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

CONSOLIDATED FINANCIAL STATEMENTS

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

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

Consolidated Financial Statements

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

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Statutory Auditor's Report

To the stockholders of

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

Opinion

I have audited the attached consolidated financial statements of **BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. – BANCÓLDEX** and its subordinates here on (the Group), which are:

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

In my opinion, the attached consolidated financial statements, that were taken from the accounting books, present fairly in all material respects the financial position of the Group, as of December 31, 2024, as well as its consolidated results and cash flows, for the year ended on that date, in accordance with the Accounting and Financial Reporting Standards accepted in Colombia.

Basis of the 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 financial statements* consolidated section of my report. I am independent of the Group 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 consolidated 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

Key Audit matters are those matters that, in my opinion and judgement, were of the most significance in my Audit of the consolidated financial statements of the current period. These matters were addressed in the context of my Audit of the consolidated financial statements as a whole, and forming my opinion thereon, and I do not provide a consolidated opinion on these matters.

ASSESSMENT OF IMPAIRMENT OF CREDIT PORTFOLIO UNDER IFRS 9

Key Audit Matter

I considered the assessment of impairment of the credit portfolio as a key audit matter, which is the most important and complex estimate in the preparation of the Group's financial statements as of December 31, 2024, since it corresponds to the amount resulting from measuring the deterioration of its loan portfolio. The methodologies for calculating impairment of the credit portfolio incorporate significant complexity that requires judgmental factors in its measurement.

The component of the financial statements called "impairment" presents a balance as of December 31 of 2024 $160.109.580 thousand pesos, on a portfolio of $ 5.319.918.761 thousand pesos.

The Group uses the guidelines established in IFRS 9 (Financial Instruments) for estimating impairment of the credit portfolio, and the impairment measurement is based on the expected loss methodology.

Related Disclosures

View notes 10 of the accompanying consolidated financial statements.

Audit Response

My audit proceeds to approach the key audit matter included, among others, the following:

- I have involved internal specialists (an actuary) in the evaluation of the methodology and assumptions for determining the loss in accordance with compliance.

- Recalculation of the impairment estimate of the Group's credit portfolio under the IFRS 9 model to validate the reasonableness of the estimate.

- Evaluation of the design, implementation and operational effectiveness of the controls related to the calculation of the impairment models.

- Evaluation of IT controls for the information of the application that supports the calculations of the portfolio impairment model.

Responsibilities of Management and those Charged with Governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements are free from material misstatement, weather due to fraud or error.

In preparing consolidated financial statements, management is responsible for assessing the Group’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 Group and or cease operations, or has no realistic alternative but to do so.

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

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

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

Reasonable assurance is a high level of assurance, but it 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 and error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taking on the basis of this consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 Group'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 consolidated 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 consolidated financial statements, including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance of the Group, 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 Group, 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 Group's management report but does not include the consolidated 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 consolidated 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 Group's consolidated financial statements were prepared under the Accounting and Financial Reporting Standards accepted in Colombia, as of December 31, 2023, which are presented for comparative purposes, were audited by another auditor, in accordance with the International Auditing Standards accepted in Colombia, who expressed an unmodified opinion on them on February 27, 2024.

As detailed in note 2.2., the accompanying consolidated 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.

VICTOR MANUEL RAMIREZ VARGAS
Statutory Auditor
Professional License 151419-T

Member of
BDO AUDIT S.A.S. BIC
99975-01-2799-25

Bogotá D.C., February 26, 2025

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2024 and 2023
(In thousands of Colombian pesos)

ASSETS	Notes	December 31, 2024	December 31, 2023
Cash and cash equivalent	7	$ 161,447,805	$ 147,972,234
Financial Instruments			
Investments at fair value through profit or loss - debt instruments	8.1	46,102,833	105,496,609
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	1,096,988,407	987,100,331
Investments at fair value through profit or loss - equity instruments	8.4	246,573	1,024,368
Investments at fair value with changes in OCI - equity instruments	8.5	439,493,272	432,732,898
Investments in joint ventures	8.6	955,816	23,851
Investment impairment	8.7	(12,604,860)	(10,264,003)
Derivative financial instruments	8.8	58,619,018	85,697,815
Other financial assets	9	313,165,727	711,735,470
Credit portfolio and financial lease transactions at amortized cost, net	10	5,293,782,541	7,768,840,872
Business accounts receivable and other accounts receivable, net	11	43,701,318	25,013,890
Current tax assets	28.2	2,321,404	22,570,129
Other non-financial assets	12	31,343,895	25,103,490
Assets held for sale, net	13	77,132,323	65,935,913
Property and equipment, net	14	55,565,534	51,870,328
Assets under operating lease	15	17,468,141	10,866,080
Investment properties	16	12,130,921	12,017,858
Rights-of-use assets	17	9,882,132	9,025,517
Intangible assets	18	6,747,036	8,060,110
Total assets		$ 8,877,978,112	$ 11,761,530,465

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	8.8	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	10,249,268	8,764,285
Income tax	28.2	1,315,050	-
Trade accounts payable and other accounts payable	21	38,791,319	45,179,992
Employee Benefits	22	14,866,238	22,488,789
Estimated liabilities and provisions	23	792,691	734,074
Other liabilities	24	137,299,470	150,559,333
Deferred tax liabilities	28.4	53,492,379	93,832,518
Total liabilities		7,162,034,024	10,066,009,968
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		353,781,542	356,665,959
Accumulated losses from prior years		(117,305,399)	(112,933,132)
Profit for the year		51,272,119	45,515,053
Equity attributable to owners		1,711,001,232	1,690,324,780
Non-controlling interest		4,942,856	5,195,717
Total Equity		1,715,944,088	1,695,520,497
Total liabilities and equity		$ 8,877,978,112	$ 11,761,530,465

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
Member of BDO Audit S.A. BIC
(See my attached report)

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

CONSOLIDATED STATEMENTS OF INCOME
For the years ended December 31, 2024 and 2023
(In thousands of Colombian pesos, except net income per share)

	Notes	2024	2023
INCOME FROM GENERAL ORDINARY OPERATIONS:			
Portfolio financial income and financial leasing operations		$ 1,006,351,436	$ 1,386,311,338
Valuation of investments at fair value - debt instruments, net		153,060,995	117,302,480
Valuation of investments at fair value - equity instruments, net		14,547,139	2,195,927
Valuation at amortized cost of investments, net		163,061,251	-
Commissions and fees		52,927,537	47,288,632
Gain on sale of investments – debt instruments, net		-	799,269
Profit on sale of assets received in lieu of payment and returned, net		-	202,618
Changes, net		-	374,834,078
		1,389,948,358	1,928,934,342
OPERATING EXPENSES			
Interest on deposits and current liabilities		260,653,136	401,159,366
Interest on bank loans and other financial obligations		496,672,299	697,526,102
Financial expenses other interest, net		82,404,043	90,383,580
Loss on sale of assets received in payment and returned, net		137,205	-
Valuation at amortized cost of investments, net		-	138,848,105
Commissions		10,700,217	12,446,503
Valuation expenses for money market operations, net		2,155,667	1,236,482
Loss on Sale of Investments – Debt Instruments, Net		465,309	-
Valuation of derivatives - speculation, net		16,924,434	241,454,253
Changes, net		116,939,327	-
Valuation of derivatives – hedging		7,849,767	14,283,920
		994,901,404	1,597,338,311
RECOVERY (IMPAIRMENT) OF ASSETS			
Loan Portfolio and Financial Leasing Operations		(39,770,750)	(17,908,971)
Operating Leasing Operation		-	(1,677,638)
Accounts Receivable		(70,201,068)	(23,027,131)
Assets received in payment and returned		(6,547,251)	(3,341,005)
Investments		(2,340,855)	115,148
Property and Equipment – Operating Lease		(1,158,665)	-
Other Assets		166,790	195,562
		(119,851,799)	(45,644,035)
DIRECT OPERATING INCOME		275,195,155	285,951,996
OTHER OPERATING INCOME AND EXPENSES – NET			
INGRESOS OPERACIONALES			
Dividends and Equity Interests		11,431,883	7,934,446
Others	26	27,885,846	15,386,579
		39,317,729	23,321,025
OPERATING EXPENSES			
Employee Benefits		103,364,434	103,092,799
Professional Fees		8,150,912	7,851,405
Taxes and Fees		37,298,065	49,952,851
Leases		5,628,802	5,257,038
Depreciation		9,287,572	6,762,784
Amortization		4,153,194	3,325,020
Other	27	49,086,561	41,466,342
		216,969,540	217,708,239
PROFIT, BEFORE INCOME TAX		97,543,344	91,564,782
INCOME TAX AND SUPPLEMENTARY TAXES	28.1	46,271,225	46,049,729
PROFIT FOR THE YEAR		$ 51,272,119	$ 45,515,053
EARNINGS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		821,105	1,192,555
EARNINGS ATTRIBUTABLE TO OWNERS"		50,451,014	44,322,498
PROFIT FOR THE PERIOD		$ 51,272,119	$ 45,515,053
EARNINGS PER SHARE	25.3	$ 48.25	$ 42.83

The accompanying notes are an integral part of the financial statements

JOSÉ ALBERTO GARZÓN GAITÁN
Legal Representative

LUIS MIGUEL MORENO FRANCO
Accountant
Professional License . 77514-T

VICTOR MANUEL RAMIREZ VARGAS
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BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. - BANCOLDEX

CONSOLIDATED 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	$ 51,272,119	$ 45,515,053
OTHER COMPREHENSIVE INCOME		
Componentes de otro resultado integral que no se reclasificarán al resultado del periodo		
Investments in equity instruments		
Valuation at fair value private equity fund	2,566,582	25,417,557
Valuation at fair value of equity instruments	30,424,727	8,125,649
	32,991,309	33,543,206
Revaluation of Property and Equipment, Net of Deferred Tax		
Building valuation	4,787,994	-
	4,787,994	-
Total other comprehensive income that will not be reclassified to income for the period	37,779,303	33,543,206
Components of other comprehensive income that will be reclassified to profit or loss for the period		
FINANCIAL ASSETS AVAILABLE FOR SALE		
Investments in available-for-sale financial assets		
(Impairment) valuation of fixed-rate TES debt instruments	(52,673,488)	104,953,984
(Impairment) valuation of TES Green Bonds debt instruments	(2,530,510)	7,672,221
(Impairment) valuation of CDT debt instruments	(865,326)	1,246,168
	(56,069,324)	113,872,373
CASH FLOW HEDGE		
Cash flow hedges, net of deferred tax	(11,947,684)	37,750,478
Other comprehensive income – cash flow hedges	(11,947,684)	37,750,478
Share of other comprehensive income of associates and joint ventures accounted for using the equity method that will be reclassified to profit or loss		
Investments in associates	(3,211,373)	76,554
	(3,211,373)	76,554
Others		
Deferred tax	26,596,693	(50,456,950)
Profit or loss attributable to non-controlling interests	412,041	(8,870)
Profit or loss attributable to controlling interests	3,555,927	(76,553)
	30,564,661	(50,542,373)
Total other comprehensive income to be reclassified to profit or loss, net of tax	(40,663,720)	101,157,032
Total other comprehensive income	(2,884,417)	134,700,238
TOTAL COMPREHENSIVE INCOME	$ 48,387,702	$ 180,215,291
COMPREHENSIVE INCOME ATTRIBUTABLE TO		
COMPREHENSIVE INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	(3,296,458)	134,709,108
COMPREHENSIVE INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	412,041	(8,870)
	$ (2,884,417)	$ 134,700,238

The accompanying notes are an integral part of the financial statements

JOSÉ ALBERTO GARZÓN GAITÁN
Legal Representative

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(See my attached report)

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

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

		Reserves									
	Capital stock	**Legal**	**Occasional**	**Statutory**	**Share premium**	**Other comprehensive income**	**Accumulated losses**	**Profit for the year**	**Total parent company's share**	**Non-controlling company's share**	**Shareholders' equity**
Balance as of December 31, 2022	$ 1,062,594,968	$ 190,104,422	$ 27,884,760	$ 49,346,690	$ 15,795	$ 221,965,721	$ (87,756,287)	$ 46,045,639	$ 1,510,201,708	$ 5,177,819	$ 1,515,379,527
Transfer of profit for the year	-	-	-	-	-	-	46,045,639	(46,045,639)	-	-	-
Distribution of net income for the period	-	7,113,435	(418,929)	64,435,759		-	(71,130,265)	-	-	-	-
Movements for the year	-	-	-	-	-	(8,870)	(92,219)	1,192,555	1,091,466	(1,165,787)	(74,321)
Other comprehensive income	-	-	-	-	-	134,709,108	-	-	134,709,108	(8,870)	134,700,238
Profit for the year	-	-	-	-	-	-	-	44,322,498	44,322,498	1,192,555	45,515,053
Balance as of December 31, 2023	$ 1,062,594,968	$ 197,217,857	$ 27,465,831	$ 113,782,449	$ 15,795	$ 356,665,959	$ (112,933,132)	$ 45,515,053	$ 1,690,324,780	$ 5,195,717	$ 1,695,520,497
Transfer of profit for the year	-	-	-	-	-	-	45,515,053	(45,515,053)	-	-	-
Distribution of net income for the period	-	4,870,871	(373,930)	17,679,129	-		(48,694,765)	-	(26,518,695)	-	(26,518,695)
Movements for the year	-	-	-	-	-	412,041	(1,192,555)	821,105	40,591	(1,486,007)	(1,445,416)
Other comprehensive income	-	-	-	-	-	(3,296,458)	-		(3,296,458)	412,041	(2,884,417)
Profit for the year	-	-	-	-	-	-	-	50,451,014	50,451,014	821,105	51,272,119
Balance as of December 31, 2024	$ 1,062,594,968	$ 202,088,728	$ 27,091,901	$ 131,461,578	$ 15,795	$ 353,781,542	$ (117,305,399)	$ 51,272,119	$ 1,711,001,232	$ 4,942,856	$ 1,715,944,088

The accompanying notes are an integral part of the financial statements

JOSÉ ALBERTO GARZÓN GAITÁN
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BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A.- BANCÓLDEX

CONSOLIDATED 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	$ 51,272,119	$ 45,515,053
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Income tax	46,271,225	46,049,729
Impairment of investments	5,578,154	12,893,675
Impairment of loan portfolio	107,893,825	80,282,222
Impairment of accounts receivable	77,793,745	33,810,385
Impairment of non-current assets held for sale	8,054,215	4,401,192
Impairment of property and equipment under operating lease	1,651,335	-
Impairment of other assets	-	166,790
Severance expense	3,245,971	2,917,297
Depreciation of property and equipment	2,692,999	1,977,528
Depreciation of assets in use	4,550,130	4,325,998
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	4,153,194	3,325,020
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)	(877,046)
Loss (gain) on sale of investments, net	465,309	(799,269)
Reversal of impairment of investments	(3,237,299)	(13,008,823)
Reversal of impairment of loan portfolio	(68,123,075)	(62,373,250)
Reversal of impairment of accounts receivable	(7,592,677)	(10,783,254)
Reversal of impairment of non-current assets held for sale	(1,506,964)	(1,060,187)
Reversal of impairment of property and equipment under operating lease	(492,670)	-
Reversal of impairment of other assets	-	(362,352)
Restatement of foreign currency bank accounts	5,321,562	609,526
Valuation of investments through profit or loss	(330,669,386)	19,349,698
Valuation of trading derivatives	16,924,434	241,454,253
Valuation of hedging derivatives	(27,116,387)	(22,571,461)
Decrease in equity due to consolidation	(1,445,416)	(74,321)
Subtotal	(158,069,905)	339,567,966
Variation in Operating Accounts		
Increase in derivative financial instruments	(11,823,155)	(237,593,402)
Decrease in loan portfolio	2,435,287,641	732,769,345
Increase in accounts receivable	(88,888,554)	(14,108,797)
Increase in non-current assets held for sale	-	(1,946,188)
Increase in property and equipment	(1,217,373)	(112,175)
Increase in assets in use	(154,350)	(371,708)
Increase in intangible assets	(2,026,357)	(1,622,754)
Decrease in other assets	14,008,319	37,199,225
(Increase) decrease in deferred tax assets	(75,389,914)	149,970,238
Increase (decrease) in lease liabilities	1,484,983	(2,445,672)
Decrease in trade and other payables	(51,344,849)	(40,671,108)
Increase (decrease) in deferred tax liabilities	35,049,775	(104,681,556)
(Decrease) increase in employee benefits	(7,760,781)	3,534,085
Increase (decrease) in estimated liabilities and provisions	58,617	(45,511)
Decrease in other liabilities	(13,259,863)	(24,124,582)
(Decrease) increase in other comprehensive income	(2,884,417)	134,700,238
Severance payments	(3,107,742)	(2,448,524)
Subtotal	2,228,031,980	628,001,154
Total adjustments	2,069,962,075	967,569,120
Net cash provided by operating activities	2,121,234,194	1,013,084,173
CASH FLOWS FROM INVESTING ACTIVITIES:		
Decrease in money market operations	398,569,743	133,271,610
Decrease (increase) in investments	350,013,661	(69,956,725)
Additions of non-current assets held for sale	(29,977,052)	(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	(813,762)	(1,685,619)
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	714,211,097	43,735,523
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
Increase in borrowings from banks 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	13,475,571	(18,368,220)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	147,972,234	166,340,454
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 161,447,805	$ 147,972,234

The accompanying notes are an integral part of the financial statements

JOSÉ ALBERTO GARZÓN GAITÁN
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Statutory Auditor
Professional License 151419
Member of BDO Audit S.A. BIC
(See my attached report)

1. REPORTING ENTITY

1.1. Economic 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.

1.2. Consolidated values by Entity - The following is the value of consolidated assets, liabilities and equity broken down by each of the Entities, and their percentage of participation in the consolidated value including removals as of December 31, 2024 and 2023 (figures expressed in millions of pesos):

2024	**Assets**	**% Part.**	**Liabilities**	**% Part.**	**Equity**	**% Part.**	**Profit for the year**	**% Part.**
Bancóldex	$ 9,023,603	101.64	$ 7,314,368	102.13	$ 1,709,235	99.61	$ 50,446	98.39
Fiducóldex	77,805	0.88	13,245	0.18	64,560	3.76	7,907	15.42
Deferred tax assets	(164,703)	(1.86)	(164,703)	(2.30)	-	-	-	-
Net effect of eliminations	(58,727)	(0.66)	(876)	(0.00)	(57,851)	(3.37)	(7,081)	(13.81)
Consolidated	$ 8,877,978	100.00	$ 7,162,034	100.00	$ 1,715,944	100.00	$ 51,272	100.00

2023	**Assets**	**% Part.**	**Liabilities**	**% Part.**	**Equity**	**% Part.**	**Profit for the year**	**% Part.**
Bancóldex	$ 11,832,932	100.61	$ 10,144,328	100.78	$ 1,688,604	99.59	$ 44,322	97.38
Fiducóldex	78,723	0.67	12,119	0.12	66,604	3.93	11,484	25.23
Deferred tax assets	(89,313)	(0.76)	(89,313)	(0.89)	-	-	-	-
Net effect of eliminations	(60,812)	(0.52)	(1,124)	(0.00)	(59,688)	(3.52)	(10,292)	(22.61)
Consolidated	$ 11,761,530	100.00	$ 10,066,010	100.00	$ 1,695,520	100.00	$ 45,514	100.00

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1. Accounting standards applied - The accompanying consolidated financial statements of the Bank and its subsidiary (hereinafter "the Group"), in accordance with the current provisions established by Law 1314 of 2009, which was regulated, compiled and updated by Decree 2611 of 2022, Decree 938 of 2021, and previous Decrees, 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.

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

2.2. Basis of preparation

a. The Bank and the subsidiary have defined in their bylaws to make a cut-off of their accounts and prepare and disseminate general purpose financial statements once a year. Pursuant to Colombian legislation, the Bank must prepare consolidated and separate financial statements. The separate financial statements serve as the basis for the distribution of dividends and other appropriations by the stockholders. The consolidated financial statements are submitted before the General Shareholders' Meeting for purposes of reporting consolidated management. The functional currency is the Colombian peso, which is the currency of the main economic environment where 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 - The consolidated financial statements were prepared on a going concern basis. It was determined that there are not any uncertainties about facts, events or conditions that may cast significant doubt on the Entities' ability to continue as a going concern. The judgments by which the Entities were determined to be a going concern relate to the evaluation of the current financial position, their current intentions, the results of operations and access to financial resources in the financial market. The impact of such factors on future operations was also considered and no situation was determined that would make it impossible for the Entities to operate as a going concern.

3. SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies applied in the preparation of the consolidated financial statements are detailed below.

3.1. Consolidation and equity method - Pursuant to Colombian law and IFRS 10, Entities must prepare consolidated and separate financial statements. The separate financial statements serve as the basis for the distribution of dividends and other appropriations by the shareholders. The consolidated financial statements are submitted before the General Shareholders' Meeting and show the assets, liabilities, equity, income, expenses and cash flows of the parent company and its subsidiary as if they were a single economic entity.

Entities in which control is exercised – Pursuant to International Financial Reporting Standard IFRS 10, the Bank is required to prepare consolidated financial statements with Entities in which it exercises control. The Bank has control in another entity if, and only if, all of the following conditions are met:

- Power over the investee that gives it the current ability to direct its relevant activities that significantly affect its performance.

- Exposure, or right, to variable returns from its involvement in the investee.

- Ability to use its power over the investee to influence the amount of investor returns.

In the consolidation process, the Bank combines the assets, liabilities and results of the Entities in which it exercises control, after homogenizing their accounting policies. In this process, reciprocal transactions and unrealized profits between them are eliminated. The participation of non-controlling interests in the controlled entities is presented in equity separately from the equity of the Bank's stockholders.

Homogenization of accounting policies - The Bank performs homogenization to apply uniform accounting policies for transactions and other events that, being similar, have occurred under similar circumstances.

3.2. Foreign currency transactions - In order to present the financial statements, assets and liabilities in functional 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 assets - All regular purchases or sales of financial assets are recognized and derecognized on a trade date. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the term established by regulation or by the market.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of such financial assets.

3.5.1 Classification of financial assets - Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and

- The contractual terms of the financial asset give rise, at specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value recognized in other comprehensive income:

- The financial asset is held within a business model whose objective is achieved by collecting contractual cash flows and selling the financial assets; and

- The contractual terms of the financial asset give rise, at specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss.

Nonetheless, the Bank and its subsidiary may make the following irrevocable election at the time of initial recognition of a financial asset:

- The Bank and its subsidiary may irrevocably elect to present subsequent changes in the fair value of an equity investment in other comprehensive income if certain criteria are met (see 3.5.1.2); and

- The Bank and its subsidiary may irrevocably designate a debt investment that meets the amortized cost or fair value criteria recognized in other comprehensive income measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch (see 3.5.1.3).

3.5.1.1 Amortized cost and effective interest method: The effective interest method is a way to calculate the amortized cost of a debt instrument and to allocate interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that are part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the debt instrument or, if shorter, to the gross carrying amount of the debt instrument on initial recognition. For credit-impaired financial assets purchased or originated, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any tolerable losses. On the other hand, the gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any allowance for losses.

Interest income is recognized using the effective interest method for debt instruments subsequently measured at amortized cost and at fair value recognized in other comprehensive income. For financial instruments other than credit-impaired financial assets acquired or originated, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that are subsequently impaired (see 3.5.3). For financial assets that are subsequently impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For acquired or originated credit-impaired financial assets, the Bank and its subsidiary recognize interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset upon initial recognition. The calculation does not revert to the gross basis, even if the credit risk of the financial asset subsequently improves, so that the financial asset is no longer credit-impaired.

For financial instruments other than credit-impaired financial assets purchased or originated, the Bank and its subsidiary recognize interest income by applying the effective interest rate without incorporating transaction costs considering that they are not material, because Bancóldex is a second-tier bank.

3.5.1.2 Equity instruments designated as at fair value through other comprehensive income: At initial recognition, the Bank and its subsidiary may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at fair value through other comprehensive income. Designation at fair value recognized in other comprehensive income is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.

A financial asset is held for trading if:

- has been acquired principally for the purpose of selling it in the short term; or
- at initial recognition, is part of a portfolio of identified financial instruments that the Bank manages together and has evidence of a recent actual pattern of short-term profit taking; or
- is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument). Investments in equity instruments at fair value recognized in other comprehensive income are initially measured at fair value.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss will not be reclassified to gain or loss on disposal of equity investments, instead, they will be transferred to retained earnings.

Dividends on these equity investments are recognized in income when the Bank's right to receive the dividends is established in accordance with IFRS 15 Income, unless the dividends clearly represent a recovery of part of the cost of the investment.

3.5.1.3 Financial assets at fair value through profit or loss: Financial assets that do not meet the criteria to be measured at amortized cost or at fair value recognized in other comprehensive income (see 3.5.1.1 and 3.5.1.2) are measured at fair value through profit or loss. Specifically:

- Investments in equity instruments are classified as measured at fair value through profit or loss, unless the Bank and its subsidiary designate an equity investment that is neither held for trading nor has contingent consideration arising from a business combination at fair value recognized in other comprehensive income on initial recognition (see 3.5.1.2).

- Debt instruments that do not meet the amortized cost criteria or the criteria for fair value recognized in other comprehensive income (see 3.5.1.1) are classified as at fair value through profit or loss. Additionally, debt instruments that meet the amortized cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss on initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing gains and losses on them on different bases.

Financial assets at fair value through profit or loss are measured at fair value at the end of each reporting period, with any fair value gain or loss recognized in profit or loss to the extent that they are not part of a designated hedging relationship (see 3.9).

3.5.2 Foreign currency gains and losses - The carrying amount of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period as follows:

- In the case of financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in income under "other gains and losses";

- In the case of debt instruments measured at fair value recognized in other comprehensive income that are not part of a designated hedging relationship, exchange differences in the amortized cost of the debt instrument are recognized in income under "other gains and losses". Other exchange differences are recognized in other comprehensive income in the investment revaluation reserve;

- In the case of financial assets measured at fair value through profit or loss that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss under "other gains and losses"; and

- In the case of equity instruments measured at fair value recognized in other comprehensive income, exchange differences are recognized in other comprehensive income in the investment revaluation reserve.

3.5.3 Impairment of financial assets - The Bank and its subsidiary recognize an allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at fair value recognized in other comprehensive income, as well as on credit commitments. No impairment loss is recognized for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the corresponding financial instrument.

The Bank and its subsidiary always recognize expected credit losses over the life of the loan for the portfolio. Expected credit losses on these financial assets are estimated using an allowance matrix based on the Bank's and its subsidiary's historical credit loss experience, adjusted for factors that are specific to the obligors, general economic conditions and an assessment of both current management and expected conditions at the reporting date, including the time value of money where applicable.

For all other financial instruments, the Bank and its subsidiary recognize expected credit losses over the life of the loan when there has been a significant increase in credit risk since initial recognition. On the other hand, if the credit risk on the financial instrument has not increased significantly since the initial recognition, the Bank and its subsidiary measure the allowance for losses for that financial instrument at an amount equal to 12 months of expected credit losses over the life of the loan. The assessment of whether to recognize expected credit losses over the life of the loan is based on significant increases in the probability or a risk of default occurring since the initial recognition rather than on evidence that a financial asset may be impaired at the reporting date or an actual default occurs.

Lifetime expected credit losses represents the expected credit losses that will result from all possible events of default over the expected life of a financial instrument. In contrast, 12 months of lifetime expected credit losses represents the portion of lifetime expected credit losses over the life of the credit that are expected to result from events of default on a financial instrument that are possible within 12 months after the reporting date.

The duration of expected credit losses over the life of other accounts receivable represents the expected credit losses that will result from a significant increase in credit risk or, if there has not been an increase in risk since initial recognition, the impairment loss is measured at an amount equal to the expected credit losses for the next 12 months. Applying this simplified model for accounts receivable other than those related to the loan portfolio.

3.5.3.1 Significant increase in credit risk: In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Bank and its subsidiary compare the risk of default on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Bank and its subsidiary consider quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information which may be available without cost or effort. The forward-looking information considered includes the future outlook for the industries where the Bank's and its subsidiary's debtors operate, obtained from reports of economic experts, financial analysts, government agencies, relevant think tanks and other similar organizations, as well as, consideration of various external sources of actual and forecast economic information related to the Bank's and its subsidiary's principal operations.

The following specific information is taken into account when assessing whether credit risk has increased significantly since the initial recognition:

- A significant actual or expected deterioration in the external (if available) or internal credit rating of the financial instrument;

- Significant deterioration in external market credit risk indicators for a particular financial instrument, for example, a significant increase in the credit spread, credit default for the debtor of interest rate swap prices, or the time or extent to which the fair value of a financial asset has been less than its amortized cost;

- Existing or anticipated adverse changes in business, financial or economic conditions that are expected to cause a significant decline in the debtor's ability to meet their debt obligations;

- A significant actual or expected deterioration in the debtor's operating results;

- Significant increases in credit risk in other financial instruments of the same debtor;

- An actual or expected material adverse change in the debtor's regulatory, economic or technological environment that results in a significant decrease in the debtor's ability to meet their debt obligations.

Regardless of the outcome of the assessment described above, the Bank and its subsidiary presume that the credit risk on a financial asset has increased significantly since its initial recognition when contractual payments are more than 30 days past due, unless the Bank and its subsidiary have reasonable and reliable information to the contrary.

Notwithstanding this consideration, the Bank and its subsidiary assume that the credit risk on a financial instrument has not increased significantly since its initial recognition if the financial instrument is determined to have a low credit risk at the reporting date. A financial instrument is determined to have a low credit risk if: i) the financial instrument has a low risk of default, ii) the borrower has a high capacity to meet its contractual cash flow obligations in the short term and iii) adverse changes in economic performance and business conditions over the longer term may, but do not necessarily, reduce the borrower's ability to meet its contractual cash flow obligations. The Bank and its subsidiary consider a financial asset to have low credit risk when it has an internal or external credit rating of "investment grade" as defined globally.

For loan commitments and financial guarantee contracts, the date when the Bank and its subsidiary become party to the irrevocable commitment is considered the date of initial recognition for assessing impairment of the financial instrument. In assessing whether there has been a significant increase in credit risk since the initial recognition of a loan commitment, the Bank and its subsidiary consider changes in the risk of default on the loan to which a loan commitment relates.

The Bank and its subsidiary regularly monitor the effectiveness of the criteria used to identify whether a significant increase in credit risk has occurred and reviews them as needed to ensure that the criteria are capable of identifying a significant increase in credit risk before the amount is past due.

3.5.3.2 Definition of credit in default: The Bank and its subsidiary consider that the following conditions represent an event of default for internal credit risk management purposes, as historical experience indicates that accounts receivable meeting any of the following criteria are generally not recoverable.

- When there is a breach of financial covenants by the counterparty; or

- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Bank and its subsidiary, in full (without taking into account any collateral held by the Bank and its subsidiary).

Regardless of the above analysis, the Bank and its subsidiary consider that a default has occurred when a financial asset has more than 90 days to maturity, unless the Bank and its subsidiary have reasonable and supportable information to demonstrate that a default criterion with more days to maturity is more appropriate.

3.5.3.3 Impaired financial assets: A financial asset is credit-impaired when one or more events have occurred that have a detrimental impact on the estimated future cash flows of that financial asset. Evidence that a financial asset is credit impaired includes observable data on the following events:

a) Significant financial difficulty of the issuer or borrower;

b) A breach of contract, such as a default or an overdue event (see 3.5.3.2);

c) The borrower's lender(s), for economic or contractual reasons related to the borrower's financial hardship, having granted the borrower a concession(s) that the lender(s) would not otherwise consider;

d) The borrower is likely to enter bankruptcy or other financial reorganization; or

e) The disappearance of an active market for that financial asset due to financial difficulties.

3.5.3.4 Write-off policy: The Bank and its subsidiary write off a financial asset when there is information indicating that the counterparty is in serious financial difficulty and there is not any realistic prospect of recovery, for example, when the counterparty has been placed in liquidation or has entered bankruptcy proceedings. In the case of trade receivables, this happens when balances are over two years past due, whichever is earlier. Derecognized financial assets may still be subject to compliance activities in accordance with the Bank's and its subsidiary's recovery procedures, taking into account legal advice where appropriate. Any realized recoveries are recognized in income.

3.5.3.5 Measurement and recording of expected credit losses: The measurement of expected credit losses is a function of the probability of default, the loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted for forward-looking information as described above. For exposure at default in the case of financial assets, it is represented by the gross carrying value of the assets at the reporting date. In the case of credit commitments and financial guarantee contracts, the exposure includes the amount stated at the reporting date, together with any additional amount expected to be obtained in the future per default date determined based on historical trend, understanding of the specific future of the Bank and its subsidiary, the financing needs of the debtors and other relevant forward-looking information.

As far as financial assets are concerned, the expected credit loss is estimated as the difference between all contractual cash flows due to the Bank and its subsidiary under the contract and all cash flows that the Bank and its subsidiary expect to receive, discounted at the original effective interest rate. In the case of a lease receivable, the cash flows used to determine expected credit losses are consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16 Leases.

If the Bank and its subsidiary have measured the loss allowance for a financial instrument at an amount equal to the expected lifetime credit losses in the prior reporting period but determine at the current reporting date that the conditions for expected lifetime credit losses are no longer met, the Bank and its subsidiary measure the loss allowance at an amount equal to 12 months expected lifetime credit losses at the current reporting date.

The Bank and its subsidiary recognize an impairment loss or gain in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a provision for loss account, except for investments in debt instruments that are measured at fair value recognized in other comprehensive income. In this case, the provision for loss, other comprehensive income and accruals are recognized in the investment revaluation reserve and does not reduce the carrying amount of the financial asset in the statement of financial position.

3.5.4 Derecognition of financial assets - The Bank and its subsidiary derecognize a financial asset only when the contractual rights to the cash flows from the asset expire, or when they transfer the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Bank and its subsidiary neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Bank and its subsidiary recognize its retained interest in the asset and an associated liability for amounts payable. If the Bank and its subsidiary retain substantially all the risks and rewards of ownership of a transferred financial asset, the Bank and its subsidiary continue to recognize the financial asset and also recognize a secured borrowing for the proceeds received.

Upon derecognition of a financial asset measured at amortized cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognized in the profit or loss section.

3.6. Financial investment assets - The Bank and its subsidiary value most of its investments using information provided by the price vendor - PRECIA S.A. The vendor provides inputs for the valuation of investments (prices, rates, curves, spreads, etc.).

Fair value estimate - In accordance with IFRS 13 "Fair Value Measurement", fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Thus, the fair value valuations of the Bank's and its subsidiary's investment financial assets are carried out as follows:

- The information provided by the price supplier - PRECIA S.A., is used for instruments whose valuation inputs are published on a daily basis, according to previously approved investment valuation methodologies.

- The fair value of financial assets that are not quoted in an active market is determined using valuation techniques. The Bank and its subsidiary use a variety of methods and make assumptions based on market conditions in effect at each reporting date. The applied valuation techniques include the use of recent comparable and arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. The Bank makes the maximum use of market data and minimizes the use of unobservable inputs.

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 securities in order to obtain profits due to fluctuations in the market value and in the	Valuation of securities is conducted daily. Prices determined by PRECIA S.A. price provider are used for valuation. In cases where there is not fair value at valuation day,	Accounting should be performed in the Investments accounts at Amortized Cost of the Single Financial Reporting Catalogue (CUIF) for Monitoring purposes.

Classification	Characteristics	Valuation	Accounting
	purchase and sale of such securities.	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.	The present value is accounted for 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.
Instruments at amortized cost	Securities and in general any type of investments for which the Bank and its subsidiary have the serious purpose and 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. Similarly, they may be provided as collateral in a	Exponentially from the internal rate of return calculated at the time of purchase, based on a 365-day year. This procedure is performed 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
	central counterparty clearing house in order to support the accepted operation performance for offsetting and settlement and/or as collateral for monetary market operations.		
Available-for-sale - in equity instruments	This category includes investments in subsidiaries, associates, private equity funds, National Guarantee Fund, Bladex and participations in joint ventures. It also includes investments that give the Entities the status of co-owner of the issuer.	Investments in subsidiaries must be accounted for in Bancóldex' books or in the books of the controlling company by the equity method in the consolidated financial statements. When the rules of the Commercial Code or other legal provisions do not provide for the accounting treatment of investments in subsidiaries and interests in joint ventures, the entities must comply with the provisions of IAS 27, IAS 28 and IAS 11, as applicable. Equity investments are valued at fair value. Changes in fair value are recorded directly through other comprehensive income until the financial asset is derecognized in the statement of financial position or impaired. Then, the amount recognized therein is charged to income for the period.	The effect of the valuation of the investor's interest is recorded in the respective Unrealized Profit or Loss (ORI) account, with a charge or credit to the investment. Dividends distributed in kind or in cash should be recorded as income, adjusting the corresponding Unrealized Profit or Loss account (maximum up to their accumulated value) and, if necessary, also the value of the investment in the amount of the excess over that account.

Trust rights - The Entities value these investments with the information provided by the respective management company or - PRECIA S.A. (value of the unit).

- *Investment repurchase rights* These are restricted investments that represent collateral for investment repurchase agreements. On these investments, the Entities retain 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.

3.7. Loan portfolio and leasing operations - The provisions applicable to the presentation, classification, evaluation and valuation of the loan portfolio, credit risk, restructurings, portfolio impairment, portfolio write-offs, amongst others, will be recognized under IFRS 9. The resources used in granting loans come from the Bank's own resources, from the public in the form of deposits and from other external and internal financing sources. Loans are recorded at the disbursement value, except for Bancóldex' discounted commercial portfolio, which is recorded at discount.

Classification of the loan portfolio - Classification of the Entities' loan portfolio includes the following types:

- *Commercial* - These are credits granted to natural or legal persons to develop organized economic activities different from microcredits. Bancóldex' portfolio is a rediscount portfolio, which 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.

  In the case of Bancóldex, it only applies to the financing of business activities. Promissory notes are currently rediscounted if they have been signed with companies (legal entities or individuals with productive activity) before an eligible financial entity and with a current quota, and available in Bancóldex. The Bank, in turn, assigns them through endorsement.

  This portfolio includes:

  Agreements: These are loans disbursed by Bancóldex under the modality of agreements with contributions from third parties. This portfolio is granted by the Bank in the following categories:

  - With rate compensation with third party resources due to the effects of the differential of market lending rates offered by the Bank.

  - With rate compensation with third party resources and the Bank's resources due to the effects of the spread of market lending rates offered by the Bank.

  The contributor assumes a large part of the resulting differential between the contractual rate and the market rate.

  Document discount: 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.

  Portfolio at market rates: This is a credit line granted in Colombian or foreign legal currency to Colombian financial intermediaries with a credit quota in force and available at the Bank. They, in turn, may carry out active credit operations in legal currency that are expressly authorized by Colombian legislation, and that are aimed at financing operations with the business sector.

  Special-line portfolio: These are loans disbursed by the Bank under the special line modality. This portfolio is granted by the Bank with rate compensation given directly by the Bank, due to the effects of the differential of the active rates offered in certain lines. This rate differential will be assumed by the Bank in its entirety.

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

Interest income - Interest income on a financial asset is recognized when it is probable that the economic benefits associated with the transaction will flow to the Bank and the amount of revenue can be measured reliably. Interest income is recognized on a time basis, by reference to the principal outstanding and the applicable effective interest rate, which is the discount rate that exactly matches the estimated cash flows receivable or payable over the expected life of the financial instrument to the net carrying amount of the financial asset on initial recognition.

Revenues from ordinary activities are recognized on the following bases:

Interest is recognized using the effective interest method. The effective interest method is applied to calculate the amortized cost of an asset and to allocate interest income or interest cost over the relevant period. The effective interest rate is the rate that exactly equals the estimated future cash payments or receipts over the expected life of the financial instrument, or when appropriate, for a shorter period, to the net carrying amount of the asset at initial recognition. To calculate the effective interest rate, cash flows are estimated considering all contractual terms of the financial instrument without considering future credit losses and considering the initial transaction or grant balance, the transaction costs and premiums granted, minus commissions and discounts received, which are an integral part of the effective rate.

From a legal point of view, interest on arrears is contractually agreed and as such can be assimilated to variable interest caused by a default of the debtor. In that sense, such interest is caused when the contractual obligation to do so arises, regardless of future credit losses, as established in the definition of the effective interest rate. Therefore, such balance is part of the total indebtedness with the client that is evaluated for the determination of impairment following the procedures established for such purpose, either through individual evaluation or collective evaluation.

Impairment - IFRS 9 Expected Loss Approach - The methodology used by the Entities to measure impairment of financial assets is based on the expected-loss methodology. Bancóldex Group follows the guidelines defined by IASB in IFRS 9 (financial instruments).

IFRS 9 establishes an expected loss model, based on three components of credit loss: probability of default, exposure at default, and loss given default under the guidelines of IFRS 9 accounting standard.

Probability of default is defined as the probability that a counterparty will not be able to meet their obligations within a certain period of time, and thus, they will be classified as default. For the estimation of default probabilities in the different segments, Bancóldex Group used two methodologies: transition matrices and reference data. The transition matrices were used for the most representative part of the portfolio using as input the history of risk ratings of the debtors of the group's entities. The reference methodology is used when there is not enough historical information to be able to calculate the probabilities of default and therefore the historical information of a similar entity is used.

Loss given default represents the portion of the exposure that is not recovered when the borrower defaults. Several approaches were used to determine loss given default, considering the available information and the behavior of the portfolio. The Bank used the industry's best practices (Basel, Superintendencia Financiera de Colombia and *Recovery Rates* region) as a reference to assign loss given default to the most significant segments.

IFRS 9 establishes the calculation of the expected loss for credit risk based on a three-step classification of transactions:

Stage 1.- Assets with no significant deterioration in their credit quality since their initial recognition or that have a low credit risk at the calculation date. The expected loss will be recognized over a 12-month time horizon.

Assets with a significant increase in their credit quality since initial recognition or that have a low credit risk at the calculation date. The expected loss will be recognized over the life of the asset.

Stage 3.- Assets with objective evidence of impairment. The expected loss will be recognized over the life of the asset.

The qualifying bearings from the initial recognition to the calculation date are taken into account in order to establish the stage to which each transaction corresponds. The days in arrears of the transaction are also taken into account. IFRS 9 defines the maximum days in arrears for assignment of the transaction in each stage, as follows:

Stage 1.- Transactions with 0 to 30 days past due.

Stage 2.- Transactions 31 to 90 days past due.

Stage 3.- Transactions over 90 days past due.

Write-offs of loans and receivables - A loan or receivable is subject to write-off against impairment for loans or receivables, respectively, when all possible collection mechanisms have been exhausted, and it is considered unrecoverable. The Board of Directors defines periodic dates to authorize write-offs.

The penalty does not relieve the officers of the responsibilities they may have for the approval and administration of the loan, nor does it exempt them from the obligation to continue collection efforts to achieve collection.

Recoveries of previously written-off financial assets are recorded in the income statement.

Restructured loans - The restructuring of a loan is understood as any exceptional mechanism implemented through the execution of any legal transaction. The purpose is to modify the originally agreed conditions in order to allow the debtor to meet their obligation adequately in face of actual or potential deterioration of their payment capacity. Restructured loans are recorded at the time of restructuring at the present value of the future cash flows expected in the agreement, discounted at the original rate of the asset before the restructuring was applied.

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.

The Entities negotiate 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, Entities usually assign 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 and its subsidiary.

3.9. Hedge accounting - The Bank and its subsidiary designate 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 and its subsidiary document 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 and its subsidiary document 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 its subsidiary and the hedging instrument amount actually used by the Bank and its subsidiary to hedge the hedged item amount.

If a hedging relationship no longer meets the hedge effectiveness requirement related to the hedging relationship, but the risk management objective for that designated hedging relationship remains the same, the Bank and its subsidiary adjust the hedging relationship (i.e., rebalance the hedge) to meet the qualification criteria again.

The Bank and its subsidiary designate 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 8.8 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 and its subsidiary cancel 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 Entities have 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 Entities and there is enough evidence demonstrating that Entities remain committed to their plan to sell the asset.

Entities shall recognize non-current assets held for sale 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 and the recognition established in IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations.

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 Entities 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.

Initial measurement - Entities measure assets received in lieu of payment (or groups of assets for disposal) classified as held for sale at the lower of

- Its book value; or
- fair value minus the cost of sale.

Subsequent measurement - Entities shall measure goods received in lieu of payment at the lower of carrying amount or fair value minus the costs to sell them.

When the sale is expected to occur beyond the one-year period, the Entities shall measure the costs to sell at present value. Any increase in the present value of those costs to sell arising from the passage of time is presented in the income statement as a finance cost.

Expenses incurred with goods received in lieu of payment must be recorded in the statement of income. On the other hand, they should be measured at the lower of fair value and book value, minus the costs incurred to make the sale.

Impairment of assets received in lieu of payment

Entities shall recognize an impairment loss for initial or subsequent write-downs of the asset (or group of assets for disposal) to fair value minus the costs to sell.

On the other hand, the Entities shall recognize a gain for any subsequent increase arising from the measurement of the fair value minus the costs to sell an asset, but not exceeding the cumulative impairment loss that has been recognized. See the Asset Impairment Policy.

Entities shall not depreciate (or amortize) assets received in lieu of payment while they are classified as held for sale, or while they form part of a disposal group classified as held for sale. However, interest and other expenses attributable to the liabilities of a group of assets held for sale will continue to be recognized.

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 be continued.

3.10.2 Returned goods is a principle that records the value of goods returned to the Bank and its subsidiary. The use of such goods has been exercised by the customer in leasing contracts. This happens when the parties freely agree to return the goods or when such restitution is the result of a process for non-payment of fees.

The restitution of these assets should be recorded at book cost (cost minus accumulated depreciation). These assets are not subject to depreciation.

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 Entities 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 Entities either when they acquired the asset or as a result of having used the asset for purposes other than the productive operation of the Entities.

In the case of capitalized improvements, the costs are required to increase the useful life, increase the capacity, or increase the value of the asset. Repairs and/or maintenance carried out on property and equipment, which only repair or maintain the asset, and therefore maintain the conditions in terms, for example, of the useful life or the expected future economic benefits derived from the use of the same element, should be recognized as an expense in the period in which they are incurred, i.e., they will have a net effect on the statement of income.

Start-up costs cannot be capitalized as part of the cost of property and equipment. Unless the need to incur these costs is identified, in order to return the asset to its normal operating conditions, for which, in all cases, the corresponding analysis must be performed prior to their recognition.

Subsequent measurement: Subsequent to its recognition as an asset, an item of property and equipment is 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 furnishings	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 given in bailment	Cost Model
Art and cultural assets	Cost Model

The Entities 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 management.

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 Entities faithfully consider 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 residual value and useful life of an item of property and equipment will be reviewed at least annually and if expectations differ from previous estimates, the changes will be accounted for as a change in accounting estimates prospectively.

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 Entities are as follows:

Bancóldex

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

Subsidiary - Fiducóldex

Group of Assets	Residual value	Useful life
Buildings	This will be the value of the land	According to the technical study.
Furniture and fixtures	0%	10
Computer equipment	0%	3
Vehicles	0%	5

The Entities perform an annual impairment review to assess whether it is necessary to determine a new revalued cost, which will be determined by an expert appraiser. The appraiser will use the techniques established in the International Valuation Standards (IVS). If there is reasonable assurance of an increase or decrease in the value of the buildings, the new revalued cost must be determined.

In such case, when there is an increase in fair value from one period to another, it will be recognized as part of the cost of property and equipment with a charge to "Other Comprehensive Income". Similarly, when there are decreases in the fair value, first the valuation recorded in Other Comprehensive Income will be written off and if there is a remainder, it will be recognized in the income statement.

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 Entities 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 and its subsidiary'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 Entities 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 Entities 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 Entities.

- 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.

- In 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 Entities 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 Entities determine that intangible assets with a finite useful life are amortized based on the estimation of their useful life as follows:

Bancóldex

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

Fiducóldex - The subsidiary makes cash payments to purchase licenses. The use of the licenses will be between 3 and 15 years, depending on the type of license. The useful lives and residual value established by the Fiduciary are listed below:

Group of Assets	Useful life	Residual value
Core	15 years	-
Software (licenses)	3 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 Entities in the conduct of their 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 Entities 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 Entities 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 the Entities' 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 Entities 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 according to the applicable requirements of IFRS 9.

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.

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 Entities have 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.

Upon initial recognition, the Entities classify debt instruments issued as financial liabilities measured at amortized cost. Additionally, based on a cost/benefit and materiality analysis in accordance with the provisions of the Conceptual Framework, transaction costs are recognized directly in profit or loss in the period when they are incurred.

In subsequent measurement, the Entities shall measure debt instruments issued at amortized cost, applying the effective interest method.

3.16.3 Derecognized financial liabilities: The Entities shall derecognize financial liabilities if, and only if, the Entities' obligations expire, are cancelled 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 Entities:

- Have 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 Entities 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 Entities 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 Entities 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 Entities' 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.

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 Bancóldex. 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 *Entities as lessors:* 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 *Entities as lessees* - The Entities 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 Entities 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 Entities recognize 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.

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 Entities 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 Entities 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 Entities recognize revenue when:

- Their amount can be measured reliably

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 Entities and that ordinary income can be measured reliably).

Interest: Interest income on a financial asset is recognized when the Entities are 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 Entities recognize the income not included in the categories above in profit or loss for the period.

3.23. Joint operations - Based on the analysis performed by Fiducóldex, it recognizes its participation in consortiums as a joint operation for the statement of financial position. Thus, it will account for the assets, liabilities, income from ordinary activities and expenses related to such participation.

Fiducóldex, recognizes its participation in a joint operation regarding the following items:

- Its assets, including its interest in jointly held assets.

- Its liabilities, including its share of jointly incurred liabilities.

- Its income from ordinary activities from the sale of its interest in the product arising from the joint operation.

- Its share in the revenues from ordinary activities from the sale of the product that makes up the joint operation.

- Its expenses, including its share of jointly incurred expenses.

- Assets, liabilities, income from ordinary activities and expenses related to the participation in a joint operation will be accounted for according to the policies applicable to Fiducóldex.

When Fiducóldex enters into a transaction with a joint operation where it is a joint operator, such as a sale or contribution of assets, it is entering into the transaction with the other parties to the joint operation and as such will recognize gains and losses from this transaction only to the extent of the other parties' interests in the joint operation.

When these transactions provide evidence of a reduction in the net realizable value of the assets to be sold or contributed to the joint operation or of an impairment of those assets, such losses are recognized in full by the joint operator.

Additionally, Fiducóldex has an interest in a joint venture, which is a jointly controlled company, through which the participants have a contractual agreement that establishes joint control over all economic activities of such company. The contract requires that the agreement between the parties regarding financial and operating decisions be unanimous.

Fiducóldex records its interest in the joint venture using the proportional equity method. The Fiduciary incorporates its proportionate share of the assets, liabilities, income and expenses of the joint venture with the corresponding similar items, line by line in the financial statements. The financial statements of the joint venture are prepared for the same period as those of Fiducóldex and the necessary adjustments are made to homogenize any differences that may exist regarding the accounting policies of Fiducóldex.

Once joint control is lost, Fiducóldex values and recognizes the investments held at fair value. Any difference between the carrying value of the jointly controlled investment and the fair value of the investment held plus the proceeds from the sale are recognized in the income statement.

When significant influence is exercised over the remaining investment, the investment is accounted for as an associate.

3.24. Operating segments - In order to comply with the provisions of IFRS 8 - Consolidated Operating Segments, the following segments have been defined. They describe the activities carried out by each of the Group's Entities and whose results are permanently monitored internally by the Board of Directors as the highest authority in operational decision making. This is done through the Financial Vice-Presidency and the Corporate Finance Department.

- *Bancóldex* - The products will be framed within Bancóldex' strategy whose main objective is to promote the business and economic growth of Colombian companies through financial and non-financial products. It takes into account the nature of the activities carried out as a Development Bank, which contributes to the generation of the financial margin.

  The products and/or concepts included within each of the segments with the factors identified for each of them are as follows:

  - *Loan portfolio*: It comprises the portfolio loans that the Bank disburses to promote business development. The factors considered to identify the portfolio operation segments are mainly based on the classification by currencies (COP and USD) and a subsequent grouping of the portfolio lines that the Bank promotes and that contribute to the financial margin. This differentiation is very important and is considered independently at the time of establishing the pricing and profitability models, since the type of support to the companies and the destination depend on the demand for resources in the currency they require. This in turn also has repercussions on the funding for each type of portfolio (COP and USD), since Bancóldex is funded in the capital market and with equity for the COP portfolio, while it is funded mainly with multilateral entities and with Correspondent Banking for the USD portfolio.

Peso portfolio: It comprises the commercial portfolio in pesos, including discount operations of documents in pesos, *leasing*, employee and ex-employee portfolios.
Foreign currency portfolio: It comprises the commercial portfolio in foreign currency including discount operations of documents in foreign currency.

- *Investments and treasury products*: Regarding the factors to identify these segments, the Bank orients the Treasury operation to portfolio management with two objectives. Liquidity management in the medium term and obtaining reasonable profitability and benefits through the negotiation of financial assets. This is framed within the risk guidelines established by the Board of Directors.

  Investment portfolio: It comprises the securities managed by the Bank's Treasury in treasury securities in local or foreign currency and Colombian private debt securities specifically of Issuers Supervised by the Financial Superintendence of Colombia.
  Treasury products: It includes products to manage liquidity in pesos and foreign currency, derivative transactions, restatement of own position (foreign exchange), short transactions, spot transactions and foreign exchange trading.
- *Commissions*: It includes international banking operation products, issue guarantee, guarantee shared with the National Guarantee Fund, microinsurance, among others.

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

- *Fiducóldex* - Trust Business: It is the segment of the Entities' trust business, which currently manages assets in excess of $9 trillion in business in consortiums, investment trusts, private equity funds, collective investment funds, concessions, administration and payment trusts, among others. The latter includes Procolombia, Fontur, Colombia Productiva and INNPULSA, which belong to the Commerce, Industry and Tourism Sector.

3.25. **Basic and diluted earnings per share -** Basic earnings per share are determined by dividing net income for the period attributable to stockholders of the Entities by the weighted average number of common shares outstanding during the period. Diluted earnings per share are determined in the same manner on the basis of net income and weighted average number of shares outstanding, adjusted for dilutive effects, if applicable.

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

In applying significant accounting policies described in Note 3, the Entities' 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 Entities' accounting policies that have a significant effect on the amounts recognized in the consolidated financial statements are presented below:

4.1. Impairment of financial assets – Regarding the measurement of impairment of financial assets, IFRS 9 establishes the expected loss model that allows Entities the possibility of estimating losses based on three components of credit loss: probability of default, exposure at default, and loss given default. The standard establishes the calculation of the expected loss for credit risk based on a classification of transactions in stages according to the impairment of the asset since its initial recognition.

Both collective and individual methodologies are used for the estimation of expected losses. In the case of losses under the collective methodology, the estimation methods are based on judgments and estimates that consider the use of historical information, the current situation and reasonable and sustainable forecasts of future economic conditions. The estimation of impairment charges is a critical accounting policy due to the importance of this very item, the sensitivity of the charges to changes in assumptions about future events and other judgments that are incorporated in the individual credit loss models.

The main risk factors included in the measurement of expected losses are the definition of significant increase in credit risk, the definition of default, collateral value projections, portfolio terms and projections of the main macroeconomic variables, for example: unemployment rates, GDP, interest rate levels, among others. It is also important to consider other variables that influence clients' payment expectations.

Furthermore, the individual assessment methodologies consider assumptions about the customer's financial condition and future cash flow that could be affected by factors such as regulatory changes potentially impacting the customer's business, changes in the customer's business and operational dynamics and ability to negotiate successfully due to financial difficulties and generate sufficient cash flow to repay debt obligations, changes in the value of collateral and any other internal or external factors of the client.

The degree of judgment required to estimate expected credit losses depends on the availability of detailed information.

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 Entities assess 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 Entities' estimates of future taxable income.

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

4.3. 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 Entities' 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.

4.4. Provisions and contingencies - A contingency should be classified based on a reliable estimate of the probability of an occurring incident or event. The Entities shall disclose a brief description of their 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 Entities 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.

The Entities' 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

Standard	Modification
	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.
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

Standard	Modification
	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. [Name of Company or group of companies'] 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) - 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 Superintendence 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.
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.

Standard	Modification
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.
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 Entities calculate 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 Entities deem 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 Entities' assets and liabilities (by class) measured at fair value as of December 31, 2024 and 2023, on a recurring basis:

Recurring assets at fair value	December 31, 2024 Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss Debt instruments				
In Colombian pesos				
Treasury securities TES	$ 919,730	$ -	$ -	$ 919,730
Other securities issued by the national government	12,910,430	-	-	12,910,430
Other domestic issuers - financial institutions	-	32,272,673	-	32,272,673
Investments at fair value through profit or loss Equity Instruments				
In Colombian pesos				
Domestic issuers	-	246,573	-	246,573
Investments at fair value with changes in OCI Equity instruments				
In Colombian pesos				
National issuers - private equity funds	-	194,921,393	-	194,921,393
National issuers - FNG	-	-	167,825,039	167,825,039
National issuers Fonade - In territory	-	-	126,320	126,320
In foreign currency				
Foreign issuers Bladex	76,620,519	-	-	76,620,519
Investments at fair value with changes in OCI Debt instruments				
In Colombian pesos				
TES treasury bonds	1,122,921,077	-	-	1,122,921,077
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
Futures contracts				
Currency futures rights	-	2,443,592,580	-	2,443,592,580
Currency futures bonds	-	(2,443,592,580)	-	(2,443,592,580)
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				
IRS Swaps - Interest Rate	-	23,153,996	-	23,153,996
Non-financial assets				
Investment properties	-	12,130,921	-	12,130,921

Total recurring assets at fair value	$ 1,213,371,756	$ 398,757,778	$167,951,359	$ 1,780,080,894

		December 31, 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 Colombian pesos				
Treasury securities TES	$ 56,584,580	$ -	$ -	$ 56,584,580
Other securities issued by the national government	2,630,510	-	-	2,630,510
Other national issuers - financial institutions	-	46,281,519	-	46,281,519
Investments at fair value through profit or loss Equity Instruments				
In Colombian pesos				
National issuers	-	1,024,368	-	1,024,368
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				
Foreign issuers Bladex	46,195,791	-	-	46,195,791
Investments at fair value with changes in ORI Debt instruments				
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)

	Level 1	Level 2	Level 3	Total
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	$ 1,300,616,416	$ 483,865,601	$153,194,236	$1,937,676,253

		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.

- 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 in Level 3 - The following table presents a reconciliation of fair value measurements classified in Level 3:

	2024		2023
	FNG Investment	**Burial**	**FNG Investment**
Balance at the beginning of the period	$ 153,194,236	$ -	$ 138,153,805
New investment Decree 1962 of 2023	-	68,623	-
Valuation adjustments through profit or loss	14,630,803	57,697	15,040,431
Balance at end of the period	$ 167,825,039	$ 126,320	$ 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	$ 10,102	$ 10,079
Central Bank		
Checking account (1)	100,654,839	91,072,258
Deposits monetary contraction	-	-
Banks and other financial institutions (2)	47,888,467	44,307,670
Foreign currency		
Banks and other financial institutions	12,894,397	12,582,227
	$ 161,447,805	$ 147,972,234

(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) 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:

Financial institution	Type of account	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	$ 919,730	$ 56,584,580
Ministry of Finance TIDIS	12,910,430	2,630,510
	13,830,160	59,215,090
Securities issued by entities supervised by the SFC		
Certificates of Deposit CDs - TF	15,279,078	16,351,290
Certificates of Deposit CDs - IBR	2,012,720	6,128,925
Certificates of Deposit CDs - IPC	11,681,089	9,937,841
TIPS	344,405	-
IPC Bonds	1,981,600	5,715,463
TF Bonds	973,780	-
IBR Bonds	-	8,148,000
	32,272,673	46,281,519
	$ 46,102,833	$ 105,496,609

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	-
	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
Securities issued by entities supervised by the SFC		
DTF Term Deposits (TDs) - TF	7,417,612	5,159,088
Foreign Currency		
Securities issued by the Nation		
Yankee Bonds	846,058,707	737,603,326
	$ 1,096,988,407	$ 987,100,331

8.4. Investments at fair value through profit or loss - equity instruments

	2024	2023
National issuers	$ 246.573	$ 1,024,368

The variation corresponds to the investment in the funds Fic Itaú Money Market and Fic 600 Sociedad Fiduciaria de Desarrollo Agropecuario S.A., which are aligned with the liquidity needs of the subsidiary. This prioritizes the availability of resources to meet financial and operating commitments. Consorcio Confiar Fonpet, which is part of this classification, is in the liquidation stage and its balance at the annual closing is at zero.

8.5. Investments at fair value with changes in OCI - equity instruments

	2024	2023
Latin American Export Bank S.A. - BLADEX	$ 76,620,519	$ 46,195,791
National Guarantee Fund	167,825,039	153,194,236
Private Equity Funds (*)	194,921,394	233,342,871
Other domestic issuers (Fonade - Enterritorio)	126,320	-
	$ 439,493,272	$ 432,732,898

(1) (*) At the end of 2024, investments in Private Equity Funds present a variation of -$38,421,478 compared to 2023. The following situations affect the annual closing figures. The liquidation of the Progresa, Aureos and Escala Capital Funds that generate a variation of -$521,424. As part of its 2024-to-2026 strategic objectives, Bancóldex set the goal of mobilizing intelligent capital towards the target sectors of the reindustrialization policy through the fund of funds. This led the Bank to structure the "FCP Bancóldex Capital Fund of Funds II", where the first capital call was for $5,000,000.

The investments held by the Bank in Private Equity Funds are shown below:

2024
Portfolio in Colombian Pesos

Entity	Investment commitment in pesos	Call for Principal	Redemption	Invested	Profit (loss) Valuation	% 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	-
Bancóldex Fund of Funds - Bancóldex Capital Compartment (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	Call for Principal	Redemption	Invested	Profit (loss) Valuation	% Executed	Fair value	Entity
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 Capita (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.

8.6. Investments in joint ventures

	2024	2023
Collective investment funds - joint ventures	$ 955,816	$ 23,851

This represents the 10% participation that Fiducóldex subsidiary has in the investments held by the SAYP Consortium in the Collective Investment Funds.

8.7. Investment impairment - The following is the disaggregation of the investment impairment:

	2024	2023
Balance at beginning of period	$ (10,264,003)	$ (10,379,152)
Establishments (charges to results)	(5,578,155)	(12,893,675)
Recoveries (credits to income)	3,237,298	13,008,824
Ending balance for the period	$ (12,604,860)	$ (10,264,003)

8.8. 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**	

8.9. Creditworthiness of debt securities - Creditworthiness information of the Parent Company's 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
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 volatility of the exchange rate.

The Fiduciary's investment ratings for 2024 and 2023 are presented below:

	2024		2023	
	Market value	**% Share**	**Market value**	**% Share**
Rating				
BB+	$ -	0.00%	$ 3,469,060	7.88%
AAA	17,071,523	45.84%	15,067,546	34.23%
AAAf	246,573	0.66%	-	0.00%
BRC1+	9,650,768	25.91%	3,835,607	8.71%
VrR1+	3,105,095	8.34%	3,165,025	7.19%
F1+	6,179,288	16.59%	17,503,324	39.76%
Nation	919,730	2.47%	-	0.00%
No rating	1,082,136	0.18%	981,422	2.23%
	$ 38,255,113	**100.00%**	**$ 44,021,984**	**100.00%**

9. OTHER FINANCIAL ASSETS

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

	2024			2023		
	Trading Term - Days	**USD Value**	**Value**	**Trading Term - Days**	**USD Value**	**Value**
Legal Currency						

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

The end of 2024 showed a decrease in the balance of $398,569,743. This is mainly due to the cancellation of the balance of simultaneous operations because of the lower levels of liquidity to invest in this type of instruments.

10. CREDIT PORTFOLIO AND FINANCIAL LEASE TRANSACTIONS AT AMORTIZED COST, 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	Impairment of Principal	Impairment of Interest	Net amortized cost	Accounts Receivable	Impairment of Accounts Receivable	TOTAL
Business	$5,291,468,704	$ 152,913,220	$(160,018,182)	$(19,062,047)	$5,265,301,695	$10,484,472	$(3,028,076)	$5,272,758,091
Consumer[1]	2,807,975	9,894	-	-	2,817,869	75	-	2,817,944
Housing [1]	25,642,082	133,537	(91,398)	(21,244)	25,662,977	8,037	(4,208)	25,666,806
Balance	$5,319,918,761	$ 153,056,651	$(160,109,580)	$(19,083,291)	$5,293,782,541	$10,492,584	$(3,032,284)	$5,301,242,841

2023								
Type	Principal	Interest	Impairment of Principal	Impairment of Interest	Net amortized cost	Accounts Receivable	Impairment of Accounts Receivable	TOTAL
Business	$7,722,334,625	$247,525,165	$(170,754,092)	$(53,098,416)	$7,746,007,282	$ 9,603,354	$(2,654,405)	$7,752,956,231
Consumer[1]	2,117,029	9,611	-	-	2,126,640	26	-	2,126,666
Housing [1]	20,740,688	148,368	(158,002)	(24,104)	20,706,950	7,312	(4,322)	20,709,940
Balance	$7,745,192,342	$247,683,144	$(170,912,094)	$(53,122,520)	$7,768,840,872	$ 9,610,692	$(2,658,727)	$7,775,792,837

(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**	**Amortized Cost**	**Accounts Receivable**	**Total**
Suitable commercial portfolio guarantee:					
Current	$ 829,756,395	$ 30,252,444	$ 860,008,839	$ 2,994,190	$ 863,003,029
Overdue 1 month to 3 months	19,108,722	1,024,981	20,133,703	178,847	20,312,550
Overdue 3 months to 6 months	23,714,412	4,539,558	28,253,970	248,074	28,502,044
Overdue 6 months to 12 months	18,261,993	3,093,390	21,355,383	498,909	21,854,292
Overdue more than 12 months	91,149,785	31,712,472	122,862,257	3,573,769	126,436,026
	981,991,307	70,622,845	1,052,614,152	7,493,789	1,060,107,941
Other commercial portfolio guarantees:					
Due	3,464,102,165	34,554,924	3,498,657,089	217,841	3,498,874,930
Overdue 3 months to 6 months	757,400	62,350	819,750	29,615	849,365
Overdue 6 months to 12 months	72,743	7,771	80,514	-	80,514
Overdue more than 12 months	33,335,758	14,738,318	48,074,076	2,743,227	50,817,303

	3,498,268,066	49,363,363	3,547,631,429	2,990,683	3,550,622,112
Suitable consumer portfolio guarantee:					
Due	2,743,880	8,707	2,752,587	25	2,752,612
Overdue 1 month to 2 months	39,310	650	39,960	30	39,990
Overdue 2 months to 3 months	24,785	537	25,322	20	25,342
	2,807,975	9,894	2,817,869	75	2,817,944
Suitable housing portfolio guarantee:					
Current	24,991,757	98,346	25,090,103	1,618	25,091,721
Overdue 1 month to 4 months	528,459	6,865	535,324	809	536,133
Overdue 6 months to 12 months	33,581	455	34,036	49	34,085
Overdue more than 18 months	88,285	27,871	116,156	5,561	121,717
	25,642,082	133,537	25,775,619	8,037	25,783,656
Total legal tender	4,508,709,430	120,129,639	4,628,839,069	10,492,584	4,639,331,653
Portfolio and accounts receivable in foreign currency:					
Suitable commercial portfolio guarantee:					
Due	170,124,771	1,712,563	171,837,334	-	171,837,334
Other consumer portfolio guarantees:					
Due					
Suitable commercial portfolio guarantees:	641,084,560	31,214,449	672,299,009	-	672,299,009
Total foreign currency	811,209,331	32,927,012	844,136,343	-	844,136,343
Total gross portfolio and accounts receivable	5,319,918,761	153,056,651	5,472,975,412	10,492,584	5,483,467,996
Impairment of portfolio and accounts receivable	(160,109,580)	(19,083,291)	(179,192,871)	(3,032,284)	(182,225,155)
Total net portfolio and accounts receivable	$ 5,159,809,181	$ 133,973,360	$ 5,293,782,541	$ 7,460,300	$ 5,301,242,841

2023

Portfolio and accounts receivable in legal tender:	**Principal**	**Interest**	**Amortized Cost**	**Accounts Receivable**	**Total**
Suitable commercial portfolio guarantee:					
Due	$ 892,811,358	$ 40,199,296	$ 933,010,654	$ 2,620,435	$ 935,631,089
Overdue 1 to 3 months	24,130,219	1,201,534	25,331,753	161,106	25,492,859
Overdue 3 to 6 months	28,725,783	4,110,162	32,835,945	189,973	33,025,918
Overdue 6 to 12 months	67,621,460	20,964,402	88,585,862	946,928	89,532,790
Overdue more than 12 months	80,185,629	27,508,155	107,693,784	2,586,852	110,280,636
	1,093,474,449	93,983,549	1,187,457,998	6,505,294	1,193,963,292
Other commercial portfolio guarantees:					
Due					
Overdue 1 to 3 months	6,020,372,054	61,933,245	6,082,305,299	223,749	6,082,529,048
Overdue 3 to 6 months	36,176	15,581	51,757	-	51,757
Overdue 6 to 12 months	119,530	5,416	124,946	7	124,953
Overdue more than 12 months	2,470,369	700,505	3,170,874	472,270	3,643,144
Portfolio and accounts receivable in legal tender:	56,780,582	78,645,954	135,426,536	2,402,034	137,828,570

	6,079,778,711	141,300,701	6,221,079,412	3,098,060	6,224,177,472
Suitable consumer portfolio guarantee:					
Current	2,108,457	9,556	2,118,013	23	2,118,036
Overdue 1 month to 2 months	8,572	55	8,627	3	8,630
	2,117,029	9,611	2,126,640	26	2,126,666
Suitable housing portfolio guarantee					
Current	20,136,859	114,544	20,251,403	1,268	20,252,671
Overdue 1 month to 4 months	403,601	1,768	405,369	298	405,667
Overdue 4 months to 6 months	69,286	321	69,607	109	69,716
Overdue 6 months to 12 months	42,657	397	43,054	925	43,979
Overdue more than 18 months	88,285	31,338	119,623	4,712	124,335
	20,740,688	148,368	20,889,056	7,312	20,896,368
Total legal tender	7,196,110,877	235,442,229	7,431,553,106	9,610,692	7,441,163,798
Portfolio and accounts receivable in foreign currency:					
Suitable commercial portfolio guarantee:					
Current	65,079,423	651,172	65,730,595	-	65,730,595
Overdue 1 month to 3 months	2,443,722	-	2,443,722	-	2,443,722
Overdue 3 months to 6 months	1,224,153	-	1,224,153	-	1,224,153
	68,747,298	651,172	69,398,470	-	69,398,470
Other commercial portfolio guarantees:					
Current	480,334,167	11,589,743	491,923,910	-	491,923,910
Total foreign currency	549,081,465	12,240,915	561,322,380	-	561,322,380
Total gross portfolio and accounts receivable	7,745,192,342	247,683,144	7,992,875,486	9,610,692	8,002,486,178
Impairment of portfolio and accounts receivable	(170,912,094)	(53,122,520)	(224,034,614)	(2,658,727)	(226,693,341)
Total net portfolio and accounts receivable	$7,574,280,248	$194,560,624	$7,768,840,872	$ 6,951,965	$7,775,792,837

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

	2024						
	Principal balance	**Interest balance**	**Impairment of principal**	**Impairment of Interest**	**Net amortized cost**	**Accounts Receivable**	**Impairment of Accounts Receivable**
Business							
Category A	$ 4,953,062,423	$ 81,683,589	$ (49,661,609)	$ (1,123,059)	$ 4,983,961,344	$ 957,649	$ (396)
Category B	90,410,307	11,502,956	(9,002,567)	(3,311,163)	89,599,533	973,961	(12,256)
Category C	42,945,021	4,091,621	(9,184,078)	(237,809)	37,614,755	144,953	(2,197)
Category D	123,268,697	26,437,622	(44,965,958)	(2,950,713)	101,789,648	3,442,969	(467,432)
Category E	81,782,256	29,197,432	(47,203,970)	(11,439,303)	52,336,415	4,964,940	(2,545,795)
	5,291,468,704	152,913,220	(160,018,182)	(19,062,047)	5,265,301,695	10,484,472	(3,028,076)
Consumer							
Category A	2,765,556	9,165	-	-	2,774,721	41	-

Category B	42,419	729	-	-	43,148	34	-
	2,807,975	9,894	-	-	2,817,869	75	-
Housing							
Category A	25,108,185	100,913	-	-	25,209,098	1,766	-
Category B	262,780	3,777	-	-	266,557	290	-
Category C	176,616	976	(25,185)	(341)	152,066	420	(37)
Category E	94,501	27,871	(66,213)	(20,903)	35,256	5,561	(4,171)
	25,642,082	133,537	(91,398)	(21,244)	25,662,977	8,037	(4,208)
Total	$ 5,319,918,761	$ 153,056,651	$(160,109,580)	$(19,083,291)	$ 5,293,782,541	$ 10,492,584	$(3,032,284)

	2023						
	Principal balance	**Interest balance**	**Impairment of principal**	**Impairment of Interest**	**Net amortized cost**	**Accounts Receivable**	**Impairment of Accounts Receivable**
Business							
Category A	$ 7,279,419,936	$ 92,392,271	$ (29,248,382)	$ (559,091)	$ 7,342,004,734	$ 677,880	$ (157)
Category B	129,735,173	11,079,826	(9,433,757)	(2,063,557)	129,317,685	369,711	(315)
Category C	48,359,212	5,392,230	(7,045,831)	(55,633)	46,649,978	1,211,009	(2,982)
Category D	187,361,333	42,744,052	(92,399,978)	(11,845,923)	125,859,484	4,955,892	(2,079,661)
Category E	77,458,971	95,916,786	(32,626,144)	(38,574,212)	102,175,401	2,388,862	(571,290)
	7,722,334,625	247,525,165	(170,754,092)	(53,098,416)	7,746,007,282	9,603,354	(2,654,405)
Consumer							
Category A	2,117,029	9,611	-	-	2,126,640	26	-
Housing							
Category A	20,275,664	113,825	-	-	20,389,489	1,471	-
Category B	136,080	1,694	(7,832)	(63)	129,879	81	(13)
Category C	234,443	1,511	(83,957)	(538)	151,459	1,048	(775)
Category E	94,501	31,338	(66,213)	(23,503)	36,123	4,712	(3,534)
	20,740,688	148,368	(158,002)	(24,104)	20,706,950	7,312	(4,322)
Total	$ 7,745,192,342	$ 247,683,144	$(170,912,094)	$(53,122,520)	$ 7,768,840,872	$ 9,610,692	$(2,658,727)

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:

					2024					
Economic Sector	ANTIOQUIA AND CHOCO	BOGOTA D.C.	CENTRAL	ATLANTIC COAST	COFFEE REGION	ABROAD	WEST	SANTANDERES	SOUTH-EAST	Grand total
Artistic/entertainment and recreation activities	$ 479,333	$ 3,222,845	$ 692,251	$ 2,334,390	$ 104,682	$ -	$ 580,974	$ 2,359,790	$ 70,327	$ 9,844,592
Hospitality and catering activities	15,217,538	23,170,870	3,869,778	32,556,382	1,677,810	-	4,853,834	1,942,802	2,062,024	85,351,038
Human health care and social assistance activities	5,701,368	14,217,314	10,548,762	23,314,060	3,605,227	-	10,898,541	7,815,203	6,110,052	82,210,527
Households as employers	11,744	-	9,243	20,580	-	-	-	481	-	42,048
Administrative and support services activities	10,068,708	82,374,758	5,059,564	25,469,700	908,483	-	7,819,445	3,754,777	2,747,279	138,202,714
Financial and insurance activities	81,720,929	531,911,824	424,109,155	56,256,751	13,124,313	263,376,153	375,926,166	95,565,332	1,463,619	1,843,454,242
Real estate activities	6,226,727	33,373,322	4,553,919	10,628,674	250,265	-	7,025,682	898,076	477,721	63,434,386
Professional/scientific and technical activities	11,744,560	38,695,495	4,440,431	14,243,778	3,022,071	-	10,548,781	2,973,334	1,411,166	87,079,616
Public administration - defense; social security	62,123	10,040	50,371	7,617,603	823,974	-	79,626	1,302,172	-	9,945,909
Agriculture/ livestock/ forestry and fishing	10,134,997	17,940,582	9,579,566	8,040,482	1,227,576	123,998	23,756,809	4,633,167	2,143,661	77,580,838
Salaried employees	-	28,593,487	-	-	-	-	-	-	-	28,593,487
Wholesale and retail trade; vehicle and motorcycle repair	129,799,371	153,561,215	46,893,466	124,870,617	17,357,494	129,130,983	66,326,025	52,140,168	35,083,273	755,162,612
Construction	36,825,985	79,612,122	16,117,559	22,856,305	8,514,359	-	10,307,722	12,177,601	7,333,974	193,745,627
Teaching	15,064,522	14,239,363	8,702,904	8,426,049	729,855	-	4,521,870	3,204,916	1,682,133	56,571,612
Mining and quarrying	7,011,710	15,174,639	4,761,197	914,927	34,223	334,047	1,618,474	2,895,565	265,685	33,010,467
Manufacturing industries	189,830,237	221,425,423	73,231,973	121,606,240	47,869,748	250,901,133	95,855,215	55,781,725	16,001,243	1,072,502,937
Information and communications	6,386,302	42,639,380	2,167,126	4,320,529	452,266	-	2,572,726	925,135	2,798,700	62,262,164
Other service activities	69,009,529	21,905,901	3,896,560	3,417,103	7,413,983	-	8,352,943	1,948,042	3,181,031	119,125,092
Other classifications	-	82,420	-	1,345	-	-	-	-	-	83,765
Water supply; wastewater, waste and decontamination.	1,156,523	3,896,616	3,333,134	7,704,364	58,338	-	4,888,545	2,074,643	4,784,808	27,896,971
Supply of electricity, gas, steam, air conditioning.	902,802	7,124,878	279,766	1,742,204	14,616	-	2,139,785	153,654	-	12,357,705
Transportation and storage	49,049,117	78,614,167	39,655,277	111,914,432	6,296,623	13,839,332	27,694,563	24,033,601	32,993,840	384,090,952
Wholesale and retail trade; vehicle repair	40,026,750	102,922,323	38,817,012	33,760,374	2,011,442	-	15,533,141	24,724,771	7,069,437	264,865,250
Human health care and social assistance	17,544,993	9,167,953	6,397,670	8,153,264	605,522	-	3,017,498	2,302,885	2,832,625	50,022,410
Artistic, entertainment and recreational activities	46,314	1,683,671	-	-	-	-	238,412	-	-	1,968,397
Supply of electricity, gas, steam, air conditioning.	-	9,353,848	-	2,665,237	-	-	1,550,969	-	-	13,570,054

Grand total	$704,022,182	$1,534,914,456	$707,166,684	$632,835,39	$116,102,870	$657,705,646	$686,107,746	$303,607,840	$130,512,598	$5,472,975,412
				2023						
Economic Sector	**Antioquia and Choco**	**Bogotá D.C.**	**Central**	**Atlantic Coast**	**Coffee Region**	**Abroad**	**West**	**Santander**	**South-East**	**Grand total**
Artistic, entertainment and recreational activities	$ 2,367,117	$ 8,026,915	$ 540,792	$ 3,041,863	$ 4,947,500	$ -	$ 2,197,271	$ 42,602	$ 161,973	$ 21,326,033
Accommodation and food service activities	38,705,994	38,744,673	7,479,172	43,031,008	5,007,872	-	7,908,855	3,051,396	3,352,872	147,281,842
Household as employers	54,296	7,861	36,948	31,783	-	-	-	-	-	130,888
Administrative and support services activities	22,934,781	94,680,922	12,004,123	243,698,551	3,351,386	-	11,510,011	8,607,665	3,376,783	400,164,222
Financial and insurance activities	166,465,086	474,015,400	487,791,178	71,013,717	25,086,360	182,289,546	370,923,960	125,774,827	1,840,398	1,905,200,472
Real estate activities	10,020,796	47,640,185	3,429,102	15,144,879	3,569,689	-	14,633,232	4,997,239	1,963,006	101,398,128
Professional, scientific and technical activities	23,591,615	77,001,856	12,263,282	58,874,388	7,448,315	-	20,960,573	8,223,023	2,906,561	211,269,613
Public administration and defense; Social Security Plans	172,980	400,004	259,628	9,195,340	1,213,527	-	124,170	1,580,693	-	12,946,342
Agriculture, livestock, forestry, fishing	15,937,197	14,038,135	8,470,716	19,345,483	5,243,443	187,591	20,930,571	9,686,153	1,741,025	95,580,314
Salaried employees	-	23,015,695	-	-	-	-	-	-	-	23,015,695
Human health care and social assistance	43,588,014	31,440,135	28,417,032	61,435,620	10,583,145	-	31,270,805	15,822,025	13,761,898	236,318,674
Wholesale and retail trade; vehicle repair	293,839,946	432,917,728	147,401,116	232,090,393	65,595,758	101,804,951	189,189,859	145,440,833	74,078,410	1,682,358,994
Construction	57,020,085	171,737,025	30,346,286	68,590,309	16,611,600	120,377	33,272,418	27,560,671	17,932,095	423,190,866
Teaching	20,271,729	16,194,342	8,476,488	9,875,241	1,392,406	-	5,444,988	3,239,657	2,247,443	67,142,294
Mining and quarrying	2,906,893	14,302,197	9,111,620	1,531,743	2,471,344	-	2,267,718	4,485,167	890,909	37,967,591
Manufacturing industries	348,186,224	320,733,976	103,160,155	114,685,504	87,062,435	148,062,125	148,325,213	86,193,525	12,571,099	1,368,980,256
Information and communications	18,548,615	61,174,926	8,661,900	6,694,918	2,035,042	-	7,683,765	1,943,557	3,457,340	110,200,063
Other service activities	87,691,903	50,883,946	9,757,279	6,641,024	13,809,018	-	115,080,902	3,357,889	5,474,722	292,696,683
Other classifications	-	-	-	5,392	-	-	16,840	-	-	22,232
Water supply; wastewater, waste and decontamination.	5,382,813	3,189,962	8,031,650	107,977,788	1,020,473	-	6,419,540	3,259,651	6,513,293	141,795,170
Supply of electricity, gas, steam, air conditioning.	957,369	25,407,303	1,254,600	7,023,271	1,563,683	-	6,198,785	1,229,568	553,820	44,188,399
Transportation and storage	111,066,714	143,215,199	102,488,625	97,613,031	17,379,046	13,654,891	71,546,198	54,789,605	57,947,406	669,700,715
Grand total	$1,269,710,167	$2,048,768,385	$989,381,692	$1,177,541,246	$275,392,042	$446,119,481	$1,065,905,674	$509,285,746	$210,771,053	$7,992,875,486

10.5. Portfolio by monetary unit

2024

Modalities	Legal tender	Foreign currency	Gross amortized cost	Impairment	Net amortized cost
Business	$ 4,600,245,581	$ 844,136,343	$ 5,444,381,924	$ 179,080,229	$ 5,265,301,695
Consumer	2,817,869	-	2,817,869	-	2,817,869
Housing	25,775,619	-	25,775,619	112,642	25,662,977
Total	$ 4,628,839,069	$ 844,136,343	$ 5,472,975,412	$ 179,192,871	$ 5,293,782,541

2023

Modalities	Legal tender	Foreign currency	Gross amortized cost	Impairment	Net amortized cost
Business	$ 7,408,537,410	$ 561,322,380	$ 7,969,859,790	$ 223,852,508	$ 7,746,007,282
Consumer	2,126,640	-	2,126,640	-	2,126,640
Housing	20,889,056	-	20,889,056	182,106	20,706,950
Total	$ 7,431,553,106	$ 561,322,380	$ 7,992,875,486	$ 224,034,614	$ 7,768,840,872

10.6. Portfolio write-offs - On May 28 and November 26, 2024, the Bank's Board of Directors authorized portfolio write-offs for 113 clients with 172 transactions, as recorded in Minutes 463 and 469, with the following balances:

Exposure IFRS 9	Amount
Principal	50,573,264
Interest	86,886,299
Other Items	2,774,083
Total	**140,233,646**

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		Housing		Total	
	Principal	Interest	Principal	Interest	Principal	Interest

Balance as of December 31, 2022	**$152,937,781**	**$31,508,743**	**$ 65,342**	**$ 9,811**	**$153,003,123**	**$31,518,554**
Expenditure	80,189,561	30,148,041	92,660	14,293	80,282,221	30,162,334
Recovery	(62,373,250)	(8,558,368)	-	-	(62,373,250)	(8,558,368)
Balance as of December 31, 2023	**170,754,092**	**53,098,416**	**158,002**	**24,104**	**170,912,094**	**53,122,520**
Expenditure	107,868,639	59,546,231	25,185	6,305	107,893,824	59,552,536
Recovery	(68,031,285)	(6,696,301)	(91,789)	(9,165)	(68,123,074)	(6,705,466)
Write-offs	(50,573,264)	(86,886,299)	-	-	(50,573,264)	(86,886,299)
Balance as of December 31, 2024	**$160,018,182**	**$19,062,047**	**$ 91,398**	**$ 21,244**	**$ 160,109,580**	**$ 19,083,291**

10.9. **Portfolio by Stage:** The breakdown of the portfolio by stage is as follows:

	2024			
Modalities	Stage 1	Stage 2	Stage 3	Total
Business	$ 5,098,865,115	$ 124,016,799	$ 221,500,011	$ 5,444,381,925
Consumer	2,752,588	65,281	-	2,817,869
Housing	25,090,103	535,323	150,191	25,775,617
Gross portfolio at amortized cost	5,126,707,806	124,617,404	221,650,201	5,472,975,412
Impairment	(47,633,530)	(12,377,476)	(119,181,863)	(179,192,870)
Net portfolio at amortized cost	$ 5,079,074,276	$ 112,239,928	$ 102,468,338	$ 5,293,782,542

	2023			
Type	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Business	$ 7,528,120,383	$ 68,410,972	$ 373,328,435	$ 7,969,859,790
Consumer	2,118,014	8,626	-	2,126,640
Housing	20,251,404	394,842	242,810	20,889,056
Gross portfolio at amortized cost	7,550,489,801	68,814,440	373,571,245	7,992,875,486
Impairment	(35,630,557)	(5,999,300)	(182,404,757)	(224,034,614)
Net portfolio at amortized cost	$ 7,514,859,244	$ 62,815,140	$ 191,166,488	$ 7,768,840,872

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
Commissions	$ 5,767,227	$ 5,221,780
Leases	39,327	57,121
Rentals of assets given under operating leases	30,661	87,245
Debtors	-	266,875
Payments on behalf of customers [(1)]	10,492,584	9,610,691
Advances to contracts and suppliers [(2)]	9,437,902	4,659,163
Employees	530,014	536,503
Security deposits [(3)]	14,290,095	4,109,902
Other accounts receivable SME portfolio [(4)]	986,647	1,227,097
Other accounts receivable [(5)]	15,128,243	1,111,716
Reimbursable expenses of Autonomous Patrimony	602,878	1,017,747
Joint Operations	1,439,637	1,295,797
Sundry	5,507,233	1,783,690
	64,252,448	30,985,327
Less impairment accounts receivable:	(20,551,130)	(5,971,437)
	$ 43,701,318	$ 25,013,890

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

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

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

(4) 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.

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

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	$ 6,128,948	$ 9,990,029
Art and cultural assets	33,216	33,216
Machinery and equipment to be leased	23,564,269	9,228,139
Vehicles to be leased	-	3,273,406
Ships, trains and airplanes	126,357	-
Real estate to be leased	945,469	1,914,950
Activities in joint operations	17,396	13,310
Taxes	16,225	316,306
Other	512,015	500,924
Impairment	-	(166,790)
	$ 31,343,895	$ 25,103,490

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
Assets received in payment		
Furniture	$ 948,423	$ 60,639
Real estate for housing	7,190,265	7,866,716
Real estate other than housing	11,098,234	14,307,033
Other non-current assets	-	362,352
	19,236,922	22,596,740
Less: Impairment of assets received in payment	(2,335,130)	(2,894,287)
Total revalued cost of assets received in payment	$ 16,901,792	$ 19,702,453
Assets returned		
Machinery and equipment	$ 3,770,346	$ 3,770,346
Computer equipment	48,542	48,542
Real Estate	72,061,707	51,320,581
	75,880,595	55,139,469
Less: Impairment of returned goods	(15,650,064)	(8,906,009)
Total revalued cost of returned goods	$ 60,230,531	$ 46,233,460
Total	$ 77,132,323	$ 65,935,913

The $11,196,410 variation in 2024 compared to 2023 is mainly due to the following items:

- 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.

- 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.

14. PROPERTY AND EQUIPMENT, NET

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

Cost of property and equipment

	Land and Buildings	Machinery, Fixtures and fittings and Office equipment	Transport Vehicles	Computer, Networks and Communications Equipment	Total
Balance as of December 31, 2022	$ 49,572,829	$ 8,944,082	$ 423,757	$ 7,916,823	$ 66,857,491
Acquisitions	-	58,678	720,847	6,651,587	7,431,112
Derecognitions / Withdrawals	-	-	(962,803)	-	(962,803)
Balance as of December 31, 2023	49,572,829	9,002,760	181,801	14,568,410	73,325,800
Acquisitions [1]	5,740,997	417,559	-	550,242	6,708,798
Derecognitions / Withdrawals	(901,527)	(489,621)	-	(222,242)	(1,613,390)
Balance as of December 31, 2024	$ 54,412,299	$ 8,930,698	$ 181,801	$ 14,896,410	$ 78,421,208

Accumulated depreciation and net carrying amount of property and equipment

	Land and Buildings	Machinery, Fixtures and fittings and Office equipment	Transport Vehicles	Computer, Networks and Communications Equipment	Total
Balance as of December 31, 2022	$ (5,135,042)	$ (6,968,958)	$ (411,137)	$ (7,205,610)	$ (19,720,747)
Depreciation	(903,357)	(435,576)	(10,804)	(627,791)	(1,977,528)
Derecognitions / Withdrawals	-	-	241,955	-	241,955
Balance as of December 31, 2023	(6,038,399)	(7,404,534)	(179,986)	(7,833,401)	(21,456,320)
Depreciation	(1,216,883)	(408,233)	-	(1,318,645)	(2,943,761)
Revaluation	901,527	-	-	-	
Derecognitions / Withdrawals	-	421,406	-	220,762	642,168
Balance as of December 31, 2024	$ (6,353,755)	$ (7,391,361)	$ (179,986)	$ (8,931,284)	$ (23,757,913)
Joint Operations 2023	-	848	-	-	848
Joint Operations 2024	-	712	-	-	712
Net book value					
Balance as of December 31, 2023	$ 43,534,430	$ 1,599,074	$ 1,815	$ 6,735,009	$ 51,870,328
Balance as of December 31, 2024	$ 48,058,544	$ 1,540,049	$ 1,815	$ 5,965,126	$ 55,565,534

(1) Additions: It includes capitalizable purchases and/or disbursements that meet the criteria for recognition of items of property and equipment, property received from third parties, costs for dismantling and removal of items of property, plant and equipment.

In the Parent Company, acquisitions of Machinery for $400,970 correspond mainly to distribution boards and energy meters. Assets were sold in 2024, thus writing off the cost and reaching a minimum profit of $7,312.

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

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

15. ASSETS UNDER 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)
Impairment		
Initial balance	$ (1,677,638)	$ -
Impairment expenses	(1,158,665)	(1,677,638)
Ending balance	$ (2,836,303)	$ (1,677,638)
Net carrying amount	$ 17,468,141	$ 10,866,080

(*) 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 the Head Office 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:

	Buildings and Land	
	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 Fiducóldex, 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	$ 12,459,083	$ 1,032,898	$ 3,773,800	$ 17,265,781
Acquisitions	237,599	1,829,718	158,204	2,225,521
Derecognition	-	(720,847)	(166,266)	(887,113)
Balance as of December 31, 2023	12,696,682	2,141,769	3,765,738	18,604,189
Acquisitions (*)	5,229,602	-	33,979	5,263,581
Derecognition	(5,735,301)	(600,839)	(890,991)	(7,227,131)
Balance as of December 31, 2024	$ 12,190,983	$ 1,540,930	$ 2,908,726	$ 16,640,639
Accumulated depreciation				
Balance as of December 31, 2022	$ 3,542,202	$ 809,440	$ 1,035,291	$ 5,386,933
Amortization expense	3,332,552	222,805	770,640	4,325,997

Derecognition	(1,389)	-	(132,869)	(134,258)
Balance as of December 31, 2023	6,873,365	1,032,245	1,673,062	9,578,672
Amortization expenses	3,511,359	219,271	819,500	4,550,130
Derecognition	(5,641,884)	(828,879)	(899,532)	(7,370,295)
Balance as of December 31, 2024	$ 4,742,840	$ 422,637	$ 1,593,030	$ 6,758,507
Net carrying amount				
As of December 31, 2023	$ 5,823,317	$ 1,109,524	$ 2,092,676	$ 9,025,517
As of December 31, 2024	$ 7,448,143	$ 1,118,293	$ 1,315,696	$ 9,882,132

(*) 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

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

	Licenses	Computer software	Total
Balance as of December 31, 2022	$ 3,778,922	$ 4,297,836	$ 8,076,758
Acquisitions / additions	2,964,145	432,221	3,396,366
Transfers	-	(87,995)	(87,995)
Amortization expenses	(467,420)	(2,857,599)	(3,325,019)
Balance as of December 31, 2023	$ 6,275,647	$ 1,784,463	$ 8,060,110
Acquisitions / additions (*)	1,834,262	1,005,858	2,840,120
Amortization expenses	(669,643)	(3,483,551)	(4,153,194)
Balance as of December 31, 2024	$ 7,440,266	$ (693,230)	$ 6,747,036

(*) Acquisitions of the Parent Company 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.

The Parent Company's 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. 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.

The subsidiary's intangible assets record the items related to the supply and installation of the SIFI technological solution, as well as the licensing and consultancy required for the installation and start-up of the system. Oracle Data Base licenses are also recognized.

The main licenses acquired during 2024 correspond to the third-party Oracle Colombia Limitada in the amount of $235,293. The licenses all relate to the Office Automation Licensing required for access to applications for all Fiducóldex employees, and to the third party Nimbutech SAS, in the amount of $385,760.

The main licenses purchased during 2023 correspond to the third party Nimbutech SAS for $428,380, and to the third party Gamma Ingenieros SAS for $298,326.

As of December 31, 2024 and 2023, the Entities do not have 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 equal to or 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.

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

- 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 billion, equivalent to a bid to cover of 1.95 times the initial amount of the offer of $400 billion. 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 Legal Currency:						
Simultaneous						
Other financial institutions	12	-	$ 347,316,928		-	-
Repurchase agreements						
Reverse repurchase agreements closed with Banco de la República	3	-	50,074,648		-	-
Short operations						
Simultaneous with CRCC		-	-		-	35,098,700
Total Legal 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 Currency	-	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
Legal 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	$ 8,764,285	$ 11,209,957
Additions (*)	5,229,602	1,548,195
Interest accrual	2,521,273	2,501,211
Less Payments	(6,435,085)	(6,421,261)
Restatement	169,193	(73,817)
Ending balance	$ 10,249,268	$ 8,764,285

(*) The real estate agreements correspond to the offices leased by the Parent Company 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.

2024

	2023	Cash flows from financing activities	Accrual	Payment of principal, interest, dividends	Exchange rate effect	Profit for the year	Increase (decrease) resulting from consolidation	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	1,695,520,497	-	-	26,518,695	-	51,272,119	(1,445,416)	(2,884,417)	1,715,944,088
	$ 11,330,540,626	$ 22,587,900,663	$ 893,873,000	$ 26,515,250,732	$ 234,535,671	$ 51,272,119	$ (1,445,416)	$ (2,884,417)	$ 8,578,541,514

2023

	2022	Cash flows from financing activities	Accrual	Payment of principal, interest, dividends	Exchange rate effect	Profit for the year	Increase (decrease) resulting from consolidation	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	1,515,379,527	-	-	-	-	45,515,053	(74,321)	134,700,238	1,695,520,497
	$12,226,479,230	$ 36,658,931,233	$1,231,579,386	$ 38,394,262,156	$ (572,328,036)	$ 45,515,053	$ (74,321)	$ 134,700,238	$11,330,540,626

21. TRADE ACCOUNTS PAYABLE AND OTHER ACCOUNTS PAYABLE

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

	2024	2023
Commissions and fees	$ 941,334	$ 1,232,339
Costs and expenses payable	93,933	180,600
Taxes	2,449,369	3,848,480
Dividends	411,221	398,846
Leases	10,187	3,762
Promising buyers	11,522	230,402
Contributions on transactions	3,428	13,443
Suppliers	4,608,212	12,909,448
Withholdings and labor contributions	8,061,920	11,816,114
Insurance	1,240,620	1,075,550
Accounts payable in joint ventures	547,589	360,857
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	1,549,640	1,692,443
	$ 38,791,319	$ 45,179,992

(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. It should be noted that the Bank only has short-term benefits for employees

	2024	2023
Payroll to be paid	$ 497,719	$ 159,817
Severance pay	2,903,680	2,765,451
Interest on severance payments	334,811	321,360
Vacation periods	7,840,452	8,462,314
Legal premium	237	237
Other accounts payable to employees (1)	3,174,805	10,070,905
Current provisions	114,534	708,705
	$ 14,866,238	$ 22,488,789

23. ESTIMATED LIABILITIES AND PROVISIONS

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

	2024	2023
In joint operations (1)	$ 682,677	$ 624,060
Other provisions (2)	110,014	110,014
	$ 792,691	$ 734,074

(1) The following is the disaggregation of litigation provisions Fiducóldex holds as a result of the joint operations as of December 31, 2024 and 2023:

2024	Litigation	Total
Carrying value as of January 1, 2024	$ 624.060	$ 624.060
Additions	60.535	60.535
Reversals. unused amounts	(1.918)	(1.918)
Carrying value as of December 31, 2024	**$ 682.677**	**$ 682.677**

2023	Litigation	Total
Carrying value as of January 1, 2023	$ 642.091	$ 642.091
Additions	95.413	95.413
Reversals. unused amounts	(113.444)	(113.444)
Carrying value as of December 31, 2023	**$ 624.060**	**$ 624.060**

Provisions - As of December 31, 2024, the balance of the provision is $ 632,952 of the Fosyga Consortium, which corresponds to a 3.57% participation. 62% participation of Coldexpo 2020 Consortium is $ 23,263; and 18% participation of the Colombia en Paz 2019 Fund Consortium is $ 26,462.

There are currently four (4) legal proceedings against Consorcio Fidufosyga 2005 en Liquidación, which deal with the recognition of late payment interest in favor of a Health Care Provider caused by apparent delays in the payments of medical services. According to the regulations governing the matter, the payments should have been charged to the Fosyga sub-account, despite having been provided by the plaintiffs. The process also includes the corresponding monetary adjustment derived from the application of the consumer price index - CPI.

This provision was authorized at the time by the Board of Directors of the Entity. Thus, the provision is to be maintained, taking into account the possibility that the judicial proceedings may result in a ruling unfavorable to the interests of the Fiduciary. The ruling may be in the proportion corresponding to the Fiduciary's participation in the Consortium and under the assumption that such rulings would directly affect Fiducóldex' own resources.

The provision anyway corresponds to the amount agreed at the time within the Consortium, and we understand that it is currently duly registered by Fiducóldex in the foresaid Consortium. This is why it is necessary to specify that Fiducóldex' participation within the Consortium in question amounts to 3.57%.

The main assumptions considered in the calculation of the provision are as follows:

Proceedings N°	**Plaintiff**	**Claim Value**	**Provision calculated at 100% December 2024**	**Provision for participation December 2024**
2010-0119	Sanitas Eps	$ 862.453	$ 1.770.487	$ 63.206
2010-00772	Coomeva Eps	196.769	403.937	14.421
2012-00467	Coomeva Eps	1.153.877	2.213.396	79.018
2010-00807	Cafesalud Eps-Cruz Blanca Eps and Saludcoop Eps	6.499.215	13.341.923	476.307
	Total	$ 8.712.314	$ 17.729.743	$ 632.952

(2) 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.

At the Parent Company, 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)	$ 80,402,196	$ 111,452,109
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)	49,347,255	33,220,644
	$ 137,299,470	$ 150,559,333

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

	2023	**Charges**	**Amortization**	**2024**
Interest	$ 111,452,109	$ 19,354,483	$ 50,404,396	$ 80,402,196

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		
Protection -Private Equity Funds	131,461,578	113,782,449
Occasional		
For loan portfolio protection	-	-
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 net earnings per share for the periods ended December 31, 2024 and 2023:

	2024	**2023**
Circulating common shares	1,062,594,968	1,062,594,968
Profit for the year	$ 51,272,119	$ 45,515,052
Earnings per Share (In Colombian pesos)	48.	42.83

The Entities do not have shares with dilutive effects.

26. OTHER INCOME

The breakdown of other income is as follows:

	2024	2023
Reversal of impairment loss	$ 18,551	$ 4,533
Property Lease	1,997,817	1,846,899
Sale of property and equipment	121,372	877,046
Activities in joint operations	3,148,784	5,164,538
Prepaid income from portfolio operations (1)	-	4,251,648
FNG Revenues	579,122	825,484
Revenues and reimbursement of prior period expenses (2)	1,752,837	883,909
Others	20,267,363	1,532,522
	$ 27,885,846	$ 15,386,579

(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	$ 4,457,875	$ 4,343,597
Management services	119,679	86,225
Legal and notarial expenses	33,437	99,025
Insurance	3,237,718	3,476,566
Maintenance and repairs	9,279,691	7,870,775
Adaptation and installation of offices	375,738	241,056
Activities in joint operations	1,937,644	2,905,990
Fines and penalties	-	2,320
Cleaning and security services	1,817,208	1,484,300
Temporary services	826,583	1,248,684
Advertising and publicity	554,694	525,191
Public Relations	98,137	119,935
Utilities	1,230,435	1,203,276
Travel expenses	922,925	1,120,923
Transportation	798,053	965,764
Supplies, stationery and reference books	158,815	123,480
Publications and subscriptions	516,956	472,990
Photocopying service	815	829
Working lunches	209,391	160,580

Cafeteria elements	163,792	110,674
Toiletries	134,132	110,459
Postage and courier services	108,242	149,240
Telex data transmission. SWIFT	1,527,163	1,525,645
Building management	1,415,948	1,311,618
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 Bancóldex	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
Internet services and electronic communications	1,272,611	1,213,532
Withholdings and taxes borne	106,117	171,194
Disaster recovery service	386,100	220,000
Prior period expenses	1,563,115	1,922,511
Events and Refreshments Business Training and Strategic Planning	255,575	528,341
Assets received in payment and returned	3,080,151	2,450,148
Loss on sale of leased assets	221,339	-
Derecognition of portfolio interest accounts IFRS 9	743,740	-
Expenses and reversal of income from previous years	6,101,980	92,500
Others	1,619,685	719,119
	$ 49,086,561	$ 41,466,342

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, the Entities 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 financial institutions 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		
Other self-withholding and withholdings by third parties	$ 59,033,173	$ 73,788,127
Current tax liabilities		
Income tax payable	60,348,222	51,217,998
Total	$ (1,315,050)	$ 22,570,129

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:		
Prior period adjustment		
Income tax for current year	$ 60,348,222	$ 51,217,998
	60,348,222	51,217,998
Deferred tax:		
Prior period adjustment		
From the current period	(13,938,887)	(5,489,314)
Adjustments to deferred taxes attributable to changes in tax laws and rates	(138,110)	321,045
	(14,076,997)	(5,168,269)
Total income tax recognized in the period	$ 46,271,225	$ 46,049,729

28.3. Reconciliation between income before income 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	$ 97,543,344	$ 91,564,782
Plus items that increase income		
Non-deductible taxes	9,090,554	10,804,248
Non-deductible debit tax (GMF)	6,564,647	10,001,962

Non-deductible allowance for loan portfolio and returned assets	77,697,418	7,742,119
Restatement of unrealized foreign currency liabilities for tax purposes	207,337,297	(317,663,024)
Income from tax realization of financial derivatives	-	(47,196,151)
Loss on valuation of financial derivatives	4,420,804	89,144,853
Taxable 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	(715,628)
Other non-deductible expenses / expenses abroad subject to limits	19,496,720	5,991,067
	497,591,190	(123,508,050)
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)	-
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)	316,565,292
Recovery of untaxed provisions	(4,705,270)	(6,356,161)
Revaluation of untaxed properties and equipment	(133,193)	(342,025)
Effect of the sale of fixed assets/exempt income	(11)	(3,004,383)
	(444,300,667)	159,964,252
Net taxable income	$ 150,833,866	$ 128,020,983
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 statutory tax rate	35%	35%
Income tax	52,791,853	44,807,344
Additional points for financial institutions 5% - 3%.	7,541,693	6,401,049
Income tax 10%.	14,676	9,604
Current tax	$ 60,348,223	$ 51,217,998

28.4. Tax loss offset

The Entities do not have any tax losses to offset.

28.5. Cumulative presumptive income and accumulated tax loss

Law 2277 of 2022 added paragraph 6 of article 240 of the Tax Statute to establish 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 Entities for fiscal 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:		
Revaluation of available-for-sale financial assets	$ (18,975,018)	$ 649,248
Revaluations of financial instruments treated as cash flow hedges	(7,098,400)	(2,916,710)
Financial lease agreement	(150,250)	(150,250)
Valuation (devaluation) at fair value private equity fund	24,773,459	30,266,622
Gain (loss) from exchange difference of investments abroad	1,541,910	823,271
Property revaluations	6,919,723	4,910,371
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	$ 7,828,164	$ 34,091,304

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	$ 164,702,540	$ 89,312,623
Deferred tax liabilities	(218,194,919)	(183,145,141)
Total	$ (53,492,379)	$ (93,832,518)

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
Derivative financial instruments - valuation	$ 38,562,719	$ (1,049)	$ 38,561,670	$ (33,843,607)	$ 4,181,690	$ 8,900,230	$ (477)	$ 8,899,753
Financial assets at fair value through profit or loss	1,951,718	(446,134)	1,505,584	2,184,731		3,690,315	-	3,690,315
Available-for-sale financial assets	-	(649,248)	(649,248)	-	19,624,266	18,975,018	-	18,975,018
Financial assets at fair value through OCI - Equity instruments	-	(34,929,378)	(34,929,378)	4,223,121	5,185,172	-	(25,521,082)	(25,521,082)
Exchange difference of foreign currency assets and liabilities	39,091,109	(39,160,206)	(69,097)	10,669,516	(718,639)	115,362,462	(105,480,682)	9,881,780
Loans and receivables	-	(70,173,054)	(70,173,054)	23,547,542	-	-	(46,625,512)	(46,625,512)
Property, plant and equipment	446,740	(16,311,634)	(15,864,894)	588,012	(2,009,349)	914,782	(18,201,013)	(17,286,231)
Non-current assets	-	(17,752,961)	(17,752,961)	(521,869)	-	-	(18,274,830)	(18,274,830)
Finance leases	3,439,539	(3,417,209)	22,330	231,756	-	4,084,097	(3,830,011)	254,086
Intangible assets	492,516	(235,154)	257,362	309,192	-	758,749	(192,195)	566,554
Provisions (administrative expenses)	365,586	-	365,586	5,367,163	-	5,732,748	-	5,732,748
Impairment of other accounts receivable	1,186,897	(69,117)	1,117,780	48,529	-	1,235,426	(69,117)	1,166,309
Agreements	3,775,799	3	3,775,802	1,272,911	-	5,048,713	-	5,048,713
	$ 89,312,623	$(183,145,141)	$ (93,832,518)	$ 14,076,997	$ 26,263,140	$ 164,702,540	$(218,194,919)	$ (53,492,379)

2023	Opening balance			Activity			Closing balance	
Deferred tax items	Assets	Liabilities	Net		Recognized in profit or loss	Recognized in other comprehensive income		Assets
Derivative financial instruments - valuation	$ 31,362,763	$ (13,905)	$ 31,348,858	$ 16,779,481	$ (9,566,669)	$ 38,562,719	$ (1,049)	$ 38,561,670
Financial assets at fair value through profit or loss	8,600,137	-	8,600,137	(7,094,553)	-	1,951,718	(446,134)	1,505,584
Available-for-sale financial assets	39,206,083	-	39,206,083		(39,855,331)	-	(649,248)	(649,248)
Financial assets at fair value through OCI - Equity instruments	-	(32,874,657)	(32,874,657)	189,777	(2,244,498)	-	(34,929,378)	(34,929,378)
Exchange difference of foreign currency assets and liabilities	152,971,552	(156,878,294)	(3,906,742)	2,628,102	1,209,544	39,091,109	(39,160,206)	(69,097)
Loans and receivables		(58,876,488)	(58,876,488)	(11,296,566)	-		(70,173,054)	(70,173,054)
Property, plant and equipment	379,004	(16,148,658)	(15,769,654)	(95,240)	-	446,740	(16,311,634)	(15,864,894)
Non-current assets		(15,905,801)	(15,905,801)	(1,847,160)	-		(17,752,961)	(17,752,961)
Finance leases	4,751,473	(4,868,827)	(117,354)	139,687	-	3,439,539	(3,417,209)	22,330
Intangible assets	441,309	(155,430)	285,879	(28,517)	-	492,516	(235,154)	257,362
Provisions (administrative expenses)	379,254		379,254	(13,668)	-	365,586	-	365,586
Impairment of other accounts receivable	1,191,283	(69,117)	1,122,166	(4,386)	-	1,186,897	(69,117)	1,117,780
Agreements	-	(2,035,518)	(2,035,518)	5,811,311	-	3,775,799	3	3,775,802
	$ 239,282,858	$ (287,826,695)	$ (48,543,837)	$ 5,168,268	$ (50,456,954)	$ 89,312,623	$ (183,145,141)	$ (93,832,518)

The amount of deferred tax expense (income) related to changes in tax rates for 2024 corresponds to the exchange difference on assets and liabilities in foreign currency that are considered for the difference in the Representative Market Rate between the transaction date and the settlement date of the assets and liabilities affected by the increase in the surtax applicable to financial institutions from 3% to 5% pursuant to Law 2277 of 2022.

	2024	2023
Exchange difference between assets and liabilities in foreign currencies	$ (138,110)	$ 321,045

29. CONTINGENCIES

As of December 31, 2024 and 2023, the Parent Company 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
	$ 42,881,159	$ 114,607,713

(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).

The following section presents the details of the main contingencies to which Fiducóldex is a party as of December 31, 2024. They are classified as contingent and must be disclosed.

Legal proceedings where Fiducóldex is involved in its own position:

Liquidation of Fiduciary Assignment Contract 467 of 2011. The Fiduciary Entrustment Contract N° 467 of 2011 entered into between SAYP 2011 Consortium and the Ministry of Health and Social Protection ended its execution in August 2017. However, on occasion of the liquidation and splicing process to hand over the entire operation to ADRES, as the new entity in charge of managing FOSYGA, situations have arisen that are the subject of discrepancy with the Ministry of Health and Social Protection and/or ADRES. The situations arise from the fact that the referred Ministry partially failed to comply with the obligations contained in the Fiduciary Entrustment Contract N° 467 of 2011, by not having paid to the SAYP 2011 Consortium the higher costs related to the administration of the technological infrastructure. This has delayed the bilateral or mutually agreed settlement. In order to settle these disagreements, SAYP 2011 Consortium in liquidation and its member Trustees initiated legal action against the Ministry of Health and Social Protection.

The contract was unilaterally liquidated by ADRES through Resolution N° 544 of 2021, claiming the payment of the sum of $1,340,155. On May 31, 2023 the parties signed the Conciliation Agreement where they conciliated, amongst others, the entire controversies caused by the economic effects of Resolution 544 of May 4, 2021 and Resolution 609 of May 28, 2021.

SAYP 2011 Consortium, formed by Fiduprevisora and Fiducóldex, is obliged to reimburse ADRES, by virtue of the liquidation of Fiduciary Entrustment Contract N° 467 of 2011, the amount of SEVEN HUNDRED SIXTY MILLION ($760 million). Fiduprevisora shall pay the amount of SIX HUNDRED EIGHTY-FOUR MILLION ($684 million), which correspond to its ninety percent (90%) participation percentage in SAYP 2011 Consortium. Fiducóldex shall pay the amount of SEVENTY-

SIX MILLION ($76 million), which corresponds to its ten percent (10%) participation percentage in SAYP 2011 Consortium. The agreed amount shall be paid by each one of the fiduciary members of SAYP 2011 Consortium in two equal installments, in the percentages established above, as follows:

a. The first payment will be the amount of THREE HUNDRED EIGHTY MILLION ($380 million) within ten (10) business days following the date when the Administrative Court of Cundinamarca approves the corresponding conciliation agreement and the order becomes enforceable.

b. The second payment will be the amount of THREE HUNDRED EIGHTY MILLION ($380 million) on the first business day of February of the following calendar year after the Administrative Court of Cundinamarca approves the corresponding conciliatory agreement and the order becomes enforceable.

Within the framework of the extrajudicial conciliation process whose convenor was SAYP 2011 Consortium integrated by Fiduprevisora S.A. and Fiduciaria Colombiana de Comercio Exterior S.A. FIDUCÓLDEX and the summoned party was Administradora de los Recursos del Sistema General de Seguridad Social en Salud - ADRES, filed under number SIGDEA E-2022-422346 of 07/28/2022, filed before Procuraduría 55 Judicial II for administrative matters, a conciliation hearing was held on June 1, 2023. Procuraduría 55 Judicial II for administrative matters approved the conciliation agreement entered into between Fiduprevisora and Fiducóldex, members of the Sayp 2011 Consortium, and ADRES.

The conciliation agreement was forwarded to the Administrative Court of Cundinamarca by the Attorney's Office, so that the respective legality control could be carried out. To this report date, the status of the process is still pending the decision of the competent judge.

The Fiscal Responsibility Process against Consorcio Pensiones Cundinamarca 2012, where Fiducóldex is a member, may become a contingent liability. As of December 2022, the fiscal responsibility process that involves Consorcio Pensiones Cundinamarca 2012 is still ongoing and the information is as follows:

Consortium	Fiducóldex' Participation	Total Amount	Fiducóldex' Amount
Consorcio Pensiones Cundinamarca 2012	45%	$ 3.285.544	$ 1.478.495

Current Status: According to the information provided by the attorney-in-fact in his report as of December 2023, the matter is being studied by the Comptroller's Office. On January 27, 2023, the representative of the Ministry of Education filed an appeal against the judgment. On February 2, 2023, Fiducóldex' attorney filed its ruling on the appeal filed by the Ministry of Education and the decision granting it. On November 16, 2023 an order was issued admitting the appeal filed by the Ministry of Education against the first instance judgment. By means of a document dated December 6, 2023, the Delegate Attorney's Office of Intervention 6, First before the Council of State, issued an opinion regarding the appeal filed by the Ministry of National Education against the judgment issued on December 7, 2022 by the Administrative Court of Cundinamarca, requesting to confirm said judgment, which was favorable to the interests of Fiducóldex.

30. BUSINESSES MANAGED BY THE FIDUCIARY

The value of the assets and liabilities that correspond to all the businesses managed by Fiducóldex subsidiary as of December 31, 2024 and 2023 is detailed below:

2024

Business Category	Number of Businesses	Assets	Liabilities
Management and Payments			
Real Estate Business	1	$ 21.806.604	$ -
Business Management and Payments	115	4.496.481.538	1.859.893.033
Total Management and Payments	116	4.518.288.142	1.859.893.033

Guaranty Trust			
Guaranty Trust Business	39	257.641.296	90.792
Total Guaranty Trust	39	257.641.296	90.792
Pension Liabilities			
Pension Liability Business	8	266.363.757	10.236.317
Total Pension Liabilities	8	266.363.757	10.236.317
Collective Investment Fund			
Fics Fiducóldex	1	652.505.510	775.618
Fics 60 Moderate	1	19.796.285	25.134
Total Collective Investment Funds	2	672.301.795	800.752
Private Equity Fund			
Bancóldex Fondo de Fondos	3	260.063.150	39.121.188
Total Private Equity Fund	3	260.063.150	39.121.188
Total	**168**	$ 5.974.658.140	**$ 1.910.142.082**

2023

Business Category	Number of Businesses	Assets	Liabilities
Administration and Payments			
Real Estate Business	2	$ 30.262.308	$ 7.652.117
Business Administration and Payments	122	4.487.335.209	2.100.136.934
Total Administration and Payments	**124**	4.517.597.517	2.107.789.051
Guaranty Trust			
Guaranty Trust Business	42	256.495.567	832.100
Total Guaranty Trust	**42**	256.495.567	832.100
Pension Liabilities			
Pension Liability Business	7	324.077.887	13.104.557
Total Pension Liabilities	**7**	324.077.887	13.104.557
Collective Investment Fund			
Fics Fiducóldex	1	$ 584.064.572	$ 614.593
Fics 60 Moderate	1	21.133.050	27.292
Total Collective Investment Funds	**2**	605.197.622	641.885
Private Equity Fund			
Aureos Colombia Fund	1	$ 4.179.040	$ 1.740.915
Bancóldex Fondo of Fondos	3	285.265.084	1.500.414
Total Private Equity Fund	**4**	289.444.124	3.241.329
Total	**179**	$ 5.992.812.717	$ 2.125.608.922

31. 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	Bancóldex Business	Fiducóldex Trust Business	SUB-TOT	Eliminations		Consolidated Statement
				Debit	Credit	
Principal Asset Amount Related	**9,023,603,143**	**77,804,943**	**9,101,408,086**	-	**58,727,436**	**9,042,680,650**
Amount Assets under management (Trust management business)	-	5,962,822,660	5,962,822,660			5,962,822,660
INCOME STATEMENT:						
Financial income generated	2,152,626,269	6,238,982	2,158,865,251	-	-	2,158,865,251
Financial expenses	1,824,767,575	2,083,056	1,826,850,631	-	24,176	1,826,826,456
Other Financial Income and/or Expenses (including commissions)	-8,969,650	46,767,891	37,798,241			37,798,241
Gross financial margin	**318,889,044**	**50,923,817**	**369,812,861**			**369,837,036**
Provisions portfolio balance	42,648,611	-	42,648,611	-	-	42,648,611
Net financial margin	**276,240,433**	**50,923,817**	**327,164,250**			**327,188,425**
Operating expenses:						
Administrative expenses	129,388,504	39,857,845	169,246,348		1,022,806	168,223,542
Financial business taxes (*)	34,608,564	2,689,501	37,298,065			37,298,065
Other provisions (**)	80,868,511	92,879	80,961,390			80,961,390
Operating income	**31,374,854**	**8,283,593**	**39,658,447**			**40,705,429**
Net other income/expenses (including dividends) (***)	60,732,016	4,234,282	64,966,298	8,128,383	-	56,837,915
Income before TX	**92,106,870**	**12,517,875**	**104,624,745**			**97,543,344**
Income tax	41,660,615	4,610,610	46,271,225			46,271,225
Net income	**50,446,255**	**7,907,265**	**58,353,520**			**51,272,119**

2023	Bancóldex Business	Fiducóldex Trust Business	SUB-TOT	Eliminations		Consolidated Statement
				Debit	Credit	
Principal Asset Amount Related	**11,832,931,808**	**78,723,315**	**11,911,655,123**	-	**60,812,037**	**11,850,843,087**
Amount Assets under management (Trust management business)	-	5,992,812,717	5,992,812,717			5,992,812,717
INCOME STATEMENT:						
Financial income generated	3,824,707,202	6,076,840	3,830,784,042	-	-	3,830,784,042
Financial expenses	3,533,263,356	8,495,451	3,541,758,808	-	16,433	3,541,742,374
Other Financial Income and/or Expenses (including commissions)	-5,208,096	38,771,951	33,563,855			33,563,855
Gross financial margin	**286,235,749**	**36,353,340**	**322,589,089**			**322,605,522**
Provisions portfolio balance	20,676,414	-	20,676,414	-	-	20,676,414
Net financial margin	**265,559,334**	**36,353,340**	**301,912,674**			**301,929,107**
Operating expenses:						
Administrative expenses	130,455,552	32,508,018	162,963,569		927,121	162,036,448
Financial business taxes (*)	47,591,148	2,361,703	49,952,851			49,952,851
Other provisions (**)	38,073,669	28,100	38,101,769			38,101,769
Operating income	**49,438,965**	**1,455,519**	**50,894,485**			**51,838,039**
Net other income/expenses (including dividends) (***)	34,559,232	16,402,849	50,962,081	11,235,339	-	39,726,743
Income before TX	**83,998,198**	**17,858,368**	**101,856,566**			**91,564,782**
Income tax	39,675,700	6,374,029	46,049,729			46,049,729
Net income	**44,322,498**	**11,484,339**	**55,806,837**			**45,515,053**

Assets and Liabilities

2023	Bancóldex Business	Fiducóldex Trust Business	SUB-TOT	Eliminations		Consolidated Statement
				Debit	Credit	
Assets	**11,744,440,135**	**77,902,366**	**11,822,342,501**	-	60,812,037	**11,761,530,465**
Liabilities	**10,055,835,940**	**11,298,186**	**10,067,134,126**	1,124,158		**10,066,009,968**

2024	Bancóldex Business	Fiducóldex Trust Business	SUB-TOT	Eliminations		Consolidated Statement
				Debit	Credit	
Assets	**8,860,141,190**	**76,564,360**	**8,936,705,550**	-	58,727,436	**8,877,978,114**
Liabilities	**7,150,905,892**	**12,004,340**	**7,162,910,232**	876,207		**7,162,034,025**

32. RELATED PARTIES

The Entities 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, are clear examples of persons or entities that influence or may influence P&L and the financial situation of the Entities. 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 Entities, as well as Directors and Managers Fiducóldex Subsidiary.

Transactions with related parties - The Entities 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 Entities and their 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, and members of the Board of Directors is as follows:

Parent Company

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	$ 2,804,821	$ 2,415,514
Consumer	179,874	117,576
Accounts receivable		
Interest receivable	10,959	14,748
Social welfare	12,649	16,680
Other	15,089	17,727
	$ 3,023,392	$ 2,582,246
LIABILITIES		
Accounts payable		
Social welfare	741	6,087
Other	332,498	986,002

Other liabilities		
Vacation periods	822,922	828,207
	$ 1,156,161	$ 1,820,295
INCOME		
Portfolio income		
Loan interest	308,018	284,787
Income - Sundry		
Furniture sale profit	118,312	662,251
Other Income	2,695	9,029
	$ 429,025	$ 956,067
EXPENSES		
Employee benefits		
Personnel Expenses	$ 4,614,383	$ 5,794,003
Expenses - Sundry		
Others	89,405	97,483
	$ 4,703,789	$ 5,891,487

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 members of the Board of Directors

	2024	**2023**
ASSETS		
Loan portfolio		
Housing	$ 118,107	$ -
Accounts receivable		
Interest receivable	451	-
Social welfare	2,000	-
Other	540	-
	$ 121,098	$ -
LIABILITIES		
Accounts payable		
Suppliers	6,694	-
Other	13,278	-
Other liabilities		
Vacation Periods	113,766	-
	$ 133,738	$ -
INCOME		
Portfolio income		
Interest on loans	15,799	-
Income - Sundry		
Other Income	491	-
	$ 16,290	$ -
EXPENSES		
Employee benefits		
Personnel Expenses	377,292	-
Other	2,024	-

Fees		
Fees	889,384	1,388,060
	$ 1,268,700	$ 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.

Fiducóldex **-** The total value of transactions carried out by Fiducóldex subsidiary with related parties during the corresponding period is shown below:

	.2024	**.2023**
Operating expenses		
Bogota Chamber of Commerce Renewals, Enrolments, Certificates, etc.	$ 5.279	$ 4.332
Total	**$ 5.279**	**$ 4.332**

Compensation to Fiducóldex' key personnel - Fiducóldex' key personnel include shareholders, administrators and members of the board of directors.

The disclosed figures are the amounts recognized as a cost or expense during the reported period for compensation of Fiducóldex' key personnel:

	2024	2023
Transactions with members of the Board of Directors		
Operating expenses		
Board of Directors Fees	$ 173.934	$ 380.484
Audit Committee Fees	19.101	12.734
Investment Committee Fees	27.161	18.560
Corporate Governance Committee Fees	18.296	-
Risk management committee fees	50.433	33.093
Total	$ 288.926	$ 444.871

	2024	2023
Operations with directors		
Salaries	$ 6.248.814	$ 5.410.861
Disability	63.020	36.466
Vacation periods	774.078	396.147
Bonuses	349.686	9.375
Benefits and other	606.900	839.321
Health assistance	85.900	73.397
Maternity Leave	21.207	-
Indemnifications	75.856	15.279
Total	**$ 8.225.461**	**$ 6.780.846**

33. 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, , Interest Rate Risk of the RTILB Banking Book, 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 Corporate 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	• Propose strategies for resource mobilization, resource attraction and hedging • Follow up 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. • Analyze and approve information security policies and business continuity policies.

Instance	Risk category	Main functions
		• 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) 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 of 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. For direct loans to Companies, 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, among others). They help the credit factory determine 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. These actions allowed the Bank to grow the balance in a controlled manner and to reduce credit risk in this segment.

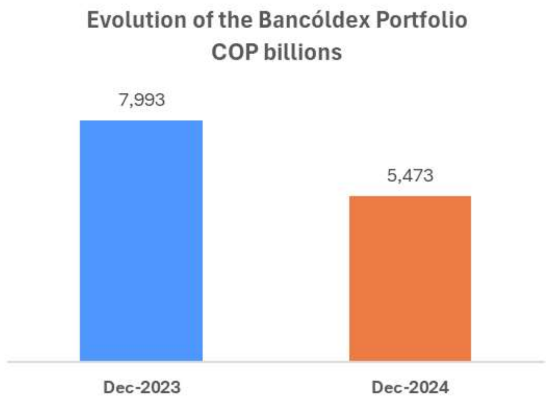
The Vice Presidency of Risk and Credit periodically reports to the Board of Directors and the various Committees the results of the credit risk analyses and the evolution of the risk profile for both Bank's and counterparties' credit operations. As part of the follow-up and monitoring process, the entire credit portfolio must be rated monthly, following the regulatory guidelines, which consider the financial position and payment capacity of each debtor. The methodology used by the Bank to measure the impairment of financial assets is based on the expected loss methodology. It follows the guidelines defined by IASB in IFRS 9 (financial instruments).

IFRS 9 establishes an expected loss model, based on three components of credit loss: probability of default, exposure at default and loss given default under the guidelines of IFRS 9 accounting standard.

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 - Bancóldex Group'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, 2024 and 2023, as shown below:

	2024	**2023**
Loan portfolio	$ 5,472,975,412	$ 7,992,875,486
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	711,735,469
Maximum credit risk exposure	**$ 9,171,852,484**	**$ 11,303,923,319**



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

Distribution by type of portfolio

	2024	2023
Business	$ 5,444,381,924	$ 7,969,859,790
Consumer	2,817,869	2,126,640
Housing	25,775,619	20,889,056
Total	$ 5,472,975,412	$ 7,992,875,486

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.

Distribution by risk rating

Rating	2024	2023
A	$ 5,062,729,831	$ 7,394,328,336
B	102,222,968	140,952,773
C	47,214,234	53,987,396
D	149,706,319	230,105,385
E	111,102,060	173,501,596
Total	$ 5,472,975,412	$ 7,992,875,486

Portfolio quality indicators

Portfolio quality		2024	2023
Risk Profile	Indicator[1]	7,50%	7,49%
	Hedging (times)	0,44	0,37

1. risk profile indicator = portfolio rated B-E/gross portfolio

2. hedge = provisions/ portfolio rated B-E

As of December 2024, the gross portfolio balance was $5.4 trillion, a 31% decrease compared to the previous year, due to general market conditions and mainly to the reduction of the rediscount portfolio. The past-due portfolio indicator in 2024 was 4.4% higher than in 2023.

Impairment indicators:

Impairment is understood as the recognition of the expected loss of the loan portfolio under IFRS 9.

Impairment	2024	2023
Impairment amount	$ 179,192,871	$ 224.034.614
Impairment indicator	3.27%	2.80%

Write-offs

Throughout 2024, the Bank carried out portfolio write-offs based on the following concepts:

IFRS 9	Amount
Principal	50,573,264
Interest	86,886,299
Other Items	2,774,083
Total	**140,233,646**

Credit risk management - 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, Bancóldex Group 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 Bancóldex' Risk Management Committee according to the results of the risk rating model for 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* - Bancóldex Group has alert indicators to identify promptly changes in the financial position of counterparties. Bancóldex' Vice Presidency of Risk periodically reports the financial position of the counterparties that have an assigned limit to operate to the Risk Management Committee on the financial situation of the counterparties that have an assigned limit to operate.

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 Risk Management Committee (CAR, acronym in Spanish) 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	1,672,375,803	*60.03%*	1,733,439,603	62.29%
At Fair Value	16,594,040	*0.60%*	67,629,443	2.43%
Total	$ 2,767,347,689		$ 2,783,010,288	

The investment portfolio of Fiducóldex subsidiary as of December 31, 2024 and 2023 is detailed below:

		2024	Part.		2023	Part.
At Fair Value	$	29.823.989	80%	$	38.891.534	88%
Maturity Investments		7.417.612	20%		5.159.088	12%
Total	$	37.241.601		$	44.050.622	

The value of the investment portfolio at fair value decreased by 7.19%% when compared to 2023.

Maximum, minimum and average amounts of the investment portfolio:

	2024			2023		
Investments	Maximum	Minimum	Average	Maximum	Minimum	Average
At fair value	$37.241.601	$21.624.900	$31.225.528	$ 38,891,534	$ 28,849,848	$ 32.662.568

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% increase 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.

The total exposure to market risk of Fiducóldex subsidiary is calculated by applying the methodology established by the Financial Superintendence of Colombia in Annex 7 of Chapter XXXI of the Basic Accounting and Financial Circular Letter (called standard methodology).

The disaggregation of the risk factors for the market risk exposure of the regulatory model is shown below:

2024 **2023**

Risk factor	Maximum	Minimum	Average	Year-End Closing	Maximum	Minimum	Average	Year-End Closing
CEC peso interest rate - component 1	104.94	26.62	49.01	31.29	27.44	17.70	23.44	27.32
CEC peso interest rate - component 2	51.64	8.80	16.24	11.65	11.33	6.39	8.42	10.58
CEC peso interest rate - component 3	28.92	3.79	9.98	7.98	3.92	1.79	2.80	2.14
DTF interest rate - node 1 (short term)	3.71	0.06	1.51	0.08	7.79	0.59	3.81	7.30
CPI interest rate	288.28	12.19	149.89	13.28	100.52	0.18	40.59	96.82
Collective portfolios (FICs)	3.42	0.16	1.35	0.11	11.76	2.15	7.84	8.66
Non-diversified VeR	365.38	49.32	195.59	66.27	152.83	36.29	86.90	151.02
Diversified VeR	278.07	26.94	141.61	37.53	101.52	15.70	49.64	101.52

c) Interest Rate Risk

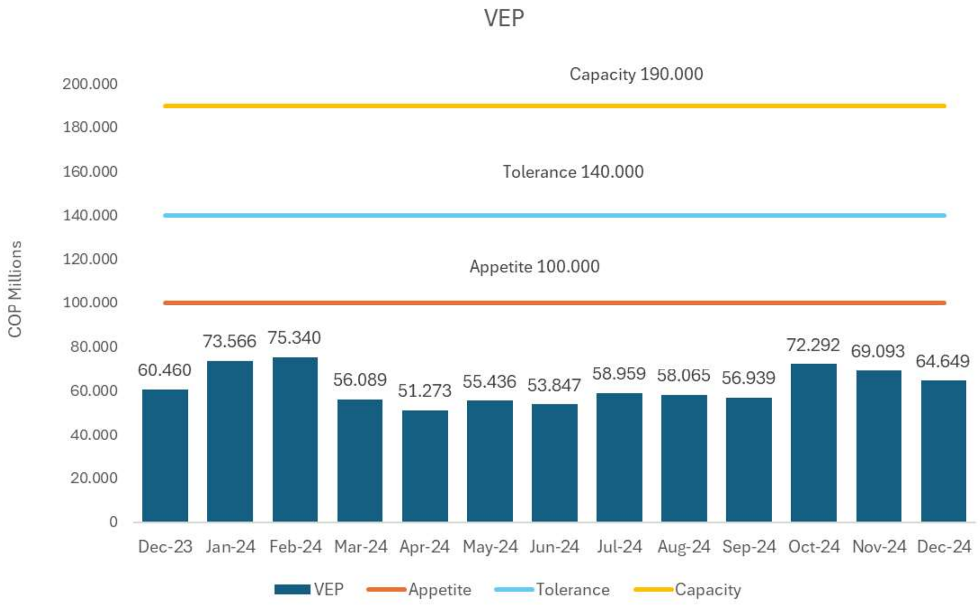
The Bank implemented the standard related to the Interest Rate Risk in the banking book in 2024. The interest rate risk to which Bancóldex is exposed is recorded in the balance sheet positions represented in the portfolio of fixed income investments in local and foreign currency. It is also represented 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



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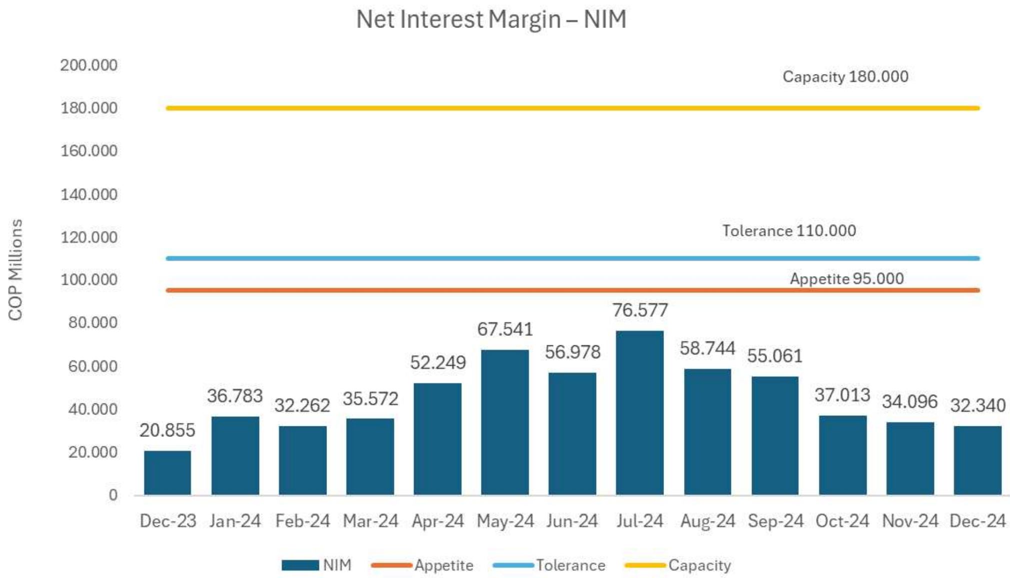


interest rate risk indicators of the banking book - RTILB calculated for December 2024 are within the limits approved by the Board of Directors.

d) 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.

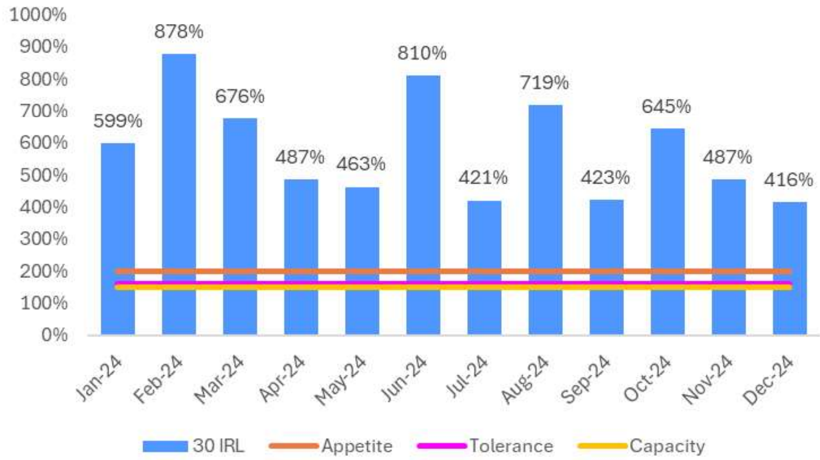
Quantitative information

Liquidity risk indicator - As of December 31, 2024, the Bank recorded a seven-day IRL of $ 888,921,860, while the same indicator in 2022 reached $ 1,849,474,668, which represents a decrease of 52% compared to the previous year. 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% compared to the previous year; 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.

Likewise, net liquidity requirements registered a stable behavior in 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%**

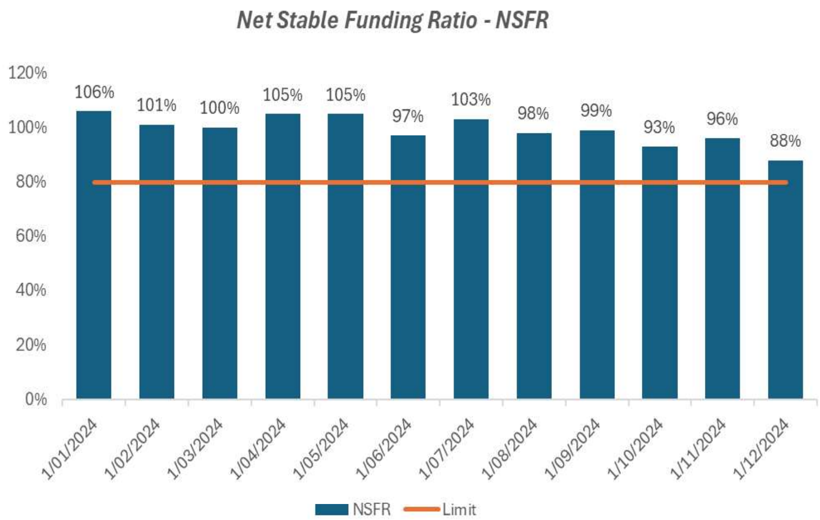
At the end of 2024, the Bank's ample liquidity condition to cover its short-term obligations is reflected. The following graphs show the evolution of liquid assets and liquidity requirement during the last year, as well as the behavior of the IRL.



In relation to Fiducóldex subsidiary, the liquid market assets reported an increase compared to the previous year, due to the increase in cash flow in recent months.

30-DAY IRL	2024	2023
Liquid market assets	$ 32.438.422	$ 32,059,497
Net withdrawal factor	869.884	1,393,511
IRL (Liquidity Requirement Indicator, acronym in Spanish)	2,68%	4.35%

Net Stable Funding Ratio - NSFR: As part of the convergence process towards international standards and best practices, and as of 2020, the Financial Superintendence of Colombia complemented the liquidity risk management with an indicator called Net Stable Funding Ratio - NSFR. The main objective of this indicator is to limit excessive dependence on unstable sources of funding for strategic assets that are often illiquid and to maintain a stable funding profile regarding assets.



		Dec - 23	Weighted	Dec -24	Weighted	Δ%
Sources of financing	Heritage	1,542,864	1,542,864	1,574,358	1,574,358	2,04%
	Short-Term Debt	6,179,449	2,414,134	4,897,034	1,467,513	-39.21%
	Long-Term Debt	3,432,501	3,432,501	1,579,901	1,579,901	-53,97%
	Other Items	106,172	0	151,019	0	0,00%
	Total	11,260,986	7,389,499	8,202,312	4,621,772	-37,45
Assets with financing needs	Liquid assets	2,068,771	49,289	1,007,058	49,289	0,00%
	Portfolio	7,599,735	5,368,609	5,184,653	3,469,756	-35.37%
	Assets subject to encumbrances	1,499,772	1,391,168	1,604,367	1,563,903	12.42%
	Derivates	200,168	170,112	201,316	171,118	0.59%
	Total	11,368,446	6,979,178	7,997,395	5,254,066	-24.72%
	CFEN	**105.9%**		**88.0%**		**-16.92%**

At the end of 2024, the indicator decreases compared to the previous year due to lower funding sources.

e) 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 - The following is a description of the main activities carried out in relation to operational risk management during 2024:

Identification, measurement, control and monitoring of operational risks - As of December 31, 2024, the residual operational risk profile, consolidated between the Bank and its subsidiary, remains in the "Medium" severity level, which is the acceptable risk level defined by the organizations.

Management of operational risk events - The officers reported the operational risk events that they witnessed, and several action plans were developed after managing such events. The actions plans, in turn, helped strengthen the processes.

During 2024, the accumulated economic losses due to operational risk between the Bank and the subsidiary amounted to $179,254,990. They were recorded in their corresponding operational risk accounting lines.

Coaching throughout the development of projects or products - the different Operational Risk Units participated and engaged in the development of company projects in 2024.

Visits from control and supervisory bodies - The requirements demanded by the delegations of the Financial Superintendence of Colombia, the Internal Audit and the Statutory Auditor's Office were fulfilled.

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 Superintendence 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.

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.

During the second quarter of 2024, the subsidiary received an on-site visit of the Financial Superintendence of Colombia. The focus of the visit was the evaluation of the management and performance of the Asset Laundering and Terrorism Financing Risk Management System (SARLAFT). As a result of the evaluation, the control entity issued an Administrative Order to instruct the Fiduciary to implement a series of activities related to the process to link the derivative contracting. The reason being that the lack of implementation may expose the entity to reputational and legal effects. However, the Senior Management of Fiducóldex established a high-level work plan which is in the implementation stage and seeks to mitigate the exposure of the fiduciary and its managed businesses to the LAFT risk and other associated risks.

g) 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

In compliance with the Foreign Account Tax Compliance Act (FATCA) and the CRS financial account information exchange standard, the Subsidiary is preparing the information to be reported for the immediately preceding year. It is taking into account the guidelines set forth by the National Tax and Customs Directorate (DIAN) about the information of clients subject to these international provisions.

34. CORPORATE GOVERNANCE

Board of Directors and Senior Management - The Board of Directors of each Entity is permanently informed of their own processes and businesses. After the General Shareholders' Meeting, the Board is the highest governing body and defines the Entity's general management policies, mainly in terms of risk level 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.

Policies and division of duties - The Board of Directors of the Entities sets the policies for all business activities.

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.

The risk exposure of the Entities is reported periodically to the Board of Directors.

Additionally, reports on Conglomerate Risk are submitted before the Bank's Board of Directors. Similarly, all significant risk events detected by the different areas of the Bank are reported to the Board of Directors, to the Risk Management Committee and to Senior Management.

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 Entities 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 Entities rely on methodologies and measurement systems that allow to determine their 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 the Entities. Similarly, there is an adequate segregation of duties at all levels of the organization and in all operations.

Verification of operations – The Entities have 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).

Audit - The Board of Directors, through the Audit Committee is the main management body of the Internal Control System (SCI). It seeks to ensure the proper functioning of the Entities' 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.

35. STATUTORY CONTROLS

During the periods 2024 and 2023, the Entities complied with all the statutory controls under the regulation established by the Financial Superintendence of Colombia, in relation to minimum capital requirements, reserve requirements, own position and solvency ratio.

36. EVENTS OCCURRING AFTER THE REPORTING PERIOD

The Entities' Management 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.

37. APPROVAL OF FINANCIAL STATEMENTS

The issuance of the Bank's consolidated 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 consolidated 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
T.P. N° 77514-T