

# Separate financial statements





## Statutory Auditor's Report on the Separate Financial Statements

To the Shareholders of Constructora  
Concreto S. A.

### Opinion

I have audited the accompanying separate financial statements of Constructora Concreto S. A., which comprise the separate statement of financial position as of December 31, 2024, and the separate statements of income by function, other comprehensive income, changes in shareholders' equity, and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies.

In my opinion, the accompanying separate financial statements, taken from the books, present fairly, in all material respects, the financial position of Constructora Concreto S. A. as of December 31, 2024, and the results of its operations and its cash flows for the year then ended, in accordance with Accounting and Financial Reporting Standards Accepted in Colombia.

### Basis for opinion

I conducted my audit in accordance with the Financial Reporting Standards for Auditors accepted in Colombia. My responsibilities under those standards are described later in the section of the Independent Auditor's Report on the separate financial statements of this report.

I am independent of Constructora Concreto S. A. in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA) together with the ethical requirements that are applicable to my audit of the financial statements in Colombia, and I have complied with the other ethical responsibilities in accordance with those requirements and with the IESBA Code of Ethics.

I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Emphasis of matter

I draw attention to Note 7.2 to the separate financial statements, which describes the status of accounts receivable as of December 31, 2024, from Metro Cali, through the participation in the Conciviles Consortium. These accounts receivable amount to \$13,722 million, of which \$3,523 million are provisioned based on the assessment of management and its lawyers regarding their recoverability. Metro Cali is undergoing restructuring in accordance with Law 550 of 1999 and, as of the date of this report, is in the process of finalizing the creditors' agreement. There is uncertainty regarding the recoverability of these accounts receivable. My opinion is not modified with respect to this matter.

PwC Contadores y Auditores S.A.S., Calle 7 Sur No. 42-70, Torre 2, Piso 11, Edificio Forum, Medellín, Colombia. Tel: (60-4) 6040606, [www.pwc.com/co](http://www.pwc.com/co)



To the Shareholders of  
 Constructora Concreto S. A.

## Key audit matter

The key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements for the year. These matters have been addressed in the context of my audit of the financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How the key audit matter was addressed in the audit
<p><b>Construction contracts - Measurement of revenue over time (See Note 7.17)</b></p> <p>Forty-seven percent of Constructora Concreto S.A.'s revenue comes from long-term construction contracts. Revenue from construction contracts is recognized using the resource method, in accordance with accounting and financial reporting standards accepted in Colombia.</p> <p>The resource method, which considers the progress of costs incurred on the project, and the revenue to be recognized are calculated based on a large number of estimates that monitor the work performed compared to the budget and take into account contingencies. Initial estimates may be adjusted during the life of the contract and may have a significant effect on results.</p> <p>The definition of these estimates and any adjustments that may be necessary are considered a key audit matter, as they have a significant impact on the Company's results and require a high level of judgment on the part of management in order to determine the estimates. In addition, there is a risk that total budgeted costs may differ significantly from actual costs incurred due to the technical complexity of the projects.</p>	<p>To evaluate the revenue measurement method, I performed the following procedures:</p> <ol style="list-style-type: none"> <li>1. Understanding and evaluating the main manual controls established by the Company over construction contracts, the definition and monitoring of budgets, and the recognition and measurement of revenue on such contracts.</li> <li>2. To validate the estimate of construction budgets (the basis for determining the profit margin), infrastructure experts were involved to validate the reasonableness of construction costs.</li> <li>3. For the selected contracts, I performed the following audit procedures:           <ul style="list-style-type: none"> <li>• Analysis of contract terms and conditions.</li> <li>• Review of the defined budget and verification of the justification for adjustments made with respect to the previous year.</li> <li>• Inquiry with the construction manager to determine whether there are delays or cost overruns not considered in the budget.</li> <li>• Recalculate the recognized income considering the contract terms, costs incurred, and the analyzed construction budget.</li> </ul> </li> </ol> <p>The tests described above did not identify any differences outside a reasonable range, in accordance with our materiality level.</p>



To the Shareholders of  
Constructora Concreto S. A.

### **Responsibilities of Management and those charged with governance for the separate financial statements**

Management is responsible for the proper preparation and fair presentation of the accompanying separate financial statements in accordance with Colombian Accounting and Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Those responsible for managing the Entity are responsible for supervising the Entity's financial reporting process.

### **Responsibilities of the Statutory Auditor in relation to the audit of the separate financial statements**

My objective is to obtain reasonable assurance that the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report containing my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Financial Reporting Standards in Colombia will always detect a material misstatement when it exists. Errors may be due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the separate financial statements.

As part of an audit in accordance with the Auditing Standards for Financial Information Accepted in Colombia, I apply my professional judgment and maintain professional skepticism throughout the audit. Also:

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



To the Shareholders of  
Constructora Concreto S. A.

- I evaluate the appropriateness of the accounting policies applied and the reasonableness of the accounting estimates and related disclosures made by management.
- I conclude on the appropriateness of the Administration's use of the going concern accounting principle and, based on the audit evidence obtained, I conclude on whether or not there is material uncertainty related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to express a modified opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Entity to cease to be a going concern.
- I evaluate the overall presentation, structure, and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate to those charged with governance, among other matters, the planned scope and timing of the audit and significant findings of the audit, as well as any significant deficiencies in internal control that I identify during my audit.

I also provided the Entity's management with a statement regarding my compliance with the applicable ethical requirements regarding independence and disclosed to them all relationships and other matters that could reasonably be expected to affect my independence and, where applicable, the corresponding safeguards.

Among the matters communicated with those charged with governance, I determined those that were most significant in the audit of the financial statements for the current period and are therefore the key audit matters. I have described these matters in my audit report unless legal or regulatory provisions prohibit public disclosure of a matter or, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of disclosure.

#### **Report on other legal and regulatory requirements**

The Administration is also responsible for compliance with regulatory aspects in Colombia related to accounting document management, the preparation of management reports, the timely and adequate payment of contributions to the Comprehensive Social Security System, and the implementation of the Comprehensive System for the Prevention and Control of Money Laundering and Terrorist Financing. My responsibility as Statutory Auditor in these matters is to perform review procedures to issue a conclusion on their adequate compliance.



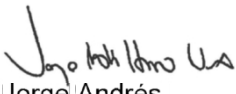


To the Shareholders of  
Constructora Concreto S. A.

Based on the foregoing, I conclude that:

- a) The Company's accounting for the year ended December 31, 2024, has been conducted in accordance with legal regulations and accounting standards, and the transactions recorded are in accordance with the bylaws and the decisions of the Shareholders' Meeting and the Board of Directors.
- b) Correspondence, account vouchers, and minute books and share registers are properly maintained and preserved.
- c) The separate financial statements accompanying this report are consistent with the management report prepared by the administrators. The administrators stated in the management report that they did not hinder the free circulation of invoices issued by sellers or suppliers.
- d) The information contained in the self-assessment statements of contributions to the Comprehensive Social Security System, in particular that relating to members and their contribution base income, has been taken from the accounting records and supporting documents. As of December 31, 2024, the Company is not in arrears with its contributions to the Comprehensive Social Security System.
- e) The Company has implemented the Comprehensive System for the Prevention and Control of Money Laundering and Terrorist Financing in accordance with the provisions of Part III of Title I of Chapter VII of the Basic Legal Circular issued by the Financial Superintendency.

In compliance with the responsibilities of the Statutory Auditor contained in Sections 1 and 3 of Article 209 of the Commercial Code, related to the evaluation of whether the actions of the administrators of Constructora Concreto S. A. comply with the bylaws and the orders and instructions of the Shareholders' Meeting, whether there are adequate internal control, conservation, and custody measures for the assets of the Company or third parties in its possession, and on the effectiveness of the financial reporting process controls, I issued a separate report dated February 26, 2025.



Jorge Andrés Vélez

Professional License No. 94898-T

Appointed by PwC Contadores y Auditores S. A. S.

February 26, 2025

## CERTIFICATION OF THE LEGAL REPRESENTATIVE AND ACCOUNTANT

Medellín, February 18, 2025

To the shareholders of Constructora

Conconcreto S.A.

The undersigned legal representative and accountant of the Company certify, in accordance with Article 46 of Law 964 of 2005, that the Basic and Separate Financial Statements: Statement of Financial Position, Statement of Income by Function, Statement of Changes in Equity, Statement of Other Comprehensive Income, Statement of Cash Flows, and the notes to the Financial Statements as of December 31, 2024, and 2023, have been prepared in accordance with the accounting and financial reporting standards accepted in Colombia, have been faithfully taken from the books, and the statements contained therein have been verified in accordance with the regulations.

— Nicolas Jaramillo R —

Nicolas Jaramillo Restrepo

Legal Representative

— Eliana Mejia —

Eliana María Mejía Valencia

Accountant TP 154321-T

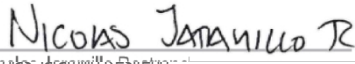
SEPARATE STATEMENT OF FINANCIAL POSITION

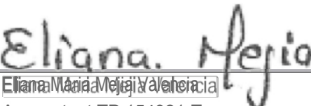
DECEMBER 31, 2024 AND 2023

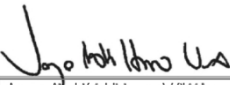
(Figures expressed in thousands of Colombian pesos, unless otherwise indicated)

		December 31	
	NOTES	2024	2023
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7.1	105,267,904	82,842,016
Trade accounts receivable and other accounts receivable, net	7.2	309,393,539	319,214,629
Accounts receivable from related parties and associates, net	7	102,795,376	75,306,454
Inventories, net	7.	230,969,960	225,236,621
Income tax assets	7.6	4,895,249	27,443,440
Other non-financial assets		27,773,408	35,497,425
<b>Subtotal current assets</b>		<b>781,095,436</b>	<b>765,540,585</b>
Assets held for sale	7.7	44,511,138	109,352,435
<b>Current assets</b>		<b>825,606,574</b>	<b>874,893,020</b>
<b>Non-current assets</b>			
Investment property	7	59,874,283	6,269,425
Property, plant, and equipment, net	7	109,706,532	112,317,759
Intangible assets other than goodwill	7	1,347,499	1,643,812
Investments in subsidiaries, joint ventures and associates	7.10	561,766,631	1,450,731,468
Trade accounts receivable and other accounts receivable, net	7	39,630	52
Accounts receivable from related parties and associates, net	7.	66,959,768	82,443,647
Non-current inventories	7.	142,888	142,888
Net deferred tax	7.6	49,163,364	
Other financial assets	7.4	303,200,601	168,968,798
<b>Non-current assets</b>		<b>1,152,201,196</b>	<b>1,822,518,326</b>
<b>Assets</b>		<b>1,977,807,770</b>	<b>2,697,411,346</b>

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

  
Nicolas Jaramillo R.  
Legal Representative  
(See attached certification)

  
Eliana Mejia Valencia  
Accountant TFP 154321T  
(See attached certification)

  
Jorge Andres Herrera Velazquez  
Statutory Auditor TFP 94898-T  
Appointed by PwC Contadores y Auditores S.A.S. (See attached report)



## SEPARATE STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2024 AND 2023

(Figures expressed in thousands of Colombian pesos, unless otherwise indicated)

		December 31	
	NOTES	2024	2023
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial obligations	7.13	118,055,643	124,200,005
Estimated liabilities	7.15	43,473,049	16,365,547
Trade accounts payable and other accounts payable	7.14	197,467,792	153,862,704
Accounts payable to related parties and associates	7.	33,071,882	38,144,095
Liabilities for leases	7.12.1	3,571,752	6,402,694
Income tax liabilities	7.6.	12,294,212	
Other non-financial liabilities	7	134,107,663	170,468,845
Liabilities related to assets held for sale	7	10,028,295	11,440,530
<b>Current liabilities</b>		<b>552,070,288</b>	<b>520,884,420</b>
<b>Non-current liabilities</b>			
Financial obligations	7	31,174,287	532,547,182
Estimated liabilities	7.15	1,648,151	1,602,069
Trade accounts payable and other accounts payable	7	11,059,078	12,954,023
Accounts payable to related parties and associates	7	18,713,675	32,228,124
Lease liabilities	7.12.1	4,609,650	7,013,880
Net deferred tax	7.6.2		55,993,361
Other non-financial liabilities	7	78,813,835	82,339,502
<b>Non-current liabilities</b>		<b>146,018,676</b>	<b>724,678,141</b>
<b>Liabilities</b>		<b>698,088,964</b>	<b>1,245,562,561</b>
<b>Equity</b>			
Issued capital	7	116,828,259	116,828,259
Share premium		584,968,014	584,968,014
Accumulated earnings		44,076,821	257,858,788
Reserves		474,347,170	456,973,591
Other comprehensive income		59,498,542	35,220,133
<b>Equity</b>		<b>1,279,718,806</b>	<b>1,451,848,785</b>
<b>Equity and liabilities</b>		<b>1,977,807,770</b>	<b>2,697,411,346</b>

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

*Nicolás Jaramillo R*  
 Nicolás Jaramillo Restrepo  
 Legal Representative  
 (See attached certification)

*Eliana Mejía*  
 Eliana María Mejía Valencia  
 Accountant TP 154321-7  
 (See attached certification)

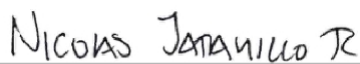
*Jorge Andrés Herrera Velásquez*  
 Jorge Andrés Herrera Velásquez  
 Auditor TP 94898-7  
 Appointed by PwC Contadores y Auditores S.A.S. (See attached report)

INCOME STATEMENT BY FUNCTION SEPARATED FOR  
 THE YEARS ENDED DECEMBER 31, 2024 AND 2023

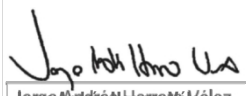
(Figures expressed in thousands of Colombian pesos, unless otherwise indicated)

	NOTES	Year ended December 31	
		2024	2
<b>Revenue from ordinary activities</b>	<b>7.17</b>	<b>482,910,365</b>	<b>731,412,242</b>
<b>Cost of sales</b>	<b>7.18</b>	<b>(470,782,733)</b>	<b>(602,638,431)</b>
<b>Gross profit</b>		<b>12,127,632</b>	<b>128,773,811</b>
<b>Other income</b>	<b>7</b>	<b>15,934,491</b>	<b>61,104,770</b>
<b>Administrative and sales expenses</b>	<b>7.20</b>	<b>(35,845,669)</b>	<b>(37,160,331)</b>
<b>Employee benefit expenses</b>	<b>7.21</b>	<b>(25,120,833)</b>	<b>(22,791,517)</b>
<b>Impairment and other expenses</b>	<b>7.22</b>	<b>(194,113,286)</b>	<b>(22,470,860)</b>
<b>Profit (loss) under the equity method, net</b>	<b>7</b>	<b>193,661</b>	<b>(1,879,696)</b>
<b>Other gains</b>	<b>7.24</b>	<b>39,037,423</b>	<b>12,773,932</b>
<b>Operating (loss) income</b>		<b>(187,786,581)</b>	<b>118,350,109</b>
<b>Gains (losses) arising from net monetary position</b>	<b>7</b>	<b>3,354,158</b>	<b>(7,291,038)</b>
<b>Financial income</b>	<b>7.26</b>	<b>18,772,375</b>	<b>32,210,921</b>
<b>Financial expenses</b>	<b>7.27</b>	<b>(93,498,483)</b>	<b>(108,731,015)</b>
<b>(Loss) profit before taxes</b>		<b>(259,158,531)</b>	<b>34,538,977</b>
<b>Income (expense) from taxes, net</b>	<b>7</b>	<b>63,374,249</b>	<b>(17,165,398)</b>
<b>(Loss) gain</b>		<b>(195,784,282)</b>	<b>17,373,579</b>
<b>Basic (loss) earnings per share (in Colombian pesos)</b>	<b>7.28</b>	<b>(172.61</b>	<b>15</b>

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

  
 Nicolas Jaramillo Restrepo  
 Legal Representative  
 (See attached certification)

  
 Eliana Mejia Valencia  
 Accountant TP 154321-T  
 (See attached certification)

  
 Jorge Andrés Herrera Velez  
 Statutory Auditor TP 94898-T  
 Appointed by PwC Contadores y Auditores S.A.S. (See attached report)

STATEMENT OF OTHER COMPREHENSIVE INCOME SEPARATED  
 FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
 (Figures expressed in thousands of Colombian pesos, unless otherwise indicated)

	Year ended December 31	
	2024	2023
(Loss) profit for the period	(195,784,282)	17,373,579
Other <b>comprehensive</b> income		
Components of other comprehensive income to be reclassified to profit or loss, net of tax		
Equity method income (loss) - translation effect	24,278,409	(39,630,829)
Gain on cash flow hedges, net of taxes		4,635
Other comprehensive income	24,278,409	(39,626,194)
Total <b>comprehensive</b> income	(171,505,873)	(22,252,615)

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

Nicolás Jaramillo R  
 Nicolás Jaramillo R  
 Legal Representative  
 (See attached certification)

Eliana Mejía  
 Eliana Mejía Valencia  
 Accountant TP-154321-T  
 (See attached certification)

Jorge Andrés Herrera Velásquez  
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 Statutory Auditor TP-94898-T  
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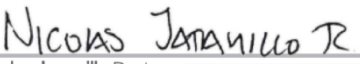
STATEMENT OF CHANGES IN SHAREHOLDERS' NET EQUITY SEPARATED DECEMBER 31,  
 2024 AND 2023

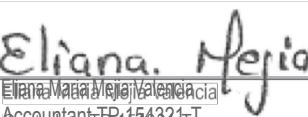
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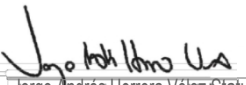
	Equity as of January 1 2023	Changes in equity			Equity as of December 31 from 2023
		Comprehensive	Other results (decreases)	Other increases (decreases) from equity	
Issued capital	116,828,259				116,828,259
Share premium	584,968,014				584,968,014
Legal reserve	58,414,130			(53,547,690)	4,866,440
Contingency reserve	548,574,726			(146,467,575)	402,107,151
Share repurchase reserve	50,000,000				50,000,000
Reserves	656,988,856			(200,015,265)	456,973,591
Other comprehensive income	74,846,327		(39,626,194)		35,220,133
First-time adoption	243,520,130				243,520,130
Withholding on dividends received	(2,034,600)			(521,454)	(3,034,921)
(Losses) accumulated gains	(200,070,265)	17,373,579		200,000,265	17,373,079
Total accumulated profits	40,991,398	17,373,579		199,493,811	257,858,788
Total equity	1,474,622,854	17,373,579	(39,626,194)	(521,454)	1,451,848,785

	Equity as of January 1 2024	Changes in equity			Equity Other if applicable d. 2024
		Loss	Other results loss	increases (decreases) in equity	
Issued capital	116,828,259				116,828,259
Share premium	584,968,014				584,968,014
Reserve legal	4,866,440			1,737,358	6,603,798
Contingency reserve	402,107,151			65,636,221	467,743,372
Share repurchase reserve	50,000,000			(50,000,000)	
Reserves	456,973,591			17,373,579	474,347,170
Other comprehensive income	35,220,133		24,278,409		59,498,542
First-time adoption	243,020,130				243,020,130
Withholding tax on dividends received	(3,034,921)			(624,106)	(3,609,027)
Accumulated gains (losses)	17,373,579	(195,784,282)		(17,335,799)	(195,784,282)
Total accumulated earnings	257,858,788	(195,784,282)		(17,997,685)	44,076,821
Total equity	1,451,848,785	(195,784,282)	24,278,409	(624,106)	1,279,718,806

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

  
 Nicolas Jaramillo R.  
 Legal Representative  
 (See attached certification)

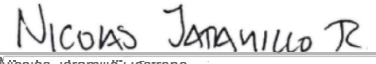
  
 Eliana Mejia  
 Accountant  
 (See attached certification)


  
 Jorge Andres Hernandez  
 Auditor  
 Appointed by PwC Contadores y Auditores S.A.S. (See attached report)

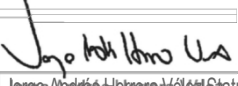
CASH FLOW STATEMENT FOR THE YEARS ENDED DECEMBER 31,  
 2024 AND 2023  
 (Figures expressed in thousands of Colombian pesos, unless otherwise indicated)

	Year ended December 31	
	2024	2023
Cash flows from (used in) operating activities		
(Loss) profit for the period	(195,784,282)	17,373,579
Adjustments to reconcile profit and operating activities		
Adjustment for income taxes and deferred taxes	(63,374,249)	17,165,398
Adjustments for financial costs	103,302,114	111,927,605
Adjustments for (increase) decrease in inventories	(5,985,532)	9,421,996
Adjustments for increase in trade accounts receivable	(5,916,081)	(7,005,365)
Adjustments for increase in other accounts receivable	(7,591,462)	(109,851,622)
Adjustments for increase in trade payables	31,975,044	115,301,352
Adjustments for (decrease) increase in other accounts payable	(50,789,804)	8,574,909
Adjustments for depreciation and amortization expenses	19,592,408	28,084,787
Adjustment for unrealized foreign currency losses (gains)	3,608	(
Adjustments for impairment recognized in profit or loss for the period	19,500,643	4,357,160
Provisions	27,993,727	(212,305,453)
Adjustments for fair value gains	(39,037,423)	(14,246,647)
Adjustments for equity methods	(193,661)	1,879,689
Adjustments for losses (gains) on disposal of non-current assets	170,678,931	(12,238,734)
Interest and UVR on subordinated debt receivable	(29,529,130)	(49,239,481)
Adjustments for income corresponding to investment and financing income	(47,773,856)	(44,529,411)
Subtotal	122,855,277	(152,707,759)
Dividends paid		(5,000,000)
Income taxes	(41,782,476)	(5,177,903)
Tax collection (payment)	34,567,169	(23,909,333)
Collection (payment) of prepaid expenses and other items	7,724,019	(25,248,222)
Cash flows used in operating activities	(72,420,293)	(194,669,638)

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

  
 Nicolás Jaramillo Restrepo  
 Legal Representative  
 (See attached certification)

  
 Eliana María Mejía Valencia  
 Accountant TP 154321-T  
 (See attached certification)

  
 Jorge Andrés Herrera Velásquez  
 Auditor TP 94898-T  
 Appointed by PwC Contadores y Auditores S.A.S. (See attached report)

## SEPARATE CASH FLOW STATEMENT FOR THE YEARS

ENDED DECEMBER 31, 2024 AND 2023

(Figures expressed in thousands of Colombian pesos, unless otherwise indicated)

	Year ended December 31	
	20	2023
Cash flows from (used in) <b>investing</b> activities		
Other proceeds from the sale of equity or debt instruments of other entities	998,493	51
Other payments for the purchase of assets or debt instruments from other entities	(46,809)	(14,567,003)
Other proceeds from the sale of investments in joint ventures		225,704,66
Amounts from sales of property, plant and equipment	9,701,649	17,271,016
Purchases of property, plant and equipment	(18,885,563)	(4,960,724)
Purchases of intangible assets	(2,474,672)	(2,350,244)
Proceeds from sales of other long-term assets	123,838,750	13,801,864
Purchases of other long-term assets	(16,859,067)	(13,458,309)
Dividends received	48,520,657	44,880,811
Other cash outflows	(93,448)	
Cash flows from <b>investing</b> activities	144,699,990	266,840,691
Cash flows from (used in) <b>financing</b> activities		
Resources from changes in ownership interests in subsidiaries that do not result in loss of control	19,214,529	14,135,759
Payments for changes in ownership interests in subsidiaries	(29,270,321)	(22,548,638)
Amounts arising from loans	65,432,797	66,877,154
Loan repayments	(56,339,925)	(40,716,929)
Payments of finance lease liabilities	(7,453,622)	(14,724,504)
Interest paid	(41,437,267)	(111,927,605)
Cash <b>flows</b> used in financing activities	(49,853,809)	(108,904,763)
Increase (decrease) in cash and cash equivalents	22,425,888	(36,733,710)
Cash and cash equivalents at beginning of year	82,842,016	119,575,726
Cash and cash equivalents at end of year	105,267,904	82,842,016

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

Nicolas Jaramillo R  
 Nicolas Jaramillo Restrepo  
 Legal Representative  
 (See accompanying  
 certification)

Eliana Mejia  
 Eliana Mejia Valencia  
 Accountant TP 154321-T  
 (See attached certification)

Jorge Andres Hernandez  
 Jorge Andres Hernandez  
 Statutory Auditor TP 94898-T  
 Appointed by PwC Contadores y Auditores S.A.S. (See  
 attached report)



## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

(Figures expressed in thousands of Colombian pesos, unless otherwise indicated).

## 1. CORPORATE INFORMATION

Constructora Concreto S.A. (hereinafter referred to as the Company and/or Concreto interchangeably) was incorporated under Colombian law on December 26, 1961, pursuant to public deed number 8597, with a term ending on December 31, 2100. Its corporate purpose, among others, is the study, design, construction, financing, contracting, and execution of all types of buildings, civil works, and real estate in general, as well as the addition, improvement, modification, restoration, and repair thereof. Likewise, the provision of technical and consulting services in the various fields of civil engineering. Investments in real estate for sale or to develop building projects, for lease or for commercial exploitation. The supply and installation of street furniture. The provision of accounting, legal, foreign trade, IT, human resources and general back office services and/or the exploitation of the Company's know-how. The provision of services through electronic platforms for the acquisition of goods and services. The provision of services related to data analytics and market intelligence.

## Branch:

The company has a foreign branch located in Panama City. Currently, the branch is responsible for after-sales activities in the ampliation project of the Miraflores Bridge over the Rio Grande. The results obtained through December 2024 have been incorporated in accordance with our functional currency policies.

The Company has interests in subsidiaries, associates, and joint ventures, among others. The main interests are:

Name	Main activity	Country
<b>Subsidiaries</b>		
Concreto Proyectos S.A.S.	Construction and real estate development	Colombia
Inmobiliaria Concreto S.A.S.	Real estate development	Colombia
Concreto Internacional S.A.	Construction and design services Real	Panama
Viviendas Panamericanas S.A.	estate development	Panama
River 307 S.A.	Real estate development	Panama United States
Concreto LLC (*)	Construction and real estate development	
Concreto Designs S.A.S.	Design and engineering services Design	Colombia
Sumapaz S.A.S.	and civil engineering services	Colombia
Industrial Concreto S.A.S.	Industrial assembly and materials exploitation	Colombia
La Borrascosa Quarry S.A.S.	Mining exploration and exploitation, liquidated on October 1, 2024.	Colombia
CAS Mobiliario S.A.	Advertising services	Colombia
Bimbau S.A.S. Doblece	Development of technological platforms	Colombia
Re Ltda.	Reinsurance	Bermuda
Advanced Construction Systems Free Trade Zone S.A.S.	Manufacture and marketing of construction systems	Colombia
<b>Joint agreements and associates</b>		
Pactia S.A.S.	Private equity fund management company	Colombia
Autonomous Heritage Devimed	Concession operation	Colombia
Doble Calzada Oriente S.A.S.	Construction	Colombia

(\*) Concreto LLC, based in Florida, United States, aims to develop its parent company's business model in that country. Concreto LLC's subsidiaries are: Concreto Asset Management LLC, Concreto Investments LLC, Concreto Designs LLC, and Concreto Construction LLC.

The company participates in joint ventures through consortiums and autonomous entities for the development of infrastructure activities, notably participating in the following consortiums: CC 2023, CC L1, CC Sofan 010, CC Intersección Av Bosa, Corredor Verde 7MA L3, among others.

## Business up and running

During 2024, the financial strengthening strategy was successfully implemented through debt reduction. This was achieved through negotiations with the banks participating in the syndicated loan, in which an exchange of units of the Pactia Inmobiliario FCP was agreed as a form of debt repayment. Thanks to this operation, the Company closed the year with a more efficient capital structure, reducing its consolidated debt from \$768,610 million to \$264,730 million. This new capital structure will improve the Company's liquidity and profitability over time, optimizing financial expenses and facilitating access to credit and new sources of financing.

## 2. PREPARATION BASES

### 2.1. End-of-period financial statements

The Company's separate financial statements have been prepared in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia for Group 1 financial information preparers, which are based on International Financial Reporting Standards (IFRS), together with their interpretations, conceptual framework, as the basis for conclusions and the guidance for application authorized and issued by the International Accounting Standards Board (IASB) included in the Single Regulatory Decree 2420 of 2015 and subsequent decrees that have modified and updated it, and other legal provisions defined by the supervisory entities that may differ in some aspects from those established by other State control bodies. These have been prepared on a historical cost basis.

The financial statements were authorized for issuance by the Board of Directors on February 28, 2025, and may be modified and must be approved by the shareholders.

The significant accounting policies adopted in preparing the financial statements are detailed below.

### 2.2. Measurement basis

The separate financial statements have been prepared on a historical cost basis. Some financial instruments are measured at fair value at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

### 2.3. Functional and presentation currency

The financial statements are expressed in the currency of the primary economic environment in which Concreto operates. The figures are expressed in thousands of Colombian pesos, which is the Company's functional currency and presentation currency.

The judgment used was to consider the currency that represents the economic effects of the transactions. Therefore, the criteria expressed in IAS 21 Effects of Changes in Foreign Exchange Rates were evaluated.

### 2.4. Foreign currency transactions and balances

Foreign currency transactions are those carried out in a currency other than the Company's functional currency. These transactions are recorded using the exchange rate in effect at the time they are completed or when the conditions for recognition are met.

**Monetary items:** monetary assets and liabilities generate exchange gains or losses at two points in time: at the end of the period when

they are translated at the exchange rate prevailing at that time.

At the time of settlement of the item (collection, payment, amortization) according to the exchange rate negotiated at settlement, which in the absence thereof, the exchange rate on the settlement date will be used.

**Non-monetary items:** non-monetary assets and liabilities measured at historical cost retain the exchange rate at the date of initial recognition.

### Conversion for presentation of financial statements in a functional currency other than the functional currency

When the Company is required to present special purpose financial statements in a currency other than its functional currency or when it must convert foreign operations to incorporate them into its financial statements, it follows the procedure below:

- (i) Assets and liabilities are translated at the closing exchange rate on the balance sheet date.
- (ii) Income and expenses for each income statement account are converted at the average exchange rate.

All resulting exchange differences are recognized in other comprehensive income.

Transactions and balances in foreign currency are converted to Colombian pesos at the representative market rates certified by the Banco de la República. For December 2024, the following rates were used: \$4,409.15 (\*), closing rate, and \$4,071.35 (\*) average rate.

(\*) Expressed in Colombian pesos.

### 2.5. Relative importance and materiality

Economic events are presented according to their relative importance or materiality.

For disclosure purposes, a transaction, event, or operation is material when, due to its amount or nature, its knowledge or lack thereof, considering the circumstances surrounding it, it affects the decisions that may be made or the assessments that may be made by users of accounting information.

In preparing and presenting the financial statements, materiality was determined in relation to, among other things, total assets, total liabilities, and equity or net income for the year, as appropriate. In general, any item exceeding 5% of a given total of the above is considered material.

### 2.6. Classification of current and non-current items

Concreto presents assets and liabilities in the statement of financial position classified as current and non-current. An asset is classified as current when the entity: expects to realize the asset **or** intends to sell **or** consume it in its normal operating cycle; holds the asset primarily for trading purposes; expects to realize the asset within twelve months after the reporting period; **or** the asset is cash **or** cash equivalent unless it is restricted for a minimum period of twelve months after the end of the reporting period. All other assets are classified as non-current. A liability is classified as current when the Company expects to settle the liability in its normal operating cycle or holds the liability primarily for trading purposes.

### 2.7. Exchange of participation units in the Pactia Inmobiliario Private Capital Fund

As part of its strategy to strengthen its capital structure and reduce debt, Concreto moved forward with the implementation of its asset divestment plan. As part of this initiative, the Company negotiated with all banks participating in the syndicated loan to agree on the exchange of participation units in the Pactia Inmobiliario Private Capital Fund as a payment mechanism.

#### Terms of Exchange:

- The banks were given units of the Pactia private equity fund at a discount of 23%.
- The cost of this discount will be recovered over the next three years through interest savings.

#### Main Changes Derived from the Transaction:

1. Decrease in investments in associates:
  - Delivery of units in exchange for the FCPP at a cost of \$754,860,846.
  - Repurchase by the fund of units worth \$96,357,805.
  - Impairment of \$4,813,155

**2. Transfer of Remaining Units:**

- Transfer to assets held for sale for \$15,879,135 and financial assets at fair value \$112,166,194.

**3. Decrease in syndicated credit:**

- Reduction in capital of \$495,274,415 resulting from the exchange of the Company's share in the Pactia Private Capital Fund and the payment of interest on the debt of \$83,140,516.

**4. Discount on the exchange of units:**

- Discount on the exchange of units of 23% for a value of \$176,445,915.

### 3. NEW REGULATIONS

3.1. New regulations incorporated into the accounting framework accepted in Colombia, mandatory as of January 1, 2027.

Decree 1271 of 2024 added Technical Regulatory Annex 01 of 2024 of Group 1 to the annexes incorporated in Decree 2420 of 2015 containing Financial Reporting Standard IFRS 17 Insurance Contracts.

#### IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts issued. It also requires principles similar to reinsurance contracts held and investment contracts issued with discretionary participation features. The objective is to ensure that entities provide relevant information in a manner that faithfully represents those contracts in order to assess the effect that contracts within the scope of IFRS 17 have on an entity's financial position, financial performance, and cash flows.

IFRS 17 repeals IFRS 4 Insurance Contracts, which was an interim standard that allowed entities to use a wide variety of accounting practices for insurance contracts, reflecting national accounting requirements and variations in those requirements. Some previous insurance accounting practices permitted under IFRS 4 did not adequately reflect the true underlying financial positions or financial performance of insurance contracts.

Article 2 of Decree 1271 of 2024 added Article 1.1.4.1.4 to Decree 2420 of 2015, including simplifications for the implementation of International Financial Reporting Standard IFRS 17, insurance contracts, which must be applied by Group 1 financial information preparers and monitored by the Financial Superintendency of Colombia.

Management is currently evaluating the detailed implications of the application of the new standard in the financial statements.

3.2 New regulations issued by the International Accounting Standards Board (IASB) that have not yet been incorporated into the accounting framework accepted in Colombia

#### Sale or contribution of assets between an investor and its associate or joint venture: Amendments to IFRS 10 and IAS 28

The IASB has made limited amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures.

In December 2015, the IASB decided to postpone the date of implementation of this amendment until the IASB has completed its research project on the equity method standard.

#### IAS 12 - International tax reforms • Model rules for the second pillar

In May 2023, the IASB made limited scope amendments to IAS 12 that provide temporary relief from the requirement to recognize and disclose deferred taxes arising from tax laws enacted or substantially enacted that implement the minimum internal taxes complementary rules described in those standards.

#### IAS 7 and IFRS 7 Vendor financing agreements

These amendments require disclosures to improve the transparency of vendor financing arrangements and their effects on a company's liabilities, cash flows, and exposure to liquidity risk. The disclosure requirements are the IASB's response to investor concerns that some companies' vendor financing arrangements are not sufficiently visible, making them difficult for investors to analyze.

#### IFRS 16 - Liabilities for leases in a sale with a subsequent lease (Leaseback).

These amendments include requirements for sale and subsequent lease transactions in IFRS 16 for explain how an entity accounts for a sale and subsequent lease after the transaction date. Sale and subsequent lease transactions in which some or all of the lease payments are variable lease payments that do not depend on an index or rate are more likely to be affected.

#### Amendments to IAS 21 - Lack of interchangeability.

In August 2023, the IASB amended IAS 21 to help entities determine whether one currency is convertible into another currency and what spot exchange rate to use when it is not.

#### Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7.

On May 30, 2024, the IASB issued specific amendments to IFRS 9 and IFRS 7 to respond to recent questions that arose in practice and to include new requirements not only for financial institutions but also for corporate entities.

#### IFRS 18 Presentation and disclosure in financial statements.

IFRS 18 replaces IAS 1 Presentation of Financial Statements, introducing new requirements that will help achieve comparability of financial performance between similar entities and provide more relevant information and transparency to users. Although IFRS 18 will not affect the recognition or measurement of items in financial statements, its impact on presentation and disclosure is expected to be widespread, particularly in relation to the statement of financial performance and the provision of performance measures defined by management within the financial statements.

#### IFRS 19 Subsidiaries without public accountability requirements.

IFRS 19, issued in May 2024, allows certain eligible subsidiaries of parent entities reporting under IFRS to provide reduced disclosure requirements.

### 3.3 New regulations issued by the International Sustainability Standards Board (ISSB) ) that has not yet been incorporated into the accounting framework accepted in Colombia

#### IFRS S1 - General requirements for the disclosure of financial information related to sustainability

This standard provides the core framework for the disclosure of material information about sustainability-related risks and opportunities throughout an entity's value chain.

#### IFRS S2 - Climate-related disclosures

This is the first thematic standard issued that establishes requirements for entities to disclose information about climate-related risks and opportunities.

## 4. Judgments and Estimates

The preparation of the Company's financial statements has required management to make judgments, estimates, and accounting assumptions that affect the measurement of the various items in the financial statements. Concreto has based its assumptions and estimates on the parameters available at the time the financial statements were prepared.

The following judgments and estimates have a significant effect on the amounts recognized in these financial statements:

### 4.1. Judgments and assumptions made in relation to investments in other entities

The Company classifies investments in subsidiaries, associates, joint ventures, joint operations, and financial instruments according to the type of control over the investee: control, significant influence, and joint control. The degree of relationship was determined in accordance with the criteria set forth in IFRS 10 Consolidated Financial Statements, IAS 28 Investments in Associates and Joint Ventures, and IFRS 11 Joint Arrangements. In assessing control, significant influence, and joint control, the degree of power over the entity, the exposure or right to variable returns from its involvement with the entity, and the ability to use its power over the entity to influence the amount of those returns are evaluated.

The assessment of decision-making considers existing voting rights, potential voting rights, contractual agreements between the entity and other parties, and the rights and ability to appoint and remove members of management, among other aspects.

### 4.2. Income tax and deferred tax

The Company is subject to Colombian tax regulations. Significant judgments are required in determining tax provisions. There are transactions and calculations for which the determination of taxes is uncertain during the ordinary course of operations. The amounts provided for income tax are estimated by management based on its interpretation of current tax regulations and the likelihood of payment.

Actual liabilities may differ from the amounts provisioned, generating a negative effect on the company's results and net position. When the final tax result of these situations differs from the amounts initially recorded, the differences impact current and deferred income tax assets and liabilities in the period in which this event is determined.

The Company evaluates the recoverability of deferred tax assets based on estimates of future taxable income and the ability to generate sufficient income during the periods in which such deferred taxes are deductible. Deferred tax liabilities are recorded based on estimates of net assets that will not be deductible for tax purposes in the future.

### 4.3. Estimation of useful lives and residual values of property, plant, and equipment

The determination of the economic useful life and residual values of property, plant, and equipment is subject to management's estimate of the level of asset utilization and expected technological developments. The Company regularly reviews all of its depreciation rates and residual values to take into account any changes in the level of utilization, technological framework, and future developments, which are events that are difficult to predict, and any changes could affect future depreciation charges and the carrying amounts of assets.

### 4.4. Fair value of financial derivatives

The fair value of financial derivatives is determined using widely recognized market valuation techniques when there is no observable market price. Management believes that the valuation models selected and the assumptions used are appropriate in determining the fair value of financial derivatives.

### 4.5. Revenue recognition

The application of IFRS 15 requires the Company to make judgments that affect the determination of the amount and timing of revenue from contracts with customers. These include:

- Determining the timing of the fulfillment of performance obligations,



- Determining the transaction price assigned to those obligations,
- Determining individual selling prices.

The Company uses the resource method to recognize revenue from construction contracts and project management services and the product method to recognize revenue from design contracts and other services. The resource method requires the company to estimate the satisfaction of performance obligations over time using actual costs incurred to date as a proportion of total projected costs.

#### 4.6. Construction contracts

The estimates most commonly used in preparing financial statements are cost projections in construction contracts. However, these are verified by personnel with expertise in the field, and detailed control is exercised over construction budgets. With regard to the distribution of income for the various performance obligations, the Company relies on the contracts signed with customers and any subsequent amendments thereto.

The Company accounts for construction projects using the percentage of completion method, recognizing revenue as contract performance progresses. This method places significant emphasis on accurate estimates of the degree of completion and may involve estimates of the scope of deliveries and services required to fulfill contract obligations. These significant estimates include total contract costs, total revenues, contract risks including technical, political, and regulatory risks, among other judgments. Under the percentage of completion method, changes in estimates may lead to an increase or decrease in revenue. Additionally, the Company evaluates whether the contract is expected to terminate or continue. In determining whether a contract is expected to continue or terminate, all relevant facts and circumstances surrounding the contract must be considered individually. For contracts that are expected to continue, amounts already included in revenue that are no longer likely to be collected are recognized as expenses. For contracts expected to terminate, including terminations due to force majeure, estimates of the extent of deliveries and services provided under the contracts are reviewed accordingly, and this usually leads to a decrease in revenue for the corresponding reporting period. The Company constantly reviews all estimates involved in such construction contracts and adjusts them as necessary.

#### 4.7. Provisions for contingencies, litigation, and claims

The Company estimates future amounts to be settled, including corresponding contractual obligations, pending litigation, and other liabilities. These estimates are subject to interpretations of current facts and circumstances, projections of future events, and estimates of the financial effects of such events. For the probability analysis, contingencies are classified as low (0%-50%), medium (51%-80%), or high (81%-100%). This classification requires the participation of experts in the specific field.

#### 4.8. Impairment of accounts receivable

The Company estimates the expected credit loss on the customer portfolio based on the closing balance at the end of the period, applying the following percentages to the portfolio according to the age of the receivables:

- Not past due: 0.9%
- 121 to 180 days past due: 14%
- 181 to 360 days past due: 22%
- More than 361 days past due: 100%.

The estimated percentages are updated in the first quarter of each year.

In special cases, the company may increase or decrease the impairment of the expected loss when it has sufficient evidence to modify the estimate defined in the established general policy.

#### 4.9. Impairment of property, plant and equipment, intangible assets, and investments

**Concreto assesses annually, or earlier if there are any indications of impairment, the recoverable amount of all non-current assets subject to impairment to determine whether there are any impairment losses on the value of these assets. To this end, the following estimates and judgments are made:**

- **The smallest group of cash-generating units for which a reasonable and consistent distribution basis can be determined is identified.**
- **A test is applied to assess which UGEs show signs of impairment. The questionnaire evaluates observable aspects such as variations in asset performance, changes in the legal, social, environmental, or market environment, obsolescence, among others.**
- **For SGIs with signs of impairment, the recoverable amount is calculated and compared with the carrying amount of each SGI. If the carrying amount exceeds the recoverable amount, the impairment is recorded for the excess amount. To determine the recoverable amount, different methodologies are used: discounted cash flow, realizable values for investments in liquidation, and capitalization rates for corporate real estate.**

#### 4.10. Impairment of inventory

**Concreto compares the carrying amount of inventories for sale with their net realizable value on an annual basis and determines whether there is any impairment. To do so, the following estimates and judgments are made:**

*Inventory of housing projects under construction:* **the net realizable value is calculated based on the feasibility or budget of the projects, which contains the expected income from the sale of the real estate units.**

*Land and other real estate for sale:* **when specific individual properties are held for sale, the net realizable value is defined as the sale price set for marketing, taking into account a possible commission of 3% when sold through third-party real estate agents.**

*Inventory of materials and spare parts:* **these are high turnover assets. Physical inventories are carried out and the respective adjustments are made. For low turnover inventories, obsolescence is determined through analysis by the relevant department of the Company. In addition, a provision of 0.1% of the inventory balance is maintained, which is increased monthly for use at the time of withdrawal due to obsolescence.**

#### 4.11. Pensions and other post-employment benefits:

**The present value of obligations for retirement pensions and other post-employment benefits depends on assumptions such as mortality tables, increase factors, and discount rates. For the calculation of pension liabilities, the valuation is performed by an independent actuary.**

#### 4.12. The Company's leasing activities and how they are accounted for

**The Company leases various properties, equipment, and vehicles. The right-of-use asset is recognized considering the fixed and variable lease payments, as well as the options and intention to terminate or extend the contracts to determine the right-of-use asset.**

**The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.**

#### 4.13. Leasing activities of the Company.

**The Company leases various properties, equipment, and vehicles. To determine the present value of the lease, the Company considers all facts and circumstances of the business to be carried out with the use of the asset, as well as the reasonable intentions to exercise any option to terminate or amend the contract. The assessment is reviewed if a significant event or change in circumstances affecting this assessment occurs.**

**Leases are recognized as right-of-use assets and the corresponding liabilities on the date the leased asset is available for use by the Company. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to income during the lease term to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.**

#### 4.14. Measurement of Investment Properties.

The fair value of investment properties is measured using the income approach, considering current contractual rents, projected market rents, other sources of income, vacancies, and projected expenses associated with efficient operation and management of the property. These income estimates are related to the value of the property using discounted cash flow analysis.

## 5. RISKS

The Company's activities imply exposure to various risk factors that are examined and evaluated based on their probability of occurrence and impact on the interests of the Organization and its investors. This is done with the aim of preventing, managing, and mitigating any adverse effects on the development of the corporate purpose, financial condition, or business growth prospects that would result from the materialization of these risks. The most significant risks to the Company, which are also correlated with the current macroeconomic environment, are described below.

### 5.1. Market risk

**Price risk:** The company is exposed to price risk on goods and services acquired for the development of its operations. To identify this risk, all projects carry out budgetary control of their activities and verify whether there are increases in the prices of the materials and services required. To mitigate this risk, purchase contracts are negotiated to ensure continuous supply and, in some cases, at fixed prices.

**Risk associated with the Company's instruments and investments:** The shares of Constructora Concreto S.A. are listed on the stock exchange.

**Exchange rate risk:** At Concreto, all transactions carried out in a currency other than the operating currency of the contracts are identified and recognized, and financial products are usually contracted to minimize the effect of changes in the price of a currency against the local currency or contract currency. This risk is mitigated through natural hedges or financial hedging products that allow us to at least maintain the budgeted margin conditions. All hedging operations, in addition to mitigating risk, allow us to achieve financial flexibility.

The Company periodically monitors the net position of current assets and liabilities in US dollars and euros. The representative market exchange rate for dollars as of December 31, 2024 was \$4.409.15 (December 31, 2023:

\$3,822.05) per US\$1, in Euros it was \$4,650 (December 31, 2023: \$4,222.02) per EUR\$1 and in GBP it was \$5,521 (December 31, 2023: \$4,871) per GBP\$.

The Company had the following assets and liabilities in foreign currency, recorded at their equivalent in thousands of pesos:

Separate Financial Position	DEC-2024		DEC-2023	
	USD	Equivalent	USD	Equivalent
Assets	2,791,257	12,307,071	6,043,089	23,096,988
Liabilities	(3,625,625)	(15,985,925)	(4,776,472)	(18,255,915)
Net position	(834,368)	(3,678,854)	1,266,617	4,841,073
	EUR	Equivalent	EUR	Equivalent
Assets	15,302	69,863	14,392	60,771
Liabilities	(32)	(148)	(365,427)	(1,543,051)
Net position	15,270	69,715	(351,035)	(1,482,280)
	GBP	Equivalent	GBP	Equivalent
Assets	690	3,810	690	3,362
Net position	690	3,810	690	3,362

**Risk due to exposure to variable interest rates:** This risk refers to the Company's debt exposure to macroeconomic variables or debt adjustment indices. It represents a risk to the extent that the cost of debt increases in a manner that is not correlated with income, causing an undesirable economic effect on the organization's results. The Company assesses **and** measures its exposure **to** this risk through periodic projections of financial costs in projects **and** mitigates it by using alternative sources of financing, seeking to renegotiate contractual terms, limiting investments, **and** divesting non-strategic assets.

## 5.2. Financial risks

**Credit risk:** Credit risk arising from financial assets, which involves the risk of counterparty default, is reduced by assessments and valuations of customers with exposure or requiring credit.

The following activities are carried out in the assessment and valuation of customers:

- Validate the client with credit bureaus, where their payment behavior in the real and financial sectors, payment culture, credit rating, delinquencies, indebtedness, and hgl bal, among other factors, are evaluated.
- Evaluate any legal proceedings that the customer has against them or that they have filed.
- Consult national and international lists such as the Clinton List, Interpol, UN, National Police, Comptroller's Office, and General Accounting Office. In addition to validating documentation provided by the client from institutions such as Ruaf, Fosyga, Dian, and the Chamber of Commerce, among others.
- Assess the customer's borrowing capacity based on the supporting documents presented in their financial statements and tax returns. Based on the results of the assessment described above, the allocation of a credit limit is approved or rejected.

## 5.3. Risk management

**Liquidity risk management:** Exposure to this risk has increased due to macroeconomic conditions **and** circumstances specific to the business. Therefore, it is increasingly important to continuously seek new financing alternatives and manage the financial sector to obtain new credit lines according to the Organization's needs. Work also continues on meticulous financial repl's **and** weekly monitoring **of** turnover projections to ensure **that** resources **are** managed appropriately.

### Operational risk management:

At Concreto, the risk of (financial) fraud is associated with the possibility of losing money due to the deterioration of processes or the willingness of employees to satisfy personal interests that are not in line with the Organization's duties. The following continue to be classified as fraud: the falsification of purchase or transfer instructions, the diversion of funds or resources for personal gain, the alteration of documents, and the simulation of activities, among others. The Company maintains active controls **and** communications aimed at preventing such acts **and** has additionally taken out fidelity **and** financial risk insurance covering direct losses of money, securities, **or** other property due to any breach of trust **or** falsification of any empl ed by the organization.

## 6. MATERIAL ACCOUNTING POLICIES

### 6.1. Changes in accounting policies, estimates, and errors

pThis policy shall apply to the selection and application of accounting policies, as well as to the accounting of changes in these policies, accounting estimates, and corrections of prior period errors. aConcreto will prepare a statement of financial position at the beginning of the first comparative period immediately prior to the date of the financial statements when an accounting policy is applied retroactively **or** when items in its financial statements are restated retroactively, **and** when items in its financial statements are reclassified, provided that such reclassification is material **and** practicable.

#### Changes in accounting policies

Accounting policies are the principles, bases, agreements, regulations, and procedures adopted by the entity in the preparation and presentation of its financial statements.

Concreto will, to the extent practicable and material, account for a change in accounting policy retrospectively. When a change in accounting policy is applied retrospectively, the Company will apply the new accounting policy to comparative information for prior periods as if the new accounting policy had always been applied. When it is impracticable to determine the effects on each specific period of a change in accounting policy on comparative information for one or more prior periods for which information is presented, the Company will apply the new accounting policy to the carrying amounts of assets and liabilities at the beginning of the first period for which retroactive application is practicable, which may be the current period, and will make the necessary adjustments to the comparative information, and the corresponding adjustment to the opening balances of each component of equity affected for that period.

#### Changes in accounting estimates

A change in an accounting estimate is an adjustment to the carrying amount of an asset or liability. Changes in accounting estimates are the result of new information or new events and, therefore, are not corrections of errors.

Concreto will recognize the effect of a change in an accounting estimate prospectively, including it in the result of:

- a) The period of the change, if it affects only one period, or
- b) The period of the change and future periods, if the change affects all of them.

#### Errors from previous periods

These are omissions and inaccuracies in the financial statements for one or more prior periods, for information that was available when the financial statements for those periods were prepared, and could reasonably have been expected to have been obtained and taken into account in the preparation and presentation of the financial statements.

These errors include the effects of arithmetic errors, errors in the application of accounting policies, oversight or misinterpretation of facts, as well as fraud.

To the extent practicable and material, an entity shall correct significant errors in prior periods retroactively in the first financial statements issued after the error is discovered:

- a) By restating comparative information for the period or periods in which the error originated, or
- b) If the error occurred prior to the first period for which information is presented, restating the opening balances of assets, liabilities, and equity for that first period.

When it is impracticable to determine the effects of an error in comparative information for a specific period or periods presented, the Company will restate the opening balances of assets, liabilities, and equity for the earliest period for which retrospective restatement is practicable (which may be the current period).

#### 6.2. Cash and cash equivalents

Cash and cash equivalents recognized in the financial statements comprise cash on hand and in bank accounts, demand deposits, and other liquid and demand investments that are not subject to any restrictions on use in the normal course of operations.

Cash equivalents are highly liquid investments that are not affected by market volatility and have minimal risk of loss in value. The Company considers investments redeemable within three months to be highly liquid.

Cash and cash equivalents should be derecognized when the balances are available in current or savings accounts, when the rights to the cash equivalents expire, or when the financial asset is transferred.

For initial and subsequent measurement, the Company uses fair value.

### Cash flow statement

Presents details of cash received and paid during the period, its handling and variation during the year. This is broken down into three flows:

**Operating activities:** Includes transactions that constitute the Company's main source of ordinary income. It is based on operating income, minus those items that, although they affect it, do not generate increases or decreases in cash. Other items that also modified income and generated or used cash are added to operating income.

**Investing activities:** Cash flows from investing activities should include transactions that constitute disbursements of economic resources that will produce future income and cash flows. Only disbursements that result in the recognition of an asset on the balance sheet comply with the conditions for classification as investment activities. Shows how cash was generated or used in activities other than operating activities, through acquisitions or sales of assets in general and other investments.

**Financing activities:** These represent the use or generation of cash through loans from third parties or partners, new capitalization through the issuance of shares, issuance or payment of bonds, and changes in the ownership of subsidiaries that do not result in loss of control.

The cash flow method used by Concreto is the indirect method.

## 6.3. Financial assets

### Trade accounts receivable and other accounts receivable

Accounts receivable are financial instruments that correspond to contracts from which the obligation to provide a service or deliver goods arises and will be received as consideration in cash, cash equivalents, or another financial instrument. Concreto considers current accounts receivable to be those that are expected to be settled in the operating cycle or within a period not exceeding one year, and those that are outside the cycle or exceed one year as non-current.

Accounts receivable are subject to impairment testing and measured at amortized cost using the effective interest method at less each reporting period.

This item does not include accounts receivable from related parties and associates.

#### *Current accounts receivable*

**Initial and subsequent measurement:** The Company measures these assets at the transaction value, which is generally their fair value. They will also be subject to impairment testing.

#### *Non-current accounts receivable*

**Initial and subsequent measurement:** The Company measures these assets at amortized cost using the effective interest method. At the end of each period, an assessment of past due balances is performed to estimate possible impairments.

### Retention in guarantee

Guarantee deposits that are long-term, are measured at amortized cost, taking into account the time expected to pay or receive the cash. The time is estimated based on the expected completion of the construction contract where the guarantee was generated. The interest rate used to calculate the amortized cost is the average rate that the Company uses to finance itself.

### Accounts receivable from related parties

Accounts receivable from related parties are financial assets arising from relationships and/or contracts with related companies. These relationships give the right to receive cash or cash equivalents or other financial instruments as consideration.

Concreto considers current accounts receivable from related parties to be those that are expected to be settled within the operating cycle, which is generally less than one year. Non-current accounts receivable from related parties are those that do not meet the above criterion.



**Related party:** An entity is considered a related party when it meets any of the following conditions:

- Entities that are part of the same consolidation group
- **Associates**
- **Joint ventures**
- **Joint Operations**
- **Board Members**
- **Key management personnel (president, vice presidents, managers).**

*Current accounts receivable from related parties*

*Initial and subsequent measurement:* **The Company measures these assets at the transaction value, which is generally their fair value. They will also be subject to impairment testing.**

*Non-current accounts receivable from related parties*

*Initial and subsequent measurement:* **The Company measures these assets at amortized cost using the effective interest method. At the end of each period, an assessment of past due balances will be made to estimate possible impairments.**

#### Impairment

**The Company evaluates, on a prospective basis, the expected credit losses associated with accounts receivable from individuals and related parties. The Company recognizes a provision for losses at each reporting date. The measurement of expected credit losses reflects:**

- An impartial and weighted measure of probability determined by evaluating a range of possible outcomes.
- The value of money over time.
- Reasonable and supported information available without incurring undue costs or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

**For accounts receivable, the Company applies the simplified approach, always measuring the allowance for credit losses at an amount equal to the expected credit losses over the life of the receivable.**

#### • in accounts

**Financial assets, or a portion thereof, are derecognized when the contractual rights to receive cash flows from the assets have expired, or when they have been transferred and (i) the Company transfers substantially all risks and rewards of ownership, or (ii) the Company does not transfer and retain substantially all risks and rewards of ownership and has not retained control.**

**The Company enters into transactions in which it retains the contractual rights to receive cash flows from the assets, but assumes the contractual obligation to pay those cash flows to other entities and transfers substantially all risks and rewards. These transactions are accounted for as transfers resulting in derecognition if the Company:**

- Has no obligation to make payments unless it collects equivalent amounts from the assets;
- You are prohibited from selling or pledging the assets; and
- You are required to remit any cash you receive from the assets without significant delay.

**The guarantees (shares and bonds) granted by the Company under standard repurchase agreements and securities lending and borrowing transactions are not derecognized because the Company retains substantially all of the risks and rewards based on the predetermined repurchase price and, therefore, do not meet the derecognition criteria. This also applies to certain securitization transactions in which the Company retains a residual subordinated interest.**

#### 6.4. Inventories

##### Current inventories

**Inventories are assets acquired for sale, for the production process, or for consumption, and important spare parts that are classified as property, plant, and equipment.**

**Initial measurement: inventories are recognized at the cost of acquisition and transformation, as well as other costs incurred to bring them to their current condition.**

**Conditional trade discounts identified at the initial measurement reduce the value of the inventory.**

**Subsequent measurement. Inventories for sale are measured at the lower of their carrying amount and net realizable value.**

**Trade and conditional discounts that were not identified at the initial measurement of the inventories that generate them are recognized as a reduction in the cost of sales.**

**Inventories are assets:**

- 1. Held for sale in the normal course of operations.**
- 2. In production processes with a view to such sale.**
- 3. In the form of materials or supplies, to be consumed in the construction process.**
- 4. In the development of a construction contract (work in progress) that includes both materials and services. The**

**Company's inventories mainly correspond to:**

- **Work in progress: these are disbursements made mainly for housing projects that are in the initial phase. They are measured at the lower of cost and recoverable value.**
- **Housing stock: corresponds to housing available for sale or under construction, which is measured at the lower of cost and net realizable value.**
- **Inventory of materials: corresponds to the stock of materials purchased and not yet used in the construction process. These are measured at cost and periodically tested for obsolescence.**

**The costs of design services that require a development stage before being delivered to the end customer and earning revenue are recognized as contract assets and presented within inventories.**

**Inventories are periodically analyzed to determine whether an estimate is required for possible losses associated with their net realizable value. Losses associated with the disposal of slow-moving, obsolete, and damaged inventories are recorded in the results for the period.**

**The cost of inventories includes all costs incurred in acquiring and transforming them, as well as other costs incurred in bringing them to their present condition and location.**

**Net realizable value is the estimated selling price of an asset in the normal course of business, less the estimated costs of completing production and the costs necessary to make the sale.**

**The Company measures completed homes at the lower of their construction cost and net realizable value. When the latter is lower, an impairment loss is recognized for the difference, charged to income for the period.**

**The cost of construction of homes and land for the Real Estate Development business line includes the costs of land acquisition, design, materials, direct labor, depreciation of industrial fixed assets, other direct costs and specific direct expenses related to the project, as well as interest costs if the conditions for designation as eligible assets are met, and all other costs included in the pre-feasibility and feasibility studies that allow the sale price to be set.**

**The cost of acquiring construction materials includes the purchase price, import duties, transportation, storage, and other costs directly attributable to the acquisition of the goods, materials, or services purchased.**

### Non-current inventories

These generally refer to land and real estate that are in the process of being sold and whose realization is outside the normal operating cycle.

#### 6.5. Tax assets

**Current tax assets correspond to amounts offset against income tax payable, generated by withholding taxes from third parties and surpluses from private settlements from previous periods that may still be offset.**

**Non-current tax assets correspond to amounts offset against income tax payable, generated by withholding taxes from third parties and surpluses from private settlements from previous periods, which are expected to be used in a period exceeding one year.**

*Initial and subsequent measurement.* **These are measured at the amount expected to be recovered from the tax administration, using the regulations and rates approved by the tax authority for credit balances corresponding to withholding certificates issued by customers that are still pending use.**

#### 6.6. Other financial assets

**In this section of the statement of financial position, the Company mainly groups derivative financial instruments used for hedging, short-pls and uncontrolled investments, whose conversion to cash is subject to time and whose returns are generally subject to market variables. This item also includes investments in collective portfolios which, although liquid, have minimum holding clauses and involve some risk, as they are in stock portfolios that impl ate a certain degree of volatility. Any investment considered highly liquid will not be included in this item and must be classified as cash and cash equivalents.**

**Derivative financial instruments are measured initially and subsequently at fair value. Derivatives are recognized as financial assets when their fair value represents a right for the Company and as financial liabilities when their fair value represents an obligation. The fair value of these instruments is determined at the reporting date of the financial statements.**

**Any gain or loss arising from changes in the fair value of derivatives is recognized directly in the income statement, except for those that are accounted for as hedges and are considered cash flow hedges or net investment hedges.**

**Financial derivatives are measured at fair value using financial valuation techniques based on discounted cash flows. The variables used in the valuation correspond to the exchange rates on the valuation date of the currencies agreed in the instrument and the interest rates associated with it.**

**They are presented as non-current assets or liabilities if the remaining maturity of the hedged item is greater than twelve months and, failing that, as current if the maturity of the hedged item is less than twelve months.**

**Hedges are classified and accounted for as follows, once they meet the strict criteria for hedge accounting:**

### Cash flow hedges:

**This category includes hedges that cover exposure to changes in cash flows attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction that could affect the results for the period. The effective portion of changes in the fair value of derivative instruments that qualify as cash flow hedging instruments is recognized in other comprehensive income. The gain or loss related to the ineffective portion is recognized immediately in the income statement. The amounts recognized in other comprehensive income are reclassified to the income statement when the hedged transaction affects income, in the same line of the income statement where the hedged item was recognized.**

Hedge accounting is discontinued when Concreto terminates the hedging relationship, when the hedging instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. In these cases, any gain or loss recognized in other comprehensive income is retained in equity and recognized when the expected transaction ultimately affects the results for the period. When a planned transaction is no longer expected to occur, the cumulative gain or loss recognized in other comprehensive income is recognized immediately in income.

#### Fair value hedges

This category classifies hedges that cover exposure to changes in the fair value of recognized assets or liabilities or unrecognized firm commitments. The change in fair value of a derivative that is a fair value hedge instrument is recognized in the income statement as a financial expense or income. The change in fair value of the hedged item attributable to the hedged risk is recorded as part of the carrying amount of the hedged item and is also recognized in the income statement as a financial expense or income.

When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk shall be recognized as an asset or liability with a corresponding gain or loss recognized in profit or loss for the period.

This category includes hedges that cover exposure to changes in the exchange rate resulting from the conversion of foreign operations to the Company's presentation currency.

The effective portion of changes in the fair value of derivative instruments that qualify as hedging instruments for a net investment in a foreign operation is recognized in other comprehensive income. The gain or loss related to the ineffective portion is recognized immediately in the income statement.

When Concreto disposes of all or part of a foreign business, the accumulated value of the effective portion recorded in other comprehensive income is reclassified to the income statement.

#### 6.7. Other non-financial assets

The Company recognizes in this item those assets that do not comply with the conditions to be classified as financial instruments and are not classified in other items of the statement of financial position, but comply with the definition of assets set forth in the conceptual framework, that is, a resource controlled by the Company as a result of past events, from which future economic benefits are expected to flow and whose cost can be measured reliably. Other non-financial assets mainly include insurance and bonds paid in advance.

Those whose use or generation of economic benefits exceeds one year are classified as non-current.

#### *Other non-current financial assets*

Other non-current financial assets are those assets that the Company acquires through a contract or purchase transaction, the right to receive cash or a financial instrument as consideration, but which are not intended for sale or liquidation in the short term.

This item mainly includes investments in companies and fiduciary rights where the Company does not have control, joint control, or significant influence over decision-making.

*Initial measurement:* at acquisition cost, which includes the purchase price, import duties, and non-recoverable indirect taxes on the purchase, after deducting discounts and any costs directly attributable to preparing the asset for its intended use.

*Subsequent measurement:* the asset will affect the results for the period to the extent that the right to use it is lost. They will be tested for impairment annually.

### 6.8. Assets held for sale

The fundamental requirements for classification are as follows: the asset must be available for sale, there must be a demonstrable selling force, and its sale must be highly probable. The sale is expected to take place within one year of classification, although events and circumstances beyond the company's control may extend this period. In this case, the assets will remain in this classification as long as there is an intention to sell them.

*Initial measurement:* at the lower of their carrying amount and fair value less costs to sell. When arising from a business combination, they are measured at fair value less costs to sell. These assets are not depreciated.

*Subsequent measurement.* It will be the lower of its carrying amount and its fair value less costs to sell. When the sale is expected to take place in more than one year, the costs to sell must be calculated at present value and subsequently the increases due to the time value of money will affect the income statement as a financial expense. Investment properties available for sale will continue to be measured at fair value.

### 6.9. Investment properties

These are properties (land and buildings) held to earn income or for capital appreciation. They are recognized as investment properties if it is probable that future economic benefits will flow to the Company, the cost of the asset can be measured reliably, and control over the asset and the future economic benefits is held.

*Initial measurement:* at acquisition cost, which includes the purchase price and any directly attributable expenses. When the investment property is acquired through a finance lease, the initial value will be the fair value of the leased asset or the present value of the minimum lease payments, whichever is lower.

*Subsequent measurement:* For both investment properties acquired on its own account and through a finance lease, the Company will use the fair value model.

Investment properties mainly comprise land for future real estate development projects, hotels, wineries, shopping centers, and buildings to obtain rental income and capital gains, which are acquired through direct purchase or bank financing. In accordance with fair value policy, the Company also includes those movable assets that form an integral part of the investment property, and not as separate assets.

The fair value of investment properties is measured using the income approach, based on the premise that properties are acquired for their income-generating potential. This considers both the annual return on invested capital and the return on capital. This valuation technique places special consideration on current contractual rents, projected market rents, and other sources of income, reserves for vacancies, and projected expenses associated with efficient operation and management of the property.

The relationship between these income estimates and the value of the property is determined using discounted cash flow analysis, which allows the value of the property to be measured at the discounted value of future benefits.

Fair value measurement will correct any impairment in investment properties.

### 6.10. Property, plant, and equipment

These are tangible assets owned by the Company for use, supply of goods and services, for lease to third parties or for administrative purposes, and are expected to last for more than one accounting period. They are recognized as assets if it is probable that they will generate future economic benefits and their cost can be measured reliably.

*Initial measurement:* at acquisition cost, which includes the purchase price, import duties, and non-recoverable indirect taxes on the purchase, after deducting discounts, installation and assembly, and estimated dismantling costs.

*Subsequent measurement* The Company will use the cost model, which implies depreciation and impairment testing.

Financing costs incurred for the construction of an asset are capitalized during the period necessary to construct and prepare the asset for its intended use. Other financing costs are expensed as incurred.

#### Depreciation

Depreciation of property, plant, and equipment is calculated using the method that allows for the recognition of the asset's wear and tear according to its useful life and asset class. The residual value and useful life are reviewed and adjusted if necessary at each balance sheet date. When the value of an asset exceeds its estimated recoverable amount, its value is immediately reduced to its recoverable amount through the application of impairment tests.

#### Useful Lives

This is determined based on the time it is likely that future economic benefits associated with its use will be obtained and can be reliably calculated, which are estimated as follows:

- Buildings 20 - 50 years
- Machinery 3 - 20 years
- Vehicles 3 -10 years
- Furniture and fixtures 5-10 years
- Computer equipment: 3 to 5 years

Gains and losses on the sale of property, equipment, and intangible assets are calculated by comparing the proceeds with the carrying amount and are included in the results for the period.

#### 6.11. Intangible assets other than goodwill

It is an identifiable asset, non-monetary in nature and without physical appearance. They are recognized as intangible assets if the asset is separately identifiable, it is probable that it will generate future economic benefits to the Company, the cost of the asset can be measured reliably, and control over the asset and over the future economic benefits is present.

*Initial measurement:* acquisition price including import duties and non-recoverable taxes levied on the acquisition after deducting trade discounts and rebates and any other costs directly attributable to preparing the asset for use.

*Subsequent measurement:* the Company will use the cost model comprising initial cost less accumulated amortization, less impairment, if any.

The main types of intangible assets other than goodwill are described below:

Type of Intangible	Description
<i>Licenses</i>	Licenses have a defined useful life and are recorded at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost to income over its estimated useful life (between 1 and 10 years).
<i>Software</i>	<p>The costs associated with maintaining computer programs are recognized as expenses when incurred. Amortization is calculated using the straight-line method to allocate the cost to income over its estimated useful life (between 1 and 5 years).</p> <p>The estimated useful life and amortization method of intangible assets are reviewed at the end of each period.</p>



Trademarks	Trademarks are classified as intangible assets with an indefinite useful life.
Concessions	Participation in agreements for the concession of services when income is not guaranteed by the grantor. This asset is amortized at the time of the concession.
Rights of use or exploitation of assets	The acquisition of rights to use or exploit assets, not necessarily owned by the Company. They are amortized over the period of use or exploitation.

## 6.12. Investments in other entities

### Investment in subsidiaries

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

Investments in subsidiaries are measured in Concreto's separate financial statements using the equity method, whereby the investment is initially recorded at cost and adjusted for changes in Concreto's share of the subsidiary's net assets after the acquisition date, less any impairment losses. Losses of the subsidiary that exceed Concreto's interest in the investment are recognized as a provision only when the outflow of economic benefits is probable and there is a legal or implicit obligation.

### Investments in associates and joint ventures

An associate is an entity over which Concreto has significant influence over financial and operating policy decisions, without having control or joint control.

A joint venture is an entity that Concreto controls jointly with other participants, where they maintain a contractual agreement that establishes joint control over the relevant activities of the Company. In some cases, there is no contractual agreement, but rather joint control is implicit.

On the acquisition date, any excess of the acquisition cost over the fair value of the identifiable assets, liabilities, and contingent liabilities assumed from the associate or joint venture is recognized as part of the carrying amount of the investment and is not amortized or individually tested for impairment.

Dividends received in cash from the associate or joint venture are recognized as part of income from ordinary activities.

Concreto periodically analyzes the existence of indicators of impairment and, if necessary, recognizes impairment losses on the investment in the associate or joint venture. Impairment losses are recognized in the income statement for the period and are calculated as the difference between the carrying amount of the investment and the recoverable amount of the associate or joint venture, which is the higher of its value in use and its fair value less the costs necessary for its sale, and its carrying amount.

When significant influence over the associate or joint control over the joint venture is lost, Concreto measures and recognizes any residual investment it retains in it at fair value. The difference between the carrying amount of the associate or joint venture (taking into account the corresponding items in other comprehensive income) and the fair value of the residual investment retained, with the value from its sale, is recognized in income for the period.

In accordance with the exemption in IAS 28, paragraph 18, which states that "investments in associates or joint ventures held directly or indirectly through an entity that is a venture capital organization, or a mutual fund, trust unit, and similar entities, the entity may choose to measure investments in such associates **and** joint ventures at fair value through profit or loss in accordance with IFRS 9," Concreto avails itself of this exemption to measure investments in associates **or** joint ventures in private equity funds **or** any other investment with the characteristics described in the previous paragraph at fair value through profit or loss in accordance with IFRS 9.

#### Interests in joint operations

A joint operation is a joint agreement whereby the parties that have joint control of the agreement are entitled to the assets and liabilities related to the agreement. Concreto includes in its separate financial statements each item of assets, liabilities, income, costs, and expenses of joint agreements, which is generally proportional to the interest determined in the agreement.

#### 6.13. Current tax and deferred tax

##### Current tax

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the tax authorities. Income tax expense is recognized in current income taxes based on the reconciliation between taxable income and accounting income affected by the income tax rate for the current year, in accordance with the tax regulations of each country. The tax rates **and** regulations used to calculate these amounts are those approved at the end of the reporting period in the countries where Concreto operates **and** generates taxable income.

##### Deferred loan asset

Deferred income tax assets will be recognized by the Company only when there is a reasonable probability that sufficient future taxable income will be available to realize that asset. For initial **and** subsequent measurement, the deferred tax asset recognized will be reduced to the extent that it is not probable that the tax benefit will be realized **and** for new calculations **contenpl**. The measurement is made based on deductible temporary differences, including tax losses from prior periods that have not been deducted.

*Initial and subsequent measurement* includes the calculation of deferred income tax based on the resulting deductible temporary differences, including tax losses and excess presumptive income to be offset in the future. It is measured using the rates in effect for the period.

##### Deferred tax liability

Deferred income tax liabilities correspond to temporary taxable differences between the carrying amounts of assets and liabilities for financial purposes and the amounts used for tax purposes. Deferred tax is amortized in the periods in which the temporary differences that gave rise to it are reversed.

*Initial and subsequent measurement* includes the calculation of deferred income tax based on the resulting temporary taxable differences. It is measured using the rates in effect for the period.

##### Uncertainty regarding the treatment of income tax.

The Company calculates current and deferred taxes based on current tax regulations and the tax positions taken by the Colombian tax authorities (DIAN). **p**When the Company is **faced with** a tax interpretation **or** position that differs from the position of the tax authorities, it analyzes the possible effects on the financial statements of such uncertain tax positions, where it is likely that the tax authorities will have a substantiated position on the calculation of income tax, tax base, uncompensated tax losses, **and** rates to be applied, assuming that the authorities will review each position with full knowledge of the relevant information. assuming that the authorities **will** review each position with full knowledge of the relevant information.

For each item, its probability is considered individually, without measuring its relationship with other tax procedures, and the "most probable amount" or "expected value" method is used, depending on the range of possible outcomes. The probability analysis is classified as low (0%–50%), medium (51%–80%), or high (81%–100%), which requires the participation of experts in the field.

If the Company's management, together with its tax advisors, considers that the tax position has a low or medium probability, the effects of the position are not recognized and no disclosures are made about them. Interest and penalties on unrecognized tax liabilities are included in expenses in the income statements for the year in which they are incurred.

When the probability of uncertainty is high, the company will disclose for each position:

- a) The judgments made to determine the tax gain (loss), tax bases, unused tax losses or credits, and tax rates.
- (b) Information on the assumptions and estimates made to determine the tax gain (loss), tax bases, unused tax losses or credits, and tax rates applied.

The Company may disclose the potential effect of uncertainty as a contingency when there is a high probability that the tax authorities will not accept an uncertain tax treatment.

#### 6.14. Financial obligations

**Financial obligations** are financial liabilities where the Company acquires a commitment to pay a financial institution in exchange for cash to finance various activities.

*Initial and subsequent measurement.* The Company measures financial liabilities at amortized cost, with any associated transaction costs taken into account to calculate the internal rate of return to be used to measure the interest and principal components.

The effective interest method is a mechanism for calculating the amortized cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash payments (including all fees and points paid or received that are an integral part of the effective interest rate, transaction costs, and other premiums or discounts) through the expected life of the financial obligation or, if appropriate, a shorter period than the net carrying amount at initial recognition.

Fees incurred to obtain loans are recognized as transaction costs to the extent that it is probable that part or all of the loan will be received. In this case, the fees are deferred until the loan is received.

Loans are classified as current liabilities unless there is an unconditional right to defer payment of the obligation for at least twelve months from the balance sheet date.

The Company derecognizes financial liabilities when, and only when, the obligations are settled, canceled, or expire. The difference between the carrying amount of the derecognized financial liability and the consideration paid and payable is recognized in profit or loss for the period.

Obligations with a maturity of less than one year are classified as current, and obligations with a maturity of more than one year are classified as non-current.

#### 6.15. Leases

##### Identification of a lease

To identify whether a contract contains a lease, the Company assesses from the inception of the contract whether it receives the right to control the use of an identified asset for a period of time in exchange for consideration. This is defined by meeting the following criteria:

- Upon entering into the contract, the right to obtain substantially all of the economic benefits from the use of the identified asset is acquired; and
- The right to decide how the identified asset is used.

If a joint arrangement enters into a lease, the joint arrangement is considered the customer of the lease and therefore determines whether it has the right to control the use of the asset.

The Company accounts for the right to use an asset as a separate component if it can benefit from the use of that underlying asset on its own or together with other resources that are readily available; and the asset is not largely dependent on, or closely interrelated with, the other assets of the contract. If separation is impracticable, or the cost of doing so is implicit or greater than the benefit obtained, it is accounted for as a single component.

#### Lease term

The lease term corresponds to that defined in the contract plus any additional renewal time permitted from the moment the Company has reasonable certainty of its continued use of the asset. If there is a possibility of canceling the lease but the Company has no intention of using the clause, the lease term is not reduced. To do so, the Company must have control over the decision and reasons that generate an economic benefit in ampliar the plazo or terminate the contract early.

#### Recognition of assets for right-of-use

When the Company acts as a lessee, at the beginning of the contract it recognizes an asset for right of use and a liability for the lease.

#### Initial measurement

Lease liabilities are measured at the present value of future lease payments, discounted at the Company's incremental interest rate. Lease payments may be fixed, variable, guarantees, purchase options with a high degree of certainty of being exercised, and penalties if expected to be incurred. Incentives given by the lessor that are expected to be obtained are deducted from these payments.

The right-of-use asset is measured at the initial amount of the lease liability resulting from the description in the previous paragraph plus the initial direct costs incurred to obtain the contract. If there are future dismantling costs, these are also included in the cost of the right-of-use asset using IAS 37 Provisions, Contingent Liabilities and Contingent Assets. If incentives are received at the initial recognition date, these reduce the value of the asset.

#### Subsequent measurement

The right-of-use asset is measured at cost less accumulated depreciation and impairment losses. New lease liability measurements resulting from contract modifications also affect the subsequent measurement of the right-of-use asset.

If, at the end of the contract, ownership of the asset is transferred or the purchase option is reflected in the cost of the asset for right of use, the right of use is depreciated over the useful life of the underlying asset. Otherwise, it is depreciated from the beginning to the end of the lease term. In general, the straight-line method is used, unless another method that better reflects the use of the asset over time is found for a particular contract.

For right-of-use assets that meet the definition of investment property, the fair value model will be used.

Lease liabilities increase with the recognition of interest and decrease with lease payments. Changes in the contract, such as the term, amounts payable, waiver of a purchase option that was included in the initial measurement, among others, result in a new measurement of the lease liability and, therefore, an adjustment to the right-of-use asset.

#### Presentation

Right-of-use assets are presented under property, plant, and equipment in the statement of financial position according to the use of the asset for the Company. Right-of-use assets are generally part of property, plant, and equipment or investment properties.

Lease liabilities are presented separately from other liabilities in the statement of financial position. The financial costs of lease liabilities are disclosed in the explanatory notes.

Lease agreements not recognized as assets for right-of-use.

Even if a contract contains a lease, the Company uses the following criteria to not recognize them as assets for right-of-use:

- a) When the leased asset is expected to be used by the Company for less than one year; or
- b) When the underlying asset has a market value of less than USD 5,000. (Market value is taken from the prices of a new asset with the same or similar characteristics.)

The Company leases real estate for its <sup>pl</sup> to meet accommodation needs in construction projects where the use is less than one year; these are considered short-term leases <sup>pl</sup>, as they are easily replaceable by a property with similar characteristics or by an accommodation service. <sup>pl</sup>

Lease payments under the above contracts are recognized as an expense or cost on a straight-line basis over the term of the contract.

All personal computers, tablets, landline phones, and cell phones are considered low-value assets regardless of their value when new.

#### 6.16. Provisions, liabilities, and contingent assets

Concreto considers contingent liabilities to be those processes for which it is deemed possible, i.e., there is a medium probability of occurrence of the event and a future outflow of resources. Concreto periodically monitors the evolution of the probability of loss of these processes and their classification as contingent liabilities or provisions.

If the probability of loss increases from possible to probable (high probability), Concreto recognizes a provision and the corresponding effect on the results for the year. The amount to be provisioned depends on each specific process. The most significant contingencies in terms of their impact on the amount will be disclosed, i.e., a material amount, which in this case was determined to be 0.05% of total liabilities. Therefore, the contingent liability will be disclosed if the process has an economic impact greater than this percentage. Other considerations will also be taken into account, such as any suspensions to which Concreto may be subject in a process.

*Contingent asset:* a possible right arising from past events, whose existence must be confirmed by certain uncertain future events that are not <sup>pl</sup> ly within the control of the Company.

*Recognition:* The Company must refrain from recognizing any contingent asset unless the realization of the income is virtually certain.

*Measurement:*

Probability of occurrence	Description
<b>High: Probability of occurrence between 81% and 100%</b>	A provision is recognized by making a reasonable estimate (including a probability analysis) brought to present value as determined by management, based on experience in similar cases and, in some cases, by experts.
<b>Medium: Probability of occurrence between 51% and 80%</b>	No entry is made in the financial statements. It is necessary to disclose contingent events over which the entity does not have direct control. Disclose in the financial statements.
<b>Low: Probability of occurrence between 0% and 50%</b>	No adjustments or disclosures are made. No impact.

#### *Estimated post-construction liabilities*

At the end of each phase of a project's construction, Concreto makes a provision for costs to cover post-construction commitments for the first year after the project is delivered to the end customer. This provision is calculated based on the historical performance of projects and depending on the type of construction. Post-construction obligations may arise after the first year of project delivery, but these are not provided for as their measurement is not reliable.

### *Contract onerous*

**A contract is considered onerous when the costs of fulfilling its obligations exceed the economic benefits expected to be received.**

**When a contract is considered onerous, the Company will recognize the costs and revenues incurred in the period in the income statement and add a provision for onerous contracts to reflect the total expected loss.**

## 6.17. Financial liabilities

### **Trade accounts payable and other accounts payable**

**Accounts payable are financial instruments that generate an obligation to make a payment in cash or another financial instrument in exchange for a service received or goods acquired. The Company records accounts payable that must be settled within a period in accordance with the operating cycle or within one year as current accounts payable, and those that are subsequent to the operating cycle or greater than one year as non-current accounts payable.**

**This item does not include accounts payable to related parties and associates.**

#### **Current accounts payable**

*Initial and subsequent measurement.* **The Company uses the transaction value measurement, which is normally its fair value.**

#### *Non-current accounts payable*

*Initial and subsequent measurement.* The Company measures these liabilities at amortized cost using the effective interest method. They may be derecognized when they no longer meet the condition for being a liability.

### **Accounts payable to related parties and associates**

**Accounts payable to related parties are financial liabilities arising from relationships and/or contracts with related companies. These relationships generate an obligation to make cash payments or other financial instruments in exchange for a service, a good, or an economic event arising from a loan received. The Company records accounts payable that will be paid within the operating cycle or within a period not exceeding one year as current accounts payable, and those that are outside the cycle or exceed one year as non-current accounts payable.**

*Related party:* **The Company understands a related party to be any entity or person that has the ability to influence financial and operating policies through control, joint control, or significant influence that may affect the results and financial position of the entity.**

**The following are considered related parties:**

- **Subsidiaries**
- **Associates**
- **Joint ventures**
- **Joint operations**
- **Members of the Board of Directors**
- **Key management personnel (president, vice presidents, managers)**

### **Accounts payable/related current accounts**

*Initial measurement and subsequent measurement* The Company uses transaction value measurement, which is normally its fair value.

### Non-current accounts payable to related parties

*Initial and subsequent measurement* The Company measures these liabilities at amortized cost using the effective interest method.

Generally, these items include loans, but not trade accounts payable. If loans are made between companies, they are made at market rates. However, there may be one-time loans made at zero interest or below market rates. In these cases, the amortized cost will be recorded only when they are generated for the long term (more than one year). However, when no interest is charged, the presumptive interest will be calculated.

An account may be derecognized when it no longer meets the criteria for recognition as a liability.

### • in accounts

Financial liabilities are derecognised when they are cancelled (i.e. when the obligation specified in the contract is fulfilled, cancelled or expires).

The exchange between the Company and its original creditors of debt instruments with substantially different terms, as well as substantial modifications to the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The terms are substantially different if the discounted present value of the cash flows under the new terms, including fees paid net of fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors such as the currency in which the instrument is denominated, changes in the interest rate, new conversion features attached to the instrument, and changes in agreements are also taken into account. If an exchange of debt instruments or a modification of terms is accounted for as an extinguishment, all costs or fees incurred are recognized as part of the gain or loss on extinguishment. If the exchange or modification is not accounted for as an extinguishment, all costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability.

### 6.18. Elimination of reciprocal transactions with joint operations

The Company includes in its financial statements the assets, liabilities, income, and expenses of joint operations in proportion to its ownership percentage. Therefore, reciprocal transactions between Concreto and its joint operations are eliminated in proportion to its ownership percentage.

### 6.19. Other non-financial liabilities

Under this concept, the Company groups together liabilities that are not considered financial instruments but meet the definition of liabilities in the conceptual framework. These mainly include advances and deposits received from customers for the development of projects and deferred income liabilities that will subsequently be recognized as income in the income statement. This item also includes capital contributions payable for investments in companies, since for the counterparty it is a lower equity value and not a receivable, and therefore does not comply with the definition of financial liabilities.

The Company classifies as non-current liabilities those liabilities that are not considered financial instruments but meet the definition of a liability in the conceptual framework and will be amortized or paid outside the operating cycle or after one year when they do not correspond to the operating cycle. These mainly include advances received from customers to develop projects and long-term capital contributions payable.

*Initial and subsequent measurement.* The Company measures these liabilities at the transaction value less any impairment losses.

An advance received from a customer may be reclassified as other financial liabilities if it meets the necessary conditions. For example, or an advance received for a contract that has already been completed or not performed and the obligation to return the money arises, this advance will now be considered a financial liability.

When advance payments are received for the delivery of goods or services in future periods, you must recognize a non-financial liability for the fair value of the consideration received.

The recognized liability must be transferred to income to the extent that the sale of the asset is made or the service is provided. In any case, the recognized liability must be transferred to income in its entirety when the obligation to deliver the asset or provide the service for which the advance payment was made ends.



#### 6.20. Employee benefits

Employee benefits reported by the Company are mostly considered short-term, and therefore measured at their transaction value as fair value.

These non-current benefits are rights acquired by employees as defined in the law or by agreements with unions. This item includes post-employment benefits and long-term benefits to which employees are entitled, either due to reaching a minimum age or length of service with the Company, or to benefits at long term to which employees are entitled, either due to reaching a minimum age or length of service with the Company.

*Initial and subsequent measurement.* The fair value measurement methodology will be applied, since at the end of each period the Company performs an analysis using actuarial calculations to establish the present value of long-term obligations.

#### 6.21. Issued capital

This item includes the value of the Company's capital at its nominal value. The measurement is made at the transaction value.

#### 6.22. Share premium

This corresponds to the highest amount paid by a new shareholder over the par value of the shares acquired. It is measured at the transaction value.

#### 6.23. Accumulated earnings

This reflects the profits generated by the business and is usually taken from the income statement. However, there may be transactions that do not pass through the income statement and are directly reclassified as accumulated earnings.

#### 6.24. Reserves

Mandatory, occasional, or other reserves are grouped together in accordance with the decisions of the highest governing body to protect against possible losses or contingencies or to make investments in the future. They are measured in accordance with the percentage or value determined based on the results for the period.

#### 6.25. Other reserves

Changes in other comprehensive income are presented, including the methods of participation in other comprehensive income from investments in subsidiaries.

#### 6.26. Other equity interests

Any change in equity that is not included in the lines described above is reported in this item.

#### 6.27. Recognition of income from ordinary activities

Revenue from ordinary activities reflects the value of the consideration that Concreto is entitled to receive in exchange for the goods and services committed to customers.

##### Recognition of a contract

Concreto recognizes a contract with a customer if it meets all of the following criteria:

- The contract has been approved by all parties, who undertake to fulfill the obligations arising therefrom. cumplimiento de las obligaciones derivadas del mismo.
- The rights of each party with respect to the goods and/or services to be transferred can be identified.
- The payment terms can be identified.
- The contract has a commercial basis.
- It is likely that the consideration to which the contract gives entitlement can be collected, considering the customer's ability and intention to pay when due.

Any reduction in price due to rebates and discounts granted to the customer affects the amount of revenue to be recognized.

### *Contract assets*

**A contract asset is the Company's right to receive payment in exchange for goods or services that the Company has transferred to a customer, when that right is subject to something other than the passage of time (e.g., or the billing or delivery of other items that are part of the contract). The Company recognizes contract assets as current assets, as they are expected to be realized within the normal operating cycle.**

**Contract costs eligible for capitalization as incremental costs when obtaining a contract are recognized as a contract asset. Contract subscription costs are capitalized when incurred if the Company expects to recover those costs. Contract subscription costs constitute non-current assets to the extent that the economic benefits of those assets are expected to be received in a period longer than twelve months. Contracts are amortized systematically and consistently with the transfer to the customer of the services once the corresponding revenue has been recognized. Capitalized contract subscription costs are impaired if the customer withdraws or if the carrying amount of the asset exceeds the projected discounted cash flows related to the contract.**

### *Contract liabilities*

**Contract liabilities represent the Company's obligation to transfer goods or services to a customer, for which the Company has received payment from the end customer or if the amount is due. They also include deferred income related to goods or services to be delivered or rendered in the future, which are invoiced to the customer in advance but are not yet due.**

**Payments received from a customer are recognized as a liability until the criteria for recognizing them as revenue are met.**

**Conconcreto combines two or more contracts when they are negotiated as a single commercial objective, the amount of the consideration to be received is linked between the contracts, or the goods and/or services committed are a single performance obligation.**

**When modifications are made to a contract, Conconcreto analyzes and determines whether separate treatment is required for revenue recognition, taking into account the scope of the goods and/or services and the independence used to determine the price; otherwise, measurement is performed taking into account the contract as a whole.**

### *Performance guarantees*

**Conconcreto defines the performance obligations in a contract by identifying whether the goods and/or services promised satisfy the customer independently or in combination. It also defines whether such performance obligation is satisfied over time.**

**If the customer can benefit from the partially delivered good and/or service and this commitment is identified separately from other commitments in the contract, it can be considered a separate performance obligation within the contract. When the Company provides a service considered to be principal and there are other goods and/or services that are consumed, modified, transformed, or are highly interdependent or interrelated, they are considered a single performance obligation.**

### *Agency co-obligations*

**Conconcreto is an agent in a contract when it acts on behalf of and at the risk of the client, such that its commitment is to organize goods and services for delivery by a third party. The Company acts as an agent in construction contracts under delegated management and mandate contracts for the management of reimbursable management services.**

### *Satisfaction of performance obligations*

**Conconcreto recognizes revenue from ordinary activities when the performance obligations identified in a contract are satisfied. Performance obligations may be satisfied over time or at a specific point in time. The Company satisfies a performance obligation over time when:**

- **The customer simultaneously receives and consumes the benefits as they are performed**
- **An asset that the customer controls or will control is created or improved.**
- **Create an asset for a customer where there are legal and regulatory restrictions that would not allow the Company to use it for alternative purposes (sale, lease, or other transactions) and there is an enforceable right to payment for performance to date.**
- **When a performance obligation is not satisfied over time, it will be satisfied at a specific point in time, which occurs when the customer obtains control and benefits from the transferred good or service.**

The main contracts with customers entered into by the Company where performance obligations are satisfied over time are:

**Resource method:**

- Construction contracts at cost or unit prices.
- Construction contracts under the delegated management modality.
- Project management services.

**Product method:**

- Design services
- Consulting and advisory services
- Maintenance services
- Transport services

The main contracts with customers entered into by the Company where the obligations are satisfied at a specific point in time are:

- Sale of inventory of movable property
- Sale of housing project inventories
- Waste treatment and disposal
- Sale of assets and rights

In cases where these services are provided under a single contract, the Company will analyze whether they constitute one or more performance obligations and measure customer satisfaction accordingly.

*Measuring progress toward fulfilling a performance obligation*

Concreto uses the product method or the resource method to measure progress in satisfying performance obligations, depending on the nature of the good or service to be transferred. As long as it can be measured reasonably, each accounting period the measurement is updated as a change in estimate in accordance with IAS 8. If it cannot be measured reasonably, income from ordinary activities may only be recognized to the extent of the costs incurred to date.

The product method recognizes revenue from ordinary activities based on direct measurements of the value to the customer of the goods or services transferred. Among the elements used by the Company to measure performance using the product method are the achievement of milestones, time elapsed, and units delivered. In general, in these cases, when the right to bill exists, it is because the elements necessary for revenue recognition have been met.

The resource method recognizes revenue from ordinary activities based on the resources the Company uses in relation to the total resources expected to satisfy performance obligations. Concreto uses the costs incurred as the resource for measuring such satisfaction. When significant inefficiencies or cost overruns arise that do not reflect the Company's performance, they do not increase revenue from ordinary activities.

*Determination of the transaction price*

The transaction price is the amount of consideration that the Company expects to be entitled to receive in exchange for transferring the goods or services committed in the contract. This price may be fixed, variable, or both.

When a contract with a customer has variable consideration such as discounts, established price changes, incentives, performance bonuses, among others, Concreto will estimate the amount using the most probable amount method and only to the extent that there is high certainty of this fact.

When cash flows from a contract with a term of more than one year are significantly affected by the time value of money, the Company recognizes revenue from ordinary activities at present value using a market financing rate. Financing income is not included in revenue from ordinary activities.

If the consideration is received in assets other than cash, the Company measures the income at the fair value of the asset received and, if this cannot be measured reliably, uses the selling price of the goods or services to be transferred.

**p**urchases of goods and services from customers are recognized at a lower transaction price when they are part of the resources necessary to fulfill the contract.

#### *Allocation of the transaction price to performance obligations*

For contracts that have more than one performance obligation, Concreto distributes the transaction price determined in the contract proportionally to each of the performance obligations. This proportion is calculated based on the independent selling prices as if the activities had been contracted separately. **g** The method used to find the independent sales price is the expected cost plus margin approach. If discounts are granted, they must be allocated to the performance obligation that gives the discount, **or** if there is a discount or rebate, they will be allocated proportionally.

#### *Change in the transaction price*

Any change in the transaction price that **impl**ies the recognition of a separate contract will affect the specific performance obligations, such that, if the performance obligation has already been satisfied, the change in price will affect the revenue from ordinary activities already recognized, as an increase or decrease in value. If it is not a separate contract, the change in price shall be allocated proportionally to the outstanding performance obligations.

#### *Guarantees*

Guarantees will be accounted for in accordance with the policy on provisions, contingent liabilities, and contingent assets, unless they provide a service to the customer. In this case, the Company will allocate part of the transaction price as a separate performance obligation, where the income will be recognized when it is satisfied. Guarantees existing for **ley** are not considered a performance obligation.

#### *Contract costs*

Concreto recognizes as expenses for the period all expenditures incurred in preparing and obtaining a contract, except for incremental costs such as sales commissions. In this case, they are recognized as assets when their amortization is greater than one year; otherwise, they are recognized as expenses for the period.

When a performance obligation is satisfied at a specific point in time, the costs incurred in fulfilling the contract are recognized as assets from the moment they are directly related to the contract, are resources necessary to satisfy the performance obligations, and are fully recoverable at the time the consideration is recognized by the customer.

The recognized asset is amortized systematically in accordance with the transfer to the customer of the goods or services to which the asset relates, i.e., when the performance obligations are satisfied, considering the expected profit margin in accordance with the contract's business cycle (**pl**). When the consideration receivable less the costs to be incurred are less than the value of the recognized asset, an impairment loss is recognized, which may be reversed if the situation that gave rise to it disappears.

Directly related costs may include:

- Direct labor.
- Direct materials.
- Management, supervision, insurance, inventory consumption, and depreciation of assets related to the contract.
- Costs attributable to the customer **ex-pl**ly as specified in the contract.
- Other costs incurred inherent to the execution of the contract, such as payments to contractors.

Any waste, excess costs, general and administrative expenses that do not increase the satisfaction of performance obligations are recognized as expenses for the period in which they are incurred. Likewise, any costs related to performance obligations that have already been satisfied.

### Policies

For construction projects, the Company takes out comprehensive construction insurance policies to protect the work, materials, and machinery from any accidental, sudden, or unforeseen event that may occur, whether due to natural causes or other circumstances that could result in a loss for the project.

Civil liability policies are also taken out to protect against damage caused to third parties during the execution of the works.

If contractually required, the Company shall provide guarantees in favor of the contracting party covering performance, quality, stability, payment of salaries and social benefits, and proper handling of advance payments, if applicable.

### 6.28. Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets.

### 6.29. Government subsidies

Subsidies are government grants in the form of transfers of resources to the Company in exchange for past or future compliance with certain conditions related to operating activities. These grants may be related to assets or income.

*Asset-related grants:* these are government grants whose award implies that the Company must purchase, construct or otherwise acquire fixed assets. Additional conditions may also be imposed restricting the type or use of the assets, or the periods during which they must be acquired or maintained.

*Income-related grants:* These are government grants other than those related to assets. In this case, the Company uses the income method, presenting the grant as part of the result for the period in the "Other income" line, once the required conditions and obligations have been met. If the resource is received before the conditions are met, it will be recognized as deferred income.

### 6.30. Basic earnings per share

Basic earnings per share are calculated by dividing the income attributable to Concreto shareholders by the weighted average number of common shares outstanding during the year, excluding, if any, common shares acquired by Concreto and held as treasury stock.

### 6.31. Environment

The costs arising from business activities aimed at protecting and improving the environment are recognized as an expense in the period in which they are incurred. When they involve additions to property, plant, and equipment, whose purpose is to minimize environmental impact and protect and improve the environment, they are recognized as an increase in the value of the fixed asset.

Concreto's guiding principle is the sustainability of its operations based on the premises of pollution prevention, conservation of natural resources, and the well-being of the community and the organization's employees.

We continuously monitor the environmental legal requirements associated with our activities and those of our contractors and suppliers, incorporating the applicable obligations into contracts and ensuring their compliance through prequalification, inspection, auditing, and performance evaluation tools.

Concreto has not generated any expenditures or investments that have undermined the protection and conservation of the environment.

## 7. SPECIFIC NOTES

### 7.1. Cash and cash equivalents

	December	
	2024	2023
Box	65,349	56,487
Banks	25,333,609	59,769,463
Short-term deposits		2,021
Short-term investments	79,868,946	23,014,045
Total cash and cash equivalents	105,267,904	82,842,016

The most significant changes are reflected in banks and short-term investments, due to movements in resources in the operating, investing, and financing activities of Concreto and the Consortiums.

The effective interest rates on short-term investments between 2023 and 2024 ranged from 19.69% to 5.91%, respectively, with an average maturity of 30 days.

There are no restrictions on cash and cash equivalents as of December 31, 2024.

### 7.2. Trade accounts receivable and other accounts receivable, net

	December 31	
	2024	2023
Customers (1)	43,703,960	45,272,678
Advances to suppliers(2)	15,113,799	44,952,175
Contract revenue receivable (See note 7.17.1)	166,855,161	156,336,443
Other accounts receivable (3)	87,909,823	77,604,095
Impairment (4)	(4,189,204)	(4,950,762)
Total current	309,393,539	319,214,629
Customers (5)	13,541,711	13,868,210
Impairment (4)	(13,718,175)	(13,897,102)
Other accounts receivable	216,094	29,421
Total non-current	39,630	529
Total	309,433,169	319,215,158

#### Aging of accounts receivable

	December 31	
	2024	2023
Not expired	304,095,917	313,222,010
01-90 days	3,571,064	3,863,046
91-180 days	291,934	1,611,595
181-360 days	1,474,254	518,507
Total	309,433,169	319,215,158

(1) The variation corresponds mainly to the collection of the portfolio incorporated from the Ciudad del Bosque PA and the Avenida Guaymaral, Universidad Javeriana (completed at Calle 45), and Cerro Matoso projects, as well as the increase in the portfolio incorporated from the Helios Road Consortium, among others.

(2) The variation corresponds to a net decrease in advances paid of \$29,827,876, which includes an increase of \$9,730,615, mainly in the Ciudad del Bosque PA Et 3 and in the Portorosso Stage 2, Contree Castropol, Ciudad del Bosque, Treebal, Chivor II Rehabilitation, and Calle 13 L1 Consortium projects, and a decrease of \$36,967,097 due to the amortization of advances paid mainly in the AV Bosa consortium, PA Parqueo VIS and PA Ciudad del Bosque ET 2 and for the Contree Palmas, Preoperativos lote Zuñiga, Avenida Guaymaral, Lote Asdesillas, Universidad Javeriana acabados and Transmilenio Av 68 G8 projects. In addition, there is an impairment of advances paid for more than 360 days in the amount of \$2,591,394.

(3) The variation corresponds mainly to the increase in amounts held as collateral for the Avenida Guaymaral, Transmilenio Avenida 68 Grupo 8, Transmilenio Avenida 68 Grupo 5, Avenida Primera de Mayo, and Ebar projects, which is partially offset by the refund of VAT balances for the construction of social housing projects.

(4) The balance corresponds mainly to the impairment of the customer portfolio in accordance with IFRS 9, including the impairment of the portfolio in the Promotora Parque Washington and Engineering and Services Projects, among others.

(5) The variation corresponds to the increase that includes outstanding customer balances expected to be recovered in the long term, adjusted to the new commercial conditions evaluated during the period. The most significant items include Hidroeléctrica Tarazá, Puente y Torones, Construcción Vías y Maquinarias, and Zeus Construcciones, as well as the write-off of the customer portfolio, such as Proyectos de Ingeniería y Servicios and Prabyc Ingenieros S.A.S.

#### Reconciliation of impairment of accounts receivable

	December 31	
	2024	
<b>Opening balance</b>	(18,847,864)	(29,352,814)
Impairment losses	(2,856,465)	
Portfolio write-off	2,899,217	302,381
Recoveries and/or utilizations.	897,733	10,202,569
<b>Final balance</b>	(17,907,379)	(18,847,864)

#### Aging of impaired trade accounts receivable

	December 31	
	2024	2023
Unpaid -120 days	105,877	81,133
121-180 days	23,569	167,290
181-360 days	145,399	60,527
More than 360 days	17,632,534	18,538,914
<b>Total</b>	<b>17,907,379</b>	<b>18,847,864</b>

- Concreto calculates expected losses on its customer portfolio on a quarterly basis, using the closing balance as of the end of the period and applying impairment percentages to the portfolio based on the probability determined from an analysis of the history of outstanding accounts receivable.
- The customers with the most significant deterioration are:
- Promotora Parque Washington \$10,741,466, judicial collection of monetary judgment in favor of Concreto. Current status: admitted by order issued on November 6, 2020, ordering payment. The last action on September 8, 2022, was to transfer the credit settlement to the defendant. This portfolio is 100% impaired.



- Participation through the Conciviles Consortium with accounts receivable for \$19,048,423 with a provisioned balance of \$3,523,541. Currently, there is a final judgment in favor of the consortium and against Metrocali, which entered into ley 550.
- Constructora Peifil Urbano S.A. \$997,799

### 7.3. Accounts receivable and accounts payable to related parties and associates

#### Accounts receivable from related parties by type of investment

	December 31	
	2024	2023
Subsidiaries	64,821,206	53,103,912
Associates	21,741,502	9,041,542
Joint ventures	3,246,322	4,379,889
Joint operations	21,191,313	14,822,501
Other accounts receivable	806,483	5,997,028
Impairment	(14,011,450)	(12,038,418)
Total current	102,795,376	75,306,454
Subsidiaries	41,428,000	54,986,788
Joint ventures	11,225,152	10,332,634
Joint operations	545,091	4,831,946
Other accounts receivable	18,438,838	16,999,013
Impairment	(4,677,313)	(4,706,734)
Total non-current	66,959,768	82,443,647
Total	169,755,144	157,750,101

(see detail in note 7.32)

#### Aging of accounts receivable from related parties

	December 31	
	2024	2023
Not past due	124,311,109	146,854,863
01-90 days	15,712,705	8,482,654
91-180 days	29,731,330	2,412,584
Total	169,755,144	157,750,101

#### Reconciliation of impairment with related parties:

	December 31	
	2024	2023
Opening balance	(16,745,152)	(97,581,009)
Impairment	(6,889,769)	
Portfolio write-off	1,393,351	
Portfolio recoveries	3,552,807	80,835
Final balance	(18,688,763)	( )

The balance in impairment mainly corresponds to the Montebianco, FAI Primavera Vis, Porto Rosso, and Bimbau projects, among others.

## Accounts payable to related parties by type of investment

	December 31	
	2024	2023
Subsidiaries	22,318,902	13,253,209
Associates	1,049,522	2,022,290
Joint ventures	4,073,188	3,500,000
Joint operations	5,630,270	19,368,596
Total current	33,071,882	38,144,095
Subsidiaries	8,309,994	8,719,749
Associates	10,403,653	23,445,665
Joint operations	28	62,710
Total non-current	18,713,675	32,228,124
Total	51,785,557	70,372,219

(see detail in note 7.32)

## Aging of related accounts payable

	December 31	
	2024	2023
Due	1,182,178	11,858,812
01-30 days	1,351,166	659,611
31-90 days	2,508,355	4,266,609
91-180 days	5,669,007	10,802,007
181-360 days	11,405,140	16,481,586
More than 360 days	29,669,711	26,303,594
Total	51,785,557	70,372,219

## 7.4. Other financial assets

	December 31	
	2024	2023
Other non-controlled investments	191,034,407	168,968,798
Financial assets at fair value	112,166,194	
Non-current	303,200,601	168,968,798
Total non-current	303,200,601	168,968,798

The increase in this item corresponds mainly to the transfer of the investment in the FCP (see note 2.7 for more details on the syndicated credit agreement).

The balance of investments in non-controlled companies now includes the investment in the Via 40 Express Concession with a 15% stake and the FCP with a 5.6% stake. During 2023, contributions were made for subordinated debt in the amount of \$14,457,804, and in 2024, in the amount of \$22,018,800. The equity investment in this company is not held for trading purposes but for medium- and long-term strategic purposes.

## 7.5. Inventories

	December 31	
	2024	2023
Developed land for construction (1)	103,569,295	107,487,378
Construction in progress (2)	52,817,132	46,502,182
Other inventories (3)	22,156,903	15,278,011
Real estate for sale (4)	30,108,978	32,212,723
Contracts in progress - Pre-operational (6)	22,574,122	21,865,083
Spare parts	5,678,045	5,391,251
Finished products	13,975	
Inventory impairment (5)	(5,948,490)	(3,500,007)
Total current assets	230,969,960	225,236,621
Spare parts	142,888	142,888
Total non-current	142,888	142,888
Total	231,112,848	225,379,509

(1) The balance consists of the Malachi, Las Mercedes, Parqueo VIS, and El Vinculo lots. The variation corresponds to the transfer of rights from the El Vinculo trust.

(2) The variation corresponds to the transfer of costs in accordance with the work reports submitted to the trusts. These reports reflect the progress made in the construction of the projects, mainly in the Ciudad del Bosque ET 2 and 3, Contree Palmas, and Nuevo Poblado projects.

(3) The main variation in the other inventories item is mainly due to the increase in materials for the execution of the Rehabilit Chivor II, AV Guaymaral, Contree Castropol, Intersección AV Bosa, and Calle 13 projects.

(4) The main variation is due to the sale of the Torre Atlántica office and the sale of the premises and bubbles in Guatapuri.

(5) Reconciliation of inventory impairment:

	December 31	
	2024	2023
<b>Opening balance</b>	(3,500,007)	(4,162,175)
Impairment losses	(2,448,483)	(303,927)
Recoveries and/or utilizations		966,095
Final balance	(5,948,490)	( )

(') The change in inventory impairment corresponds to the loss due to obsolescence and inventory differences for the period.

(6) The inventory of contracts in progress according to the line of business is as follows:

	December	
	2024	2023
Housing	17,559,162	18,300,276
Construction	5,014,960	3,564,807
Total contracts in progress	22,574,122	21,865,083

## 7.6. Income tax 7.6.1.

## Regulations

Income tax expense includes current income tax, calculated at a nominal rate of 35%. To determine taxable income, income and expenses are considered in accordance with accounting standards, paying special attention to the limitations and conditions for deductions established in tax regulations. In addition, capital gains tax is calculated separately from net income, applying a rate of 15% starting in 2023.

Likewise, since 2023, the minimum tax rate has been in effect, for which the companies in the group calculate their tax liability considering the tax rate and adjusted income, distributing the additional tax in proportion to their individual adjusted income. This is done in order to maintain a minimum tax rate of 15% for consolidated taxation during the corresponding period.

Finally, deferred tax corresponds to deductible and taxable temporary differences arising between a company's accounting base and its tax base. Deductible temporary differences represent expenses or losses that are recognized earlier in the accounts than in the tax return, generating a deferral in the payment of the corresponding tax. On the other hand, taxable temporary differences are income or gains that are recognized earlier in the tax return than in the accounting records, leading to a deferral in the deduction of taxes. These tax deferrals are reflected in the company's balance sheet as deferred tax assets or liabilities, depending on whether they generate a lower or higher tax liability in the future.

## 7.6.2. Deferred income tax

	December 31	
	2024	2023
Deferred tax asset		
Construction contracts	29,506,330	13,154,466
Operating leases	173,563	243,557
Inventories	205,136	161,060
Deferred and intangible assets	886,008	1,286,387
Amortized cost of accounts receivable		1,248
Impairment of accounts receivable	210,978	331,876
Foreign currency revaluation		724,789
Consortia and temporary joint ventures	574,595	
Tax loss	50,646,329	55,119,542
<b>Total deferred tax assets</b>	<b>82,202,939</b>	<b>71,022,925</b>
Deferred tax liabilities		
Fixed assets under lease	3,446,967	4,166,702
Consortia and temporary joint ventures		2,720,038
Amortized cost liabilities	1,479,186	2,336,335
Separate assets	13,245,399	13,835,402
Private equity fund	14,419,092	103,719,350
Foreign currency revaluation	210,475	
Other	238,457	238,459
<b>Total deferred tax liabilities</b>	<b>33,039,576</b>	<b>127,016,286</b>
<b>Total net deferred tax (asset)</b>	<b>49,163,363</b>	<b>(55,993,361)</b>

The movement in deferred tax during the period was as follows:

	December 31	
	2024	2023
Balance as of January 1, (liability) net	(55,993,361)	(44,003,370)
Charge to income statement	105,156,725	(11,987,495)
Charged to other comprehensive income	(	(2,496
Balance as of December 31, net <b>assets (liabilities)</b>	49,163,362	(55,993,361)

Deferred tax assets arise mainly from the recognition of tax losses, which amount to \$144,703,795. It is estimated that these will be recovered over the next three years, based on the expected net margin of the infrastructure project backlog and the results of the housing and investment businesses.

Likewise, temporary deductible items resulting from the application of deduction limitations in construction contracts and portfolio impairments.

The decrease in deferred tax liabilities is mainly attributable to the realization of income from the exchange of private equity fund units.

#### 7.6.3. Current tax assets and liabilities

	December 31	
	2024	2023
Balances in favor in private settlement (1)		25,447,960
Withholding taxes at source (2)		180,915
Tax deduction withholding (3)	4,192,136	1,113,811
Advance tax payments (4)	703,113	700,754
Total current tax assets	4,895,249	27,443,440
Income tax liabilities (5)	12,294,212	
Total current tax liabilities	12,294,212	

(1) This corresponds to the recognition of the credit balance in the income tax return for the 2023 tax year, which was requested and refunded in 2024.

(2) The value in 2023 corresponds to the self-withholding on deferred income, which was offset in 2024.

(3) The balance recorded for 2024 corresponds mainly to the VAT tax credit that will be deducted in the taxable period that meets the requirements of the tax regulations.

(4) Tax advances correspond to withholding tax applied by Conconcreto Internacional on profits generated. For the parent company, this is a tax advance that will be deducted when the dividend is declared.

(5) This corresponds to the capital gains tax resulting from the sale of fixed assets and investments that meet the regulatory requirements to be taxed at a rate of 15% on profits.

## 7.6.4. Income tax

The income tax expense is as follows:

	December 31	
	2024	2023
(Income) deferred tax expense (1)	(105,156,725)	11,987,495
Current tax expense (2)	41,919,724	752,836
Minimum tax expense (3)		3,657,308
(Income) expense for taxes from previous years	(137,248)	767,759
<b>Total</b>	<b>(63,374,249)</b>	<b>17,165,398</b>

(1) For 2024, the main changes in deferred tax correspond to assets for tax losses, construction contracts, special purpose entities, and liabilities for private equity funds.

(2) Corresponds to the value generated by income tax

## 7.6.5. Effective tax rate

	December 31	
	2024	2023
Accounting profit before taxes	(259,158,531)	34,538,977
<b>Tax rate applied %</b>	<b>35</b>	<b>35</b>
Total taxes at the applicable tax rate	(90,705,486)	12,088,642
Tax effect of income from ordinary activities exempt from taxation	(2,445,761)	(1,955,391)
Other tax effects at minimum rate		3,657,308
Tax effect of non-deductible expenses for determining the taxable profit	24,087,979	7,909,054
Other tax effects from reconciliation between accounting profit and tax expense.	5,689,019	(4,534,215)
<b>(Income) expense for effective taxes</b>	<b>(63,374,249)</b>	<b>17,165,398</b>
<b>Average effective rate %</b>	<b>24.45</b>	<b>49.70</b>

The effective tax rate is 24.45% and 49.70% for the periods ended December 31, 2024 and 2023, respectively. The rate is affected by:

- Income from equity method accounted for in the financial statements, which is considered non-taxable.
- Non-taxable income received corresponding to dividends from Colombian companies.
- Gains from fair value of investment properties measured at the capital gains rate.
- Non-deductible expenses corresponding to permanent and temporary differences, mainly due to limitations on deductions in construction contracts, which will become deductible once the projects are completed.
- In 2023, the tax base and tax were affected by the termination of Concreto's participation in the Route 40 contract.

### 7.6.6. Uncertain tax positions

Based on reviews conducted as of December 31, 2024, management has not identified any uncertain tax positions for the tax periods that the DIAN has the authority to review.

The company has filed its tax returns within the deadlines established by current regulations. However, those corresponding to the 2020 and 2023 periods are still subject to review by the tax authorities.

### 7.7. Assets and liabilities held for sale

	December	
	2024	2023
Investment in subsidiaries (1)	16,932,003	45,190,935
Investment in associates (2)	15,879,135	
Investment properties (3)	11,700,000	64,161,500
Total assets held for sale	44,511,138	109,352,435
Liabilities related to investment properties (4)	10,028,295	11,440,530
Total liabilities related to assets held for sale	10,028,295	11,440,530

#### Assets:

(1) The decrease is mainly due to the reclassification of the residential rental business held for sale to investments in subsidiaries, in accordance with the completion of the sale of the underlying assets. In addition, there is a refund of contributions from the Torre Salamanca residential rental trust for \$11,373,208 and recognition of impairments for \$3,106,494.

The balance is represented by the following investments:

- Super Lot 1
- Lot A for future development
- P.A Torre Salamanca Rental Property
- Lot 3 and Lot C for future development

(2) The increase in this item is due to the reclassification of the investment in the FCP negotiated as an exchange in payment of the syndicated loan, which is expected to take place in 2025 (see note 2.7 for more details on the syndicated loan negotiation).

(3) The investment properties for sale are represented in the BBB Equipos lot. The main variation is due to the reclassification of the Palmas Lot as an investment property and the transfer of rights in the Caldas Lot PA, where it had a 25% stake.

As of December 2024, directly and through specialized third parties, the Company continues to market the assets held for sale. All Torre Salamanca residential rental assets are being marketed through the sales offices of Concreto and Cáceres y Ferro. These assets are expected to be sold in accordance with the dynamics and market conditions for this type of property.

#### Liabilities:

(4) This corresponds to the obligation to Bancolombia for the financial lease of the BBB warehouse equipment, which has a 1% purchase option payable at the end of the contract. The variation compared to December 2023 in the amount of \$1,412,235 corresponds to the payment of the obligation.



## 7.8. Property, land, and equipment, net

	Real estate	Machinery and vehicles	Other	Total
<b>Balance as of 01/01/2023</b>	29,545,268	177,846,052	5,222,320	212,613,640
<b>Acquisitions</b>	455,939	4,169,263	335,522	4,960,724
<b>Use rights</b>	3,324,144	158,218		3,482,362
<b>Withdrawals</b>	(6,832,693)	(75,862,822)	(2,102,387)	(84,797,902)
<b>Depreciation</b>	(4,482,670)	(18,442,447)	(1,015,948)	(23,941,065)
<b>Balance as of 12/31/2023</b>	22,009,988	87,868,264	2,439,507	112,317,759
<b>Acquisitions (1)</b>		18,286,080	599,483	18,885,563
<b>Use rights (2)</b>	721,679	97,593		819,272
<b>Withdrawals (3)</b>	(15,813)	(4,682,826)	(527,122)	(5,225,761)
<b>Depreciation</b>	(3,931,855)	(12,584,099)	(651,987)	(17,167,941)
<b>Transfers</b>	64,300		13,340	77,640
<b>Balance as of 12/31/2024</b>	18,848,299	88,985,012	1,873,221	109,706,532

## (1) Acquisitions

Details	Machinery and vehicles	Other assets	Total
Gonconcreto	15,118,273	576,008	15,694,281
ConsortGos	3,167,807	23,475	3,191,282
<b>Total</b>	<b>18,286,080</b>	<b>599,483</b>	<b>18,885,563</b>

## (2) Rights of use

Details	Real estate	Vehicles	Total
<b>Administrative offices</b>	80,756		80,756
<b>Girardota Headquarters</b>	545,648		545,648
<b>Vehicles</b>		94,785	94,785
<b>Project offices</b>	29,159		29,159
<b>Consortium Office</b>	66,116	2,808	68,924
<b>Total</b>	<b>721,679</b>	<b>97,593</b>	<b>819,272</b>

## (3) Withdrawals

The main variation in decreases corresponds to the sale of machinery from the formwork line.

## 7.9. Investment properties

	Total
Balance as of 01/01/2023	6,927,653
Fair value adjustments	(658,228)
Balance as of 12/31/2023	6,269,425
Purchases	2,945,475
Withdrawals	(1,472,466)
Transfers	51,265,000
Fair value adjustments	866,849
Balance as of 12/31/2024	59,874,283

The variation corresponds to the reclassification of the Palma Lot as investment property and the acquisition of fiduciary rights in the Asdesillas PA. The balance of investment property now includes the Palma Lot, which has a promise to establish a trust, and the Asdesillas Parking Lot. To date, these assets are recognized at fair value, supported by the latest appraisal performed in December 2024.

## 7.10. Investments in subsidiaries, associates, and joint ventures

	December 31	
	2024	2023
Subsidiaries	449,791,192	390,258,033
Associates	84,395,626	1,029,370,476
Joint ventures	27,579,812	31,102,960
<b>Total</b>	<b>561,766,631</b>	<b>1,450,731,468</b>

	Subsidiaries	Associates	Joint Ventures	Total
Balance as of 12/31/2023	390,258,033	1,029,370,475	31,102,960	1,450,731,468
Effect of TRM conversion (1)	24,274,786			24,274,786
Fair value changes (2)		38,275,753		38,275,753
Additions (3)	29,270,323	15,827,218		45,097,541
Participating interest method (See note 7.23)	193,661			193,661
Decreases (4)	(7,841,321)	(19,467,633)		(27,308,954)
Impairment		(4,813,155)	(3,523,148)	(8,336,303)
Exchange in payment FCP units (6)		(754,860,846)		(754,860,846)
Repurchase by the fund of FCP units (6)		(96,357,806)		(96,357,806)
Dividends	(746,800)			(746,800)
Transfers (5)	14,382,510	(123,578,379)		(109,195,869)
Balance as of 12/31/2024	<b>449,791,192</b>	<b>84,395,627</b>	<b>27,579,812</b>	<b>561,766,631</b>

(1) Effect of conversion to the closing TRM of investments in: Concreto Internacional \$13,942,792 and Concreto LLC for \$11,031,426.

(2) Fair value in associates due to the change in the unit value of the Private Equity Fund.

(3) In subsidiaries, this corresponds to transfers for contributions to Concreto LLC for \$19,039,594 and for contributions mainly to PA Porto Rosso, Rúa, and Zanetti for a total of \$9,815,890. In associates, this mainly refers to contributions to the separate assets of Devimas, Caballeros de la Virgen and Villa Viola for \$13,913,592; and to the capitalization of interest on subordinated debt of Sociedad Doble Calzada Oriente for \$1,913,626 and Via Pacifico for \$4,466,953.

(4) The decreases are presented in: subsidiaries due to the refund of contributions, mainly in the Zanetti, Renta vivienda Madeiro, and Zanetti Torre 4 autonomous equity accounts. In associates, the withdrawal due to the sale of the stake in Glasst Innovation for \$1,500,000 and the refunds of contributions from PA Demás, amounting to \$17,858,328.

(5) The variation corresponds mainly to the reclassification of the investment in the FCP to non-controlled investments in accordance with the loss of significant influence in the business, with negative results (see note 2.7 for more details on the syndicated credit negotiation), to the impairment of contributions via loans. Likewise, to the reclassification of the Residential Rental businesses held for sale to investments in subsidiaries.

(6) This corresponds to transactions resulting from the closure of the syndicated loan negotiation, where units of the FCP were delivered (see note 2.7 for more details on the syndicated loan negotiation).

The financial information on investments is detailed below:

	DIC-2024		
	Subsidiaries	Associates	Joint ventures
Current assets	994,771,447	428,889,978	48,506,069
Non-current assets	404,943,422	2,698,741,339	106,415,503
Current liabilities	810,808,991	341,783,467	41,070,676
Non-current liabilities	138,599,764	177,319,096	32,760,636
Equity	450,306,114	2,608,528,754	81,090,260
Results for the period	8,417,843	267,580,042	6,635,131
Ordinary income	158,756,478	214,219,128	51,719,826

	DIC-2023		
	Subsidiaries	Associates	Joint ventures
Current assets	943,213,032	433,537,522	55,493,091
Non-current assets	351,801,611	2,883,056,620	97,041,725
Current liabilities	698,474,433	273,684,425	37,766,104
Non-current liabilities	177,938,638	273,714,649	31,455,100
Equity	418,601,572	2,769,195,068	83,313,612
Results for the period	(2,794,003)	226,492,747	(13,432,096)
Ordinary income	255,950,467	229,258,699	82,319,373

### 7.10.1. Share of joint operations

Joint operations are recognized line by line in the Company's results. The following table summarizes the main joint operations in which the Company participates:

Entity - Activity	%	Headquarters
<b>Consortia and Temporary Joint Ventures construction projects in operation</b>		
CC Sofan 010	60.00	Bogotá
Ruta del Sol / Helios Road	3	Bogotá
CC 2023 Consortium	70	Bogotá
CC L1 Consortium	75	Bogotá
OECD	25.00	Marinilla
CC AV Bosa Consortium	75	Bogotá
SBC-CC MUELLE 5 Consortium	45	Bogotá
CC Consortium - P7MA L 3	40.00	Bogotá
El Gaco Consortium	90	Bogotá
Unión Temporal Concour	53.24	Bogotá
<b>Consortiums for construction projects that are no longer in operation</b>		
Binational Bridge	55.2	Villa del Rosano
Conciviles CC	60	Cali
Conlínea 2	35	Chía
Conlínea 3	35	Chía
Puerto Colombia	50	Bogotá
Cusiana	60	Bogotá
La Línea	50	Chía
RDS1	33	Bogotá
CC- Sofan - Dumar	75	Bogotá
CCC Ituango	35	Medellin
CC - Pavcol Perdono	50	Bogotá
DCO Construction Consortium	55	Marinilla
Building 125 / Javeriana University	43.8	Bogotá
Llanogrande "Conllanos"	28.65	Marinilla
<b>Autonomous heritage - housing projects</b>		
Life	33	Puerto Colombia
Forest City Project	50	Sabaneta
Allegro Barranquilla	40	Barranquilla
Mint	33	Puerto Colombia
Portal del Sol	50	Soledad
<b>Autonomous assets - investment projects</b>		
Caldas Lot	16	Caldas
Las Mercedes Lot	50	Bogotá
Vis Parking Lot	29.46	Soacha
El Vinculo I	41.14	Soacha
FAI Households Soacha Malachi	51	Bogotá
Lote Asdesillas	25	Sabaneta

Autonomous **assets - own-use vehicles**

P.A Concreto - Canal Bank	100	Medellin
CCC IDU 349-G5	100	Medellin
CCC IDU 352-G8	100.00	Medellin
Concrete - Cerromatoso	100	Medellin
P.A Garantia Via 40	100	Medellin
TM Soacha	100	Bogotá
Irrevocable Guarantee Trust Bellin	100	Medellin

The results from joint operations according to their activity are as follows:

	2024	2023
Construction projects	14,469,681	17,326,124
Housing projects	(1,362,754)	(1,490,492)
Investment projects	(3,270,704)	5,733,984
Total	9,836,223	21,569,616

7.10.2.Foreign branch

The following table shows the relevant balance sheet and income statement figures for the Branch.

	DIC-2024			
	COP	USD	COP	USD
Cash and cash equivalents	5,088	1,154	18,271	4,781
Trade accounts receivable	194	44	2,640	691
Current tax assets	17,712	4,017	15,354	4,017
Total assets	22,994	5,215	36,265	9,489
Trade accounts payable			194	51
Related accounts payable	6,614	1,500		
Total liabilities	6,614	1,500	194	51

	DEC-2024		DEC-2023	
	COP	USD	COP	USD
Cost of sales	(3,902)	(958)	(7,016)	(1,622)
Administrative and selling expenses	(17,764)	(4,363)	(28,868)	(6,675)
Financial costs	(1,630)	(400)	(2,292)	(530)
Profit for the period	(23,296)	(5,721)	(38,176)	(8,827)

The effect of the recognition conversion of the branch in the financial statements is 3,608\* reflected in other comprehensive income. \*Profit / (Loss)

### 7.11. Intangible assets other than goodwill

	Trademarks	Licenses, concessions, and franchises	OTHER	Total
Balance as of 01/01/2023	195,090	2,190,756	1,453,281	3,839,127
Acquisitions		2,344,367	5,877	2,350,244
Amortization		(2,684,001)	(1,459,721)	(4,143,722)
Withdrawals		(408,536)		(408,536)
Transfers		6,136	563	6,699
Balance as of 12/31/2023	195,090	1,448,722		1,643,812
Acquisitions (*)		2,474,672		2,474,672
Amortization		(2,424,468)		(2,424,468)
Transfers		(346,517)		(346,517)
Balance as of 12/31/2024	195,090	1,152,409		1,347,499

(\*) Acquisitions in 2024 are as follows:

	Licenses, concessions, and franchises
Microsoft 365 license	986,486
Intangible Sap Grow	1,082,394
Power BI License	4,766
Prect P3 license	23,868
Teams Rooms Pro license	1,872
Teams Phone Standard License	3,429
Architecture Engineering & Construction License	371,857
<b>Total</b>	<b>2,474,672</b>

### 7.12. Leases

The contracts relate to leased movable and immovable property. Disclosures relating to IFRS 16 are provided in the following notes: Assets for right-of-use - note 7.8, liabilities for leases - note 7.12.1, lease expenses - note 7.20.

#### 7.12.1. Lease liabilities.

Lease liabilities have the following maturity dates:

	December 31	
	2024	2023
Three months	1.068.857	1.838.541
Six months	1.051.426	1.792.410
One year	1.451.469	2.771.743
<b>Total current</b>	<b>3.571.752</b>	<b>6.402.694</b>

Three years	1,881,794	3,934,550
Five years	741,787	1,046,312
More than 5 years	1,986,069	2,033,018
Total non-current	4,609,650	7,013,880
Total	8,181,402	13,416,574

The main change in lease liabilities is due to the company making capital payments of \$7,322,900. Similarly, it incurred and paid interest expense as of December 31, 2024, of \$3,522,792 at an average effective rate of 16.49%.

### 7.13. Financial Obligations

	December 31	
	2024	2023
Loans	118,055,643	124,200,005
Corrientes	118,055,643	124,200,005
Loans	31,174,287	532,547,182
Non-current	31,174,287	532,547,182
Total financial liabilities	149,229,930	656,747,187

Financial obligations have an interest rate indexed to the IBR. At December 31, 2024, the average rate was 14.24% E.A. The change in obligations is

mainly due to:

- The decrease in the syndicated loan, resulting from the exchange of the Company's share in the Pactia Private Capital Fund (FCPP). (See note 2.7 for more details on the syndicated loan negotiation)
- The credit note from: Consorcio CC Calle 13 for \$17,566,919, Consorcio Vial Helios for \$5,455,272, Consorcio CC Intersección Bosa for \$4,529,876 and Consorcio CC Sofan 010 for \$2,400,000.
- Payment of PA Cerromatoso obligations for \$2,113,353 and other payments for \$5,285,055.
- Payments for subrogations and pro rata shares of construction loans for \$9,864,025.
- New disbursements for: Autonomous Equity FTP Calle 13 for \$29,084,582, Autonomous Housing Equity for \$4,501,593, the Patio Portal El Vinculo project for \$13,240,380, and for the operation for \$4,718,964.
- AI payment of accounts payable for interest in the amount of \$19,434,739.

AI As of December 31, 2024, the company has no indications of breach of the covenants.

#### Financial obligations by maturity date

	December 31	
	2024	2023
Three months	28,385,911	15,786,009
Six months	27,432,859	13,826,579
One year	62,236,872	94,587,417
Three years	20,649,424	332,537,155
Four years	10,524,864	200,010,027
Total	149,229,930	656,747,187



## 7.14. Trade accounts payable and other accounts payable

	December 31	
	2024	2023
Deferred contract revenue (see note 7.17.1)	26,759,03	7,318,715
Accrued expenses (1)	17,457,864	13,989,715
Suppliers (2)	99,659,417	67,318,787
Other accounts payable (3)	17,905,913	23,043,359
Labor (see note 7.14.1)	10,608,480	14,130,067
Tax	19,149,786	21,185,689
Creditors (4)	5,729,144	6,783,635
Dividends payable	198,152	92,737
<b>Total current</b>	<b>197,467,792</b>	<b>153,862,704</b>
Creditors	11,059,078	12,636,050
Other accounts payable		318,418
<b>Total non-current</b>	<b>11,059,078</b>	<b>12,954,023</b>
<b>Total accounts payable</b>	<b>208,526,870</b>	<b>166,816,727</b>

The trade accounts and other accounts payable item includes amounts payable to suppliers and creditors for the purchase of goods, services rendered, deferred income under IFRS 15 in construction contracts, taxes, among others, where the most significant changes correspond to:

(1) The variation corresponds to a net increase of \$3,468,149, generated by an increase of \$10,372,763 associated mainly with the AV Guaymaral, Porto Rosso, and Cerromatoso Equipos projects, through the Muelle 5, Av Bosa and Calle 13 Lote 1, and a decrease of \$6,904,614 mainly in the Ciclorruta Calle 116, Ciudad del Bosque, Transmilenio Grupo 5 Taller Ani-regiotrans and Patio Portal El Vinculo projects. This increase is explained by the increase in the operation of the Muelle 5, Av Bosa and Calle 13 Lote 1 consortia.

(2) The variation corresponds to a net increase of \$32,340,630. This increase consists of an increase of \$54,964,048 in accounts payable through Consorcio Calle 13 L1 and to suppliers for the Avenida Guaymaral, Transmilenio AV 68 GS, Ebar, Consorcio Muelle 5, Chivor II Rehabilitation, and Puente AV 68 Primero de Mayo projects. This figure is partially offset by a decrease of \$22,623,418 in accounts payable through the El Gaco consortium and suppliers for the Ciclorrutas Calle 116, Transmilenio AV 68 G8, Patio Portal el Vinculo, and Zanetti Etapa 3 T4 projects. The increase is represented by the increase in operations of the Calle 13 L1 consortium, the Muelle 5 consortium, and the Av Guaymaral and Ebar projects.

(3) The variation corresponds to a net decrease of \$5,137,446, resulting from a reduction in liabilities of \$11,992,766 for the Transmilenio AV 68 GS, Ciclorruta Calle 116, Transmilenio AV 68 G8, and PA Ciudad del Bosque Et 2, and an increase of \$6,855,321, mainly in the execution of the Avenida Guaymaral, Cerromatoso equipos, Porto Rosso ET 2, and PA Ciudad del Bosque Et 3 projects.

(4) The variation corresponds to a net decrease of \$1,054,490, mainly in the Muelle 5 consortium and the Patio Portal El Vinculo project.

*Aging of accounts payable*

	December 31	
	2024	2023
<b>Due</b>	<b>125,923,953</b>	<b>97,320,513</b>
<b>30-90 days</b>	<b>49,449,378</b>	<b>44,842,305</b>
<b>91-180 days</b>	<b>13,996,975</b>	<b>14,097,211</b>
<b>181-360 days</b>	<b>14,563,373</b>	<b>6,834,569</b>
<b>More than 360 days</b>	<b>4,593,191</b>	<b>3,722,129</b>
<b>Total</b>	<b>208,526,870</b>	<b>166,816,727</b>

7.14.1. Employee benefits

	December 31	
	2024	2023
<b>Social security</b>	<b>1,939,267</b>	<b>2,548,142</b>
<b>Payroll contributions</b>	<b>203,173</b>	<b>177,730</b>
<b>Salaries and benefits</b>	<b>8,466,040</b>	<b>11,404,195</b>
<b>Total</b>	<b>10,608,480</b>	<b>14,130,067</b>

7.15. Estimated liabilities and provisions

Contingent  
liabilities:

	Onerous contracts	Legal	Other	Total
<b>Balance as of 01/01/2023</b>	<b>210,948,308</b>	<b>2,881,989</b>	<b>21,482,194</b>	<b>235,312,491</b>
<b>Increases</b>	<b>450,910</b>	<b>323,036</b>	<b>7,881,988</b>	<b>8,655,934</b>
<b>Utilizations</b>	<b>(210,367,746)</b>	<b>(6,553)</b>	<b>(14,630,842)</b>	<b>(225,005,141)</b>
<b>Recoveries</b>		<b>(2,597,737)</b>		<b>(2,597,737)</b>
<b>Balance as of 12/31/2023</b>	<b>1,031,472</b>	<b>600,735</b>	<b>14,733,340</b>	<b>16,365,547</b>
<b>Increases</b>	<b>20,864,906</b>		<b>15,296,105</b>	<b>36,161,011</b>
<b>Utilizations</b>		<b>(24,369)</b>	<b>(8,880,882)</b>	<b>(8,905,251)</b>
<b>Recoveries</b>			<b>(148,258)</b>	<b>(148,258)</b>
<b>Balance as of 12/31/2024</b>	<b>21,896,378</b>	<b>576,366</b>	<b>21,000,305</b>	<b>43,473,049</b>

Non-current:

	Legal	Other	Total
<b>Balance as of 01/01/2023</b>	<b>376,291</b>	<b>1,163,188</b>	<b>1,539,479</b>
<b>Increases</b>	<b>62,590</b>		<b>62,590</b>
<b>Balance as of 12/31/2023</b>	<b>438,881</b>	<b>1,163,188</b>	<b>1,602,069</b>
<b>Increases</b>	<b>46,082</b>		<b>46,082</b>
<b>Balance as of 12/31/2024</b>	<b>484,963</b>	<b>1,163,188</b>	<b>1,648,151</b>

Onerous contracts: Estimation of future costs for current commitments due to increases in the prices of main inputs beyond the contract adjustment indices, mainly in the Transmilenio AV 68 G8, Transmilenio AV 68 GS, Ciclorruta 116, and Universidad Javeriana Acabados projects.

Legal: Currently, the provision balance corresponds to environmental sanctions of \$323,036 and labor contingencies of \$253,330. In the non-current liabilities section, the provision corresponds to the actuarial calculation, with a total balance for this item of \$484,964.

Other:

Decreased due to the use of the provision for estimated costs and expenses of 2,023, invoiced in 2024, and increased due to the provision for costs and expenses for 2024, which will be invoiced in 2025, for \$4,964,494, and from consortiums, mainly from the AV Bosa consortium.

#### 7.16. Other non-financial liabilities

	December 31	
	2024	2023
Current advances received (1)	133,764,558	170,254,332
Other liabilities	343,105	214,513
Current	134,107,663	170,468,845
Non-current advances received (2)	78,813,835	82,339,502
Non-current	78,813,835	82,339,502
Total non-financial liabilities	212,921,498	252,808,347

(1) The decrease is due to the amortization of advances received for the Av Guaymaral, Transmilenio AV 68, Ebar, and Av Primera de Mayo projects.

(2) The balance is mainly composed of advances for the Malachi lot, and the decrease corresponds mainly to the reclassification of advances incorporated from the Ciudad del Bosque, Ampliación Guatapurí, PA Mint, and Lote Asdesillas projects in accordance with regulatory analysis.

#### 7.17. Income from ordinary activities

	Year ended December 31	
	2024	2023
Revenue from contracts with customers	356,941,411	582,591,063
Other income from ordinary activities	78,279,501	104,362,835
Dividend income	47,773,856	44,529,411
Discounts granted	(84,403)	(71,067)
Total income from ordinary activities	482,910,365	731,412,242

The categories of income from ordinary activities are as follows:

	Year ended December 31	
	2024	2023
Fixed-price construction revenue	225,045,635	342,360,246
Revenue through consortiums	82,060,848	157,523,781
Income from services	21,964,969	31,208,398
Autonomous property income	16,704,374	44,518,446
Activities related to construction	10,379,405	6,368,041
Income from delegated administration fees	786,180	612,151
Subtotal income from contracts with customers	356,941,411	582,591,063
Income from dividends and equity investments (*)	47,773,856	44,529,411
Subtotal dividends	47,773,856	44,529,411
Revenue from leasing real estate and equipment	48,455,643	54,580,789
Financial income from concessions and subordinated debt	29,529,130	49,239,481
Other income	294,728	542,565
Discounts granted	(84,403)	(71,067)
Subtotal other income from ordinary activities	78,195,098	104,291,768
Total	482,910,365	731,412,242

(\*) In 2024, the following entities have declared surplus dividends and/or returns:

- Companies: Pactia S. A. S. \$5,175,384, Grupo Heroica S.A.S. \$998,734, and Devimed S.A. \$66,970
- Autonomous assets: Devimed \$27,594,703 and Villa Viola \$119,924
- Private Capital Fund: \$13,818,141

*Revenue from ordinary activities by segment*

	Year ended December 31	
	2024	2023
Construction 1 ( )	326,739,600	509,625,123
Investments	13,248,932	31,661,775
Corporate	10,832,856	11,690,399
Housing (2)	6,120,023	29,613,766
Ordinary activities, industry, and services	356,941,411	582,591,06
Investments	47,773,856	44,457,789
Corporate		71,622
Dividend income	47,773,856	44,529,411
Construction	47,759,977	54,470,508
Investments	29,975,433	49,593,940
Corporate	536,627	273,519
Housing	7,464	24,868
Other income from ordinary activities	78,279,501	104,362,835
Construction	(84,403)	(71,067)
Discounts granted	(84,403)	(71,067)
Total	482,910,365	731,412,242

(1) The variation corresponds mainly to the termination of Constructora Concreto's participation in the Ruta 4 Consortium for the year 2023, representing income of 98,305,953.

(2) The variation in income from housing projects during the current year is mainly due to the completion of the Mint Project. In 2023, significant income was recognized from the deed transfer of the last stage of the project.

For 2024, the deed process corresponds only to the last units, which has generated a lower level of income associated with this project.

It should be noted that the Mint Project was developed as a joint operation, and the Company's participation in this operation has been recognized in the associated revenues and costs.

#### 7.17.1. Revenue receivable and deferred revenue

The year-over-year changes in accounts receivable and deferred income, based on customer satisfaction, are detailed below:

	Year ended December 31	
	2024	2
<b>Revenue and refunds receivable</b>		
Revenue from contracts with customers (1)	89,080,925	124,712,434
Revenue through consortiums (2)	77,774,236	31,624,009
Total income receivable	166,855,161	156,336,443
<b>Deferred income and refunds</b>		
Revenue from contracts with customers (3)	26,539,704	6,619,897
Revenue through consortia (4)	219,332	698,818
Total deferred income	26,759,036	7,318,715

Deferred income is presented for differences between customer billing and revenue recognition using the resource method. During 2024, the main changes are as follows:

Revenue receivable:

(1) Net decrease of \$35,631,508, representing a decrease of \$43,107,183 due to changes in the conditions of the Transmilenio Av 68 G8 and G5 projects and the effect on the billing of the Avenida Guaymaral project, partially offset by the progress of work, mainly on the Ebar and Avenida Primera de Mayo projects, in the amount of \$7,475,674.

(2) Net increase of \$46,150,228, resulting from an increase of \$47,793,986 in work progress, mainly in the Calle 13, Bosa, El Gaco, and Corredor Verde consortiums, partially offset by the decrease in the effect of billing in the Ruta del Sol and Muelle 5 consortiums in the amount of \$1,643,758.

Deferred income:

(3) Net increase of \$19,919,807, resulting from an increase of \$26,489,095, mainly in the Avenida Guaymaral and Chivor II Rehabilitation projects, and a decrease of \$6,569,288 due to the realization of income mainly in the Javeriana University, Nueva Sede Oriente, and Taller ANI Regiotram projects.

(4) Decrease of \$479,486 in the DCO and CC Sofan 010 consortiums.

#### 7.17.2. Main contracts with customers

As of December 2024, the following are the main projects under construction

Project	Participation Concreto progress	Project	Completion completion
Patio Portal el Vínculo	100	78	Jun-25
Transmilenio AV68 G8	100	68	Feb
Transmilenio AV68 GS	100	89	Dec-24
Consortio Intersección Av Bosa	75	43	Jan-26
AV 68 Bridge with Pirmira Mayo	100	67	May
Guaymaral Avenue	100	44	Nov-25
Consortium Calle 13 Lot 1	75	11	Jun
Green Corridor Consortium	40	2.5	Dec-27
ElGaco Consortium	90	3.73	Oct

Recognized income from these projects in 2024 amounts to \$228,721,249.

#### 7.18. Cost of sales

Year ended December 31

	2024	2023
Cost of industry and services (*)	469,601,850	599,652,294
Loss on sale of fixed assets	604,695	3
Fines, penalties, and compensation	476,173	2,507,377
Loss on disposal of other assets	198,822	241,509
Conditional trade discounts	(98,807)	(158,326)
<b>Total</b>	<b>470,782,733</b>	<b>602,638,431</b>

(\*) Mainly related to the construction business, which is carried out through consortiums and directly.

*Breakdown of industry and service costs*

	Year ended December 31	
	2024	2023
Production or operating costs	308,604,400	373,056,115
Personnel costs	107,108,406	142,381,589
Cost of sales of goods and services	16,799,360	40,637,477
Depreciation of property, plant, and equipment	14,298,382	20,067,127
Financial costs of joint ventures	9,803,631	3,196,590
Tax costs	6,189,141	9,122,984
Lease expense	3,135,542	4,215,925
Depreciation cost of usage rights	2,058,267	3,084,148
Other	1,604,721	3,890,339
<b>Total</b>	<b>469,601,850</b>	<b>599,652,294</b>

**7.19. Other income**

The following is a breakdown of other income:

	Year ended December 31	
	2024	2023
Other miscellaneous operating income (1)	6,260,959	41,573,148
Gain on disposal of fixed assets (2)	6,041,236	3,336,586
Gain on disposal of investments (3)	3,371,076	16,076,351
Gains on settlement of litigation (4)	247,293	115,759
Fines, penalties and compensation	13,927	
Income from leases		2,926
<b>Total</b>	<b>15,934,491</b>	<b>61,104,770</b>

(1) The most significant income in 2024 corresponds to the recovery of estimated liabilities from provisions for \$1,911,080. In 2023, the most significant income corresponds to the recovery of provisions for accounts receivable, totaling \$19,349,721, mainly due to a favorable ruling in the Vial Helios consortium; recovery of impairment in investments of \$5,440,448, resulting from a favorable ruling in the Via Pacifico concession. In addition, a recovery of estimated liabilities of \$4,756,364 was recorded, attributable to a new appraisal in environmental litigation, and other income of \$3,167,062 derived from the liquidation process of the Consorcio CCC Ituango project.

(2) The highest income from dispositions corresponds to the profit on the sale of machinery and equipment (\$2,603,991), as well as the sale of the Asdesillas (Sabaneta) lot by the Autonomous Heritage to the Ciudad del Bosque project, representing a profit of \$2,073,394.

(3) Profit from the sale of investment in Glasst Innovation, profit from rights acquired in the Asdesillas PA (Sabaneta).

(4) These correspond to income from compensation for damages and accidents.

7.20. Administrative and sales expenses

	Year ended December 31	
	2024	2023
Professional fees (1)	8,234,970	4,191,154
Impairment (2)	8,337,055	8,081,117
Other administrative services (3)	4,352,594	4,730,032
Lease expenses	2,355,522	1,359,774
Travel expenses	2,200,657	2,883,646
Tax expenses	1,984,035	5,232,048
Miscellaneous	1,763,565	1,765,859
Depreciation and amortization expenses	1,631,039	2,162,127
Repair and maintenance expenses	1,449,947	3,089,491
Insurance expenses	1,325,504	1,503,638
Transportation expenses	1,015,909	750,777
Fuel and energy expenses	722,277	597,045
Contributions and affiliations	404,881	373,028
Legal expenses	67,714	440,595
<b>Total expenses</b>	<b>35,845,669</b>	<b>37,160,331</b>

(1) This figure includes expenses corresponding to board of directors' fees, statutory auditor fees, and legal, technical, and tax advisory fees.

(2) The most significant expense corresponds to the impairment of the commercial portfolio, mainly related to CCG Energy.

(3) The most significant expenses are for data processing (\$1,567,467), cleaning and security (\$816,147), building administration (\$581,919), telecommunications and cell phones (\$229,310), and other operating expenses (\$1,000,000).  
\$581,919, telecommunications and cellular \$229,310.

7.21. Employee benefit expenses

	Year ended December 31	
	2024	2023
Salaries	19,657,715	18,973,488
Social security	3,322,588	3,506,636
Other	2,140,490	311,393
<b>Total</b>	<b>25,120,833</b>	<b>22,791,517</b>

(\*) The variation corresponds mainly to labor indemnities.



## 7.22. Impairment and other expenses

	Year ended December 31	
	2024	2023
Losses on disposal of investments (1)	176,526,584	9,88
Impairment of investments (2)	11,442,797	19,659,473
Other miscellaneous operating expenses (3)	5,321,449	2,338,574
Premiums and commissions	629,042	2
Fines, penalties, litigation and compensation	114,374	208,195
Losses on disposal of non-current assets	56,011	95
Loss on disposal of fixed assets	23,029	7,628
<b>Total impairment and other expenses</b>	<b>194,113,286</b>	<b>22,470,860</b>

(1) Refers to the discount generated by the exchange in payment of units of the Pactia Private Capital Fund. (See note 27 for more details on the syndicated credit negotiation.)

(2) This corresponds to the subsequent measurement of the investment in Residential Income classified as held for sale. During 2023, the impairment of the investment in Via 40 was included, derived from the negotiated participation in that period. There is also an impairment in the investment in PACTIA, in accordance with the sale of units to be carried out in the first quarter of 2025. (3) The variation corresponds to the recognition of interest for the application of the amortized cost with the effective interest rate implicit in the liabilities, which resulted in an increase of \$2,574,116 compared to the previous period.

## 7.23. Gain (loss) from equity method, net.

	Year ended December 31	
	2024	2023
<b>Subsidiary companies</b>		
Industrial Concreto S.A.S.	2,751,595	3,051,792
Concreto Proyectos S.A.S.	(386,877)	1,298,150
Inmobiliaria Concreto S.A.S.	1,007,559	1,016,199
Sumapaz Highway S.A.S.	3,867	4,250
CAS Mobiliario S.A.	(76,924)	(79,687)
Bimbau S.A.S.	(128,604)	(92,082)
Concreto LLC	(7,892,660)	807,846
Concreto Internacional S.A.	(2,006,886)	(3,097,365)
<b>Separate assets of subsidiaries</b>		
P.A Chimeneas Vivienda - Zanetti Torre 4	8,034,594	1
P.A Chimneys Residential - Zanetti	(2,978)	1,106,087
P.A Countree Las Palmas	825,243	6,799,262
P.A Nuevo Poblado	233,050	79,497
Other	49,772	84,924
P.A Puerto Azul Resources E6	97,767	180,060
P.A Countree Castropol	260,885	910,790
P.A Renta Vivienda Mantia	154,710	
P.A Zanetti Housing Rent	497,161	

P.A Lagartos Lot	(	(35,832)
P.A Caminos de la Primavera	(12,767)	618,813
P.A Madeiro	372,495	(158,629)
P.A Puerto Azul	(61,005)	122,838
P.A Porto Rosso ETP 2	(46,166)	689,101
P.A Primavera Vis	(361,370)	(1,418,420)
P.A FAI Puerto Azul E6	(340,148)	(1,140,923)
P.A Porto Rosso	(491,407)	(6,032,188)
P.A Montebianco	(935,979)	(1,610,284)
P.A Torres del Parque - Sunset Boulevard	(1,345,756)	(6,141,300)
Total investment participation methods (Note 7.10)	193,661	(2,904,994)
Subsidiaries held for sale		
Torre Salamanca residential income		1,025,298
Total	193,661	(1,879,696)

## 7.24. Other gains

	Year ended December 31	
	2024	2023
Fair value of FCP Pactia (")	38,275,750	14,631,624
Fair value of investment properties	761,673	(384,978)
Hedging transactions		(1,472,714)
Total	39,037,423	12,773,932

(\*) The fair value of the Pactia Private Capital Fund varies mainly due to the valuations of real estate assets and operations during the period. Decreases are also presented due to the distribution of returns to investors. During 2024, there were valuations of \$52,093,891 and a distribution of returns to date of \$13,818,141. For 2023, the valuation totaled \$31,081,791 and the distribution was \$16,450,168.

## 7.25. Gains (losses) derived from the net monetary position

	Year ended December 31	
	2024	2023
Gains on exchange differences	4,500,577	11,333,892
Losses due to exchange rate differences	(1,146,419)	(18,624,930)
Total	3,354,158	(7,291,038)

This item reflects the unrealized gain or loss on exchange differences arising from the valuation of monetary items at the closing exchange rate. It also includes the realized exchange difference on the settlement of such items.

## 7.26. Financial income

	Year ended December 31	
	2024	2023
Loans	14,254,375	23,615,373
Banks and corporations	895,389	4,475,516
Temporary investments	3,622,611	3,533,354
Other		586,678
<b>Total</b>	<b>18,772,375</b>	<b>32,210,921</b>

Financial income at the end of December 2024 mainly comes from interest received from group companies for \$5,245,510 from interest on arrears resulting from the ruling in favor of Consorcio Vial Helios for \$9,935,996. They also include returns on temporary investments of \$3,622,611 from consortiums, \$806,959 from banks, and \$88,430 from corporations.

The variation with respect to December 2023 corresponds mainly to the decrease in interest income from Consorcio Vial Helios as a result of the award of \$7,778,415, to the higher value of interest income from loans from Concreto to other companies in the group for \$127,598; lower returns from banks and consortium corporations for \$3,551,372, mainly from the CCC Ituango Consortium and the Helios Road Consortium; the valuation of PA Via 40 investments for \$586,678; and Concreto banks and corporations for \$28,755. An increase in returns on the company's temporary investments, Consortiums, Autonomous Assets for \$89,257.

## 7.27. Financial costs

	Year ended December 31	
	2024	2023
Loans	80,178,110	95,029,226
Other interest	8,294,258	8,158,107
Leases	3,522,792	5,072,886
Other financial costs	1,503,323	470,796
<b>Total financial costs</b>	<b>93,498,483</b>	<b>108,731,015</b>

Financial costs at the end of December 2024 correspond mainly to Concreto's financial obligations amounting to \$80,178,112, interest on finance leases amounting to \$3,522,792, interest income on loans from group companies amounting to \$3,729,545, interest payable to SIC amounting to \$140,405, and financial costs of Devimás's autonomous equity amounting to \$2,769,781.

The variation compared to December 2023 corresponds mainly to the decrease in interest on Concreto's financial obligations for \$14,851,115 and finance leases for \$1,550,094 indexed to the IBR; the increase in interest collected from group companies of \$835,415; the decrease in interest collected from SIC of \$427,446 and from Devimás Autonomous Equity of \$1,503,357.

## 7.28. Changes in equity

At the General Shareholders' Meeting held on March 22, 2024, the financial statements for 2023 and the distribution of profits were approved as follows: legal reserve of \$1,737,358, occasional reserve for donations of \$500,000, and working capital reserve of \$15,136,222. In addition, it is proposed to change the allocation of the donation reserve of \$500,000 and the reserve for share repurchase of \$50,000,000 to working capital and to ratify the balance of the previously established working capital reserve in the amount of \$401,607,150.

## Capital

	December	
	2024	2023
Authorized capital		
1,500,000,000 ordinary shares with a par value of \$103 (*)	154,500,000	154,500
Subscribed and paid-in capital		
1,134,254,939 ordinary shares with a par value of \$103 (*)	116,828,259	116,828,259
Total capital	116,828,259	116,828,259

(\*) Expressed in Colombian pesos

## Accumulated earnings

	December 31	
	2024	2023
First-time adoption of IFRS	243,520,130	243,520,130
Advance dividend tax	(3,659,027)	(3,034,921)
Profit for the period	(195,784,282)	17,373,579
Total accumulated earnings	44,076,821	257,858,788

## Reserves

	December	
	2024	2023
Legal reserve	6,603,798	4,866,440
Contingency reserves	467,743,372	402,107,151
Share repurchase reserve		50,000,000
Total reserves	474,347,170	456,973,591

## Other comprehensive income

	December 31	
	2024	2023
Effect of conversion of subsidiaries	60,797,544	36,519,136
Other comprehensive income of subsidiaries	(1,299,002)	(1,299,003)
Total other comprehensive income	59,498,542	35,220,133

7.28.1. Basic earnings per share

	December	
	2024	2023
(Loss) net income from continuing operations	(195,784,282)	17,373,579
Shares outstanding	1,134,254,939	1,134,254,939
Basic loss per share (*)	(172.61	15

(\*) Expressed in Colombian pesos

## 7.29. Labor proceedings

Information on the Company's current labor proceedings is detailed below:

Case	Plaintiff	Defendant	Description of the proceedings	Deductible amount payable in case of loss	Probability of occurrence
2016-00089	Omar Echavarria Valles	Concreto S.A. et al.	Request for recalculation of salaries and social benefits.	\$217,000	medium
2017	Elver de Jesús Aguirre Cifuentes	Concreto S.A. (Hidrocuana) sues Juan Luis Anstizabal, Juan Guillermo Saldarriaga, Juan David Builes, and Fernando Gómez as individuals.	Employer liability in a workplace accident	Unknown	medium
2018-342	Juan Jose Copete Asprilla	CCC Ituango Consortium.	Employer negligence in workplace accident.	\$150,000	medium
2019-00562	Rodngo Alberto Mejia Jiménez	Constructora Concreto S.A.	ContributionsapensionforperiodsinConsortiumTechint With specific social	\$30,000	average
2019-00121	Edwin Giovanni Mora López	Consoæio Conlinea 2	Refundforstabilityemploymentreinforcedandpaymentof benefits.	\$30,000	average
2018-1246	EdgarMonroyCastellanos	Constructora Concreto S.A. Pension contributions for time spent at Consorcio Techint and others	Concreto	\$30,000	medium
2019-00452	Paula Isabel Piedrahita Gómez et al.	Construction companyConcreto S.A. and others	Employer liability	\$700	high
2021-00101	Seqio Iván Lugo Cañas	Concreto S.A. Construction Company	Confirmation of reimbursement ordered via writ of mandamus	\$40,000	average
2020-00459	Alberto Cruz Alarcón	Constructora Concreto S.A.	Irregular termination of contract	\$1,500	high
2018	Luis Arturo Parra Ovalle	CCC Ituango Consortium.	Employer liability accident	\$150	average
202100229	Cristian Romero Lambertinez	Concreto S.A. Construction Company	Employer liability in accident laboral-	\$150 million is the loss which is being investigated by deductible from the policy.	the
2021-00049	Duvaier Usa Parra	Qros Consorcios	Transaction nullity	\$100	average
2020-00202	Hácor Mario Tabares	Constructora Concreto S.A.	Dismissal in jurisdiction - No amount specified, the claim is for reinforced job security	\$60,000	average
2022-007	Johanna Carolina Beltrán Gutiérrez	Concreto S.A. Construction Company	Unfair dismissal and others	\$60,000	average
2023-0002800.	Angel Daniel León	Concreto S.A. Construction Company	Dismissal in jurisdiction	\$50,000	average
2020-0002100.	Linicio Torres Quintana	Company Concreto S.A.	Social Security	\$40,000	average
	Individuals, natural persons (9 procesos)	Construction Company	Compensation for unfair dismissal, employer liability for accident at work, action for reinstatement for enhanced job security and compensation. Employer liability for accident at work, Reinstatement,	\$1,031,294	average
	Individuals, natural persons (5 processes)	CCC Ituango Consortium. La Linea Consortium	Enhanced job stability and payment of benefits in social benefits.	\$714,000	average
	Individuals, natural persons (1 procesos)	Helios Road Consortium	Payment of compensation for unfair dismissal, Social benefits, workplace harassment, and employer liability in workplace accidents.	N/A	average
	Individuals, natural persons (8 cases)	Concreto S.A. Construction Company	Payment of compensation for irregular termination, employer fault, social security, solidarity/subcontractor and irregular termination of contract. Payment of compensation for unfair dismissal, reinstatement, job security and employer fault.	N/A	average
	Individuals, natural persons (10 procesos)	Company Other Consortiums		\$723,875	e
Amounts expressed in thousands of Colombian pesos					average
					e

### 7.30. Civil and administrative proceedings

Information on the Company's current civil proceedings is detailed below:

Case number	Plaintiff	Defendant	Description of proceedings / Current status	Amount of proceedings	Amount sought COTO Restoration of right by Concreto S. A.	Probability of occurrence
2006-512	Concreto S.A.	Government of Meta and others.	Contractual action challenging the legality of administrative acts awarding a tender to another bidder. An order to comply was issued. ordered by the Council of State, and in the same ruling, it was ordered to notify the Meta Infrastructure Agency in its capacity as the IDM's legal successor, which requested the annulment of the proceedings as of the ruling admitting the case. Current status: Proceedings in the evidentiary stage. Direct compensation for the unlawful damage caused by the death of Mr. Gustavo Alberto Valencia Garzón in a traffic accident on the Bogotá-Girardot highway. Current status: We are awaiting the court to set a new date for the hearing at which the final evidence will be presented, arguments will be made, and a ruling will be issued. The	\$597,052	N/A	average
2018-415	Natural person	Ministry of Transportation - Invias - Via40 Expressy Concreto S.A.	In May 2024, we were notified by the Court 37 Advo. de la fm of a fine failing to respond to a request for information that they provided and to which no response was given. an appeal for reconsideration and are awaiting a response. of the ruling issued by the court. Otherwise, there have been no developments in this case and we are therefore still waiting for the court to set a new date for a hearing at which the final evidence will be examined, arguments will be presented, and a ruling will be handed down. The aim is to annul the decision of the Superintendency of Public Services that denied EPM the collection of	material damages and Concreto for \$2,109,353, plus indexation We filed	N/A	half
2017-183	Public companies of Medellín ESP	Superintendency of Public Services domcliarosy ConcretoS.A.	"consumption recovery" in the amount of \$21,172. Status Current status: pending second instance ruling. Non-contractual civil liability proceedings are pending before Civil Court 14 of the Medellín Oral Circuit in the initial stage of response to the complaint. The claim seeks a declaration of liability and payment of damages resulting from a traffic accident on the Ruta del Sol project. On October 27, personal notification was served on the parties called in warranty. By orders dated March 23, 2022, the warranty claims against SBS SEGUROS COLOMBIA S.A., CONSORCIO A&C DE LOGISTICA Y	\$21,172	N/A	average
2019 - 464	Natural Person	Consorcio Vial Helios and others - Constructora Concreto S.A., named in the guarantee together with CSS Constructores and others.	MANTENIMIENTO S.A.S, OOMPAÑA DE FIANZAS S.A.- CONFIANZA and CHUBB DE SEGUROS COLOMBIA S.A. On May 16, 2023, the Court issued a ruling extending the deadline for issuing a judgment by six months, setting the date for the hearing provided for in Article 372 of the General Code of Procedure for August 16, 2023, and ordering the evidence requested by the parties. On June 13, 2023, CONSORCIO VIAL HELIOS complied with the requirements made by the Court in its order of May 12, 2023.	\$656,008 for financial damages and \$2,800 SMLMV for non-pecuniary damages	N/A	average

Filed	Plaintiff	Defendant	Description of the proceedings / Current status	Amount of the claim	Amount sought COPTIO restoration Probability of the right being upheld occurrence Concreto S. A.
		Nation - Ministry of Defense	The plaintiff seeks to have two resolutions issued by Dimar that are detrimental to Concreto as the owner and builder of a house in the Casa del Mar condominium declared null and void.		
2019-040	Concreto S.A. National - General Directorate Maritime		Current status: Initial stage - claim admitted with response pending due to transfer of exceptions. On September 30, a first instance ruling unfavorable to the plaintiff was handed down, and an appeal was filed.	N/A	N/A medium
2003-4172	Concreto S.A.	SENA Regional Valle del Cauca	Parafiscal contributions to SENA for the years 1997, 1998, 1999, 2000, and January through October 2001. Action for annulment and restoration of rights filed on November 6, 2003. No precautionary measures were requested in the action filed, as they were inadmissible under the terms of Decree 01 of 1984. Current status: The case is currently awaiting a second ruling. The first ruling was issued on June 25, 2015, declaring the partial nullity of the acts in question. The decision was appealed by SENA and is now before the Council of State. The second ruling is likely to be issued in 2022. The second instance ruling is likely to be issued between 2021 and 2023.	\$1,163,188	\$1,163,188 average
2017-0642	Company Aqueduct and Forjar Sewerage Bogotá E.S.P.	Concreto S.A. and Inversiones S.A.	The plaintiffs seek to impose an easement on a property where Concreto is a co-owner and are offering compensation that is less than the commercial appraisal value of the property. Concreto opposes the amount of compensation.	\$162,359 sought by Concreto	N/A average
2016-0919 Others	Natural Person	Concreto and	October 7, to the office of the IGAC expert. June 1, 2022, expert appointed. November 29, 2022, expert requests allocation of funds for expenses Al office. September 18, 2023, enters the office with expert report. May 8, 2023 Notification by email of the ruling denying the claims in the lawsuit is That is, all defendants, including Concreto, were acquitted of liability. The plaintiff did not file an appeal.	1,000 SMLV	N/A half
2017-0380	Concreto S.A. yots	Municipality of Sabaneta	Nullity and restoration of rights - Tax: That Resolution IP No. 0065 of March 2, 2017, be declared null and void and that, by way of restoration of rights, the Municipality of Sabaneta be ordered to pay Specifically, the sum of \$14,513 for a discount on the Unified Property Tax for the 2016 fiscal year. In this process, the evidentiary stage was completed, closing arguments were presented, and the first instance ruling is pending.	\$14.613	N/A average



File	Plaintiff	Defendant	Description of the process / Current status	Amount of proceedings	Amount claimed AS Restoration of the right by Concreto S. A.	Probability of occurrence
2016-865	Natural Person and Others	6oncreto and Others	On February 14, 2023, a first instance judgment was handed down denying the claims in the lawsuit, i.e., all defendants were acquitted of liability.  defendants, including Concreto. The plaintiff filed an appeal. On June 1, 2023, the Administrative Court of Antioquia admitted the appeal and on June 28, 2023, it was referred to the court of second instance for a ruling.	\$1,284,887	N/A	average
06001233 000202002 54100	Concreto S.A.	Superintendency of Industry and Commerce	The lawsuit was admitted, answered by the defendant (February 2, 2021), and the transfer of the procedural objections presented (February 9, 2021). On June 6, 2022, a procedural brief was filed	Claims of Constructora Ooncreto S.A. \$21,601,406 updated by payment agreement to \$28,836,732. \$674,228 million	N/A	average
110013343 066202000 25400	Natural Person	Consortio Vial Helios — Concreto S.A. and others.	The lawsuit was admitted by order notified on February 11, 2021. In view of this appeal for reconsideration was filed by OONSORIO HELIOS requesting the dismissal of the account the claim. On August 16 and 30 and September 6, 2023, the following were carried out cumulatively initial hearing and investigation and trial, reaching to a settlement agreement between the companies sentence, insurers of CONSORCIO VIAL HELIOS with plaintiffs, which concluded with the disassociation of the SMLMV as the consortium in the proceedings and, therefore, its termination without moral damages or any other type of sentence.	pesos for statements material damages, an (for property damage), without taking into account the claim. On August 16 and 30 and September 6, 2023, the following to be caused until the time of payment. effective date of the and the sum of 3,000	N/A	average
258993333 003201900 24400	Natural Person	Ministry of Transport, Invias and the members of the Helios Road Consortium.	Direct compensation proceedings for alleged liability in the traffic accident that occurred on August 18, 2017, at Km 24 +400 on the Dindal - La Palma road in the town of Caparrapi, in which Freddy Augusto Trujillo Gaspar died. Current status: we are awaiting admission of the response to the claim in order to move on to the evidentiary stage. The proceedings are pending due to the last appeal filed. The initial hearing scheduled for September 11, 2023, was denied.	\$111,365	N/A	average
2021 0002	Consortio OÜÜ Ituango, composed of: Camargo Correa Infra Construcoes: 80%, Concreto: 35%, Coninsa Ramón H: 10%	Medellín Public Companies - EPM	The request for arbitration was filed on January 18, 2021. EPM responded on April 8, 2021. The process is still in the Response stage. We are currently waiting for EPM to submit its rejoinder to the reply submitted by the OOC Ituango Consortium. They have until October 25 of this year to submit their response.	\$70,000 plus taxes, for payment of the incentive \$1.366. for Most of the deductible amount is of the compensation indeterminate and unpaid by Mapfre in is easily virtue of the policy quantifiable in this equipment and machinery. At this time, since \$1,660. The deductible depends on what is is achieved in the compensation paid by Mapfre under the comprehensive insurance policy - property damage.	medium	

Case	Plaintiff	Defendant	Description of the proceedings / Current status	Amount of proceedings	Amount claimed reinstating of the right by Concreto S. A.	Probability of occurrence
18-150 or 94	Conalvias Construcciones S.A.S.	Constructora Concreto S.A., Industrial and others.	Verbal proceedings for unfair competition seeking a declaration that the defendants "committed acts of unfair competition against the plaintiff in the abbreviated selection process 004 - 2016 and as a result of this declaration, they want the ANI to terminate concession contract 004 of October 16, 2016. Current status: To date, a new hearing date is expected to be set, as the one scheduled for November 24, 2022, did not take place. Current status: Ordinary - Declaratory. "The plaintiffs estimated the damages at 450 S.M.L.M., approximately \$764,000,000.00, at the time the lawsuit was filed. The plaintiffs seek an order against the defendant companies to carry out the installation of a firefighting network in the co-owned property, repair the roofs of the eight blocks, and install an access ramp for people with reduced mobility or disabilities. They also seek payment of compensation equivalent to 10% of the value of the works and the award of costs and legal fees. Amount of the claim \$764,000,000.00, to be indexed at the time of the judgment. (July 28) May 6, 2019, hearing under Article 372 of the C.G.P. orders the integration of the joint litigation. September 17, 2019 Arpro files an appeal for reconsideration against the integration of the joint litigation, since CONJUNTOS S.A. is liquidated. October 4, 2019 enters the office to resolve the appeal and is still pending. Proceedings with a preliminary ruling in favor of the consortium, declaring the proceedings expired and terminated, issued on July 23, 2021, and notified to the parties on the 26th of the same month and year. The deadline for INVIAS to file an appeal against the ruling is currently pending, expiring on August 10, 2021. August 20: INVIAS' appeal filed with the court. It was transferred from the Administrative Court of Yopal to the Council of State on October 25 to resolve INVIAS' appeal against the preliminary ruling of the court of first instance, which declared the case time-barred. 18	\$197,032,694	N/A	meda
2015-0231	Conjunto Residencial Olaros del Bosque P.H	Inmobiliaria Concreto S.A.S., Constructora Concreto S.A., Arpro Arquitectos Ingenieros S.A., José Carlos Matamala, Chaid Neme Hermanos S.A, La Quinta S.A.		\$764,000	N/A	average
*8001233 300020190 INVIAS 014100		Consortium CC-MP-Hvcusiana, comprising Constructora Concreto S.A., Constructora M.P.S.S. and Horacio Vega	November The process was formally filed in the Council of State - Third Section - this Friday. 12.11.21 in response to the referral made by the Administrative Court of Yopal on 25.10.21. (PDF sent with both records). It is currently pending before the Council of State for resolution of INVIAS' appeal against the preliminary ruling that declared the proceedings expired. On May 26, 2022, the appeal was admitted, and on June 22, 2022, it was submitted to the court for a ruling on the appeal and to determine whether or not to uphold the ruling that declared the proceedings terminated due to the expiration of the action.	\$6.242.612	N/A	meda

Case number	Plaintiff	Defendant	Description of the process / Current status	Amount claimed	Amount sought as restoration of the right by Concreto S. A.	Probability of occurrence
22- 311676	Living Building Apartments	Constructora Concreto	They are demanding repairs and maintenance, seeking is awaiting the Superintendency to set a date for the initial hearing.	\$750,000	NIA	average
08001418 9-017-2019 Natural Person Company -00355-00		Ooncreto Construction	We are still waiting for a date to be set for the hearing. hearing art. 372 C.G.P.  That the IDU be ordered to pay all additional costs and damages of any kind incurred by Ooncreto S.A. as and the y party to the construction contract.	\$7,350	NIA	average
2000233 600020240 038100	Construction Concreto	Development Institute Urban -IDU-	1286 of 2020 due to the occurrence of supervening events not attributable to Concreto S.A., the effects of which were unforeseeable and irresistible, as proven in the proceedings, for the following items and activities	\$28,000	N/	average

Values expressed in thousands of Colombian pesos

The processes with a probability of occurrence of 81% to 100% (high) and between 51% and 80% (medium) are disclosed.

### 7.31. Guarantees

The details of the guarantees at the end of the period are as follows:

Financial institution	To whom guaranteed	Amount guaranteed	% Guaranteed	Balance of the obligation to date proportional to the participation	Minutes
Bancolombia		19,998,000			
	Consortio Vial Helios	56,661,000	33.33	2,792,563	Minutes 600 February 2017
		20,000,000			
		36,663,000			
	CC L1 Consortium	18,900,000	75	48,318,388	Minutes 669 October 20, 2023
		100,000,000			
	Puerto Azul Trust	17,900,000	100.00	5,293,630	Minutes 604 June 9, 2017
		10,631,000			Minutes 650 February 17, 2022
		1,500,000			
	Montebianco S.A.	11,900	100	642,289	Minutes 618 April 26, 2019
		6,475,000			
	Contree Las Palmas Trust	52,400,000	100	13,431,050	Minutes 638 February 19, 2021
	Porto Rosso ETI and II Trust	20,500,000	100	11,959,839	Minutes 640 April 2021
	Primavera Vis Trust	14,985,000	100	1,648,784	Minutes 638 February 2021 Minutes 642 June 2021
	Transmilenio Trust AV 68 G5 and G8	no limit on amount	100.00	49,309,696	Minutes 625 February 2020
	Contree Castropol Trust	40,881,420	100	12,828,945	Minutes 664 April 28, 2023
Davienda	Ciudad del Bosque ET2 and 3	15,700,000	50	4,635,145	Minutes 638 February 19, 2021
Social Security	Zanetti	29,150,000	100	35,928,116	Minutes 620 September 13, 2019
Banco Popular	Consortio CC Inters Bosa	40,000,000	100.00	10,307,858	Minutes 664 April 28, 2023
Total				197,096,303	

## Separate Financial Statement

### 7.32. Transactions with related parties

Allo 2024 - December

Company	Balance as of cobrar	Balance payable	Ingresos						Purchases and acquisitions				
			Sale of assets	Diseños or otros honorarios	Leasing	Services	Interest	Dividends	Property	Honoraria	Leases	Services	Intereses
Subsidiaries													
Industrial CC S.A.S.	27,794,519	1,559,031	2,201	97,394	6,441.9g5	712,109	1,373,579			8,221		1,487,614	235,501
ConCónCréto PFOyeCtOS S.A.S.	1,604,614	13,243,017	3,470	3,018,016			3,047	44,987					1,030,462
Inmobiliaria Conconcreto S.A.S.		12,821,773											1,528,400
Conconcreto LLC	3350029							79,265					
Conconcreto Internacional	7,638,790			799,687				790,913					
Conconcreto Desings S.A.S.	1896813	49,191		8,909	501,107	46EE	212,195			29,557			
Bimbau S.A.S.	5,641,390	736,050						622,648				764,022	
Advanced Construction Systems		1,349,672											
Other subsidiaries (1)	56,323.051	870,162		2,572	6,000	36,012							117,963
Subtotal subsidiaries	106,4E9,206	30,628,896	5,671	1,926,578	6,949,102	752,765	3,127,028	44,987		37,778	65,450	2,156,606	2,912,126
Associates and joint ventures													
ConsaEa S.A.S.	11,276,578						45,600	8g2,518					
Pasca S.A.S.	901,124	4,073,188		63K669			9,200.24		5,175.384	18,729		88,905	277,880
Doble Cdzada Oriente S.A.S. - PA DCO	8,996,933						44,400	1,895,309					
P.A. Devimed	12,699,960	72,916							27,661,673				
P.A. Devimas	1,448	10,428,346											
pital's Private Fund			96,357,806						13,818.14			3,572	
Other associates and joint ventures	2,336,933	951,913	280,000	38,282			29,461		1,118,658			25,525	
Subtotal associated companies and joint ventures	36J12,976	15,526,363	96,637,806	675,951			9J2R99	2,817,388	47.773.856	18,729		118,002	277,880
Joint operations and other investment vehicles													
Consortio Ruta 40													
Helios Road Consortium -PA Ruta del Sol	279,333	1,264,877	15,433	12,000			21,161						
CC Interseccion Consortium AV Bosa		2,028,715	43,928					1.1	2,127,378			861	1,001,941
CCC Ituango Consortium		1,086,486		86,329	162.19fi	fi1,579							
Consortio CC L1		571,229											1,716,838
CC Sofan Consortium 010	1,606,366	21,674		121.6g4	40,940			40,318	893,335		215,717		
Consortium CC 2023	8,210,096												
Consortio CC -P 7MA L3	3,249,231		Z.075					18.619	%348v69				
Other Joint operations (2)	8,391,378	458,301		183,990	41,744	6Bt87B						3	
Subtotal joint operations	21,736,404	5A058%2	66A36	404.013	244,879	767.618	60,041	7,369,282			215,717	864	2,718,779
Partners and other related parties													
Via 40 Express S.A.S. - PA Via 40	20,175.877	56,865	-	-	-		8,229,01						648,620
Vinci Highways	2,142,196												
Members of the Board of Directors		137,541											
Other related parties	1,927,648												
Total joint operations and other investment vehicles	45,981,725	5,630,298	66,436	404,014	244,879	767,617	8,982,943	7,369,281			215,717	864	3,367,398
Total net income	(18,688,763)												

## Separate Financial Statement

Total related parties		169,755,144	51,785,557	96,709,913	5,006,542	7,939,81	10,750,302	14,927,258	7,414,269	47,773,856	56,507	281,167	2,375,502	6,557,605
Year 2023 December				Ingresos							Purchases and Acquisitions			
Company	Balance cobrar	Balance payable	Sale of goods	Designs or other hOOFdNO9	Leasing	Services	Interest	-e s-e	Dividends	Bienes	Fees	Leases	Services	Interest
Subsidiaries														
Industrial CC S.A.S.	26,097,855	2,911,295	8,338	72,072	903,048	692,299	18,962.81Z					112,865	S80d69	210,639
Concreto Proyectos S.A.S.	1,277,889	4,419,720	8,955	3,526.ft06	24,608	2,900		786,936		13,938	136,800		1,381	342,465
Inmobiliaila Concreto S.A.S.		11,969,670												1,433.0AE7
Concreto LLC	3,270.76							112,224						
Concreto Internacional	20,952.06			431,589			1,434,830							
Concreto Desings S.A.S.	3.39OE126			476,976	235,282	15,463	1,423.7							
PA Guatapuri Expansion	223,541	204,702												
Bimbau S.A.S.	4,714,033						675,650				42,827		1,152,847	
Other subsidiaries (1)	48,164,424	2,467,571	108	44,736	12,750	2ft.19ft	30,577			166,728		28,917	63,777	7,772
Subtotal subsidiaries	108,090,700	21,972,958	17,401	4,551,879	1,175,688	735,857	21,410,335	786,936		180,666	179,627	141,782	1,798,174	1,993,923
Associates and joint ventures														
ConsaEa S.A.S.	10,357,800					24,436	807.367							
Pacfa S.A.S.	746,927	3,500,000	259	457,386		7,907,615			5,121,740		17,125		303,458	154,036
Doble Cdzada Oifente S.A.S. - PA DCO	8,996,933			37,529		290,204	2,859,818							
P.A. Devimed									22,843,810					
P.A. Devimas	1,448	24,407,641												
Private Equity Fund									16,4ft0.168				10,482	
Other associates and joint ventures	3,650,957	J.060.314	5,950	181J00	64,962		74,749	1,080,212	125,442	24,420		5,162	211,755	
Subtotal associated companies and joint ventures	23,754,065	28,967,955	6,209	676,115	64,962	8,222,255	3,741,934	1,080,212	44,541,160	24,420	17,125	5,162	525,695 "	" " " 154,036
Joint operations and other vehicles of inversion														
Consorcio Vial Helios -PA Ruta del Sol	412,319	3,794,403				26,603								
Consorcio CC Intersection AV Bosa	359,441	3,103,073	5,872					2,789,254						
Ituango Consortium		621,288		157,888	1,208,931	1,047,401								
La Linea Consortium		58.113				33,277								
CC L1 Consortium	5,085,977	6,337.500												
CC Sofan Consortium 010	1,118,760	69,852												
Consortium CC 2023	6,020,013													
Other joint operations (2)	6,657,937	850,860				24,685								
Subtotal joint operations	19,654,447	14,835,089	5,872	157,888	1J08,931	1,131,966		2,789,254						
Partners and other related parties Via														
40 Ex press S.A.S. - PAVia 40	20,853,846	4,485,852		188.187	4,641,506	661,216	23,656,767						207,670,000	
Vinci Hi ghways	2,142,195													
Members of the Board of Directors		110.365		462.800										
Total joint operations and other investment vehicles	42,650,488	19,431,306	5,872	808.875	5,850,437	1,793,182	23,656,767	2,789,254					207,670,000	
Total Detector	(J6,745.J52)													
Total related parties	J57,750.J0J	70,372,219	29A82	6,036,869	7,091,087	10,751,294	48,809,036	4,656,402	44.S4J.J60	205,086	196,752	146,944	209,993,869	2,147,959

1) The balance corresponds to collections made for costs associated with construction reports submitted to the trusts, based on the progress of project construction, as well as cash loans, mainly related to the following trusts: Porto Rosso, FAI Puerto Azul, Contree Palmas, Sunset Boulevard, Zanetti, and Primavera VIS.

2) The balance mainly corresponds to the portfolio of Consorcio Conciviles CC, Consorcio el Gaco CC, Consorcio SBC - CC Muelle 5, among others.

### 7.33. Fair value measurement

**Fair value corresponds to the estimated price that an orderly transaction would have for selling the asset or transferring the liability between market participants on the measurement date under current market conditions (i.e., a selling price on the measurement date from the perspective of a market participant holding the asset or owing the liability) for Concreto.**

**The Company relies on the following valuation techniques to estimate fair value:**

- **Market approach:** a valuation technique that uses prices and other relevant information generated by market transactions involving assets, liabilities, or a group of identical or comparable (i.e., similar) assets and liabilities, such as a business.
- **Cost approach:** a valuation technique that reflects the amount that would be required at the present time to replace the service capacity of an asset.
- **Income approach:** valuation techniques that convert future values into a single present value (i.e., discounted). Fair value measurement is determined based on the value indicated by current market expectations of those future amounts.

**It is the value of volatility that equates the market value of the option (observed value) to the theoretical value of that option obtained using a valuation model available to the Company on the measurement date (level 1).**

- **Based on valuation techniques commonly used by market participants that use variables other than quoted prices that are observable for the assets or liabilities, directly or indirectly (level 2).**
- **Based on internal cash flow discount valuation techniques or other valuation models, using variables estimated by Concreto that are not observable for the asset or liability, in the absence of variables observed in the market (level 3).**

**As of December 31, 2024, Concreto used the following fair value measurement hierarchies: Level 1 Cash and cash equivalents, and Investments in FCP Pactia.**

**Level 2 Non-current assets available for sale.**

**Level 3 Investment properties, investments in unlisted shares, and other financial assets.**



DIC-2024

Type of Financial Instrument	Fair value measurement hierarchies			Fair value
	Level 2	Level 3		
Assets whose fair value is disclosed in the notes to the financial statements				
Cash and cash equivalents	105,267,904			105,267,904
Investment in financial instruments measured at fair value	112,166,194			112,166,194
Investments in unlisted shares		191,034,407		191,034,407
Non-current assets available for sale				
Investment properties	15,679,135	28,632,003		44,511,138
			59,874,283	59,874,283
Total assets	233,313,233	28,632,003	250,908,690	512,853,926

DIC-2023

Type of financial instrument	Fair value measurement hierarchies			Fair value
	Level 2	Level 3		
Assets whose fair value is disclosed in the notes to the financial statements				
Cash and cash equivalents	82,842,016			82,842,016
Investment in associates measured at fair value	945,801,383			945,801,383
Investments in unlisted shares		168,968,798		168,968,798
listed				
Non-current assets available for sale	109,352,435			109,352,435
Investment properties		6,269,425		6,269,425
Total assets	1,028,643,399	109,352,435	175,238,223	1,313,234,057

#### 7.34. Events after the reporting date

On January 10, 2025, the market was informed that, in relation to the performance of Concreto's shares on the Colombian Stock Exchange (BVC) and the information disclosed on January 9 by the newspaper La República on its website, the company **informed** its investors **and** the market in general that it was not aware of any transactions, events, **or** decisions that could have positively influenced the value of the shares, other **than** those previously reported through the official mechanisms for relevant information. On January 31, 2025, it was reported that the Company **had** submitted its Report on the Implementation of Best Corporate Practices – Country Code for the year 2024.

Finally, on February 3, 2025, it was announced that the Company's Board of Directors authorized Mr. Juan Luis Aristizábal Vélez, member of the Company's Board of Directors, to dispose of up to 1% of the Company's outstanding shares that he directly and/or indirectly owns, at the time he deems appropriate. It was reported that this authorization was granted for a term of one year **and** was approved by the majority established in Article 404 of the Commercial Code.

On February 6, 2025, it was announced that the Company had entered into an agreement with Banco Davivienda S.A. to settle its debt with the latter for an approximate amount of COP\$ 15,881 million, through the exchange of participation units in the Pactia Inmobiliario Private Capital Fund.

On February 21, it was reported that the Board of Directors, at a meeting held on that date: A. Instructed the Company's President to call an ordinary meeting of the General Shareholders' Meeting for March 28, 2025. B. Approved the Management Report, the financial statements and their annexes, the Corporate Governance Report, **and** the proposal to offset losses from the previous fiscal year **and** change the allocation of reserves, which will be submitted for consideration by the Shareholders' Meeting at its regular meeting; **and** C. Approved the submission for consideration by the General Shareholders' Meeting at its ordinary meeting of a proposal to amend the bylaws in order to adapt their content to the current structure **and** operation of the Company, clarify their language, **and** make the relevant regulatory updates.

Likewise, the communication of compliance with External Circular 029 of 2014, which establishes the representation of shareholders, was published; it was reported that Ms. Carolina Angarita Barrientos resigned **from** her position as a member of the Company's Board of Directors, effective as of that date; **and** a notice was published regarding the Company's consolidated results as of December 31, 2024.

#### 7.35. Relevant information

On October 4, 2024, the market was informed that Dr. Patrick Sulliot had submitted his resignation as a member of the Company's Board of Directors, effective as of that date. Likewise, it was announced that at the Board of Directors meeting held on the same day, the following decisions were adopted: i) The Company's President was instructed **to call** an extraordinary meeting of the Shareholders' Meeting for October 28, 2024, for the purpose of **appointing** new members of the Board of Directors to complete the current term; **and** ii) Ms. Carolina Angarita Barrientos **was appointed** as a member of the Audit Committee to replace Mr. Luis Fernando Restrepo Echavarría, with immediate effect.

On October 11, 2024, it was reported that, on that same date, the notice calling for the extraordinary meeting of the General Shareholders' Meeting was published on the Company's website and social media, in compliance with the necessary processes and authorizations.

Subsequently, on October 17, 2024, the compliance notice with External Circular 029 of 2014, which establishes shareholder representation, was published. Likewise, it was reported that the Company entered into an agreement with BBVA Colombia S.A. to settle its debt with the latter for an approximate amount of COP \$56 billion through the exchange of participation units in the Pactia Inmobiliario Private Capital Fund.

On October 18, 2024, the market was informed that agreements had been signed with Banco de Bogotá S.A. and Banco de Occidente S.A. to settle the debts that the Company owed to them for approximately COP \$113 billion and COP \$44 billion, respectively, through the exchange of participation units in the Pactia Inmobiliario Private Capital Fund.

On October 24, 2024, it was announced that the Company had entered into agreements with Banco Popular S.A. and Banco Comercial AV Villas S.A. to settle its debts with these entities for approximately COP \$81 billion and COP \$11 billion, respectively, through the exchange of participation units in the Pactia Inmobiliario Private Capital Fund.

On October 28, 2024, it was reported that, at an extraordinary meeting, the Company's Shareholders' Meeting appointed the new members of the Board of Directors to complete the term from April 2023 to March 2025, with 100% of the shares present voting in favor. The new Board of Directors is composed of: Christophe Pelissié du Rausas, Stéphane Abry, Nora Cecilia Aristizábal López, Carlos Eduardo Restrepo Mora, José Alejandro Gómez Mesa, Juan Luis Aristizábal Vélez, Ángela María Orozco Gómez, Juan Manuel González Garavito, Orlando Cabrales Segovia, and Carolina Angarita Barrientos.

On November 12, 2024, it was announced that the Company had entered into agreements with Bancolombia S.A. and Itaú Colombia S.A. to settle its debts with them for approximately COP \$230 billion and COP \$26 billion, respectively, through the exchange of participation units in the Pactia Inmobiliario Private Capital Fund.

On November 14, 2024, it was reported that, in compliance with External Circulars 031 of 2021 and 012 of 2022 of the Financial Superintendency of Colombia, the Quarterly Periodic Report was published. Likewise, on November 20, 2024, it was announced that the Company had entered into an agreement with Banco Santander de Negocios S.A. to settle its debt with the latter for an approximate amount of COP \$13.4 billion through the exchange of participation units of the Pactia Inmobiliario Private Capital Fund.

On December 10, 2024, it was reported that, as a member of the CCC Ituango Consortium, the Company was notified of the decision of the International Arbitration Tribunal, which determined that the Consortium was not liable for the collapse of the auxiliary diversion gallery (GAD) that occurred in April 2018.

Finally, on December 20, 2024, at a meeting of the Company's Board of Directors, changes were approved in the composition of the Board's internal committees, with immediate effect. The Audit Committee was composed of Ángela María Orozco Gómez, Orlando Cabrales Segovia, and Juan Manuel González Garavito; the Human Resources Committee was composed of Juan Luis Aristizábal Vélez, Carolina Angarita Barrientos, and Orlando Cabrales Segovia. It was also reported that there were no changes in the composition of the Corporate Governance Committee.

The Company publishes relevant information to the market. To consult this information, please visit the website <https://www.superfinanciera.gov.co> and select the "Relevant Information" option. You can search by entity "CONCRETO" status "Active - Current," selecting the topic or date range required.

#### 7.36. Approval of financial statements

The separate financial statements and accompanying notes were reviewed by the board of directors on February 21, 2025.

#### 7.37. Internal control matters

The company has made progress in implementing the recommended controls over information systems during 2024.

The company will continue to monitor and implement the recommended controls on the SAP system, focusing on strengthening the monitoring of sensitive transactions, ensuring the segregation of duties and the integrity of information. We will also continue to strengthen the most up-to-date cybersecurity mechanisms on all information systems.

APPENDIX FINANCIAL INDICATORS (Unaudited information)

LIQUIDITY AND DEBT	DEC-2024	DEC-2023
Current ratio:	1.5	1.6
Acid liquidity ratio:	1.08	1.25
Working capital:	273,536,286	354,008,600
Interest coverage	(2.01)	1
Debt:	35.30	46.18

EFFICIENCY	DEC-2024	DEC-2023
Gross margin	2.51	17.61
Operating margin	-38.89	16.18
Net margin	-4054	2.38

PROFITABILITY	DEC-2024	DIG.2023
Return on assets:	-9.90	0.64
Return on equity:	-15.30	1.20



## Statutory Auditor's Report on the compliance by the directors with the provisions of the bylaws and the orders and instructions of the Shareholders' Meeting, on the existence of adequate internal control measures, and on the preservation and custody of the assets of the company or third parties held by the Company, and on the effectiveness of the financial reporting controls.

To the Shareholders of Constructora Concreto S. A.

### Description of the main issue

In carrying out my duties as Statutory Auditor of Constructora Concreto S. A. and in accordance with the provisions of Sections 1 and 3 of Article 209 of the Commercial Code and Annex 1 of Chapter I of Title V of Part III of the Basic Legal Circular issued by the Financial Superintendency of Colombia, I am required to report to the Shareholders' Meeting whether, during the year ended December 31, 2024, the Company had adequate internal control, conservation, and custody measures in place for its assets or those of third parties in its possession, and whether the Company's managers adequately complied with certain regulatory aspects established in various legal and statutory provisions.

The criteria considered for the evaluation of the matters mentioned in the previous paragraph include: a) the Company's bylaws, the minutes of the Shareholders' Meeting, and the legal and regulatory provisions under my competence as Statutory Auditor; and b) the components of the internal control system that management and those responsible for the governance of the Entity consider necessary for the adequate and timely preparation of its financial information.

### Management's Responsibility

The Entity's Management is responsible for establishing and maintaining an adequate internal control system that safeguards its assets or those of third parties in its possession and ensures proper compliance with the bylaws and decisions of the Shareholders' Meeting.

To fulfill these responsibilities, management must exercise judgment in evaluating the expected benefits and related costs of control procedures designed to provide management with reasonable, but not absolute, that the assets are safeguarded against loss from unauthorized use or disposal, that the Entity's operations are carried out and recorded appropriately, and that the financial statements are prepared free from material misstatement due to fraud or error and in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia.

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To the Shareholders of  
Constructora Concreto S. A.

### **Responsibility of the Statutory Auditor**

My responsibility as Statutory Auditor is to perform assurance work to express a conclusion, based on the procedures performed and the evidence obtained, on whether the actions of the Entity's management are in accordance with the bylaws and the orders or instructions of the Shareholders' Meeting, on whether there are adequate internal control measures established by the Entity's management to safeguard its assets or those of third parties in its possession, and on the effectiveness of the controls over the financial reporting process.

I carried out my duties in accordance with the information assurance standards accepted in Colombia. These standards require that I comply with the ethical and independence requirements established in Decree 2420 of 2015, which are based on the principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior, and that I plan and perform the procedures I consider necessary to obtain assurance regarding the compliance by the Entity's Administrators with the bylaws and orders or instructions of the Assembly, and whether there are adequate internal control, conservation, and custody measures for the assets of the Entity or third parties in the Entity's possession as of December 31, 2024, and for the year ended on that date, in all material aspects of the evaluation, and in accordance with the description of the criteria of the main matter.

The accounting firm to which I belong and of which I am designated as Statutory Auditor of the Entity applies International Standard on Quality Control No. 1 and, consequently, maintains a comprehensive quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### **Assurance procedures performed**

The aforementioned audit provisions require me to plan and perform assurance procedures to obtain reasonable assurance that the internal controls implemented by the Entity are designed and operate effectively. The assurance procedures selected depend on the judgment of the Statutory Auditor, including the assessment of the risk of material misstatement in the financial statements due to fraud or error and that the Entity's operations are not carried out with adequate efficiency and effectiveness. The procedures performed included selective testing of the design and effective operation of the controls that I considered necessary in the circumstances to provide reasonable assurance that the control objectives determined by the Entity's management are adequate.



To the Shareholders of  
Constructora Concreto S. A.

The assurance procedures performed were as follows:

- Review of the Entity's bylaws, minutes of Shareholders' Meetings and other supervisory bodies, in order to verify adequate compliance by the Entity's administrators with said bylaws and with the decisions made by the Shareholders' Meeting.
- Inquiries with management regarding changes or proposed amendments to the Entity's bylaws during the period covered and validation of their implementation.
- Understanding and evaluation of the internal control components of the Entity's financial reporting, such as: control environment, risk assessment, information and communication, monitoring of controls, and control activities.
- Understanding how the Entity has responded to emerging risks in information systems.
- Understanding and evaluation of the design of relevant control activities in the financial reporting process and their validation to establish that they were implemented by the Entity and operate effectively.

I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for the conclusion I express below.

#### **Inherent limitations**

Due to its inherent limitations, internal control over financial reporting may not prevent or detect material misstatements due to fraud or error. Furthermore, the results of my procedures may differ or change during the period evaluated, as my report is based on selective tests performed during the period. In addition, projections of any assessment of the effectiveness of internal control to future periods are subject to the risk that controls may become inadequate due to changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

#### **Qualified conclusion**

Based on the evidence obtained from the work performed and described above, and subject to the inherent limitations discussed, I conclude that, except for the internal control deficiencies in the SAP information system related primarily to access controls and segregation of duties referred to in Note 7.37 to the financial statements, during the year ended December 31, 2024, the actions of the Entity's managers were in accordance with the bylaws and the orders or instructions of the Shareholders' Meeting, internal control measures for the preservation and custody of the Entity's assets or those of third parties in its possession were in place and adequate, and controls over financial reporting operated effectively.



To the Shareholders of  
Constructora Conconcreto S. A.

This report is issued to the shareholders of Constructora Conconcreto S.A., in compliance with the requirements established in Sections 1 and 3 of Article 209 of the Commercial Code, and should not be used for any other purpose.

A handwritten signature in black ink, appearing to read "Jorge Andrés Herreñ Véliz".

Jorge Andrés Herreñ Véliz

Statutory Auditor

Professional License No. 94898-T

Appointed by PwC Contadores y Auditores S. A. S.

February 26, 2025