

## STATUTORY AUDITOR'S REPORT

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. BANCÓLDEX (the 'Bank'), which comprise the statement of financial position as at December 31, 2019, and the statements of income, other comprehensive income, changes in net equity and cash flows for the year then ended, and a summary of significant accounting policies, as well as other explanatory notes.

In my opinion, the accompanying financial statements, taken from the accounting ledger, present fairly, in all material respects, the financial position of BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. BANCÓLDEX as of December 31, 2019, the results of its operations and its cash flows for the year then ended in accordance with the Accounting and Financial Reporting Standards accepted in Colombia.

#### Basis for Opinion

I conducted my audit in accordance with International Auditing Standards accepted in Colombia. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. BANCÓLDEX in accordance with the ethical requirements that are relevant to my audit of the financial statements in Colombia and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained provides me with a reasonable basis to express my opinion.

#### Key Audit Matters

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 as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. As of December 31, 2019, the key audit matters are:

- Adoption of IFRS 16 - Leases - this standard is effective in Colombia as of January 1, 2019 and replaces the previous standards and interpretations for the recognition of leases. Under the compliance of certain criteria, it requires a lessee to recognize an asset for the right to use a leased asset and a liability that represents its lease payments obligation. The Bank includes contracts that meet the criteria for recognition under this standard. The applicability of this new standard includes judgments in determining whether the Bank controls the asset in use, the period of control, the measurement of the right-to-use asset and the related liability in accordance with the



terms of the contract, the discount rate and separation of the components of the contract in recognizing these operations, for which we have considered it a key audit matter.

My audit procedures over the risk of material error in relation to the new lease recognition standard, included:

- Obtained an understanding of the adoption process, exemptions and period application of the new standard.
- Evaluated the documentation provided by the Administration, which includes the Bank's leasing contracts, and the conclusions reached with the implementation of this standard, with particular emphasis on exemptions and areas that involve significant judgment for the determination and measurement of assets and lease liabilities.
- Evaluated the adequacy of the related disclosures in the financial statements, in accordance with the requirements of IFRS 16. View Note 2 Number 2.2. and Notes 4, 16 and 19.2.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. BANCÓLDEX ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Auditing Standards accepted in Colombia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.

- Evaluate the appropriateness of accounting policies used and 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 may cast significant doubt on the Bank ability to continue as a 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 financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Bank and its Subordinates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I described these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, 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 issues**

The accompanying stand-alone financial statements were prepared to comply with the legal dispositions of statutory information to which the Bank is subject as an independent legal entity and, therefore, do not include the adjustments or eliminations necessary for the presentation of the consolidated financial situation and consolidated results of the Bank and its subordinates. These stand-alone financial statements should be read in conjunction with the consolidated financial statements of BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. BANCOLDEX and its Subordinates.

The financial statements as of December 31, 2018 are included for comparative purposes only, were audited by me as designated by Deloitte and on which I expressed an unqualified opinion on February 21, 2019.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the scope of my audit, I inform BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. BANCOLDEX accounting ledger has been maintained in conformity with legal regulations and accounting technique; the transactions recorded in the accounting ledger; the correspondence, the account-balances support and the stock registry and minutes ledger are maintained appropriately; The regulations and instructions of Colombia Superintendence of Finance have been met, as related to the implementation and impact of the Risk Management Systems applicable to the Bank on the statement of financial position and the statement of results; as well as with the provision accounting for goods received as payment; the management's report duly agrees to the basic financial statements, and it includes management's certification on no interference over the free circulation of the invoices issued by vendors or suppliers; and the information contained in the self-settlement declarations of contributions to the Integrated Social Security Administration, in particular as it relates to enrolled members and their income as

basis of contribution, has been obtained from the accounting records. As of December 31, 2019, the Bank is has any overdue contributions to the Integrated Social Security Administration.

According to article 1.2.1.4 of Decree 2420 of 2015, the statutory auditor will apply the International Standard on Assurance Engagements - ISAE, in development of the responsibilities contained in article 209 of the Commercial Code, related to the evaluation of compliance with the by-law statutes and those from the stockholders' board decisions and with the internal control assessment. Also, according to Article 1.2.1.5 of said Decree, for purposes of the application of article 1.2.1.4, it is not necessary for the Statutory Auditor to prepare separate reports, but to express an opinion or notion on each of the topics contained therein. The Technical Council of Public Accounting will issue the necessary technical guidelines for these purposes.

Based on the instructions issued by the Colombia Superintendence of Finance and the evidence obtained in the development of my statutory audit, during the year 2019, on my notion, nothing has come to my attention that makes me believe that: a) the Bank's administrators actions are not according to the by-laws and/or to stockholders' board decisions and b) the internal control measures over accounting and the maintenance and safeguard of the Bank's or third-party assets are not existent or are not appropriate. Also, my recommendations on internal control and other matters have been communicated to BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. BANCOLDEX management in separate reports, which, as of the date of this report, based on a weighting, have been implemented at a 90% and for the remaining 10%, the Bank has action plans in progress.

*This statutory auditor's report has been originally issued in Spanish and is translated into English for the convenience of readers only.*



**JUAN CARLOS SÁNCHEZ NIÑO**  
Statutory Auditor  
Professional License No. 142082 - T  
Appointed by Deloitte & Touche Ltda.

February 25, 2020.