

BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES

Condensed Consolidated Interim Statements of Financial Position

For the periods ended June 30, 2024 and December 31, 2023

(Stated in millions of COP)

ASSETS	June 30, 2024	December 31, 2023	LIABILITIES AND EQUITY	June 30, 2024	December 31, 2023
	(Unaudited)			(Unaudited)	
			LIABILITIES		
CASH AND CASH EQUIVALENTS	12,588,102	14,241,248	FINANCIAL LIABILITIES AT FAIR VALUE		
			Derivatives	45,726	93,942
FINANCIAL ASSETS AT FAIR VALUE			FINANCIAL LIABILITIES AT AMORTIZED COST		
In debt securities	7,602,368	7,881,442	Customer deposits		
In equity instruments	835,361	93,991	Checking accounts	4,077,341	4,251,402
Total securities	8,437,729	7,975,433	Savings accounts	17,142,393	17,335,874
Derivatives	39,463	141,010	Term Deposits	14,761,205	13,643,357
Total financial assets at fair value	8,477,192	8,116,443		35,980,939	35,230,633
AT AMORTIZED COST			Financial Obligations		
In debt securities at amortized cost, net	1,924,627	1,682,411	Short-term financial obligations	6,593,009	7,550,964
	1,924,627	1,682,411	Obligations with rediscount entities and foreign banks	2,282,489	2,548,016
Loans portfolio			Total debt	8,875,498	10,098,980
Commercial	17,713,368	17,485,484	Long-term financial obligations	3,319,078	3,081,187
Consumer	7,968,333	7,745,457	Total financial liabilities	12,194,576	13,180,167
Mortgage	914,844	890,245	FINANCE LEASE LIABILITIES	111,491	79,221
Impairment allowance	(820,911)	(773,833)	EMPLOYEE BENEFITS	79,276	80,471
Total loan portfolio, net	25,775,634	25,347,353	PROVISIONS		
Other accounts receivable, net	439,907	338,877	For legal contingencies	15,231	15,763
Total financial assets at amortized cost	28,140,168	27,368,641	Other provisions	29,707	21,528
NON-CURRENT ASSETS HELD FOR SALE, NET	95,323	55,642	INCOME TAX LIABILITY		
INCOME TAX ASSETS			Current (Paraguay)	5,785	12,778
Current	703,281	630,163	ADVANCES CAPITAL INCREASE	3,522	-
Deferred	235,759	96,448	OTHER LIABILITIES	426,967	458,647
TANGIBLE ASSETS, NET			TOTAL LIABILITIES	48,893,220	49,173,150
Investment properties	404,745	397,124	EQUITY		
Own property and equipment, net of depreciation	1,070,580	1,033,436	Controlling interests		
Right-of-use property and equipment, net of depreciation	101,671	70,359	Subscribed and paid-in capital	74,966	74,966
Total tangible assets	1,576,996	1,500,919	Share issue premium	786,469	786,469
INTANGIBLE ASSETS, NET			Retained earnings	1,734,938	1,755,732
Goodwill	691,085	656,197	Net income for the periods	97,791	182,730
Other intangible assets	56,548	59,809	Income from prior years	1,637,147	1,573,002
Total intangible assets	747,633	716,006	Other comprehensive income	350,323	319,352
OTHER ASSETS, NET	259,383	265,112	Total equity of controlling interests	2,946,696	2,936,519
TOTAL ASSETS	52,823,837	52,990,622	Non-controlling interests	983,921	880,953
			TOTAL EQUITY	3,930,617	3,817,472
			TOTAL LIABILITIES AND EQUITY	52,823,837	52,990,622

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BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES

Condensed Consolidated Interim Statements of Income

For the six-month and three-month periods ended June 30, 2024 and 2023 (Unaudited)

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

	January 1 to June 30, 2024	January 1 to June 30, 2023	April 1 to June 30, 2024	April 1 to June 30, 2023
	(Unaudited)		(Unaudited)	
Interest income from financial assets at amortized cost				
Interest on loan portfolio	1,613,128	1,580,990	796,854	824,217
Interest on debt securities at amortized cost	62,708	55,647	31,831	29,129
Other interest	293,739	317,575	112,811	168,680
Total interest income	1,969,575	1,954,212	941,496	1,022,026
Interest expense on deposits financing financial assets at amortized cost				
Deposits				
Checking accounts	63,656	72,442	29,236	39,987
Term deposit	622,019	543,967	299,971	304,633
Savings deposits	802,370	835,017	344,569	391,047
Total interest expense on deposits	1,488,045	1,451,426	673,776	735,667
Expense for financial obligations and other interest				
Short-term financial obligations	7,411	1,991	4,031	1,519
Long-term financial obligations	158,333	147,722	84,098	73,390
Bonds and investment securities	124,635	148,309	61,598	72,128
Obligations with rediscount entities	67,366	73,283	29,021	37,239
Interest on lease liabilities	4,248	6,965	2,425	4,800
Total interest expenses	1,850,038	1,829,696	854,949	924,743
Net interest income from financial assets at amortized cost	119,537	124,516	86,547	97,283
Impairment loss on financial assets at amortized cost				
Loan portfolio and interest receivable	(816,390)	(594,180)	(422,711)	(318,066)
Impairment loss on investments	(585)	(35)	(353)	11
Recovered loans and receivables	609,734	367,342	305,155	179,540
Net interest after impairment losses on financial assets	(87,829)	(102,357)	(31,487)	(41,232)
Commissions and fees				
Commission and fee income	224,514	224,765	107,648	91,387
Commission and fee expenses	(103,148)	(98,124)	(50,398)	(48,139)
Net fee and commission income	121,366	126,641	57,250	43,248
Valuation of financial assets measured at fair value				
Gain from valuation of debt securities at fair value	337,774	459,964	147,409	173,736
Gain from valuation of equity instruments at fair value	127,237	6,694	125,806	1,873
Valuation income on derivative instruments	(15,851)	31,431	(15,659)	17,690
Income from valuation of financial assets at fair value	449,160	498,089	257,556	193,299
Net interest, commissions, fees and valuation income	482,697	522,373	283,319	195,315
Other income				
Sale of investments	34,872	54,316	3,606	51,674
Dividends	2,280	2,709	160	2,065
Exchange difference, net	63,595	(16,486)	38,637	(31)
Industrial and service income - Hotels	26,640	27,564	12,057	12,264
Others	102,290	88,318	53,382	49,315
Total other income	229,677	156,421	107,842	115,287
Other expenses				
Personnel expenses	175,393	167,818	91,118	83,375
Loss on sale of investments	11,920	20,682	3,341	7,003
General administrative expenses	154,909	118,540	91,644	57,291
Depreciation expenses	9,198	11,809	4,351	5,515
Depreciation of right-of-use assets	9,522	16,725	5,414	11,219
Amortization expenses	2,261	2,636	1,263	1,277
Service costs - Hotels	10,551	9,947	5,347	5,166
Others	164,517	155,212	82,249	85,425
Total other expenses	538,271	503,369	284,727	256,271
Profit before income taxes	174,103	175,425	106,434	54,331
Income tax	1,793	33,678	(2,338)	(2,685)
NET INCOME FOR THE PERIOD	172,310	141,747	108,772	57,016
Profit from continuing operations attributable to:				
Controlling interests	97,791	86,237	66,302	31,475
Non-controlling interests	74,519	55,510	42,470	25,541
	172,310	141,747	108,772	57,016
Net profit per share of controlling stockholders (in COP)	522	460	354	168

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BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES
Condensed Consolidated Interim Statements of Other Comprehensive Income
For the six-month and three-month periods ended June 30, 2024 and 2023 (Unaudited)
(Stated in millions of COP)

		January 1 to June 30, 2024	January 1 to June 30, 2023	April 1 to June 30, 2024	April 1 to June 30, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
NET INCOME FOR THE PERIOD	\$	<u>172,310</u>	<u>141,747</u>	<u>108,772</u>	<u>57,016</u>
Components of other comprehensive income net of taxes					
Items that may be subsequently reclassified to income					
Translation of investment in foreign subsidiaries		139,114	(235,466)	146,381	(170,260)
Exchange difference in hedging of long-term financial liabilities		(165,047)	321,010	(140,623)	234,997
Differences between the allowance and impairment recorded in the calculation of the separate and consolidated financial statements		(52,307)	9,411	(47,624)	34,661
Deferred income tax		82,481	(2,801)	85,010	(7,605)
		<u>4,241</u>	<u>92,154</u>	<u>43,144</u>	<u>91,793</u>
Items that will not be reclassified to income					
Revaluation of assets		26,730	33,728	15,184	15,278
Total other comprehensive income for the period, net of taxes	\$	<u>30,971</u>	<u>125,882</u>	<u>58,328</u>	<u>107,071</u>
Total other comprehensive income for the period	\$	<u>203,281</u>	<u>267,629</u>	<u>167,100</u>	<u>164,087</u>

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BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the six-month periods ended June 30, 2024 and 2023 (Unaudited)

(Stated in millions of COP)

	Share Capital	Share issue premium	Net Income for the Period	Retained earnings	Total Retained Earnings	Other Comprehensive Income	Total Controlling Interests	Non-controlling Interests	Shareholders' Equity
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	-	(222,930)	(202,049)	424,979	-	-	-	-	-
Net movement in other comprehensive income	-	-	-	(124,554)	(124,554)	125,882	1,328	-	1,328
Payment of dividends	-	-	-	(156,326)	(156,326)	-	(156,326)	-	(156,326)
Bonds cancellation - first time application	-	-	-	(9,393)	(9,393)	-	(9,393)	-	(9,393)
Non-controlling interests	-	-	-	-	-	-	-	14,849	14,849
Income for the period	-	-	86,237	-	86,237	-	86,237	55,510	141,747
Balance at June 30, 2023 (Unaudited)	\$ 74,966	786,469	86,237	1,529,276	1,392,583	569,545	3,046,493	815,624	3,862,117

	Share Capital	Share Premium	Net Income for the Period	Retained earnings	Total Retained Earnings	Other Comprehensive Income	Total Controlling Interests	Non-controlling Interests	Shareholders' Equity
Balance at December 31, 2023	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	-	-	-	-	-
Compensation for impairment of indirect assets of foreign subsidiaries	-	-	-	(22,773)	(22,773)	-	(22,773)	-	(22,773)
Net movement in other comprehensive income	-	-	-	-	-	30,971	30,971	-	30,971
Payment of dividends	-	-	-	(95,812)	(95,812)	-	(95,812)	-	(95,812)
Non-controlling interests	-	-	-	-	-	-	-	28,449	28,449
Income for the period	-	-	97,791	-	97,791	-	97,791	74,519	172,310
Balance at June 30, 2024 (Unaudited)	\$ 74,966	786,469	97,791	1,637,147	1,734,938	350,323	2,946,696	983,921	3,930,617

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BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES
Condensed Consolidated Interim Statements of Cash Flow
For the six-month periods ended June 30, 2024 and 2023 (Unaudited)
(Stated in millions of COP)

	June 30, 2024	June 30, 2023
	(Unaudited)	
Cash flows from operating activities:		
Net income for the period	\$ 172,310	141,747
Reconciliation between income for the period and net cash provided by operating activities:		
Income tax	1,793	33,678
Depreciation of property and equipment	18,720	28,534
Amortization of intangible assets	2,261	2,636
Impairment of financial assets	816,390	594,180
Recovery of losses on financial assets	(609,734)	(367,342)
Loss (Gain) on valuation of trading derivatives	15,851	(31,448)
Gain on valuation of debt securities at amortized cost	(62,708)	(55,647)
Gain on valuation of investments at fair value	(465,011)	(466,658)
Gain on sale of investments	(22,951)	(33,679)
Impairment of investments	585	35
Gain on sale of property and equipment	(1,627)	(1,693)
Interest income from loan portfolio	(1,613,128)	(2,451,628)
Interest expense	1,850,039	1,825,021
Gain on valuation of investment properties	-	(1,495)
Currency exchange differences	111,916	(401,638)
Impairment of properties received as payment	125	-
Loss (Gain) on early termination of lease agreements	179	(34)
Gain on bond cancellation Opening Financial Statements	-	(9,393)
Changes in operating assets and liabilities:		
Increase in loan portfolio	(453,936)	(1,354,839)
Increase in other accounts receivable	(161,811)	(278,720)
Decrease in customer deposits	(1,465,160)	(898,281)
Decrease (Increase) in other assets	11,304	(90,401)
Increase (Decrease) in other liabilities	(70,980)	140,814
Decrease in allowances	(49,077)	(40,466)
Decrease in employee benefit plans	(3,118)	(9,171)
Increase in short-term obligations	2,747,444	2,006,510
Principal payments on short-term obligations	(3,715,843)	(3,440,934)
Increase in obligations with development entities	93,701	44,154
Principal payments on loans with development entities	(448,987)	(148,671)
Net variation in non-current assets held for sale	188	8,678
Net variation in deferred and current taxes	(79,574)	(42,104)
Net movement of derivative transactions	41,961	37,260
Interest received	2,053,014	1,848,952
Interest paid	(244,172)	(229,584)
Variation in investments - Debt securities at fair value	756,892	2,161,081
Variation in investments - Equity securities	(509,811)	(98,051)
Net cash used in operating activities	(1,282,955)	(1,578,597)
Cash flows from investment activities:		
Variation in investments in debt securities at amortized cost	(155,346)	(42,327)
Acquisition of property and equipment	(12,074)	(26,655)
Disposal of property and equipment	6,034	-
Variation of intangible assets	4,443	(121)
Variation of investment properties	6,827	-
Net cash used in investment activities	(150,116)	(69,103)
Cash flows from financing activities:		
Interest paid on long-term debt	(119,867)	(153,290)
Dividends paid	(95,812)	(156,326)
Capital increase	3,522	-
Lease payments	(8,744)	(16,072)
Non-controlling interests	28,450	14,850
Net cash used in financing activities	(192,451)	(310,838)
Effect of exchange rate fluctuations on cash and cash equivalents	(27,624)	1,727
Net decrease in cash and cash equivalents	(1,653,146)	(1,956,811)
Cash and cash equivalents at beginning of the year	14,241,248	15,846,323
Cash and cash equivalents at end of the year	\$ 12,588,102	13,889,512

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