

BANCO GNB SUDAMERIS S. A. AND SUBSIDIARIES
Consolidated Financial Statements

December 31, 2024 and 2023

BANCO GNB SUDAMERIS S. A. AND SUBSIDIARIES
Consolidated Statement of Cash Flow
For the years ended December 31, 2024 and 2023
(Stated in millions of COP)

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash flows from operating activities:		
Net income for the year	COP <u>364,878</u>	<u>358,766</u>
Reconciliation between income for the period and net cash provided by operating activities:		
Income tax	(6,719)	59,272
Depreciation of property and equipment	41,223	50,639
Amortization of intangible assets	4,582	5,474
Impairment of financial assets	1,423,467	1,080,270
Recovery of losses on financial assets	(742,983)	(664,205)
Loss (gain) on valuation of trading derivatives	39,605	(66,119)
Gain on valuation of debt securities at amortized cost	(116,106)	(119,207)
Gain on valuation of investments at fair value	(1,258,604)	(857,332)
Sale of investments	(41,771)	(34,722)
Impairment of investments	256	-
Gain on sale of property and equipment	(8,813)	(1,799)
Interest income	(3,632,819)	(3,874,954)
Interest expense	3,421,281	3,741,541
Gain (loss) on valuation of investment properties	44,694	(86,041)
Currency exchange differences	202,271	(575,729)
Impairment of properties received as payment	2,327	165
Gain on early termination of lease agreements	(1,364)	(1,791)
Gain on realization of SDFA bonds	-	(9,393)
Changes in operating assets and liabilities:		
Increase in loan portfolio	(1,153,582)	(1,522,577)
Increase in other accounts receivable	(92,461)	(82,838)
Increase (decrease) in customer deposits	128,875	(140,686)
Increase in other assets	(16,017)	(50,598)
Increase in other liabilities	131,758	88,400
Decrease in allowances	(69,442)	(74,564)
Increase (decrease) in employee benefit plans	13,099	(6,389)
Increase in short-term obligations	2,095,492	831,102
Principal payments on short-term obligations	(5,126,199)	(1,922,779)
Increase in obligations with development entities	293,926	152,992
Principal payments on loans with development entities	(508,261)	(274,089)
Net variation in non-current assets held for sale	997	(7,844)
Net variation in deferred and current taxes	(67,155)	(110,805)
Net movement of derivative transactions	25,287	68,402
Income tax paid	(52,527)	(41,104)
Interest received	3,339,863	2,540,832
Interest paid	(437,310)	(497,024)
Payment of interest on financial leases - IFRS 16	(7,080)	(6,877)
Variation in investments - Debt securities at fair value	378,390	1,511,480
Variation in investments - Equity securities	(398,954)	(461,752)
Net cash used in operating activities	<u>(1,785,896)</u>	<u>(1,001,883)</u>
Cash flows from investment activities:		
Variation in investments in debt securities at amortized cost	(84,573)	66,480
Acquisition of property and equipment	(68,729)	(45,755)
Derecognition of property and equipment	42,050	-
Variation of intangible assets	7,882	(35,469)
Net cash used in investment activities	<u>(103,370)</u>	<u>(14,744)</u>
Cash flows from financing activities:		
Long-term financial debt	51,968	-
Interest paid on long-term debt	(245,110)	(289,334)
Dividends paid	(95,812)	(156,326)
Lease payments	(18,365)	(28,514)
Non-controlling interests	16,298	(40,348)
Net cash used in financing activities	<u>(291,021)</u>	<u>(514,522)</u>
Net reduction in cash and cash equivalents before the effect of exchange rate fluctuations	<u>(2,180,287)</u>	<u>(1,531,149)</u>
Effect of exchange rate fluctuations on cash and cash equivalents	(254,731)	(73,926)
Net decrease in cash and cash equivalents	(2,435,018)	(1,605,075)
Cash and cash equivalents at beginning of the year	14,241,248	15,846,323
Cash and cash equivalents at end of the year	COP <u>11,806,230</u>	<u>14,241,248</u>

The accompanying notes are an integral part of the financial statements

Ricardo Díaz Romero
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Appointed by PwC Contadores y Auditores S.A.S.
(See my report attached hereto)

BANCO GNB SUDAMERIS S. A. AND SUBSIDIARIES

Consolidated Statements of Financial Position

At December 31, 2024 and 2023

(Stated in millions of COP)

ASSETS	Note	December 31, 2024	December 31, 2023	LIABILITIES AND EQUITY	Note	December 31, 2024	December 31, 2023
				LIABILITIES			
CASH AND CASH EQUIVALENTS	9	11,806,230	14,241,248	FINANCIAL LIABILITIES AT FAIR VALUE	10 (b)	83,182	93,942
FINANCIAL ASSETS AT FAIR VALUE				Derivatives			
In debt securities	10 (a)	8,386,312	7,881,442	FINANCIAL LIABILITIES AT AMORTIZED COST			
In equity instruments	10 (a)	1,354,427	93,991	Customer deposits			
Total securities		9,740,739	7,975,433	Checking accounts	19	4,278,158	4,251,402
Derivatives	10 (b)	69,851	141,010	Savings accounts	19	19,898,916	17,335,874
Total financial assets at fair value		9,810,590	8,116,443	Term deposits	19	15,275,564	13,643,357
AT AMORTIZED COST						39,452,638	35,230,633
In debt securities at amortized cost, net	10 (c)	1,918,863	1,682,411	Financial obligations			
		1,918,863	1,682,411	Short-term financial obligations	20 (a)	4,562,753	7,550,964
Loan portfolio				Obligations with rediscount entities and foreign banks	20 (b)	2,473,899	2,548,016
Commercial	11	19,088,172	17,485,484	Total debt		7,036,652	10,098,980
Consumption	11	8,444,277	7,745,457	Long-term financial obligations	20 (c)	3,561,467	3,081,187
Mortgage	11	989,611	890,245	Total financial liabilities		10,598,119	13,180,167
Impairment allowance	11	(851,185)	(773,833)	FINANCE LEASE LIABILITIES	14 (b)	111,288	79,221
Total loan portfolio, net		27,670,875	25,347,353	EMPLOYEE BENEFITS	21	97,114	80,471
Other accounts receivable, net	12	308,522	338,877	PROVISIONS			
Total financial assets at amortized cost		29,898,260	27,368,641	For legal contingencies	22	15,671	15,763
				Other provisions	22	37,158	21,528
NON-CURRENT ASSETS HELD FOR SALE, NET	13	125,585	55,642	INCOME AND CREE TAX LIABILITY			
INCOME TAX ASSETS				Current (Paraguay)	17	6,924	12,778
Current	17	755,708	630,163	OTHER LIABILITIES	24	611,278	458,647
Deferred	23	264,009	96,448	TOTAL LIABILITIES		51,013,372	49,173,150
TANGIBLE ASSETS, NET				EQUITY			
Investment properties	15	382,093	397,124	Controlling interests			
Own property and equipment, net of depreciation	14 (a)	1,097,110	1,033,436	Subscribed and paid-in capital	25	74,966	74,966
Right-of-use property and equipment, net of depreciation	14 (b)	101,375	70,359	Share issue premium		786,469	786,469
Total tangible assets		1,580,578	1,500,919	Retained earnings		1,872,895	1,755,732
INTANGIBLE ASSETS, NET				Net income for the year		212,975	182,730
Goodwill	16 (a)	715,184	656,197	Income from prior fiscal years		1,659,920	1,573,002
Other intangible assets	16 (b)	54,035	59,809	Other comprehensive income		503,665	319,352
Total intangible assets		769,219	716,006	Total equity of controlling interests		3,237,995	2,936,519
OTHER ASSETS, NET	18	290,342	265,112	Non-controlling interests		1,049,154	880,953
TOTAL ASSETS		55,300,521	52,990,622	TOTAL EQUITY		4,287,149	3,817,472
				TOTAL LIABILITIES AND EQUITY		55,300,521	52,990,622

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BANCO GNB SUDAMERIS S. A. AND SUBSIDIARIES

Consolidated Statements of Income

For the years ended December 31, 2024 and 2023

(Stated in millions of COP, except net profit per share)

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
Interest income from financial assets at amortized cost			
Interest on loan portfolio		3,153,982	3,288,280
Interest on debt securities at amortized cost		116,106	119,207
Other interest		478,837	586,674
Total interest income		3,748,925	3,994,161
Interest expense on deposits financing financial assets at amortized cost			
Deposits			
Checking accounts		103,445	134,223
Term deposits		1,195,602	1,196,906
Savings deposits		1,435,033	1,616,340
Total interest expense on deposits		2,734,080	2,947,469
Financial debt and interest expense			
Short-term financial obligations		16,769	13,533
Long-term financial obligations		296,762	341,510
Bonds and investment securities		253,552	281,615
Obligations with rediscount entities		113,038	150,537
Interest on lease liabilities		7,080	6,877
Total interest expenses		3,421,281	3,741,541
Net interest income from financial assets at amortized cost		327,644	252,620
Impairment on financial assets at amortized cost			
Loan portfolio and interest receivable		1,423,467	1,080,270
Properties restituted and received as payment		2,327	165
Impairment on investments		256	-
Total impairment on financial assets at amortized cost		1,426,050	1,080,435
Recovered loans and accounts receivable		742,983	664,205
Net interest after impairment losses on financial assets		(355,423)	(163,610)
Commissions and fees			
Commission and fee income		469,799	440,617
Commission and fee expenses		236,949	206,214
Net fee and commission income	26	232,850	234,403
Valuation of financial assets measured at fair value			
Net gain from valuation of debt securities at fair value		624,036	842,908
Net gain from valuation of equity instruments at fair value		634,568	14,424
Net (expense) income from valuation of derivative instruments		(39,605)	66,119
Net gain from valuation of financial assets at fair value		1,218,999	923,451
Net interest, commission, fee and valuation income		1,096,426	994,244
Other income			
Gain on sale of investments		57,511	66,730
Dividends and distributions		18,146	2,886
Exchange differences, net		119,143	52,470
Industrial and service income - Hotels		53,797	54,583
Others		174,611	329,227
Total other income	27	423,208	505,896
Other expenses			
Personnel expenses		370,656	349,554
Loss on sale of investments		15,740	32,008
General administrative expenses		327,294	298,823
Depreciation expenses		20,444	20,762
Depreciation of right-of-use assets		20,779	29,877
Amortization expenses		4,582	5,474
Service costs - Hotels		21,196	20,316
Others		380,784	325,288
Total other expenses	28	1,161,475	1,082,102
Profit before income taxes		358,159	418,038
Income tax	17	(6,719)	59,272
NET INCOME FOR THE YEAR		364,878	358,766
Profit from continuing operations attributable to:			
Controlling interests		212,975	182,730
Non-controlling interests		151,903	176,036
		364,878	358,766
Net profit per share of controlling shareholders (in COP)		1,136	975

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BANCO GNB SUDAMERIS S. A. AND SUBSIDIARIES
Consolidated Statement of Other Comprehensive Income
For the years ended December 31, 2024 and 2023
(Stated in millions of COP)

		January 1 to December 31, 2024	January 1 to December 31, 2023
NET INCOME FOR THE YEAR	COP	<u>364,878</u>	<u>358,766</u>
Components of other comprehensive income net of taxes			
Items that may be subsequently reclassified to income			
Translation of investment in foreign subsidiaries		285,619	(570,138)
Exchange difference on hedging of investments abroad		(298,365)	536,401
Differences between the allowance and impairment recorded in the calculation of the separate and consolidated financial statements		90,623	63,483
Deferred income tax		82,776	(214,010)
		<u>160,653</u>	<u>(184,264)</u>
Items that will not be reclassified to profit or loss			
Revaluation of assets		25,281	67,464
Loss in employee benefit plans		(101)	(6,510)
Deferred tax on items that will not be reclassified to profit or loss		(1,520)	(1,001)
Total other comprehensive income for the period, net of taxes	COP	<u>184,313</u>	<u>(124,311)</u>
Total other comprehensive income for the year	COP	<u><u>549,191</u></u>	<u><u>234,455</u></u>

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BANCO GNB SUDAMERIS S. A. AND SUBSIDIARIES

Consolidated Statements of Changes in Shareholders' Equity

For the years ended December 31, 2024 and 2023

(Stated in millions of COP)

	Capital Capital	Share issue premium	Retained earnings			Other Comprehensive Income	Total controlling interests	Non-controlling Interests	Equity
			Net income for the year	Income earnings	Total retained Earnings				
Balance at December 31, 2022	74,966	1,009,399	202,049	1,394,570	1,596,619	443,663	3,124,647	745,265	3,869,912
Transfer to retained earnings	-	-	(202,049)	202,049	-	-	-	-	-
Net movement in other comprehensive income	-	-	-	-	-	(124,311)	(124,311)	-	(124,311)
Payment of dividends	-	-	-	(156,326)	(156,326)	-	(156,326)	-	(156,326)
Sale of equity interest in affiliate	-	(222,930)	-	142,102	142,102	-	(80,828)	80,828	-
Write-off bonds first-time adoption	-	-	-	(9,393)	(9,393)	-	(9,393)	-	(9,393)
Non-controlling interests	-	-	-	-	-	-	-	(121,176)	(121,176)
Net income for the year	-	-	182,730	-	182,730	-	182,730	176,036	358,766
Balance at December 31, 2023	COP 74,966	786,469	182,730	1,573,002	1,755,732	319,352	2,936,519	880,953	3,817,472
Transfer to retained earnings	-	-	(182,730)	182,730	-	-	-	-	-
Net movement in other comprehensive income	-	-	-	-	-	184,313	184,313	-	184,313
Payment of dividends	-	-	-	(95,812)	(95,812)	-	(95,812)	-	(95,812)
Non-controlling interests	-	-	-	-	-	-	-	16,298	16,298
Net income for the year	-	-	212,975	-	212,975	-	212,975	151,903	364,878
Balance at December 31, 2024	COP 74,966	786,469	212,975	1,659,920	1,872,895	503,665	3,237,995	1,049,154	4,287,149

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