net (Note 6.1.3. y 6.2.2.)	(594,232)	(97,271)
Net debt	**7,206,855**	**5,807,451**
Equity	**21,432,213**	**25,685,849**
Adjusted debt to equity ratio (2)	**33%**	**22%**

(1) Includes financial obligations and bonds issued.

(2) Net Debt/Equity.

NOTE 24. EVENTS AFTER THE REPORTING DATE

Offer to purchase an international bond maturing in 2026

On January 8, 2025, the Company initiated a cash tender offer for up to USD 200,000,000 of its international bonds maturing in 2026. As of January 23, 2025, offers totaling USD 291,799,000 in principle were received. Due to higher investor interest in participating in the tender offer, the maximum amount was increased to USD 230,000,000 in principle. The tender offer is conducted in accordance with the terms and conditions outlined in the document titled "Offer to Purchase," addressed to the bondholders.

The tender offer will expire on February 7, 2025; however, since the maximum amount has already been reached, offers received after January 23, 2025, will not be accepted. Payment for the accepted offers was made on January 30, 2025, applying the proration rules outlined in the offer to purchase.

Purchase and sale agreement for shares of Grupo Argos S.A. between the Company and the subsidiary Inversiones y Construcciones Estratégicas S.A.S.

On January 24, 2025, the Company acquired 2,180,250 common shares of Grupo Argos S.A. for $42,078 that were owned by the subsidiary Inversiones y Construcciones Estratégicas S.A.S.

With this transaction the Company owns 285,834,388 shares in Grupo Argos S.A.

Arus Holding S.A.S. share purchase and sale agreement between the Company and the subsidiary Inversiones y Construcciones Estratégicas S.A.S.

On January 24, 2025 the Company sold 148,877 shares of Arus Holding S.A.S. common stock for $103,595 to the subsidiary Inversiones y Construcciones Estratégicas S.A.S.

With this transaction the Company ceased to be a direct shareholder in Arus Holding S.A.S.

Club Deal

In relation to the Club Deal credit agreement signed in March 2024 for USD 500 million, of which USD 300 million was disbursed on April 3, 2024, an additional USD 200 million was disbursed on January 29, 2025. The loan term is 5 years, with an agreed interest rate of SORF (3 months) + 2.65. This disbursement is intended for the payment of the tender offers for the international bonds.

NOTE 25. APPROVAL OF THE FINANCIAL STATEMENTS

The Board of Directors authorized the publication of the financial statements of the Company corresponding to the fiscal year ended December 31, 2024, for presentation to the market and to the General Meeting of Shareholders, as recorded in the minutes of the aforementioned body on January 30, 2025. These financial statements will form part of the annexes to the Spin-off Agreement mentioned in Note 5, which was authorized by the same Board of Directors to be presented to the General Meeting of Shareholders for approval.

Financial indicators

FINANCIAL INDICATORS

The following financial indicators and their analysis, performed by management, are not part of the financial statements presented.

Indicator		December 31, 2024	December 31, 2023
Solidity	Total liabilities	9,532,478	7,615,592
	Total assets	30,964,691	33,301,441
	Total liabilities / Total assets	30.78%	22.87%
	The creditors owned 30.78% as of December 31, 2024 (22.87% as of December 31, 2023), with the shareholders owning 69.22% as of December 31, 2024 (77.13% as of December 31, 2023)		
Debt Ratio			
Total	Total liabilities	9,532,478	7,615,592
	Total assets	30,964,691	33,301,441
	Total liabilities / Total assets	30.78%	22.87%
	For every $1 peso invested in assets, 30.78% as of December 31, 2024 (22.87% as of December 31, 2023) has been financed by the creditors		
Interest Coverage Ratio	Net income + interest	6,214,840	1,717,686
	Financial expenses	883,064	661,031
	Net income + interest / Financial expenses	703.78%	259.85%
	A net gain of 703.78% at December 31, 2024 (259.85% at December 31, 2023) was generated from interest paid		
Total Leverage	Total liabilities	9,532,478	7,615,592
	Equity	21,432,213	25,685,849
	Total liabilities / Shareholders equity	44.48%	29.65%
	Each $1 peso of the shareholders is committed at 44.48% as of December 31, 2024 (29.65% as of December 31, 2023).		
Total Financial Leverage	Liabilities with financial entities	8,392,948	6,807,106
	Equity	21,432,213	25,685,849
	Liabilities with financial entities / Equity	39.16%	26.50%
	For every $1 peso of equity, 39.16% is financially committed as of December 31, 2024 (26.50% as of December 31, 2023)		
Return			
Net Profit Margin	Net profit	5,331,776	1,056,655
	Net revenue	6,909,310	2,395,506
	Net profit / Net revenues	77.17%	44.11%
	The net profit corresponds to 77.17% of the net income as of December 31, 2024 (44.11% as of December 31, 2023)		
Return on Equity	Net profit	5,331,776	1,934,977
	Equity - profit	16,100,437	24,629,194
	Net profit / Equity - retained earnings	33.12%	4.29%
	The net results correspond to 33.12% of equity as of December 31, 2024 (4.29% as of December 31, 2023)		
Return on Assets	Net profit	5,331,776	1,934,977
	Total assets	30,964,691	33,301,441
	Net profit / Total assets	17.22%	3.17%
	The net results relative to total assets correspond to 17.22% as of December 31, 2024 (3.17% as of December 31, 2023)		

ANNEX B

Proforma Financial Statements for Grupo Sura

Separate statement of financial position – pro forma

GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate statement of financial position – pro forma
As of December 31, 2024
(Amounts expressed in millions of Colombian pesos)

	Note	Accounting balances as of December 31, 2024	Prior stage	Spin-off effect	Absorption effect	Pro forma post spin-off accounting balances
Assets						
Cash and equivalents	3.1.1	132,040	(42,078)			89,962
Investments		59,209				59,209
Derivative financial instruments		711,184				711,184
Dividends receivable from related parties		252,852				252,852
Receivables		431				431
Investments in associates	3.1.2/3.2	11,266,829	871,604	(6,531,847)		5,606,586
Investments in subsidiaries		18,381,470				18,381,470
Property and equipment, net		1,826				1,826
Right-of-use assets		14,895				14,895
Deferred tax assets, net		133,150				133,150
Other assets		10,805				10,805
Total assets		**30,964,691**	**829,526**	**(6,531,847)**	**-**	**25,262,370**
Liabilities						
Financial liabilities		4,309,771				4,309,771
Derivative financial instruments		116,952				116,952
Lease liabilities		11,572				11,572
Accounts payable to related entities		177,747				177,747
Accounts payable		60,087				60,087
Current tax liabilities, net		754,820				754,820
Employee benefits		18,352				18,352
Bonds issued		3,623,356				3,623,356
Preferred shares liability	3.3.2	459,821			201,279	661,100
Total liabilities		**9,532,478**	**-**	**-**	**201,279**	**9,733,757**
Equity						
Issued share capital	3.3.1	109,121				109,121
Premium on the issue of share	3.2	3,290,767		(2,433,033)		857,734
Reserves	3.2	566,470		(513,000)		53,470
Reserve for acquisition of treasury shares		136,776				136,776
Net earnings for the period	3.1.2/3.3.2	5,331,776	829,526		(201,279)	5,960,023
Retained earnings	3.2	9,735,037		(3,585,814)		6,149,223
Other comprehensive income		2,262,266				2,262,266
Total equity		**21,432,213**	**829,526**	**(6,531,847)**	**(201,279)**	**15,528,613**
Total liabilities and equity		**30,964,691**	**829,526**	**(6,531,847)**	**-**	**25,262,370**

The accompanying notes are an integral part of the separate statement of financial position – pro forma.

GRUPO DE INVERSIONES SURAMERICANA S.A.
Separate statement of profit or loss – pro forma
For the year ended December 31, 2024
(Amounts expressed in millions of Colombian pesos)

	Note	Accounting balances for the year ended December 31, 2024	Prior stage	Spin-off effect	Absorption effect	Pro forma post spin-off book balances
Income						
Dividends		1,008,421				1,008,421
Investment income, net		33,959				33,959
Net loss on investments measured at fair value		(30,533)				(30,533)
Income from equity method		1,210,240				1,210,240
Gain on sale of non-current assets held for sale		4,686,293				4,686,293
Other income		930				930
Operating income		**6,909,310**	-	-	-	**6,909,310**
Operating expenses						
Administrative costs		(99,633)				(99,633)
Employee benefits		(48,335)				(48,335)
Fees		(35,835)				(35,835)
Depreciation		(2,645)				(2,645)
Other expenses		(1,678)				(1,678)
Operating expenses		**(188,126)**	-	-	-	**(188,126)**
Operating profit		**6,721,184**	-	-	-	**6,721,184**
Net gain from fair value financial derivatives		156,737				156,737
Foreign exchange difference, net		(205,079)				(205,079)
Interest expense	3.3.2	(883,064)			(201,279)	(1,084,343)
Other financial expenses		(17,577)				(17,577)
Net financial result		**(948,983)**	-	-	**(201,279)**	**(1,150,262)**
Profits from continuing operations before income taxes		**5,772,201**	-	-	**(201,279)**	**5,570,922**
Income taxes		(440,425)				(440,425)
Net profit from continuing operations		**5,331,776**	-	-	**(201,279)**	**5,130,497**
Net profit from discontinued operations	3.1.2		829,526			829,526
Net profit for the period		**5,331,776**	**829,526**	-	**(201,279)**	**5,960,023**

The accompanying notes are an integral part of the separate statement of financial position – pro forma.

Notes to the separate statement of financial position and statement of profit or loss – pro forma

GRUPO DE INVERSIONES SURAMERICANA S.A.
NOTES TO THE SEPARATE STATEMENT OF FINANCIAL POSITION AND STATEMENT OF PROFIT OR LOSS – PRO FORMA
As of December 31, 2024 and for the year ended December 31, 2024
(Values expressed in millions of Colombian pesos)

NOTE 1. DESCRIPTION OF THE TRANSACTION

The Company recognizes its investment in Grupo Argos S.A. as an investment in an associate and measures it at cost in the separate financial statements, while using the equity method in the consolidated financial statements, isolating the reciprocal shareholding when applying the equity method.

On October 25, 2024, the Company signed a memorandum of understanding with Grupo Argos S.A. with the aim of negotiating exclusively and proposing to their respective boards of directors a transaction structure that would result in two independent companies, ensuring, to the extent possible, that neither the Company nor Grupo Argos S.A. would be reciprocal investors, either directly or indirectly.

Furthermore, on December 18, 2024, the Company signed a spin-off agreement with Grupo Argos S.A., which Cementos Argos S.A. joined on December 27, 2024, with the purpose of eliminating cross-shareholdings through reciprocal absorption spin-offs.

Subsequently, Cementos Argos S.A. will first spin off its investment in the Company, in favor of the Company, latter, as a result, the Company will issue common and preferred shares to the shareholders of Cementos Argos S.A. in proportion to their shareholding in the latter at the time of the spin-off. Once this transaction is completed, reciprocal spin-offs between the Company and Grupo Argos S.A. will take place.

All shareholders will retain the rights they held prior to the transaction and will receive the same type of shares from the other company: common shareholders will receive common shares, and preferred shareholders will receive preferred shares. Upon completion of the transaction, the shareholders of each company will maintain the economic value they initially held, divided into direct interests in both companies.

The spin-off project that formalizes this transaction is subject to approval by the General Meetings of Shareholders of the Company, Grupo Argos S.A., and Cementos Argos S.A., as well as by the respective Meetings of Bondholders. Following these approvals, it will be submitted for approval by the Colombian Financial Superintendency and other relevant authorities.

NOTE 2. BASIS OF PREPARATION

The separate statement of financial position and separate statement of profit or loss – pro forma were prepared and should be read in conjunction with the separate financial statements of Grupo de Inversiones Suramericana S.A. as of December 31, 2024, and their accompanying notes.

The accounting balances of the financial statements as of December 31, 2024, and for the year then ended, which serve as the basis for preparing these pro forma post-spin-off financial statements, have been prepared according to the accounting and financial reporting standards accepted in Colombia, as established by Law 1314 of 2009, regulated by Decree 2420 of 2015, Single Regulatory Decree on Accounting and Financial Reporting Standards and Information Assurance, *(Decreto Único Reglamentario de las Normas de Contabilidad y de Información Financiera y de aseguramiento de la información, in Spanish original)* and other amending decrees.

These accounting and financial reporting standards correspond to the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned decrees.

Given the special purpose of this pro forma financial information, it should not be construed as general-purpose financial statements prepared under accounting and financial reporting standards accepted in Colombia.

The following is a summary of the main accounting criteria applied to the transaction, which have the most significant impact on the pro forma financial information:

Spin-off effect

This refers to the spin-off of the investment that the Company has in Grupo Argos S.A.

Absorption effect

This refers to the receipt of the shares of the Company, their cancellation, and the issuance of shares in favor of the shareholders of Cementos Argos S.A. and Grupo Argos S.A.

Fair value

Non-reciprocal distributions to owners that are not in cash, or those with a settlement option other than cash, are accounted for under IFRIC 17. Distributions within the scope of IFRIC 17 are those made to owners in their capacity as such (where all owners receive equal treatment) in cases where there is a change in control over the distributed assets. Given that the asset to be delivered is a non-monetary asset, its settlement is not in cash, and the owners of each company, under a non-reciprocal arrangement, will directly receive the interest in Grupo de Inversiones Suramericana S.A., its accounting treatment falls under IFRIC 17. This means that the distribution of assets must be recognized at fair value on the date the spin-off is completed, and any difference between the fair value and the carrying amount of the distributed asset must be recognized in profit or loss for the period, in accordance with paragraphs 11 and 14 of IFRIC 17.

The valuation method used by independent third parties to assess the investments in Cementos Argos S.A. and Grupo Argos S.A. was the sum-of-the-parts approach, which aggregates discounted cash flows. Said valuation provides value ranges for Cementos Argos S.A. and Grupo Argos S.A. prior to accounting for the spin-offs

Significant judgments and estimates

The estimates were made based on the best available information regarding the analyzed facts. In preparing the pro forma financial information, the Company made the following estimate, which will significantly affect the amounts recognized in the post-spin-off financial statements: the assumptions used by independent third parties to determine the fair value of the equity instruments for the spin-off process

NOTE 3. ADJUSTMENTS TO THE FINANCIAL STATEMENTS

The pro forma statement of financial position and statement of income reflect the accounting adjustments necessary to give effect to the transaction described in Note 1, which primarily include the following:

Note 3.1. Prior stage

Note 3.1.1. Cash and equivalents

Corresponds to the use of resources to acquire 2.180.250 shares of Grupo Argos S.A. from the subsidiary Inversiones y Construcciones Estratégicas S.A.S. for $42,078.

Note 3.1.2. Investments in associates

It refers to (a) the recognition of 2.180.250 shares of Grupo Argos S.A. acquired from the subsidiary Inversiones y Construcciones Estratégicas S.A.S. for $42,078 and (b) the recognition of the fair value adjustment of the same investment for $829,526.

Note 3.2. Spin-off effects

Once the investment in Grupo Argos S.A. is adjusted to fair value, the asset representing 285.834.388 shares is spun off for $6,531,847. Likewise, the equity accounts for share premium, reserves, and retained earnings are also spun off.

Note 3.3. Effect of the absorption of Cementos Argos S.A. and Grupo Argos S.A.

Note 3.3.1. Issued capital

The 28.394.940 shares, common and preferred, corresponding to the absorption of the spin-off of Cementos Argos S.A. are cancelled and issued to the shareholders of Cementos Argos S.A.

The 197.286.669 common and preferred shares corresponding to the absorption of the spin-off of Grupo Argos S.A. are canceled and issued in favor of the shareholders of Grupo Argos S.A. Since the Company issues 67.209.776 shares to itself as a shareholder of Grupo Argos S.A., these are canceled. To avoid altering the value of the issued capital, the nominal value per share is adjusted from 187,50 Colombian pesos to 211,98 Colombian pesos for the 530.708.898 shares that will represent the new authorized capital. As a result, the authorized capital changes from 600.000.000 shares with a nominal value of 187,50 Colombian pesos per share to 530.708.898 shares at 211,98 Colombian pesos per share.

Note 3.3.2. Preferred shares liability

This refers to the issuance of 49.248.671 preferred shares for $201,279. The effect of this recognition was recorded in the income for the period.

ANNEX C

Proforma Financial Statements for Grupo Argos

GRUPO ARGOS S.A.
PRO FORMA FINANCIAL INFORMATION
SEPARATE PRO FORMA STATEMENT OF FINANCIAL POSITION
As at 31 December 2024
(Figures in millions of Colombian pesos)

	As at 31 December 2024	Effect of spin-off by absorption (1)	**Pro forma balances**
Assets			
Investment in Grupo Sura and investment in Grupo Sura (PA Inhibidor)	6,971,797	(6,971,797)	-
Other assets	15,042,876	(732,105)	14,310,771
Total assets	**22,014,673**	**(7,703,902)**	**14,310,771**
Total liabilities	**3,246,983**	**570,781**	**3,817,764**
Equity			
Share capital	54,697	-	54,697
Additional paid-in capital	1,503,373	(1,503,373)	-
Repurchased shares	(428,360)	-	(428,360)
Retained earnings	10,254,655	(5,791,550)	4,463,105
Reserves	3,344,004	(925,983)	2,418,021
Profit for the year	2,531,987	27,515	2,559,502
Other components of equity	396,439	(90,526)	305,913
Other comprehensive income	1,110,895	9,234	1,120,129
Total Equity	**18,767,690**	**(8,274,683)**	**10,493,007**
Total Liabilities and Equity	**22,014,673**	**(7,703,902)**	**14,310,771**

(1) *See note 1, 2 and 3*

GRUPO ARGOS S.A.
PRO FORMA FINANCIAL INFORMATION
SEPARATE PRO FORMA STATEMENT OF PROFIT OR LOSS
For the year ended 31 December 2024
(Figures in millions of Colombian pesos)

	As at 31 December 2024	Effect of spin-off by absorption (1)	**Pro forma balances**
Revenue (*)	3,535,660	(1,961)	3,533,699
Cost of ordinary activities	(183,549)	-	(183,549)
Gross profit	**3,352,111**	**(1,961)**	**3,350,150**
Structure expenses	(190,009)	-	(190,009)
Other income (expenses), net	58,168	-	58,168
Profit from operating activities	**3,220,270**	**(1,961)**	**3,218,309**
Net finance expense	(133,634)	-	(133,634)
Foreign exchange difference, net	10,467	-	10,467
Earnings before taxes	**3,097,103**	**(1,961)**	**3,095,142**
Income tax	(565,116)	-	(565,116)
Profit for the year after continuing operations	**2,531,987**	**(1,961)**	**2,530,026**
Net income after discontinued operations (**)	-	2,561,463	2,561,463
Profit for the year	**2,531,987**	**2,559,502**	**5,091,489**

(*) Corresponds to the application of equity-accounted investees on the impact of the tax to the tax on Financial Movements - FTT of Cementos Argos S.A. given the spin-off by absorption of Cementos Argos S.A.

(**) Below is the breakdown of the effects on profit or loss derived from the Total spin-off by absorption operation:

	Effect of spin-off by absorption
Spin-off Income	2,716,401
Derecognition of account receivable associated with dividends pending collection at the date of spin-off	(73,331)
FTT tax	(23,847)
Structuring expenses	(53,690)
Financial expense associated with preferred shares	(4,070)
Spin-off profit before taxes	**2,561,463**
Income tax	-
Net income after discontinued operations	**2,561,463**

NOTE 1. DESCRIPTION OF THE TRANSACTION

Background

Grupo Argos S.A. recognizes the investment in Grupo de Inversiones Suramericana S.A. as an investment in an associate and measures it at cost in the separate financial statements and by equity-accounted investees in the consolidated financial statements, isolating the reciprocal shareholding at the time of applying reciprocal interests.

Grupo Argos S.A. has a direct and indirect interests in Grupo de Inversiones Suramericana S.A. through its subsidiaries: Cementos Argos S.A. and Celsia S.A.

As of 31 December 2024, the percentage of direct interests in Grupo de Inversiones Suramericana S.A. with economic rights is 45.99% and the percentage with voting rights is 9.38%. As of December 2024, Grupo Argos S.A. has suspended voting rights on the investment in Grupo de Inversiones Suramericana S.A. through the inhibition of the voting rights of 155,200,000 shares held in the FAP Grupo Argos Inhibidor Autonomous Equity, the purpose of which is not to exercise the voting rights.

Pro forma financial information

The separate pro forma financial information of Grupo Argos S.A. has been prepared to give effect to the following transaction:

Grupo Argos S.A. and Grupo de Inversiones Sura S.A. signed on 18 December a Spin-off Agreement, whereby they agreed to the operation to dispose of the cross-shares that they have had for more than 46 years and that have made them possible today to be leading and benchmark organizations in their sectors. Subsequently, on 27 December, an amendment was signed to the spin-off Agreement by which Cementos Argos S.A. was linked to the operation. The disposition of the cross-shareholding will be achieved through spin-off by absorption that will be approved and perfected simultaneously. This operation will allow: i) that the shareholders of Grupo Argos S.A. retain their direct interests in Grupo Argos S.A. and receive direct interests in Grupo de Inversiones Suramericana S.A., maintaining the economic value they initially had; ii) simplify the shareholding and portfolio structure of Grupo Argos S.A. in line with current market trends and investor desires; and iii) deepen Grupo Argos' focus on the constructions materials and infrastructure sectors, leveraging its capabilities and business plan. The spin-offs will be subject to the approval of the Shareholders' Meetings of the companies and are subject to regulatory approvals.

Transaction Summary

- Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. agreed to dispose of the cross shares by means of spin-off by absorption that will be perfected substantially simultaneously. Cementos Argos S.A. entered into the transaction and agreed to dispose of its interests in Grupo de Inversiones Suramericana S.A. through a spin-off by absorption that will be a preliminary step to the spin-offs by absorption of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. These spin-offs by absorption are conditioned, among other aspects, to the approval of the three spin-offs and the disposal of the ordinary shares of Grupo de Inversiones Suramericana S.A. owned by Celsia S.A. in favor of its shareholders.
- Each shareholder of Cementos Argos S.A. will hold its shares and additionally receive at least 0.02 shares of Grupo de Inversiones Suramericana S.A. for each share of Cementos Argos S.A. that they initially held.

- considering the shares of Grupo de Inversiones Suramericana S.A. that Grupo Argos S.A. received as shareholder of Cementos Argos S.A. as a result of the spin-off of Cementos Argos S.A., each shareholder of Grupo Argos S.A. will retain its shares and, additionally, will receive at least 0.23 shares of Grupo de Inversiones Suramericana S.A. for each share of Grupo Argos S.A. that they initially held. In turn, each shareholder of Grupo de Inversiones Suramericana S.A. will retain its shares in the company and will receive at least 0.72 shares of Grupo Argos S.A. for each share of Grupo de Inversiones Suramericana S.A. they held prior to the transaction..
- The shareholders of Grupo Argos S.A. will obtain direct interests in both Grupo Argos S.A. as in Grupo de Inversiones Suramericana S.A., maintaining the economic value they initially held in a company, now represented in equity in the two companies.
- This transaction is consistent with the objectives set by the Company to efficiently dispose of its participation in Grupo de Inversiones Suramericana S.A., to terminate the cross-shares between Grupo Argos S.A. in an organized manner. and Grupo de Inversiones Suramericana S.A., deepen the specialization of Grupo Argos S.A. as an investment manager in infrastructure, to continue the organization's business plan, and to ensure the fair treatment of all shareholders of the companies involved.

Detailed step-by-step transaction

This is a single transaction whose result will be that each shareholder of Grupo Argos S.A. retains their interests in Grupo Argos S.A. and receive direct interests in Grupo de Inversiones Suramericana S.A., ending the cross-shareholding:

1. Spin-off:

- Cementos Argos S.A. will spin-off its investment in Grupo de Inversiones Suramericana S.A. in favor of Grupo de Inversiones Suramericana S.A. and as a result, Grupo de Inversiones Suramericana S.A. will issue shares to the shareholders of Cementos Argos S.A., including Grupo Argos S.A.
- Considering the shares of Grupo de Inversiones Suramericana S.A. to be received by Grupo Argos S.A. as shareholder of Cementos Argos S.A., Grupo Argos S.A. will spin-off its investment in Grupo de Inversiones Suramericana S.A. in favor of Grupo Sura. In turn, Grupo de Inversiones Suramericana S.A. will spin-off its investment in Grupo Argos S.A. in favor of Grupo Argos.

2. Absorption: Grupo Argos S.A. will absorb the investment that Grupo de Inversiones Suramericana S.A. had in Grupo Argos S.A. At the time of this absorption, the shares shall be cancelled. Likewise, Grupo de Inversiones Suramericana S.A. will absorb the investment that Grupo Argos S.A. had in Grupo de Inversiones Suramericana S.A. At the time of this absorption, the shares shall be cancelled.

3. Share issue: Grupo Argos S.A. shall issue shares in favor of all shareholders of Grupo de Inversiones Suramericana S.A. as a result of the own shares it received from Grupo de Inversiones Suramericana S.A. Considering that Grupo Argos S.A. was one of the shareholders of Grupo de Inversiones Suramericana S.A., the shares corresponding to it shall be cancelled, increasing the interests of all other shareholders of Grupo Argos S.A. Simultaneously, Grupo de Inversiones Suramericana S.A. shall issue shares in favor of all shareholders of Grupo Argos S.A., including Grupo de Inversiones Suramericana S.A., as a result of the own shares it received from Grupo Argos S.A. Considering that Grupo de Inversiones Suramericana S.A. was one of the shareholders of Grupo Argos S.A., the shares corresponding to it shall be cancelled, increasing the interests of all other shareholders of Grupo de Inversiones Suramericana S.A. Ordinary shareholders of the spin-off company shall receive ordinary shares of the beneficiary company. Preferred shareholders will receive preferred shares. At the end of the transaction, each shareholder of Grupo Argos S.A. shall maintain its current shares of Grupo Argos S.A. and shall receive at least 0.23 shares of Grupo de Inversiones Suramericana S.A. for each share it initially held. For Grupo de Inversiones Suramericana S.A., each shareholder shall maintain its current shares of Grupo de Inversiones Suramericana S.A. and shall receive at least 0.72 shares of Grupo Argos S.A. for each share held prior to the transaction.

This transaction shall be submitted for consideration by the Shareholders' Meetings of Cementos Argos S.A., Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A., in accordance with corporate governance guidelines and applicable regulations. The required governmental and other authorizations will be processed, including those to be issued by the Superintendence of Finance of Colombia.

NOTE 2. BASIS OF PREPARATION

The separate pro forma financial information presented should be discussed in conjunction with:

• The separate financial statements of Grupo Argos S.A. as at 31 December 2024 and its notes.

• The spin-off by absorption project signed between Cementos Argos S.A., Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A.

• The pro forma financial information separate from Cementos Argos S.A. and Grupo de Inversiones Suramericana S.A. as at 31 December 2024.

• The pro forma financial information separate from Grupo Argos S.A. represents the financial information reported in the financial statements as at 31 December 2024, adjusted for the accounting effects of the transaction described in Note 1. The accounting effects of said transaction were determined based on accounting criteria developed in accordance with the Accounting and Financial Reporting Standards accepted in Colombia.

Given the special purpose of pro forma financial information, it should not be understood as general purpose financial statements prepared under Accounting and Financial Reporting Standards accepted in Colombia.

The pro forma financial information does not necessarily indicate the financial performance or situation that Grupo Argos S.A. would have had. if the described transaction had been completed at 31 December 2024, and it is intended to project the effect of the Total spin-off by absorption on both income and the financial position of Grupo Argos S.A.

The main accounting criteria applied to the transaction that have the most relevant impacts on pro forma financial information and the step-by-step accounting to arrive at the previous results are summarized below:

1. **Reclassification of the investment as a non-current asset for distribution to owners in accordance with IFRS 5 – Non-current assets held for sale and discontinued operations**

The investment in the associated Grupo de Inversiones Suramericana S.A. to be cleaved should be classified as a non-current asset classified as held for distribution to owners, in accordance with IFRS 5, once the transaction is established as highly probable. Likewise, the asset must be measured at the lower of its carrying amount and its fair value less the costs of distribution with effect on income in the event of impairment, and the application of equity-accounted investees at the level of the consolidated financial statement ceases.

This is in accordance with paragraph 12A of IFRS 5, which states that "A non-current asset (or disposal group) is classified as held for distribution to owners when the entity is committed to distribute the asset (or disposal group) to the owners. For this to be the case, the assets must be available for immediate distribution in their present condition and the distribution must be highly probable [….]. The probability of shareholders' approval (if required in the jurisdiction) should be considered as part of the assessment of whether the distribution is highly probable".

Additionally, the effects of the spin-off by absorption should be presented as a discontinued operation since the investment provision represents a line of business that is significant and can be considered separate from the rest and is part of a single coordinated plan to dispose of it. The statement of income for the prior period should be restated in the same manner, and the after-tax profit or loss of the associate presented as a discontinued operation should be disclosed detailing income, expenses, pre-tax profit or loss and the related income tax expense.

2. Measurement of the investment in Grupo de Inversiones Suramericana S.A. and transfer of the equity block at the time of spin-off

Non-reciprocal distributions to owners, other than cash, or non-reciprocal distributions to owners with a non-cash settlement option, are accounted for in accordance with IFRIC 17. Distributions within the scope of IFRIC 17 are those made to owners in their capacity as owners (where all shareholders are treated equally) in the event of a change in control over the assets distributed.

Considering that the asset to be delivered corresponds to a non-monetary asset and that its liquidation is different from cash and that it will be the owners of each company under a non-reciprocating figure who will directly receive the interest in Grupo de Inversiones Suramericana S.A., its accounting treatment would be under IFRIC 17. The foregoing means that the distribution of assets must be made at fair value, on the date the spin-off is perfected, and any difference between the fair value and the book value of the asset delivered must be recognized through profit for the year, in accordance with paragraphs 11 and 14 of IFRIC 17.

The spin-off will reduce the Company's equity as the interest in the associated Grupo de Inversiones Suramericana S.A. will be transferred to the shareholders under the spin-off by total absorption.

3. Fair value for accounting purposes

Whereas, at the accounting level, Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. have always recorded their investments in associates in their consolidated financial statements under equity-accounted investees, and given that this method requires the elimination of cross-shareholdings, for the selection of the fair value that will give rise to the accounting impacts, the valuation ranges provided by the external valuers will be taken as a starting point, However, the value per share of these ranges must be adjusted using the same methodology applied in equity-accounted investees that includes the elimination of cross holdings, which generates a range of fair value for accounting purposes, within this range the fair value to be used will be selected. This will ensure the homogeneity and comparability of the accounting records. Given that Cementos Argos S.A. does not recognize its investment in Grupo de Inversiones Suramericana S.A. under equity-accounted investees, it shall not apply this valuation procedure and will select a value within the established valuation range.

The fair value per share of Grupo de Inversiones Suramericana S.A. for the accounting purposes of Grupo Argos S.A. and for the preparation of these pro forma financial statements is $54,824.

Below is a breakdown of the equity block transferred by Grupo Argos S.A. at fair value:

Equity Block Transferred by Argos	
Assets Item / Equity Item	**Carrying amount of the transferred equity block**
42,086,669 ordinary shares of Grupo Sura which Grupo Argos owns and will own, as applicable	$2,307,359
155,200,000 ordinary shares of Grupo Sura held by the PA Inhibidor Grupo Argos	$8.508.685
Total Asset to be spun-off	**$10,816,044**
Additional paid-in capital	$1,503,373
Reserves	$925,983
Retained earnings	$7,756,826
Other components of equity	$90,784
Other comprehensive income	$539,078
Total Equity to be spun-off	**$10,816,044**

4. **Receipt of the investment that Grupo de Inversiones Suramericana S.A. had in Grupo Argos S.A., cancellation thereof and issuance of shares of Grupo Argos S.A. to the shareholders of Grupo de Inversiones Suramericana S.A.**

   Grupo Argos S.A. will receive the spun-off shares that Grupo de Inversiones Suramericana S.A. had in Grupo Argos S.A. at their nominal value, after receipt, their cancellation will be made at their nominal value, and then, Grupo Argos S.A. issue shares at par value to all shareholders of Grupo de Inversiones Suramericana S.A. according to the spin-off by absorption project. The accounting impact of these movements does not generate accounting variations in equity, since they are recognized at par value and they are offset against each other.

   To the extent that Grupo Argos S.A. is part of the shareholders of Grupo de Inversiones Suramericana S.A., the issuance at par value of shares made by Grupo Argos S.A. as a beneficiary company of the spin-off would include the shares that correspond to Grupo Argos S.A., in that sense, there would be an issue of shares both for itself and for the other shareholders. Immediately upon issuance of shares, the issued own shares of Grupo Argos S.A. will be cancelled. This cancellation will be made by proportionally increasing the par value of the other subscribed and paid shares so as not to affect the capital or equity of the company.

   Considering that Grupo Argos S.A., as the beneficiary company of the Spin-off of Grupo Sura, is receiving the shares previously held by Grupo de Inversiones Suramericana S.A. from Grupo

Argos S.A. to issue new shares of itself to the shareholders of Grupo de Inversiones Suramericana S.A., and that the company is not incurring any cost to receive the shares, the shares will be recognized at their par value, in line with the provisions of IAS 32.

NOTE 3. PRO FORMA ADJUSTMENTS

	As at 31 December 2024	Preliminary stage Effect	Argos spin-off effect	Sura spin-off effect	Pro forma balances
Investment in Grupo Sura and investment in Grupo Sura (PA Inhibidor)	6,971,797	1,127,846	(8,099,643)	-	-
Other assets	15,042,876	(634,927)	(97,178)	-	14,310,771
Total Assets	**22,014,673**	**492,919**	**(8,196,821)**	**-**	**14,310,771**
Total liabilities	**3,246,983**	**566,711**	**-**	**4,070**	**3,817,764**
Share capital	54,697	-	-	-	54,697
Additional paid-in capital	1,503,373	-	(1,503,373)	-	-
Repurchased shares	(428,360)	-	-	-	(428,360)
Retained earnings	10,254,655	1,965,276	(7,756,826)	-	4,463,105
Reserves	3,344,004	-	(925,983)	-	2,418,021
Profit for the year	2,531,987	(2,587,638)	2,619,223	(4,070)	2,559,502
Other components of equity	396,439	258	(90,784)	-	305,913
Other comprehensive income	1,110,895	548,312	(539,078)	-	1,120,129
Total Equity	**18,767,690**	**(73,792)**	**(8,196,821)**	**(4,070)**	**10,493,007**
Total Liabilities and Equity	**22,014,673**	**492,919**	**(8,196,821)**	**-**	**14,310,771**

The separate pro forma financial information reflects the adjustments necessary to effect the transaction described in Note 1, which mainly include the following:

Preliminary stage effect

- The profit for the year 2024 is closed for $2,531,987 to the retained earnings.
- From the Dividends declared in 2024, a distribution of dividends is projected for 2025 considering an increase of CPI+1%, for an estimated distribution of $566,711, which decreases the Company's retained earnings. This distribution is an estimate based on historical information.
- Recognition of estimated expenses associated with structuring the spin-off transaction for $53,690.
- Increase in investment in Grupo Inversiones Suramericana S.A. by delivery of the shares that Celsia S.A. held this company for $6,677 and a decrease in investment in Celsia S.A. for the same value.
- Given the receipt of shares of Grupo Inversiones Suramericana S.A. due to the spin-off by absorption of Cementos Argos S.A., as a shareholder of Grupo Argos S.A., the following is submitted:
    - An increase in investment in Grupo Inversiones Suramericana S.A. for $1,121,169, and a decrease in investment in Cementos Argos S.A. for the same value.
    - Previously, an increase in the investment of Cementos Argos S.A. is recognized. for the application of equity-accounted investees on the positive valuation that this entity recognizes at the time of its spin-off for $548,570. This increase is recognized in turn mainly in the other comprehensive income of Grupo Argos S.A. Likewise, equity-accounted investees is recognized for the expense of tax on the Tax on Financial Movements - FTT given the spin-off of Cementos Argos S.A. for $1,961.

Argos spin-off effect

- Spin-off income of $2,716,401 for fair value valuation of the spun-off shares of Grupo Inversiones Suramericana S.A.
- Recognition of expenses associated with spin-off by absorption: account receivable derecognition associated with dividends pending collection at the date of spin-off for $73,331 and tax levies to the Financial Movements - FTT for the withdrawal of funds from the autonomous equity FAP Grupo Argos Inhibidor for $23,847.
- Delivery of the spun-off equity block at fair value for $10,816,044, which generates a net movement of the investment in Grupo Sura of $8,099,643, given the previously recognized valuation in income $2,716,401.

Sura spin-off effect

- The shares of Grupo Argos S.A. are received as beneficiary of the spin-off by absorption of Grupo Inversiones Suramericana S.A. at par value of $17,865.
- Shares of the same value are immediately cancelled.
- Shares are issued in favor of all shareholders of Grupo de Inversiones Suramericana S.A. at par value of $17,865.
- Recognition of the minimum dividend of the preferred shares issued for $4,070.

ANNEX D

Proforma Financial Statements for Cementos

CEMENTOS ARGOS S.A.
PRO FORMA FINANCIAL INFORMATION
SEPARATE PRO FORMA STATEMENT OF FINANCIAL POSITION

As of December 31, 2024
(Figures in millions of Colombian pesos)

	As of December 31, 2024	Absorption cleavage effect [1].	Pro forma balances 2024
Investment in Grupo Sura and investment in Grupo Sura (PA Inhibitor)	1.056.292	(1.056.292)	-
Other assets	18.366.653	(3.615)	18.363.
Total Assets	**$ 19.422.945**	**$ (1.059.907)**	**$ 18.363.038**
Total Liabilities	**$ 5.883.571**	**$ 485.000**	**$ 6.368.571**
Issued capital	587.370	-	587.370
Additional paid-in capital	1.702.848	-	1.702.848
Share repurchase	(452.506)	-	(452.506)
Reserves	5.826.921	-	5.826.921
Retained earnings	1.444.872	(314.356)	1.130.516
Accumulated other comprehensive income	4.228.616	(1.025.683)	3.202.933
Profit for the period	201.253	(204.868)	(3.615)
Total equity	**$ 13.539.374**	**$ (1.544.907)**	**$ 11.994.467**
Total liabilities and equity	**$ 19.422.945**	**$ (1.059.907)**	**$ 18.363.038**

[1] See footnotes 1, 2 and 3.

NOTE 1. DESCRIPTION OF THE TRANSACTION

Background

Cementos Argos S.A. recognizes the investment in Grupo de Inversiones Suramericana S.A. as a financial instrument measured at fair value with changes in Other Comprehensive Income - ORI

Cementos Argos S.A. has direct participation in Grupo de Inversiones Suramericana S.A. of 4,094,940 ordinary shares representing 1.04% of the outstanding capital of Grupo de Inversiones Suramericana S.A., and 24,300,000 ordinary shares of Grupo de Inversiones Suramericana S.A., representing 6.15% of the outstanding capital of Grupo de Inversiones Suramericana S.A. in the FAP Cementos Argos Inhibidor del Voto Autonomous Equity, an autonomous equity whose sole trustor is Cementos Argos S.A., created for the purpose and with the irrevocable instruction not to exercise the political rights inherent to the shares in trust in any event and under any circumstances.

Pro forma financial information:

The separate pro forma financial information of Cementos Argos S.A. has been prepared to give effect to the following transaction:

Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. signed on December 18 a Spin-Off Agreement, by means of which they agreed on the operation to dispose of the cross-shareholdings that they have had for more than 46 years and that have made it possible for them to be today leading organizations and references in their sectors. Subsequently, on December 27, an amendment to the Spin-Off Agreement was signed by which Cementos Argos S.A. became part of the operation to dispose of its shareholding in Grupo de Inversiones Suramericana S.A. The disposal of the shares will be achieved through partial spin-offs by absorption. This operation will allow: i) Cementos Argos S.A. shareholders to keep their direct participation in Cementos Argos S.A. and receive direct participation in Grupo de Inversiones Suramericana S.A. and Cementos Argos S.A. shareholders who keep their participation in Grupo de Inversiones Suramericana S.A. as a result of the spin-off, would also receive shares of Grupo Argos S.A. as a result of the spin-off of Grupo de Inversiones Suramericana S.A., maintaining the economic value they had initially; ii) Cementos Argos S.A. shareholders who keep their participation in Grupo de Inversiones Suramericana S.A. would also receive shares of Grupo Argos S.A. as a result of the spin-off of Grupo de Inversiones Suramericana S.A., (ii) Cementos Argos will have its investments dedicated to the construction materials sector. The spin-offs will be subject to the approval of the companies' Shareholders' Meetings and are subject to regulatory approvals.

Summary of the transaction

- Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. agreed to dispose of the cross-shareholdings through absorption spin-offs to be completed substantially simultaneously. Cementos Argos S.A. entered into the transaction and agreed to dispose of its interest in Grupo de Inversiones Suramericana S.A. through a partial spin-off by absorption that will be a preliminary step to the spin-offs by absorption of Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A. These partial spin-offs by absorption are conditioned, among other aspects, to the approval of the three spin-offs and the disposal of the common shares of Grupo de Inversiones Suramericana S.A. owned by Celsia S.A..

- Each shareholder of Cementos Argos S.A. will retain its shares and, in addition, will receive at least 0.02 shares of Grupo de Inversiones Suramericana S.A. for each share of Cementos Argos S.A. that it initially held.
- This operation is consistent with the Company's objectives to efficiently dispose of its participation in Grupo de Inversiones Suramericana S.A., and to be a pure player in the construction materials sector

Detailed step-by-step transaction

This is a single transaction that will result in each shareholder of Cementos Argos S.A. retaining its stake in Cementos Argos S.A. and receiving a direct stake in Grupo de Inversiones Suramericana S.A., thus putting an end to cross-shareholdings:

1. Spin-off:

- Cementos Argos S.A. will spin-off its investment in Grupo de Inversiones Suramericana S.A. to Grupo de Inversiones Suramericana S.A. and as a result, Grupo de Inversiones Suramericana S.A. will issue shares to the shareholders of Cementos Argos S.A., including Grupo Argos S.A.
- Considering the shares of Grupo de Inversiones Suramericana S.A. that Grupo Argos S.A. will receive as a shareholder of Cementos Argos S.A., Grupo Argos S.A. will split its investment in Grupo de Inversiones Suramericana S.A. in favor of Grupo Sura. In turn, Grupo de Inversiones Suramericana S.A. will spin off its investment in Grupo Argos S.A. in favor of Grupo Argos.

2. Absorption: Grupo Argos S.A. will absorb the investment that Grupo de Inversiones Suramericana S.A. had in Grupo Argos S.A. At the time of this absorption, the shares are cancelled. Likewise, Grupo de Inversiones Suramericana S.A. will absorb the investment that Grupo Argos S.A. had in Grupo de Inversiones Suramericana S.A. At the time of this absorption, the shares are cancelled.

3. Issuance: Grupo Argos S.A. will issue shares in favor of all the shareholders of Grupo de Inversiones Suramericana S.A. as a consequence of the own shares it received from Grupo de Inversiones Suramericana S.A. Taking into account that Grupo Argos S.A. was one of the shareholders of Grupo de Inversiones Suramericana S.A., the shares corresponding to Grupo Argos S.A. will be cancelled, increasing the participation of all the other shareholders of Grupo Argos S.A., the shares corresponding to it will be cancelled, increasing the participation of all the other shareholders of Grupo Argos S.A. Simultaneously, Grupo de Inversiones Suramericana S.A. will issue shares in favor of all the shareholders of Grupo Argos S.A., including Grupo de Inversiones Suramericana S.A., including Grupo de Inversiones Suramericana S.A., as a consequence of the own shares it received from Grupo Argos S.A. Considering that Grupo de Inversiones Suramericana S.A. was one of the shareholders of Grupo Argos S.A., the shares corresponding to it will be cancelled, increasing the participation of all the other shareholders of Grupo de Inversiones Suramericana S.A. The common shareholders of the company to be spun-off will receive common shares of the beneficiary company. Preferred shareholders will receive preferred shares. At the end of the transaction, each shareholder of Cementos Argos S.A. will maintain its current shares of Cementos Argos S.A. and will receive at least 0.23 shares of Grupo de Inversiones Suramericana S.A. for each share it initially held. In the case of Grupo de Inversiones Suramericana S.A., each shareholder will maintain its current shares of Grupo de Inversiones Suramericana S.A. and will receive at least 0.72 shares of Grupo Argos S.A. for each share held prior to the transaction. In the case of Cementos Argos S.A., since it is the first spin-off to be completed, the shareholders who keep the shares of Grupo de

Inversiones Suramericana S.A. resulting from the spin-off of such company, will also receive shares of Grupo Argos S.A.

NOTE 2. BASIS OF PREPARATION

The separate pro forma financial information presented should be analyzed in conjunction with:

- The separate financial statements of Cementos Argos S.A. as of December 31, 2024 and their notes.

- The Spin-Off by Absorption project signed between Cementos Argos S.A., Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A.

- The separate pro forma financial information of Cementos Argos S.A. and Grupo de Inversiones Suramericana S.A. as of December 31, 2024.

- The separate pro forma financial information of Cementos Argos S.A. represents the financial information reported in the financial statements as of December 31, 2024, adjusted for the accounting effects of the transaction described in Note 1. The accounting effects of such transaction were determined based on accounting criteria developed in accordance with Accounting and Financial Reporting Standards accepted in Colombia.

Given the special purpose of the pro forma financial information, it should not be understood as general purpose financial statements prepared under Accounting and Financial Reporting Standards accepted in Colombia.

The pro forma financial information does not necessarily indicate the performance or financial position that Cementos Argos S.A. would have had if the described transaction had been completed as of December 31, 2024, and is intended to project the effect of the partial spin-off on both the results and the financial position of Cementos Argos S.A.

The following is a summary of the main accounting criteria applied to the transaction that have the most relevant impact on the pro forma financial information and the accounting step-by-step to arrive at the above results:

1. **Reclassification of the investment as a non-current asset for distribution to shareholders in accordance with IFRS 5 - Non-current assets held for sale and discontinued operations.**

The investment in Grupo de Inversiones Suramericana S.A. to be spun-off should be classified as a non-current asset classified as held for distribution to owners, in accordance with IFRS 5, once it is established that the transaction is highly probable. Likewise, the asset must be measured at the lower of its carrying amount and its fair value less distribution costs with effect in results in case of impairment, this presentation does not modify its measurement, which will continue to be at fair value with changes in Other Comprehensive Income - ORI.

This is in accordance with paragraph 12A of IFRS 5, which states that "when an entity is committed to distribute the asset (or group of assets for disposal) to owners, the non-current asset (or group of assets for disposal) is classified as held for distribution to owners. For this to be the case, the assets must be available for immediate distribution in their present condition, and the distribution must be highly probable [...]. The likelihood of approval by owners (if required in the jurisdiction) should be considered as part of the assessment of whether the sale is highly probable."

2. **Measurement of the investment in Grupo de Inversiones Suramericana S.A. and transfer of the equity block at the time of spin-off**

Non-reciprocal distributions to owners, other than in cash, or non-reciprocal distributions to owners with a settlement option other than cash, are accounted for in accordance with IFRIC 17. Distributions within the scope of IFRIC 17 are those made to owners in their capacity as owners (where all owners are treated equally) in the event of a change in control over the assets distributed.

Considering that the asset to be delivered corresponds to a non-monetary asset and that its liquidation is different from cash, and that the owners of each company under a non-reciprocal figure will receive directly the participation in Grupo de Inversiones Suramericana S.A., its accounting treatment would be under IFRIC 17, This means that the distribution of the assets must be made at fair value at the date the spin-off is completed, and any difference between the fair value and the book value of the assets delivered must be recognized in the income statement for the period, in accordance with paragraphs 11 and 14 of IFRIC 17. However, considering that Cementos Argos S.A. measures its investment at fair value with changes in Other Comprehensive Income - ORI, there will be no differences between the carrying value and fair value that may affect the results, given that Cementos Argos S.A., at the time of the spin-off must measure its investment at fair value selected within the valuation range granted by external valuers, and recognize any effect of this measurement in Other Comprehensive Income - ORI.

The fair value per share of Grupo de Inversiones Suramericana S.A. for accounting purposes and preparation of these pro forma financial statements is $72,806.

The spin-off will reduce the Company's equity since the interest in the associate Grupo de Inversiones Suramericana S.A. will be transferred to the shareholders of Cementos Argos S.A. under the spin-off by total absorption.

The following is a detail of the equity block transferred by Cementos Argos S.A. at fair value:

Equity Block Transferred by Argos	
Asset Account / Equity Account	**Carrying value of the transferred equity block**
4,094,940 shares of Grupo Sura common stock owned by Cementos Sura.	$298.136
24,300,000 common shares of Grupo Sura owned by the AP Inhibitor Cementos	$1.769.186
Total assets to be spun off	**$2.067.322**
Accumulated results	$30.609
Other comprehensive income	$2.036.713
Total equity to be spun off	**$2.067.322**

NOTE 3. PRO FORMA ADJUSTMENTS

	As of December 31, 2024	Previous Stage Effect	Effect of spin-off Cementos	Pro forma balances
Investment in Grupo Sura and investment in Grupo Sura (PA Inhibitor)	$1.056.292	-	($1.056.292)	-
Other assets	$18.366.653	-	($3.615)	$18.363.038
Total Assets	**$19.422.945**	**-**	**($1.059.907)**	**$18.363.038**
Total Liabilities	**$5.883.571**	**$485.000**	**-**	**$6.368.571**
Issued capital	$587.370	-	-	$587.370
Additional paid-in capital	$1.702.848	-	-	$1.702.848
Own shares repurchased	($452.506)	-	-	($452.506)
Reservations	$5.826.921	-	-	$5.826.921
Accumulated results	$1.444.872	($283.747)	($30.609)	$1.130.516
Other comprehensive income	$4.228.616	-	($1.025.683)	$3.202.933
Profit for the year	$201.253	($201.253)	($3.615)	($3.615)
Total equity	**$13.539.374**	**($485.000)**	**($1.059.907)**	**$11.994.467**
Total liabilities and equity	**$19.422.945**	**-**	**($1.059.907)**	**$18.363.038**

The separate pro forma financial information reflects the adjustments necessary to give effect to the transactions described in Note 1, which mainly include the following:

1. Audited book balances as of December 31, 2024 are taken, which include the results of the period from April 1° to December 31, 2024, due to the extraordinary closing of the Company as of March 31, 2024. Pro forma adjustments correspond to:

Previous Effect contains:

1. The accounting close of the period is simulated, reclassifying profits to retained earnings for Ch$201,253 million.
2. The estimated dividend declaration of Ch$485,000 million is simulated, increasing the liability payable to shareholders and reducing retained earnings by the same amount.

Effect of spin-off Cementos:

1. The valuation per share of Grupo de Inversiones Suramericana S.A. is recognized at a fair value per share of $72.806, which is within the valuation range determined by the external valuers, which generates an increase in the Other Comprehensive Income ORI of $1,011,030, for a total value of $2,067,322 million for the 28,394,940 shares held by Cementos Argos S.A. in Grupo de Inversiones Suramericana S.A.
2. The delivery to Grupo de Inversiones Suramericana S.A. of 100% of the shares for Ch$2,067,322 million is recognized, generating a decrease in the valuation recorded in the Other Comprehensive Income - ORI for Ch$2,036,713 million and the withdrawal of the surplus related to the historical cost of Ch$30,609 from retained earnings.
3. The impact of the Tax on Financial Movements - GMF is estimated for the withdrawal of funds from the autonomous patrimony FAP Cementos Argos Inhibidor del Voto, whose current value in the Colombian Stock Exchange - BVC is $903,960, generating an approximate tax of $3,615 million.

ANNEX E

Alianza Fiduciaria Report

Medellín, February 17, 2025

REPORT OF ALIANZA FIDUCIARIA S.A.

In its capacity as the LEGAL REPRESENTATIVE OF BONDHOLDERS OF THE CURRENT ISSUANCES OF GRUPO DE INVERSIONES SURAMERICANA S.A.

In accordance with the provisions of Article 6.4.1.1.18 of Decree 2555 of 2010 ("Decree 2555"), the Legal Representative of Alianza Fiduciaria S.A., an entity that also acts as the Legal Representative of the Bondholders of the Ordinary Bond issuances issued and placed by Grupo de Inversiones Suramericana S.A. ("Grupo SURA") in November 2009, May 2014, February 2017, and August 2020 ("CURRENT ISSUANCES"), has prepared this report to illustrate to the General Assembly of Bondholders the request that convenes this assembly.

Concept of Alianza Fiduciaria

This concept was prepared based on the following documents:

- Special report prepared by the Issuer.
- Separate Financial Statements of the Issuer certified as of December 31, 2024.
- Proforma Separate Financial Statements of the Issuer.
- Report issued by Fitch Ratings Colombia S.A. SCV regarding the partial spin-off by absorption process dated February 6, 2025.
- Legal representation contracts for bondholders dated April 17, 2015, and May 5, 2015, signed between the Issuer and Alianza Fiduciaria S.A.

Type of Security	**Ordinary Bonds**	**Ordinary Bonds (First Tranche)**	**Ordinary Bonds (Second Tranche)**	**Ordinary Bonds (Third Tranche)**
ISIN Code	COT13CB00025	COT13CB00033	COT13CB00074	COT13CB00116
Year of Issuance	2009	2009	2014	2017
Maturity Date	25/11/2029	25/11/2049	07/05/2030	23/02/2029
Nominal	COP 98,000,000,000	COP 97,500,000,000	COP 100,000,000,000	COP 190,936,000,000
Term (Years)	20	40	16	12
Indexation	IPC	IPC	IPC	IPC
Spread	5.90%	6.98%	4.15%	3.58%
Rating	AAA	AAA	AAA	AAA
Outstanding Balance as of this report	COP 98,000,000,000	COP 97,500,000,000	COP 100,000,000,000	COP 190,936,000,000

I. CONCEPT OF THE LEGAL REPRESENTATIVE OF BONDHOLDERS OF THE CURRENT ISSUANCES

Grupo Argos S.A. ("Grupo Argos") and Grupo SURA signed a Spin-Off Agreement on December 18, 2024. Subsequently, Cementos Argos S.A. ("Cementos", and together with Grupo Argos and Grupo SURA, the "Companies") adhered to the Spin-Off Agreement, so Cementos, Grupo Argos, and Grupo SURA signed a Comprehensive Amendment to the Spin-Off Agreement on December 27, 2024 (the "Agreement"), to organize and dispose of the shareholdings that Grupo SURA has, directly or indirectly, in Grupo Argos and that Grupo Argos and Cementos have, directly or indirectly, in Grupo SURA, through the transfer by spin-off by absorption of the shares in favor of the corresponding issuer, as the case may be. The Spin-Offs will be approved based on the separate financial statements of each of the Companies as of December 31, 2024. They are regulated in the Spin-Off Project as follows:

First, Cementos will spin off in favor of Grupo SURA its portfolio of shares in that company, which will in turn absorb the spun-off portfolio and cancel the shares that compose it, to then issue an identical number of new shares in favor of Cementos' shareholders. Then, substantially simultaneously:
Grupo Argos will spin off in favor of Grupo SURA its portfolio of shares in that company, which will in turn absorb the spun-off portfolio and cancel the shares that compose it, to then issue an identical number of new shares in favor of Grupo Argos' shareholders.
Grupo SURA will spin off in favor of Grupo Argos its portfolio of shares in that company, which will in turn absorb the spun-off portfolio and cancel the shares that compose it, to then issue an identical number of new shares in favor of Grupo SURA's shareholders.
Grupo SURA maintains a diversified portfolio in Latin America, focused on financial services companies. The agreement to eliminate cross-holdings aims to enhance the level of specialization of the investment portfolio, mainly allocated in entities of the financial sector (credit establishment, investment portfolio manager, and insurance company). The most relevant source of income for Grupo SURA corresponds to the dividends generated by its shareholding in Bancolombia S.A., Sura Asset Management S.A., and Suramericana S.A., companies that currently hold the best credit profile on the local rating scale, and are characterized by a long track record in their industries, robustness of the business model, and stability in income and returns generation.

The agreement to eliminate cross-ownership is part of a set of decisions that for several months have supported the intention to increase the level of specialization in the financial sector. In 2024, Grupo SURA's divestment in Grupo Nutresa S.A. materialized, and the purchase of a portion (close to 10%) of the shareholding that Grupo Bolívar S.A. had in Sura Asset Management S.A., one of Grupo SURA's most important subsidiaries, was carried out. Likewise, the cessation of cross-ownership described throughout this document would eliminate Grupo SURA's indirect participation in Grupo Argos' strategic business lines (cement, energy, and road and airport concessions) and would provide greater relative participation in investments in financial services entities, with Bancolombia S.A. being the most relevant.

In the opinion of Alianza Fiduciaria S.A., Legal Representative of Grupo SURA's Bondholders, this strategic agreement does not represent a structural adjustment of the Group's income generation model and, by itself, does not constitute a risk factor that could potentially deteriorate the financial strength or the ability to honor the entity's monetary commitments, including those contractually derived from the Current Issuances. However, there are some challenges that Grupo SURA has been facing, mainly related to its liquidity position. In 2026, a significant debt maturity is expected, which must be rigorously managed to preserve the holding's liquidity risk profile. Although the agreement to terminate cross-shareholdings does not inherently increase the entity's liquidity risk, it could have a collateral impact in the medium or long term if a deterioration in the returns provided by investments in the financial sector materializes, which would not be compensated by better results in the infrastructure sector. This risk, derived from lower diversification between sectors, could materialize after the execution of the agreement, but for Grupo SURA's ability to cover debt service to be affected, a significant deterioration in the financial performance of its main investments (Bancolombia, Sura Asset Management, and Suramericana) would have to occur, a circumstance that currently has a low probability of occurrence.

Although Grupo SURA's credit profile could remain intact after the execution of the strategic change, it is very important for the bondholder to keep in mind that the rating agency Fitch Ratings S.A. SCV published on January 15 the decision to place Grupo SURA's ratings in a “rating watch evolving” status, as it considers it prudent to analyze the consolidated effect of shareholder change strategies, as well as to evaluate the entity's stance on the liquidity challenges it faces, originated in the concentration of debt maturities next year.

In the opinion of Alianza Fiduciaria S.A., the worst-case scenario after the materialization of the agreement would be a downgrade, which in Grupo SURA's current financial conditions is unlikely. However, if this scenario occurs, the negative impact would be determined by a temporary deterioration in bondholders' profitability, derived from the valuation of the instruments, but it would be corrected if investors decide to hold them until the maturity date. This, considering that even if there is an adjustment in Grupo SURA's credit profile, the probability of default on its contractual commitments, including those inherent to ordinary bonds, remains substantially low.

Sincerely,

(Original signed)
ALIANZA FIDUCIARIA S.A

ANNEX F & G

Fitch Opinion and Verification Letter

FitchRatings

RATING ACTION COMMENTARY

Fitch Places Grupo Sura on Rating Watch Evolving

Wed 15 Jan, 2025 - 1:31 PM ET

Fitch Ratings - Monterrey/Bogota - 15 Jan 2025: Fitch Ratings has placed Grupo de Inversiones Suramericana S.A.'s (Grupo Sura) Long-Term Foreign and Local Currency Issuer Default Ratings (IDRs) of 'BB+', its National Long-Term and Short-term Ratings of 'AAA(col)' and 'F1+(col)', respectively, and its senior unsecured global and local notes on Rating Watch Evolving (RWE)

This action follows Grupo Sura's ongoing ownership changes and liquidity management challenges stemming from maturing debt in 2026. In December 2024, Grupo Sura and Grupo Argos S.A. (Grupo Argos) announced a spin-off agreement, resulting in the cessation of cross-ownership. This transaction, along with other ownership changes that have already occurred, could impact Grupo Sura's financial profile.

Resolution of the transaction may take six months or more. Fitch will resolve the Rating Watch upon transaction close and confirmation of capital structure details and upon completion of the tender offer. Fitch will assess Grupo Sura's credit profile and the impacts of these events using Fitch's Non-Bank Financial Institution Criteria.

KEY RATING DRIVERS

Ownership Changes: In 2024, Grupo Sura completed its divestment from Grupo Nutresa S.A., with the group's primary focus and income source now centered on its financial services activities, contributing to nearly 90% of its income. Bancolombia (BB+/Stable) is expected to become its most significant investment, with its income contribution anticipated to exceed 50% in the coming years. Also, in 2024, Grupo Sura completed the buyout of Grupo Bolivar S.A.'s 9.7% ownership stake in Sura Asset Management S.A. (Sura AM), a subsidiary of Grupo Sura. Additionally, by 2026, Grupo Sura plans to complete its divestment from Grupo Argos, further emphasizing its focus on financial services.

Liquidity Challenges: Grupo Sura faces significant debt maturity in 2026. In early 2025, the group made a tender offer for up to USD200 million, which will alleviate some liquidity pressure for 2026. However, challenges remain, as the group might need to issue debt to refinance upcoming maturities. The group's liquidity management has been adequate, and while market challenges may arise, Fitch believes the company will be able to adequately manage its liquidity profile.

Stable Income Contributors: Grupo Sura's primary income source is dividends from its investments, mainly Bancolombia, Sura AM (BBB/Stable), and Suramericana. These companies have solid business models and stable performance, which Fitch expects to continue, providing Grupo Sura with stable cash flow to support its liquidity management. Fitch anticipates Bancolombia's income contribution to increase over the next four years to between 55%-60% from the current 40%.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

The ratings could change negatively based on Fitch's assessment of its credit profile using a criteria approach for investment companies. This evaluation will consider the credit profile of its main investments, the effective management of liquidity challenges due to high debt maturities over the next two years, expected dividend flows from the operating companies, and debt levels impacting its debt coverage ratios.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

The ratings could change positively based on Fitch's assessment of its credit profile using a criteria approach for investment companies. This evaluation will consider the credit profile of its main investments, the effective management of liquidity challenges due to high debt maturities over the next two years, expected dividend flows from the operating companies, and debt levels impacting its debt coverage ratios.

OTHER DEBT AND ISSUER RATINGS: KEY RATING DRIVERS

Grupo Sura's global senior unsecured long-term debt is rated at the same level as its Long-Term IDR, as the likelihood of default on the notes is the same. Likewise, the national scale senior unsecured long- and short-term debt are rated at the same level as the issuer's national long-term and short-term ratings.

OTHER DEBT AND ISSUER RATINGS: RATING SENSITIVITIES

The ratings on Grupo Sura's senior unsecured debt would move in line with its global and national scale IDRs, respectively.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

RATING ACTIONS

ENTITY / DEBT	RATING			PRIOR
Grupo de Inversiones Suramericana S.A.	LT IDR	BB+	Rating Watch On	BB+ Rating Outlook Stable
	LC LT IDR	BB+	Rating Watch On	BB+ Rating Outlook Stable
	Natl LT	AAA(col)	Rating Watch On	AAA(col) Rating Outlook Stable
	Natl ST	F1+(col)	Rating Watch On	F1+(col)
senior unsecured	LT	BB+	Rating Watch On	BB+

senior unsecured	Natl LT	AAA(col)	Rating Watch On	AAA(col)
senior unsecured	Natl ST	F1+(col)	Rating Watch On	F1+(col)

VIEW ADDITIONAL RATING DETAILS

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PARTICIPATION STATUS

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

APPLICABLE CRITERIA

National Scale Rating Criteria (pub. 22 Dec 2020)

Metodología de Calificaciones en Escala Nacional (pub. 22 Dec 2020)

Non-Bank Financial Institutions Rating Criteria (pub. 17 Jan 2024) (including rating assumption sensitivity)

Metodología de Calificación de Instituciones Financieras No Bancarias (pub. 20 Mar 2024)

ADDITIONAL DISCLOSURES

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

Grupo de Inversiones Suramericana S.A.	EU Endorsed, UK Endorsed

DISCLAIMER & DISCLOSURES

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FITCH LOGO

Federico Jaramillo Zuluaga
Treasury Manager Grupo de Inversiones Suramericana S.A. – Grupo Sura
Bogotá, Colombia

February 6, 2025

Dear Federico,

Reference: Rating Verification for Grupo Sura

This letter is presented in response to a request for Fitch (see definition below) to verify the ratings of Grupo de Inversiones Suramericana S.A. – Grupo Sura, which include Fitch's opinion on various ongoing events, including the announcement of the partial spin-off project by absorption signed between Cementos Argos S.A., Grupo Argos S.A., and Grupo de Inversiones Suramericana S.A., along with liquidity management challenges. As of today, Fitch verifies that the national scale ratings for Grupo Sura are 'AAA(col)' and 'F1+(col)' for long and short term respectively as an issuer, and 'AAA(col)' and 'F1+(col)' for senior debt, with evolving observation. The senior debt ratings apply to the Ordinary Bond Issuance authorized in 2009 and the Ordinary Bonds and Commercial Papers Issuance and Placement Program authorized in 2014.

We also inform you that Fitch's technical rating committee reviewed the ratings on January 15, 2025, which were published and are current as of today. These ratings are listed and updated on Fitch's public website at https://www.fitchratings.com/research/es/banks/fitch-places-grupo-sura-on-rating-watch-evolving-15-012025.

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If we can provide any further assistance, please contact Ricardo Aguilar at +52 81 4161 7086 or Andrés Marquez, Senior Director at +57 (601) 241 3253.

Sincerely,

(Original signed)
Fitch Ratings Colombia S.A., SCV