

Banco GNB Sudameris S. A. and Subsidiaries

Consolidated Statements of Financial Position

At December 31, 2022 and 2021

(Stated in millions of COP)

ASSETS	Note	December 31, 2022	December 31, 2021	LIABILITIES AND EQUITY	Note	December 31, 2022	December 31, 2021
				LIABILITIES			
CASH AND CASH EQUIVALENTS	9	15,846.323	17,433.825	FINANCIAL LIABILITIES AT FAIR VALUE	10	171.679	13.408
FINANCIAL ASSETS AT FAIR VALUE				Derivatives			
In debt securities		9,073.433	9,119.130	FINANCIAL LIABILITIES AT AMORTIZED COST			
In equity instruments		85.831	111.618	Customer deposits			
Total securities		<u>9,159.264</u>	<u>9,230.748</u>	Checking accounts		5,070.515	4,959.387
Derivatives		159.976	12.740	Savings accounts		19,211.837	19,516.365
Total financial assets at fair value		<u>9,319.240</u>	<u>9,243.488</u>	Term deposits	19	<u>11,692.360</u>	<u>10,442.505</u>
AT AMORTIZED COST				Financial obligations			
Total investments	10	<u>11,073.686</u>	<u>10,731.387</u>	Short-term financial obligations		8,751.662	8,471.482
Loan portfolio				Obligations with rediscount entities and foreign banks		<u>3,115.370</u>	<u>1,783.386</u>
Commercial		17,470.798	14,315.397	Total debt		<u>11,867.032</u>	<u>10,254.868</u>
Consumer		8,067.434	7,521.217	Long-term financial obligations		3,795.588	4,010.359
Mortgage		1,103.365	943.050	Total financial liabilities	20	<u>15,662.620</u>	<u>14,265.227</u>
Impairment allowance		(949.085)	(737.334)	FINANCE LEASE LIABILITIES	14	108.604	87.539
Total loan portfolio, net	11	<u>25,692.512</u>	<u>22,042.330</u>	EMPLOYEE BENEFITS	21	90.289	59.740
Other accounts receivable, net	12	<u>347.696</u>	<u>316.866</u>	PROVISIONS			
				For legal contingencies	22	14.878	14.523
				Other provisions	22	32.887	53.721
NON-CURRENT ASSETS HELD FOR SALE, NET	13	<u>97.157</u>	<u>173.616</u>	INCOME TAX LIABILITIES			
				Current (Paraguay)	17	11.387	-
INCOME TAX ASSETS				OTHER LIABILITIES	24	403.616	473.420
Current	17	461.231	387.530	TOTAL LIABILITIES		<u>52,470.672</u>	<u>49,885.835</u>
Deferred	23	325.544	129.562				
TANGIBLE ASSETS, NET				EQUITY			
Investment properties	15	289.176	213.489	Controlling interests			
Own property and equipment	14	998.274	900.433	Subscribed and paid-in capital	25	74.966	74.966
Right-of-use property and equipment, net of depreciation	14	99.314	79.281	Share issue premium		1,009.399	1,020.886
Total tangible assets		<u>1,386.764</u>	<u>1,193.203</u>	Retained earnings		1,596.619	1,611.873
INTANGIBLE ASSETS, NET				Reserves	25	1,483.786	1,533.044
Goodwill	16	790.650	584.514	Net income for the year		202.049	188.222
Other intangible assets		28.135	30.772	Income from prior fiscal years		(89.216)	(109.393)
Total intangible assets		<u>818.785</u>	<u>615.286</u>	Other comprehensive income		443.663	186.494
OTHER ASSETS	18	290.886	376.476	Total equity of controlling interests		<u>3,124.647</u>	<u>2,894.219</u>
				Non-controlling interests		<u>745.265</u>	<u>620.027</u>
TOTAL ASSETS		<u>56,340.584</u>	<u>53,400.081</u>	TOTAL EQUITY		<u>3,869.912</u>	<u>3,514.246</u>
				TOTAL LIABILITIES AND EQUITY		<u>56,340.584</u>	<u>53,400.081</u>

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Statutory Auditor
Appointed by Ernst & Young Audit S.A.S.
(See my report attached hereto)

Banco GNB Sudameris S. A. and Subsidiaries
Consolidated Statements of Income
For the years ended December 31, 2022 and 2021
(Stated in millions of COP, except net profit per share)

	December 31, 2022	December 30, 2021
Interest income from financial assets at amortized cost		
Interest on loan portfolio	2.451.628	1.853.511
Interest on debt securities at amortized cost	54.648	9.020
Other interest	310.486	129.807
Total interest income	2.816.762	1.992.338
Interest expense on deposits financing financial assets at amortized cost		
Deposits		
Checking accounts	73.409	31.783
Term deposits	511.239	288.234
Savings accounts	1.095.255	383.957
Total interest expense on deposits	1.679.903	703.974
Expense for financial obligations and other interest		
Short-term financial obligations	3.088	486
Long-term financial obligations	218.336	69.030
Bonds and investment securities	302.941	252.784
Obligations with rediscount entities	69.915	31.450
Interest on lease liabilities	6.992	6.902
Total interest expenses	2.281.175	1.064.626
Net interest income from financial assets at amortized cost	535.587	927.712
Impairment of financial assets at amortized cost		
Loan portfolio and interest receivable	926.957	864.831
Non-current assets held for sale	272	657
Impairment on investments	858	58
Recovered loans and accounts receivable	494.276	428.413
Net interest after impairment losses on financial assets	101.776	490.579
Commissions and fees		
Commission and fee income	388.452	337.109
Commission and fee expenses	171.056	135.236
Net fee and commission income	217.396	201.873
Valuation of financial assets measured at fair value		
Income from valuation of debt securities at fair value	693.438	164.908
Income (expense) from valuation of equity instruments at fair value	1.506	(1.701)
Income (expense) from valuation of derivatives	5.021	(96.059)
Income from valuation of financial assets at fair value	699.965	67.148
Net interest and valuation income	1.019.137	759.600
Other income		
Gain on sale of investments	5.515	7.982
Dividends and distributions	2.166	1.940
Exchange difference, net	79.905	148.685
Industrial and service income - Hotels	45.343	16.195
Others	157.852	161.557
Total other income	290.781	336.359
Other expenses		
Personnel expenses	334.684	309.496
Loss on sale of investments	56.169	11.748
General administrative expenses	285.040	252.966
Depreciation expenses	26.529	26.795
Depreciation of right-of-use assets	29.533	26.682
Amortization expenses	4.610	5.381
Service costs - Hotels	15.342	10.799
Others	239.603	189.039
Total other expenses	991.510	832.906
Profit before income taxes	318.408	263.053
Income tax	30.644	14.322
NET INCOME FOR THE YEAR	287.764	248.731
Profit from continuing operations attributable to:		
Controlling interests	202.049	188.222
Non-controlling interests	85.715	60.509
	287.764	248.731
Net profit per share of controlling shareholders (in COP)	1.078	1.004

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Banco GNB Sudameris S. A. and Subsidiaries

Consolidated Statement of Changes in Equity

For the years ended December 31, 2022 and 2021

(Stated in millions of COP)

	Subscribed and paid-in capital	Share issue premium	Net income for the year	Income from prior fiscal years	Retained Earnings	Other Comprehensive Income	Total controlling interests	Non-controlling interests	Equity
	<u>Social</u>								
Balance at December 31, 2020	74.966	803.117	181.972	1.371.990	1.553.962	(7.294)	2.424.751	48.121	2.472.872
Transfer to retained earnings	-	-	(181.972)	181.972	-	-	-	-	-
Appropriation of profit to increase reserve	-	-	-	-	-	-	-	-	-
Net movement in other comprehensive income	-	-	-	-	-	377.395	377.395	-	377.395
Payment of dividends	-	-	-	(70.447)	(70.447)	-	(70.447)	-	(70.447)
Sale of equity interest in affiliate	-	(102.520)	-	(57.867)	(57.867)	(183.607)	(343.994)	-	(343.994)
Adjustment to employee benefits	-	-	-	(1.997)	(1.997)	-	(1.997)	-	(1.997)
Capital increase	-	320.289	-	-	-	-	320.289	-	320.289
Non-controlling interests	-	-	-	-	-	-	-	511.397	511.397
Net income for the year	-	-	188.222	-	188.222	-	188.222	60.509	248.731
Balance at December 31, 2021	COP 74.966	1.020.886	188.222	1.423.651	1.611.873	186.494	2.894.219	620.027	3.514.246
Transfer to retained earnings	-	-	(188.222)	188.222	-	-	-	-	-
Appropriation of profit to increase reserve	-	-	-	-	-	-	-	-	-
Net movement in other comprehensive income	-	-	-	-	-	257.169	257.169	-	257.169
Payment of dividends	-	-	-	(224.077)	(224.077)	-	(224.077)	-	(224.077)
Sale of equity interest in affiliate	-	(11.487)	-	6.774	6.774	-	(4.713)	-	(4.713)
Non-controlling interests	-	-	-	-	-	-	-	39.523	39.523
Net income for the year	-	-	202.049	-	202.049	-	202.049	85.715	287.764
Balance at December 31, 2022	COP 74.966	1.009.399	202.049	1.394.570	1.596.619	443.663	3.124.647	745.265	3.869.912

See the notes, which are an integral part of the consolidated financial statements.

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Banco GNB Sudameris S. A. and Subsidiaries

Consolidated Statement of Cash Flow

For the years ended December 31, 2022 and 2021

(Stated in millions of COP)

	December 31, 2022	December 31, 2021
Cash flows from operating activities:		
Net income for the year	COP <u>287.764</u>	<u>248.731</u>
Reconciliation between income for the period and net cash provided by operating activities:		
Income tax	30.644	14.322
Depreciation of property and equipment	56.062	53.477
Amortization of intangible assets	4.610	5.381
Impairment of financial assets	926.957	864.831
Recovery of losses on financial assets	(494.276)	(428.413)
(Income) loss on valuation of trading derivatives	(5.021)	96.024
Gain on valuation of debt securities at amortized cost	(54.648)	(9.020)
Gain on valuation of investments at fair value	(694.944)	(163.207)
Loss on sale of investments	50.654	3.766
Impairment of investments	858	58
Gain on sale of property and equipment	(164)	(518)
Interest income from loan portfolio	(2.451.628)	(1.853.511)
Interest expense	2.281.175	1.064.592
Income on valuation of investment properties	(43.367)	-
Currency exchange differences	600.127	324.502
Impairment of properties received as payment	272	657
Gain on early termination of lease agreements	(508)	(645)
Changes in operating assets and liabilities:		
Increase in loan portfolio	(1.375.326)	(1.275.457)
(Increase) decrease in other accounts receivable	(19.898)	148.346
(Decrease) increase in customer deposits	(3.935.415)	1.124.121
Decrease (increase) in other assets	138.713	(114.418)
Decrease in other liabilities	(139.323)	(253.914)
Decrease in provisions	(84.727)	(107.571)
Increase in employee benefit plans	33.490	8.844
Increase in short-term obligations	1.456.694	2.294.835
Principal payments on short-term obligations	(1.354.202)	(29.685)
Increase in obligations with development entities	1.208.856	13.398
Principal payments on loans with development entities	(9.120)	(951.084)
Net variation in non-current assets held for sale	(13.518)	-
Net variation in deferred and current taxes	(81.102)	(51.258)
Net movement of derivative transactions	(9.318)	(148.553)
Interest received	2.285.924	1.817.299
Interest paid	(290.523)	(102.032)
Income tax paid	-	(20.391)
Variation in investments - Debt securities at fair value	1.170.013	(430.083)
Variation in investments - Equity securities	458.251	392.828
Net cash (used in) provided by operating activities	<u>(65.964)</u>	<u>2.536.252</u>
Cash flow from investment activities:		
Variation in investments in debt securities at amortized cost	(174.765)	(254.144)
Acquisition of property and equipment	(22.655)	(17.675)
Acquisition of investments in subsidiaries	(130.289)	965.293
Variation of intangible assets	(17.430)	(22.061)
Variation of investment properties	82.764	-
Net cash (used in) provided by investment activities	<u>(262.375)</u>	<u>671.413</u>
Cash flows from financing activities:		
Long-term financial debt	(804.744)	1.289.954
Interest paid on long-term debt	(305.859)	(297.362)
Dividends paid	(224.155)	(70.447)
Cash capitalization	-	320.289
Lease payments	(27.993)	(24.870)
Non-controlling interests	39.524	167.404
Net cash (used in) provided by financing activities	<u>(1.323.227)</u>	<u>1.384.968</u>
Effect of exchange rate fluctuations on cash and cash equivalents	<u>64.064</u>	<u>(42.153)</u>
Net (decrease) increase in cash and cash equivalents	(1.587.502)	4.550.480
Cash and cash equivalents at beginning of period	17.433.825	12.883.345
Cash and cash equivalents at end of period	COP <u>15.846.323</u>	<u>17.433.825</u>

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Banco GNB Sudameris S. A. and Subsidiaries
Consolidated Statement of Other Comprehensive Income
For the years ended December 31, 2022 and 2021
(Stated in millions of COP)

	December 31, 2022	December 31, 2021
NET INCOME FOR THE PERIOD	COP <u>287.764</u>	<u>248.731</u>
Components of other comprehensive income net of taxes		
Items that may be subsequently reclassified to income		
Translation of investment in foreign subsidiaries	478.789	246.618
Exchange difference in hedging of long-term financial liabilities	(458.353)	(294.481)
Differences between the provision and impairment recorded in the calculation of the separate and consolidated financial statements	26.631	182.785
Deferred income tax	155.809	51.688
	<u>202.876</u>	<u>186.610</u>
Items that will not be reclassified to income		
Revaluation of real estate properties	54.731	7.598
Increase in employee benefit plans	2.752	4.604
Deferred tax on items that will not be reclassified to income	(3.190)	(5.024)
Total other comprehensive income for the period, net of taxes	COP <u>257.169</u>	<u>193.788</u>
Total other comprehensive income for the period	COP <u>544.933</u>	<u>442.519</u>

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