

Banco GNB Sudameris S. A. and Subsidiaries

Consolidated Statements of Financial Position

At December 31, 2023 and 2022

(Stated in millions of COP)

ASSETS	Note	December 31, 2023	December 31, 2022	LIABILITIES AND EQUITY	Note	December 31, 2023	December 31, 2022
				LIABILITIES			
CASH AND CASH EQUIVALENTS	9	14,241,248	15,846,323	FINANCIAL LIABILITIES AT FAIR VALUE	10 (b)	93,942	171,679
FINANCIAL ASSETS AT FAIR VALUE				Derivatives			
In debt securities	10 (a)	7,881,442	9,073,433	FINANCIAL LIABILITIES AT AMORTIZED COST			
In equity instruments	10 (a)	93,991	85,831	Customer deposits			
Total securities		<u>7,975,433</u>	<u>9,159,264</u>	Checking accounts	19	4,251,402	5,070,515
Derivatives	10 (b)	141,010	159,976	Savings accounts	19	17,335,874	19,211,837
Total financial assets at fair value		<u>8,116,443</u>	<u>9,319,240</u>	Term deposits	19	13,643,357	11,692,360
						<u>35,230,633</u>	<u>35,974,712</u>
AT AMORTIZED COST				Financial obligations			
In debt securities at amortized cost, net	10 (c)	1,682,411	1,754,446	Short-term financial obligations	20 (a)	7,550,964	8,751,662
		<u>1,682,411</u>	<u>1,754,446</u>	Obligations with rediscount entities and foreign banks	20 (b)	2,548,016	3,115,370
Loan portfolio				Total debt		<u>10,098,980</u>	<u>11,867,032</u>
Commercial	11	17,485,484	17,470,798				
Consumer	11	7,745,457	8,067,434	Long-term financial obligations	20 (c)	3,081,187	3,795,588
Mortgage	11	890,245	1,103,365	Total financial liabilities		<u>13,180,167</u>	<u>15,662,620</u>
Impairment allowance	11	(773,833)	(949,085)				
Total loan portfolio, net		<u>25,347,353</u>	<u>25,692,512</u>	FINANCE LEASE LIABILITIES	14 (b)	79,221	108,604
Other accounts receivable, net	12	338,877	347,696	EMPLOYEE BENEFITS	21	80,471	90,289
Total financial assets at amortized cost		<u>27,368,641</u>	<u>27,794,654</u>	PROVISIONS			
				For legal contingencies	22	15,763	14,878
				Other provisions	22	21,528	32,887
NON-CURRENT ASSETS HELD FOR SALE, NET	13	<u>55,642</u>	<u>97,157</u>	INCOME AND CREE TAX LIABILITY			
				Current (Paraguay)	17	12,778	11,387
INCOME TAX ASSETS				OTHER LIABILITIES	24	458,647	403,616
Current	17	630,163	461,231	TOTAL LIABILITIES		<u>49,173,150</u>	<u>52,470,672</u>
Deferred	23	96,448	325,544				
TANGIBLE ASSETS, NET				EQUITY			
Investment properties	15	397,124	289,176	Controlling interests			
Own property and equipment, net of depreciation	14 (a)	1,033,436	998,274	Subscribed and paid-in capital	25	74,966	74,966
Right-of-use property and equipment, net of depreciation	14 (b)	70,359	99,314	Share issue premium		786,469	1,009,399
Total tangible assets		<u>1,500,919</u>	<u>1,386,764</u>	Retained earnings		1,755,732	1,596,619
INTANGIBLE ASSETS, NET				Net income for the year		182,730	202,049
Goodwill	16 (a)	656,197	790,650	Income from prior fiscal years		1,573,002	1,394,570
Other intangible assets	16 (b)	59,809	28,135	Other comprehensive income		319,352	443,663
Total intangible assets		<u>716,006</u>	<u>818,785</u>	Total equity of controlling interests		<u>2,936,519</u>	<u>3,124,647</u>
OTHER ASSETS, NET	18	265,112	290,886	Non-controlling interests		<u>880,953</u>	<u>745,265</u>
				TOTAL EQUITY		<u>3,817,472</u>	<u>3,869,912</u>
TOTAL ASSETS		<u>52,990,622</u>	<u>56,340,584</u>	TOTAL LIABILITIES AND EQUITY		<u>52,990,622</u>	<u>56,340,584</u>

The accompanying notes are an integral part of the financial statements

Camilo Verástegui Carvajal
Registered Agent

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Statutory Auditor
Appointed by PwC Contadores y Auditores 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, 2023 and 2022
(Stated in millions of COP, except net profit per share)

	Note	January 1 to December 31, 2023	January 1 to December 31, 2022
Interest income from financial assets at amortized cost			
Interest on loan portfolio		3.288.280	2.451.628
Interest on debt securities at amortized cost		119.207	54.648
Other interest		586.674	310.486
Total interest income		3.994.161	2.816.762
Interest expense on deposits financing financial assets at amortized cost			
Deposits			
Checking accounts		134.223	73.409
Term deposits		1.196.906	511.239
Savings deposits		1.616.340	1.095.255
Total interest expense on deposits		2.947.469	1.679.903
Financial debt and interest expense			
Short-term financial obligations		13.533	3.088
Long-term financial obligations		341.510	218.336
Bonds and investment securities		281.615	302.941
Obligations with rediscount entities		150.537	69.915
Interest on lease liabilities		6.877	6.992
Total interest expenses		3.741.541	2.281.175
Net interest income from financial assets at amortized cost		252.620	535.587
Impairment on financial assets at amortized cost			
Loan portfolio and interest receivable		1.080.270	926.957
Properties restituted and received as payment		165	272
Recovered loans and accounts receivable		664.205	494.276
Net interest after impairment losses on financial assets		(163.610)	101.776
Commissions and fees			
Commission and fee income		440.617	388.452
Commission and fee expenses		206.214	171.056
Net fee and commission income	26	234.403	217.396
Valuation of financial assets measured at fair value			
Gain from valuation of debt securities at fair value		842.908	693.438
Gain from valuation of equity instruments at fair value		14.424	1.506
Valuation income on derivative instruments		66.119	5.021
Gain from valuation of financial assets at fair value		923.451	699.965
Net interest, commission, fee and valuation income		994.244	1.019.137
Other income			
Gain on sale of investments		66.730	5.515
Dividends and distributions		2.886	2.166
Exchange differences, net		52.470	79.905
Industrial and service income - Hotels		54.583	45.343
Others		329.227	157.852
Total other income	27	505.896	290.781
Other expenses			
Personnel expenses		349.554	334.684
Loss on sale of investments		32.008	56.169
General administrative expenses		298.823	285.040
Depreciation expenses		20.762	26.529
Depreciation of right-of-use assets		29.877	29.533
Amortization expenses		5.474	4.610
Service costs - Hotels		20.316	15.342
Others		325.288	239.603
Total other expenses	28	1.082.102	991.510
Profit before income taxes		418.038	318.408
Income tax	17	59.272	30.644
NET INCOME FOR THE YEAR		358.766	287.764
Profit from continuing operations attributable to:			
Controlling interests		182.730	202.049
Non-controlling interests		176.036	85.715
		358.766	287.764
Net profit per share of controlling shareholders (in COP)		975	1.078

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Banco GNB Sudameris S. A. and Subsidiaries
Consolidated Statement of Other Comprehensive Income
For the years ended December 31, 2023 and 2022
(Stated in millions of COP)

		January 1 to December 31, 2023	January 1 to December 31, 2022
NET INCOME FOR THE YEAR	COP	<u>358.766</u>	<u>287.764</u>
Components of other comprehensive income net of taxes			
Items that may be subsequently reclassified to income			
Translation of investment in foreign subsidiaries		(570.138)	478.789
Exchange difference in hedging of long-term financial liabilities		536.401	(458.353)
Differences between the allowance and impairment recorded in the calculation of the separate and consolidated financial statements		63.483	26.632
Deferred income tax		(214.010)	155.804
		<u>(184.264)</u>	<u>202.872</u>
Items that will not be reclassified to profit or loss			
Revaluation of assets		67.464	54.731
Gain (loss) on employee benefit plans		(6.510)	2.752
Deferred tax on items that will not be reclassified to income		(1.001)	(3.186)
Total other comprehensive income for the period, net of taxes	COP	<u>(124.311)</u>	<u>257.169</u>
Total other comprehensive income for the the year	COP	<u><u>234.455</u></u>	<u><u>544.933</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, 2023 and 2022
(Stated in millions of COP)

			Retained earnings						
	Share Capital	Share issue premium	Net income for the year	Retained earnings	Total retained Earnings	Other Comprehensive Income	Total controlling interests	Non-controlling Interests	Shareholders' Equity
Balance at December 31, 2021	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	-	-	-	-	-
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
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

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Banco GNB Sudameris S. A. and Subsidiaries
Consolidated Statement of Cash Flow
For the years ended December 31, 2023 and 2022
(Stated in millions of COP)

	December 31, 2023	December 31, 2022
Cash flows from operating activities:		
Net income for the year	COP 358.766	287.764
Reconciliation between income for the period and net cash provided by operating activities:		
Income tax	59.272	30.644
Depreciation of property and equipment	50.639	56.062
Amortization of intangible assets	5.474	4.610
Impairment of financial assets	1.080.270	926.957
Recovery of losses on financial assets	(664.205)	(494.276)
Gain on valuation of trading derivatives	(66.119)	(5.021)
Gain on valuation of debt securities at amortized cost	(119.207)	(54.648)
Gain on valuation of investments at fair value	(857.332)	(694.944)
(Gain) Loss on sale of investments	(34.722)	50.654
Impairment of investments	-	858
Gain on sale of property and equipment	(1.799)	(164)
Interest income from loan portfolio	(3.288.280)	(2.451.628)
Interest expense	3.741.541	2.281.173
Gain on valuation of investment properties	(86.041)	(43.367)
Currency exchange differences	(575.729)	600.129
Impairment of properties received as payment	165	272
Gain on early termination of lease agreements	(1.791)	(508)
Gain on realization of SDFA bonds	(9.393)	-
Changes in operating assets and liabilities:		
Increase in loan portfolio	(2.109.251)	(1.375.326)
Increase in other accounts receivable	(82.838)	(19.898)
Decrease in customer deposits	(140.686)	(3.935.415)
(Increase) decrease in other assets	(50.598)	138.713
Increase (decrease) in other liabilities	88.400	(139.323)
Decrease in allowances	(74.564)	(84.727)
(Decrease) increase in employee benefit plans	(6.389)	33.490
Increase in short-term obligations	831.102	1.456.694
Principal payments on short-term obligations	(1.922.779)	(1.354.202)
Increase in obligations with development entities	152.992	1.208.856
Principal payments on loans with development entities	(274.089)	(9.120)
Net variation in non-current assets held for sale	(7.844)	(13.518)
Net variation in deferred and current taxes	(151.909)	(81.102)
Net movement of derivative transactions	68.402	(9.318)
Interest received	2.540.832	2.285.924
Interest paid	(503.901)	(290.523)
Variation in investments - Debt securities at fair value	1.511.480	1.170.013
Variation in investments - Equity securities	(461.752)	458.251
Net cash used in operating activities	(1.001.883)	(65.964)
Cash flows from investment activities:		
Variation in investments in debt securities at amortized cost	66.480	(174.765)
Acquisition of property and equipment	(45.755)	(22.655)
Acquisition of investments in subsidiaries	-	(130.289)
Variation of intangible assets	(35.469)	(17.430)
Variation of investment properties	-	82.764
Net cash used in investment activities	(14.744)	(262.375)
Cash flows from financing activities:		
Long-term financial debt	-	(804.744)
Interest paid on long-term debt	(289.334)	(305.859)
Dividends paid	(156.326)	(224.155)
Lease payments	(28.514)	(27.993)
Non-controlling interests	(40.348)	39.524
Net cash used in financing activities	(514.522)	(1.323.227)
Effect of exchange rate fluctuations on cash and cash equivalents	(73.926)	64.064
Net decrease in cash and cash equivalents	(1.605.075)	(1.587.502)
Cash and cash equivalents at beginning of the year	15.846.323	17.433.825
Cash and cash equivalents at end of the year	COP 14.241.248	15.846.323

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