Banco de Comercio Exterior de Colombia S.A. (Foreign Trade Bank of Colombia S.A.). - Bancóldex.

FINANCIAL STATEMENTS

As of December 31, 2024 and 2023 and
Statutory Auditor's Report

Banco de Comercio Exterior de Colombia S.A. - Bancóldex

Financial Statements

(For the fiscal years ended on December 31, 2024, and 2023)

INDEX

Statutory Auditor's Report

To the stockholders of
BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX:

Opinion

I have audited the attached separate financial statements of the **BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX**, which are:

- The statement of financial position as of December 31, 2024.
- The statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date, and
- The explanatory notes to the separate financial statements and summary of significant accounting policies.

In my opinion, the attached separate financial statements, that were taken from the accounting ledgers, present fairly in all material respects the financial position of the BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX, as of December 31, 2024, as well as its results and cash flows, for the year ended on that date, in accordance with the Accounting and Financial Reporting Standards accepted in Colombia.

Basis for opinion

I conducted my audit in accordance with the Accounting and Financial Reporting Standards accepted in Colombia. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the separate financial statements* section of my report. I am independent of the Banco de Comercio Exterior de Colombia and in accordance to the Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants along with the ethical requirements that are relevant to my Audit of the separate financial statements in Colombia and I have fulfilled my other ethical responsibilities in relation to these requirements. I believe that the Audit evidence I have obtained provides me with reasonable basis to express my opinion.

Key Audit Matters

The key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements taken as a whole, and in forming my opinion thereon and, accordingly, I do not express a separate opinion on these matters.

1. **ESTIMATION OF IMPAIRMENT OF LOAN PORTFOLIO THE IMPAIRMENT LOSS PROVISION ON THE LOANS PORTFOLIO**

Key audit matter

I considered as a key audit matter the estimation of loan portfolio impairment, which is the most important and complex estimate in the preparation of the Bank's financial statements as of December 31, 2024, as it corresponds to the amount resulting from the measurement of the impairment of its loan portfolio. The methodologies for the calculation of portfolio impairment incorporate judgment and estimation factors in the assignment of the risk rating.

BDO en Colombia S.A.S, BIC, BDO Outsourcing S.A.S, BIC, BDO Audit S.A.S, BIC y BDO Shared Services Center S.A.S, BIC, son sociedades por acciones simplificadas colombianas que hacen parte de la red internacional BDO. Son empresas independientes asociadas. Todas estas entidades son miembros de BDO International Limited, una compañía limitada por garantía del Reino Unido.
CO11/3824.05 CO21/962777.00 CO22.06893

The component of the financial statements called "impairment" presents a balance as of December 31 of $215,302,356 thousand pesos, on a portfolio of $5,336,320,914 thousand pesos.

The Bank for the estimation of impairment, it uses several models, as follows:

- Rediscount commercial portfolio - Own methodology - individual provisions of entities authorized to carry out rediscount operations.
- Models under the guidelines of the Financial Superintendence of Colombia
  - Direct commercial portfolio - Reference model of commercial portfolio - MRC
  - Consumer Portfolio - Consumer Portfolio Reference Model - MRCO
  - Housing Portfolio - General regime for the evaluation, qualification and provisioning of the credit portfolio.

Therefore, it is considered a significant matter the individual evaluation of the commercial portfolio, which incorporates judgment factors and estimates relevant to the analysis, related to the evaluation of credit risk factors of each customer regarding their ability to pay. Such assigned risk rating, although performed in accordance with the provisions of the Financial Superintendence of Colombia, management makes judgments and estimates that may change the customer's risk rating.

Related disclosures

View notes 10 (provisions section) of the separate financial statements attached.

Audit Response

My auditing proceeds to the key audit matter included, but were not limited to, the following:

- Evaluation of the design, implementation and operational effectiveness of the controls related to the calculation of the impairment models, including commercial portfolio.
- Evaluation of IT controls for the information of the application that supports the calculations of the portfolio impairment model.
- Verification of the accuracy and integrity of the information used in the model, for which direct traditional and SME portfolio files were verified, as well as the portfolio of promissory notes for rediscounting and certification from intermediaries regarding them.
- The rating assigned to the portfolio, which is part of the impairment model calculation, was validated.
- Recalculations of the Bank's portfolio impairment models.

Responsibilities of Management and those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with the Accounting and Financial Reporting Standards accepted in Colombia; and for such internal control as management considers relevant for the preparation and correct presentation of the separate financial statements are free from material misstatement, weather due to fraud or error.

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

Those charged governance are responsible for overseeing the Bank financial reporting process.

Auditor’s Responsibilities for the Audit of the Separate Financial Statements

My objective is to obtain reasonable assurance weather the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion.

Reasonable assurance is a high degree of assurance, but does not guarantee that an audit performed in accordance with International Standards on Auditing accepted in Colombia will always detect material misstatements when they exist. Material misstatements can be caused by fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions that users make based on the financial statements.

As part of an Audit in accordance with International Auditing Standards accepted in Colombia. I exercise professional judgment and maintain professional skepticism throughout the audit, I also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity internal control.
- Evaluate the appropriateness of accounting policies used in the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that make cast significant doubt on the Bank's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor’s report to the related disclosures in the separate financial statements or, if such disclosures are inadequate to modify my opinion. My conclusions are based on the audit evidence report obtained up to the date of my auditor’s report. However future events or condition may cause the Bank to cease to continue as going concern.
- 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 with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

For the matters that I have communicated to those charged with governance of the Bank, I have identified those matters that are of most significance to the financial statements as a whole for the current period and, accordingly, have been determined to be key audit matters. Key audit matters are part of my report, unless legal or regulatory provisions prohibit public disclosure of the 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 such communication.

Other information

The management is responsible for the other information. The other information includes the information included in the Bank's management report but does not include the financial statements or my corresponding audit report.

My opinion on the financial statements does not cover the other information, and I do not express any form of conclusion that provides a degree of assurance on it.

In relation to my audit of the separate financial statements, my responsibility is to read the other information and, in doing so, to consider whether there is a material inconsistency between the other information and the financial statements, or the knowledge obtained by me in the audit, or whether there appears to be a material misstatement in the other information for some other reason.

If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report it. I have nothing to report in this regard.

Other matters

The attached separate financial statements were prepared to comply with the legal requirements to which the Bank is subject and, consequently, do not include the adjustments or eliminations necessary for the presentation of the financial position and consolidated results of the Bank and its subsidiaries. These separate financial statements should be read in conjunction with the consolidated financial statements of **BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX and its subordinates**.

The Bank's separate financial statements under Accounting and Financial Information Standards accepted in Colombia, as of December 31, 2023, presented for comparative purposes, were audited by another auditor, in accordance with International Audit Standards accepted in Colombia, who expressed an unqualified opinion on them on February 27, 2024.

As detailed in note 2.2., the accompanying separate financial statements are an exact translation into English of those originally prepared by the Company in Spanish, presented in local Colombian pesos and performed in accordance with International Accounting and Financial principles accepted in Colombia.

The effects of any differences, between such International Accounting and Financial principles accepted in Colombia and the accepted accounting principles in the countries where the financial statements going to be used, have not been quantified.

Other legal and regulatory requirements

Additionally, I report that during the year 2024, the Bank has kept its accounts in accordance with the legal regulations and accounting techniques; the transactions recorded in the accounting books and the acts of the administrators are in accordance with the bylaws and the decisions of the Stakeholders' Meeting and the Board of Directors; the correspondence, the account vouchers and the minute and share registry books are duly kept and maintained; the management's management report is duly consistent with the financial statements, and the Bank has made the timely settlement and payment to the Integral Social Security System; likewise, as of the date of issuance of the Financial Statements, the Bank is not in arrears for this last concept. The administrators stated in the management report that they did not hinder the free circulation of invoices from their suppliers of goods and services.

The Bank has complied with the provisions of the Financial Superintendence of Colombia, for which purpose it verified the adequate application of the criteria and proceedings established on the Asset Laundering and Terrorism Financing Risk Management System - SARLAFT, the Integral Risk Management System - SIAR and the Consumer Service System - SAC, especially verifying that the financial statements adequately reflect the impacts generated by the different risks of the operations environment. Likewise, to the norms and instructions of the Financial Superintendence of Colombia related to the adequate administration and provision of goods received in payment.

As part of my duties as Statutory Auditor and in compliance with the first and third paragraphs of article 209 of the Commercial Code, as well as the provisions of articles 1.2.1.2. and 1.2.1.5. of Regulatory Decree 2420 of 2015, modified by articles 4 and 5 of Decree 2496 of 2015, I issued my separate report on February 26, 2025.

VICTOR MANUEL RAMIREZ VARGAS
Statutory Auditor
Professional License 151419-T

Member of
BDO AUDIT S.A.S. BIC
99975-01-2798-25

Bogotá D.C., February 26, 2025

Statutory Auditor's Report on the compliance with Sections 1 and 3 of Article 209 of the Commerce Code

To the stockholders of
BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX:

Description of the main issue

As part of my duties as a Statutory Auditor of **BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX** (hereon "The Bank") and in compliance with sections 1 and 3 of the article 209 of the commerce code , as well as the provisions of Regulatory Decree 2420 of 2015 and its subsequent modifications, I must report to the Bank's Stockholders' whether, for the period ending December 31, 2024:

1. Whether the acts of the Company's management are consistent with the bylaws and the orders or instructions of the General Meeting of Stockholders; and
2. Whether adequate internal control measures are in place for the preservation and custody of the properties of the Bank or of third parties in its power, and whether they are adequate.

Applicable criteria

The criteria established to carry out the evaluation of the matters include:

a) Articles of association and proceedings of the Bank's highest governing bodies.
b) Components of internal control adopted by the Bank such as: control environment, risk assessment process, information and communication processes and monitoring of controls by management and those in charge of corporate governance, which are based on what is established in the internal control system implemented by the Bank's management.
c) Requirements established in Decree 1599 of 2005, which provides for the implementation of the Internal Control Standard Model MECI in all entities that are part of the scope of application of Law 87 of 1993.
d) Requirements of Risk Management Systems established in the Accounting and Financial Basic Circular of the Financial Superintendence of Colombia.

Inherent limitations

Due to inherent limitations, including the possibility of collusion or override of controls by management, the internal control may not prevent, or detect and correct, material misstatements. Additionally, projections of any future period's control evaluation or effectiveness 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.

Management Responsibility

Management is responsible for compliance with the bylaws and the decisions of the Stockholders' Meeting and for the design and implementation of internal control measures, which include the Comprehensive Risk Management System (SIAR), Risk Management System for Money Laundering and Financing of Terrorism (SARLAFT) and the Financial Consumer Service System (SAC), and the measures for the conservation and custody of the Company's assets or those of third parties in its possession, in accordance with the requirements of Part 1, Title 1, Chapter IV of the Basic Legal Circular of the Financial Superintendence of Colombia.

BDO en Colombia S.A.S, BIC, BDO Outsourcing S.A.S, BIC, BDO Audit S.A.S, BIC y BDO Shared Services Center S.A.S, BIC, son sociedades por acciones simplificadas colombianas que hacen parte de la red internacional BDO. Son empresas independientes asociadas. Todas estas entidades son miembros de BDO International Limited, una compañía limitada por garantía del Reino Unido.

Great Place To Work. Certificada
CO11/3824.05 CO21/962777.00 CO22.06893

Statutory Auditor’s Responsibility

My responsibility is to perform a reasonable assurance work to issue a conclusion supported by procedures designed and executed based on my professional judgment and the evidence obtained as a result of such procedures, applying the International Standard on Assurance Engagements for assurance engagements other than audits or reviews of historical financial information (ISAE-3000) accepted in Colombia, on matters described in section 1 and 3 of article 209 of the Commerce Code. I have complied with the independence requirements and other ethical requirements established in the Code of Ethics accepted in Colombia for accounting professionals, based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct. Additionally, I applied International Standard on Quality Control (ISQC) 1 during the execution of my work.

Procedures Performed

The procedures performed to reach my conclusion were:

- Obtaining a written representation from Management as to whether the acts of the administrators are in accordance with the bylaws and the decisions of the Shareholders' Meeting and whether internal control measures, including comprehensive risk management systems (SIAR), are in place and adequate, SARLAFT and SAC, and the measures for the conservation and custody of the Company's assets or those of third parties in its possession, in accordance with the requirements of Part 1, Title 1, Chapter IV and Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia.
- Translated with DeepL.com (free version)Verification of proper compliance with the rules and instructions on the Integrated Risk Management System (SIAR), SARLAFT and SAC.
- Reading of the bylaws and minutes of the Stockholders' Meeting for the period from January 1 to December 31, 2024, and from January 1, 2025, to the date of my report, in order to evaluate whether the provisions or instructions contained therein have been implemented during the period or have an appropriate implementation schedule.
- Inquiring with management on amendments to the bylaws between January 1 to December 31, 2024, as well as any projected changes.
- Inspection of documents supporting compliance with the provisions that led to amendments in the bylaws made during the period from January 1 to December 31, 2024.
- Understanding, evaluation of the design, and operational testing, with scope defined according to the auditor's judgment, of Entity-level controls established by the Bank for each element of internal control.
- Understanding, evaluation of the design, and operational testing, with scope defined according to the auditor's judgment, of controls in significant processes that materially affect the financial information of the Bank.
- Issuing letters to management with my recommendations on internal control deficiencies that are not considered significant, and which were identified during the statutory auditing engagement.
- Following up on the action plans implemented by the Bank in response to deficiencies identified in previous periods or during the period covered by this report.

Conclusion

In accordance with my audit procedures performed as a whole and the inherent limitations detailed above, I can conclude that as of December 31, 2024:

- The acts of management are consistent with the bylaws and the decisions of the General Meeting of Stockholders and board of Directors, and the internal control measures for the preservation and custody of the properties of the Bank or of third parties in its power exist and are adequate, in all material aspects, in accordance with the requirements of Basic Accounting and Financial Circular 100 and Basic Legal Circular 029 issued by the Financial Superintendence of Colombia.

- The Bank has complied with the provisions of the Financial Superintendence of Colombia, verified the adequate application of the criteria and procedures established on the Risk Management System applicable to the Bank and the Internal Control System - ICS, established in External Circular 100 of 1995 and other complementary provisions, especially verifying that the financial statements adequately reflect the impacts generated by the various risks of the operations environment.

VICTOR MANUEL RAMIREZ VARGAS
Statutory Auditor
Professional License 151419-T

Member of
BDO AUDIT S.A.S. BIC
99975-01-2798-25

Bogotá D.C., February 26, 2025

BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX

SEPARATE STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024 AND 2023
(Figures expressed in thousands of Colombian Pesos)

ASSETS	Notes	December 31, 2024	December 31 2023
Cash and cash equivalents	7	$ 154,830,104	$ 143,537,952
Financial instruments			
Investments at fair value through profit or loss - debt instruments	8.1	16,594,040	67,629,443
Investments at fair value with changes in other comprehensive income - debt instruments	8.2	1,223,488,276	1,300,706,705
Investments at amortized cost	8.3	1,089,570,796	981,941,242
Investments at fair value with changes in other comprehensive income - equity instruments	8.4	439,366,951	432,732,898
Investments in subsidiaries	8.5	57,855,989	59,687,879
Derivative financial instruments	8.6	58,619,018	85,697,815
Other financial Assest	9	313,155,727	711,735,470
Credit portfolio and finance lease transactions, net	10	5,121,018,558	7,505,607,976
Business accounts receivable and other accounts receivable, net	11	93,090,707	106,775,651
Current tax assets	28.1	-	22,108,926
Other non-financial assets	12	46,560,208	40,990,882
Assets held for sale, net	13	31,570,070	21,678,333
Property and equipment, net	14	37,753,784	34,428,595
Property and equipment in operating lease	15	17,468,141	10,866,080
Investment properties	16	12,130,921	12,017,858
Rights-of-use asset	17	9,597,616	8,693,675
Intangible assets other than goodwill	18	3,872,377	4,999,223
Deferred tax assets	28.7	3,828,676	-
Total assets		$ 8,730,381,959	$ 11,551,836,603

LIABILITIES	Notes	December 31, 2024	December 31, 2023
Customer deposits	19.1	$ 3,060,845,275	$ 4,367,018,847
Money market operations	19.2	397,391,576	44,659,611
Other deposits	19.3	11,705,194	29,411,954
Derivative financial instruments	8.6	30,924,981	80,018,886
Bank loans and other financial obligations at amortized cost	20.1	3,404,360,583	5,223,341,679
Lease liabilities	20.2	9,963,145	8,431,911
Pasivos por impuestos corrientes		615,395	-
Trade accounts payable and other accounts payable	21	35,619,445	42,300,105
Employee benefits	22	11,296,033	19,521,755
Estimated liabilities and provisions	23	110,014	110,014
Other liabilities	24	124,677,688	141,119,835
Deferred tax balances	28.7	-	10,619,564
Total liabilities		7,087,509,329	9,966,554,161
EQUITY			
Capital stock	25.1	1,062,594,968	1,062,594,968
Legal reserve	25.2	202,088,728	197,217,857
Occasional reserves	25.2	27,091,901	27,465,831
Statutory reserves	25.2	131,461,578	113,782,449
Share premium		15,795	15,795
Other comprehensive income		132,214,319	135,510,777
Profit for the year		87,405,341	48,694,765
Total Equity		1,642,872,630	1,585,282,442
Total liabilities and equity		$ 8,730,381,959	$ 11,551,836,603

The accompanying notes are an integral part of the financial statements

JOSÉ ALBERTO GARZÓN GAITÁN
Legal Representative

LUIS MIGUEL MORENO FRANCO
Accountant
Professional License 77514-T

VICTOR MANUEL RAMIREZ VARGAS
Statutory Auditor
Professional License 151419 -T
Member of BDO Audit S.A. BIC
(See my attached report)

BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX

SEPARATE INCOME STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In thousands of Colombian pesos, except net profit per share)

	Notes	2024	2023
ORDINARY OPERATING REVENUE			
Interest income from loan portfolio and finance lease operations		$ 962,267,746	$ 1,371,756,517
Net financial income from money market operations and other interest		55,982,258	45,690,940
Fair value measurement of investments – debt instruments, net		149,802,198	129,812,209
Fair value measurement of investments – equity instruments, net.		14,450,685	-
Amortized cost measurement of investments, net		162,298,641	-
Commissions and fees		3,936,520	5,408,101
Net gain on sale of investments – debt instruments		-	788,128
Gain on sale of assets received in lieu of payment and returned		-	202,618
Net foreign exchange gain		-	374,707,642
		1,348,738,048	1,928,366,155
OPERATING EXPENSES			
Interest on deposits and demand liabilities		260,653,136	401,159,366
Interest on bank loans and other financial obligations		496,638,040	697,503,189
Net financial income from money market operations and other interest		138,553,649	136,381,675
Loss on sale of assets received in lieu of payment and returned		137,205	-
Investments measured at amortized cost, net		-	139,093,776
Fair value measurement of equity instruments, net		-	1,066,585
Commissions		10,473,169	12,283,260
Net expenses from money market operations		2,155,667	1,236,482
Net loss on sale of debt instruments		490,115	-
Net fair value of speculative derivatives		16,924,434	241,454,253
Net foreign exchange loss		116,941,368	-
Net fair value of hedging derivatives		7,849,767	14,283,920
		1,050,816,550	1,644,462,506
NET REVERSAL (IMPAIRMENT) OF ASSETS			
Loan portfolio and leasing operations		6,659,722	(36,839,186)
Accounts receivable		(16,285,163)	(5,787,400)
Assets received in lieu of payment and returned		(7,851,923)	(6,012,720)
Property and equipment under operating lease		(1,158,665)	(1,677,638)
Other assets		166,790	195,562
		(18,469,239)	(50,121,382)
OPERATING INCOME		279,452,259	233,782,267
OTHER OPERATING INCOME AND EXPENSES, NET			
OTHER OPERATING INCOME			
Dividends and ShareS		11,431,883	7,934,446
Equity participation method		7,086,160	10,291,784
Other income	26	24,847,899	9,974,607
		43,365,942	28,200,837
OTHER OPERATING EXPENSES			
Employee benefits		78,047,690	80,194,811
Fees		5,797,738	5,712,993
Taxes and rates		34,608,564	47,591,148
Leases		5,474,378	5,133,645
Depreciations		8,198,104	5,761,055
Amortizations		2,001,029	2,075,036
Others expenses	27	34,385,917	34,526,365
		168,513,420	180,995,053
EARNINGS BEFORE TAXES		154,304,781	80,988,051
INCOME TAX	28.2	66,899,440	32,293,286
PROFIT FOR THE YEAR		$ 87,405,341	$ 48,694,765
EARNINGS PER SHARE	25.3	$ 82.26	$ 45.83

The accompanying notes are an integral part of the financial statements

JOSÉ ALBERTO GARZÓN GAITÁN
Legal Representative

LUIS MIGUEL MORENO FRANCO
Accountant
Professional License No. 77514-T

VICTOR MANUEL RAMIREZ VARGAS
Statutory Auditor
Professional License 151419 -T
Member of BDO Audit S.A. BIC
(See my attached report)

BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX

SEPARATE STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In thousands of Colombian pesos)

		2024		2023
PROFIT FOR THE YEAR	$	87,405,341	$	48,694,765
OTHER COMPREHENSIVE INCOME				
COMPONENTS OF OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS				
Investments in Equity Instruments				
(Devaluation) Fair Value Measurement of Private Equity Fund		(12,064,219)		10,377,127
Valuation at Fair Value of Foreign Currency-Denominated Equity Instruments		14,630,803		15,040,431
Fair Value Measurement of Equity Instruments		30,424,727		8,125,649
Revaluation of Property, Plant and Equipment				
Valuation of Buildings		4,787,994		-
Total other comprehensive income that will not be reclassified to profit or loss		37,779,305		33,543,207
COMPONENTS OF OTHER COMPREHENSIVE INCOME THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS				
AVAILABLE-FOR-SALE FINANCIAL ASSETS				
Investments in available-for-sale financial assets				
(Devaluation) valuation of fixed-rate TES debt instruments		(52,673,489)		88,641,787
(Devaluation) valuation of TES Green bonds		(2,530,510)		7,672,221
(Devaluation) valuation of fixed-rate CDT debt instruments		(865,326)		1,246,167
		(56,069,325)		97,560,175
CASH FLOW HEDGES				
Cash flow hedges		(11,947,684)		37,750,479
Other Comprehensive Income – Cash Flow Hedges		(11,947,684)		37,750,479
Share of other comprehensive income of associates and subsidiaries accounted for using the equity method that will be reclassified to profit or loss				
Investments in subsidiaries		344,554		-
		344,554		-
Others				
Deferred tax		26,596,692		(44,747,684)
		26,596,692		(44,747,684)
Total other comprehensive income that will be reclassified to profit or loss, net of income tax		(41,075,763)		90,562,970
Total other comprehensive income		(3,296,458)		124,106,177
TOTAL OTHER COMPREHENSIVE INCOME	$	84,108,883	$	172,800,942

The accompanying notes are an integral part of the financial statements

JOSÉ ALBERTO GARZÓN GAITÁN
Legal Representative

LUIS MIGUEL MORENO FRANCO
Accountant

VICTOR MANUEL RAMIREZ VARGAS
Statutory Auditor
Professional License 151419 -T
Member of BDO Audit S.A. BIC
(See my attached report)

BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX

SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In thousands of Colombian pesos)

			Reserves							
	Note	Capital Stock	Legal	Occasional	Statutory	Share premium	Other comprehensive income	Accumulated earnings from previous years	Profit for the year	Shareholders' equity
BALANCE AS OF DECEMBER 31, 2022		$ 1,062,594,968	$ 190,104,422	$ 27,884,760	$ 49,346,690	$ 15,795	$ 11,404,600	$ -	$ 71,130,265	$ 1,412,481,500
Transfer to accumulated earnings from previous years		-	-	-	-	-	-	71,130,265	(71,130,265)	-
Distribution of net income for the period	25.4	-	7,113,435	(418,929)	64,435,759	-	-	(71,130,265)	-	-
Movement in the year		-	-	-	-	-	124,106,177	-	-	124,106,177
Profit for the year		-	-	-	-	-	-	-	48,694,765	48,694,765
BALANCE AS OF DECEMBER 31, 2023		$ 1,062,594,968	$ 197,217,857	$ 27,465,831	$ 113,782,449	$ 15,795	$ 135,510,777	$ -	$ 48,694,765	$ 1,585,282,442
Transfer to accumulated earnings from previous years		-	-	-	-	-	-	48,694,765	(48,694,765)	-
Distribution of net income for the period	25.4	-	4,870,871	(373,930)	17,679,129	-	-	(48,694,765)	-	(26,518,695)
Movement in the year		-	-	-	-	-	(3,296,458)	-	-	(3,296,458)
Profit for the year		-	-	-	-	-	-	-	87,405,341	87,405,341
BALANCE AS OF DECEMBER 31, 2024		$ 1,062,594,968	$ 202,088,728	$ 27,091,901	$ 131,461,578	$ 15,795	$ 132,214,319	$ -	$ 87,405,341	$ 1,642,872,630

The accompanying notes are an integral part of the financial statements

JOSE ALBERTO GARZON GAITAN
Legal Representative

LUIS MIGUEL MORENO FRANCO
Accountant
Professional License 77514-T

VICTOR MANUEL RAMIREZ VARGAS
Statutory Auditor
Professional License 151419 -T
Member of BDO Audit S.A. BIC
(See my attached report)

BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A.- BANCÓLDEX

SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In thousands of Colombian pesos)

	December 31, 2024	December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit for the Year	$ 87,405,341	$ 48,694,765
Adjustments to reconcile net income to net cash		
(provided by) used in operating activities:		
Income tax	66,899,440	32,293,286
Impairment of loan portfolio	76,047,423	106,392,266
Impairment of accounts receivable	26,435,628	17,225,904
Impairment of non-current assets held for sale	13,940,888	9,369,424
Impairment of property and equipment under operating lease	1,651,335	-
Impairment of other assets	-	(166,790)
Severance expense	2,125,783	2,025,314
Depreciation of property and equipment	1,805,207	1,135,868
Depreciation of assets in use	4,348,454	4,165,929
Depreciation of property and equipment under operating lease	2,044,443	459,258
Revaluation of property and equipment	(4,787,994)	(342,024)
Amortization of intangibles	2,001,029	2,075,035
Loss (gain) on sale of non-current assets held for sale, net	358,543	(202,618)
Gain on sale of property and equipment, net	(97,121)	(701,351)
Loss (gain) on sale of investments, net	490,115	(788,129)
Reversal of impairment on loan portfolio	(82,707,141)	(69,553,081)
Reversal of impairment on accounts receivable	(10,150,467)	(11,438,503)
Reversal of impairment on non-current assets held for sale	(6,088,965)	(3,356,704)
Reversal of impairment on property and equipment under operating lease	(492,670)	-
Reversal of impairment on other assets	-	362,352
Restatement of foreign currency bank balances	(5,321,562)	609,526
Valuation of investments through profit or loss	(326,551,525)	10,348,152
Equity method earnings	(7,086,160)	(10,291,784)
Valuation of trading derivatives	16,924,434	241,454,253
Valuation of hedging derivatives	7,849,768	14,283,920
Subtotal	(220,361,115)	345,359,503
Variation in Operating Accounts		
(Increase) in derivative financial instruments	(46,789,310)	(274,448,783)
Decrease in loan portfolio	2,391,249,136	734,794,592
Decrease in accounts receivable	19,808,793	35,198,843
Decrease in property and equipment	40,435	-
(Increase) decrease in other assets	(5,869,408)	13,843,257
(Increase) decrease in deferred tax asset	(72,056,287)	145,471,353
Increase (decrease) in lease liability	1,531,234	(2,690,001)
(Decrease) in trade and other payables	(72,964,705)	(27,874,752)
Increase (decrease) in deferred tax liability	57,608,047	(114,106,432)
(Decrease) increase in employee benefits	(8,177,463)	2,506,938
(Decrease) in estimated liabilities and provisions	-	(27,480)
(Decrease) in other liabilities	(16,442,149)	(38,652,873)
(Decrease) increase in other comprehensive income	(3,296,458)	124,106,177
Severance payments	(2,174,042)	(1,725,042)
Subtotal	2,242,467,823	596,395,797
Total Adjustments	2,022,106,708	941,755,300
Net Cash Provided by Operating Activities	2,109,512,049	990,450,065
CASH FLOWS FROM INVESTING ACTIVITIES:		
Decrease in money market operations	398,569,743	133,271,610
Decrease (increase) in investments	348,969,685	(47,569,566)
Additions of non-current assets held for sale	(29,977,053)	(13,995,006)
Purchase of property and equipment	(536,350)	(6,517,537)
Additions of assets in use	(5,263,583)	(1,175,029)
Additions of property and equipment under operating lease	(9,805,169)	(3,486,538)
Purchase of intangible assets	(874,183)	(1,191,609)
Proceeds from sale of non-current assets held for sale	1,144,300	1,118,200
Proceeds from relocation of returned assets	10,730,550	5,292,197
Proceeds from sale of property and equipment	137,571	795,900
Proceeds from sale of assets in use	11,188	74,070
Net Cash Provided by Investing Activities	713,106,699	66,616,692
CASH FLOWS FROM FINANCING ACTIVITIES:		
(Decrease) increase in customer deposits	(1,306,173,572)	97,595,829
Increase in money market borrowings	352,731,965	44,659,611
(Decrease) increase in other deposits	(17,706,760)	1,501,176
(Decrease) in bank loans and other financial obligations	(1,818,981,096)	(1,218,335,006)
Dividend payments	(26,518,695)	-
Net cash used in financing activities	(2,816,648,158)	(1,074,578,390)
Effect of exchange rate changes on cash and cash equivalents	5,321,562	(609,526)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,292,152	(18,121,159)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	143,537,952	161,659,111
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 154,830,104	$ 143,537,952

The accompanying notes are an integral part of the financial statements

JOSÉ ALBERTO GARZÓN GAITÁN
Legal Representative

LUIS MIGUEL MORENO FRANCO
Acccountant
Professional License 77514-T

VICTOR MANUEL RAMIREZ VARGAS
Statutory Auditor
Professional License 151419-T
Member of BDO Audit S.A. BIC
(See my attached report

1. REPORTING ENTITY

Banco de Comercio Exterior de Colombia S.A.– BANCÓLDEX (hereafter “the Bank” or “Bancóldex”) is a national partially state-owned company incorporated as a bank credit institution. It is attached to the Bicentenario Group, established and organized under Colombian law as of January 1, 1992, in accordance with Law 7 and Decree 2505 of 1991. Its initial term is 99 years as of December 30, 1992, and, pursuant to Resolution Number 0652 of April 15, 1996 issued by the Financial Superintendence of Colombia (hereafter “SFC” or “Superintendence”), the term was extended to December 30, 2091. It is domiciled in the city of Bogotá, D.C., and has no branches or agencies.

Articles 58 and 94 of Law 795 of January 14, 2003 ratify the legal nature of the Bank, exempt it from the compulsory investment scheme and authorize it to rediscount leasing transactions.

Bancóldex’ corporate purpose is to finance, mainly but not exclusively, activities linked to exports and domestic industry by acting as a discount or acceptance house rather than as a direct intermediary. It may also carry out credit operations, including financing Colombian export buyers, discounting credits granted by other financial institutions, granting, and receiving endorsements and collateral in legal or foreign currency and performing other activities authorized by the Organic Statute of the Financial System and current regulatory standards.

The Bank is the manager of the Banca de las Oportunidades Investment Program. It derives from the National Government’s strategy to reduce poverty, promote social equality, and stimulate economic development in Colombia through access to financial services for lower-income families, entrepreneurs, and MSMEs.

Decree 2111 of November 24, 2019, with the force of law and issued by the President of the Republic in the exercise of extraordinary powers conferred by Article 331 of Law 1955 of May 25, 2019, “Issued the 2018-2022 Pact for Colombia, Pact for Equity National Development Plan. It also created Grupo Bicentenario S.A.S. as a mixed economy company of the special regime governed by private law, of the Executive Branch of the national order, a company controlled by the Nation - Ministry of Finance and Public Credit, which is the holder of 99.999987499999200% of the shares.

On July 31, 2020, the merger agreement was formalized by a public deed. Bancóldex absorbed its affiliate Arco Grupo Bancóldex Compañía de Financiamiento to complement the financial product offering for SMEs and incorporate the finance leasing, factoring, and direct credit products. Arco was integrated as a business unit that gave rise to the Vice Presidency for SME Direct Credit.

Bancóldex owns 89.62% of Fiduciaria Colombiana de Comercio Exterior S.A. – Fiducóldex, a stock corporation, national indirect partially state-owned company. Fiducóldex is subject to inspection and surveillance by the SFC and was incorporated through Public Deed number 1497 of October 31, 1992, issued at Notary Office 4 of Cartagena (Bolívar) (operating license included in Resolution Number 4535 of November 3, 1992, issued by the SFC). Its headquarters are located in Bogotá, D.C. and its corporate purpose is to enter into a business trust agreement with the Nation (represented by BANCÓLDEX) in order to promote Colombian exports and fulfill other purposes established in Decree 663 of 1993 such as conducting all sorts of business trust agreements, as well as performing all operations, businesses, actions, orders, and services related to normal trust activities.

2. PRESENTATION STANDARDS

2.1. Accounting standards applied – The accompanying separate financial statements of the Bank, in accordance with the current provisions established by Law 1314 of 2009, which was regulated, compilated and updated by Decree 2611 of 2022, Decree 938 of 2021, and previous Decrees, which are added to Decree 2420 of 2015 were prepared based on the Accounting and Financial Reporting Standards (NCIF) accepted in Colombia. These standards are based on the International

Financial Reporting Standards (IFRS), together with their interpretations, translated into Spanish and issued by the International Accounting Standards Board (IASB) as of December 31, 2021.

Moreover, in compliance with the law, decrees and other existing regulations, the Bank applies the following accounting criteria that differ from IFRS issued by IASB:

Decree 2420 of December 14, 2015 – Whereby the parties responsible for preparing financial information and which may be classified as public interest entities that receive, manage, or administer public resources, shall not apply IAS 39– Financial Instruments: Recognition and Measurement; and IFRS 9– Financial Instruments, regarding the handling of the credit portfolio and impairment, and the classification and valuation of investments. Subsequently, IFRS 9 was adopted within Decree 2131 of 2016, repealing IAS 39.

Therefore, in accordance with the Basic Financial and Accounting Circular Letter issued by the Financial Superintendence of Colombia, the credit portfolio is registered at historical cost and its impairment is determined by the reference models established in Chapter XXXI. Investments are classified as: negotiable investments, investments to be held until maturity and available-for-sale investments. They are valued at their market value or fair exchange price. Applicable accounting policies are detailed in Note 3 "Significant Accounting Policies".

External Circular N° 36/2014 issued by the Financial Superintendency of Colombia specifies that property received in payment or returned must be registered in accordance with the Payment Management System for Property Received in Payment, as outlined by the Basic Accounting and Financial Circular (External Circular 100/1995). The applicable accounting policies are detailed in Note 3 "Significant Accounting Policies."

2.2. Basis of preparation –

a. The Bank has defined in its bylaws to close its accounts, prepare, and disseminate general-purpose financial statements once a year, December 31. For legal purposes in Colombia, the main financial statements are the separate financial statements expressed in Colombian pesos since this is the presentation currency for all purposes. The functional currency is the Colombian peso, which is the currency of the primary economic environment in which the Bank operates.

b. These financial statements are the exact English translation of those originally issued in Spanish. They are presented in accordance with International Accounting and Financial principles accepted in Colombia. It is possible that some accounting practices applied in Colombia, may not be equal with generally accepted accounting principles in other countries. The effects of any differences, of the generally accepted accounting principles in the countries in which these financial statements may be used against International Accounting and Financial principles accepted in Colombia, have not been quantified. In addition, these financial statements are not intended to present the information on the Bank's financial position, its financial performance and its cash flows for the year then ended, in accordance with International Accounting and Financial principles accepted in Colombia.

2.3. Going concern - At the time of approving the financial statements, the Bank's Management has a reasonable expectation that the Bank has adequate resources to continue operating in the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing financial statements.

The Bank has applied the significant accounting policies, judgments, estimates, and accounting assumptions described in Notes 3 and 4.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in preparing the financial statements are summarized hereafter.

3.1. Functional currency and presentation currency - The items included in the Bank's separate financial statements are expressed in the currency of the primary economic environment where the entity operates (Colombian pesos). The separate financial statements are presented in Colombian pesos, which is the Bank's functional currency and presentation currency. All the information is presented in thousands of Colombian pesos and rounded to the closest unit.

3.2. Foreign currency transactions - In order to present the financial statements, assets and liabilities in foreign currency are expressed in Colombian pesos, using the exchange rates prevailing at the cut-off date of the balance sheet. Income and expense items are converted into the exchange rates at the date of the transactions.

On December 31, 2024 and 2023, the exchange rates were $4,409.15 and $ 3,822.05, respectively.

3.3. Cash and cash equivalents - Cash equivalents are intended to hedge short-term obligations and represent securities that are readily convertible into cash and do not result in a significant change in their value. A financial instrument will be a cash equivalent item, only if it is held to use the surplus and not for investment purposes. The Bank recognizes as cash and cash equivalents, for cash flow statement, the value of the resources it holds for immediate availability such as securities on hand, bank deposits (local and foreign accounts).

3.4. Money market transactions: Money market transactions are repo transactions, simultaneous transactions, temporary transfer of securities transactions and interbank fund transactions. Initial measurement: The Bank will recognize a financial asset at fair value, which is usually the value agreed at the beginning of the transaction. Transaction costs will be directly recognized in the profit and loss statement. Subsequent measurement: The Bank will subsequently recognize the financial assets at amortized cost using the effective interest rate method.

3.5. Financial investment assets - The provision of criteria applicable to the presentation, classification and valuation of investments is designated according to local applicable regulations, since the entities subject to inspection and surveillance by the Financial Superintendence of Colombia are obliged to value and account for investments in debt securities, participative securities and investments in securities and other economic rights in accordance with Chapter I-1 of the Basic Accounting and Financial Circular Letter. Therefore, its provisions will be used regarding the requirements applicable to the issuance of the Bank's separate financial statements. Moreover, numeral 2.8 of Title 9 of the Basic Legal Circular Letter was amended through External Circular Letter Number 041 of 2015 issued by the Financial Superintendence of Colombia in order to clarify the minimum information to be reported when brokering derivative financial instruments.

- *Purpose of investment valuation – The main purpose of investment valuation is the accounting registry and disclosure at fair value of financial instruments at which a given security could be traded on a given date as per its characteristics and within the prevailing market conditions on that date.*

- *Definition of fair value – The measurement of fair value requires the Bank to assess the valuation concepts as well as the criteria and techniques defined by applicable regulations. Therefore, fair value is defined as the fair exchange price at which a security could be traded on a given date in accordance with its characteristics and within the prevailing market conditions at the measurement date by the Financial Superintendence of Colombia in the Basic Accounting and Financial Circular Letter.*

  The international financial reporting standard defines fair value as the price that would be received for selling an asset or paid for transferring a liability in an orderly transaction between market participants at the measurement date. For practical purposes and considering the principles mentioned above, the Bank will consider as fair value all measures of value that most accurately represent the market conditions at the valuation date, as well as all measures of value that jointly represent the price that market participants would grant or grant at the measurement date.

- *Price Provider* – The Bank will value the investments considering the regulatory standards by basing its valuation on the inputs provided by PRECIA S.A. - Price Provider, authorized as per the instructions set out in Chapter IV of Title IV of Part II of the Basic Legal Circular Letter of the Financial Superintendence of Colombia.

- *Criteria for investment valuation* – The valuation is carried out as per regulatory models established for investments, based on the valuation inputs provided by the price provider, and following the valuation guidelines given in chapters I and XVIII of the Basic Accounting and Financial Circular Letter. Investments are classified into marketable investments, held-to-maturity investments, or available-for-sale investments. Marketable investments and available-for-sale investments are classified into debt securities or participative securities.

It generally applies to any type of asset that may be part of the investment portfolio. The way those investments are classified, valued, and accounted is detailed below:

Classification	Characteristics	Valuation	Accounting
Debt financial instruments	Portfolio to manage investments in fixed-income and variable-income debt	Valuation of securities is conducted daily.	Accounting should be performed in Investment accounts at Fair Value with

Classification	Characteristics	Valuation	Accounting
	securities in order to obtain profits due to fluctuations in the market value and in the purchase and sale of such securities.	Prices determined by PRECIA S.A. price provider are used for valuation. In cases where there is not fair value at valuation day, valuation should be conducted exponentially from the internal return rate. The fair market exchange value or price of the respective security should be calculated by adding the present value of future cash flows for yields and capital. In the case of securities traded abroad, when the price provider appointed as the official price provider for the corresponding segment does not have a valuation methodology for these investments, the dirty price of purchase (BID) published by an information supply platform at 16:00, official Colombian time, is used as an alternative source of information.	changes in Profit and Loss in the Single Financial Reporting Catalogue (CUIF) for monitoring purposes. The difference between the current fair value and the immediately preceding fair value is recorded as goodwill and negative goodwill, and its offsetting entry affects the profit and loss of the period. This procedure is carried out daily.
Instruments at amortized cost	Securities and any general type of investments the Bank may have a serious purpose for as well as the legal, contractual, financial, and operational capacity to hold until maturity or until the redemption period expires. Liquidity operations may not be undertaken on these investments, as well as monetary market operations (simultaneous repurchase agreements or repo or temporary transfer of securities), except in the case of forced or obligatory investments subscribed in the primary market and provided that the counterparty of the operations is the Central Bank of Colombia, the General Office for Public Credit and National Treasury or entities supervised by the Financial Superintendence of Colombia.	Exponentially, based on the internal return rate calculated at the time of purchase on a 365-day year basis. This procedure is carried out daily.	Accounting should be performed in the Investments accounts at Amortized Cost of the Single Financial Reporting Catalogue (CUIF) for Monitoring purposes. The present value is accounted as investment goodwill and its offsetting entry is recorded in the profit and loss of the period. The uncollected receivable returns are recorded as investment goodwill and their collection is accounted as negative goodwill. This procedure is carried out daily.

Classification	Characteristics	Valuation	Accounting
	Similarly, they may be provided as collateral in a central counterparty clearing house in order to support the accepted operation performance for offsetting and settlement and/or as collateral for monetary market operations.		
Investments accounted at fair value with changes in OCI – debt securities	As per the business model, this portfolio manages fixed-income investments to obtain contractual cash flows and perform sales when circumstances require. Securities classified as available-for-sale investments may be provided as collateral in a central counterparty clearing house to support accepted operation performance for offsetting and settlement. Similarly, monetary market operations (simultaneous repurchase agreements or repo operations or temporary transfer of securities) may be carried out with these investments and provided as collateral for these types of operations.	Prices determined by PRECIA S.A. price provider are used. In cases for which there are not fair exchange prices at valuation day, valuation should be conducted exponentially from the internal return rate. This procedure is carried out daily.	Accounting should be performed in the Investments account at Fair Value with Changes in Other Comprehensive Income (OCI) of the Single Financial Reporting Catalogue (CUIF) for Monitoring purposes. The difference between the present value at valuation day and the immediately preceding present value (calculated from the Internal Return Rate, on the date of purchase on a 365-day year basis) is recorded as goodwill or negative goodwill of the investment with a credit or charge to accounts in the profit and loss statement. The difference between the market value and the present value is recorded in the Unrealized Profit or Loss (OCI) account. This procedure is carried out daily.
Investments accounted at fair value with changes in OCI – participative securities	This category includes investments in subsidiaries, associates, shares in Private Equity Funds, the National Guarantee Fund, Bladex, and joint ventures that grant the Bank the title of issuer joint owner.	Pursuant to Law 222 article 35 of 1995, investments in subsidiaries should be accounted in the books of the parent or holding company using the equity method in separate financial statements. In cases when the standards of the Code of Commerce or other legal provisions do not provide the accounting treatment of	The valuation effect of the share corresponding to the investor is accounted in the respective Unrealized Profit or Loss (OCI) account the investment is charged or credited. Dividends distributed in kind or in cash should be recorded as income, adjusting the

Classification	Characteristics	Valuation	Accounting
		investments in subsidiaries, associates, and shares in joint ventures, they should comply with the provisions set out in IAS 27, IAS 28, and IAS 11, as appropriate.	corresponding Unrealized Profit or Loss account (maximum up to their accumulated value) and, if necessary, the value of the investment in the amount of the surplus on that account.

- *Variable income investments with changes in Other Comprehensive Income (OCI)* - The Bank values these investments by increasing or decreasing the acquisition cost in the percentage share corresponding to the investor over subsequent variations in the respective issuer's equity.

- *Investments in participative securities in trust rights* – The Bank values these investments with the information provided by PRECIA S.A., the respective management company (value of unit).

- *Reclassification of investments* – Investments may be reclassified in accordance with the following provisions:

  a. *From held-to-maturity investments to marketable investments* – Reclassification is applicable when any of the following circumstances occur:

  - Significant impairment in the conditions of the issuer, its parent, subsidiaries, or related parties;

  - Changes in the regulation that prevent from keeping the investment;

  - Merger processes that involve investment reclassification or execution to maintain the previous risk position of interest rates or to adjust to the credit risk policy previously established by the merged entity;

  - Other unforeseen events, prior authorization from the Financial Superintendence of Colombia.

  b. *From available-for-sale investments to marketable investments or to held-to-maturity investments* - Reclassification is applicable when:

  - The composition of the significant activities of the business is redefined as a result of circumstances such as variations in the economic cycle or market niche where the Bank is operating in or in its risk appetite.

  - Adjustment assumptions are materialized in the management of investments that have been previously defined in the business model;

  - The investor losses its capacity as the parent or holding company, and such circumstance also involves the decision to alienate the investment in the short term as of that date;

  - Significant impairment in the conditions of the issuer, its parent, branches, or related parties;

  - Changes in the regulation that prevent from keeping the investment;

  - Merger processes that involve investment reclassification or execution to maintain the previous risk position of interest rates or to adjust to the credit risk policy previously established by the merged entity.

  When the available-for-sale investments are reclassified to marketable investments, the result of the investment reclassification should be recognized and held in the OCI as unrealized profit or loss until the corresponding investment is sold. Securities that are reclassified to be part of marketable investments may not be reclassified again. As of the reclassification date, they should be valued at the internal return rate of the previous day of reclassification.

When the available-for-sale investments are reclassified to held-to-maturity investments, unrealized profit or loss recognized in OCI should be paid off against the recorded value of the investment since the effect of the fair value will no longer be realized given the decision to reclassify the held-to-maturity category. The investment is recorded as if it had always been classified in the held-to-maturity category.

- *Investment repurchase rights* – These are restricted investments that represent collateral for investment repurchase agreements. The Bank retains the economic rights and benefits associated with the security and all the risks inherent to it although it transfers legal ownership when carrying out a monetary market operation. These securities continue to be valued daily and accounted in the balance sheet or profit and loss statement as per the methodology and procedure applicable to investments classified as marketable, held-to-maturity and available-for-sale, according to the category in which they are classified prior to the acquisition of the repurchase agreement.

- *Investments delivered as collateral* – These are investments in debt securities that are delivered as collateral to support operations performance accepted by a central counterparty clearing house for offsetting and settlement. These securities are valued daily and accounted in the balance sheet and profit and loss statement as per the methodology and procedure applicable to the category in which they were classified before they were delivered as collateral.

- *Impairment or losses due to credit risk rating* – The price of marketable or available-for-sale investments for which there is not fair exchange prices at the valuation day, and the price of held-to-maturity investments should be adjusted at each valuation date based on the credit risk rating, as per the following criteria:

  - The rating of the issuer or the security concerned, if any.

  - The objective evidence that impairment loss has been incurred or may be incurred on the amount of these assets. This criterion is applicable even to record greater impairment than that which results by taking just the rating of the issuer or/and the security, if so required based on the evidence.

  The amount of the impairment loss shall always be recognized in the result for the period, regardless of whether the respective investment has any amount recorded in Other Comprehensive Income, except public debt securities issued by the Central Bank of Colombia.

- *Securities of unrated issuers or issues* – Securities that do not have an external rating or that are issued by unrated entities will be rated as follows:

Category	Risk	Characteristics	Provisions
A	Normal	They comply with the terms agreed in the security and have adequate capacity to pay capital and interests.	Not applicable.
B	Acceptable	These are issues that present uncertainty factors that may affect the ability to continue fulfilling debt services adequately. Also, its financial statements and other available information present weaknesses that may affect its balance sheet.	In the case of debt securities, the value for which they have been accounted cannot exceed eighty percent (80%) of the net nominal value of amortizations conducted at valuation date. For participative securities, the net value of provisions for credit risk (provision subtracted form cost) for which they have been accounted

Category	Risk	Characteristics	Provisions
			cannot exceed eighty percent (80%) of the acquisition cost.
C	Appreciable	These are issues that present high or medium probability of default to timely pay capital and interests. Also, its financial statements and other available information present deficiencies in its balance sheet so they involve investment recovery.	In the case of debt securities, the value for which they have been accounted cannot exceed sixty percent (60%) of their net nominal value of amortizations made until the valuation date. For participative securities, the net value of provisions for credit risk (provision subtracted form cost) for which they have been accounted cannot exceed sixty percent (60%) of the acquisition cost.
D	Significant	These are issues with breaches in the terms agreed in the security. Their financial statements and other available information present deficiencies in its balance sheet.	In the case of debt securities, the value for which they have been accounted cannot exceed forty percent (40%) of their net nominal value of amortizations made until the valuation date. For participative securities, the net value of provisions for credit risk (provision subtracted form cost) for which they have been accounted cannot exceed forty percent (40%) of the acquisition cost.
E	Uncollectible	Issuers which given their financial statements and other available information, investment is considered uncollectible.	A provision is created for the entire value of these investments.

- *Securities from issues or issuers that have external ratings* – Debt securities that have one or more ratings and those debt securities rated by external rating agencies recognized by the Financial Superintendence of Colombia may not be accounted for an amount exceeding the following percentages of their net nominal value of amortizations made at the valuation date.

  The respective issuer's rating is used to estimate provisions on term deposits.

Long-term classification	**Maximum value %**	**Short-term rating**	**Maximum value %**
BB+, BB, BB-	Ninety (90)	3	Ninety (90)
B+, B, B-	Seventy (70)	4	Fifty (50)
CCC	Fifty (50)	5 and 6	Zero (0)
DD, EE	Zero (0)	5 and 6	Zero (0)

If provisions on investments classified as held-to-maturity, for which a fair value may be established, are greater than those estimated with the previous rule, the latter shall be applied.

Such provision corresponds to the difference between the recorded investment value and the fair value, if lower. If the investment or issuer has ratings from more than one rating agency, the lowest rating should be considered if they were issued within the last three (3) months, or the most recent rating if there is a longer period between one rating and another.

3.6. Investments in associates: The Bank shall have investments with significant influence if these investments directly or indirectly have (for example through subsidiaries) a share equal to or greater than 20% of the voting power over the investee, but less than 50%.

Under the equity method, upon initial recognition, the investment in an associate shall be recorded at cost, and the carrying amount shall increase or decrease to recognize the Bank's share of the associate's net income for the period and other comprehensive income after the acquisition date.

3.7. Loan portfolio and leasing operations - Criteria applicable to the presentation, classification, assessment and evaluation of the credit portfolio, credit risk, restructuring, provision write-offs, amongst others, will be recognized according to the policies and practices enacted by the Financial Superintendence of Colombia. Credits granted under different authorized modalities are recognized in portfolios in accordance with the provisions of Chapter XXXI of the Basic Accounting and Financial Circular Letter (CBCF) of the Financial Superintendence of Colombia. The resources used to grant credit are own resources, public resources through deposits or resources from other external and internal financing sources.

Loans are recorded at disbursement value, except for the rediscount commercial portfolio and factoring portfolio purchases, which are recorded at discount and cost, respectively.

Classification of the credit portfolio – Classification of the Bank's credit portfolio includes the following types:

- *Commercial Credit* – These are credits granted to natural or legal persons to develop organized economic activities different from microcredits. For the purposes of provision estimation models, the commercial portfolio is divided into the commercial portfolio under the rediscount mechanism and the direct commercial portfolio

  - Rediscount portfolio – It is a conventional mechanism for the allocation of second-tier bank resources. It refers to the repurchase or discount of securities from entities of the Colombian financial system that have performed the initial discount of the security to natural or legal persons. This only applies to funding business activities of the Bank. Promissory notes are currently rediscounted if they have been signed (by legal or natural persons with productive activities) before an eligible financial entity with a valid and available credit limit in the bank, which the financial entity in turn transfers through endorsement.

  - Direct commercial portfolio - It is a credit line delivered in Colombian pesos or foreign legal tender aimed at Colombian financial intermediaries with a current credit limit available at the Bank so that they, in turn, perform active credit operations as expressly authorized by Colombian legislation. They seek to finance business sector operations. This category includes direct credit operations with small, medium and large companies and individuals with commercial activity. This category includes, amongst others:

    - Direct Credit allows entrepreneurs to have a financing option in pesos and dollars to develop their investment plans without intermediaries.

    - The commercial discount portfolio is a financial instrument that implies purchasing at a discount and without recourse (removing the seller's responsibility to pay in the event of default by the party accepting the invoice) up to a percentage of the value of securities derived from domestic commercial operations for the sale of goods or services on credit. These operations are covered by an insurance policy issued by an eligible insurance company that is duly authorized by the Bank.

    - Leasing operations, to acquire new or used productive assets required by the customer through finance leases, in exchange for the payment of a periodic fee for an agreed term. At the end of the contract, the purchase option agreed upon at the beginning of the contract may be exercised.

- *Consumer and Housing Credit* - This arises exclusively from credit to officials and ex-officials which, for the latter, is granted prior to their withdrawal.

Evaluation and rating of the credit portfolio – With the issuance of External Circular Letter number 032 of November 2014 by the Financial Superintendence of Colombia for the rating and generation of provisions, rediscount banks must develop internal methodologies for rediscount operations. In the case of direct commercial, consumer and housing credit operations, the reference models of said Superintendency were adopted.

In accordance with External Circular Letter number 032 of 2014, as of December 2015, operations will be rated based on the methodologies mentioned above and in line with the portfolio type in each of the following risk categories:

Direct Commercial Portfolio – Commercial portfolio contracts must be classified in one of the following credit risk categories: AA, A, BB, B, CC, and Default.

Delinquency and risk profile criteria are included in the assignment of credit ratings.

Commercial rediscount portfolio – Rediscount operations must be classified exclusively to calculate allowances in the following categories: A1, A2, A3, A4 or A5 with the greatest risk profile being A5.

Delinquency and risk profile criteria are included in the assignment of credit ratings.

Consumer portfolio – The Bank's consumer portfolio is classified in the following segments:

- General – Automobiles: credit granted for the acquisition of automobiles.

- General – Other: credit granted for the acquisition of consumer goods other than automobiles.

The consumer portfolio rating per risk category varies according to the segments mentioned above and it is determined by a score named "Z", which considers the following variables: default level at the moment of calculating the provision, maximum default level recorded in the last three years, default levels in the last three quarters, regardless of whether there is active credit in the Bank and regardless of the type of collateral: adequate collateral, pledge, or mortgage.

In accordance with the "Z" score calculated in the previous point, the rating is assigned as per credit risk categories using the following table and considering that the lower the score obtained, the better the risk category rating.

Score up to Rating	**General Automobiles**	**General - others**
AA	0.2484	0.3767
A	0.6842	0.8205
BB	0.81507	0.89
B	0.94941	0.9971
CC	1	1

Provisions – As of December 2015, and as a result of the adoption of External Circular Letter number 032 of 2014 by the Financial Superintendence of Colombia, the Bank modified the provisions framework which is based on the guidelines established for credit risk management for each portfolio, as specified in the following annexes of Basic Accounting and Financial Circular letter (CBCF):

- Housing portfolio – General regime for assessment, rating, and provisioning of the credit portfolio (Annex 2 of Chapter XXXI SIAR - Deterministic Provisioning Model).

- Direct commercial portfolio – Commercial Portfolio Reference Model (Annex 1 of Chapter XXXI SIAR - Reference Models)

- Consumer portfolio – Consumer portfolio reference model – (Annex 1 of Chapter XXXI SIAR - Reference Models)

- Rediscount commercial portfolio – Internal methodology. Individual provisions of entities authorized to perform rediscount operations. (Annex 3 Model for entities with rediscount operations).

In order to estimate the direct commercial portfolio and consumer portfolio provisions, the models include some common aspects detailed below:

Pro-cyclical individual component and counter-cyclical individual component: The individual provision is the sum of two individual components:

Pro-cyclical individual component (PIC): This corresponds to the share of the credit portfolio individual provision which reflects the current credit risk of each debtor.

Counter-cyclical individual component (CIC): This corresponds to the share of the credit portfolio individual provision which reflects the possible changes in the credit risk of the debtors as the impairment of said assets increases. This share is represented to reduce the impact on the balance sheet when this situation occurs.

The pro-cyclical individual component (CIP) and the counter-cyclical individual component (CIC) require the default probability matrices A and B. The direct commercial and consumer portfolio, which adopt the reference models of the Financial Superintendency of Colombia, use the matrices defined in Annex 1 of chapter XXXI SIAR, of the aforementioned External Circular letter 100 of 1995.

Cumulative or non-cumulative phase: In order to determine the methodology to be applied and calculate the pro-cyclical and counter-cyclical components, the Bank performs a monthly evaluation of the indicators established by the Financial Superintendence of Colombia (related to impairment, efficiency, credit portfolio growth and the balance sheet of the entity). Once determined, these indicators will decide the calculation methodology for the components of the credit portfolio individual provisions.

The counter-cyclical component is higher in portfolio periods with better credit quality in order to compensate partially those that should be constituted in periods when significant portfolio quality deterioration occurs; therefore, when credit quality is at appropriate levels, the counter-cyclical component is in a cumulative phase, while at low credit quality levels, this component enters a non-cumulative phase.

In accordance with these indicators, as of December 31, 2024 and 2023, the Bank applied the cumulative phase calculation methodology.

Expected loss model: The assessment of expected loss or individual provision under the reference models (direct commercial portfolio and consumer portfolio) and under the internal methodology (rediscount commercial portfolio) is determined using the following formula:

EXPECTED LOSS = [Probability of default] x [Exposure of the asset at default] x [Loss given default]

Probability of Default (PD): This is the probability that, twelve months after the cut-off date of the financial statements, debtors of a given portfolio enter default (in accordance with the cases described in paragraph 2.3.1. of Part III of Chapter XXXI SIAR, External Circular 100 of 1995). The probability of default is established in accordance with the matrices indicated below.

Exposure of the asset at default: This corresponds to the value at risk with the debtor, comprised of the current balance of capital, interest and other accounts receivable.

Loss Given Default (LGD): This is defined as the economic impairment the Bank would incur if one of the default situations referred to in paragraph paragraph 2.3.1. of Part III of Chapter XXXI SIAR, External Circular Letter number 100 of 1995 occurs. LGD for debtors classified in the category of default will be gradually increased depending on the days passed following their classification in such category.

Therefore, the application of models and the establishment of provisions will be carried out as follows:

Direct commercial portfolio – The methodology of the Financial Superintendence of Colombia (Chapter XXXI of the Basic Accounting and Financial Circular Letter, Annex 1) is applied for the direct commercial credit portfolio. The calculation is made by considering the following criteria:

Classification: The model requires debtors to be classified by level of assets in accordance with the following table:

Classification of commercial portfolio by level of assets

Business size	Level of assets
Large Businesses	Over 15,000 Current Legal Monthly Minimum Wages
Medium Businesses	Between 5,000 and 15,000 Current Legal Monthly Minimum Wages
Small Businesses	Fewer than 5,000 Current Legal Monthly Minimum Wages

The model also has a category called "Individuals" in which all individuals who are commercial credit debtors are grouped.

Probability of Default (PD): This is taken from the reference model of the Financial Superintendence of Colombia:

	Large Business		Medium Business		Small Business		Natural Persons	
Rating	**Matrix A Large Business**	**Matrix B Medium Business**	**Matrix A Small Business**	**Matrix B Natural Persons**	**Rating**	**Matrix A Large Business**	**Matrix B Medium Business**	**Matrix A Small Business**
AA	1,53%	2,19%	1,51%	4,19%	4,18%	7,52%	5,27%	8,22%
A	2,24%	3,54%	2,40%	6,32%	5,30%	8,64%	6,39%	9,41%
BB	9,55%	14,13%	11,65%	18,49%	18,56%	20,26%	18,72%	22,36%
B	12,24%	15,22%	14,64%	21,45%	22,73%	24,15%	22,00%	25,81%
CC	19,77%	23,35%	23,09%	26,70%	32,50%	33,57%	32,21%	37,01%
Default	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Loss Given Default (LGD): The LGD per collateral type is as follows:

Type of Collateral	LGD	Days after default	New LGD	Days after default	New LGD
Subordinated credit	75%	270	90%	540	100%
Eligible financial collateral	0-12%	-	-	-	-
Commercial and residential real estate	40%	540	70%	1080	100%
Property leasing assets	35%	540	70%	1080	100%
Non-property leasing assets	45%	360	80%	720	100%
Collection rights	45%	360	80%	720	100%
Other adequate collateral	50%	360	80%	720	100%
Non-adequate collateral	55%	270	70%	540	100%
No collateral	55%	210	80%	420	100%

Rediscount commercial portfolio – Pursuant to External Circular Letter number 032 of 2014, the Bank designed its own methodology to calculate provisions for the rediscount commercial credit portfolio. This methodology is based on the general guidelines of the commercial portfolio reference model established by the Financial Superintendence of Colombia. The inputs to estimate the probability of default are derived from the historical data on the Bank's customers. Moreover, the estimation of the probability of default is based on the internal risk rating and a probability of default that is calculated for the financial system. Thus, the probabilities of default for each risk rating are obtained from the transition matrix generated for each default category.

Probability of Default (PD): This is assigned depending on the rating and percentages of the table below. PD is calculated based on the Bank's history; these percentages are dynamic:

2024

Internal Rating	Rating	Matrix A	Matrix B
1	A1	0,79%	1,21%
2+	A2	1,35%	1,96%
2	A2	2,05%	2,95%
3+	A3	2,59%	3,73%
3	A3	4,01%	5,77%

Internal Rating	Rating	Matrix A	Matrix B
4	A3	4,81%	6,91%
5	A4	10,09%	14,42%
6- Default	A5	100,00%	100,00%

2023

Internal Rating	Rating	Matrix A	Matrix B
1	A1	0,71%	1,21%
2+	A2	1,04%	1,79%
2	A2	1,59%	2,60%
3+	A3	2,01%	3,24%
3	A3	3,00%	4,77%
4	A3	3,59%	5,68%
5	A4	8,12%	13,87%
6- Default	A5	100,00%	100,00%

Loss Given Default (LGD): This corresponds to 45% for all rediscount operations. This percentage corresponds to the one suggested by Basel for preferential credits to bank entities that do not have collateral through a recognized collateral.

Consumer portfolio:

Probability of Default (PD): This is assigned in accordance with the risk rating and the segment of each debtor as per the following table:

	General - Automobiles		General - Others	
Rating	**Matrix A**	**Matrix B**	**Matrix A**	**Matrix B**
AA	0,97%	2,75%	2,10%	3,88%
A	3,12%	4,91%	3,88%	5,67%
BB	7,48%	16,53%	12,68%	21,72%
B	15,76%	24,80%	14,16%	23,20%
CC	31,01%	44,84%	22,57%	36,40%
Default	100,00%	100,00%	100,00%	100,00%

Loss Given Default (LGD): The LGD per collateral type is as follows:

Type of Collateral	LGD	Days after default	New LGD	Days after default	New LGD
Eligible financial collateral	0-12%	-	-	-	-
Commercial and residential real estate	40%	360	70%	720	100%
Property leasing assets	35%	360	70%	720	100%
Non-property leasing assets	45%	270	70%	540	100%
Collection rights	45%	360	80%	720	100%
Other adequate collateral	50%	270	70%	540	100%
Non-adequate collateral	60%	210	70%	420	100%
No collateral	75%	30	85%	90	100%

Portfolio write-offs – Credit portfolios that are considered irrecoverable according to the Administration office or whose recovery is deemed remote or uncertain are susceptible to being written off, after having exhausted relevant collection options, in accordance with the judgments issued by lawyers and collection companies, previously approved by the Board of Directors.

In all write-off credit cases, the Bank will continue to carry out relevant credit collection actions, demonstrating due diligence, until the date when accounting restructuring is performed.

All portfolio write-off requests to be submitted before the Board of Directors must comply with the provisions of Bancóldex' SIAR according to the following conditions:

- Write-offs must be recommended by the Risk Management Committee - CAR.
- They must have the legal concept of irrecoverability issued by the Legal Vice-Presidency, the concept of financial viability of the write-off issued by the Financial Vice-Presidency and the concept of unfeasibility of payment capacity issued by the Risk and Credit Vice-Presidency.

Effect of adequate collateral on the constitution of individual provisions – As of December 2015, models incorporate the effect of collateral for direct commercial portfolio, rediscount commercial portfolio and consumer portfolio. Only adequate collateral should be considered to calculate housing provisions; and 100% of its value will be used.

Suspension of accrual of interest - For the loan portfolio, the Bank stops accruing interest, exchange adjustments and income for other concepts when a loan is past due as indicated in the following table in accordance with Chapter XXXI of External Circular Letter 100/1995 of the Financial Superintendence of Colombia.

Credit modality	**Overdue longer than**
Commercial	3 months
Consumer	2 months
Housing	2 months
Microcredit	1 month

Restructuring processes - Restructuring of a credit is understood as any exceptional mechanism implemented through the execution of any legal transaction, whose purpose is to modify the originally agreed conditions, in order to allow the debtor the adequate attention of their obligation before the real or potential deterioration of their ability to pay. Additionally, agreements entered within the framework of Laws 550 of 1999, 617 of 2000, 1116 of 2006 and 1564 of 2012 or regulations that add or replace them, as well as extraordinary restructurings and novations, are considered restructurings. Loans that are in the modified category and are more than 30 days past due are recognized as a restructured loan. However, when the debtor makes regular and effective payments of capital and interest for an uninterrupted period of 12 months for microcredit and 24 months for other modalities, the restructured condition may be eliminated.

3.8. Derivative financial instruments

3.8.1 **Financial derivatives** - A derivative is a financial instrument, or another contract whose value changes over time in response to a given underlying variable (a specified interest rate, the price of a financial instrument, an exchange rate for foreign currency, etc.). It does not require an initial net investment or an investment lower than would be required by another type of contract for which a similar response to changes in the market conditions could be expected, and it is liquidated at a future date.

Bancóldex negotiates financial instruments for business purposes such as forward contracts, future contracts, and cash operations in order to develop its operations; and it negotiates future contracts for hedging purposes. Derivative operations are recognized at fair value in accordance with the provisions of the Basic Accounting and Financial Circular of the Financial Superintendence of Colombia - chapter XVIII on financial derivative instruments and structured products. Subsequent changes in the fair value are adjusted by being charged or credited to profit and loss, as the case may be, unless the financial instrument is designated as hedge.

The derivative financial instrument is valued by considering the counterparty credit risk (CVA – Credit Valuation Adjustment) or the credit risk of the entity itself (DVA – Debit Valuation Adjustment). The difference in the calculation of the derivative financial instrument under risk-free circumstances and the risk-adjusted derivative financial instrument will be shown in the CVA or DVA adjustment, as appropriate.

It was decided to incorporate credit risk into the methodology to measure derivative instruments on the premise of affecting the discount rate within the valuation of said instruments at the corresponding closing date.

3.8.2 Embedded derivatives - An embedded derivative is a component of a hybrid contract that also includes a non-derivative host, with the effect that some of the cash flows of the combined instrument vary similarly to a standalone derivative. Derivatives included in hybrid contracts with a financial asset host within the scope of IFRS 9 are not treated separately.

Hybrid contracts are classified and subsequently measured at amortized cost or fair value, as appropriate.

Derivatives incorporated in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives if they meet the definition of a derivative, and their risks and characteristics are not closely related to those of the host contract. Contracts and host contracts are not measured at fair value with changes in profit and loss.

If the hybrid contract is a quoted financial liability, the Bank usually assigns the complete hybrid contract at fair value with changes in profit and loss instead of separating the embedded derivate.

An embedded derivative is classified as a non-current asset or liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is higher than 12 months and it is not expected to pay it or settle it within 12 months.

There are not embedded derivatives as per the analysis undertook by the Bank.

3.9. Hedge accounting – The Bank designates some hedging instruments, which include derivatives, and non-derivatives regarding foreign currency risk, as cash flow hedge. Hedges of the foreign currency risk of a firm commitment may be accounted as cash flow hedges.

At the inception of the hedging relationship, the Bank documents the relation between the hedging instrument and the hedged item, along with their risk management objectives and strategy to undertake hedging transactions. Moreover, at the inception of the hedge and on an ongoing basis, the Bank documents if the hedging instrument is effective to offset changes in fair values or cash flows of the hedged item attributable to the hedged risk. This is possible when hedging relationships fulfill the hedging effectiveness requirements below:

i. There is an economic relationship between the hedged item and the hedging instrument;

ii. The effect of credit risk does not control value changes resulting from that economic relationship; and

iii. The hedging ratio is the same as the one resulting from the hedged item amount actually covered by the Bank and the hedging instrument amount actually used by the Bank to hedge the hedged item amount.

Concerning compliance with IFRS 9, if the Bank does not meet the hedge effectiveness requirements, the Bank must discontinue hedge accounting from the last date it was demonstrated to be effective. However, if the Bank identifies the event or change in circumstances that caused the hedging relationship to cease to be effective and demonstrates that the hedging relationship was effective before the event or change in circumstances occurred, the Bank will discontinue the hedge accounting from the same date of the event or change in circumstances.

The Bank designates the complete change in the fair value of a forward contract (i.e., it includes forward contract elements) as the hedging instrument for all hedging relationships that involve forward contracts.

Note 8.6 includes details on the fair value of derivative instruments used for hedging purposes.

Cash flow hedges – The portion of changes in the fair value of derivatives that is determined to be an effective hedge for cash flows shall be recognized in other comprehensive income and accumulated as cash flow hedge reserve. The ineffective portion in profit or loss of the hedging instrument shall be recognized immediately in the profit and loss of the period in the "Valuation of hedging derivatives" item.

Securities previously recognized in other comprehensive income and accumulated in equity are reclassified to profit and loss of the periods when the hedged item affects the profit and loss in the same line of the recognized hedged item. Nonetheless, if the hedge of a forecast transaction subsequently generates the recognition of a non-financial asset or liability, profits or losses previously recognized in other comprehensive income and accumulated in equity are transferred and included in the initial measurement of the non-financial asset or liability cost.

Hedge accounting shall be discontinued when the Bank cancels the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or the hedge fails to fulfill the requirements established for hedge accounting. The profit or loss that has been recognized in other comprehensive income and accumulated in equity shall remain in equity and is recognized when the forecast transaction is recognized in profit and loss. Any profit or loss accumulated in equity is recognized immediately as profit or loss when the forecast transaction is not expected to occur.

3.10. Non-current assets held for sale - non-current assets and asset disposal groups are classified as held for sale if their carrying amount is recoverable through a sales transaction and not through continued use.

This condition is considered as fulfilled only when the Bank has a formal plan for its sale, which is highly likely, and the asset (or asset disposal group) is available for immediate sale in its current status only subject to common terms that are adapted to the sale of these assets (or asset disposal group). Non-current assets held for sale will be held for a maximum of one year from the classification date. However, there are facts and circumstances that may extend the period beyond one year. The extension of the period required to complete the sale does not prevent the asset from being classified as held for sale if the delay is caused by facts or circumstances beyond the control of the Bank and there is enough evidence demonstrating that the Bank remains committed to its plan to sell the asset.

They will be recognized at the lower value between their carrying amount or fair value minus sales costs. If the asset was acquired as part of a business combination, it will be measured according to its fair value minus sales costs. Sales cost only includes directly attributable incremental costs, excluding financial costs and income tax expenses. The subsequent measurement of non-current assets held for sale will be given by the initial recognition value, minus all sales costs that arise, which are not charged in the initial measurement, and subsequent value impairment losses of the asset.

In subsequent measurement, the value of non-current assets held for sale will be affected by the measurement of the calculation of the applicable provision according to the methods determined by the Financial Superintendence of Colombia, considering the exception mentioned in External Circular Letter number 036 of 2014.

Non-current assets are reclassified from being held for sale to being held for use if they cease to fulfill the criteria required to be classified as held for sale. In the case of fixed assets that were previously transferred to the category of available for sale and those that require classification as held for use once again, this will be measured again at the lower value between their recoverable value and the carrying amount that would have been recognized if the asset had never been classified as held for sale.

3.10.1 Assets received as payment in kind – It records the value of assets received by the Bank in payment of unpaid balances arising from loans and leasing transactions in its favor. Assets received as payment in kind are assets for which the value is expected to be recovered through their sale and not through their use. All payments in kind for immovable and moveable goods will be recognized under this category, unless it is specified that they are for use or restrictions are identified on the availability of the asset, in which case, their classification within other asset classes will be assessed.

Properties received in payment represented by real estate are accepted based on a technically determined commercial appraisal, while personal property, shares, and interests are accepted based on the market value.

The following conditions are considered for recognizing properties received in payment:

- The initial recognition is made at the value determined in the court awarding or the value agreed with the debtors.
- When the good received in payment is not fit for disposal, the necessary sales expenses increase its cost.
- If a credit balance for the debtor results from the difference between the amount at which the asset is received and the amount of the obligation payable, it is recognized as an account payable. If the asset's amount is not sufficient to cover the entire obligation, a provision equivalent to the difference is recognized.

3.10.2 Properties returned - It recognizes the number of properties returned to the Bank that the customer has used under lease agreements when the parties freely agree to do so or when such return results from the non-payment of rents.

The return of these properties should be accounted for at their carrying amount (cost less accumulated depreciation) and is not subject to depreciation.

3.10.3 Provision for properties received in payment and returned- Individual provisions for properties received in payment are calculated based on Chapter III of the Financial Superintendence of Colombia External Circular number 100 of 1995.

Until July 31, 2020, the Bank would immediately create a 100 % provision for each dation in payment. As of August 1, 2020, due to the Bank's merger, through which it acquired Arco Grupo Bancóldex S.A., the method for recognizing provisions was unified. The calculation is based on Chapter III of the Financial Superintendence of Colombia External Circular number 100 of 1995.

For real estate, a provision must be created in monthly aliquots within the year of the reception of the good, equivalent to thirty percent (30 %) of the acquisition cost of the property. It must also be increased in monthly aliquots within the second year by an additional thirty percent (30 %) until reaching sixty percent (60 %) of the acquisition cost.

Once the legal term for sale has expired without the extension being authorized, the provision must be eighty percent (80 %). If an extension is granted, twenty percent (20 %) may be established within this term.

When the market value of the property is lower than the carrying amount of the asset received in payment, a provision is recognized for the difference.

3.10.4 Rules concerning the legal sales period – The sale of goods received as payment in kind must be carried out within two years after their acquisition. Nonetheless, they may be recorded as fixed assets, when necessary, for the ordinary course of business and they fulfill the asset investment limits. Deferral of their transaction may be requested before the Financial Superintendence of Colombia. In any case, it must be presented prior to the expiration of the established legal period and must be approved by the Board of Directors.

The respective request must demonstrate that even when management procedures for the transfer have been diligently followed, it has not been possible to sell the asset. In any case, under no circumstance may the extension of the period exceed two years as of the expiry date of the initial legal term. During this period, the labors relevant to the realization of these non-performing assets must also be continued.

3.11. Property and equipment – Property and equipment items will be registered if it is likely that future economic profits associated with the goods flow towards the Bank and the cost of the item can be measured reliably. As described in the last criterion for initial recognition, it will be necessary to identify all the property and equipment costs at the moment they are incurred.

Initial measurement: Initial recognition of property and equipment is at cost, and this cost will be the cash equivalent at the recognition date in the carrying amount, adding attributable costs.

It will also include import duties, non-recoverable indirect taxes and commercial deductions and reductions, and estimates related to the costs of the dismantling and withdrawal of goods, which may include rehabilitation of the place where the asset is located and the debenture incurred by the Bank either when it acquired the asset or as a result of having used the asset for purposes other than the productive operation of the Bank.

In order to capitalize on improvements, it will be necessary for costs to increase the useful life, its capacity, or the asset value. The repairs and/ or maintenance performed on the property and equipment which only repair or maintain the asset and therefore maintain the asset conditions in terms of useful life or expected future economic profits, for example, derived from the use of the item itself, must be recognized as expenses of the period when they are incurred. Therefore, they will have a net effect on the profit and loss statement.

Implementation costs cannot be capitalized as part of property and equipment cost, except where it is necessary to incur these costs to return the asset to its usual operation conditions, which, in all cases, will require the corresponding analysis prior to its recognition.

Subsequent measurement: After its recognition as an asset, an item of property and equipment shall be measured using two methods

- Historical cost; or
- Revalued Cost

Accordingly, the measurement for the different groups of assets has been determined as follows:

Group Description	Method
Buildings	Revalued Model

Land	Revalued Model
Fixtures and fittings	Cost Model
Computer Equipment	Cost Model
Network and communication equipment	Cost Model
Machinery and Equipment	Cost Model
Furniture	Cost Model
Transportation Vehicles	Cost Model
Assets on gratuitous loan	Cost Model
Art and cultural assets	Cost Model

The Bank must review the revalued cost every three years to evaluate whether it is necessary that an expert appraiser determines a new revalued cost using the techniques in the International Valuation Standards (IVS). If there is reasonable assurance of an increase or decrease in the amount of the buildings, the new revalued cost must be determined.

In such a case, when there is an increase in the fair value from one period to another, it will be recognized as part of the cost of property and equipment through Other Comprehensive Income. When there are decreases in the fair value, the valuation in other comprehensive Income will be derecognized first. If there is a remainder, it will be recognized in the statement of income.

Depreciation - The depreciation of an asset begins in the month the asset is found in the location and necessary conditions to operate as intended by the Bank.

The depreciation charge for each period will be recognized in the profit and loss statement of the period, using the straight-line method, and based on the estimated useful lives that the Bank faithfully considers represent the time limit when it is expected that an item classified in this asset group would provide economic profit.

The real useful life corresponds to the period when the asset is expected to be used. The accounting policy describes the residual value as “the estimated value that the entity may currently obtain through the liquidation of an item, after deducting the estimated costs for this disposal if the asset has already matured and fulfilled other expected conditions at the end of its useful life”.

The Bank will check, at least at the close of each financial period, whether the useful life or residual value has undergone changes caused by internal and external factors (market, obsolescence, legal operative environment, among others).

According to the appraisal performed in February 2024, the useful life of the floors where the Bank’s offices are located was determined to be 100 years and the remaining useful life as of the date of the appraisal is 54 years.

The useful lives and residual values determined by the Bank are:

Group description	% Residual	Useful life	
		Initial range	**Final range**
Buildings	15%	100 Years	
Fixtures and fittings	10%	5 Years	12 Years
Computer Equipment	10%	2 Years	5 Years
Network and communication equipment	10%	2 Years	6 Years
Machinery and Equipment	10%	6 Years	14 Years
Furniture	10%	5 Years	12 Years
Transportation Vehicles	10%	10 Years	20 Years
Land	0%	0 Years	0 Years
Assets on gratuitous loan	0%	0 Years	0 Years
Art and cultural assets	0%	0 Years	0 Years

Moveable goods whose acquisition value is equal to or less than (50 UVT) are depreciated at the latest the month after they were acquired, regardless of their useful life.

Fall in the price of property and equipment – The carrying amount of a property or equipment item is derecognized when no further associated economic benefits are expected in the future and the profits or losses of removal are recognized in the profit and loss statement of the period.

Impairment of property and equipment – Evaluations will be performed based on impairment evidence once there is evidence on the value impairment of non-financial assets or, at least, at the end of every reporting period. If there is evidence of impairment, the Bank will analyze if there is indeed impairment by comparing the net carrying amount of the asset with its recoverable value (the greater value between the fair value minus sales costs and the usage value of the asset). If the carrying amount exceeds the recoverable value, the carrying amount will be adjusted, modifying future charges on account of depreciation, in accordance with its remaining useful life.

3.12. Investment properties - Investment properties are those held to earn rentals or for capital appreciation (including investment properties under construction for such purposes) and are initially measured at cost, including transaction costs.

After initial recognition, investment properties are measured at fair value.

All the Bank's ownership interests held under operating leases to earn rentals or for capital appreciation are accounted for as investment property and measured using the fair value model. Gains or losses from changes in the fair value of investment property are included in profit or loss for the period in which they occur.

An investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss on (calculated as the difference between the net disposal proceeds and the asset's carrying amount) is included in profit or loss for the period in which the property was derecognized.

3.13. Intangible assets - The Bank shall record intangible assets once the following aspects have been identified. The existence of control, the separability of the asset and the fact that it is expected to produce a future economic benefit. For an asset to be recognized, it is essential that it fulfills all the previously mentioned characteristics.

Initial measurement – Intangible assets are initially measured at cost. However, it depends on how the Bank obtained the asset. An intangible asset may be obtained by different means; separate acquisition, as part of a business combination and through the development or generation of the asset internally developed by the Bank.

- Intangible assets acquired through a separate transaction are measured as the sum of the purchase price, including import duties and non-refundable acquisition taxes, after deducting discounts and reductions, and the cost directly attributable to preparing the asset for its intended use. It is also possible that a group of complementary intangible assets may be recognized as a single asset, provided that the individual assets have similar useful lives.

- In business combinations, the cost value shall correspond to its fair value on the acquisition date.

- **I**n the case of internally generated intangible assets, only the costs of the asset's development stage shall be recognized as intangible. Costs derived from the research phase shall be recognized as an expense in the period when they are incurred.

Amortization should be adjusted to allocate the revised carrying amount of the intangible asset, minus any residual value on a systematic basis throughout its useful life.

Subsequent measurement - In subsequent recognition, intangible assets are amortized using the straight-line method throughout their estimated useful lives. The Bank shall assess whether the useful life of an intangible asset is finite or indefinite. The finite useful life of an intangible asset is amortized, whereas an intangible asset with an indefinite useful life is not amortized. After considering the determining factors to estimate the useful life of an intangible asset, the time measurement that best represents the expected term of use of the asset shall be used.

The Bank determines that intangible assets with a finite useful life are amortized based on the estimation of their useful life as follows:

Group description	Method	% Residual	Useful Residual	
Licenses	Cost Model	0%	1 Year	15 Years
Computer programs and applications	Cost Model	0%	1 Year	15 Years

Licenses with individual costs whose value is equal to, or less than 50 Tax Value Units (UVT) shall be amortized in the same period as they were acquired.

Intangible assets shall be derecognized on sale or when no future economic benefits are expected from their use or sale. The resulting profit or loss is the difference between the carrying amount and the recoverable amount of the intangible asset.

3.14. Other assets. There are assets for which it is not possible to find similar recognition and measurement criteria to be classified within the available categories or groups of financial assets. These will be classified in the category of other assets, including prepaid expenses, art and culture properties, properties for lease agreements, among others.

3.14.1 Prepaid *expenses* - Prepaid expenses are the expenses incurred by the Bank in the conduct of its business, whose benefit is received in several periods, may be recoverable, and involve the successive performance of the services to be received.

The amortization term for prepaid expenses is as follows:

- Insurance during the term of the policy

- Other term during the period in which they are accrued or for duration of the contract

3.14.2 Properties for lease agreements - This item recognizes new assets acquired by the Bank whose agreement has not commenced due to any unmet requirement for its legalization.

3.15. Impairment of other assets - Identification of evidence of impairment should provide sufficient detail on the scenarios that, according to the management office, could or may potentially cause a reduction in the value of the assets; and thus, present it as a reduction in the book balance.

The criteria used to determine impairment indicators should aim at detailing possible internal or external events that lead to a loss in the value of the asset or in the expected economic benefits from its disposal. This evidence of impairment should be considered at least once by the end of the accounting period or when the relevant information for decision-making is submitted.

An impairment loss occurs when the carrying amount of an asset exceeds the recoverable amount. Identification of the impairment value of assets requires that the Bank consider and carry out an assessment of the impairment indicators. At the end of each reporting period, the entities shall assess whether there is any evidence of impairment of the value of any asset. If evidence is found, the Bank shall estimate the recoverable amount of the asset.

Impairment indicators may obey to observable internal or external sources of significant changes that cause a considerable impairment loss in the carrying amount of non-financial assets. The following factors shall be considered as impairment indicators: changes in the legal, economic, technological or market environment where the asset is operated; or changes in the market for which it is intended, internal reports indicating that the economic performance of the asset is, or shall be, worse than expected; changes in the market rates or rates of return that may affect the measurements of the recoverable amount (e.g. Increase in financing costs), evidence of obsolescence or physical impairment of an asset, changes in strategies (e.g. Office closures), significant changes in the market for Bank's assets (e.g. Effects of demand, competition or other economic factors). Impairment indicators are not limited to those previously mentioned.

Once an impairment loss has been recognized, depreciation or amortization charges on the asset shall be adjusted in future periods in order to systematically allocate the revised carrying amount of the asset over its useful life.

If there is any evidence that an asset is impaired, the recoverable amount shall be estimated for the individual asset. However, if it is not possible to estimate the recoverable amount of the individual asset, the Bank shall determine the recoverable amount of the cash-generating unit to which the asset belongs (the cash-generating unit of the asset).

3.16. Financial liabilities. An instrument is classified as a financial liability when it contains a contractual obligation to transfer cash or other financial assets. When estimated, it will or may be settled within a variable number of own equity instruments. Financial liabilities are recognized and measured at amortized cost, except for derivatives measured at fair value as provided in the Financial Superintendence of Colombia Basic Accounting and Financial Circular - Chapter XVIII on financial derivatives and structured products.

3.16.1 Financial liabilities at amortized cost - All financial liabilities are classified as measured subsequently at amortized cost using the effective interest method, except for those derivative financial instruments that are measured at fair value with changes in profit or loss. The amortized cost of financial liabilities in term deposit certificates, subordinated bonds and financial obligations is determined based on the nominal value of the obligation, including interest expenses payable as transaction costs are not associated since they are not material.

The Bank' initial recognition shall classify the issues of debt instruments as financial liabilities measured at amortized cost. Additionally, based on a cost/benefit and materiality analysis according to the provisions of the Conceptual Framework, transaction costs are recognized directly in the profit and loss statement of the period when they are incurred.

In subsequent measurements, the Bank shall measure the issues of debt instruments at amortized cost by using the effective interest method.

3.16.2 Financial liabilities at fair value through profit or loss. On initial recognition, any measurement inconsistency (accounting asymmetry) that may arise from using different measurement criteria will be eliminated or significantly reduced. The Bank has chosen to designate the measurement of derivatives at fair value through profit or loss, considering the availability of information related to the valuation of these instruments.

3.16.3 Derecognized financial liabilities: Financial liabilities shall be derecognized by the Bank if, and only if, the Bank's obligations expire, are canceled, or fulfilled. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profits or losses.

3.17. Income taxes. Income tax expense represents the amount of income tax payable and the amount of deferred tax

3.17.1 Current tax - The current tax payable is based on tax profit recognized during the year. The taxable profit differs from the profit reported in the statement of income and other comprehensive income due to items of taxable or deductible income or expense in other years and items that are never taxable or deductible. The Bank's current tax liability is calculated using enacted tax rates as of the end of the reporting period.

A provision is recognized for those matters for which the tax assessment is uncertain, but it is considered probable that there will be a future outflow of funds to a taxation authority. Provisions are measured at the best estimate of the amount expected to be paid. The assessment is based on the judgment of tax professionals within the Bank supported by prior experience in such activities and, in some instances, specialized independent tax advice.

3.17.2 Deferred tax - Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities included in the consolidated financial statements and the relevant tax bases used to determine taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilized. These assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

A deferred tax liability for temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements should be recognized. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that taxable profit will be available against which the temporary differences will be utilized, and it is probable that the temporary difference will reverse in the foreseeable future.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and fiscal laws) that have been enacted or substantively enacted by the end of the reporting period.

For measuring deferred tax liabilities and deferred tax assets arising from investment property that is measured using the fair value model, there is a rebuttable presumption that the carrying amount of the investment property will be recovered through sale. This presumption is rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all economic benefits embodied in the investment property over time, rather than through sale. The Bank's investment property is held under a business model whose objective is to consume substantially all economic benefits embodied in the investment property over time, rather than through sale.

Therefore, the Bank's Management has determined that the "sale" presumption established in IAS 12 is not rebutted. Accordingly, the Bank has not recognized any deferred tax for changes in the fair value of investment property as the Bank is not subject to any income tax on the sale of investment property.

Deferred tax assets and liabilities are offset if the Bank has a legally enforceable right to set off current tax assets against current tax liabilities when they relate to income taxes levied by the same taxation authority and the Bank intends to settle on a net basis its current tax assets and liabilities.

3.17.3 *Current and deferred tax for the year* - Current and deferred taxes are recognized in profit or loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, current and deferred taxes are also recognized in other comprehensive income or directly in equity. Where current tax or deferred tax arising from the initial recognition of a business combination arises, the tax effect is included as part of the accounting for the business combination.

3.18. Contingent Provisions and Obligations – These are recognized when the Bank:

- Has a present obligation due to a past event;
- Might have to dispose of resources that include economic benefits to settle the obligation;
- Can make a reliable estimation of the obligation value.

The amount recognized as a provision should be the best estimate of the disbursement required to settle the present obligation at the end of the reporting period. The best estimate of the disbursement required to settle the present obligation shall be the rationally assessed value that the Bank would have to pay to settle the obligation at the end of the reporting period or to transfer it to a third party at that date.

Provisions should be reviewed at the end of each reporting period and adjusted to reflect the best available estimate. When it is no longer possible that resources including economic benefits will flow out of the Bank to meet the obligation, the provision should be reversed and used to hedge only the disbursements for which it was originally recognized. Provisions on legal disputes shall be determined based on the probability established by the Legal Division for each proceeding described in the note of judgments and estimates.

3.19. Employee benefits - Employee benefits comprise all types of benefits provided to employees or to those who depend on or are beneficiaries of employees and may be paid in full. Employee benefits shall be classified into short-term benefits and long-term benefits. Employee benefits granted by the Bank are exclusively short-term.

3.19.1 Short-term benefits - Benefits that are expected to be fully settled before the twelve months after the end of the annual reporting period. A liability and an expense are recognized as a result of contractual obligations acquired with the employee. Incurred liabilities shall be recognized without being discounted and at the amount at the measurement date.

The Bank's contractual or constructive obligation shall be limited to the recognition of the amount agreed with the employee and shall be calculated based on a reliable estimate of the amounts to be paid; the expense is generated only based on the occurrence of the consideration since the services rendered by the employees do not increase the amount of the benefits.

In accordance with Colombian labor law, different Bank employees are entitled to short-terms benefits such as salaries, vacation time, legal and extralegal bonuses, severance pay and interests on severance pay under labor regulations of Law 50 of 1990. These benefits granted to employees shall be recognized once all requirements of enforceability are met, not only as required by law but also with respect to those extralegal benefits determined by the Bank and in consideration. However, regarding conditions such as contract type, type and amount of salary, service time, amongst other particularities, they will be handled as established in the internal policies of the Bank. Therefore, the recognition is expected to take place once the employee expresses his/her intention to dispose of the benefits, either by the end of the terms determined by law or by a final settlement of his/her employment contract.

3.20. Other liabilities – It mainly records deferred payment letters of credit, deferred payments, income received in advance, the latter corresponding to securities received to address special agreements for financing loan portfolio operations with interest rate differential; as well as liabilities under Agreements representing resources received from Ministries, Governments and Municipalities for financing lines with rate differentials.

3.20.1 *Agreements:* The resources received from Ministries, Governors' Offices, and Mayors' Offices give rise to a liability to the third party that delivers the resources to the Bank. Once credits are disbursed under the agreement modality, the differential rate is calculated between the Bank's market rate and the agreement rate. The result is discounted from the amount of the contribution recognized in liabilities and recognized as prepaid income, amortized over the life of the promissory note.

3.21. Leases –

3.21.1 *The Bank as lessor:* Leases are classified as financial leases when all risks and rewards incident to ownership are substantially transferred to the lessee under the lease terms. All other leases are classified as operating leases.

Amounts owed by lessees under financial leases are recorded as amounts receivable at the Company's net investment amount in the leases item. Income from financial leases is allocated in accounting periods to reflect a regular constant rate of return in the Company's outstanding net investment regarding leases.

Rental income under operating leases is recognized by using the straight-line method during the term corresponding to the lease. Initial direct costs incurred when negotiating and agreeing on an operating lease are added to the carrying amount of the leased asset and recognized during the lease term on a linear basis.

3.21.2 *The Bank as lessee* – The Bank shall assess whether the contract contains a lease at the inception of the contract. A contract contains a lease if it transfers the right to direct the use of an identified asset throughout the period of use in exchange for consideration.

At the beginning of the lease, the Bank shall recognize a right-of-use asset and a lease liability, except for short-term leases (12-month term or less) and leases whose underlying asset is a low value asset (such as tablets, laptops, small office products and telephones). For these leases, the Company recognizes lease payments as an expense by using the straight-line method throughout the lease term.

The right-of-use asset is initially measured at cost; the cost of the right-of-use asset shall comprise:

a) The amount equal to the lease liability at initial measurement.

b) Lease payments made at or before the commencement date, less any lease incentives received.

c) Initial direct costs incurred by the lessee, which may include commissions, legal fees (if they are contingent at the moment the lease arises) and collateral proceeding costs.

d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease; unless those costs are incurred to produce inventories. The lessee incurs in obligations as a result of those costs either at the commencement date or as a result of having used the underlying asset throughout a given period.

The lessee shall recognize the costs involved in dismantling and removing the underlying asset as part of the cost of the right-of-use asset when it incurs in an obligation as a result of those costs.

Assets held under finance leases are depreciated over their useful lives, which are estimated in the same manner as for the assets owned. However, when there is no reasonable assurance that ownership will be obtained at the end of the lease term, the assets are depreciated over the shorter of the lease term or useful life.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted by the rate implicit in the contract. If this rate cannot be readily determined, the Company shall use the rate of increase for lessee's loans.

Lease payments included in the lease liability measurement consist in:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives received;

- Variable lease payments that depend on a rate, which are initially measured by using the rate at the commencement date;

After the commencement date, the lessee shall measure its right-of-use asset by using the cost model. The Bank shall implement the provisions established in the asset impairment policy to determine whether the value of a right-of-use asset has been impaired and to record the impairment.

If the lease transfers the ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise the purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

After the commencement date, the lessee shall measure a lease liability by:

a) Increasing the carrying amount to reflect the interest on the lease liability.

b) Reducing the carrying amount to reflect the lease payments made.

c) Measuring again the carrying amount to reflect new measurements or specified lease adjustments, and to reflect the in essence fixed lease payments that had been reviewed.

After the commencement date, the lessee shall recognize in the profit and loss statement of the period (unless the costs may be included as an increase in the value of other assets):

a) The interest on the lease liability.

b) Variable lease payments not included in the lease liability measurement for the period when the event or condition occurs and generates such payments.

3.22. Revenue recognition - Revenues are measured at the fair value of the consideration received or receivable, represent amounts receivable for services rendered and are net of discounts and taxes.

The Bank recognizes revenue when:

- Their amount can be measured reliably

- It is possible that future economic benefits shall flow to the Bank.

Income from dividends, interest, commissions, gain on sale of goods and other income

Dividends: Investment dividend income is recognized once the shareholders rights to receive this payment have been established (provided that it is probable that economic benefits shall flow to the Bank and that ordinary income can be measured reliably).

Interest: Interest income on a financial asset is recognized when the Bank is likely to receive the economic benefits associated with the transaction and when the amount of income from ordinary activities can be measured reliably. Interest income is recorded on a time basis, in accordance with the outstanding capital and the applicable effective interest rate, which is the discount rate that exactly matches the estimated cash flows receivable or payable over the expected life of the financial instrument with the net carrying amount of the financial asset on initial recognition.

Commissions - Commissions are measured based on the consideration specified in a contract and recognized in each period when the performance obligations associated with the service are met.

Equity method - Income is recognized by the equity method on the income generated in the period of the investee.

Other Income - When the definition of income according to the Conceptual Framework for Financial Reporting is met, the Bank recognizes the income not included in the categories above in profit or loss for the period.

3.23. Operating segments - The Bank manages and analyses the entity's performance in terms of financial results by business segments. The factors used to identify the operating segments are based on the financial products the Bank promotes to boost the business and economic growth of Colombian companies and to manage their financial margin.

In order to comply with the provisions of IFRS 8 – Operating Segments, the Bank has identified the following segments, which are periodically assessed by the Board of Directors in order to allocate resources and assess their profitability and make decisions related to the decisions described herein.

The products and/or concepts included within each of the segments are the following:

- Portfolio in pesos: It includes the commercial portfolio in pesos, including discount operations on documents in pesos, portfolio of employees and former employees.

- Foreign currency portfolio: It includes the commercial portfolio in foreign currency, including discount operations of documents in foreign currency.

- Investment portfolio: It includes securities managed by the Bank's Treasury in treasury securities in national or foreign currency and Colombian private debt securities, specifically those issued by issuers supervised by the Financial Superintendence of Colombia.

- Treasury Products: It includes operations with derivatives (from speculation and hedging), restatement of own position (exchanges), cash operations and currency trading.
- Commissions: It includes products of international banking operations, guarantee of issues, guarantee shared with the National Guarantee Fund, micro-insurance, amongst others.

- Other products: It includes investments in private equity funds, investments in subsidiaries and affiliates, equity investments, other assets and new products developed by the Bank, whose share is less than 10% of the asset or income.

In accordance with the foregoing, the main factors considered in the profit management methodology defined by the Bank are explained below:

I. *Loan portfolio*

The Bank's general segmentation policy for profit management of the portfolio bases on the "Profit Management Methodology" defined by the Bank for internal monitoring, which is managed, reviewed, and analyzed by different areas and even at different levels of the organization.

During the first instance (first layer of the analysis), the factors considered by the Bank to identify portfolio operating segments base on the classification by currencies (COP and USD), and on the subsequent grouping of the portfolio lines promoted by the Bank.

This differentiation is very important, and it is independently considered when making pricing and profitability models, since the type of support to companies and the destination of resources are converted into funding for each type of portfolio (COP and USD). Regarding the COP portfolio, the Bank is funded mainly in the capital market and with its own resources (equity), while as for the USD portfolio, the Bank obtains resources from multilateral entities and the Correspondent Bank.

Additionally, the loan portfolio requires available resources to address credit loans, as well as the debt service. Hence, the management net of the required liquidity is included within the credit business margin.

I. Investments

The Bank leads the treasury operation to portfolio management with two objectives: managing medium-term liquidity and obtaining profitable and reasonable benefits through trading financial assets framed within the risk guidelines established by the Board of Directors.

II. Treasury Products

This segment includes products managed by the Bank's Treasury other than its fixed-income investment portfolio. For derivative products, the Bank's Treasury Department may carry out derivative transactions to hedge the financial risks associated with its balance sheet structure in order to offer hedging to third parties or as part of its trading strategy, and in accordance with established risk parameters and limits. It also includes results of exchange differences, in which cash and currency trading operations are identified; and results generated by the Bank's own position.

III. Commissions

This segment includes all international banking operation commissions, guarantees of issues and other commissions collected and paid that do not correspond to other business segments.

IV. Other

This category includes Private Equity Funds and equity investments; it also groups together all those concepts whose generation of income and expenses are not particularly defined within the policies of the Bank's main margin generation segments.

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

In applying significant accounting policies described in Note 3, the Bank's Management is required to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that do not appear to arise from other sources. The associated estimates and assumptions are based on historical experience and other factors considered to be relevant. Actual results could differ from those estimates.

The underlying estimates and assumptions are reviewed regularly. Revisions to accounting estimates are recognized in the revision period if the revision affects only that period or future periods if the revision affects both current and subsequent periods.

The Management's judgments and estimates in applying the Bank's accounting policies that have a significant effect on the amounts recognized in the financial statements are presented below:

4.1. Loan portfolio impairment - While following the standards of the Financial Superintendence of Colombia, the Bank reviews the loan portfolio regularly to assess whether impairment should be recorded with charges to profit and loss of the period by following the guidelines established in Chapter XXXI of the Basic Accounting and Financial Circular Letter.

In line with these regulations, Bancóldex has established as part of its policies the semiannual performance of the portfolio rating process. The Bank comprehensively assesses the payment behavior of its customers with the entity and other institutions in the financial system and their financial positions. The results of this assessment are submitted to the Portfolio Rating Committee for approval.

On a quarterly basis, Bancóldex reviews the alignment of customers' ratings by credit bureaus. The results are also submitted to the Portfolio Rating Committee.

Based on the periodicity defined in the specific policies for each customer segment, the financial position of debtors is monitored, which is submitted to the External Credit Committee.

4.2. Deferred tax - Deferred tax assets and liabilities are recognized for deductible or taxable temporary differences between the tax bases and the accounting bases, considering the current tax regulations applicable to Colombia. Due to the changing conditions of the political, social, and economic environment, constant modifications in tax legislation and continuous changes in tax doctrine, determining the tax bases of deferred tax involves complex judgments to estimate future taxable income, offsets, or deductions.

The determination of the deferred tax is considered a critical accounting policy since it involves future estimates of profits or losses affected by changes in economic, exchange, social and political conditions and the taxpayers' and taxation authorities' interpretations.

The Bank assesses the realization over time of deferred income taxes, which represent income taxes recoverable through future deductions from taxable income and are recognized in the statement of financial position. Deferred tax assets are recoverable to the extent that the realization of the related tax benefits is probable. Deferred income tax assets will be recoverable based on the Bank's estimates of future taxable income.

Deferred tax liabilities are recognized on the temporary differences associated with profits not attributed by the subsidiary. The Bank estimates that the deferred income tax liability items will be paid on the income realized in future periods.

4.3. *Current tax* – In determining the current tax for periods subject to review by the taxing authority, the relevant regulations have been applied and interpretations have been made to take positions when interpretations could differ from those made by the Bank. Due to the complexity of the tax system, the continuous amendments to tax regulations, accounting changes with implications in the tax bases and, generally, the country's legal instability, the taxing authority could have different criteria from those of the Bank at any time. Therefore, a dispute or inspection by the taxing authority over a specific tax treatment may affect the accounting of the deferred or current tax asset or liability, in accordance with the requirements of IAS 12.

Management and its advisers consider that their actions on the estimates and judgments made in each fiscal period are as indicated by the current tax regulations; therefore, they have not deemed it necessary to recognize any provision additional to those in Note 28 Income Tax.

4.4. Fair value of financial instruments - The estimate of fair values of financial instruments reflects the price at which an orderly transaction to sell an asset or transfer a liability would take place between market participants. A fair value hierarchy categorizes the inputs used in valuation techniques into three levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The fair value measurement of financial instruments generally involves a high degree of complexity. It requires the application of judgments, mainly when the models use unobservable inputs (Level 3) constructed from assumptions used in the market to determine the price of the asset or liability.

The determination of what constitutes “observable” requires significant judgment by the Bank’s Management. The Bank considers observable inputs to be market data that is already available, distributed, or regularly updated by the provider of reliable and verifiable prices and that is provided by independent sources actively participating in the relevant market.

4.5. **Provisions and contingencies -** A contingency should be classified based on a reliable estimate of the probability of an occurring incident or event. The Bank shall disclose a brief description of its nature for each kind of contingent liability at the end of the reporting period unless the possibility of any outflow of resources in settlement is remote. When an inflow of economic benefits becomes probable, the Bank shall disclose a brief description of the nature of the contingent assets at the end of the reporting period and, whenever feasible, an estimate of their financial impact. Contingency estimates are based on the criteria adopted by IFRS as detailed below.

The Bank’s provisions are determined based on the probability established by the Legal Department for each event, fact or legal process as follows: no provision is recognized for processes with a probability of occurrence between 0% and 49%; provision is recognized according to the established guidelines for processes with a probability of occurrence between 50% and 100%.

Recognition of Obligations and Disclosure of Liabilities CGN (1)	Risk of Loss Rating- ANDJE (2)	Homologation under IFRS	Provision	[fuzzy]Disclosure
Probable	High	Probable	-	-
Possible	Medium	Possible (eventually)	X	-
Remote	Low	Remote	X	X

(1) General Accounting Office of the Nation

(2) National Agency for State Legal Defense

5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

5.1. New standards, interpretations and amendments issued by IASB, which were scheduled to come into force in 2024.

The following amendments were issued by the International Accounting Standards Board (IASB), effective immediately upon issuance of the amendments and retroactive for annual periods beginning on or after January 1, 2024:

- Disclosures about accounting policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS 2 Statement of Practice - Making Materiality Judgments);
- Definition of accounting estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors);
- Deferred taxes related to assets and liabilities arising from a single transaction (Amendments to IAS 12 Income Taxes); and
- International Tax Reform - Pillar 2 Model Standards (Amendment to IAS 12 Income Taxes).
- IFRS 17 Insurance Contracts;

Decree 1611 of August 5, 2023, "whereby the technical annex of the Financial Reporting Standards for Group 1 of the Sole Regulatory Decree of the Accounting, Financial Reporting and Information Assurance Standards of Decree 2420 of 2015 is amended and other provisions are issued", establishes that the mentioned annex will be applicable for the general-purpose financial statements of the entities classified in Group 1, which are prepared as of January 1, 2024. It also mentions that "the effective dates incorporated in the standards IAS 1, 8, 12 and IFRS 16, contained in the technical annex that is an integral part of this Decree, shall not be taken into account as effective dates in Colombia and, therefore, they shall only be applied in accordance with the rules of effectiveness set forth in this Decree". The Bank has implemented these interpretations and amendments that have not had any material impact on the disclosures or amounts reported in these financial statements.

The changes incorporated in the new standards, interpretations and amendments effective as of January 1, 2024, effective in Colombia as of 2024 and subsequent years, are detailed below:

Standard	Modification
Amendments to IAS 1 and Practice Statement N° 2 "Disclosures about Accounting Policies" and "Making Materiality Judgments".	On February 12, 2021, as a final step in its improvements in the area of materiality, the IASB issued limited-scope amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement N° 2 Making Judgments about Materiality, in order to help companies improve disclosures of accounting policies and provide more useful information to investors and other primary users of financial statements. The amendments are intended to make accounting policy disclosures more informative by replacing the requirement to disclose "significant accounting policies" with "material accounting policy disclosures". The amendments also provide guidance on the circumstances in which accounting policy information is likely to be considered material and therefore should be disclosed. These amendments do not affect the valuation or presentation of any item in the Group's consolidated financial statements but do affect the disclosure of the Group's accounting policies. These amendments are applicable for annual periods beginning on or after January 1, 2024. However, Decree 1611 of August 5, 2023 issued by the Ministry of Industry and Tourism of the Republic of Colombia, established that "An entity shall apply the amendments to IAS 1 for annual periods beginning on or after January 1, 2024 (date of application in Colombia). Earlier application is permitted. If an entity applies those amendments for a period beginning earlier, it shall disclose that fact". Management has implemented these interpretations and amendments which have not had any material impact on the disclosures or amounts reported in these financial statements.
Amendments to IAS 8 "Definition of Accounting Estimates".	On February 12, 2021, IASB issued limited scope amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates, thereby reducing diversity in practice. The amendments to IAS 8, which add the definition of accounting estimates, clarify that the effects of a change in a measurement or valuation technique are changes in accounting estimates, unless they arise from the correction of prior fiscal year errors. These amendments clarify how entities distinguish between changes in accounting estimates, changes in accounting policy and prior fiscal year errors. This distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. These amendments are applicable to annual periods beginning on or after January 1, 2024. However, Decree 1611 of August 5, 2023, issued by the Ministry of Industry and Tourism of the Republic of Colombia, established that "An entity shall apply the amendments to IAS 8 for annual periods beginning on or after January 1, 2024 (application date in Colombia). Earlier application is permitted. An entity shall apply the amendments to changes in accounting estimates and changes in accounting policies that occur from the beginning of the first annual period in which the amendments are used" and in the case of early application, shall disclose such fact. The Bank's Management has implemented these interpretations and amendments which have not had any material impact on the disclosures or amounts reported in these financial statements.

Standard	Modification
Amendments to IAS 12 "Deferred Taxes Related to Assets and Liabilities Arising from a One-Time Transaction" and International Tax Reform - Pillar 2 Model Standards	On May 7, 2021, the IASB issued specific amendments to IAS 12 Income Taxes, with the objective of clarifying how companies should account for deferred taxes on transactions, which result in the simultaneous recognition of an asset and a liability, such as leases and decommissioning obligations. In certain circumstances, companies are exempt from recognizing deferred taxes when they first recognize assets or liabilities. Previously, there was some uncertainty as to whether the exemption applied to transactions such as leases and decommissioning obligations, transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred taxes on such transactions. These amendments are applicable for annual periods beginning on or after January 1, 2024. However, Decree 1611 dated August 5, 2023, issued by the Ministry of Industry and Tourism of the Republic of Colombia, established that "An entity shall apply the amendments to IAS 12 for annual periods beginning on or after January 1, 2024 (application date in Colombia). Earlier application is permitted. If an entity applies those amendments for a period beginning earlier, it shall disclose such fact". The Bank's Management has implemented these interpretations and amendments which have not had any material impact on the disclosures or amounts reported in these financial statements. In December 2021, the Organization for Economic Cooperation and Development (OECD) published a draft legislative framework for a global minimum tax that is expected to be used by individual jurisdictions. The objective of the framework is to reduce profit shifting from one jurisdiction to another in order to reduce overall tax liabilities in corporate structures. In March 2023, the OECD published detailed technical guidance on the second pillar of the rules. Stakeholders expressed concerns to the IASB about the potential implications of the Pillar 2 Model Standards on income tax accounting, especially on the accounting for deferred taxes. The IASB issued the Final Modifications (amendments) International Tax Reform - Pillar 2 Model Standards in response to stakeholders on May 23, 2024. The amendments introduce a mandatory exception for entities for the recognition and disclosure of deferred tax assets and liabilities in relation to the Pillar 2 model rules. The exception is effective immediately and retrospectively. The Amendments also establish additional disclosure requirements regarding an entity's exposure to Pillar 2 income taxes. Bancóldex' management has determined that the Group does not fall within the scope of the OECD Pillar 2 model standards. It also determined that the exception to the recognition and disclosure of information on deferred tax assets and liabilities related to Pillar 2 income taxes is not applicable to the Group and therefore does not have any effect on the Group's annual consolidated financial statements.
IFRS 17: Insurance contracts	In May 2017, the IASB issued IFRS 17, a new comprehensive accounting standard for insurance contracts covering measurement and recognition, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4, issued in 2005. IFRS 17 applies to all types of insurance contracts, regardless of the type of entities issuing them, as well as certain guarantees and financial instruments with discretionary participation features. This standard includes few exceptions. The overall objective of the standard is to provide an accounting model for insurance contracts that is more useful, coherent and consistent for insurers on an international scale. Contrary to the requirements of IFRS 4, which mainly seeks to protect previous local accounting policies that used to generate significant diversity around the world in relation to the accounting and disclosure of insurance contracts, IFRS 17 provides a comprehensive model for these contracts, including all relevant issues. The essence of this standard is a general model, supplemented by: - A specific adaptation for contracts with direct participation features (variable rate approach)

Standard	Modification
	- A simplified approach (the allocation premium approach) primarily for contracts IFRS 17 has been introduced in the Colombian accounting framework by means of Decree 1271 of October 2024, which includes "simplifications for the implementation of the International Financial Reporting Standard IFRS 17, insurance contracts. It is to be applied by Group 1 financial information preparers supervised by the Financial Superintendency of Colombia; and it establishes its transition regime as of January 1, 2027. As IFRS 17 applies to all insurance contracts issued by an entity (with limited scope exclusions), its adoption may have an effect on non-insurance entities, such as [Name of Company or Group of Companies]. The Group will carry out an assessment of its contracts and operations in order to evaluate the effects on the Group's annual consolidated financial statements that could be generated by the adoption of IFRS 17.

5.2. New standards, interpretations and amendments issued by the IASB not yet effective:

There are a number of standards, amendments to standards and interpretations that have been issued by the IASB that are effective for accounting periods after 2024, which the Bank has elected not to adopt early.

Standard	Modification
Liability on a sale and leaseback (Amendments to IFRS 16 Leases);	In September 2023, the IASB issued limited-scope amendments to the requirements for sale and leaseback transactions in IFRS 16, explaining how a seller-lessee accounts for a sale and leaseback after the transaction date. The amendments only affect the seller-lessee accounting for a sale and leaseback transaction that meets the requirements of IFRS 15 to be accounted for as a sale. The aforementioned amendment has not been introduced into the Colombian accounting framework by means of any decree to date. The Group is currently evaluating the impact of these amendments.
Classification of liabilities as current or non-current (Amendments to IAS 1 Presentation of Financial Statements);	In October 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 1 Presentation of Financial Statements. The amendments clarify that only obligations that an entity must meet on or before the reporting date will affect the classification of liabilities as current or non-current
Non-current liabilities with covenants (Amendments to IAS 1 Presentation of Financial Statements);	The clarifying amendments to IAS 1 Presentation of Financial Statements issued by the IASB in October 2023 clarify that only covenants that an entity is required to comply with on or before the reporting date will affect the classification of a liability as current or non-current. Additionally, it states that additional information is required for non-current liabilities that are subject to covenants that must be met within twelve months following the reporting period. This information considers the existence of events such as refinancings, rectifications, defaults, concessions and settlements, amongst others, that may occur between the end of the reporting period and the date on which the financial statements are authorized for issue. They are to be disclosed as non-adjusting events in accordance with IAS 10 events after the reporting period. The aforementioned amendment has not been introduced into the Colombian accounting framework by means of any decree to date. The Group is currently evaluating the impact of these amendments.

Standard	Modification
Supplier financing arrangements (amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures)	In May 2024, the International Accounting Standards Board (IASB) amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures about the impacts of vendor financing arrangements (confirming) on the financial statements. These amendments introduce additional disclosures for companies that enter into such arrangements to enable users of financial statements to assess the effects of such arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. Three key elements shall be disclosed: a. The *terms and conditions* of the agreements b. At the beginning and end of the reporting period, *the carrying amount and associated items* presented in the statement of financial position of liabilities subject to reverse factoring agreements c. The *type and effect of changes* that have not resulted in cash flow changes The aforementioned amendment has not been introduced into the Colombian accounting framework by means of any decree to date. The Group is currently evaluating the impact of these amendments.
Lack of interchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates).	On August 15, 2024, the International Accounting Standards Board (IASB) issued an amendment to IAS 21, "Absence of Convertibility Law" to provide guidelines in the latter case. The amendment requires an entity to assess whether there is convertibility of one currency into another and if the Bank concludes that there is not, it will estimate the spot exchange rate by applying the provisions of the standard. Additionally, the standard established disclosure requirements related to the following scenarios: a) the cause of the currency not being interchangeable and its effects on the entity's financial performance, financial position and cash flows. b) Businesses abroad where the functional currency is not exchangeable with the presentation currency. Although the amendment to IAS 21 is effective for the period beginning January 1, 2025, this standard has not been introduced into the Colombian accounting framework by means of any decree to date. The Group is currently evaluating the impact of these amendments.
Modifying Amendment related to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments)	On May 30, 2024, the IASB issued amendments to the Classification and Measurement of Financial Instruments: Amendments to IFRS 9 and IFRS 7 (hereinafter "the amendments"). These amendments clarify: • the requirements relating to the date of recognition and derecognition of financial assets and financial liabilities, except for the derecognition of financial liabilities settled by electronic transfer. • the requirements for assessing the contractual cash flow characteristics of financial assets. • Characteristics of non-recourse loans and contractually linked instruments. The amendments also introduce certain disclosure requirements for financial instruments. These amendments are mandatory for annual reporting periods beginning on or after January 1, 2026. However, they have not been introduced into the Colombian accounting framework by means of any decree to date. The Group does not plan to make an early adoption.

Standard	Modification
IFRS 18 Financial Statement Presentation and Disclosures	IFRS 18 establishes important new requirements on the way to present financial statements, with a particular focus on the income statement, including requirements for mandatory subtotaling, aggregation and disaggregation of information, as well as disclosures related to performance measures defined by the entity's management. This standard, which replaces IAS 1 Presentation of Financial Statements, is effective as of January 1, 2027, and it seeks to improve the comparability and transparency of corporate performance reporting. IFRS 18 has also resulted in changes of limited scope in the statement of cash flows. To date, it has not been introduced into the Colombian accounting framework by means of any decree. The Group does not have any plans for early adoption.
IFRS 19 Non-Publicly Accountable Subsidiaries: Disclosures	IFRS 19 - Non-Publicly Accountable Subsidiaries: Disclosures was issued on May 9, 2024. IFRS 19 allows certain entities to apply all the measurement requirements of IFRS Accounting Standards, but with significantly reduced disclosures. This standard is mandatory for annual periods beginning on or after January 1, 2027. However, it has not been introduced into the Colombian accounting framework by means of any decree to date. The Group does not plan to make an early adoption.

The Bank is currently evaluating the impact of these new accounting standards and amendments. The Bank does not expect any other standards issued by the IASB to have a significant impact, but some are not effective yet.

6. FAIR VALUE ESTIMATION

The fair value of financial assets and liabilities traded in active markets (such as financial assets in debt securities, equity instruments and derivatives actively quoted in stock exchanges or in interbank markets) is based on dirty prices provided by an official price provider authorized by the Financial Superintendence of Colombia, which determines such prices through weighted averages of transactions occurring during the trading day.

An active market is one where asset or liability transactions are carried out with the right frequency and volume to provide price information on an ongoing basis. A dirty price includes the accrued and outstanding interests on the security from the issuance date or last interest payment to either the compliance date of the purchase-sale transaction or the valuation date. The fair value of financial assets and liabilities not traded in an active market is determined through valuation techniques determined by the price provider.

Valuation techniques used for non-standardized financial instruments such as options, foreign currency swaps and over-the-counter (OTC) derivatives market include the use of interest rate or currency valuation curves constructed by price providers from market data and extrapolated to the specific conditions of the instrument that is valued, discounted cash flow analysis, option pricing model and other valuation techniques commonly used by market participants that use market data fully and place as little reliance as possible on specific data of entities.

The Bank calculates the fair value of fixed-income instruments and derivatives daily using price and/or input information provided by official price provider PRECIA S.A. This provider has been authorized after due compliance with the standards applicable to price providers for valuation in Colombia, including its purpose, operating regulations, approval process of valuation methodologies and required technological infrastructure, among other aspects. After evaluating the methodologies of the price provider PRECIA S.A. it is concluded that the fair value calculated for derivative instruments based on prices and inputs delivered by the price provider is appropriate.

The fair value of non-monetary assets, such as investment properties, is determined by independent experts using the replacement cost method.

Fair value hierarchy is based on the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities which the entity may access at the measurement date.
- Level 2 inputs are different from the quoted prices included in Level 1, which may be observable for the asset or liability either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy where the fair value measurement is entirely classified is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Therefore, the importance of an input is assessed in relation to the fair value measurement in its entirety.

Financial instruments quoted on markets that are not considered active but are valued using quoted market prices, quotations from price providers or alternative price sources supported by observable inputs are classified in Level 2.

A Level 3 fair value measurement uses observable inputs that require significant adjustments based on unobservable inputs. Assessing the importance of a particular input to the fair value measurement in its entirety requires professional judgment, and consideration of specific factors of the asset or liability.

The Bank deems as observable data the market data that is already available, distributed or regularly updated by the price provider, reliable and verifiable; data that does not have ownership rights, and is provided by independent sources that actively participate in the relevant market.

6.1. Fair value measurements on a recurring basis

The following table presents, within the fair value hierarchy, the Bank's assets and liabilities (by class) measured at fair value as of December 31, 2024 and 2023, on a recurring basis:

		2024		
Recurring assets at fair value	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments at fair value through profit or loss Debt instruments				
In Colombian pesos				
Other securities issued by the national government	$ 12,910,430	$ -	$ -	$ 12,910,430
Other national issuers financial institutions	-	3,683,610	-	3,683,610
Investments at fair value with changes in OCI Equity instruments				
In COP				
National issuers - private equity funds	-	194,921,393	-	194,921,393
National issuers - FNG	-	-	167,825,039	167,825,039
In foreign currency				
Foreign issuers Bladex	76,620,519	-	-	76,620,519
Investments at fair value with changes in OCI Debt instruments				
In COP				
TES treasury bonds	1,122,921,076	-	-	1,122,921,076
Other national issuers - financial institutions	-	100,567,200	-	100,567,200
Trading derivative financial instruments				
Forward contracts				
Foreign exchange forwards	-	35,465,022	-	35,465,022
Future contracts				
Currency futures rights	-	2,443,592,580	-	2,443,592,580
Currency futures bonds	-	(2,443,592,580)	-	(2,443,592,580)

	Level 1	Level 2	Level 3	Total
Hedging derivative financial instruments				
Future contracts				
Currency futures rights	-	75,568,320	-	75,568,320
Currency futures bonds	-	(75,568,320)	-	(75,568,320)
Swaps				
Interest Rate Swap IRS	-	23,153,996	-	23,153,996
Non-financial assets				
Investment properties	-	12,130,921	-	12,130,921
Total recurring assets at fair value	$ 1,212,452,025	$ 369,922,143	$ 167,825,039	$1,750,199,207

	2024			
Recurring fair value liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instruments for trading				
Forward Contracts				
Foreign exchange forwards	-	30,924,981	-	30,924,981
Total recurring fair value liabilities	$ -	$ 30,924,981	$ -	$ 30,924,981

	2023			
Recurring asset at fair value	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments at fair value with changes in profit or loss - Debt instruments				
In COP				
Treasury bonds - TES	$ 55,746,030	$ -	$ -	$ 55,746,030
Other national issuers – financial institutions	-	11,883,413	-	11,883,413
Investments at fair value with changes in OCIEquity instruments				
In COP				
National issuers - private equity funds	-	233,342,871	-	233,342,871
National issuers - FNG	-	-	153,194,236	153,194,236
In foreign currency	46,195,791	-	-	46,195,791
Foreign issuers - private equity funds				
In Colombian pesos				

Treasury securities TES	1,195,205,535	-	-	1,195,205,535
Other national issuers financial institutions	-	105,501,170	-	105,501,170
Derivative financial instruments for trading				
Forward Contracts				
Foreign exchange forwards	-	58,503,737	-	58,503,737
Futures contracts				
Currency futures rights	-	2,887,510,620	-	2,887,510,620
Currency futures bonds	-	(2,887,510,620)	-	(2,887,510,620)
Hedging derivative financial instruments				
Futures contracts				
Currency futures rights	-	47,323,378	-	47,323,378
Currency futures bonds	-	(47,323,378)	-	(47,323,378)
Swaps				
IRS Swaps - Interest Rate Swaps	-	27,194,078	-	27,194,078
Non-financial assets				
Investment properties	-	12,017,858	-	12,017,858
Total recurring assets at fair value	$ 1,297,147,356	$ 448,443,127	$ 153,194,236	$ 1,898,784,719

		2023		
Recurring liabilities at fair value	**Level 1**	**Level 2**	**Level 3**	**Total**
Trading derivative financial instruments				
Forward Contracts				
Foreign exchange forwards	-	79,394,899	-	79,394,899
Hedging derivative financial instruments				
Swaps				
IRS Swaps - Interest Rate Swaps	-	623,987	-	623,987
Total recurring liabilities at fair value	$ -	$ 80,018,886	$ -	$ 80,018,886

a. Determination of fair values

The price provider receives the information from all external and internal sources of negotiation and registration within the fixed schedules according to the methodologies approved by the Financial Superintendence of Colombia. In order to determine the hierarchy level 1 and 2 of the fair value, an instrument-by-instrument assessment is carried out according to the calculation type information reported by PRECIA S.A., the expert judgment of the Front and Middle Office which issue their concepts by considering the following aspects: Continuity in the historical publication of prices, circulation amount, record of operations performed, number of price contributors as a measurement of depth, market knowledge, steady quotations by one or more counterparties of the specific security, and bid-offer spreads, amongst others.

The methodologies applicable to the most common derivative instruments are:

- Valuation of foreign currency forwards: The provider publishes curves assigned according to the currency of origin of the underlying. These curves are made up of nominal rates for the past due period associated with forward exchange rate contracts.

- Valuation of bond forwards: In order to determine the valuation of the forward at a given date, the theoretical future value of the bond is calculated from its price on the valuation day and the risk-free rate of the reference country of the underlying. Then, the present value of the difference between the theoretical future value and the bond price agreed in the forward contract is obtained by using the risk-free rate of the reference country of the underlying to the term of days for expiration of the contract for the discount.

- Valuation of swap operations: The provider publishes curves assigned according to the underlying, basis swap curves (exchange of payments associated with variable interest rates), domestic and foreign curves, implicit curves associated with forward exchange rate contracts.

- Valuation of OTC options: The provider publishes curves assigned according to the currency of origin of the underlying, the forward exchange rate curve of the domestic currency, which is subject of the operation, implicit curves associated with forward exchange rate contracts, swap curves assigned according to the underlying, matrix and implicit volatility curves.

- Valuation of investments at fair value by the FNG: The price vendor submits the report for the Fund valuation quarterly using the Fair Value Measurement of Equity Instruments of Non-Controlling Interest method. The result is the updated price for the period with which the investment is valued.

- Investment property: The fair value is calculated based on appraisals by Nestor Mora & Asociados. This independent firm has the capacity and experience in appraising the sites and types of assets valued using the comparison or market method and the analysis of price appraisals in the same area.

6.2. **Fair value measurements classified as Level 3 -** The following table presents a reconciliation of fair value measurements classified as Level 3:

	2024	2023
	FNG Investment	**FNG Investment**
Balance at the beginning of the period	$ 153,194,236	$ 138,153,805
Valuation adjustments through profit or loss	14,630,803	15,040,431
Balance at end of the period	$ 167,825,039	$ 153,194,236

7. CASH AND CASH EQUIVALENT

The balance of cash and cash equivalent comprises the following as of December 31, 2024 and 2023:

	2024	2023
Legal currency		
Cash	$ 7,410	$ 7,410
Central Bank		
Checking account (1)	100,644,082	91,058,763
Banks and other financial institutions (2)	41,284,215	39,889,552

	2024	2023
	141,935,707	130,955,725
Foreign currency		
Banks and other financial institutions	12,894,397	12,582,227
	12,894,397	12,582,227
	$ 154,830,104	$ 143,537,952

(1) These funds are allocated to the Nation under the borrowing contract entered into between Bancóldex and the Inter-American Development Bank (IDB), through which Bancóldex pledges the income it receives from the collection of the credit portfolio up to an amount of 130% for agreements 2983/TC-CO, 3003/TC-CO, 3661/TC-CO, 2949/OC-CO, 4439 /OC-CO, 4939 /OC-CO y 5169/TC-CO.

(2) There are some restrictions on what the Bank has available. This is due to embargoes imposed by municipal and government agencies. The value amounts to $79,152 and $79,144, respectively. The detail of frozen resources due to embargoes is as follows as of December 31, 2024 and 2023:

Banking institution	Account Type	2024	2023
AV Villas Bank	Savings account	$ 79,152	$ 79,144

8. FINANCIAL INSTRUMENTS

The balance of the investment portfolio as of December 31, 2024 and 2023 is as follows:

8.1. Investments at fair value through profit or loss - debt instruments

	2024	2023
Legal Tender		
Securities issued by the Nation		
Ministry of Finance FIXED RATE TES	$ -	$ 55,746,030
Ministry of Finance TIDIS	12,910,430	-
	12,910,430	55,746,030
Securities issued by entities supervised by the SFC		
CPI Bonds	3,683,610	3,735,413
IBR Bonds	-	8,148,000
	3,683,610	11,883,413
	$ 16,594,040	$ 67,629,443

8.2. Investments at fair value with changes in other comprehensive income - debt instruments

	2024	2023
Legal tender		
Securities issued by the Nation		
Ministry of Finance FIXED RATE TES	$ 1,116,075,804	$ 1,195,205,535
Ministry of Finance UVR TES	6,845,272	-

	2024	2023
	1,122,921,076	1,195,205,535
Securities issued by entities supervised by the SFC		
DTF Term Deposits (TDs) - TF	100,567,200	105,501,170
	$ 1,223,488,276	$ 1,300,706,705

8.3. Investments at amortized cost

	2024	2023
Legal Tender		
Securities issued by the Nation		
Ministry of Finance FIXED RATE TES	$ 238,221,191	$ 239,020,288
Solidarity securities	5,290,897	5,317,629
	243,512,088	244,337,917
Foreign Currency		
Securities issued by the Nation		
Yankee Bonds	846,058,708	737,603,325
	$ 1,089,570,796	$ 981,941,242

8.4. Investments at fair value with changes in other comprehensive income - equity instruments

	2024	2023
Banco Latinoamericano de Exportaciones S.A. – BLADEX	$ 76,620,519	$ 46,195,791
Fondo Nacional de Garantías	167,825,039	153,194,236
Private Equity Funds (1)	194,921,393	233,342,871
	$ 439,366,951	$ 432,732,898

(1) At the close of 2024, investments in Private Equity Funds show a variation of -$38,421,478 compared to 2023. The following situations affect the annual closing figures in this area: The liquidation of the Progresa, Aureos and Escala Capital Funds that generate a variation of -$521,424; Bancóldex, within its strategic objectives from 2024 to 2026, set the goal of mobilizing intelligent capital towards the target sectors of the reindustrialization policy through the fund of funds. Thus, it structured the "FCP Bancóldex Capital Fund of Funds II" on which the first capital call for $5,000,000 was generated.

The investments that the Bank maintains in Private Equity Funds are shown below:

2024
Portfolio in Colombian Pesos

Entity	Investment commitment in pesos	Capital Call	Redemption	Invested	Valuation profit (loss)	% Executed	Fair value
Escala (1)	11,000,000	10,999,332	1,154,411	11,000,000	-	100.00	-
Aureos (1)	14,000,000	9,993,120	17,420,807	10,011,948	-	71.51	-

Progresa Capital [1]	3,723,480	3,723,480	2,402,254	3,723,480	-	100.00	-
Compartment - Bancóldex Fund of Funds - Bancóldex Capital [2]	185,447,004	168,721,702	51,540,377	168,721,702	68,596,257	90.98	143,445,192
Capital Compartment for Entrepreneurship Bancóldex Fund of Funds [2]	63,000,000	45,029,032	594,790	45,029,032	2,185,055	71.47	46,461,168
Compartment for MICROV Development Fund of Funds II [3]	45,000,000	5,000,000	-	5,000,000	15,034	11.11	5,015,034
	322,170,484	243,466,666	73,112,639	243,486,162	70,796,346	75.58	194,921,393

2023
Portfolio in Colombian Pesos

Entity	Investment commitment in pesos	Capital Call	Redemption	Invested	Accumulated valuation (loss) gain	Annual valuation (loss) profit	% Executed	Fair value
Escala	$ 11,000,000	$ 10,999,332	$ 1,127,138	$ 11,000,000	$ (7,259,646)	$ (203,565)	100.00	$ 8,339
Aureos	14,000,000	9,993,120	17,371,615	10,011,948	149,854	445,831	71.51	284,348
Progresa Capital	3,723,480	3,723,480	2,371,337	3,723,480	(1,161,168)	176,135	100.00	228,737
Compartment - Bancóldex Fund of Funds - Bancóldex Capital [1]	185,447,004	168,721,702	2,400,000	168,721,702	89,118,974	12,035,965	90.98	189,972,599
Capital Compartment for Entrepreneurship Bancóldex Fund of Funds [1]	63,000,000	40,994,424	-	40,994,424	2,012,553	(2,677,480)	65.07	42,848,848
	$ 277,170,484	$ 234,432,058	$ 23,270,090	$ 234,451,554	$ 82,860,567	$ 9,776,886	84.59	$ 233,342,871

(1) During 2024, three of the invested equity funds completed their liquidation stage. They are FCP Escala Capital (March), FCP Progresa Capital (September) and FCP Aureos Colombia (September). This means that these equity funds completed their life cycle, with the divestment or sale of all the companies in their portfolios and that the investors approved their respective final accountability reports. These funds allowed the Bank to support 26 companies at different stages of maturity, which received investments of $ 388 billion, with Colombian companies receiving $ 172.7 billion.

(2) July 2024 marked the fifth year of operation of the private equity fund Bancóldex Capital Fund of Funds, as a natural evolution of the Bancóldex Capital Program, where the Bank acts as Professional Manager. The private equity fund Bancóldex Capital Fund of Funds, grouped at the end of 2024 resources for $323.5 billion, where Bancóldex acts as anchor investor with an amount of $248.4 billion, distributed in two compartments:

a. Entrepreneurship Capital Compartment. It seeks to invest in venture capital funds that invest in early-stage Latin American ventures (pacific alliance approach) that may have financed their first operational phases and have a proven product.

This compartment grouped resources for $138 billion. In addition to the Bank, this compartment also has the participation of iNNpulsa Colombia, Minciencias, a Multilateral entity, a Japanese corporation and a Colombian insurance company.

In terms of investments, the sub-fund is comprised of nine venture capital funds. Investment commitments for USD $29.5 million were subscribed with them. These funds have made 213 investments (47 of them are Colombian).

b. Bancóldex Capital Compartment. With the strategic objective to group all the Bank's investments in capital funds, the Bank's management decided to transfer such investments from the balance sheet to the Fund of Funds, a process that took place in 2022. The size of this compartment is $185.4 billion. It has a portfolio of 11 funds that have made 177 investments, and 74 of them are Colombian companies.

(3) Bancóldex' 2024-2026 strategic objectives set the goal to mobilize intelligent capital for the sectors targeted by the reindustrialization policy through the fund of funds. Thus, it structured the "FCP Bancóldex Capital Fund of Funds II" with four initial compartments. They are namely i) Entrepreneurship Capital II Compartment, ii) Micro VC Development Compartment, iii) Territorial Boost Compartment, iv) green and social infrastructure Compartment. The company began to raise resources for each of these compartments, and the Micro VC Development Compartment started to operate in November 2024. The initial size was $51.8 billion, where there are 2 investors, and one of them is Bancóldex.

The strategy of the Micro VC Development compartment focuses on investing in micro venture capital funds with sizes between USD 6 and USD 15 million. Since the objective is also to support emerging Colombian managers, the funds of this compartment must be managed by Colombian teams, and they will invest in Latin American companies in early stages (pre-seed and seed). These companies must have a minimum viable product and potential for regional or global scalability.

8.5. Investments in subsidiaries

	2024	2023
Fiduciaria Colombiana de Comercio Exterior S.A. - FIDUCOLDEX	$ 57,855,989	$ 59,687,879

The following is the disaggregation of the investment in the subsidiary as of December 31, 2024 and 2023:

2024

Entity	% Share	Initial balance	Buy Shares	Dividends received in cash	Income Gains or (Loss)	Other comprehensive income Gains / (Losses)	Ending balance
FIDUCOLDEX S.A.	89.62	$ 59,687,879	$ -	$ 9,262,604	$ 7,086,160	$ 344,555	$ 57,855,989

2023

Entity	% Share	Initial balance	Buy Shares	Dividends received in cash	Income Gains or (Loss)	Other comprehensive income Gains / (Losses)	Ending balance
FIDUCOLDEX S.A.	89.62	$ 50,114,047	$ -	$ 717,953	$ 10,291,	$ -	$59,687,

8.6. Derivative financial instruments - The disaggregation of the fair value of trading derivative instruments as of December 31, 2024 and 2023 is as follows:

	2024			2023		
	Active position	Passive position	Total derivatives	Active position	Passive position	Total derivatives
Trading Derivatives						
Forward Trading Contracts						
Foreign exchange forwards	$ 35,465,022	$ 30,924,981	$ 4,540,041	$ 58,503,737	$ 79,394,899	$ (20,891,162)
Total Trading Forward Contracts	35,465,022	30,924,981	4,540,041	58,503,737	79,394,899	(20,891,162)
Futures Trading Contracts						
Foreign exchange futures rights	2,443,592,580	-	2,443,592,580	2,887,510,620	-	2,887,510,620
Foreign exchange futures obligations	(2,443,592,580)	-	(2,443,592,580)	(2,887,510,620)	-	(2,887,510,620)
Total Futures Trading Contracts	-	-	-	-	-	-
Total Trading Derivatives	35,465,022	30,924,981	4,540,041	58,503,737	79,394,899	(20,891,162)
Hedging Derivatives						
Hedging futures contracts						
Foreign exchange futures rights	75,568,320	-	75,568,320	47,323,378	-	47,323,378
Foreign exchange futures obligations	(75,568,320)	-	(75,568,320)	(47,323,378)	-	(47,323,378)
Total Hedging futures contracts	-	-	-	-	-	-
SWAP hedge contracts						
Interest rate swap	23,153,996	-	23,153,996	27,194,078	623,987	26,570,091
Total Swap hedge contracts	23,153,996	-	23,153,996	27,194,078	623,987	26,570,091
Total Hedging Derivatives	23,153,996	-	23,153,996	27,194,078	623,987	26,570,091
Total Derivative instruments	**$ 58,619,018**	**$ 30,924,981**		**$ 85,697,815**	**$ 80,018,886**	

8.7. Creditworthiness of debt securities - Creditworthiness information of debt securities is presented below according to the international risk rating assigned by recognized rating agencies:

	2024	2023
BB+	$ 2,224,946,874	$ 2.231.551.183

	2024	2023
No Rating	104,223,375	117.273.566
Total	$ 2,329,170,249	$ 2.348.824.749

2024 showed a decrease in the value of the investment portfolio. The greatest variation is in investments in private debt due to the maturities that occurred during the year. However, the banks keeps its participation in investments in government-issued securities, which exceed 95% with a BB+ rating according to the assignment issued by international rating agencies.

Below is a breakdown of the credit quality of the counterparties with which the derivative transactions are made, according to the international risk rating assigned by recognized rating agencies:

	2024	2023
Investment Grade	$ 124,562,169	$ 113.980.938
No Rating	246,614,526	74.059.842
Total	$ 371,176,695	$ 188.040.780

As of December 31, 2024, 66% of the derivative exposure is in international counterparties with an international investment grade rating, and the 34% which is not rated corresponds mostly to local pension and severance funds. The increase in the credit exposure of operations with derivative financial instruments increased due to greater exposure and greater volatility of the exchange rate.

9. OTHER FINANCIAL ASSETS

The balance of money market operations comprises the following as of December 31, 2024 and 2023:

	2024			**2023**		
Legal Tender						
Interbank						
Banks	-	-	$ -	9	-	$ 60,100,150
Simultaneous transactions						
Investment transfer commitments	-	-	-	10	-	651,635,320
Total Legal Tender			-			711,735,470
Foreign Tender						
Overnight						
Other Financial Institutions	4	71,026	313,165,727	-	-	-
Total Foreign Currency		71,026	313,165,727		-	-
		71,026	$313,165,727		-	$711,735,470

10. CREDIT PORTFOLIO AND FINANCE LEASE TRANSACTIONS, NET

10.1. Loan portfolio by type: The following was the breakdown of the loan portfolio by type as of December 31, 2024 and 2023:

		2024		
Type	**Principal**	**Interest**	**Accounts Receivable**	**Total**
Business	$ 5,305,704,950	$ 82,260,313	$ 10,484,472	$ 5,398,449,735

Consumer [1]	2,893,557	9,742	74	2,903,373
Housing [1]	27,722,407	104,900	8,038	27,835,345
Impairment	(215,302,356)	(19,988,404)	(9,214,627)	(244,505,387)
Balance	$ 5,121,018,558	$ 62,386,551	$ 1,277,957	$ 5,184,683,066

		2023		
Type	Principal	Interest	Accounts Receivable	Total
Business	$ 7,752,169,767	$ 117,595,572	$ 9,603,351	$ 7,879,368,690
Consumer [1]	2,207,178	7,951	27	2,215,156
Housing [1]	23,766,369	102,862	7,313	23,876,544
Impairment	(272,535,338)	(24,011,304)	(8,492,910)	(305,039,552)
Balance	$ 7,505,607,976	$ 93,695,081	$ 1,117,781	$ 7,600,420,838

(1) The consumer and housing portfolio involves loans granted to employees and former employees before their retirement.

10.2. Loan portfolio by modality and age - The following was the breakdown of the loan portfolio by modality and age as of December 31, 2024 and 2023:

	2024			
Portfolio and accounts receivable in legal tender:	**Principal**	**Interest**	**Accounts receivable**	**Total**
Suitable commercial portfolio guarantee:				
Current	$ 829,756,396	$ 24,469,377	$ 2,994,190	$ 857,219,963
Overdue 1 month to 3 months	19,108,722	629,797	178,847	19,917,366
Overdue 3 months to 6 months	23,714,412	2,599,336	248,074	26,561,822
Overdue 6 months to 12 months	18,261,993	1,101,189	498,909	19,862,091
Overdue more than 12 months	91,149,785	7,872,659	3,573,769	102,596,213
	981,991,308	36,672,358	7,493,789	1,026,157,455
Other commercial portfolio guarantees:				
Due	3,478,338,411	18,917,791	217,841	3,497,474,043
Overdue 3 months to 6 months	757,400	38,180	29,615	825,195
Overdue 6 months to 12 months	72,743	-	-	72,743
Overdue more than 12 months	33,335,758	1,737,070	2,743,227	37,816,055
	3,512,504,312	20,693,041	2,990,683	3,536,188,036
Suitable consumer portfolio guarantee:				
Due	2,827,016	8,678	24	2,835,718
Overdue 1 month to 2 months	40,182	592	30	40,804
Overdue 2 months to 3 months	26,359	472	20	26,851

	2,893,557	9,742	74	2,903,373
Suitable housing portfolio guarantee:				
Current	27,056,469	98,022	1,619	27,156,110
Overdue 1 month to 4 months	536,888	6,663	809	544,360
Overdue 6 months to 12 months	34,549	215	49	34,813
Overdue more than 18 months	94,501	-	5,561	100,062
	27,722,407	104,900	8,038	27,835,345
Total legal tender	4,525,111,584	57,480,041	10,492,584	4,593,084,209
Portfolio and accounts receivable in foreign currency:				
Suitable commercial portfolio guarantee:				
Due	170,124,771	1,481,636	-	171,606,407
Other consumer portfolio guarantees:				
Due	641,084,559	23,413,278	-	664,497,837
Total foreign currency	811,209,330	24,894,914	-	836,104,244
Total gross portfolio and accounts receivable	5,336,320,914	82,374,955	10,492,584	5,429,188,453
Impairment of portfolio and accounts receivable	(215,302,356)	(19,988,404)	(9,214,627)	(244,505,387)
Total net portfolio and accounts receivable	$ 5,121,018,558	$ 62,386,551	$ 1,277,957	$ 5,184,683,066

2023

Portfolio and accounts receivable in legal tender:	**Principal**	**Interest**	**Accounts receivable**	**Total**
Suitable commercial portfolio guarantee:				
Due	$ 892,811,358	$ 30,325,322	$ 2,620,432	$ 925,757,112
Overdue 1 to 3 months	24,130,219	908,576	161,106	25,199,901
Overdue 3 to 6 months	28,725,784	2,624,748	189,973	31,540,505
Overdue 6 to 12 months	67,621,460	4,865,982	946,928	73,434,370
Overdue more than 12 months	80,185,629	6,227,921	2,586,852	89,000,402
	1,093,474,450	44,952,549	6,505,291	1,144,932,290
Other commercial portfolio guarantees:				
Due	6,050,207,194	57,161,803	223,749	6,107,592,746
Overdue 1 to 3 months	36,176	773	-	36,949
Overdue 3 to 6 months	119,530	-	7	119,537
Overdue 6 to 12 months	2,470,369	55,344	472,270	2,997,983
Overdue more than 12 months	56,780,582	2,954,924	2,402,034	62,137,540

	6,109,613,851	60,172,844	3,098,060	6,172,884,755
Suitable consumer portfolio guarantee:				
Current	2,197,296	7,899	24	2,205,219
Overdue 1 month to 2 months	9,882	52	3	9,937
	2,207,178	7,951	27	2,215,156
Suitable housing portfolio guarantee				
Current	23,073,692	86,475	1,269	23,161,436
Overdue 1 month to 4 months	485,784	16,387	298	502,469
Overdue 4 months to 6 months	69,576	-	109	69,685
Overdue 6 months to 12 months	42,816	-	925	43,741
Overdue more than 18 months	94,501	-	4,712	99,213
	23,766,369	102,862	7,313	23,876,544
Total legal tender	7,229,061,848	105,236,206	9,610,691	7,343,908,745
Portfolio and accounts receivable in foreign currency:				
Suitable commercial portfolio guarantee:				
Current	65,079,423	656,756	-	65,736,179
Overdue 1 month to 3 months	2,443,722	-	-	2,443,722
Overdue 3 months to 6 months	1,224,153	-	-	1,224,153
	68,747,298	656,756	-	69,404,054
Other commercial portfolio guarantee:				
Current	480,334,168	11,813,423	-	492,147,591
	480,334,168	11,813,423	-	492,147,591
Total foreign currency	549,081,466	12,470,179	-	561,551,645
Total gross portfolio and accounts receivable	7,778,143,314	117,706,385	9,610,691	7,905,460,390
Impairment of portfolio and accounts receivable	(272,535,338)	(24,011,304)	(8,492,910)	(305,039,552)
Total net portfolio and accounts receivable	$ 7,505,607,976	$ 93,695,081	$ 1,117,781	$ 7,600,420,838

10.3. Loan portfolio by risk rating - Below is the disaggregation of the loan portfolio by rating:

	2024						
				Impairment			
	Principal	Interest	Accounts receivable	Principal	Interest	Accounts receivable	TOTAL
Housing Loans							
A - Normal	$ 27,188,509	$ 100,519	$ 1,766	$ 271,885	$ 1,005	$ 18	$ 27,017,886
B - Acceptable	262,780	3,653	290	8,409	2,896	225	255,193
C - Appreciable	176,617	728	421	17,662	266	337	159,501
E - Irrecoverable	94,501	-	5,561	94,501	-	5,561	-
	27,722,407	**104,900**	**8,038**	**392,457**	**4,167**	**6,141**	**27,432,580**
Suitable Consumer Loan Guarantee							
A - Normal	2,851,138	9,102	40	59,744	138	51	2,800,347
B - Acceptable	42,419	640	34	1,125	476	21	41,471
	2,893,557	**9,742**	**74**	**60,869**	**614**	**72**	**2,841,818**
Suitable Commercial Loans Guarantee							
A - Normal	854,219,588	17,011,434	957,488	13,479,673	1,141,954	83,236	857,483,647
B - Acceptable	82,541,392	4,627,249	973,961	3,044,470	441,306	724,302	83,932,524
C - Appreciable	42,355,467	2,764,762	144,953	3,756,953	1,937,638	111,673	39,458,918
D - Significant	117,610,796	9,573,216	3,106,412	52,234,769	8,995,076	2,987,704	66,072,875
E - Irrecoverable	55,388,836	4,177,333	2,310,975	55,388,836	4,177,333	2,310,975	-
	1,152,116,079	**38,153,994**	**7,493,789**	**127,904,701**	**16,693,307**	**6,217,890**	**1,046,947,964**
Other Commercial Loan Guarantees							
A - Normal	4,113,079,081	41,963,276	160	55,597,623	536,147	2	4,098,908,745
B - Acceptable	7,868,915	280,407	-	1,111,878	280,408	-	6,757,036
C - Appreciable	589,554	27,283	-	75,714	3,504	-	537,619
D - Significant	5,657,901	416,747	336,557	3,488,468	416,749	336,561	2,169,427
E - Irrecoverable	26,393,420	1,418,606	2,653,966	26,393,422	1,418,609	2,653,961	-
	4,153,588,871	**44,106,319**	**2,990,683**	**86,667,105**	**2,655,417**	**2,990,524**	**4,108,372,827**
General Impairment (Provision) Portfolio / Interest				277,224	634,899		912,123
	$ 5,336,320,914	$ 82,374,955	$ 10,492,584	$ 215,302,356	$19,988,404	$ 9,214,627	$5,184,683,066

	2023						
				Impairment			
	Principal	Interest	Other Items	Principal	Interest	Other Items	TOTAL
Housing Loans							
A - Normal	$ 23,301,346	$ 100,924	$ 1,471	$ 233,014	$ 1,009	$ 15	$ 23,169,703
B - Acceptable	136,080	1,511	81	4,355	48	19	133,250
C - Appreciable	234,442	427	1,049	23,444	408	1,048	211,018
E - Irrecoverable	94,501	-	4,712	94,501	-	4,712	-
	23,766,369	**102,862**	**7,313**	**355,314**	**1,465**	**5,794**	**23,513,971**
Suitable Consumer Loans Guarantee							
A - Normal	**2,207,178**	**7,951**	**27**	**45,596**	**115**	**49**	**2,169,396**

Suitable Commercial Loans Guarantee							
A - Normal	789,924,380	20,338,489	666,473	12,760,600	704,407	24,588	797,439,747
B - Acceptable	120,569,770	6,592,194	369,673	3,921,941	583,567	24,193	123,001,936
C - Appreciable	45,220,272	3,606,060	1,210,697	3,534,907	2,725,361	1,138,045	42,638,716
D - Significant	157,002,219	12,092,337	2,314,987	73,155,202	11,821,733	2,270,012	84,162,596
E - Irrecoverable	49,505,107	2,980,225	1,943,461	49,505,107	2,980,225	1,943,461	-
	1,162,221,748	**45,609,305**	**6,505,291**	**142,877,757**	**18,815,293**	**5,400,299**	**1,047,242,995**
Other Commercial Loans Guarantees							
A - Normal	6,519,330,696	68,388,877	11,408	72,028,032	759,570	151	6,514,943,228
B - Acceptable	9,165,403	392,675	38	1,193,611	285,858	2	8,078,645
C - Appreciable	3,138,940	56,887	312	304,050	7,306	311	2,884,472
D - Significant	30,359,114	1,763,756	2,640,905	27,539,448	1,763,757	2,640,907	2,819,663
E - Irrecoverable	27,953,866	1,384,072	445,397	27,953,866	1,384,072	445,397	-
	6,589,948,019	**71,986,267**	**3,098,060**	**129,019,007**	**4,200,563**	**3,086,768**	**6,528,726,008**
General Impairment (Provision)							
Portfolio / Interest				237,664	993,868		1,231,532
	$ 7,778,143,314	$117,706,385	$ 9,610,691	$ 272,535,338	$ 24,011,304	$8,492,910	$ 7,600,420,838

10.4. Portfolio distribution by geographic area and economic sector - The loan portfolio is distributed by the following geographic areas and economic sectors as of December 31, 2024 and 2023:

BLANK SPACE

2024

Economic Sector	ANTIOQUIA AND CHOCO	BOGOTA D.C.	CENTRAL	ATLANTIC COAST	COFFEE REGION	ABROAD	WEST	SANTANDERES	SOUTH - EAST	TOTAL
Artistic/entertainment and recreation activities	$ 40,280	$ 1,387,325	$ -	$ -	$ -	$ -	$ 237,028	$ -	$ -	$ 1,664,633
Hospitality and catering activities	7,138,439	5,804,617	736,775	9,449,559	340,698	-	1,604,209	290,894	282,000	25,647,191
Households as employers	36,908,943	8,392,793	816,891,506	-	-	13,186,098	-	-	268,159,039	1,143,538,379
Administrative and support services activities	4,831,045	60,665,545	1,774,063	4,674,552	-	-	2,103,969	476,431	-	74,525,605
Financial and insurance activities	106,698,905	674,755,729	501,533,888	193,637,023	321,687,835	605,871,563	405,423,848	73,630,059	1,460,417	2,884,699,267
Real estate activities	787,516	22,613,432	2,743,887	1,376,329	-	-	5,209,124	1,653	-	32,731,941
Professional/scientific and technical activities	5,120,377	8,713,478	1,598,054	4,519,463	-	-	1,755,549	283,056	-	21,989,977
Public administration - defense; social security	-	-	-	-	699,610	-	-	-	-	699,610
Agriculture/ livestock/ forestry and fishing	1,147,491	16,433,823	1,683,121	2,441,252	2,007,833	-	17,749,093	6,421,195	-	47,883,808
Human health care and social assistance	15,348,523	8,528,497	5,983,841	7,184,240	501,299	-	2,992,328	2,145,807	2,457,371	45,141,906
Wholesale and retail trade; vehicle repair	56,593,698	103,883,161	37,703,355	41,071,008	2,267,660	-	18,519,192	23,495,036	6,123,099	289,656,209
Construction	6,245,052	22,847,606	7,210,256	4,112,259	1,625,671	-	4,697,127	4,140,990	1,433,737	52,312,698
Teaching	2,341,753	1,388,975	4,745,802	1,025,785	-	-	64,877	1,391,744	437,222	11,396,158
Mining and quarrying	1,900,000	10,749,675	1,837,786	-	-	-	799,414	217,148	-	15,504,023
Manufacturing industries	82,580,110	131,584,242	31,437,522	59,845,458	28,074,320	1,855,928	36,554,504	13,850,848	5,625,304	391,408,236
Information and communications	930,289	11,493,712	1,268,235	1,253,509	-	-	-	-	-	14,945,745
Other service activities	65,530,972	33,803,947	1,127,382	294,681	6,581,944	-	6,705,832	183,333	1,445,323	115,673,414
Water supply, wastewater, waste, and decontamination	-	330,631	1,653,207	4,254,483	-	-	2,886,255	-	408,730	9,533,306
Electricity/gas/steam/steam/air conditioning	-	9,168,540	-	1,684,255	-	-	1,535,352	-	-	12,388,147
Transportation and storage	13,139,030	28,394,173	5,688,802	76,041,915	411,593	13,393,842	2,461,475	1,100,935	4,348,896	144,980,661
Grand total	**$407,282,423**	**$1,160,939,901**	**$1,425,617,482**	**$412,865,771**	**$364,198,463**	**$634,307,431**	**$511,299,176**	**$127,629,129**	**$292,181,138**	**$5,336,320,914**

Economic Sector	Antioquia and Choco	Bogota D.C.	Central	2023 Atlantic Coast	Coffee Belt	Abroad	West	Santanderes	South-East	Grand total
Artistic, entertainment and recreation activities	$ 2,364,176	$ 7,627,841	$ 537,773	$ 3,019,555	$ 4,752,826	$ -	$ 2,180,426	$ 41,960	$ 161,183	$ 20,685,740
Hospitality and catering activities	38,419,341	36,807,626	7,417,717	41,181,275	4,900,326	-	7,776,107	3,018,156	3,261,723	142,782,271
Households as employers	54,074	7,778	36,783	31,613	-	-	-	-	-	130,248
Administrative and support services activities	22,537,917	93,699,661	11,496,281	240,733,592	3,332,764	-	11,445,347	8,557,002	3,357,098	395,159,662
Financial and insurance activities	165,183,828	458,328,119	486,177,658	69,437,984	24,999,194	179,589,344	369,695,755	125,554,787	1,824,624	1,880,791,293
Real estate activities	9,725,769	44,755,904	3,421,201	11,474,116	3,640,052	-	14,308,061	4,978,001	1,941,054	94,244,158
Professional, scientific and technical activities	23,073,634	74,308,909	11,885,506	57,236,296	7,380,618	-	20,660,884	8,111,028	2,890,684	205,547,559
Public administration -defense; social security	174,802	398,576	256,667	9,125,697	1,185,589	-	123,119	1,560,714	-	12,825,164
Agriculture, livestock, forestry, fishing	15,733,161	13,934,957	8,239,356	15,518,656	5,107,466	177,600	20,389,868	9,321,286	1,673,655	90,096,005
Employees	-	25,973,548	-	-	-	-	-	-	-	25,973,548
Human health care and social assistance	40,678,844	30,751,492	27,881,885	59,903,352	10,424,726	-	31,084,077	15,800,053	13,443,537	229,967,966
Wholesale-retail trade; vehicle repair	288,323,798	420,667,320	145,583,977	224,225,116	65,099,598	97,309,453	185,020,487	143,848,541	72,606,841	1,642,685,131
Construction	55,859,082	140,900,631	29,848,070	66,553,788	16,464,774	115,579	32,883,225	26,412,391	17,743,294	386,780,834
Teaching	19,634,895	16,341,916	7,909,074	9,668,873	1,381,736	-	5,334,123	3,036,677	2,225,396	65,532,690
Mining and quarrying	2,886,888	14,015,587	8,878,440	1,554,854	2,446,918	-	2,233,228	4,476,547	882,679	37,375,141
Manufacturing industries	325,897,948	305,585,155	101,126,535	110,896,523	85,342,356	144,726,751	143,259,782	84,405,915	12,090,128	1,313,331,093
Information and communications	18,177,041	60,411,252	8,448,007	6,539,780	2,023,956	-	7,613,171	1,928,369	3,419,266	108,560,842

Other service activities	87,341,800	50,477,692	9,432,578	6,531,827	13,785,691	-	114,066,120	3,355,355	5,252,445	290,243,508
Other classifications	-	-	-	5,333	-	-	16,827	-	-	22,160
Water supply, wastewater, waste, and decontamination	5,349,574	3,182,367	7,785,170	107,749,612	1,011,428	-	6,282,906	3,245,618	6,522,341	141,129,016
Electric, gas, steam, air cond.	944,444	25,240,977	1,244,344	6,142,406	1,582,545	-	6,173,515	1,225,765	552,300	43,106,296
Transportation and storage	110,077,027	141,826,679	89,800,535	95,586,934	17,260,509	13,468,904	70,848,045	54,898,027	57,406,329	651,172,989
Grand total	**$1,232,438,043**	**$1,965,243,987**	**$967,407,557**	**$1,143,117,182**	**$272,123,072**	**$435,387,631**	**$1,051,395,073**	**$503,776,192**	**$207,254,577**	**$7,778,143,314**

10.5. Portfolio by monetary unit - Capital Balances

Modalities	Legal tender	Foreign currency	2024 Gross portfolio	Impairment	Net portfolio
Business	$ 4,494,495,620	$ 811,209,330	$ 5,305,704,950	$ 214,571,806	$ 5,091,133,144
Consumer	2,893,557	-	2,893,557	60,869	2,832,688
Housing	27,722,407	-	27,722,407	669,681	27,052,726
	$ 4,525,111,584	$ 811,209,330	$ 5,336,320,914	$ 215,302,356	$ 5,121,018,558

Modalities	Legal tender	Foreign currency	2023 Gross portfolio	Impairment	Net portfolio
Business	$ 7,203,088,301	$ 549,081,466	$ 7,752,169,767	$ 271,896,764	$ 7,480,273,003
Consumer	2,207,178	-	2,207,178	45,596	2,161,582
Housing	23,766,369	-	23,766,369	592,978	23,173,391
	$ 7,229,061,848	$ 549,081,466	$ 7,778,143,314	$ 272,535,338	$ 7,505,607,976

10.6. Portfolio write-offs - During May and November 2024, the Bank's Board of Directors authorized portfolio write-offs for 113 clients with 172 transactions with the following balances:

Concept	Amount
Principal	29.799.222,8
Interests	1.151.960,5
Other Concepts	212.886,0
WRITE-OFFS INTERNATIONAL CF PORTFOLIO	**31.164.069,3**
Financial Leasing	3.349.918,9
Capital	17.424.122,0
Interests	1.613.478,2
Other concepts	2.561.196,9
WRITE-OFFS SME PORTFOLIO	**24.948.716,0**
Total	**56.112.785,3**

There were not any portfolio write-offs during 2023.

10.7. Recovery of written-off portfolio - The breakdown of the recovery of written-off portfolio capital is as follows:

	2024	2023
Business	$ 143,098	$ 308,380

10.8. Loan portfolio impairment - The breakdown of the loan portfolio impairment is as follows:

	Business	Consumer	Housing	General impairment (Provision) (1)	Total

Balance as of December 31, 2022	$ 235,143,206	$ 33,051	$ 274,974	$ 244,922	$ 235,696,153
Expenses	106,217,009	27,260	116,494	31,504	106,392,267
Recovery	(69,463,449)	(14,717)	(36,154)	(38,762)	(69,553,082)
Balance as of December 31, 2023	271,896,766	45,594	355,314	237,664	272,535,338
Expenditure	75,858,508	35,831	105,779	47,304	76,047,422
Write-offs	(50,573,264)	-	-	-	(50,573,264)
Recovery	(82,610,204)	(20,556)	(68,636)	(7,744)	(82,707,140)
Balance as of December 31, 2024	**$ 214,571,806**	**$ 60,869**	**$ 392,457**	**$ 277,224**	**$ 215,302,356**

(1) For 2024 and 2023, the amount recognized in the general provision is the general provision recognized on housing loans.

11. BUSINESS ACCOUNTS RECEIVABLE AND OTHER ACCOUNTS RECEIVABLE, NET

The following is the breakdown of trade and other receivables, net, as of December 31, 2024 and 2023:

	2024	**2023**
Interest and financial component (note 10)	$ 82,374,955	$ 117,706,385
Payments by customers (note 10) (1)	10,492,584	9,610,691
Advances to contracts and suppliers (2)	9,437,336	4,659,163
Security deposits (3)	14,290,095	4,109,902
Debtors	685,674	1,345,674
Other accounts receivable SME portfolio (4)	986,647	1,227,097
Other debtors (5)	15,128,243	1,111,716
To employees and former employees	535,281	535,283
Banca de las Oportunidades Investment Program	547,802	954,995
Royalties on leased assets	30,661	87,245
Reimbursable expenses of Autonomous Patrimony	55,076	62,752
Structuring costs of financial obligations	2,315,818	-
Forward NDF and Swaps Settlement	1,836,787	26,258
Commissions	34,247	3,630
Sundry	943,009	1,192,727
	139,694,215	142,633,518
Less impairment accounts receivable:		
Loan portfolio (note 10)	(29,203,031)	(32,504,214)
Other	(17,400,477)	(3,353,653)
	(46,603,508)	(35,857,867)
	$ 93,090,707	$ 106,775,651

(1) Amounts receivable from customers with no portfolio balances, including amounts for traffic tickets and accounts receivable after restoring the contracts, and VAT receivable for operating leases.

(2) It is mainly due to advances paid to suppliers for the acquisition of goods to be leased.

(3) Represented mainly in deposits in guarantee of Forward - OTC operations with foreign entities.

(4) This item includes amounts paid by the Bank and charged to the customer, such as insurance, fees, commissions from the National Guarantee Fund. It also includes the freezes under Law 1116, which are transferred as accounts receivable.

(5) The variation corresponds mainly to the recording of the prepayment cost of Banco GNB Sudameris for $14,013,407.

The following is the disaggregation of the impairment of accounts receivable as of of December 31, 2024 and 2023:

	2024	2023
Balance at the beginning of the period	$ 35,857,867	$ 30,070,466
Constitutions (credits to profit or loss)	26,435,628	17,225,905
Write-offs	(5,539,520)	-
Recoveries (credits to profit or loss)	(10,150,467)	(11,438,504)
Closing balance for the period	$ 46,603,508	$ 35,857,867

12. OTHER NON-FINANCIAL ASSETS

The following is the breakdown of other non-financial assets as of December 31, 2024 and 2023:

	2024	2023
Prepaid expenses (1)	$ 21,362,657	$ 25,890,731
Taxes and contributions	16,225	316,306
Assets to be placed under leasing contracts (2)	24,636,095	14,416,495
Art and cultural properties	33,216	33,216
Properties given in bailment	14,489	14,489
Other	497,526	486,436
Impairment	-	(166,791)
	$ 46,560,208	$ 40,990,882

(1) The disaggregation and activity of prepaid expenses are as follows:

	2023	Charges	Amortization	2024
Insurance	$ 527,240	$ 2,083,485	$ 1,933,126	$ 677,599
Commissions (*)	5,910,351	2,207,968	5,621,153	2,497,166
Prepaid health care	1,180,609	5,618,982	5,634,401	1,165,190
Difference Market Value Securities	16,890,052	-	899,148	15,990,904
Other	1,382,479	-	350,681	1,031,798
	$ 25,890,731	$ 9,910,435	$ 14,438,509	$ 21,362,657

	2022	Charges	Amortization	2023
Insurance	$ 560,307	$ 2,322,809	$ 2,355,876	$ 527,240
Commissions (*)	10,953,896	2,998,931	8,042,476	5,910,351
Prepaid health care	1,033,399	4,729,311	4,582,101	1,180,609
Difference Market Value Securities	17,789,200	-	899,148	16,890,052
Other	1,927,438	326,215	871,174	1,382,479
	$ 32,264,240	$ 10,377,266	$ 16,750,775	$ 25,890,731

(*) It mainly comprises the guarantees paid year in advance to the Nation to secure the credits received from the IDB and the upfront fee payments and credit risk mitigation commission with BBVA. The balance of these commissions in 2024 is $ 1,320,639 and $ 1,176,527, respectively; and in 2023 is $ 2,001,237 and $ 3,909,114, respectively.

(2) The following is the disaggregation of the assets to be placed in leases:

	2024	2023
Machinery and equipment	$ 23,564,269	$ 9,228,139
Vehicles	-	3,273,406
Ships, trains and airplanes	126,357	-
Real Estate	945,469	1,914,950
	$ 24,636,095	$ 14,416,495

13. ASSETS HELD FOR SALE, NET

Non-current assets held for sale correspond to real and personal property received in payment and returned from credit portfolio debtors, and other non-current assets correspond to vehicles transferred from the group of property and equipment.

The Bank’s intention for these assets is to sell them immediately. For this, it has established special sales plans through publication on the Website, management of the internal sales force, real estate brokers, and direct management. There are agreements with real estate agents operating throughout the country and sales agents that facilitate the relevant procedures, in which case the external contracting and the payment of applicable commissions will be the responsibility of the relevant approval body.

2024	2023

13.1 Properties received in payment	$ 3,239,700	$ 2,322,483
13.2 Returned properties	28,330,370	19,355,850
Total	$ 31,570,070	$ 21,678,333

13.1. Properties received as payment - The following is the activity of properties received in payment as of December 31, 2024 and 2023:

	2024	**2023**
Opening balance	$ 2,322,483	$ 2,884,963
Additions (1)	887,784	728,249
Sales (2)	(822,000)	(386,500)
Transfer (3)	-	(104,865)
Relocation of returned goods	(2,959,563)	-
Provision expenses	(308,379)	(1,392,441)
Recovery of provision	4,223,062	620,864
Loss from replacement of goods	(113,032)	-
Loss from sale of goods	9,345	-27,787
Total	$ 3,239,700	$ 2,322,483

The breakdown of properties received in payment is as follows:

	2024				**2023**			
	Cost	**Provision**	**% Prov.**	**Total**	**Cost**	**Provision**	**% Prov.**	**Total**
Personal property	$ 948,423	$ (60,639)	6	$ 887,784	$ 60,639	$ (60,639)	100	$ -
Real estate for housing	7,190,265	(6,486,212)	90	704,053	7,866,716	(7,055,954)	90	810,762
Real estate other than housing	11,223,057	(9,575,194)	85	1,647,863	14,794,209	(13,282,488)	90	1,511,721
Real estate other than housing	-	-	-	-	362,352	(362,352)	100	-
Total	$ 19,361,745	$ (16,122,045)		$ 3,239,700	$ 23,083,916	$ (20,761,433)		$ 2,322,483

(1) The additions recorded in 2024 correspond to the acquisition of a sheet-cutting line machinery located in Bogota.

The additions recorded in 2023 correspond mostly to i) rights in trust business of Bosques de Karon where the Bank has a 4.83% participation for $362,351 and ii) real estate located in the municipality of Santana Boyacá for $ 350,000. For the 2022 fiscal year, it corresponds to a property other than housing, related to a commercial office and two parking spaces in easement.

(2) The Bank sold a commercial property in Santander de Quilichao, Cauca in 2024. It was three parking spaces at Terracina Plaza shopping mall, and an urban lot located on the Troncal de Caribe in the Gaira sector.

A vehicle and real estate for housing located in the city of Barrancabermeja were sold in 2023.

(3) It corresponds to the relocation of assets through an operating lease contract.

13.2. Returned properties - The following is the activity of returned properties as of December 31, 2024 and 2023:

	2024	**2023**
Opening balance	$ 19,355,850	$ 17,018,863
Additions [1]	29,089,268	13,266,758
Sales [2]	(322,300)	(731,700)
Leases	(7,770,987)	-
Provision expenses	(13,632,508)	(7,976,983)
Transfer [3]	-	(5,187,334)
Provision recovery	1,865,903	2,735,841
Loss from replacement	(108,308)	-
Loss from sale of goods	(146,548)	230,405
Total	$ 28,330,370	$ 19,355,850

The disaggregation of returned property as of December 31, 2024 and 2023 is as follows:

	Cost	**Provision**	**% Prov.**	**Total**	**Cost**	**Provision**	**% Prov.**	**Total**
Machinery	$ 3,770,345	$ (3,697,102)	98	$ 73,243	$ 3,770,345	$ (3,561,254)	94	$ 209,091
Furniture and Fixtures	48,542	(48,542)	100	-	48,542	(48,542)	100	-
Real estate	67,933,685	(39,676,558)	58	28,257,127	47,192,561	(28,045,802)	59	19,146,759
Total	**$ 71,752,572**	**$ (43,422,202)**		**$28,330,370**	**$ 51,011,448**	**$(31,655,598)**		**$19,355,850**

14. PROPERTY AND EQUIPMENT, NET

The following is the breakdown of property and equipment, net, as of December 31, 2024 and 2023:

BLANK SPACE

Cost of property and equipment

	Land	Buildings	Machinery	Transport Vehicles	Fixtures and Fittings	Office Equipment	Computer Equipment	Network and Communications Equipment	Total
Balance as of January 1, 2023	$ 2,316,324	$ 25,564,615	$ 2,576,172	$ 261,700	$ 44,324	$ 4,012,350	$ 2,015,977	$ 2,167,027	$ 38,958,489
Procurement	-	-	16,396	720,847	15,155	23,973	4,573,842	1,793,621	7,143,834
Derecognitions	-	-	-	(800,747)	-	-	-	-	(800,747)
Balance as of December 31, 2023	2,316,324	25,564,615	2,592,568	181,800	59,479	4,036,323	6,589,819	3,960,648	45,301,576
Revaluation	-	4,787,993	-	-	-	-	-	-	4,787,993
Procurement	-	-	400,970	-	1,085	10,043	-	-	412,098
Transfers	-	(901,527)	-	-	-	-	-	-	(901,527)
Removals	-	-	(40,435)	-	-	-	-	-	(40,435)
Sales	-	-	(173,921)	-	(7,676)	(267,575)	(221,946)	(1,821)	(672,939)
Balance as of December 31, 2024	$ 2,316,324	$ 29,451,081	$ 2,779,182	$ 181,800	$ 52,888	$ 3,778,791	$ 6,367,873	$ 3,958,827	$ 48,886,766

Accumulated depreciation and net carrying amount of property and equipment

	Land	Buildings	Machinery	Transport Vehicles	Fixtures and Fittings	Office Equipment	Computer Equipment	Network and Communications Equipment	Total
Balance as of January 1, 2023	$ -	$ (466,307)	$ (1,964,334)	$ (259,882)	$ (41,388)	$ (3,187,135)	$ (1,923,942)	$ (1,974,025)	$ (9,817,013)
Depreciation	-	(373,046)	(112,381)	(626,298)	(5,910)	(132,833)	(306,675)	(205,023)	(1,762,166)
Sales	-	-	-	706,198	-	-	-	-	706,198
Balance as of December 31, 2023	-	(839,353)	(2,076,715)	(179,982)	(47,298)	(3,319,968)	(2,230,617)	(2,179,048)	(10,872,981)
Depreciation	-	(435,808)	(110,538)	-	(1,768)	(106,527)	(825,018)	(325,547)	(1,805,206)
Increase in accumulated depreciation	-	901,527	-	-	-	-	-	-	901,527
Sales	-	-	158,068	-	7,562	255,776	220,451	1,821	643,678
Balance as of December 31, 2024	$ -	$ (373,634)	$ (2,029,185)	$ (179,982)	$ (41,504)	$ (3,170,719)	$ (2,835,184)	$ (2,502,774)	$ (11,132,982)

Net carrying amount

Balance as of December 31, 2023	$ 2,316,324	$ 24,725,262	$ 515,853	$ 1,818	$ 12,181	$ 716,355	$ 4,359,202	$ 1,781,600	$ 34,428,595
Balance as of December 31, 2024	$ 2,316,324	$ 29,077,447	$ 749,997	$ 1,818	$ 11,384	$ 608,072	$ 3,532,689	$ 1,456,053	$ 37,753,784

A description of the main movements recorded in 2024 is presented below.

Revaluation of Land and Buildings - The Bank uses the revaluation model to measure land and buildings. The Accounting Policy establishes that the Bank will review the revalued cost every three years.

The last revaluation was carried out in October 2021, based on the new appraisal performed by the Bank for the Bank's facilities (land and building) in May 2024. The bank hired the firm Néstor Mora y Asociados to carry out the appraisal. It is an independent firm that has the capacity and experience to carry out valuations in the sites and types of assets that need to be appraised. The goal was to perform the IFRS valuation of the real estate the Bank owns. The process takes into account the valuation of Land and Buildings under the Fair Value standard based on the definitions of the International Financial Reporting Standard - IFRS.

Impairment of property and equipment -The books show that for each comparative date of presentation of the current financial statements, there were not any signs of impairment. Similarly, the Bank has not perceived internal or external indicators that reflect a significant measure of impairment of fixed assets represented in goods or real estate property. Therefore, the values represented in the financial statements correspond to the measure of cost adjusted to the projection of the expected useful life for each group of assets represented in buildings, machinery, fixtures and fittings, among others, classified as property and equipment.

As of December 31, 2024 and 2023, the Bank's assessment shows that there is not any evidence of impairment of its property and equipment.

The following is a description of the main movements recorded in 2023:

Procurement of computer equipment for $ 4,573,842 such as servers, expansion libraries and IBM switch; network and communications equipment for $ 1,793,621 such as Aruba Instant On access point equipment, which improved the connection of the devices and increased speed. On the other hand, the Bank exercised the purchase option on the seven (7) vehicles that were leased for $ 720,847, which were for sale as well as a 2009 KIA Carnaval vehicle, for a total value of $800,747.

As of December 31, 2024 and 2023, there are not any restrictions on the ownership of property, plant and equipment.

15. PROPERTY AND EQUIPMENT IN OPERATING LEASE

This item corresponds to real estate contracts placed under operating lease. Its structure is as follows:

	2024	2023
Cost		
Initial balance	$ 14,115,159	$ 8,950,983
Additions (*)	9,805,169	5,164,176
Ending balance	23,920,328	14.115.159
Depreciation		
Initial balance	(1,571,441)	(1,112,183)
Depreciation	(2,044,443	(459,258)
Ending balance	(3,615,884)	(1,571,441)
Provision		
Initial balance	(1,677,638)	-
Provision	(1,158,665	(1,677,638)
Ending balance	$ (2,836,303)	$ (1,677,638)

(*) Real estate properties were reallocated in four operating leasing contracts for $9,805,169 in 2024. In 2023, they corresponded to the transfer of an asset under financial leasing under the name of Fabrica de Hielos Barranquillita to operating leasing for $ 2,427,123. There was also the transfer of a property and furniture returned for $2,737,153. They were reallocated to operating leasing, and meant a provision for $1,677,638.

16. INVESTMENT PROPERTIES

The following is the disaggregation of investment properties as of December 31, 2024 and 2023:

	Buildings and Land	
	2024	2023
Cost	$ 1,866,556	$ 1,866,556
Revaluation	10,264,365	10,151,302
	$ 12,130,921	$ 12,017,858

The variation in the Revaluation item in 2024 is due to the update of the technical appraisal of floors 21 and 37 of Bancóldex in Bogotá, which increased the fair value of this property by $113,063. The appraisal was carried out by the firm Néstor Mora & Asociados, in February 2024.

There are no restrictions on the disposal of or proceeds from investment properties.

The amounts recognized in income and expenses as of December 31, 2024 and 2023 are disaggregated below:

	2024	2023
Lease income (*)	$ 2,082,921	$ 1,873,123
Direct Expenses	(293,475)	(287,204)
Total	$ 1,789,446	$ 1,585,919

(*) When compared to 2023, there is a variation of $209,798, which corresponds mostly to the adjustment in the amount of the lease fee received from the usufruct of the 21st floor. The floor is rented to the Banca de las Oportunidades Program, whose income increased by $111,130. Floor 37 is leased to Fiducoldex, and the income increased by $98,668.

17. RIGHTS-OF-USE ASSETS

The following is the disaggregation of right-of-use assets as of December 31, 2024 and 2023:

	Computer equipment	Vehicles	Real Estate	Total
Cost				
Balance as of December 31, 2022	$ 12,393,757	$ 1,032,900	$ 3,305,370	$ 16,732,027
Acquisitions	237,599	937,430	-	1,175,029
Derecognitions	-	(720,847)	(166,266)	(887,113)
Balance as of December 31, 2023	12,631,356	1,249,483	3,139,104	17,019,943
Acquisitions (*)	5,229,602	-	33,979	5,263,581
Derecognitions	(5,669,977)	(169,990)	-	(5,839,967)
Balance as of December 31, 2024	$ 12,190,981	$ 1,079,493	$ 3,173,083	$ 16,443,557

Accumulated depreciation	Computer equipment	Vehicles	Real Estate	Total
Balance as of December 31, 2022	$ 3,421,862	$ 809,440	$ 742,080	$ 4,973,382
Amortization expense	3,332,552	198,115	635,262	4,165,929
Derecognitions	(1,389)	(645,388)	(166,266)	(813,043)
Balance as of December 31, 2023	6,753,025	362,167	1,211,076	8,326,268
Amortization expense	3,461,978	219,271	667,203	4,348,452
Derecognitions	(5,472,163)	(158,802)	(197,814)	(5,828,779)
Balance as of December 31, 2024	$ 4,742,840	$ 422,636	$ 1,680,465	$ 6,845,941
Net carrying amount				
As of December 31, 2023	$ 5,878,331	$ 887,316	$ 1,928,028	$ 8,693,675
As of December 31, 2024	$ 7,448,141	$ 656,857	$ 1,492,618	$ 9,597,616

(*) The main variation in 2024 is the result of the acquisition of leasing services for the infrastructure installed in the Bank's computer centers, to provide operating systems, web platforms and managed services, which support the x86 architecture for production environments.

The main variation in 2023 is the result of the signing of financial leasing contracts for six vehicles for a term of five years and the renewal of the server-leasing contract, which integrates contracts for right of use with a cost of $937,430 and $237,599, respectively.

According to the analysis of the contracts for goods and services within the scope of IFRS 16, the real estate leased for the operation of the regional offices, a warehouse for the storage of property received in payment and returned goods, leases for computer equipment and finance leases for vehicles were included as right-of-use assets. The amounts of the obligations to pay derived from finance leases are in Note 20.2.

18. INTANGIBLE ASSETS OTHER THAN GOODWILL

As of December 31, 2024 and 2023, the balance of this account breaks down as follows:

Cost	Licenses	Computer software	Fiduciary Rights	Software	Total
Balance as of January 1, 2023	$ 9,806,779	$ 17,847,621	$ 362,351	$ 450,000	$ 28,466,751
Acquisitions (1)	1,088,347	56,979	-	46,282	1,191,608
Transfer (2)	-	450,000	(362,351)	(450,000)	(362,351)
Balance as of December 31, 2023	10,895,126	18,354,600	-	46,282	29,296,008
Acquisitions (1)	57,321	816,862	-	-	874,183

Balance as of December 31, 2024	$ 10,952,447	$ 19,171,462	$ -	$ 46,282	$ 30,170,191
Accumulated depreciation and impairment					
Balance as of January 1, 2023	$ 8,483,148	$ 13,738,602	$ 362,351	$ -	$ 22,584,101
Amortization expense	467,420	1,607,615	-	-	2,075,035
Transfer	-	-	(362,351)	-	(362,351)
Balance as of December 31, 2023	8,950,568	15,346,217	-	-	26,493,437
Amortization expense	669,643	1,331,386	-	-	2,001,029
Balance as of December 31, 2024	$ 9,620,211	$ 16,677,603	$ -	$ -	$ 28,494,466
Net carrying amount					
As of December 31, 2023	$ 1,944,558	$ 3,008,383	$ -	$ 46,282	$ 4,999,223
As of December 31, 2024	$ 1,332,236	$ 2,493,859	$ -	$ 46,282	$ 3,872,377

(1) Acquisitions in 2024 correspond to the purchase of licenses and software for the Bank's operations. It includes the purchase of the Microsign license for Certicamara, and the activation of the development of the Conecta platform.

Acquisitions in 2023 correspond to the purchase of licenses and software for the Bank's operations. It includes 90 aruba central licenses and 4 aruba clear licenses for $66,799 for wireless connectivity. It also includes the implementation of the technological platform for the backup and restoration of structured and unstructured information produced and processed by the Bank for $970,402. It additionally includes the development of an API for the execution of the prequalification of SMEs. The API is integrated to the Digital Leasing platform for $42,000.

(2) Transfers made in 2023 correspond to the activation of the technological development of a digital platform for foreign exchange hedges for SME clients in the amount of $450,000 and the reclassification of trust rights to the group of other non-current assets held for sale in the amount of $362,351.

As of December 31, 2024 and 2023, the Bank does not have any intangible assets with restricted ownership.

19. LIABILITIES FROM FINANCIAL INSTRUMENTS AT AMORTIZED COST

19.1. Customer deposits: The following is the disaggregation of financial instruments at amortized cost, as of December 31, 2024 and 2023:

	2024	2023
Term Deposit Certificates (1)		
Issued for less than 6 months	$ 256,120,065	$ 367,787,420
Issued for 6 to 12 months	941,915,178	715,839,303
Issued for 12 to 18 months	343,387,009	361,360,640
Issued for more than 18 months	215,862,809	728,671,491
	1,757,285,061	2,173,658,854
Savings deposits	392,986,438	911,340,557
Common bonds for more than 18 months (2) (3)	910,573,776	1,282,019,436

	1,303,560,214	2,193,359,993
	$ 3,060,845,275	$ 4,367,018,847

(1) Customer deposits showed a decrease of $1,306,173,572, which is mainly explained by a drop in the need for customer funding, given the behavior of the dynamics in the placement of the loan portfolio.

(2) The decrease in the balance of bonds issued for $371,445,660 is due to maturities during May 2024, as follows:

- Bonds issued in the year 2021 for $159,000 at IBR rate
- Bonds issued in the year 2022 at a fixed rate for $209,000.

(3) The terms and conditions of the bonds are as follows:

Lots	Date of issue	Signing Date	Maturity Date	Interest Rate	Interest payment method	Current issue amount	Balance 2024	Balance 2023
Business reactivation bonds	27-May-21	28-May-21	27-May-24	Indexed to IBR	Monthly	$ -	$ -	$ 159,242,237
Social Bonds	11-May-22	12-May-22	11-May-24	Fixed Rate	Quarterly	-	-	212,204,010
Social Bonds	11-May-22	12-May-22	11-May-25	Fixed Rate	Quarterly	291,000,000	295,630,781	295,630,523
Social Bonds	25-Oct-23	26-Oct-23	25-Oct-26	Fixed Rate	Quarterly	300,000,000	307,213,690	307,213,626
Social Bonds	25-Oct-23	26-Oct-23	25-Oct-25	Fixed Rate	Quarterly	100,000,000	102,502,329	102,502,393
Social Bonds	25-Oct-23	26-Oct-23	25-Apr-25	Fixed Rate	Quarterly	200,000,000	205,226,976	205,226,648
						$891,000,000	**$910,573,776**	**$1,282,019,436**

- Issuance of Business Recovery Bonds: In May 2021, Bancóldex conducted the first issuance to finance business recovery in Colombia, which is part of the "Línea Adelante" product portfolio. Thus, the Bank remains a pioneer in the issuance of tagged bonds. With these resources, the banks seeks to leverage credits so that companies can resume their business and grow after the economic contraction in 2020 due to the COVID-19 pandemic.

  This issuance was made for $500 billion, awarded in two-year terms for $341 billion with cut-off rates of 4.35% EA and IBR + 1.53% nominal monthly in arrears, and over three years for $159 billion with IBR cut-off rate + 1.70% nominal monthly in arrears. The auction registered an excess demand of more than 1.2 trillion COP, equivalent to 3.1 times the amount that was initially offered. The operation involved 214 investors among individuals, legal entities, and foreign investors.

  In May 2023, $341 billion of 2-year bonds will mature, and in May 2024, $159 billion of 3-year bonds will mature.

- Issuance of Social Bonds to Grow with Equity: In May 2022, Bancóldex conducted its second issuance of Social Bonds to finance leading empowered women's companies and inclusive businesses in rural areas affected by the conflict, thus contributing to reducing the income gap and promoting micro- and small-sized enterprises to be more productive and competitive. With this, the Bank contributes to fulfilling the Sustainable Development Goals (SDG) of the 2030 Agenda: 1. No poverty, 5. Gender equality, 8. Decent work and economic growth, 9. Industry, innovation, and infrastructure and 10. Reduced inequalities.

  This issuance was conducted in the Colombian public stock market for an amount of $500 billion, awarded in terms of two years for $209 billion with a cut-off rate of 11.50% EA and three years for $291 billion with a cut-off rate of 11.96% EA. The auction registered a demand for $781,444 million, equivalent to a bid to cover of 1.95 times the initial amount of the offer of $400,000 million. The issuance received 380 demands from investors among individuals, legal entities, and foreign investors.

The two-year $209 billion bonds reached their maturity in May 2024.

- Issuance of Social Bonds: On October 25, 2023, Bancóldex carried out its third issuance of social bonds in the public securities market for $600 billion. The securities were offered in series of 18, 24 and 36 months and were overbid 3.7 times the initial offer. The auction was awarded for $200 billion at an 18-month fixed rate of 14.85%, for $100 billion at a 24-month fixed rate of 14.19%, and for $300 billion at a 36-month fixed rate of 13.60%. With this issuance, the Bank will continue to promote the growth of micro and small enterprises. The bonds have a special focus on businesses led by women, victims of the armed conflict, and companies located in rural areas affected by the conflict.

19.2. Money market operations:

	2024			2023		
	Term Trading Days	Value in USD	Value in Pesos	Term Trading Days	Value in USD	Value in Pesos
In Local Currency:						
Simultaneous						
Other financial institutions	12	-	$ 347,316,928		-	-
Repurchase agreements						
Repurchase agreements closed with Banco de la República	3	-	50,074,648		-	-
Short operations						
Simultaneous with CRCC		-	-		-	35,098,700
Total Local Currency			397,391,576			35,098,700
In Foreign Currency:						
Overnight						
Banks		-	$ -	7	2,502	$ 9,560,911
Total Foreign Currency			-		2,502	9,560,911
			$ 397,391,576			$ 44,659,611

19.3. Other deposits:

	2024		2023	
	Value in USD	Value in Pesos	Value in USD	Value in Pesos
Judicial Deposits				
Legal Tender	-	$ 129,695	-	$ -
Other security deposits				
Legal Tender	-	6,103,956	-	5,946,462
Foreign currency	1,241	5,471,543	6,140	23,465,492
	1,241	11,575,499	6,140	29,411,954
Total other deposits	**1,241**	**$ 11,705,194**	**6,140**	**$ 29,411,954**

20. BANK LOANS AND OTHER FINANCIAL OBLIGATIONS

20.1. Bank loans and other financial obligations:

	2024	2023
Local currency		
Finagro	$ 82,625	$ 275,891
Loans with foreign banks	1,583,373,219	2,314,447,071
Inter-American Development Bank	-	320,258,761
Andean Development Corporation	-	633,717,323
	1,583,455,844	3,268,699,046
Foreign Currency		
Loans with foreign banks	-	519,162,862
Acceptances	-	266,875
International organizations	-	177,683,325
Inter-American Development Bank	1,133,823,298	1,005,328,449
Andean Development Corporation	687,081,441	252,201,122
	1,820,904,739	1,954,642,633
	$ 3,404,360,583	$ 5,223,341,679

(*) Loans from Banks and other financial obligations reported a decrease of $1,818,981,096, a changed caused by the dynamics in the placement of the loan portfolio, which showed a lower need for funding resources. The main movements in this item are as follows:

- Decrease in operations in pesos of $1,685,243,202 coming from repayments to principal for $1,512,936,749. There were not any new disbursements in pesos during 2024.

- Decrease in operations in dollars for $133,737,894. This change corresponds to maturities of operations that were in force at the end of 2023 for $1,090,285,365, and payment of interests for $120,481,497. Similarly, new operations were disbursed for $730,295,748. These operations were impacted by the increase in the exchange rate of $587.10 pesos per dollar, which causes a restatement of $240,025,113.

20.2. Lease liabilities:

	2024	2023
Initial balance	$ 8,431,911	$ 11,121,912
Additions (*)	5,229,602	1,139,669
Interest accrual	2,313,323	2,498,361
Less Payments	(6,180,884)	(6,254,214)
Restatement	169,193	(73,817)
Ending balance	$ 9,963,145	$ 8,431,911

The following is the breakdown of the finance lease as of December 31, 2024 and 2023:

	2024		2023	
Asset Type	**USD Capital**	**Capital**	**USD Capital**	**Capital**
Computer equipment	-	$ 4,728,113	-	$ 5,904,790
Computer equipment	726,848	3,204,781	34,971	133,663

Vehicles	-	769,402	-	945,883
Real Estate	-	1,260,849	-	1,447,575
	726,848	**$ 9,963,145**	34,971	**$ 8,431,911**

The real estate agreements correspond to the six offices leased for the operation of the regional offices and a warehouse for goods received in payment and returned, while computer equipment leases correspond to leases of computer equipment and servers.

20.3. Reconciliation of liabilities arising from financing activities - The following table details the changes in liabilities arising from the Bank's financing activities, including changes and no changes in cash. The liabilities arising from financing activities are those for which the cash flows were used, and they will be classified in the cash flow statement of the Bank as cash flows from financing activities.

BLANK SPACE

				2024				
	2023	Cash flows from financing activities	Accrual	Payment of principal, interest, dividends	Exchange rate impact	Profit for the year	Other comprehensive income	2024
Customers' deposits	$ 4,367,018,847	$ 6,455,320,768	$ 391,562,293	$ 8,153,056,633	$ -	$ -	$ -	$ 3,060,845,275
Money market operations	44,659,611	15,283,740,988	7,986,241	14,933,365,172	(5,630,093)	-	-	397,391,576
Loans and other financial obligations	5,223,341,671	848,838,906	494,324,466	3,402,310,232	240,165,763	-	-	3,404,360,575
Equity dividends in cash	1,585,282,442	-	-	26,518,695	-	87,405,341	(3,296,458)	1,642,872,630
	$11,220,302,571	$ 22,587,900,663	$ 893,873,000	$26,515,250,732	$ 234,535,671	$ 87,405,341	$ (3,296,458)	$ 8,505,470,056

				2023				
	2022	Cash flows from financing activities	Accrual	Payment of principal, interest, dividends	Exchange rate impact	Profit for the year	Other comprehensive income	2023
Customers' deposits	$ 4,269,423,019	$ 8,317,995,335	$ 515,576,281	$ 8,735,975,787	$ -	$ -	$ -	$ 4,367,018,847
Money market operations	-	25,847,036,627	20,998,277	25,822,185,772	(1,189,520)	-	-	44,659,611
Loans and other financial obligations	6,441,676,684	2,493,899,272	695,004,828	3,836,100,597	(571,138,516)	-	-	5,223,341,671
Equity dividends in cash	1,412,481,500	-	-	-	-	48,694,765	124,106,177	1,585,282,442
	$ 12,123,581,203	$ 36,658,931,233	$ 1,231,579,386	$ 38,394,262,156	$ (572,328,036)	$ 48,694,765	$ 124,106,177	$11,220,302,571

21. TRADE ACCOUNTS PAYABLE AND OTHER ACCOUNTS PAYABLE

The following is the breakdown of trade accounts payable and other accounts payable as of December 31, 2024 and 2023:

	2024	2023
Commissions and fees	$ 540,218	$ 913,538
Costs and expenses payable	93,933	180,600
Taxes	2,197,837	3,505,754
Dividends	411,221	398,846
Promising buyers	11,522	230,402
Suppliers	3,557,105	11,879,149
Withholdings and labor contributions	7,225,119	11,014,413
Insurance	1,240,620	1,075,550
Accounts payable to FNG	196,104	171,913
Accounts payable VPN Unutilized premium	21,438	16,109
Settlement of future contracts - CRCC	-	2,863,802
Payable PTP Agreement	-	163,902
Payable GIZ - NAMA Agreement (1)	16,440,630	7,778,436
Payable MINCIENCIAS Agreements (2)	129,408	129,408
Credits applicable to credit portfolio	160,808	160,761
Payable in Foreign Currency	2,110,060	305,290
Sundry	1,283,422	1,512,232
	$ 35,619,445	$ 42,300,105

(1) On October 23, 2020, Bancóldex and GIZ signed Agreement N° 81253328 framed in the project "NAMA Support for the Domestic Refrigeration Sector in Colombia." In November 2023, Bancóldex signed the third addendum to extend the term of the program until June 2024. The project sought to structure financial mechanisms to promote the production and marketing of domestic refrigeration of low environmental impact, whose results sought to contribute to the goals of climate change in the country. At the close of 2024, GIZ had disbursed to Bancóldex 4 million euro divided as follows: a) the first transfer was for an amount of 1.2 million euro, which Bancóldex received on January 5, 2021, b) the second transfer took place on August 12, 2022 for an amount of 830 thousand euro, c) the third and last transfer took place on February 16, 2024 for an amount of 2.0 million. As of December 31, 2024, COP 9.9 billion Colombian pesos were placed. In 2025, the non-executed resources will be returned to GIZ, as well as the yields from July 1, 2024 until the return date.

(2) Under Special Cooperation Agreement 80740-421-2021 entered into by Fiduciaria La Previsora S.A. FIDUPREVISORA S.A., acting as spokesperson and administrator of the National Financing Fund for Science and Technology, and the Bank, these resources were allocated to hire an expert third party to assess and monitor the Science, Technology, and Innovation project to be financed as part of the credit line “MinCiencias CTeI Line - Promotion of Investments in Science, Technology, and Innovation for Bioeconomy,” Circular 003 dated March 7, 2022. At the end of 2024, Bancóldex had received $300,000, of which $170,591 had been executed as of December 31, 2023. Thus, there is a balance of $129,408 to be paid. This amount will be returned to the sponsor, considering that the credit line was closed in December 2023, and the agreement is in the liquidation process.

22. EMPLOYEE BENEFITS

The following section shows the details of the balances for employee benefits as of December 31, 2024 and 2023. The number of employees was 413 and 449, respectively. It should be noted that the Bank only has short-term benefits for employees.

	2024	2023
Payroll to be paid	$ 469,427	$ 154,956
Severance pay	1,896,711	1,944,970
Interest on severance payments	221,012	229,414
Vacation periods	6,514,451	7,321,122
Other Accounts Payable to employees	2,079,899	9,162,586
Current Provisions	114,533	708,707
	$ 11,296,033	$ 19,521,755

23. ESTIMATED LIABILITIES AND PROVISIONS

The following is the disaggregation of the provisions as of December 31, 2024 and 2023:

	2024	**2023**
Other (*)	$ 110,014	$ 110,014

(*) The recorded provision corresponds to the costs to be incurred in dismantling or restoring the facilities of the properties leased for the regional offices. The last dismantling costs were updated during 2022 to update the amounts needed to dismantle the offices in Medellín and Cali.

As of December 31, 2024, there are 23 lawsuits against Bancóldex and 800 lawsuits in its favor. According to the process stage and the Bank's provisions policy, there are not any lawsuits provisioned that may be classified as probable according to IAS 37.

24. OTHER LIABILITIES

The following is the breakdown of other liabilities as of December 31, 2024 and 2023:

	2024	**2023**
Prepaid income (1)	$ 67,780,413	$ 102,012,612
Interest arising from restructuring processes	2,417,117	2,337,038
Credits to obligations receivable (2)	5,132,562	3,549,178
Income received for third parties	340	364
Sundry - Agreements (3)	49,347,256	33,220,643
	$ 124,677,688	$ 141,119,835

(1) The disaggregation of prepaid income is as follows:

	2023	Charges	Amortization	2024
Interest	$ 102,012,612	$ 69,514,965	$ 103,747,164	$ 67,780,413

	2022	Charges	Amortization	2023
Interest	$ 138,270,174	$ 74,143,210	$ 110,400,772	$ 102,012,612

The interests are due to the amortization of the anticipated income of the agreements that calculate NPV in specific credit lines for this purpose.

(2) Payments made by customers for excess ordinary and extraordinary rent and prepaid rent. Permanent monitoring and communication with customers are carried out to define their correct application.

(3) These balances are mainly resources received from Ministries, Governors' Offices and Mayors' Offices for financing lines with rate differentials. As of December 31, 2024 and 2023, there were 122 and 142 agreements, respectively.

25. EQUITY

25.1. Capital stock: The following is the breakdown of capital, as of December 31, 2024 and 2023:

	2024	2023
Bicentenario Group S.A.S.	$ 1,059,563,515	$ 1,059,563,515
Private parties	3,031,453	3,031,453
	$ 1,062,594,968	$ 1,062,594,968

The number of subscribed and paid-in shares is as follows:

	2024	2023
Grupo Bicentenario S.A.S. (Class "A" shares) Common	$ 1,059,563,515	$ 1,059,563,515
Private Investors (Class "B" Shares) Common	2,118,779	2,118,779
Private Investors (Class "C" Shares)	912,674	912,674
	$ 1,062,594,968	$ 1,062,594,968

The shares of the C series have a minimum annual preferential dividend equivalent to 3.5% of the equity value of the share at the beginning of the year, charged to the profits the General Assembly decrees for calculation. This minimum preferential dividend will be effective in principle for eight (8) years. At the end of such period, the Bank will compare the average value of the share registered in the Colombian Stock Exchange during the twelve (12) months prior to the month of the comparison, against the average equity value of the share during the same period.

If the average value on the Stock Exchange is equal to or greater than 110% of the average equity value, the privilege will be extinguished and, as a result, the preferred minimum dividend will be suspended. Otherwise, the privilege will be extended for five (5) years, at the end of which the Bank will perform again the comparison of average values in the same order. If the average value in the stock market continues to be less than 110% of the average equity value, the privilege will be extended for three (3) successive periods of two (2) years, under the understanding that at the end of each of such periods the Bank will perform the comparison of average values. If the indicated periods have expired and the average value in the Stock Market continues to be less than 110% of the average equity value, the privilege will be extended for one (1) more year, after which it shall be extinguished.

The extinction of the privilege, regardless of the moment it occurs, will cause these shares to become ordinary and give rise to the consequent substitution of the securities. If the General Assembly provides for the recognition of a dividend higher in value to the preferential minimum, the payment of the latter shall prevail over the former.

Regarding the settlement of the privilege enshrined in the preceding paragraphs, Bancóldex will proceed in accordance with the following formula:

Minimum Preferential Dividend = Equity Value of the Share at the beginning of year N x 3.5%.

Where:

Equity Value of the Share at the beginning of Year N = Total equity as of December 31 of year N - 1 / Total shares outstanding.

The payment of the anticipated minimum preferential dividend is ordered by the General Assembly of Shareholders of the Bank and charged to the net profits of the respective period. Notwithstanding the provisions established in section 2 of Article 381 of the Commercial Code, the payment dates of the preferred dividend correspond to the dates indicated by such instance and, if the Bank does not yield profits in a given fiscal year, or they are not enough to meet the foresaid payment, the total or partial value of the unpaid dividend will be accumulated to be paid from the net profits of the following period. If there are not profits during the foresaid fiscal year, or if they are not sufficient, they will be accumulated in the same manner and so on.

An economic privilege was established for the shareholders of the "C" series and for a period of eight (8) years starting in 1994. It consists in an annual preferential minimum dividend equivalent to 3.5% of the equity value of the share at the beginning of the year, charged to the profits decreed by the General Assembly for its calculation. By decision of the General Assembly of Shareholders of August 21, 2002, March 31, 2008, March 22, 2013 and March 26, 2018, and March 30, 2023, the privilege has been extended for a term of five more years; considering that the listing value is a simple reference to know whether the privilege is extended or not, in principle for five years and then for three successive periods of two years. The General Shareholders Assembly ordered to take zero (0) as the listing value in stock exchanges and continue with the privilege for five additional years.

25.2. Reserves: The following is the disaggregation of reserves as of December 31, 2024 and 2023:

	2024	**2023**
Legal		
Appropriation of net income	$ 202,088,728	$ 197,217,857
Statutory		
Protección – Private Equity Funds	131,461,578	113,782,449
Occasional		
Tax Provisions	27,091,901	27,465,831
	$ 360,642,207	$ 338,466,137

Legal reserve: As per legal provisions, every credit establishment must constitute a legal reserve, appropriating ten percent (10.0%) of the net profits of each year until reaching fifty percent (50.0%) of the subscribed capital. The legal reserve cannot be used to pay dividends or to cover expenses or losses during the time the Bank has undistributed profits.

Statutory and occasional reserves: They are approved by the General Shareholders Assembly. Law 1819 of December 29, 2016 in section 10 of article number 376, validity, and derogations, repealed Article 1, Decree 2336 of 1995, which set forth the obligation to establish tax reserves, on fiscally unrealized income. However, the General Shareholders Assembly approved the constitution of an occasional reserve supported by tax regulations, on unrealized profits, such as valuation of investment portfolio, valuation of private equity funds and valuation of operations with financial derivatives.

25.3. Net earnings per share - The following table summarizes the net earnings per share for the periods ended December 31, 2024 and 2023:

Item	2024	2023
Circulating common shares	1,062,594,968	1,062,594,968
Profit for the year	87,405,341	48,694,765
Earnings per Share (In Colombian pesos)	82.26	45.83

The Bank does not have shares with dilutive effects.

26. OTHER INCOME

The breakdown of other income is as follows:

	2024	2023
Reversal of impairment loss	$ 8,018	$ 633
Property Lease	2,281,046	1,873,123
Sale of property and equipment	121,372	701,351
Operational risk recovery	43,962	15,321
Recovery of written-off accounts receivable	143,098	308,380
FNG Revenues	579,122	825,484
Prepaid income from portfolio operations (1)	19,160,059	4,251,648
Revenues and reimbursement of prior period expenses (2)	1,752,837	883,909
Others	758,385	1,114,758
	$ 24,847,899	$ 9,974,607

(1) This income corresponds to prepayment penalties for second-tier credit operations and operations under the direct credit mechanism for microfinance disbursed with Bancóldex resources that are paid, either partially or totally before maturity. This is pursuant to the provisions of Bancóldex CIRCULAR N° 017 dated October 27, 2022.

(2) In 2024, this corresponds mainly to the recovery of capitalized interest resulting from the restitution of assets in the SME portfolio and the refund of the unused income tax provision for 2023, which amounts to $762,089.

27. OTHER EXPENSES

The disaggregation of other expenses is as follows:

	2024	2023
Contributions and enrollments	$ 4,107,822	$ 4,027,634
Insurance	2,118,913	2,341,591
Maintenance and repairs	7,703,093	7,162,288
Adaptation and installation of offices	375,278	240,061
Fines and penalties	-	2,320
Legal and notarial expenses	25,418	87,774
Sale of property and equipment	24,251	-
Management and brokerage services	119,679	86,225

Cleaning and security services	1,192,535	970,626
Temporary services	195,943	706,886
Advertising and publicity	535,352	525,191
Public Relations	98,137	119,935
Utilities	850,400	826,311
Travel expenses	824,703	1,109,821
Transportation	755,171	940,398
Supplies and stationery	45,618	45,627
Publications and subscriptions	484,260	439,074
Loss on sale of leased assets	221,339	-
Photocopying and Authentication Service	815	829
Reference books	10,678	1,456
Working lunches	209,391	160,580
Cafeteria elements	87,626	86,455
Toiletries	134,132	110,459
Postage and courier services	101,240	142,106
Telex data transmission. SWIFT	1,527,163	1,525,645
Building management	989,919	888,359
Minor Fixtures and Fittings	16,465	4,556
Commercial information	1,133,317	1,116,958
Storage and custody of magnetic files	97,367	114,574
Contact Center	1,603,945	2,233,484
Stock exchange registrations	-	88,000
Alternate contingency processing service	737,948	689,108
Institutional Notices and Announcements	70,941	56,960
Corporate communications	151,094	186,215
Withholdings borne	106,117	171,194
Prior period expenses	1,563,115	1,922,511
Business Training and Business Sector Support Activities	255,575	528,341
Properties received in payment	699,310	667,112
Properties returned	2,380,841	1,783,036
Other minor expenses	2,831,006	2,416,665
	$ 34,385,917	$ 34,526,365

28. INCOME TAX

Income tax expenses include current income and ancillary taxes and deferred taxes and are accounted for in accordance with IAS 12, Income Taxes.

Current income tax

Current income and ancillary tax assets and liabilities for the current period are measured as the amount expected to be recovered from the tax authorities or to be paid. The tax rate and tax laws used to record the amount are those enacted or substantively enacted.

The tax provisions applicable to the Entities establish the income tax rate for 2023 and subsequent years at 35%. Law 2277 / 2022 provided for financial institutions the payment of additional points to income tax for the years 2023 to 2027 equivalent to 5%. Thus, Bancóldex determined the income tax expense for 2024 and 2023 at a rate of 40%.

Deferred Income Tax

Deferred income and ancillary taxes are recognized for temporary differences between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax assets are recognized to the extent that it is probable that temporary differences, the carrying amount of unused tax credits and unused tax losses can be used.

Deferred taxes are measured at the tax rate expected to be applied to temporary differences when they are reversed based on laws that have been enacted or substantively enacted as of the reporting date.

Accordingly, the deferred tax must be measured for 2023 to 2027 at a general income tax rate of 35% and some additional points for being a financial institution of 5%, for a total rate of 40%, which was modified by Law 2277 of December 13, 2022.

28.1. Current tax assets and liabilities: The following is the disaggregation of current tax assets and liabilities:

	2024	2023
Current tax assets		
Tax prepayment	$ 5,612,670	$ -
Other self-withholdings and withholdings by third parties	48,522,923	67,784,854
	54,135,593	67,784,854
Current tax liabilities		
Income tax payable	54,750,988	45,676,049
Total	$ (615,396)	$ 22,108,805

28.2. Income tax

For 2024 and 2023, the Bank calculated the provision for income tax based on ordinary income.

The main items of income tax expense for the twelve-month periods ended ended December 31, 2024 and 2023, respectively, are as follows:

	2024	2023
Current tax:		
Income tax for current year	$ 54,750,988	$ 45,676,049
Deferred tax:		
From the current period	12,286,563	(13,703,808)
Deferred tax adjustments attributable to changes in tax laws and rates	(138,110)	321,045
	12,148,453	(13,382,763)
Total income tax recognized in the period	$ 66,899,441	$ 32,293,286

28.3. Reconciliation between profit before taxes and net income

The reconciliation between profit before taxes and net taxable income for the years 2024 and 2023 is as follows:

	2024	2023
Income tax:		
Profit before taxes	$ 154,304,781	$ 80,988,051

Plus items that increase income		
Non-deductible debit tax (GMF)	6,564,647	10,001,962
Non-deductible provision for loan portfolio and returned assets	15,499,507	10,752,266
Restatement of unrealized foreign currency liabilities for tax purposes	207,337,297	316,565,292
Loss on valuation of financial derivatives	4,420,804	89,144,853
Tax income from investment portfolio at nominal rate	161,147,071	116,607,715
Higher non-deductible accounting depreciation expense	2,413,810	1,123,189
Non-deductible devaluation of property and equipment	20,131	-
Recovery of depreciation on the sale of fixed assets	128,554	651,599
Effects of the sale of fixed assets	9,274,184	-
Other non-deductible expenses / expenses abroad subject to limits	19,496,720	5,991,067
	426,302,725	550,837,944
Less items that decrease income		
Untaxed dividends	(14,906,727)	(6,548,569)
Non-tax equity method income	(7,086,160)	(10,291,784)
Loss from tax realization of financial derivatives	(89,029,821)	(47,196,151)
Untaxed income from portfolio valuation at market prices	(148,903,114)	(130,058,119)
Restatement of unrealized foreign currency assets for tax purposes	(179,536,372)	(317,663,024)
Recovery of untaxed provisions	(4,171,338)	(4,844,583)
Revaluation of untaxed properties and equipment	(133,194)	(342,026)
Effect of the sale of fixed assets	-	(715,628)
	(443,766,725)	(517,659,883)
Net taxable income	$ 136,840,780	$ 114,166,111
Revenue from capital gains - sale of fixed assets	1,281,728	1,589,100
Tax cost of the sale of fixed assets	(1,183,888)	(1,525,071)
Taxed capital gains	97,840	64,029
At the legal tax rate	35%	35%
Income tax	47,894,273	39,958,139
Additional points for financial institutions 5% and 3%.	6,842,039	5,708,306
Income tax 15% and 10%	14,676	9,604
Current tax	$ 54,750,988	$ 45,676,049

28.4. Tax loss offset

The Bank does not have any tax losses to offset.

28.5. Minimum Tax Rate

Law 2277 of 2022 added paragraph 6 of article 240 of the Tax Statute, establishing that income taxpayers must be taxed at least 15% of the adjusted accounting profit. If the minimum tax rate is lower than 15%, an additional tax must be determined and recorded against income without the right to offset in future periods.

The effective tax rate determined by the Bank for the years 2024 and 2023 is higher than 15%. Therefore, an additional tax registration is not required for the reporting years of 2024 and 2023.

28.6. Income tax recognized in other comprehensive income

	2024	2023
Deferred tax		
From income and expenses recognized in other comprehensive income:	$ (18,745,737)	$ 878,528

Revaluations of available-for-sale financial assets		
Revaluations of financial instruments treated as cash flow hedges	(7,098,400)	(2,916,710)
Valuation (devaluation) at fair value of private equity fund	24,773,459	30,266,620
Profit (loss) from exchange difference of investments abroad	1,541,910	823,271
Property revaluations	3,760,333	2,084,536
Valuation (devaluation) of investments in associates	747,623	439,635
Other - Expected loss impairment	69,117	69,117
Total income tax recognized in other comprehensive income	$ 5,048,305	$ 31,644,997

28.7. Deferred tax balances

The analysis of deferred tax assets and liabilities presented in the statements of financial position is as follows:

	2024	**2023**
Deferred tax assets	$ 154,847,391	$ 82,791,105
Deferred tax liabilities	(151,018,716)	(93,410,669)
Total	$ 3,828,675	$ (10,619,564)

BLANK SPACE

2024	Opening balance			Activity		Closing balance		
Deferred tax items	Assets	Liabilities	Net	Recognized in profit or loss	Recognized in other comprehensive income	Assets	Liabilities	Net
Derivative financial instruments - valuation	$ 38,562,719	$ (1,048)	$ 38,561,671	$(33,843,607)	$ 4,181,690	$ 8,900,230	$ (476)	$ 8,899,754
Financial assets at fair value through profit or loss	-	(2,153,884)	(2,153,884)	635,149	-	163,587	(1,682,323)	(1,518,736)
Available-for-sale financial assets	-	(878,529)	(878,529)	-	19,624,265	18,745,736	-	18,745,736
Financial assets at fair value through OCI - Equity instruments	-	(34,929,374)	(34,929,374)	4,223,121	5,185,172	-	(25,521,084)	(25,521,084)
Exchange difference of foreign currency assets and liabilities	39,091,111	(39,160,208)	(69,097)	10,669,516	(718,639)	115,362,463	(105,480,683)	9,881,780
Property, plant and equipment	424,351	(13,095,967)	(12,671,617)	541,310	(1,675,796)	882,629	(14,688,731)	(13,806,102)
Finance leases	3,144,661	(3,122,544)	22,117	229,325	-	3,827,747	(3,576,304)	251,443
Intangible assets	13,296	-	13,296	(10,341)	-	2,955	-	2,955
Provisions (administrative expenses)	365,586	-	365,586	5,367,163	-	5,732,748	-	5,732,748
Impairment of other accounts receivable	1,189,382	(69,115)	1,120,267	39,912	-	1,229,296	(69,115)	1,160,181
Total	$ 82,791,105	$(93,410,669)	$(10,619,564)	$(12,148,453)	$26,596,692	$154,847,391	$(151,018,716)	$ 3,828,675

2023	Opening balance			Movement		Closing balance		
Deferred tax items	Assets	Liabilities	Net	Recognized in profit or loss	Recognized in other comprehensive income	Assets	Liabilities	Net
Derivative financial instruments - valuation	$ 31,362,763	$ (13,905)	$ 31,348,858	$ 16,779,481	$ (9,566,668)	$ 38,562,719	$ (1,048)	$ 38,561,671
Financial assets at fair value through profit or loss	4,263,979	-	4,263,979	(6,417,862)	-	-	(2,153,884)	(2,153,884)
Available-for-sale financial assets	33,267,533	-	33,267,533		(34,146,062)	-	(878,529)	(878,529)
Financial assets at fair value through OCI - Equity instruments	-	(32,874,656)	(32,874,656)	189,780	(2,244,498)	-	(34,929,374)	(34,929,374)
Exchange difference of foreign currency assets and liabilities	152,971,552	(156,878,294)	(3,906,742)	2,628,101	1,209,544	39,091,111	(39,160,208)	(69,097)
Property, plant and equipment	314,939	(13,067,054)	(12,752,115)	80,499	-	424,351	(13,095,967)	(12,671,617)
Finance leases	4,485,465	(4,614,077)	(128,612)	150,729	-	3,144,661	(3,122,544)	22,117
Intangible assets	20,105	-	20,105	(6,809)	-	13,296	-	13,296
Provisions (administrative expenses)	379,254	-	379,254	(13,669)	-	365,586	-	365,586
Impairment of other accounts receivable	1,196,868	(69,115)	1,127,753	(7,486)	-	1,189,382	(69,115)	1,120,267
Total	$228,262,458	$(207,517,101)	$ 20,745,357	$ 13,382,763	$ (44,747,684)	$ 82,791,105	$ (93,410,669)	$ (10,619,564)

28.8. Other tax regulatory matters

Finality of Income Tax and Complementary Tax Returns

The tax returns for 2020 and prior years are final. The returns for 2021 and 2022 will be final within the established legal term. The 2023 tax return received an audit benefit and is final.

28.9. Recognized deferred tax assets

The deferred tax asset recognized in the financial statements for 2024 amounts to $3,828,675, mainly composed of the following items:

	2024	2023
Derivative financial instruments - valuation	$ 8,899,754	$ 38,561,671
Financial assets at fair value through profit or loss	(1,518,736)	(2,153,884)
Available-for-sale financial assets	18,745,736	(878,529)
Financial assets at fair value through OCI - Equity instruments	(25,521,084)	(34,929,377)
Exchange difference of foreign currency assets and liabilities	9,881,780	(69,097)
Property, plant and equipment	(13,806,104)	(12,671,616)
Finance leases	251,443	22,117
Intangible assets	2,955	13,296
Provisions (administrative expenses)	5,732,748	365,586
Impairment of other accounts receivable	1,160,183	1,120,269
Total deferred tax assets	$ 3,828,675	$ 10,619,564)

The entity decided to recognize the previous amount since it has convincing evidence of the realization of the deferred tax asset in future periods and supports its recognition.

For this, the Bank evaluated how to realize the deferred tax asset. It is expected that in the coming years tax profit will be generated against which the deferred tax asset recognized in financial statements would be recovered.

29. CONTINGENCIES

As of December 31, 2024 and 2023, the Bank reports the following contingencies:

	2024	2023
Approved and undisbursed loans (1)	$ 42,593,771	$ 114,320,325
Due to litigation (against) (2)	287,388	287,388
Interest on suspended loans (3)	108,634,380	181,209,507
	$ 151,515,539	$ 295,817,220

(1) Commitments arising from approved undisbursed loans are the result of contracts with clients. Thus, it is understood that unused outstanding loan balances do not necessarily represent future cash requirements because such quotas may expire and not be used in whole or in part. Nonetheless, they are recognized in the contingent accounts as possible capital requirements.

(2) Corresponds to the claim of a labor lawsuit filed against Bancóldex which, as of December 31, 2024, the consideration of an unfavorable decision is a possible risk (medium).

(3) This corresponds to interest on loans for which clients have not serviced the debt on the obligations acquired.

30. OPERATING SEGMENTS

Operating segments are defined as a component of an entity: (i) that carries out business activities from which it can obtain revenue and incur expenses; (ii) whose operating results are reviewed on a regular basis by the highest authority in making the entity's operating decisions on the funds that should be allocated to the segment and assess its performance; and (iii) for which differentiated financial information is available.

In accordance with this definition, the Board of Directors, the highest authority in making operational decisions, regularly reviews and evaluates a variety of information and key financial figures of the Bank's results as a whole to assess the performance and make decisions related to the investment and allocation of funds. So, the Bank operates in the following business segments as of December 31, 2024 and 2023:

2024	COP Portfolio	USD Portfolio	Portfolio	Treasury (*)	Commissions	Others	Total
Principal amount of related assets*.	$4,525,111,583	$811,209,330	$2,329,653,113	$526,614,849	$ -	$537,793,083	$8,730,381,958
INCOME STATEMENT:							
Revenue	907,324,976	54,942,769	196,729,032	12,792,948	886,843	2,851,005	1,175,527,573
Financial expenses	792,931,882	30,508,820	48,864,329	7,119,057	140,619	-	879,564,707
Financial income and/or expenses (including commissions)	10,816,182	(2,459,174)	(806,796)	(1,644,149)	-	(119,679)	5,786,384
Gross financial margin	**125,209,277**	**21,94,776**	**147,057,906**	**4,029,741**	**746,224**	**2,731,326**	**301,749,250**
Provisions of portfolio balance	(10,797,624)	3,907,817	-	-	-	-	(6,889,807)
Net financial margin	**136,006,901**	**18,066,958**	**147,057,906**	**4,029,741**	**746,224**	**2,731,326**	**308,639,057**
Operating expenses:	63%	9%	6%	3%	1%	16%	
Administrative expenses	81,685,220	11,537,074	8,153,828	4,056,418	1,793,411	20,684,823	127,875,617
Financial business taxes	29,887,831	1,448,906	494,353	1,672,037	87,064	916,345	34,506,536
Other provisions	15,718,629	156,602	-	-	-	12,157,572	28,032,803
Operating income	**8,715,222**	**4,924,377**	**138,409,725**	**(1,698,714)**	**(1,134,251)**	**(31,027,414)**	**118,188,945**
Net other income/expenses (includes dividends)	579,122	-	-	-	1,040,698	34,496,015	36,115,836
Income before TX	**9,294,345**	**4,924,377**	**138,409,725**	**(1,698,714)**	**(93,553)**	**3,468,601**	**154,304,781**
Income tax							66,899,440
Net income							**87,405,341**

2023	COP Portfolio	USD Portfolio	Portfolio	Treasury (*)	Commissions	Others	Total
Principal amount of related assets*.	$7,229,061,848	549,081,465	$ -	$940,971,237	$ -	$2,832,722,053	$11,551,836,603
INCOME STATEMENT							
Revenue	1,316,589,487	55,167,029	175,259,826	24,101,900	1,100,306	3,897,945	1,576,116,493
Financial expenses	1,198,126,639	27,342,607	47,339,709	9,436,323	151,322	-	1,282,396,600
Financial income and/or expenses (including commissions)	744,473	(2,357,300)	(2,239,119)	(1,747,832)	-	(86,225)	(5,686,003)
Gross financial margin	**119,207,320**	**25,467,122**	**125,680,999**	**12,917,745**	**948,984**	**3,811,720**	**288,033,890**
Provisions of portfolio balance	41,511,789	(4,980,702)	-	-	-	-	36,531,088
Net financial margin	**77,695,531**	**30,447,823**	**125,680,999**	**12,917,745**	**948,984**	**3,811,720**	**251,502,802**
Operating expenses:	62%	10%	6%	4%	4%	14%	
Administrative expenses	79,513,211	12,567,884	7,919,228	4,590,863	4,883,386	18,489,948	127,947,069
Financial business taxes	42,369,138	1,506,018	465,536	1,896,060	252,053	999,621	47,488,426
Other provisions	5,945,331	(39,528)	-	-	-	7,738,463	13,644,266
Operating income	**(50,132,149)**	**16,413,449**	**117,296,235**	**6,430,822**	**(4,186,454)**	**(23,416,311)**	**62,405,591**
Net other income/expenses (includes dividends)	825,484	-	-	-	929,568	16,827,407	18,582,460
Income before TX	**(49,306,664)**	**16,413,449**	**117,296,235**	**6,430,822**	**(3,256,886)**	**(6,588,904)**	**80,988,051**
Income tax							32,293,286
Net income							**48,694,765**

* The amount of Treasury assets includes derivatives and liquidity represented in money market operations and in banks.

Assets and Liabilities

2024	COP Portfolio	USD Portfolio	Portfolio	Treasury (*)	Commissions	Others	Total
Assets	4,525,111,583	811,209,330	2,329,653,113	58,619,018	-	1,005,788,913	8,730,381,958
Liabilities	4,525,111,583	811,209,330	846,058,708	58,619,018	-	1,354,490,143	7,087,509,329

2023	COP Portfolio	USD Portfolio	Portfolio	Treasury (*)	Commissions	Others	Total
Assets	7,229,061,848	549,081,465	-	85,697,815	-	1,327,098,	11,541,217,039
Liabilities	7,229,061,848	549,081,465	-	85,697,815	-	2,092,093,469	9,955,934,597

31. RELATED PARTIES

The Bank considered the participation of the related parties in profit generation; the existence of the relationship with related parties such as shareholders, members of the Board of Directors and Directors of the Bank, subordinated entities and entities of the same parent company are clear examples of persons or entities that influence or may influence P&L and the financial situation of the Bank. It was also considered that the previously listed parties could carry out transactions that other parties, lacking relationship, could not. Therefore, a register is kept with the balances of assets and liabilities resulting from the reconciliation of balances, as well as the income and expenses incurred in each period corresponding to operations with related parties, as explained in detail below:

- Shareholders: set of transactions performed as a related party as defined in IAS24.
- Administrators: the President and Vice-Presidents of the Bank are considered administrators.
- Subordinates: entity over which control is held as per the definition of control of IFRS 10, Fiduciaria Colombiana de Comercio Exterior S.A. – Fiducóldex.

Transactions with related parties - The Bank may carry out operations and enter into agreements or contracts with related parties, under the understanding that any such operations will be carried out at fair values in accordance with market conditions and rates.

During the periods completed on December 31, 2024 and 2023, none of the following operations were carried out between the Bank and its related parties:

- Loans that imply an obligation for the borrower that does not correspond to the essence or nature of the loan contract.
- Loans with interest rates different from those that are ordinarily paid or charged to third parties under similar conditions of term, risk, etc.
- Operations whose characteristics differ from those conducted with third parties.

The grouping of balances and operations with shareholders, administrators, subsidiaries, and members of the Board of Directors is as follows:

Transactions with shareholders

	2024	2023
EQUITY		
Subscribed and paid-in capital		

Bicentenario Group S.A.S.	$ 1,059,563,515	$ 1,059,563,515

There were no free or compensated services, loans without interest or any other consideration, or transactions whose characteristics differ from those performed with third parties between the Bank and the aforementioned shareholder.

Operations with administrators

	2024	2023
ASSETS		
Loan Portfolio		
Housing	$ 3,035,395	$ 3,201,092
Consumer	181,482	119,770
Accounts receivable		
Interest receivable	10,959	11,313
Social welfare	12,649	16,680
Other	15,089	17,727
Impairment		
Principal	(34,097)	(34,481)
Interest	(116)	(117)
	$ 3,221,361	$ 3,331,983
LIABILITIES		
Accounts payable		
Social welfare	$ 741	$ 6,087
Other	332,498	986,002
Other liabilities		
Vacation	822,922	828,207
	$ 1,156,161	$ 1,820,295
INCOME		
Portfolio income	$ 189,848	$ 152,807
Loan interest		
Income - Sundry	2,591	4,503
Recoveries	118,312	662,251
Furniture sale profit	2,695	9,029
Other Income	$ 313,446	$ 828,590
EXPENSES	$ 5,048,367	$ 5,357,733
Employee benefits	-	-
Personnel Expenses	89,405	97,483
Expenses - Sundry	2,206	17,926
	$ 5,139,978	$ 5,473,142

Assets mainly correspond to home loans and auto loans (their accounts receivable) granted in accordance with the term and rate conditions in force in the internal regulations for home loans and auto loans for the Bank's employees.

Transactions with subsidiary

	2024	2023
ASSETS		
Investments	$ 57,855,989	$ 59,687,879
Accounts receivable - Sundry	474,620	698,622
	$ 58,330,609	$ 60,386,501
LIABILITIES		
Accounts payable	$ 47,077	$ 20,716
EQUITY		
Surplus under the equity method	$ 13,782,739	$ 13,438,185
INCOME		
Equity method	$ 7,086,160	$ 10,291,784
Lease income	1,042,222	943,555
	$ 8,128,383	$ 11,235,339

The balance of investments corresponds to the participation of 89.62% that the Bank holds in Fiducoldex S.A.

Regarding the transactions between the Bank and the subsidiary, there were not any free or compensated services, loans without interest or any other consideration, or transactions whose characteristics differ from those performed with third parties.

Transactions with members of the Board of Directors

	2024	2023
ASSETS		
Loan portfolio		
Housing	$ 132,459	$ -
Accounts receivable		
Interest receivable	451	-
Social welfare	2,000	-
Others	540	-
Impairment		
Capital	(1,325)	-
Interests	(5)	-
	$ 134,121	$ -
LIABILITIES		
Accounts payable		
Suppliers	$ 6,694	$ -
Other liabilities		

Vacations	134,052	-
Other benefits	13,278	-
	$ 154,024	$ -
INCOME		
Portfolio income		
Interest on loans	$ 8,245	$ -
Income - Sundry		
Recoveries	297	-
Other Income	491	-
	$ 9,033	$ -
EXPENSES		
Employee benefits		
Personnel Expenses	$ 373,516	$ -
Others	2,024	-
Fees		
Fees	889,384	1,388,060
	$ 1,264,923	$ 1,388,060

Pursuant to the provisions of Article 2 of Decree 1962 of 2023, regarding the Boards of Directors of the entities subordinated to Grupo Bicentenario S. A. S., and in compliance with the instructions given by the General Shareholders' Meeting of the Bank on March 20, 2024, in compliance with the aforementioned rule, an employee was appointed to become part of the composition of the Board of Directors. Therefore, the assets, liabilities, income and expenses are associated with this employee, who is a member of the Board of Directors.

Fee expenses are such fees paid for attending meetings of the Board of Directors, Credit Committee, GAP Committee, Audit Committee and Capital Funds Committees, among others. Neither free-of-charge services nor paid services were offered between the Bank and the members of the Board of Directors. Neither were interest-free loans nor operations different from those carried out with third parties.

32. RISK MANAGEMENT

The Bank's risk management is a "cross-cutting" process throughout the organization. This process is carried out in a comprehensive manner and in compliance with current regulations and internal guidelines defined by the Board of Directors. Risk management includes the identification, measurement, control, and mitigation of risks and monitoring in pursuit of the Bank's financial sustainability. It is also supported by an organizational structure that guarantees the independence of functions among the front, middle and back-office areas. This process is enforced through the implementation and application of the Integral Risk Management System – SIAR. The system interrelates the management of Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Environmental Risks and Social Risks. The Strategic Risk Management System (SARE) and the Asset Laundering and Terrorism Financing Risk Management System (SARLAFT) are an integral part of the Bank's risk management. Each of these systems includes policies, risk measurement and follow-up methodologies, clear identification of processes and procedures, amongst others.

The Board of Directors is the main body responsible for the Bank's risk management and as such it is responsible for the risk and organizational structure that supports the Bank's management procedures through the different risk systems on an individual and consolidated basis.

The organizational structure includes committees and dedicated areas whose priority is activities related to risk management. They also support the definition of guidelines and strategies and the monitoring and control of such management. Similarly, the internal audit (on behalf of the Internal Comptroller Officer) and the Tax Auditing Office are informed of the operations carried out by the Bank and regularly submit reports related to their assessments on risk management.

Committees are decision-making bodies that support the Board of Directors for the management of different risk categories:

Instance	Risk category	Main functions
Risk Management Committee of the Board of Directors	Credit Risk Operational Risk Liquidity Risk Market Risk Strategic Risk Environmental and Socials Risks	• Analyze policy proposals to address credit risk, market risk, liquidity risk and operational risk and recommend their adoption or rejection before the Board of Directors. • Approve general guidelines for credit risk management methodologies. • Provide input about the Bank's operational risk profile. • Approve contingency and business continuity plans and arrange necessary resources for their timely implementation.
External Credit Committee	Credit Risk	• Approve the counterparty credit limit for financial entities. • Recommend to the Board of Directors the approval of direct credit operations, in accordance with the defined attributions. • Approve direct credit operations with companies, in accordance with the defined attributions.
Audit Committee	Credit Risk Operational Risk Liquidity Risk Market Risk AL/FT risk Strategic Risk	• Analyze audit results for risk management process. • Monitor risk exposure, its implication for the entity, mitigation measures and control measures implemented.
Internal Credit Committee	Credit Risk	• Approve direct credit operations with companies, according to attributions.
Portfolio Rating Committee	Credit Risk	• Approve debtor ratings for purposes to calculate provisions. • Monitor debtors risk profile.
Assets and Liabilities Management Committee	Market Risk and Liquidity Risk	• Approve strategies for resource mobilization, resource attraction and hedging • Monitor the Bank's liquidity position.
Interinstitutional Management and Performance Committee	Operational Risk and Strategic Risk	• Monitor the effectiveness and performance of SARO, MECI, and the Quality Management System by acting as the body that integrates and strengthens these management systems. • Acting as a body that is subordinate to the Board of Directors, recommend and approve risk profile measures, methodologies, and procedures for the management of operational risks. • Monitor the Bank's operational risk profile.

Instance	Risk category	Main functions
		• Analyze and approve information security policies and business continuity policies. • Recommend, control, and monitor the implementation of the Information Security Plan at the Bank. • Decision making in administrative processes and document management strategies.
Subsidiary Risk Committee	Credit Risk Operational Risk Liquidity Risk Market Risk SARLAFT Risk Strategic Risk	• Monitor exposure to the different types of risk, both for each entity of the Group and at a consolidated level.
Portfolio Standardization Committee	Credit Risk	• Evaluate and make decisions aimed at recovering delinquent portfolios or anticipate non-payment situations derived from the financial condition. It covers up to the level of the powers assigned as appropriate to reprofiling, modifications, restructurings and/or portfolio arrangements.

Risk appetite framework statement- The Bank incorporated the risk appetite framework statement into the Comprehensive Risk Management System (SIAR, acronym in Spanish), which the Board of Directors approved. In this regard, the Bank has consolidated risk limits and indicators for each type of risk (top-down and bottom-up approaches). These estimates consider adverse scenarios and the negative impact that could be produced on profitability, solvency, and liquidity levels if any of them materializes. The risk appetite framework also incorporates a governance structure that establishes responsibilities and powers to establish action plans and procedures to maintain the defined risk profile.

a) Liquidity risk

Qualitative information - The liquidity risk management falls within the segregation of functions and the observance and adoption of best practices and requirements of regulatory and control entities. In this sense, the Bank's Treasury manages cash flow, considering funding costs and short-term cash commitments. The Financial Risk Department prepares and applies methodologies to warn, monitor, and forecast possible liquidity risk situations. The Operations Department ensures operational compliance with the Bank's cash transactions. The Internal Controller's Office guarantees compliance with the rules, policies, and processes related to the liquidity risk management system.

To measure liquidity risk, the Bank uses the reference method of SFC, which establishes the degree of exposure to such risk by calculating the Liquidity Risk Indicator (LRI) and the Net Stable Funding Ratio (NSFR / CFEN, acronym in Spanish). Likewise, the Bank has an internal model for measuring liquidity, early warning indicators, and stress scenarios.

The Bank's early warning system simulates scenarios that make up leeway for timely decision making. These alerts are an integral part of the liquidity contingency plan, together with the tools and procedures to mitigate potential liquidity risk situations. On the other hand, liquidity risk management includes periodic reports (daily, weekly, and monthly) to monitor the different indicators and alerts and thus expose this risk.

On an annual basis, the Bank reviews the policies, limits, processes, methodologies, and tools for the evaluation of the liquidity risk exposure to establish their validity and corroborate that they are following the regulations in force, the structure of the balance sheet positions and the best market practices. The internal model is validated through back testing tests to establish its level of reliability and, if necessary, adjust according to the business model environment.

The liquidity risk appetite framework statement is established through the level of liquid assets that the Bank must have to cover short-term needs or obligations. It uses the 30-day liquidity risk index (IRL30). The Bank's historical information is used to define the indicators and metrics as a basis. The appetite, tolerance, and capacity limits were established, considering confidence levels of 99 %, 99.9 %, and 99.99 %, respectively.

Several relevant activities were carried out for liquidity risk management in 2024. The most relevant aspects are listed below.

- Methodological update of the internal liquidity model by adjusting the liquidity stress scenarios.

- The liquidity risk reports (daily and weekly) were redefined. This allows the Power BI tool to visualize the different aspects included in liquidity risk management in a more dynamic way.

- There was an awareness-raising campaign with the Bank's personnel about the importance of liquidity risk management.

Finally, the Bank's liquidity indicators were continuously monitored to support the management of maturities and raise new resources throughout the year.

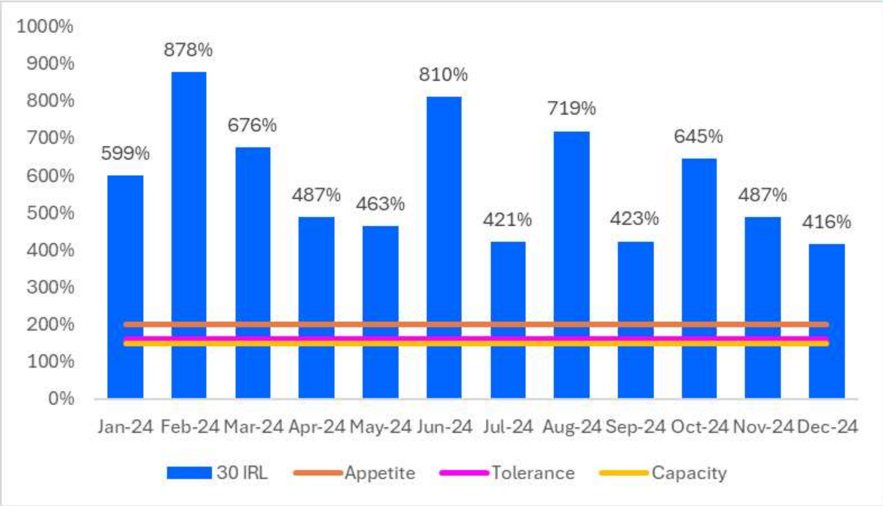
Quantitative information

Liquidity risk indicator IRL - As of December 31, 2024, the Bank recorded a seven-day IRL of $888,921,860, while the same indicator in 2023 reached $1,849,474,668, which represents a decrease of 52%. On the other hand, the 30-day indicator reported a value of $705,645,660, while the same indicator in 2023 reached $1,618,462,939, which represents a decrease of 56%. However, it is important to highlight that, in spite of this decrease, the Bank kept an adequate level of liquidity to comply with contractual obligations throughout the year.

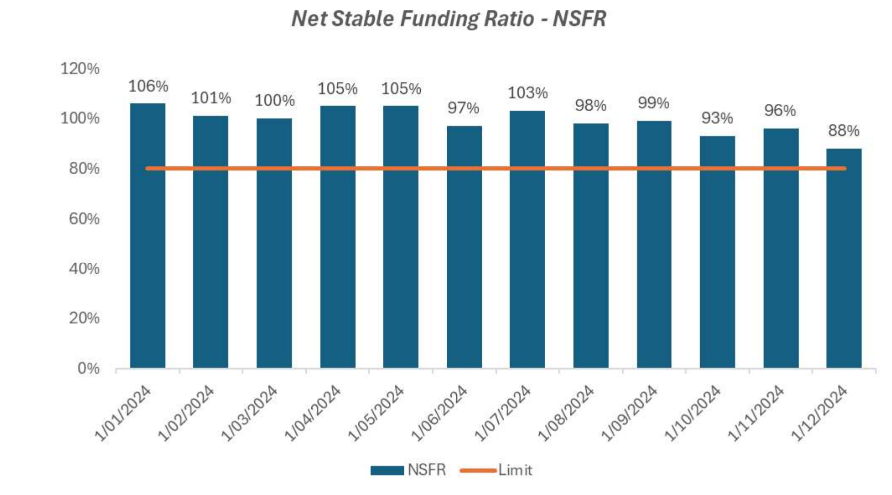
Similarly, net liquidity requirements showed a stable behavior throughout 2024 (7-day average, $142,598,916 and 30-day average, $305,972,203). This liquidity allowed the Bank to meet the necessary commitments to cover the maturities of Certificates of Deposit, bonds and loans and to support its credit and treasury activity.

30-DAY IRL	2024	2023
Liquidity risk indicator	$ 705,645,660	$ 1,618,462,939
Liquid market assets	938,718,095	1,965,482,691
Net liquidity requirements	233,072,435	347,019,752
IRL	**403%**	**566%**

At the end of 2024, the Bank's ample liquidity condition is shown to cover its short-term obligations. The following graphs show the evolution of liquid assets and the liquidity requirement during the last year, as well as the behavior of the IRL.



Net Stable Funding Ratio – (NSFR / CFEN, acronym in Spanish)
The main objective of this indicator is to limit excessive dependence on unstable sources of funding for strategic assets, which are often illiquid, and to maintain a stable funding profile concerning assets.



b) *Market risk*

Qualitative information - Market risk is defined as the possibility of incurring losses, reducing the financial margin, or decreasing the economic value of equity due to changes in the price of financial instruments in which on- or off-balance sheet positions are held. These changes in the price of the instruments may occur due to changes in interest rates, exchange rates, and other essential variables on which the economic value of such instruments depends.

Market risk management - The Bank manages market risk by identifying, measuring, monitoring, and controlling the exposures to interest rate, exchange rate, positions in collective portfolios, and share price risks. Market risk management is permanent. It generates daily, weekly, and monthly reports for senior management and all front, middle, and back-office officials to make timely decisions on appropriate risk mitigation and guarantee risk appetite and the risk limits approved by the Board of Directors. This management falls within the guidelines of the Financial Superintendence of Colombia (Chapter XXXI of the Basic Financial and Accounting Circular Letter, CBCF, acronym in Spanish) and is supported by internal methodologies that allow monitoring the exposure of the products traded in the Bank's Treasury. The foregoing is consolidated in the Comprehensive Risk Management System (SIAR, acronym in Spanish), which defines policies, organizational structure, methodologies, etc.

In addition to the guidelines established for market risk management, Bancoldex follows the guidelines in Chapter XVIII – Derivative Financial Instruments and Structured Products and the provisions in External Circular 031/2019 on credit exposure for derivative financial instruments.

The Bank has a proper segregation of front, middle and back office areas to identify, measure, and analyze the information of the market risks inherent to operations.

The businesses carried on by the Bank in which it is exposed to market risks are purchase and sale of fixed income products in legal tender and foreign currency, positions in the spot and forward market, and bonds and TDs of the financial sector indexed at variable rates such as CPI, DTF, and IBR. The Bank has a business strategy for treasury and derivative financial instruments, ensuring that the risks taken do not affect the solidity and stability of the Bank's equity.

At the Bank, the Vice Presidency of Risk and Credit is the body responsible for proposing, developing, and ensuring proper compliance with the policies, methodologies, procedures, and general guidelines on market risk management approved by the Board of Directors and the Risk Management Committee of the Board of Directors. It is also responsible for measuring, analyzing, and controlling the risks inherent to the business, as well as the periodic review and assessment of the valuation methodologies of the products that are traded in the Treasury.

The Asset and Liability Management Committee is the body to which the Board of Directors has delegated the responsibility of approving the maximum levels of exposure to market risks that the Bank can take for each Treasury product.

To know the level of risk taken in Treasury book operations, the Bank uses the standard value-at-risk (VaR) methodology established in Chapter XXXI of the Basic Accounting and Financial Circular issued by the Financial Superintendence of Colombia. Pursuant to Annex I of this circular, the calculation of the total value at risk of the investment portfolio results from the sum of the exposure to interest rate, share price, collective portfolios, and exchange rate risks. This value is calculated daily by the Financial Risk Department. The calculated VaR is included in the solvency level in accordance with current regulations.

In addition to regulatory compliance, the Bank uses an internal risk value measurement model, the results of which are used as a complementary analysis and management mechanism. This internal model allows daily monitoring of the exposure to market risk of the Treasury product portfolio, the results of which are permanently reported to the areas and committees involved. The market risk assessment results constitute the starting point for daily trading. VaR is calculated using the internal model on a daily basis in accordance with market conditions and the risk factors defined in this methodology. Back and stress tests are performed on this internal model that allow the Bank to know the validity of the model and how accurate the forecasts of losses are compared to accounting reality and to determine possible losses in market stress situations.

Market Risk Appetite - The Bank's market risk appetite is defined based on the value at risk (VaR) calculated for all Treasury products, according to the methodology approved to determine each limit. VaR is defined as the possibility of incurring economic losses as a result of fluctuations in interest rates, exchange rates, share prices, among others, which have an (adverse) impact on the income statement and therefore on the solvency level. The value-at-risk limit is approved by the Board of Directors.

To define tolerance to market risk, a stress scenario of the Value at Risk (VaR) is considered. This involves the recalculation of the VaR using the average of the volatilities calculated for tolerance and capacity of the most relevant reference asset in each portfolio.

To establish the capacity to market risk, a stress scenario of the Value at Risk (VaR) is considered, which entails the recalculation of the VaR of the most relevant reference asset in each portfolio with the maximum historical volatility in the last three years.

Quantitative information - The Bank's investment portfolio as of December 31, 2024 and 2023 is presented below:

	2024	Part.	2023	Part.
At amortized cost	1,089,570,796	39.37%	$ 981,941,242	35.28%
At fair value with changes in in other comprehensive income	1,662,855,227	60.03	1,733,439,603	62.29
At Fair Value	16,594,040	0.60	67,629,443	2.43
Total	$ 2,769,020,063		$ 2,783,010,288	

Total market risk - The Bank's total market risk exposure consolidates exposures to interest rate risk, exchange rate risk, share price risk, and collective portfolio risk.

The total variation of market risk, as well as that of its components, is shown below:

	2024				2023			
Module	**Maximum**	**Minimum**	**Average**	**Year-End Closing**	**Maximum**	**Minimum**	**Average**	**Year-End Closing**
Interest Rate	82,281,154	66,087,338	74,167,080	72,603,473	75,694,978	40,978,852	55,106,134	65,752,761
Exchange Rate	6,962,944	261,177	1,299,088	618,688	8,837,203	84,076	2,691,097	731,800
Share Price	5,141,237	3,087,009	4,130,316	5,141,237	3,231,667	2,625,703	2,938,542	3,198,574
Collective Portfolios	2,927,992	1,535,692	1,900,136	1,561,028	34,091,086	2,540,893	12,916,027	2,936,097
Total	95,717,804	72,517,955	81,496,620	79,924,426	92,123,902	55,912,086	73,651,800	72,619,232

The Bank's average exposure to market risk reported a 10% decrease when compared to 2023, which is a result of the re-composition of the available-for-sale portfolio. This is due to the conditions of liquidity excess that the Bank showed during 2024, as measured by the prepayments of the loan portfolio.

- **Derivative financial and structured product instruments**

  The Bank carries out derivative operations to contribute to profitability and, in very specific cases, to cover the financial risks of some balance sheet positions. In this context, forward trading, hedging forward, and recently hedging swap transactions are made.

Types of derivative financial instruments

Non-Delivery Forwards - NDF

Bancóldex operates exchange rate forwards (COP - USD) for trading, under the OTC mechanism and through the Central Counterparty Risk Chamber. The following table shows the amount of derivatives in force as of December 31, 2024 and 2023:

	Nominal OTC		**Clearing House**	
	2024	2023	2024	2023
Purchase Forward	337.000	238.000	289.000	428.000
Sales Forward	410.000	182.000	279.000	319.000
Net	-73.000	56.000	10.000	109.000

The average exposure of purchases and sales was approximately USD 778 million, which is within the limits of the Gross Leverage Position (GLP). The portfolio's net exposure has remained on average at USD 39 million and a maximum of USD 96 million, which reflects a low exchange rate risk, according to the conservative profile defined by the Bank for this product.

To mitigate the credit risk of forward operations, the Bank operates through the Counterparty Central Risk Chamber (CRCC), for which it uses treasury bonds (TES).

To mitigate the credit risk of forward transactions, the Bank operates through the Central Counterparty Risk Clearing House - CRCC, for which it uses guarantees in treasury securities - TES. In 2024, the balance was $ 187,025 million.

	2024	2023
Guarantees provided to the CCRC	187,025,422	192,262,532

- **Risk management of derivative transactions**

The Bank has policies for operating with derivative financial instruments. The risks assumed with this type of transaction are consistent with the general business strategy. They are managed based on a structure of limits defined based on the risk profile, the profit budget established for each business unit, and the balance sheet structure.

c) Interest Rate Risk

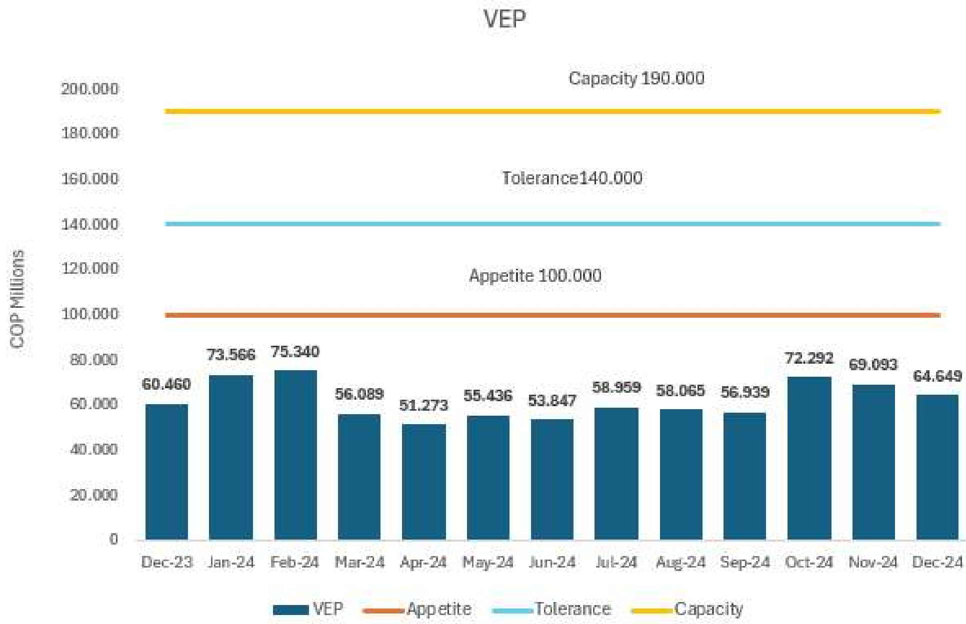
The Bank implemented the standard related to the Interest Rate Risk in the banking book in 2024. The interest rate risk to which Bancóldex is exposed is recorded in the balance sheet positions represented in the portfolio of fixed income investments in local and foreign currency. It is also represented in positions in the spot and forward market, positions in the banking book such as bonds and CDs of the financial sector with indexation in variable rates such as IPC, DTF and IBR, amongst others.

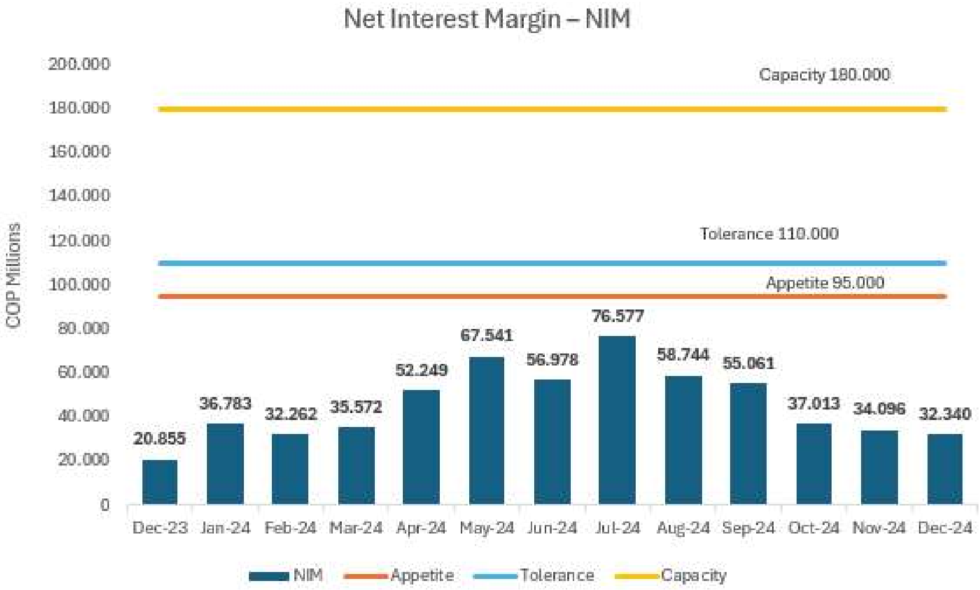
Bancóldex has a low interest-rate-risk profile, given the guidelines specified by the Board of Directors to control exposure with duration, loss and Value-at-Risk limits for each of the portfolios that define the risk appetite. Similarly, after implementing the Banking Book Interest Rate Risk (RTILB), the Bank's Board of Directors approved limits for the indicators of this risk.

In order to manage the Interest Rate Risk, the Bank designed and adopted policies, methodologies and processes for market risk management and RTILB, models to evaluate and measure interest rate volatility, organizational structure and internal control processes.

The process adopts a standard measurement methodology, which allows estimating the exposure in the Economic Value of Equity - EVA and in the Net Interest Margin – NIM. This is done through the following two indicators.

The evolution of the results obtained so far is shown below:





The interest rate risk indicators of the banking book - RTILB calculated for December 2024 are within the limits approved by the Board of Directors.

d) Operational risk

Qualitative information - The policies and methodologies that Bancóldex applies to frame and manage the operational risk are included in the SIAR Manual. The policies abide with the bases and guidelines demanded by the Financial Superintendence.

For the effective Operational Risk management at Bancóldex, the Bank has its own measurement parameters in place, in accordance with its structure, size, corporate purpose, and processes. It is also aligned with the best practices for operational risk management in an operating model built under the Basel II Committee’s principles.

Bancóldex' operational risk management is based on general and specific policies determined by the Board of Directors and is supported by an organizational structure that guarantees proper segregation of functions between front, middle, and back office. There are suitable methodologies to identify, measure, control, and monitor operational risks.

Given that this risk typology is dynamic and susceptible to constant changes in the business and its environment, monitoring schemes are adopted to facilitate the rapid identification of new risks and the minimization of current ones by implementing action plans.

Regarding the operational risks of fraud and corruption, the guidelines adopted respond to the principles established by the Transparency Secretariat of the Presidency of the Republic, DNP, DAFP, and the United Nations Office on Drugs and Crime (UNODC), "Strategies for Building the Anti-Corruption and Citizen Service Plan." This guide was published as provided in the Anti-Corruption Statute - Law 1474/2011 "Whereby regulations are issued aimed at strengthening the mechanisms for the prevention, investigation, and punishment of acts of corruption and the effectiveness of public management control," Section 73, Decree 2555 of 2010 (Single Decree of the Financial System), and Decree 2641 of 2012. Additionally, the Bank observes the provisions included in the Colombian Criminal Code, the Code of Commerce, the Voluntary Self-Regulation Legislation in Securities and Foreign Exchange of the AMV, respectively; and Law 1778 of 2016, which dictates provisions on the fight against transnational bribery and corruption.

Quantitative information

Identification, measurement, control and monitoring of operational risks - Below are the figures of the events reported, the losses due to operational risk, and their recoveries for 2024:

As of December 31, 2024, 416 events were reported and classified as follows:

Event	N°	Share
They cause losses and affect the entity's income statement.	6	1,4%
They do not cause losses and therefore do not affect the entity's income statement.	410	98,6%
TOTAL	**416**	**100%**

The net effect of economic losses is $5,691,884 in 2024. There were not any recoveries for these events.

e) *Credit risk*

Qualitative information – The Bank's credit risk management is aligned with the standards established by the Financial Superintendence of Colombia, whose principles fall within international best practices. Therefore, the Bank manages credit risk in compliance with the provisions of the Integral Risk Management System – SIAR (acronym in Spanish), that includes policies, processes, and procedures, granting and monitoring methodologies, and audit processes that cover the products and segments served by the Bank.

The policies include the general policies that frame the Bank's credit operation such as business strategy, provisions, write-offs, restructuring, among others, and specific policies for each f the Bank's products and segments that set out granting and monitoring criteria, maximum credit exposure, and guarantees to be demanded.

The Bank has credit risk analysis methodologies and models that support specialized granting and monitoring processes for its various segments. In the case of local credit institutions, foreign financial intermediaries, and microenterprise credit-oriented entities, the models are based on the CAMEL methodology and incorporate quantitative, qualitative, and prospective analysis aspects. These models include statistical information and are complemented with expert criteria. The Bank has a granting and monitoring methodology for direct loans to companies. It is based on the client's financial information, payment behavior in the financial system in general, payment capacity, and future fund generation. For loans to the SME segment, the Bank applies methodologies, both for granting and monitoring, which, based on specific models, incorporate quantitative, qualitative, financial, and sectorial elements and technical considerations, in addition to the sensitized and forecast cash flow of customers for each product (leasing, credit, and factoring). They help the credit factory determine SME's payment capacity to be submitted to credit committees for consideration.

The Vice-Presidency of Risk and Credit is responsible for proposing to the Board of Directors the methodologies and models to be applied to grant and monitor loans. These models must be validated periodically to measure their effectiveness.

The Bank made adjustments in 2024 to strengthen the process to grant and follow-up loans, which should be aligned with the strategies established by the organization. Regarding credit risk management for local and foreign financial intermediaries, as well as for entities targeting microenterprise credit, the Bank continued to adjust the follow-up schemes. As far as direct credit to companies is concerned, the Bank strengthened the methodologies to grant loans, and new policies and guidelines were implemented for the approval of operations. This actions allowed the Bank to grow the balance in a controlled manner and to reduce credit risk in this segment.

The Vice Presidency of Risk and Credit periodically reports to the Board of Directors and the various Committees the results of the credit risk analyses and the evolution of the risk profile for both Bank's and counterparties' credit operations. As part of the follow-up and monitoring process, the entire credit portfolio must be rated monthly, following the regulatory guidelines, which consider the financial position and payment capacity of each debtor. According to the rating assigned, the required provisions are created.

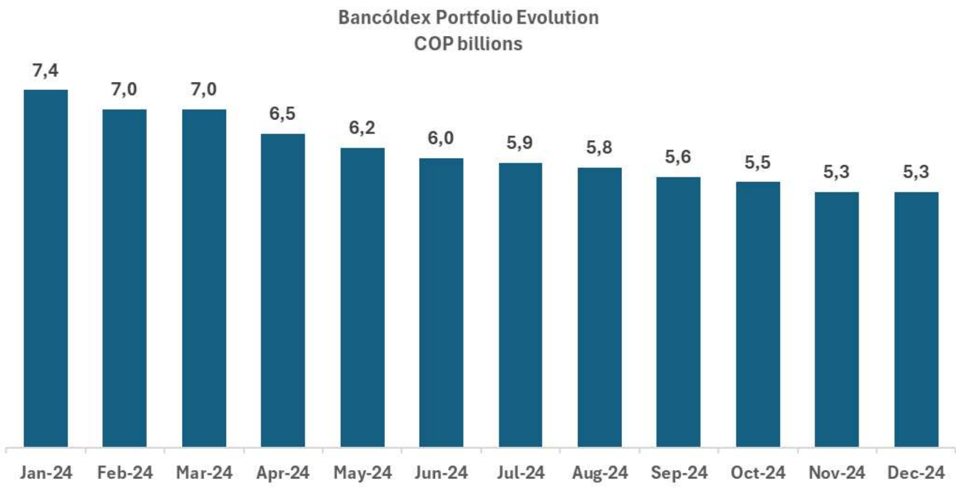
Regarding provisions, the Bank applies Chapter XXXI of the Basic Accounting and Financial Circular and its annexes to each portfolio. In the case of the rediscount portfolio according to regulations, provisions are created using a proprietary methodology based on an expected loss model that incorporates default and loss parameters, estimated based on the history of the Bank's debtors. It also incorporates procyclical and countercyclical components, considering systemic risk components.

The processes and technology adopted by the Bank have been optimized throughout 2024. This has allowed the Bank to continue to manage any credit operation during the granting, follow-up and recovery stages.

Quantitative information

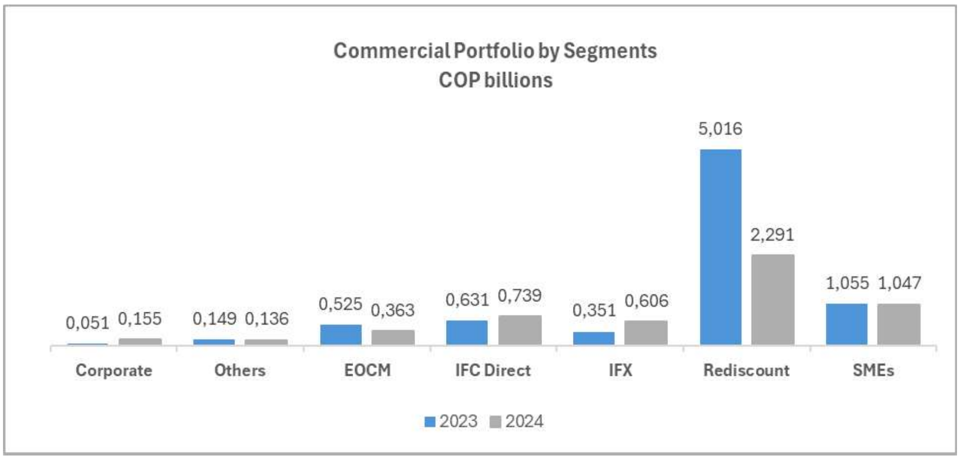
Consolidated exposure to credit risk - The Bank's maximum exposure to credit risk is reflected in the carrying amount of financial assets in the statement of financial position as of December 31, 2023 and 2022, as shown below:

	2024	**2023**
Loan portfolio	$ 5,336,320,913	$ 7,778,143,314
Debt securities	2,522,419,266	2,348,824,749
Equity securities	497,222,940	57,828,585
Derivatives	366,031,694	188,040,780
Financial guarantees	37,445	4,618,250
Active money market operations	313,165,727	711,735,470
Maximum credit risk exposure	$ 9,035,197,985	$ 11,089,191,148

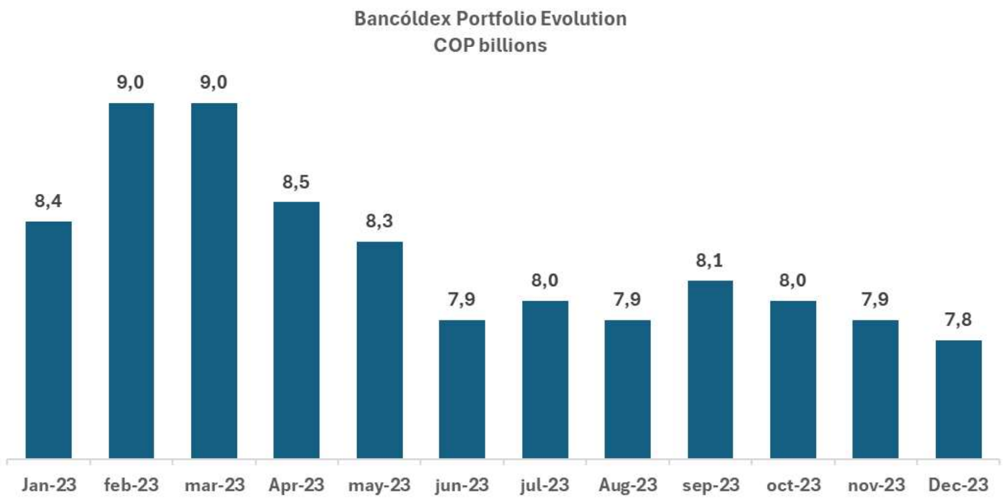


The maximum exposure to credit risk corresponds to its carrying amount at the end of the period without considering any guarantee received or other credit enhancements.

Risk concentration - The Bank monitors credit risk concentration through different portfolio groupings such as type of entity, type of portfolio, risk category, and country, as presented below:



EOCM: entities oriented to microenterprise credit, IFX: foreign banks,
Companies: portfolio received from liquidated financial entities and others: liquidex product operations



The structure of the Bank's loan portfolio mainly includes the business credit modality. For purposes of provision estimation models, this type of portfolio is divided into a business portfolio under the rediscount mechanism and a direct business portfolio. Notwithstanding the foregoing, and in compliance with External Circular 054/2009 issued by the Financial Superintendence of Colombia, the Bank has a housing and consumer portfolio, appertaining exclusively to loans to employees and former employees granted prior to their retirement.

Portfolio quality indicators

Portfolio quality		2024	2023
Delinquency	Indicator[1]	3,51%	3,40%
	Hedging (times)	1,14	1,03
Risk Profile	Indicator[2]	6,35%	5,70%
	Hedging (times)	0,63	0,61

1 Delinquency indicator = past-due portfolio / gross portfolio

2 Risk profile indicator = qualified portfolio B-E/ gross portfolio

As of December 2024, the balance of the gross portfolio decreased to $5.3 trillion, thus showing a 31% reduction when compared to the previous year, and mainly as a result of a decrease in the rediscount portfolio. The Overdue portfolio indicator was 3.5% higher than the 3.4% reported in December 2023, which is a result of the decrease in the portfolio balance, mainly in the rediscount segment.

Overdue Portfolio by Segment

Segment	Overdue portfolio		Overdue portfolio indicator %	
	2024	2023	2024	2023
Financial intermediaries	8.153.839	8.448.624	0,20	0,13
Corporate Direct Portfolio	178.246.971	255.288.999	13.64	20.77
Other	732.478	702.559	2,39	2,70

1. Financial intermediaries: Includes entities supervised and not supervised by the SFC, both local and foreign.

2. SMEs: ARCO receivables

3. Other: Includes receivables from CF Internacional in liquidation, Liquidex product customers, and former employees with consumer or housing loans.

Credit risk management - Other financial instruments: The basic policies and rules for managing credit operations also cover treasury operations, particularly in the case of counterparties with which interbank and derivative transactions are made, among others. For each position that make up the investment portfolio, the Bank has policies and limits that seek to minimize exposure to credit risk, including, but not limited to:

- Credit limits and term for each counterparty, which are defined by the External Credit Risk Committee according to the results of the risk rating model of each counterparty.

- Trading limits, which are verified by the front office prior to the closing of operations to guarantee that there is cash to make it.

- Local master agreements and ISDAs/Credit Support Annex, which describe the management of counterparty transactions under good international practices and limit legal and financial risk in the event of default. These documents agree on the risk exposure mitigation mechanisms (threshold), the procedures to be performed in case of default, and the special conditions by type of operation, which apply to derivatives.

- Alerts by counterparty. The Bank has alert indicators to identify promptly changes in the financial position of counterparties. The Vice Presidency of Risk periodically reports the financial position of the counterparties that have an assigned limit to operate to the External Credit Committee.

f) Environmental and social risks

Qualitative information - In order to identify and manage environmental and social risks derived from credit operations, the Bank relies on an Environmental and Social Risk Management System. The system includes policies, processes, methodologies, tools and an organizational structure; all aligned with the international standards.

The project to strengthen the Environmental and Social Risk Management System - SARAS was completed in 2024. It consolidated the implementation of the methodologies for large companies, SME and rediscount direct credit segments. As a result, 100% of the approved direct operations included the identification and evaluation of environmental and social risks, according to the guidelines established in the policies. On the other hand, the Bank developed the first ATC (Appetite, Tolerance and Capacity) indicator for environmental and social risks correlated with placements categorized in environmental and social risk A – High. The Bank also defined a series of KPIS (Key Performance Indicators), which will allow the Bank to monitor the operation of the system and enforce continuous improvement processes, when required.

Regarding the inclusion of climate-related risks in the Bank's Environmental and Social Risk Management System in 2024, the Bank carried out activities within the framework of the work plan that was submitted before the Superintendency of Finance of Colombia as required by Circular 031 of 2021. Proof of progress in the inclusion of climate change in the Integral Risk Management System was shown with the integration of the climate variable in the environmental and social risk policy. It is also proven by the development of new risk policies related to climate change, as well as the development of methodologies to identify physical and transition risks in the portfolio.

g) Money Laundering and Terrorism Financing Risk Management System - SARLAFT -.

Bancóldex continued strengthening its risk management system for money laundering and terrorist financing SARLAFT throughout 2024. The support tools for this system were updated and maintained. They incorporate the adjustments required by the Financial Superintendence of Colombia regarding due diligence of customer knowledge, identification of the final beneficiary and other counterparties. Similarly, the Bank continued to enforce the risk assessment methodology for causes and controls of ML/FT in the Bank's processes. Additionally, customers and transactions were monitored, alerts and unusual events were managed, suspicious operations were reported, and reports and other regulatory documents on SARLAFT, as well as the specific requirements of the different competent authorities, were filed in a timely manner.

Similarly, as part of the Bank's digital transformation strategy, the electronic form to register and update suppliers, other local counterparts, and foreign clients was implemented. The Bank also continued to optimize the navigation and functionality of electronic forms in order to improve the client's experience. Additionally, the SARLAFT Manual was updated to include the adjustments required by the regulations in force. SARLAFT training was provided to the Bank's officers on the prevention of ML/FT risks, System updates, Manual updates, and on the due diligence to know clients and counterparts, typologies and alert signals of ML/FT. Likewise, the Bank monitored and updated the evaluation of risk factors, the ML/FT risk profile per risk factors, and the risks associated to the Bank's consolidated risk, both inherent and residual. The latter was found to be within the risk level approved by the Board of Directors.

h) FATCA (Foreign Account Tax Compliant Act) and CRS (Common Reporting Standard) compliance system

As provided in the FATCA, for 2024, the Bank maintained its status as a participating Foreign Financial Institution (FFI) before the United States Internal Revenue Service (IRS) and transmitted the CRS report according to the regulations for the TD product. The Bank updated the FATCA due diligence of the intermediaries and financial institutions with which the Bank has relationships or makes transactions and met the requirements of other local and international financial entities on FATCA and OECD’s (Organization for Cooperation and Economic Development) CRS.

33. CORPORATE GOVERNANCE

Bancóldex adopted a corporate governance system that has been documented since 2001 in the Good Governance Code, which contains the policies and procedures for proper separation of duties and responsibilities of shareholders, the Board of Directors, Senior Management, and control bodies. The Code aims at ensuring information transparency, risk management and the protection of the interests of shareholders, investors, and the market in general.

Board of Directors and Senior Management - The Board of Directors is permanently informed of the Bank’s processes and businesses. After the General Shareholders’ Meeting, the Board is the highest governing body and defines the general risk policies of the entity. Based on such policies, the board establishes a delegation scheme for the approval of the operations to be carried out by the Risk Management Committee, External Credit Committee, Assets and Liabilities Management Committee, Internal Credit Committee and by the Administration.

Reports to the Board of Directors - Periodic reports are submitted before the Board of Directors, the Risk Management Committee and the Audit Committee. The reports discuss the situation of the Bank's credit placements, and monitoring of the financial situation of the different debtors. They also report the Integral Risk Management System that allows the Bank to identify, measure, manage and control the credit, market, operational and liquidity risks to which the Bank is exposed in the development of its operations, and adopt timely decisions for adequate risk mitigation. Similarly, periodic reports on the Asset Laundering and Terrorism Financing Risk Management System (SARLAFT) are submitted before the Board of Directors.

Additionally, all significant risk events that may be detected by the different areas of the Bank are reported to the Board of Directors and to Senior Management.

Technological infrastructure – All areas of the Bank have adequate technological support infrastructure. The risk control and management area also has the adequate technological infrastructure to obtain the necessary information for the analysis and monitoring of risk of current operations.

Methodologies for measuring risks – In order to identify the different types of risk, the Bank relies on methodologies and measurement systems that allow to determine its exposure to the risks inherent to the business, as mentioned in the Risk Management section, and which are documented in the respective manuals.

The Risk Vice-Presidency is the area specialized in identifying, monitoring, and controlling the risks inherent to the different business classes. The Risk Vice-Presidency assesses credit risk, market risk, liquidity risk, operational risk, and country risk. The Legal Vice-Presidency General Secretariat carries out the legal risk assessment.

Organizational structure - The areas that make up the back, middle and front offices are clearly defined at Bancóldex. Similarly, there is an adequate segregation of duties at all levels of the organization and in all operations.

Verification of operations – The Bank has verification mechanisms for the negotiations carried out, such as recording agreements of telephone calls for treasury operations and written communications with the counterparts where the conditions of each negotiation are set forth. Similarly, and in order to comply with operations, funds are received or transferred through systems that provide a high degree of security such as Sebra of the Central bank, SWIFT, Deceval (which manages and safeguards dematerialized collection instruments) and DCV (which manages and safeguards fixed income securities).

The Bank publishes the loan portfolio placement rates in national newspapers monthly; as well as the financial conditions of the different credit lines and requirements for their access are disclosed through external circular letters.

Via Internet (wwwBancóldex.com), Bancóldex credit users can obtain information about the operations for which they are responsible, and they can get to know the current financial conditions of the different credit lines.

The Bank transaction systems record the asset and liability operations on the dates of their occurrence, guaranteeing timely and accurate accounting records.

Audit - The Audit Committee is the main management body of the Internal Control System (SCI). It seeks to ensure the proper functioning of the Bancóldex' SCI and Risk Management Systems and performs its functions as per the Internal Regulations and as established in the applicable standards, both for State entities in general and for Financial Institutions in particular.

In compliance with its responsibilities, the Audit Committee has been a permanent support and communication channel with the Board of Directors in making decisions regarding the Internal Control System and its continuous improvement.

The Audit Committee held four (4) sessions during 2024 to remain informed about the results of the audits, the follow-ups to the improvement plans, the strengths, weaknesses, and effectiveness of the Bank's internal control.

Through the works and P&L reports submitted by the Internal Comptroller's Office, the Audit Committee monitored the development and compliance of the different Risk Management Systems applicable to the Bank.

Based on the Basic Legal Circular Letter and Chapter XXXI of the Basic Accounting and Financial Circular Letter issued by the Financial Superintendency of Colombia, the Audit Committee continued to follow up on the effectiveness of and compliance with the Integral Risk Management System (SIAR) by submitting reports on the different management systems. This means from the point of view of operational risks (SARO), market risks (SARM), liquidity risks (SARL), credit risks (SARC) and money laundering and financing of terrorism (LAFT) risks.

In compliance with External Circular Letter 008 of 2023 issued by the Financial Superintendency, which became effective in May 2024, the Bank's Internal Control Policy was updated. The update re-states that COSO® is the reference model adopted for the development of the Internal Control System, notwithstanding other particular standards the Bank may use for the technological and accounting control. The policy encompasses a control or governance structure based on the IIA® line model, aligned with the same standard. In addition to current regulations, the audit work applies criteria and references from practices and regulatory frameworks or control standards, including COSO®, COSO® ERM, COBIT, IFRS and ISAs.

The Bank's Internal Control Model, which by rule is integrated into the Quality Management and Administrative Development Systems in the Integrated Planning and Management Model – MIPG (governing State entities), has helped the organization focus on the continuous improvement of the systems. The preceding is consistent with the progress and maturity of the risk management systems applicable to the Bank and the Internal Control System regulated by the SFC in Part I, Title I, Chapter IV of the Basic Legal Circular Letter. It shows favorable results in the implementation and operation evaluations performed by different external control entities.

The Internal Audit function managed by the Bank's Comptroller's Office adopted the International Standards for the Professional Practice of Internal Auditing and the Code of Ethics of the Institute of Internal Auditors IIA® Global as references for its process operation. According to these standards, an audit is governed under the principles of independence, objectivity and authority, and its mission and main objective is "to improve and protect the value of the organization and contribute to the achievement of business objectives, providing assurance, advice and risk-based analysis, and providing the Board of Directors and management of the organization with an independent assessment to improve governance, operational effectiveness, and the management of strategic, financial, regulatory and operational risks."

In 2024, the Audit function of Bancóldex underwent an independent external evaluation carried out by the Institute of Internal Auditors IIA(R) Global. The Bank's audit function was again certified internationally under the standards of the aforementioned International Professional Practices Framework (MIPP®) of the Institute. This means that the assurance and consulting work performed by the Comptroller Office focuses on risks, and aims at strengthening governance, assurance of controls and proper functioning of risk management in all processes, including the processes that correspond to the internal accounting control and to the generation, regulatory compliance, reliability, preservation, and security of financial and operational information.

The internal Audit team is made up of certified auditors devoted to the assurance for risks and processes, and complying with accounting, financial, technological, and information security issues. Other professional accountants in the team, as well as administrative and financial profiles of the Comptroller Office, are also aware of the operations related to the business processes of their expertise. Moreover, technology and information security auditors provide assurance for the general controls, governance and risks inherent to applications, databases and role assignments that support both the operation and the accounting information, amongst others. This enables the internal audit to maintain clear and constant overview of the operations, risks, and controls of processes that generate or secure the financial and operational information. The Comptroller Office was also aware of the operations performed by the Bank during 2024 by participating, with the right to speak and without vote, in the different Committees established to decide, define, and monitor the strategies and operations.

The audit cycle is three years (to cover the universe of auditable entities) and is based on the risk appetite of the Audit Committee, with annual planning. The review periods for individual work are variable according to the type and objective of each audit work. They, in turn, depend on the result of the risk analysis carried out by the audit, both in the annual planning and in the pre-planning phase of each specific work. This information is documented in reports and working papers.

Audits were conducted according to the Annual Audit Plan, known and approved by the Audit Committee of the Board of Directors, under the terms set forth in the Basic Legal Circular Letter of the Financial Superintendency of Colombia (Part I, Title I, Chapter IV - Internal Control System). The corresponding instances were informed about the impacts and risks derived from the situations observed, and relevant recommendations and action plans were presented. This process ensures compliance with limits, conditions for closing operations, relation between market conditions and the terms of the operations carried out, and operations between companies related to the entity. The recommendations and action plans also touch on technological risks, reliability and integrity of information, effectiveness and efficiency of operations, regulatory compliance and requirements of the different Risk Management Systems applicable to the Bank.

Based on the observations reported in the last auditing period, there were not any situations that would systemically or significantly affect the Bank’s internal control system, the achievement of institutional objectives, or the adequate disclosure of financial information. The information on the audit results is available in the Bank's Documentary System, and consultation is subject to the appropriate legal authorizations.

The reports and documents submitted by the Statutory Auditor's Office for the specified period were also made known to the necessary authorities and are recorded in the Minutes of the Audit Committees held during the year.

34. STATUTORY CONTROLS

During the periods 2024 and 2023, the Bank complied with all the statutory controls under the regulation established by the Financial Superintendence of Colombia for credit institutions, in relation to reserve requirements, own position and solvency ratio.

35. EVENTS AFTER THE END OF THE REPORTING PERIOD

Management of Banco de Comercio Exterior de Colombia S.A. - Bancóldex has evaluated the events that occur from January 1 to February 26, 2025, the date on which the financial statements were available for issue and determined that no subsequent events have occurred that require recognition or disclosure of additional information in these statements.

36. APPROVAL OF FINANCIAL STATEMENTS

The issuance of the Bank's separate financial statements for the year ended December 31, 2024 was authorized by the Board of Directors, as recorded in Board of Directors Minutes N° 472 dated February 26, 2025, to be submitted to the General Meeting of Shareholders as required by the Code of Commerce. These financial statements will be submitted for consideration of the highest corporate body, which may approve or disapprove these financial statements.

BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCÓLDEX

Certificate to the Financial Statements

For the years ended December 31, 2024 and 2023

We hereby declare that we have previously verified the statements contained in the financial statements of the Bank, ended December 31, 2024 and 2023, which have been faithfully taken from accounting books. Therefore:

- The assets and liabilities of the Bank do exist on the cut-off date; and the recorded operations have been conducted during such period.
- The assets represent probable future economic benefits (rights), and the liabilities represent probable future economic sacrifices (obligations), obtained by, or charged to the Bank on the cut-off date.
- All items have been recognized as appropriate amounts.
- The economic facts have been correctly classified, described, and disclosed.

Similarly, the Financial Statements as of December 31, 2024 were authorized for disclosure by the Board of Directors on February 26, 2025. These financial statements will be submitted before the Shareholders' Meeting, and they may either approve or disapprove these Financial Statements.

This certificate is issued on the twenty-sixth (26th) day of February, 2025.

José Alberto Garzón Gaitán
Legal Representative

Luis Miguel Moreno Franco
Accountant
Professional Card N° 77514-T