



Statutory Auditor's Report on the Consolidated Financial Statements

To the shareholders of
Banco GNB Sudameris S. A.

Opinion

I have audited the attached consolidated financial statements of Banco GNB Sudameris S. A., which include the consolidated statement of financial position as of December 31, 2023 and the consolidated statements of income, of other comprehensive income, of changes in equity and of cash flows for the year ended on that date, and the notes to the financial statements that include a summary of significant accounting policies.

In my opinion, the attached consolidated financial statements, faithfully taken from the consolidation records, reasonably present, for all material effects, the financial position of Banco GNB Sudameris S.A. and its subsidiaries as of December 31, 2023 and the results of their operations and cash flows for the year ending on that date, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia issued by the National Government, and with standards of a special nature issued by the Financial Superintendence for the preparation of the consolidated financial statements of financial institutions. These financial statements in turn adequately reflect the impact of the different risks to which the entity and its subsidiaries are exposed in performance of their activities, measured in accordance with the management systems implemented.

Basis for the Opinion

I conducted my audit in accordance with the Financial Report Auditing Standards accepted in Colombia. My responsibilities under these standards are described later in this report under the section on the Statutory Auditor's Responsibilities for Auditing Consolidated Financial Statements.

I am independent from Banco GNB Sudameris S. A. in accordance with the International Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA), and I fulfill the ethical requirements that are applicable to my audit of the separate financial statements in Colombia. I have fulfilled all other ethical responsibilities in accordance with those requirements and with the IESBA Code of Ethics.

I believe that the audit evidence I obtained provides sufficient and appropriate grounds to issue my audit opinion.



To the shareholders of
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Key Audit Matters

The key audit matters are those which, in my professional judgment, were of most significance in my audit of the consolidated financial statements of the period. I have addressed these matters in the context of my audit of the financial statements as a whole and in forming my opinion on them, and I do not express a separate opinion on those matters.

Key Audit Matter	How the key matter has been addressed in the audit
<p>Estimation of the loan loss allowance on impairment of the loan portfolio:</p> <p>As described in Notes 3.b and 11 of the consolidated financial statements, management evaluated the appropriateness of the allowance on the loan portfolio based on applicable quantitative and qualitative criteria. At December 31, 2023, the allowance for impairment of the loan portfolio due to credit risk totaled COP 773,833 million, over total placements of COP 26,121,186 million.</p> <p>As disclosed by the Bank and pursuant to IFRS 9, the impairment related to expected credit loss is calculated considering the economic conditions (past, present and future), the performance of the borrower's industry, an assessment of payment behavior, and events that could negatively affect the borrower's payment capacity, among others. The expected loss is determined using individual and collective models and methodologies, depending on the amount and features of the loan. The collective models include parameters of probability of default in 12 months, probability of default over the life of the loan, loss given default, including prospective criteria such as hypotheses on future macroeconomic conditions in plausible scenarios that could affect loan collections. The increase in the allowance arises from the impact of a less favorable economic outlook</p>	<p>My work on the allowance for impairment of the loan portfolio consisted in performing audit tests on controls and substantive testing, such as:</p> <ul style="list-style-type: none"> a) Test the effectiveness of the controls related to the process of estimating the impairment of the Bank's loan portfolio. b) Review the macroeconomic variables used in the expected loss model. c) Accuracy of the system's input variables that are critical for establishing a credit risk rating. d) Methodological review and/or recalculation of the parameters used to calculate impairment. e) Verify the integrity and accuracy of the data used in the estimation and the mathematical accuracy of the calculation of impairment on the selected loans. <p>The procedures included the use of professionals with specialized skills and knowledge to assist in reviewing the adequacy of the models used by management, the methodology, and the reasonableness of the assumptions used for the statistical estimation of credit losses.</p>



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Key Audit Matter	How the key matter has been addressed in the audit
<p>with less economic growth and an upward trend in interest rates over the course of the year.</p> <p>Our main considerations in determining the procedures to be used in connection with the impairment of the loan portfolio as a key audit matter are: management made significant judgments to determine the expected credit losses, especially the assumptions used to determine: the probability of default in 12 months, probability of default over the live of the loan, loss given default, exposure to default with the inclusion of the prospective base that includes assumptions about macroeconomic conditions in plausible future scenarios. Similarly, the estimation of general allowances involves professional judgment in defining the future performance of the macroeconomic variables and the capacity of recovery of the customers in the economic sector to which they belong.</p>	<p>In performance of the above tests, no differences beyond a reasonable range were identified.</p>



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Key Audit Matter	How the key matter has been addressed in the audit
<p>Assessment of the Impairment of Goodwill</p> <p>As described in Note 13 of the consolidated financial statements, the Bank's goodwill balance at December 31, 2023 was COP 790,650 million. The Bank performs impairment testing on the Goodwill recognized in business combinations at least once a year, or whenever events or circumstances indicate that the carrying value of the Cash Generation Units (CGUs) might not be recoverable. An impairment loss is recognized on the amount by which the recoverable value exceeds the carrying value of the Cash Generation Unit. The recoverable value is determined by management by reference to market prices less cost of disposal, if such information is available; by pricing models, or with the assistance of a valuation specialist.</p> <p>The recoverable value of the CGUs of Banco GNB Colombia, Banco GNB Perú, Banco GNB Paraguay and Charleston Hotels Group (Colombia) was greater than the carrying value at December 31, 2023.</p> <p>In determining the recoverable value, management must make assumptions and estimates to forecast the cash flow of subsequent periods from the reporting period; assess the appropriate discount rate including country risk and growth rate, in order to estimate the recoverable value of the Cash Generation Units, and assess the separable assets of each business.</p>	<p>My work on the assessment of goodwill has focused on:</p> <ul style="list-style-type: none"> a) Performance of substantive testing, including: Testing the integrity, accuracy and relevance of the underlying data used in the model. Assess the significant assumptions made by management, including the growth rate, forecast inflation rate, discount rate, growth of loan portfolio, growth of hotel occupancy rates. b) Review the methodology and model that were used. <p>The above procedures were performed with the support of valuation specialists. In performance of the above tests, no differences beyond a reasonable range were identified.</p>



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Other information

Management is responsible for other information. The other information includes the "Audit Committee Work Report" and the "Internal Control System Performance Report" that we obtained prior to the date of this audit report, but which are not included in the financial statements, nor in my reports as Statutory Auditor, nor in the management report on which I issued an opinion in the Statutory Auditor's Report on the Separate Financial Statements under the section on "Report on Other Legal and Regulatory Requirements", pursuant to the requirements defined in article 38 of Law 222/1995. My opinion on the financial statements does not cover the other information and I do not express any form of conclusion that would provide any degree of assurance in such regard. Regarding my audit of the financial statements, it is my responsibility to read the other information and, in doing so, to consider whether there is any material inconsistency between the other information and the financial statements, or the knowledge I have gained in the audit, or whether there appears to be a material misstatement in the other information for any other reason. If, on the basis of the work I have done, I conclude that there is a material misstatement in this other information, I am obliged to report it. I have nothing to report in this regard.

Responsibilities of management and of those charged with governance of the Group for the consolidated financial statements

Management is responsible for the adequate preparation and reasonable presentation of the attached consolidated financial statements, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia issued by the National Government and standards of a special nature issued by the Financial Superintendence for the preparation of the financial statements of financial entities, and with the internal control and risk management policies that management deems necessary for the preparation of consolidated financial statements that are free from material misstatements due to fraud or error.

In the preparation of the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, and for disclosing, as appropriate, matters relating to the going concern principle and the use of the going concern accounting principle, except if management intends to liquidate the Group or cease operations, or if there is no other realistic alternative than to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



To the shareholders of
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Statutory Auditor's Responsibilities in Auditing Consolidated Financial Statements

My objective is to obtain reasonable assurance that the consolidated financial statements as a whole are free from material misstatements, due to fraud or error, and to issue an audit report that contains my opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with the Financial Report Auditing Standards Accepted in Colombia will always detect a material misstatement when it exists. Misstatements may be due to fraud or error, and they are considered material if, individually or in the aggregate, they can reasonably be expected to influence the economic decisions that users make based on the consolidated financial statements.

As part of an audit in accordance with the Financial Report Auditing Standards Accepted in Colombia, I apply my professional judgment and maintain an attitude of professional skepticism throughout the audit. Also:

- I identify and assess the risks of material misstatements in the consolidated financial statements, due to fraud or error; design and implement audit procedures to address these risks; and I obtain sufficient and adequate audit evidence to provide a basis for my opinion. The risk of not detecting a material misstatement due to fraud is higher than in the case of a material misstatement due to error, as fraud may involve collusion, forgery, deliberate omissions, misrepresentations or circumvention of internal controls.
- I gain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate under the circumstances.
- I evaluate the adequacy of the accounting policies applied and the reasonableness of the accounting estimates and the corresponding disclosures made by the management.
- I conclude on the appropriateness of management's use of the accounting principle of going concern and, based on the audit evidence obtained, I conclude as to whether or not there is material uncertainty related to facts or conditions that may generate significant doubts about the Group's ability to continue as a going concern. If I conclude that there is material uncertainty, I am required to draw attention in my audit report to the relevant information disclosed in the consolidated financial statements or, if such disclosures are not appropriate, to express a qualified opinion. My findings are based on the audit evidence obtained to date from my audit report. However, future events or conditions may cause the Group to cease to be a going concern.
- I evaluate the overall presentation, structure and content of the separate financial statements, including the disclosed information, and whether the separate financial statements represent the underlying transactions and facts in a manner that achieves a reasonable presentation.



To the shareholders of
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- I obtain sufficient and adequate audit evidence on the financial information of the entities or activities of the Group to issue an opinion on the consolidated financial statements. I am responsible for directing, supervising and performing the audit of the Group. I remain solely responsible for my audit opinion.

I communicate to those charged with governance of the Group, among other matters, the scope and timing of the planned audit and the significant findings of the audit, as well as any significant shortcomings in internal control that I identify in the course of the audit.

I also provided those charged with governance of the Entity with a statement about my compliance with the applicable ethical requirements in relation to independence and I have communicated any relationships and other matters that can reasonably be expected to affect my independence and, if required, the corresponding safeguards.

Among the matters that have been communicated to those charged with governance of the Entity, I determined those that have been of greater significance in the audit of the financial statements of the current period and that are, consequently, the key matters of the audit. I have described these matters in my audit report unless legal or regulatory provisions prohibit public disclosure of a matter or, in extremely rare circumstances, I determine that a matter should not be disclosed in my report because it can reasonably be expected that the adverse consequences of doing so would outweigh the public interest benefits of the audit report.

Other matters

The financial statements of the Entity for the year ended on December 31, 2022, were audited by a different statutory auditor, who issued a clean non-qualified opinion on them in his report dated February 27, 2023.

[Illegible Signature]
Dorian Echeverri Quintero
Statutory Auditor
Professional License No. 23868 -T
Appointed by PwC Contadores y Auditores S.A.S.
February 29, 2024