

STATUTORY AUDITOR'S REPORT

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

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

I have audited the consolidated financial statements of BANCO DE COMERCIO EXTERIOR DE COLOMBIA S.A. BANCÓLDEX (the 'Bank') and its Subordinates (Arco Grupo Bancóldex S.A. Compañía de Financiamiento and Fiduciaria Colombiana de Comercio Exterior S.A. Fiducoldex) (together, the 'Group' or the 'Entity'), which comprise the consolidated statement of financial position as of December 31, 2019, consolidated statements of income, other comprehensive income, changes in net equity and cash flows for the year then ended, and a summary of significant accounting policies, as well as other explanatory notes to the consolidated financial statements.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the 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 in forming my opinion thereon, and I do not provide a separate opinion on these matters. As of December 31, 2019, the key audit matters are:

- The impairment loss provision on the loans portfolio and on financial leasing operations at amortized cost is one of the most complex and significant estimates in the preparation of the accompanying consolidated financial statements as of December 31, 2019, for the Bank and its subsidiary ARCO Grupo Bancóldex S.A.



As of January 1, 2018, the International Financial Reporting Standard 9 (IFRS 9) became effective, which, among other aspects, modified the methodology of the impairment loss calculation models, requiring consideration of expected losses instead of incurred losses. Operation of these models requires highly judgmental inputs for determining the impairment expected losses, considering elements such as:

- The classification of the different loans portfolios according to their risk and the asset type.
- The identification and staging of impaired assets or assets with a significant risk increase.
- The use of concepts such as macroeconomic scenarios, expected operation life and segmentation criteria.

Our work over the impairment loss provision of the loan portfolio and financial leasing operations at amortized cost has focused on the analysis and evaluation of internal control, performing tests of controls, as well as carrying out tests of detail on such estimated loss provision.

Regarding internal control, we have focused on the design and effectiveness of controls for the following processes:

- Calculation methodology, recalibrations and walkthroughs and retrospective analysis of the models implemented by the Bank's Administration.
 - Compliance and operation of the internal models approved by the Bank's Administration.
 - Reliability of the data sources used in the calculations and the adequacy of the models according to the circumstances.
 - Periodic review process of loans to determine their classification.
 - Walkthrough over the tool that supports the calculation of the portfolio's estimated provisions.
 - Review process of the calculations obtained on the models implemented by the Bank.
- Adoption of IFRS 16 - Leases - this standard is effective in Colombia as of January 1, 2019 and replaces the previous standards and interpretations for the recognition of leases. Under the compliance of certain criteria, it requires a lessee to recognize an asset for the right to use a leased asset and a liability that represents its lease payments obligation. The Bank and its Subordinates include contracts that meet the criteria to be recognized under this standard. Application of this new standard includes judgments in determining whether the Bank and its Subordinates control the asset in use, the period of control, the measurement of the right-to-use asset and the related liability in accordance with the terms of the contract, the discount rate and separation of the components of the contract in recognizing these operations; for which we have considered it a key audit matter.

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

- Obtained an understanding of the adoption process, exemptions and period application of the new standard.
- Evaluated Management's conclusions regarding the implementation of this standard, with particular emphasis on exemptions and areas that involve significant judgments for the determination and measurement of assets and liabilities by lease.

- Evaluated the adequacy of the related disclosures in the consolidated financial statements, in accordance with the requirements of IFRS 16. View Note 2 Number 2.2. and Notes 16 and 19.2.

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 risk management, the preparation and correct presentation of the consolidated financial statements are free from material misstatement, whether due to fraud or error.

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

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

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

My objective is to obtain reasonable assurance about whether 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 is not a guarantee that an audit conducted in accordance with International Auditing Standards accepted in Colombia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Bank and its Subordinates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

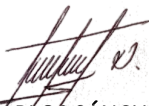
I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

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

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


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

February 25, 2020.