



# Annex II

## Condensed Consolidated Financial Statements Quarter III - 2024

FINANCIAL SUPERINTENDENCE OF COLOMBIA

SURVEILLED

BANCO DE OCCIDENTE S.A.



# Condensed Consolidated Financial Statements As of September 30, 2024



**Banco de Occidente**  
PANAMÁ



**Occidental Bank**  
BARBADOS



**FiduOccidente**

**NEXA**  
BPO



**Banco de Occidente**

*Del lado  
de los que hacen.*

Grupo  
**VAL**



## **STATUTORY AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION**

Dear Shareholders  
Banco de Occidente S.A.:

### **Introduction**

I have reviewed the accompanying condensed consolidated interim financial information as of September 30, 2024 of Banco de Occidente S.A. and Subsidiaries, which comprises:

- the condensed consolidated statement of financial position as of September 30, 2024;
- the condensed consolidated statement of income for the three-month and nine-month periods ended September 30, 2024;
- the condensed consolidated statement of other comprehensive income for the three-month and nine-month periods ended September 30, 2024;
- the condensed consolidated statement of changes in equity for the nine-month period ended September 30, 2024;
- the condensed consolidated statement of cash flows for the nine-month period ended September 30, 2024; and
- the notes to the condensed consolidated interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information, in accordance with International Accounting Standard 34 (IAS 34) - Interim Financial Reporting, contained in the Accounting and Financial Reporting Standards accepted in Colombia. My responsibility is to express a conclusion on this condensed consolidated interim financial information based on my review.

### **Scope of Review**

I have conducted my review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", included in the Information Assurance Standards accepted in Colombia. A review of condensed consolidated interim financial information consists of making inquiries, primarily with persons responsible for financial and accounting matters, and the application of analytical and other review procedures. The scope of a review is substantially less than that of an audit performed in accordance with International Standards on Auditing accepted in Colombia and, therefore, does not allow me to obtain assurance that I am aware of all the significant matters that I could have identified in an audit. Therefore, I do not express an audit opinion.

**Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying condensed consolidated interim financial information, as of September 30, 2024, has not been prepared, in all material respects, in accordance with International Accounting Standard 34 (IAS 34) - Interim Financial Reporting, contained in the Accounting and Financial Reporting Standards accepted in Colombia.



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Wilson Romero Montañez  
Statutory Auditor of Banco de Occidente S.A.  
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Member of KPMG S.A.S

November 13, 2024



**REPORT OF THE STATUTORY AUDITOR ON THE REPORT IN eXTENSIBLE BUSINESS  
REPORTING LANGUAGE (XBRL)**

Dear Shareholders  
Banco de Occidente S.A.:

**Introduction**

I have reviewed the eXtensible Business Reporting Language (XBRL) report as of September 30, 2024 of Banco de Occidente S.A and its Subsidiaries, which incorporates the consolidated interim financial information, which comprises:

- the consolidated statement of financial position as of September 30, 2024;
- the condensed consolidated statement of income for the three-month and nine-month periods which ended September 30, 2024;
- the condensed consolidated statement of other comprehensive income for the three-month and nine-month periods ended September 30, 2024;
- the condensed consolidated statement of changes in equity for the nine-month period ended September 30, 2024;
- the condensed consolidated statement of cash flows for the nine-month period ended September 30, 2024; and
- the notes to the report.

Management is responsible for the preparation and presentation of this report in eXtensible Business Reporting Language (XBRL), that incorporates the consolidated interim financial information, in accordance with International Accounting Standard 34 (IAS 34) - Interim Financial Reporting, contained in the Accounting and Financial Reporting Standards accepted in Colombia, and for the presentation of the report in eXtensible Business Reporting Language (XBRL), as instructed by the Superintendence of Finance of Colombia. My responsibility is to express a conclusion on the eXtensible Business Reporting Language (XBRL) report, that incorporates the consolidated interim financial information, based on my review.

**Scope of Review**

I have conducted my review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", included in the Information Assurance Standards accepted in Colombia. A review of consolidated interim financial information consists of making inquiries, primarily with the persons responsible for financial and accounting matters, and the application of analytical and other review procedures. The scope of a review is substantially less than that of an audit performed in accordance with International Standards on Auditing accepted in Colombia and, therefore, does not allow me to obtain assurance that I am aware of all the significant matters that I could have identified in an audit. Therefore, I do not express an audit opinion.

**Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the report in eXtensible Business Reporting Language (XBRL), which incorporates the consolidated interim financial information of Banco de Occidente S.A. and its Subsidiaries, as of September 30, 2024, has not been prepared, in all material respects, in accordance with International Accounting Standard 34 (IAS 34) - Interim Financial Reporting, contained in the Accounting and Financial Reporting Standards accepted in Colombia and instructions of the Financial Superintendence of Colombia.



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November 13, 2024

**BANCO DE OCCIDENTE S.A. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
(Expressed in millions of Colombian pesos)



|  | Notes   | September 30,<br>2024 | December 31,<br>2023 |
|--|---------|-----------------------|----------------------|
| <b>Assets</b>  |         |                       |                      |
| Cash and cash equivalents                                  |         | \$ 4,391,116          | 4,968,903            |
| Financial assets at fair value through profit or loss      | 5 and 6 | 9,840,096             | 5,445,835            |
| Financial assets at fair value with changes in ORI         | 5 and 6 | 4,784,130             | 4,597,797            |
| Financial assets in debt securities at amortized cost      | 7       | 2,046,081             | 2,034,558            |
| Financial assets per loan portfolio at amortized cost, net |         | 49,845,880            | 47,082,115           |
| Loan portfolio at amortized cost                           | 4       | 52,323,112            | 49,499,035           |
| Impairment of loan portfolio at amortized cost             | 9       | (2,477,232)           | (2,416,920)          |
| Other accounts receivable, net                             |         | 636,516               | 547,285              |
| Non-current assets held for sale                           | 10      | 1,324                 | 3,023                |
| Investments in associated companies and joint ventures     | 11      | 1,924,563             | 1,800,802            |
| Tangible assets, net                                       | 12      | 682,686               | 654,052              |
| Intangible assets, net                                     | 13      | 620,894               | 600,351              |
| Income tax asset   |         | 438,067               | 853,501              |
| Other assets   |         | 31,877                | 13,562               |
| <b>Total assets</b>  |         | <b>\$ 75,243,230</b>  | <b>68,601,784</b>    |
| <b>Liabilities and Shareholders' Equity Liabilities</b>    |         |                       |                      |
| Derivative trading instruments                             | 5       | \$ 427,105            | 1,055,896            |
| Derivative hedging instruments                             | 5       | 7,594                 | 2,494                |
| Financial liabilities at amortized cost                    |         | 67,567,692            | 60,024,334           |
| Customer deposits  | 15      | 52,940,877            | 49,175,732           |
| Financial obligations                                      | 16      | 14,626,815            | 10,848,602           |
| Provisions for legal contingencies and other provisions    | 18      | 58,070                | 64,168               |
| Income tax liability                                       |         | 2,456                 | 959                  |
| Employee benefits  | 17      | 104,213               | 88,847               |
| Other liabilities  | 19      | 1,099,047             | 1,677,003            |
| <b>Total liabilities</b>                                   |         | <b>\$ 69,266,177</b>  | <b>62,913,701</b>    |
| <b>Equity</b>  |         |                       |                      |
| Subscribed and paid-in capital                             | 20      | \$ 4,677              | 4,677                |
| Premium on share placement                                 |         | 720,445               | 720,445              |
| Retained earnings  |         | 5,176,608             | 4,996,219            |
| Other comprehensive income                                 |         | 32,977                | (70,255)             |
| Equity of controlling interests                            |         | \$ 5,934,707          | 5,651,086            |
| Non-controlling interests                                  |         | 42,346                | 36,997               |
| <b>Total equity</b>  |         | <b>5,977,053</b>      | <b>5,688,083</b>     |
| <b>Total liabilities and equity</b>                        |         | <b>\$ 75,243,230</b>  | <b>68,601,784</b>    |

See notes 1 to 27, which are an integral part of the condensed consolidated interim financial information.

**MAURICIO MALDONADO UMAÑA**  
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**MAURICIO MALDONADO UMAÑA**  
LEGAL REPRESENTATIVE

**FABIÁN FERNANDO BARONA CAJIAO**  
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**WILSON ROMERO MONTAÑEZ**  
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**WILSON ROMERO MONTAÑEZ**  
STATUTORY AUDITOR  
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Member of KPMG S.A.S.  
(See my report of November 13, 2024)



**Banco de Occidente**

Del lado de los que hacen.

**BANCO DE OCCIDENTE S.A. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENT OF INCOME**  
(Expressed in millions of Colombian pesos)



| Notes   | For quarters ending at: |                    | For the nine-month periods ended as of: |                    |
|---|-------------------------|--------------------|---|--------------------|
|   | September 30, 2024      | September 30, 2023 | September 30, 2024                      | September 30, 2023 |
| Interest and valuation income   | \$ 1,871,413            | 1,999,481          | 5,786,500                               | 5,690,624          |
| Interest and similar expenses   | 1,332,040               | 1,419,131          | 4,016,214                               | 4,042,030          |
| <b>Net interest and valuation income</b>                                | <b>539,373</b>          | <b>580,350</b>     | <b>1,770,286</b>                        | <b>1,648,594</b>   |
| Impairment loss on financial assets                                     | 308,248                 | 293,519            | 1,031,156                               | 794,958            |
| <b>Income, net of interest after impairment</b>                         | <b>231,125</b>          | <b>286,831</b>     | <b>739,130</b>                          | <b>853,636</b>     |
| Revenue from customer contracts, commissions and fees                   |                         |                    |   |                    |
| Commission and fee income   | 22 150,583              | 141,064            | 444,522                                 | 421,828            |
| Commissions and fees  | 22 60,766               | 43,749             | 172,939                                 | 116,267            |
| <b>Net income from commissions and fees</b>                             | <b>89,817</b>           | <b>97,315</b>      | <b>271,583</b>                          | <b>305,561</b>     |
| <b>Net income from financial assets or liabilities held for trading</b> | <b>277,157</b>          | <b>41,210</b>      | <b>480,728</b>                          | <b>365,984</b>     |
| <b>Other income, net</b>  | <b>23 156,188</b>       | <b>171,378</b>     | <b>580,970</b>                          | <b>426,299</b>     |
| <b>Other expenses, net</b>  | <b>23 558,666</b>       | <b>530,762</b>     | <b>1,630,695</b>                        | <b>1,527,005</b>   |
| <b>Income before income taxes</b>                                       | <b>195,621</b>          | <b>65,972</b>      | <b>441,716</b>                          | <b>424,474</b>     |
| <b>Income tax</b>   | <b>14 28,200</b>        | <b>926</b>         | <b>40,505</b>                           | <b>42,308</b>      |
| <b>Profit or loss for the period</b>                                    | <b>\$ 167,421</b>       | <b>65,046</b>      | <b>401,211</b>                          | <b>382,166</b>     |
| <b>Profit or loss attributable to:</b>                                  |                         |                    |   |                    |
| Controlling interests   | \$ 165,202              | 64,617             | 395,732                                 | 377,920            |
| Non-controlling interests   | \$ 2,219                | 429                | 5,479                                   | 4,246              |

See notes 1 to 27, which are an integral part of the condensed consolidated interim financial information.

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|  <p><b>MAURICIO MALDONADO UMAÑA</b><br/>LEGAL REPRESENTATIVE</p> |  <p>Firmado digitalmente por<br/><b>FABIAN FERNANDO BARONA CAJIAO</b><br/>Fecha: 2024.11.13 12:48:01 -05'00'</p> <p><b>FABIÁN FERNANDO BARONA CAJIAO</b><br/>ACCOUNTANT<br/>LICENSE 80629 - T</p> |  <p>Digitally signed by Wilson Romero Montañez<br/>Date: 2024.11.13 11:11:33 -05'00'</p> <p><b>WILSON ROMERO MONTAÑEZ</b><br/>STATUTORY AUDITOR<br/>LICENSE 40552-T<br/>Member of KPMG S.A.S.<br/>(See my report of November 13, 2024)</p> |
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**Banco de Occidente**

*Del lado de los que hacen.*

**BANCO DE OCCIDENTE S.A. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**  
(Expressed in millions of Colombian pesos)



|  | Notes | For the quarter ended in: |                    | For the nine-month periods ended as of: |                    |
|--|-------|---------------------------|--------------------|---|--------------------|
|  |       | September 30, 2024        | September 30, 2023 | September 30, 2024                      | September 30, 2023 |
| <b>Profit or loss for the period:</b>  |       | <b>\$ 167,421</b>         | <b>65,046</b>      | <b>401,211</b>                          | <b>382,166</b>     |
| <b>Items that will be subsequently reclassified to profit or loss</b>                            |       |                           |                    |   |                    |
| Net foreign exchange difference on conversion of foreign transactions                            |       | 675                       | (5,071)            | 9,801                                   | (30,297)           |
| Foreign exchange difference on investments in foreign subsidiaries                               |       | 3,762                     | (8,958)            | 36,704                                  | (52,857)           |
| Net unrealized (loss) gain on foreign hedge transactions   |       | (3,762)                   | 8,958              | (36,704)                                | 52,857             |
| Net unrealized gain (loss) on financial instruments measured at fair value in debt securities    | 6     | 96,479                    | (33,395)           | 55,447                                  | 223,993            |
| Impairment on financial instruments measured at fair value with changes in ORI - debt securities |       | 375                       | (265)              | 780                                     | 158                |
| Net unrealized gain (loss) on investments accounted for by the equity method of accounting       |       | 5,308                     | (8,607)            | 15,779                                  | 7,793              |
| Deferred income tax on items that may be subsequently reclassified to profit or loss             |       | (23,507)                  | 10,593             | (2,609)                                 | (87,860)           |
| <b>Total items to be subsequently reclassified to profit or loss</b>                             |       | <b>79,330</b>             | <b>(36,745)</b>    | <b>79,198</b>                           | <b>113,787</b>     |
| <b>Items that will not be reclassified to profit or loss</b>                                     |       |                           |                    |   |                    |
| Revaluation of investment properties   |       | -                         | 145                | (199)                                   | 145                |
| Net unrealized gain on equity financial instruments measured at fair value                       | 6     | 3,852                     | 2,217              | 29,313                                  | 2,715              |
| Actuarial profit (loss) on defined benefit plans   |       | 2,082                     | (225)              | 2,656                                   | (225)              |
| Deferred tax recognized in other comprehensive income  |       | (1,928)                   | (264)              | (5,762)                                 | 746                |
| <b>Total items that will not be reclassified to profit or loss</b>                               |       | <b>4,006</b>              | <b>1,873</b>       | <b>26,008</b>                           | <b>3,381</b>       |
| <b>Total other comprehensive income (loss) for the period, net of income tax</b>                 |       | <b>83,336</b>             | <b>(34,872)</b>    | <b>105,206</b>                          | <b>117,168</b>     |
| <b>Total comprehensive income for the period</b>   |       | <b>\$ 250,757</b>         | <b>30,174</b>      | <b>506,417</b>                          | <b>499,334</b>     |
| <b>Comprehensive income attributable to:</b>   |       |                           |                    |   |                    |
| Controlling interests  |       | \$ 247,273                | 30,210             | 498,965                                 | 495,742            |
| Non-controlling interests  |       | \$ 3,485                  | (36)               | 7,452                                   | 3,592              |

See notes 1 to 26, which are an integral part of the condensed consolidated interim financial information.

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**MAURICIO MALDONADO UMAÑA**  
LEGAL REPRESENTATIVE

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**FABIÁN FERNANDO BARONA CAJIAO**  
ACCOUNTANT  
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**WILSON ROMERO MONTAÑEZ**  
STATUTORY AUDITOR  
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Member of KPMG S.A.S.  
(See my report of November 13, 2024)

**BANCO DE OCCIDENTE S.A. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
(Expressed in millions of Colombian pesos)



For the nine-month periods ended September 30, 2024 and 2023:

|  | Subscribed and<br>paid-in capital<br>(Note 20) | Premium on<br>share<br>placement | Retained Earnings | Other<br>comprehen-<br>sive income | Total equity of<br>controlling<br>interests | Non Controlling<br>Interests | Total equity,<br>net |
|--|--|----------------------------------|-------------------|------------------------------------|---|------------------------------|----------------------|
| <b>Balance as of December 31, 2022</b>   | <b>\$ 4,677</b>                                | <b>720,445</b>                   | <b>4,770,349</b>  | <b>(311,542)</b>                   | <b>5,183,929</b>                            | <b>32,146</b>                | <b>5,216,075</b>     |
| Distribution of cash dividends   | -  | -                                | (251,323)         | -                                  | (251,323)                                   | (1,712)                      | (253,035)            |
| Withholding tax on dividends declared in prior fiscal year in the statement of changes in stockholders' equity | -  | -                                | 262               | -                                  | 262   | -                            | 262                  |
| Delivery of other comprehensive income and Effect on retained earnings from delivery of ORI                    | -  | -                                | 225               | (225)                              | -   | -                            | -                    |
| Withholding tax on dividends for the current year in the statement of changes in stockholders' equity          | -  | -                                | (1,044)           | -                                  | (1,044)                                     | -                            | (1,044)              |
| Other comprehensive income for the period  | -  | -                                | -                 | 118,047                            | 118,047                                     | (654)                        | 117,393              |
| Profit or loss for the period  | -  | -                                | 377,920           | -                                  | 377,920                                     | 4,246                        | 382,166              |
| <b>Balance as of September 30, 2023</b>  | <b>\$ 4,677</b>                                | <b>720,445</b>                   | <b>4,896,389</b>  | <b>(193,720)</b>                   | <b>5,427,791</b>                            | <b>34,026</b>                | <b>5,461,817</b>     |
| <b>Balance as of December 31, 2023</b>   | <b>\$ 4,677</b>                                | <b>720,445</b>                   | <b>4,996,219</b>  | <b>(70,255)</b>                    | <b>5,651,086</b>                            | <b>36,997</b>                | <b>5,688,083</b>     |
| Distribution of cash dividends   | -  | -                                | (215,142)         | -                                  | (215,142)                                   | (2,103)                      | (217,245)            |
| Withholding tax on dividends declared in prior fiscal year in the statement of changes in stockholders' equity | -  | -                                | 1,567             | -                                  | 1,567                                       | -                            | 1,567                |
| Delivery of other comprehensive income and Effect on retained earnings from delivery of ORI                    | -  | -                                | (1,761)           | 1,761                              | -   | -                            | -                    |
| Withholding tax on dividends for the current year in the statement of changes in stockholders' equity          | -  | -                                | (7)               | -                                  | (7)   | -                            | (7)                  |
| Other comprehensive income for the period  | -  | -                                | -                 | 101,472                            | 101,472                                     | 1,973                        | 103,445              |
| Profit or loss for the period  | -  | -                                | 395,732           | -                                  | 395,732                                     | 5,479                        | 401,211              |
| <b>Balance as of September 30, 2024</b>  | <b>\$ 4,677</b>                                | <b>720,445</b>                   | <b>5,176,608</b>  | <b>32,977</b>                      | <b>5,934,707</b>                            | <b>42,346</b>                | <b>5,977,053</b>     |

See notes 1 to 27, which are an integral part of the condensed consolidated interim financial information.

MAURICIO  
MALDONADO  
UMAÑA

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**MAURICIO MALDONADO UMAÑA**  
LEGAL REPRESENTATIVE

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BARONA CAJIAO  
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**FABIÁN FERNANDO BARONA CAJIAO**  
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Romero Montañez  
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**WILSON ROMERO MONTAÑEZ**  
STATUTORY AUDITOR  
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Member of KPMG S.A.S.  
(See my report of November 13, 2024)



**Banco de Occidente**

Del lado de los que hacen.

**BANCO DE OCCIDENTE S.A. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN CASH FLOWS**  
(Expressed in millions of Colombian pesos)



For the nine-month periods ended as of:

|  | Notes    | September 30,<br>2024 | September 30,<br>2023 |
|--|----------|-----------------------|-----------------------|
| <b>Cash flows from operating activities:</b>   |          |                       |                       |
| Profit or loss for the period before income tax  | \$       | 441,716               | 424,474               |
| <b>Reconciliation of net income for the period to net cash provided by (used in) operating activities:</b> |          |                       |                       |
| Net interest and valuation income  |          | (1,770,286)           | (1,648,594)           |
| Depreciation and amortization of tangible and intangible assets  | 23       | 154,798               | 137,145               |
| Impairment for loan portfolio and accounts receivable, net   |          | 1,161,096             | 942,327               |
| Impairment of tangible assets, net   |          | (318)                 | (55)                  |
| Loss (gain) on sale of property and equipment for own use  |          | 167                   | (1,164)               |
| Difference in exchange   |          | (117,759)             | (19,647)              |
| Profit on sale of non-current assets held for sale   |          | (2,794)               | (24,966)              |
| Profit on sale of investments, net   |          | (160)                 | (451)                 |
| Equity in net income of investments in associated companies and joint ventures                             | 23       | (200,793)             | (149,563)             |
| Dividends  | 6 and 23 | (6,388)               | (5,702)               |
| <b>Adjusted fair value over:</b>   |          |                       |                       |
| Gain on valuation of derivative financial instruments  |          | 44,876                | (104,805)             |
| Non-current assets held for sale   |          | 24                    | -                     |
| Net gain on valuation of investment properties   | 23       | (17,432)              | (27,558)              |
| <b>Changes in operating assets and liabilities</b>   |          |                       |                       |
| Negotiable investments   |          | (5,334,374)           | (1,284,179)           |
| Derivative financial instruments   |          | 271,619               | (577,618)             |
| Loan portfolio   |          | (3,393,094)           | (5,329,185)           |
| Accounts receivable  |          | (57,244)              | (143,396)             |
| Other assets   |          | (8,352)               | 18,387                |
| Customer deposits  |          | 4,073,632             | 5,380,972             |
| Interbank loans and overnight funds  |          | 2,820,930             | 1,939,521             |
| Other liabilities, provisions and employee benefits  |          | 118,410               | 143,541               |
| Interest received from financial assets  |          | 5,348,629             | 4,647,188             |
| Interest paid on financial liabilities   |          | (4,718,661)           | (3,856,532)           |
| Interest paid on financial leases  |          | (27,411)              | (21,298)              |
| Income tax paid  |          | (388,596)             | (379,833)             |
| <b>Net cash (used in) (used in) provided by investment activities</b>                                      |          | <b>(1,607,765)</b>    | <b>59,009</b>         |
| <b>Cash flows from investing activities:</b>   |          |                       |                       |
| Acquisition of held-to-maturity investments  |          | (1,478,822)           | (1,451,986)           |
| Redemption of held-to-maturity investments   |          | 1,614,082             | 1,500,659             |
| Acquisition of investments with changes in other comprehensive income at fair value                        |          | (2,325,665)           | (1,652,576)           |
| Proceeds from sale of investments with changes in other comprehensive income at fair value                 |          | 2,608,900             | 1,829,156             |
| Acquisition of tangible assets   |          | (38,023)              | (24,338)              |
| Acquisition of other intangible assets   |          | (82,924)              | (69,943)              |
| Proceeds from sale of property and equipment   |          | 24,543                | 29,747                |
| Proceeds from sale of non-current assets held for sale   |          | 4,937                 | 5,223                 |
| Dividends received   |          | 75,917                | 84,387                |
| <b>Net cash provided by investing activities</b>   |          | <b>402,945</b>        | <b>250,329</b>        |
| <b>Cash flow from financing activities:</b>  |          |                       |                       |
| New (payments) financial obligations   |          | 245,319               | 127,336               |
| Issuance of outstanding investment securities  |          | 657,962               | -                     |
| Payments on outstanding investment securities  |          | (277,490)             | (148,040)             |
| Payment of financial lease fees  |          | (63,034)              | (54,083)              |
| Dividends paid   |          | (171,147)             | (163,909)             |
| <b>Net cash provided by (used in) financing activities</b>   |          | <b>391,610</b>        | <b>(238,696)</b>      |
| Effect of gains or losses for changes on cash and cash equivalents   |          | 235,423               | (55,153)              |
| <b>Increase in cash and cash equivalents, net</b>  |          | <b>(577,787)</b>      | <b>15,489</b>         |
| <b>Cash and cash equivalents at beginning of period</b>  |          | <b>4,968,903</b>      | <b>3,878,224</b>      |
| <b>Cash and cash equivalents at end of period</b>  | \$       | <b>4,391,116</b>      | <b>3,893,713</b>      |

See notes 1 to 27, which are an integral part of the condensed consolidated interim financial information.

**MAURICIO MALDONADO UMAÑA**  
LEGAL REPRESENTATIVE

Firmado digitalmente por MAURICIO MALDONADO UMAÑA  
Fecha: 2024.11.13 14:29:05 -05'00'

**FABIÁN FERNANDO BARONA CAJIAO**  
ACCOUNTANT  
LICENSE 80629 - T

Firmado digitalmente por FABIÁN FERNANDO BARONA CAJIAO  
Fecha: 2024.11.13 12:49:23 -05'00'

**WILSON ROMERO MONTAÑEZ**  
STATUTORY AUDITOR  
LICENSE 40552-T  
Member of KPMG S.A.S.  
(See my report of November 13, 2024)

Digitally signed by Wilson Romero Montañez  
Date: 2024.11.13 11:12:20 -05'00'



**Banco de Occidente**

Del lado de los que hacen.



**Banco de Occidente S.A. and Subsidiaries**  
**Notes to Condensed Consolidated Interim Financial Information**  
**As of September 30, 2024 and December 31, 2023**  
*(In millions of Colombian pesos, except where otherwise indicated)*

**Note 1. – Reporting Entity**

Banco de Occidente, hereinafter referred to as the Parent Company, is a private legal entity, legally constituted as a banking institution, authorized to operate by Resolution No. 3140 of September 24, 1993 of the Financial Superintendence of Colombia. Duly organized, as recorded in public deed 659 of April 30, 1965 of the Fourth Notary Office of Cali.

The Parent Company has its main domicile in Santiago de Cali. The duration established in the bylaws is 99 years from the date of incorporation. In compliance with its corporate purpose, it may enter into or execute all operations and contracts legally permitted to commercial banking institutions, subject to the requirements and limitations of Colombian law.

In the development of its corporate purpose, the Parent Company makes loan placements to its customers in the form of credit, commercial, consumer, home mortgage and financial and operating leasing, and also carries out treasury operations in debt securities, mainly in the Colombian market. All these operations are financed with deposits received from customers in the form of checking and savings accounts, term deposit certificates, outstanding investment securities with general guarantee in Colombian pesos, and with financial obligations obtained from correspondent banks in local and foreign currency, and from rediscount entities created by the Colombian government to stimulate various sectors of the Colombian economy.

The Parent Company is controlled by Grupo Aval Acciones y Valores S.A., domiciled in Bogotá D.C., which is its ultimate controlling company, and this in turn, has a controlling interest in foreign entities, of 95% in Banco de Occidente Panamá S.A., 100% in Occidental Bank Barbados Ltd., and in Colombia of 94.98% of Sociedad Fiduciaria de Occidente S.A., and 45% of Ventas y Servicios S.A. - NEXA BPO. Likewise, Fiduciaria de Occidente S.A. has an indirect participation in Ventas y Servicios- NEXA BPO of 35%, and Occidental Bank Barbados Ltd. in Fiduciaria de Occidente S.A. with 0.58%.

Banco de Occidente is a subordinate of Grupo Aval Acciones y Valores S.A., a company with a total shareholding of 72.27%.

The Parent Company has a bank correspondent agreement with Almacenes Éxito S.A. "Éxito", Efectivo Ltda "Efecty", Conxred S.A "Puntored", Empresa de Energía del Quindío S.A ESP "EDEQ", Soluciones en Red S.A.S "Punto de Pago" and Red Empresarial de Servicios S.A "SuperGIROS".

**Corporate information of subsidiaries**

The corporate purpose of *Fiduciaria de Occidente S.A. - Fiduoccidente*, is the execution of mercantile trust agreements and non-translative fiduciary mandates of ownership, in accordance with the legal provisions. Its main purpose is to acquire, dispose of, encumber and manage movable and immovable property, and to intervene as debtor or creditor in all kinds of credit operations.

Banco de Occidente Panamá S.A. is an entity incorporated under the laws of the Republic of Panama, and began banking operations on June 30, 1982, under the international license granted by the National Banking Commission of the Republic of Panama; as a financial intermediary it is regulated by the Superintendence of Banks of Panama. The Bank offers a range of banking products and services, ranging from individuals to companies, focused on empowering the Clients of the Parent Company, through the integration of the Commercial Force, giving the Client an integral offer of Banco de Occidente and its Subsidiaries.





Banco de Occidente S.A. and Subsidiary  
Notes to Condensed Consolidated Interim Financial Information

*Occidental Bank Barbados Ltd.* was incorporated under the laws of Barbados on May 16, 1991, with an international license that allows it to provide financial services to individuals and corporations not resident in Barbados.

The corporate purpose of Ventas y Servicios S.A. - NEXA BPO, is the provision of technical or administrative services, referred to in Article 110 paragraph 2 of the Organic Statute of the Financial System and other complementary regulations, such as, among others: Computer programming, marketing, the creation and organization of consultation files, and the preparation of statistical calculations and reports in general. The company Ventas y Servicios- NEXA BPO, is consolidated by virtue of the dominant administrative influence exercised by the Parent Company.

**Note 2. – Basis of preparation of the condensed consolidated interim financial statements and summary of significant accounting policies**

The consolidated interim financial statements have been prepared in accordance with IAS 34, which is contained in the Accounting and Financial Reporting Standards accepted in Colombia (NCIF) in force as of December 31, 2015, included as an annex to Decree 2420 of 2015. Established in Law 1314 of 2009, regulated by Single Regulatory Decree 2420 of 2015, as amended by Decrees 2496 of 2015, 2131 of 2016, 2170 of 2017, 2483 of 2018, 2270 of 2019, 1432 of 2020, 938 of 2021 and 1611 of 2022. Group 1 NCIFs, are based on the complete International Financial Reporting Standards (IFRS), issued and officially translated into Spanish by the International Accounting Standards Board (IASB).

The condensed consolidated financial statements for the interim period, do not include all the information and disclosures required for an annual consolidated financial statement; for this reason it is necessary to read them in conjunction with the annual Consolidated Financial Statements as of December 31, 2023, as these include notes of significant transactions and events during the period, which are necessary to understand the changes presented in the consolidated financial position and performance of the Group since the last published annual financial statements.

For legal purposes in Colombia, the main financial statements are the separate financial statements.

The Parent Company does not present seasonal or cyclical effects in its operations.

**2.1. New standards and regulatory changes**

The new standards and regulatory amendments, correspond to those disclosed in the 2023 consolidated financial statements, and the Company has evaluated the impacts of adopting the new or amended standards, concluding that these are not expected to have a significant impact on the condensed consolidated interim financial statements.

**Note 3. – Critical accounting judgments and estimates in the application of accounting policies**

The judgments and estimates applied in these condensed consolidated interim financial statements, are the same as those applied in the consolidated financial statements for the year ended December 31, 2023.

The Group's management makes estimates and assumptions that affect the amounts recognized in the condensed consolidated interim financial statements, and the carrying amounts of assets and liabilities within the next financial year. Judgments and estimates are continually evaluated, and are based on management's experience and other factors, are reviewed on an ongoing basis and under a going concern assumption, including the expectation of future events that are believed to be reasonable under the circumstances. Management also makes certain judgments other than those involving estimates in the process of applying accounting policies. Judgments that have the most significant effects on the amounts recognized in the





Banco de Occidente S.A. and Subsidiary  
Notes to Condensed Consolidated Interim Financial Information

consolidated financial statements and estimates that may cause a material adjustment to the carrying amounts of assets and liabilities in the following year, include the following:

**Fair value of financial instruments:** The estimation of fair values of financial instruments, is performed in accordance with the fair value hierarchy, classified in three levels, which reflects the importance of the inputs used in the fair value measurement.

Information on fair values of financial instruments classified by level, using observable inputs for levels 1 and 2 and unobservable inputs for level 3, is disclosed in note 5.

The determination of what constitutes "observable", requires significant judgment on the part of the Group.

The Group considers observable inputs, to be market data that are readily available, regularly distributed or updated, reliable, verifiable, and reflect the assumptions that market participants would use in pricing the asset or liability.

The investment originated by the Group's participation in the Nexus Inmobiliario - *Compartimento Inmuebles Occidente* Private Equity Fund, is classified as available-for-trading financial assets, in accordance with Chapter I of the Basic Financial Accounting Circular Letter of the Financial Superintendence of Colombia, which is included in the value at risk in the collective portfolio module. The valuation of the investment is made on a daily basis, using the value of the unit delivered by *Fiduciaria de Occidente*; participation in this fund for the Parent Company is 96.23% and Fiduciaria de Occidente is 3.77%.

#### Note 4. – Risk Management and Administration

The risk management framework applied by the parent company as of September 30, 2024, is consistent with that described in the Consolidated Financial Statements as of December 31, 2023.

#### Consolidated credit risk exposure:

The Group is exposed to credit risk, which is the risk that the debtor will cause a financial loss by not meeting its obligations in a timely manner and for the total amount of the debt. Credit risk exposure of the Parent Company and its subsidiaries Occidental Bank Barbados Ltd. and Banco de Occidente Panamá S.A., arises as a result of their lending activities and transactions with counterparties that give rise to financial assets.





**Banco de Occidente S.A. and Subsidiary**  
**Notes to Condensed Consolidated Interim Financial Information**

The distribution of the Group's loan portfolio by economic purpose as of September 30, 2024 and December 31, 2023, is shown below:

| Sector                                      |           | September 30, 2024 |             | December 31, 2023 |             |
|---|-----------|--------------------|-------------|-------------------|-------------|
|   |           | Total              | % Part.     | Total             | % Part.     |
| Consumer services                           | \$        | 19,431,186         | 37.1%       | 18,513,412        | 37.4%       |
| Commercial Services                         |           | 13,897,906         | 26.6%       | 12,960,650        | 26.2%       |
| Construction                                |           | 4,062,075          | 7.8%        | 4,214,842         | 8.5%        |
| Other industrial and manufacturing products |           | 2,026,178          | 3.9%        | 2,016,908         | 4.1%        |
| Transportation and communications           |           | 2,111,093          | 4.0%        | 2,088,233         | 4.2%        |
| Food, beverages and tobacco                 |           | 2,104,672          | 4.0%        | 1,648,635         | 3.3%        |
| Chemicals                                   |           | 1,918,053          | 3.7%        | 1,764,975         | 3.6%        |
| Government                                  |           | 1,586,199          | 3.0%        | 1,508,040         | 3.0%        |
| Utilities                                   |           | 2,016,115          | 3.9%        | 2,157,230         | 4.4%        |
| Agriculture                                 |           | 1,265,675          | 2.4%        | 1,146,472         | 2.3%        |
| Other                                       |           | 639,751            | 1.2%        | 650,219           | 1.3%        |
| Trade and tourism                           |           | 550,088            | 1.1%        | 460,987           | 0.9%        |
| Mining and petroleum products               |           | 714,121            | 1.4%        | 368,432           | 0.7%        |
| <b>Total by economic destination</b>        | <b>\$</b> | <b>52,323,112</b>  | <b>100%</b> | <b>49,499,035</b> | <b>100%</b> |

The following is a summary of the past due portfolio by maturity age as of September 30, 2024 and December 31, 2023:

| September 30, 2024  |                            |                   |                    |                |                               |                       |                    |                      |
|---------------------|----------------------------|-------------------|--------------------|----------------|-------------------------------|-----------------------|--------------------|----------------------|
|                     | Outstanding loan portfolio | From 1 to 30 days | From 31 to 60 days | 61 to 90 days  | Total delinquency 1 - 90 days | Delinquency > 90 days | More than 180 days | Total loan portfolio |
| Commercial          | \$ 27,553,443              | 1,110,591         | 63,521             | 82,949         | 1,257,061                     | 125,856               | 974,635            | 29,910,995           |
| Consumer            | 11,331,978                 | 966,180           | 207,627            | 113,291        | 1,287,098                     | 195,004               | 99,370             | 12,913,450           |
| Housing Mortgage    | 1,405,814                  | 259,306           | 36,798             | 15,770         | 311,874                       | 13,601                | 53,643             | 1,784,932            |
| Commercial Leasing  | 5,451,368                  | 535,862           | 79,192             | 31,853         | 646,907                       | 72,003                | 169,545            | 6,339,823            |
| Consumer Leasing    | 9,157                      | 523               | -                  | 82             | 605                           | 247                   | 17                 | 10,026               |
| Housing Leasing     | 871,158                    | 184,860           | 26,077             | 7,984          | 218,921                       | 13,191                | 18,258             | 1,121,528            |
| Repos and Interbank | 242,358                    | -                 | -                  | -              | -                             | -                     | -                  | 242,358              |
| <b>Total</b>        | <b>\$ 46,865,276</b>       | <b>3,057,322</b>  | <b>413,215</b>     | <b>251,929</b> | <b>3,722,466</b>              | <b>419,902</b>        | <b>1,315,468</b>   | <b>52,323,112</b>    |

| December 31, 2023   |                            |                   |                    |                |                               |                       |                    |                      |
|---------------------|----------------------------|-------------------|--------------------|----------------|-------------------------------|-----------------------|--------------------|----------------------|
|                     | Outstanding loan portfolio | From 1 to 30 days | From 31 to 60 days | 61 to 90 days  | Total delinquency 1 - 90 days | Delinquency > 90 days | More than 180 days | Total loan portfolio |
| Commercial          | \$ 26,127,129              | 747,758           | 69,095             | 57,079         | 873,932                       | 109,671               | 901,770            | 28,012,502           |
| Consumer            | 10,394,514                 | 1,175,154         | 300,344            | 157,403        | 1,632,901                     | 299,990               | 125,583            | 12,452,988           |
| Housing Mortgage    | 1,246,437                  | 163,612           | 33,491             | 17,095         | 214,198                       | 11,571                | 44,427             | 1,516,633            |
| Commercial Leasing  | 5,675,669                  | 392,444           | 76,745             | 36,599         | 505,788                       | 45,723                | 171,732            | 6,398,912            |
| Consumer Leasing    | 6,544                      | 981               | 589                | 287            | 1,857                         | -                     | 630                | 9,031                |
| Housing Leasing     | 890,138                    | 141,346           | 24,099             | 10,277         | 175,722                       | 13,622                | 14,038             | 1,093,520            |
| Repos and Interbank | 15,449                     | -                 | -                  | -              | -                             | -                     | -                  | 15,449               |
| <b>Total</b>        | <b>\$ 44,355,880</b>       | <b>2,621,295</b>  | <b>504,363</b>     | <b>278,740</b> | <b>3,404,398</b>              | <b>480,577</b>        | <b>1,258,180</b>   | <b>49,499,035</b>    |

The following is a summary of the portfolio by risk level rating as of September 30, 2024 and December 31, 2023:

| September 30, 2024 |                      |                   |                  |                    |                  |                  |                     |                   |
|--------------------|----------------------|-------------------|------------------|--------------------|------------------|------------------|---------------------|-------------------|
|                    | Commercial           | Consumer          | Housing          | Commercial Leasing | Consumer Leasing | Housing Leasing  | Repos and interbank | Total             |
| <b>A</b>           | \$ 26,829,491        | 11,513,702        | 1,650,871        | 5,277,036          | 9,440            | 1,035,116        | 242,358             | 46,558,014        |
| <b>B</b>           | 1,053,198            | 292,988           | 27,886           | 374,564            | -                | 21,140           | -                   | 1,769,776         |
| <b>C</b>           | 681,626              | 319,960           | 4,952            | 241,964            | 274              | 4,269            | -                   | 1,253,045         |
| <b>D</b>           | 539,028              | 312,891           | 65,981           | 223,922            | 312              | 54,348           | -                   | 1,196,482         |
| <b>E</b>           | 807,652              | 473,909           | 35,242           | 222,337            | -                | 6,655            | -                   | 1,545,795         |
| <b>Total</b>       | <b>\$ 29,910,995</b> | <b>12,913,450</b> | <b>1,784,932</b> | <b>6,339,823</b>   | <b>10,026</b>    | <b>1,121,528</b> | <b>242,358</b>      | <b>52,323,112</b> |





**Banco de Occidente S.A. and Subsidiary**  
**Notes to Condensed Consolidated Interim Financial Information**

December 31, 2023

|              | Commercial           | Consumer          | Housing          | Commercial<br>Leasing | Consumer<br>Leasing | Housing<br>Leasing | Repos and<br>interbank | Total<br>Financial<br>Leasing | Total             |
|--------------|----------------------|-------------------|------------------|-----------------------|---------------------|--------------------|------------------------|-------------------------------|-------------------|
| <b>A</b>     | \$ 25,581,187        | 11,008,416        | 1,413,221        | 5,414,693             | 7,437               | 1,021,842          | 15,449                 | 6,443,972                     | 44,462,245        |
| <b>B</b>     | 709,760              | 338,517           | 24,868           | 342,451               | 435                 | 21,470             | -                      | 364,356                       | 1,437,501         |
| <b>C</b>     | 522,660              | 288,927           | 1,715            | 244,796               | 188                 | 2,406              | -                      | 247,390                       | 1,060,692         |
| <b>D</b>     | 388,119              | 435,055           | 44,942           | 154,781               | 825                 | 41,463             | -                      | 197,069                       | 1,065,185         |
| <b>E</b>     | 810,776              | 382,073           | 31,887           | 242,191               | 146                 | 6,339              | -                      | 248,676                       | 1,473,412         |
| <b>Total</b> | <b>\$ 28,012,502</b> | <b>12,452,988</b> | <b>1,516,633</b> | <b>6,398,912</b>      | <b>9,031</b>        | <b>1,093,520</b>   | <b>15,449</b>          | <b>7,501,463</b>              | <b>49,499,035</b> |

### Liquidity risk

Liquidity risk is related to the Group's inability to meet its obligations to customers and counterparties in the financial market at any time, in any currency and in any place, for which the Group reviews its available resources on a daily basis.

The Parent Company manages liquidity risk in accordance with the standard model established in Chapter XXXI (annex 9 and 12) of the Basic Accounting and Financial Circular Letter of the Financial Superintendence of Colombia, and in accordance with the basic principles of the Comprehensive Risk Management System - SIAR for Liquidity, which establishes the minimum prudential parameters that entities must implement in their operations to efficiently manage the liquidity risk to which they are exposed.

To measure liquidity risk, the Parent Company calculates weekly Liquidity Risk Indicators (LRI) for terms of 7, 15, 30 and 90 days, as established in the standard model of the Colombian Financial Superintendence.

Additionally, the Parent Company measures the stability of its funding, on a monthly basis, in relation to the composition of its assets and off-balance sheet positions, over a one-year horizon through the net stable funding ratio - CFEN, as established in the standard model of the Financial Superintendence of Colombia.

During the third quarter of 2024, the Parent Company presented a sufficient level of liquid assets to meet short-term liquidity requirements. Accordingly, under the guidelines of Annex 9 of Chapter XXXI of the SFC's CBCF, liquid assets and 30-day liquidity requirements averaged \$9.16 and \$6.65, respectively, resulting in a ratio of 137.7%, which is comfortable with respect to the minimum appetite limit of 120.0% defined by the Parent Company, and well above the minimum legal limit of 100.0%. In ALM management, the permanent monitoring of early warning indicators stands out, which in general had a stable behavior within the established appetite limits.

It should be noted that, on a consolidated basis at the end of September, liquid assets and liquidity needs at 30 days were \$10.43 and \$7.40, respectively. The above ratifies the soundness of the Matrix to face expected and unexpected outflows in the evaluation horizon.

With respect to structural liquidity, measured through the net stable funding ratio (CFEN), the Parent Company reflected for the same period a stability of available funding, in average quarterly terms of 104.28% in relation to its required funding. At the end of September, the CFEN reached levels of 104.29%, showing relative strength between the composition of assets and liabilities.





## Adequate Capital Management

The Parent Company's objectives regarding the management of its adequate capital, are oriented to: a) Comply with the capital requirements established by the Colombian Government for financial entities and, b) Maintain an adequate equity structure that allows it to keep the parent company as a going concern and generate value for its shareholders.

In accordance with current legislation, financial institutions in Colombia must maintain a minimum technical equity, that cannot be less than 9% of assets weighted by their level of credit, market and operating risk.

The classification of assets and risk exposure is made by applying the regulatory provisions established by the Ministry of Finance and Public Credit and by the Financial Superintendence of Colombia, through Decrees 1477 of August 2018 and 1421 of August 2019, and External Circular Letters 020 of 2019 and 025 of 2020.

The following is a summary of the Group's solvency ratios as of September 30, 2024 and December 31, 2023:

|   | September 30,<br>2024 | December 31, 2023 |
|---|-----------------------|-------------------|
| Technical Capital   | Current Period        | Previous Period   |
|   | Entity                | Entity            |
| <b>A. Common Equity Tier One Capital – PBO</b>  | <b>5,334,235</b>      | <b>5,064,770</b>  |
| <b>B. Additional Tier One Capital – PBA</b>   | -                     | -                 |
| <b>C. Total Tier One Capital (C= A+B)</b>   | 5,334,235             | 5,064,770         |
| <b>D. Tier Two Capital (PA)</b>   | 1,314,547             | 649,305           |
| <b>E. Technical Capital Deductions</b>  | -                     | -                 |
| <b>F. Technical Capital - PT (F=C+D-E)</b>  | 6,648,782             | 5,714,075         |
| <b>G. Credit APNR</b>   | 43,177,654            | 41,324,390        |
| <b>H. Market risk (VaR<sub>RM</sub>)</b>  | 4,086,438             | 2,426,174         |
| <b>I. Operational risk (VeR<sub>RO</sub>)</b>   | 2,984,141             | 2,624,877         |
| <b>J. Risk Level Weighted Assets (Credit + Market + Operational)</b>                          | 50,248,233            | 46,375,441        |
| Ordinary Basic Solvency Ratio (RSB in Spanish)   min 4.5%                                     | 10.62%                | 10.92%            |
| Additional Basic Individual Common Equity Tier I Ratio (RSBA)   min 6% - 5.625% <sup>1/</sup> | 10.62%                | 10.92%            |
| Total Solvency Ratio (RST in Spanish)   min 9%  | 13.23%                | 12.32%            |
| Combination Buffer (RSB% - 4.5%)  | 6.12%                 | 6.42%             |
| Leverage Value -\$ MM   | 77,736,212            | 70,759,147        |
| Leverage ratio (min. 3%)  | 6.86%                 | 7.16%             |

<sup>1/</sup> For the additional basic individual common equity Tier I ratio, the transition scheme established in Article 13 of Decree 1477 of 2018 must be considered (from the first (1st) of January 2023 min. 5.625%, and from the first (1st) of January 2024 min. 6%)





#### Note 5. – Estimated fair values

The fair value of financial assets and liabilities traded in active markets (such as financial assets in debt and equity securities and derivatives actively traded on stock exchanges or in interbank markets) is based on prices provided by the price vendor, Precia PPV S.A., which determines them through weighted averages of transactions occurring during the trading day.

An active market is a market in which transactions for assets or liabilities take place with sufficient frequency and volume to provide price information on an ongoing basis.

The fair value of financial assets and liabilities that are not traded in an active market, is determined using valuation techniques determined by the provider. Valuation techniques used for non-standardized financial instruments such as options, currency swaps and forwards, include the use of interest rate or currency valuation curves constructed by pricing vendors, from market data and extrapolated to the specific conditions of the instrument being valued, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants that make maximum use of market data, and rely as little as possible on entity-specific data.

The Group may use internally developed models for financial instruments that do not have active markets. These models are generally based on valuation methods and techniques generally standardized in the financial sector. The valuation models are mainly used to value unlisted equity financial instruments, debt securities and other debt instruments for which the markets were or have been inactive during the financial year. Some inputs to these models may not be observable in the market and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and the valuation techniques employed may not fully reflect all factors relevant to the Group's positions. Therefore, valuations are adjusted, if necessary, to allow for additional factors, including country risk, liquidity risk and counterparty risk.

The fair value of non-monetary assets, such as investment property or loan guarantees for purposes of determining impairment, is based on appraisals performed by independent appraisers, with sufficient experience and knowledge of the real estate market or the asset being appraised. These valuations are generally made by reference to market data or based on replacement cost when there is insufficient market data.

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets, for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy, within which the fair value measurement is categorized in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed in relation to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustments based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement as a whole requires judgment, considering factors specific to the asset or liability.





The determination of what constitutes "observable", requires significant judgment on the part of the Group. The Group considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, non-proprietary, and provided by independent sources actively participating in the relevant market.

#### a) Fair value measurements on a recurring basis

Fair value measurements on a recurring basis, are those that are required or permitted by MFRS in the statement of financial position at the end of each accounting period.

The following table analyzes, within the fair value hierarchy, the assets and liabilities (by class) of the Group measured at fair value as of September 30, 2024 and December 31, 2023 on a recurring basis.

#### September 30, 2024

|  | Fair values calculated<br>using internal models |           |         |            |
|--|---|-----------|---------|------------|
|  | Level 1   | Level 2   | Level 3 | Total      |
| Assets   |   |           |         |            |
| Investments in debt securities with changes in income          |   |           |         |            |
| Issued or guaranteed by the Colombian government               | \$ 7,914,658                                    | 542,758   | -       | 8,457,416  |
| Issued or guaranteed by other Colombian government entities    | -   | 23,686    | -       | 23,686     |
| Issued or guaranteed by other Colombian financial institutions | -   | 89,851    | -       | 89,851     |
| Issued or guaranteed by entities of the Colombian real sector  | -   | 3,990     | -       | 3,990      |
| Issued or guaranteed by Foreign Governments                    | -   | 14,221    | -       | 14,221     |
| Issued or guaranteed by other foreign financial institutions   | -   | 108,889   | -       | 108,889    |
| Other  | -   | 31,284    | -       | 31,284     |
| Investments in debt securities with changes in ORI             |   |           |         |            |
| Issued or guaranteed by the Colombian government               | \$ 2,425,823                                    | 695,538   | -       | 3,121,361  |
| Issued or guaranteed by other Colombian government entities    | -   | 70,861    | -       | 70,861     |
| Issued or guaranteed by other Colombian financial institutions | -   | 550,785   | -       | 550,785    |
| Issued or guaranteed by entities of the Colombian real sector  | -   | 27,236    | -       | 27,236     |
| Issued or guaranteed by Foreign Governments                    | 12,668  | 228,571   | -       | 241,239    |
| Issued or guaranteed by other foreign financial institutions   | -   | 524,179   | -       | 524,179    |
| Other  | -   | 87,045    | -       | 87,045     |
| Investments in equity instruments with changes in income       | -   | 29,986    | 744,236 | 774,222    |
| Investments in equity instruments with changes in ORI          | 4,123   | -         | 157,301 | 161,424    |
| Trading derivatives  |   |           |         |            |
| Currency forward   | -   | 152,899   | -       | 152,899    |
| Forward interest rate  | -   | 8,872     | -       | 8,872      |
| Interest rate swap   | -   | 166,835   | -       | 166,835    |
| Currency swap  | -   | 231       | -       | 231        |
| Other  | -   | 7,701     | -       | 7,701      |
| Investment property at fair value                              | -   | 228,348   | -       | 228,348    |
| Total recurring fair value assets                              | 10,357,272                                      | 3,593,766 | 901,537 | 14,852,575 |



Banco de Occidente S.A. and Subsidiary  
Notes to Condensed Consolidated Interim Financial Information



|   | Fair values calculated<br>using internal models |                |          |                |
|---|---|----------------|----------|----------------|
|   | Level 1   | Level 2        | Level 3  | Total          |
| <b>Liabilities</b>                            |   |                |          |                |
| <b>Trading derivatives</b>                    |   |                |          |                |
| Currency forward                              | -   | 221,010        | -        | 221,010        |
| Forward interest rate                         | -   | 13,977         | -        | 13,977         |
| Interest rate swap                            | -   | 183,625        | -        | 183,625        |
| Other   | -   | 8,493          | -        | 8,493          |
| <b>Hedging Derivatives</b>                    |   |                |          |                |
| Interest rate swap                            | -   | 7,594          | -        | 7,594          |
| <b>Total recurring fair value liabilities</b> | <b>\$ -</b>                                     | <b>434,699</b> | <b>-</b> | <b>434,699</b> |

**December 31, 2023**

|   | Fair values calculated<br>using internal models |                  |                |                   |
|---|---|------------------|----------------|-------------------|
|   | Level 1   | Level 2          | Level 3        | Total             |
| <b>Assets</b>   |   |                  |                |                   |
| <b>Investments in debt securities with changes in income</b>    |   |                  |                |                   |
| Issued or guaranteed by the Colombian government                | \$ 3,086,047                                    | 35,860           | -              | 3,121,907         |
| Issued or guaranteed by other Colombian government entities     | -   | 34,609           | -              | 34,609            |
| Issued or guaranteed by other Colombian financial institutions  | -   | 116,718          | -              | 116,718           |
| Issued or guaranteed by entities of the Colombian real sector   | -   | 1,840            | -              | 1,840             |
| Issued or guaranteed by Foreign Governments                     | 382   | -                | -              | 382               |
| Issued or guaranteed by other foreign financial institutions    | -   | 161,722          | -              | 161,722           |
| Issued or guaranteed by real sector entities abroad             | -   | 3,412            | -              | 3,412             |
| Other   | -   | 19,002           | -              | 19,002            |
| <b>Investments in debt securities with changes in ORI</b>       |   |                  |                |                   |
| Issued or guaranteed by the Colombian government                | \$ 2,439,340                                    | 682,922          | -              | 3,122,262         |
| Issued or guaranteed by other Colombian government entities     | -   | 67,400           | -              | 67,400            |
| Issued or guaranteed by other Colombian financial institutions  | -   | 665,510          | -              | 665,510           |
| Issued or guaranteed by foreign governments                     | 72,552  | 47,680           | -              | 120,232           |
| Issued or guaranteed by other foreign financial institutions    | -   | 398,898          | -              | 398,898           |
| Issued or guaranteed by real sector entities abroad             | -   | 34,539           | -              | 34,539            |
| Other   | -   | 56,845           | -              | 56,845            |
| <b>Investments in equity instruments with changes in income</b> | -   | 5,532            | 703,988        | 709,520           |
| <b>Investments in equity instruments with changes in ORI</b>    | 4,774   | -                | 127,337        | 132,111           |
| <b>Trading derivatives</b>                                      |   |                  |                |                   |
| Currency forward  | -   | 949,020          | -              | 949,020           |
| Forward interest rate   | -   | 18,447           | -              | 18,447            |
| Interest rate swap  | -   | 264,056          | -              | 264,056           |
| Currency swap   | -   | 13,219           | -              | 13,219            |
| Other   | -   | 31,981           | -              | 31,981            |
| <b>Investment property at fair value</b>                        | -   | 214,080          | -              | 214,080           |
| <b>Total recurring fair value assets</b>                        | <b>5,603,095</b>                                | <b>3,823,292</b> | <b>831,325</b> | <b>10,257,712</b> |



Banco de Occidente S.A. and Subsidiary  
Notes to Condensed Consolidated Interim Financial Information



|   | Fair values calculated<br>using internal models |                  |         | Total            |
|---|---|------------------|---------|------------------|
|   | Level 1   | Level 2          | Level 3 |                  |
| <b>Liabilities</b>                            |   |                  |         |                  |
| <b>Trading derivatives</b>                    |   |                  |         |                  |
| Currency forward                              | -   | 614,533          | -       | 614,533          |
| Forward interest rate                         | -   | 120,647          | -       | 120,647          |
| Interest rate swap                            | -   | 285,952          | -       | 285,952          |
| Other   | -   | 34,764           | -       | 34,764           |
| <b>Hedging Derivatives</b>                    |   |                  |         |                  |
| Interest rate swap                            | -   | 2,494            | -       | 2,494            |
| <b>Total recurring fair value liabilities</b> | \$ -  | <b>1,058,390</b> | -       | <b>1,058,390</b> |

Investments, whose values are based on quoted market prices in active markets, and are therefore classified in Level 1, which include equity investments, which are active in the stock market, certain investments issued or guaranteed by the Colombian government, other Colombian financial institutions, other foreign financial institutions and foreign governments.

Financial instruments that are quoted in markets that are not considered active, but are valued according to quoted market prices, broker quotes or alternative price sources supported by observable inputs, are classified in Level 2. Includes other investments issued or guaranteed by the Colombian government, other Colombian financial institutions, issued or guaranteed by other Colombian government entities, Colombian real sector entities, foreign governments, other foreign financial institutions, foreign real sector entities, derivatives and investment properties. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity or non-transferability, which are generally based on available market information.

As indicated above, the fair value of investment properties is determined based on the appraisal performed by independent expert appraisers as of December 31, 2023, which were prepared under the methodology of comparative sales approach (market approach), determining the value of the assets based on comparison with other similar assets that are being or have been traded in the real estate market, this comparative approach considers the sale of similar or substitute assets, as well as data obtained from the market, and establishes an estimate of value using processes that include comparison. To carry out this process, during the three months of the year under evaluation, the processes of documentation of the investment properties, quotation and detailed review of the appraisals, are carried out and in some cases with the support of the leasing technical area, the appraisals are sent for their opinion, in order to finally proceed with the adjustment of the fair value in the accounting book.





**b) Determination of fair values**

The following table shows information about valuation techniques and significant inputs, when measuring fair value on a recurring basis, for assets and liabilities whose fair value hierarchy classification is level 2 and 3:

| Assets and Liabilities                              | Valuation technique for level 2 | Main input data   |
|---|---------------------------------|---|
| <b>Investments in debt securities at fair value</b> |                                 |   |
| Through profit or loss                              | Market Focus                    | *Market Price <sup>(1)</sup>  |
| With changes in ORI                                 | Market Focus                    | *Market Price <sup>(1)</sup>  |
| <b>Investments in equity instruments</b>            |                                 |   |
| Through profit or loss                              | Unit value                      | *Market value of the underlying assets, are real estate, minus management fees and expenses.  |
| With changes in ORI                                 | Discounted cash flow            | *Growth during the five-year projection period. *Net income<br>*Growth in residual values after five years<br>*Discounted interest rate   |
| <b>Trading derivatives</b>                          |                                 |   |
| Currency forward                                    | Discounted cash flow            | *Curves by functional currency of underlying  |
| Forward interest rate                               |                                 | *Underlying security price/ Curves by functional currency of underlying   |
| Interest rate swap                                  |                                 | *Swap curves assigned according to the underlying   |
| Currency swap                                       |                                 | *Swap curves assigned according to the underlying   |
| Other   | Black & Scholes & Merton        | *Matrices and implied volatility curves   |
| <b>Hedging derivatives</b>                          |                                 |   |
| Interest rate swap                                  | Discounted cash flow            | *Curves by functional currency of underlying<br>*Underlying security price/ Curves by functional currency of underlying<br>*Swap curves assigned according to the underlying<br>*Swap curves assigned according to the underlying |
| <b>Investment property at fair value</b>            |                                 |   |
|   | Discounted cash flow            | *Processes used to collect data and determine the fair value of investment properties   |

<sup>(1)</sup> Quoted market prices, i.e., obtained from price vendors.

**c) Transfer of levels**

The following table presents the transfers between Levels 1 and 2 for years ended September 30, 2024 and December 31, 2023:

|  | September 30, 2024 |                    | December 31, 2023  |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | Level 1 to Level 2 | Level 2 to Level 1 | Level 1 to Level 2 | Level 2 to Level 1 |
| <b>Fair value measurements for recurring</b> |                    |                    |                    |                    |
| <b>Assets</b>                                |                    |                    |                    |                    |
| Fixed-income fair value investments          | \$ 18,146          | -                  | \$ -               | -                  |

For the September 2024 cutoff, there were transfers from level 1 to level 2, of the Tes UVR references with maturity in April 2035 and Tes fixed rate March 2031, which are issues owned by few holders, which means that they have little liquidity.

For the year ended on December 31, 2023, there were no transfers between level 1 and 2 and between level 2 and 1.





#### d) Fair value measurements on non-recurring basis

##### Valuation of Level 3 equity instruments

Investments classified in Level 3, have unobservable inputs. Level 3 instruments primarily include investments in equity instruments, which are not publicly traded.

The Group has equity investments with changes in ORI in various entities with a participation of less than 20% of the entity's equity; some of them received in payment of customer obligations in the past, and others acquired because they are necessary for the development of operations, such as ACH S.A., Cámara de Riesgo Central de Contraparte S.A., Redeban S.A. and Credibanco S.A. The valuation of these instruments is made with the following frequency:

- Monthly: Credibanco S.A.
- Quarterly: ACH S.A.
- Semiannual: Redeban S.A.
- Annual: Central Counterparty Risk Clearing House (CRCC), Aportes En Línea S.A and Casa de Bolsa S.A. The frequency is due to the fact that their fair value does not vary significantly, and yet possible effects on fair value are monitored at each reporting date.

For ACH S.A and Credibanco S.A, the determination of their fair value as of September 30, 2024, their shares are not listed in a public stock market and therefore, was made with the help of an external advisor to the Group, who has used the discounted cash flow method for such purpose, which is constructed based on the appraiser's own projections of revenues, costs and expenses of each valuation entity over a five-year period, taking as a basis for them some historical information obtained from the companies, and residual values determined with growth rates in perpetuity established by the appraiser according to his experience. These projections and residual values were discounted based on interest rates constructed with curves taken from price vendors, adjusted by risk premiums estimated based on the risks associated with each valued entity.

The following table includes the sensitivity analysis of changes in such variables used in the valuation of the investment, considering that changes in fair value of such investments are recorded in equity, as they correspond to investments classified as equity instruments at fair value with changes in equity:

| Methods and Variables                   | Variation          | Favorable impact | Unfavorable impact |
|---|--------------------|------------------|--------------------|
| Revenues                                | +/- 100 bp         | \$ 2,424,749.87  | \$ 2,343,892.90    |
| Perpetuity gradient                     | +/- 100 bp         | 244,690,23       | 219,698,02         |
| Discount Rate                           | +/- 50 bp          | 2,423,925,15     | 2,347,097,39       |
| Growth in residual values after 5 years | +/- 1% of gradient | 2,197,312,21     | 2,114,373,37       |

Based on the variations and impacts presented in the previous box, as of September 30, 2024, there would be a favorable effect on the Bank's equity of \$4,629 and an unfavorable effect of \$4,054. These values were calculated by valuing the investment with the favorable and unfavorable price, according to the variations presented and the number of shares held by the Bank in each entity.





The following table presents the movement of equity instruments at fair value, classified as Level 3 for the nine month periods ended on September 30, 2024 and 2023:

|   | <b>Equity instruments</b> |
|---|---------------------------|
| <b>Balance as of December 31, 2023</b>                    | <b>\$ 831,325</b>         |
| Valuation adjustment with effect on income <sup>(1)</sup> | 66,510                    |
| Valuation adjustments with effect on ORI                  | 29,964                    |
| Additions (1)   | 2,038                     |
| Redemptions (1)   | (28,300)                  |
| <b>Balance as of September 30, 2024</b>                   | <b>\$ 901,537</b>         |

|  | <b>Equity instruments</b> |
|--|---------------------------|
| <b>Balance as of December 31, 2022</b>         | <b>\$ 660,239</b>         |
| Valuation adjustment with effect on income (1) | 53,460                    |
| Valuation adjustments with effect on ORI       | 1,893                     |
| Additions (1)                                  | 130,510                   |
| Redemptions (1)                                | (25,265)                  |
| <b>Balance as of September 30, 2023</b>        | <b>\$ 820,837</b>         |

The ORI with cutoff date September 30, 2024 and 2023, corresponding to the valuation of financial instruments measured at fair value level 3 is \$29,964 and (\$1,893) respectively.

(1) As of September 30, 2024, in investments in equity instruments at fair value through profit or loss, there is a variation in the Nexus Inmobiliario Private Equity Fund of \$37,382 with respect to December 31, 2023, explained by redemptions of (\$28,300) and a valuation with effect in profit or loss of \$65,682.

The following is the detail as of September 30, 2024 and 2022 of the assets that were measured at fair value as a result of impairment assessment in the application of IFRS standards applicable to each account, but that are not required to be measured at fair value on a recurring basis:

| <b>September 30, 2024</b>                           | <b>Level 3</b>    | <b>Total</b>   |
|---|-------------------|----------------|
| Collateralized loan portfolio financial instruments | \$ 551,353        | 551,353        |
| Non-current assets held for sale                    | 1,324             | 1,324          |
|   | <b>\$ 552,677</b> | <b>552,677</b> |

| <b>December 31, 2023</b>                            | <b>Level 3</b>    | <b>Total</b>   |
|---|-------------------|----------------|
| Collateralized loan portfolio financial instruments | \$ 534,910        | 534,910        |
| Non-current assets held for sale                    | 3,023             | 3,023          |
|   | <b>\$ 537,933</b> | <b>537,933</b> |





The following table presents a summary of the Group's financial assets and liabilities recorded at amortized cost as of September 30, 2024 and December 31, 2023, compared to the values determined at fair value, for which it is practicable to calculate fair value:

|   | September 30, 2024   |                      | December 31, 2023 |                      |
|---|----------------------|----------------------|-------------------|----------------------|
|   | Carrying value       | Estimated Fair Value | Carrying value    | Estimated Fair Value |
| <b>Assets</b>   |                      |                      |                   |                      |
| Financial assets in debt securities at amortized cost | \$ 2,046,081         | 2,046,924            | 2,034,558         | 2,035,192            |
| Loan Portfolio, net                                   | 49,845,880           | 57,004,110           | 47,082,115        | 57,752,515           |
| Other accounts receivable                             | 636,516              | 636,516              | 547,285           | 547,285              |
|   | <b>\$ 52,528,477</b> | <b>59,687,550</b>    | <b>49,663,958</b> | <b>60,334,992</b>    |
| <b>Liabilities</b>                                    |                      |                      |                   |                      |
| Certificates of Deposit                               | \$ 17,403,141        | 17,650,733           | 17,866,450        | 18,367,377           |
| Interbank funds                                       | 7,188,299            | 7,188,305            | 4,403,111         | 4,403,108            |
| Loans from banks and others                           | 3,881,941            | 4,265,086            | 3,185,957         | 3,444,288            |
| Obligations with rediscount entities                  | 947,536              | 954,234              | 1,088,189         | 1,100,069            |
| Notes issued  | 2,609,039            | 2,735,500            | 2,171,345         | 2,166,124            |
|   | <b>\$ 32,029,956</b> | <b>32,793,858</b>    | <b>28,715,052</b> | <b>29,480,966</b>    |

The estimated fair value of the loan portfolio is calculated as follows:

**Portfolio rated A, B and C:** the net present value of the contractual flows is obtained, discounted at the discount rate, which is equivalent to the market value of the transactions, based on the balances of each obligation, the maturity date of the transaction, the contractual rate, among others.

**Portfolio rated D or E:** calculated on the book value in percentage expected to be recovered from such obligations.

The **Discount Rate** comprises the following:

- **Credits rated A, B or C:** Risk-free rate + Risk points + Portfolio management fees.

The **Risk Free Rate** represents the opportunity cost incurred in placing funds through credit. Varies according to the remaining term of each obligation. For loans in legal currency, the TES curve is used as a reference and for foreign currency transactions, the 10-year U.S. treasury bond rate is used as a reference.

**Credit risk points** are obtained through the product of the probability of default (customer risk) and the loss given default. The latter represents the risk of the credit operation, which in the commercial portfolio depends on the collateral.

In the **Portfolio Management Expense Ratio**, the costs for human resources and outsourcing are reported.

The fair value methodologies for fixed income securities at time zero, correspond to the adjustment of the difference between the purchase price (IRR purchase) and the market price published by the price vendor *Precia PPV S.A.* For subsequent measurement, this fair value on each of the investments is determined with the daily valuation using the market price published by the same price vendor.

For other accounts receivable, the maturity of these accounts matures in a period equal to or less than one year; therefore, it is not considered necessary to perform a fair value calculation, on the understanding that this value is the best estimate, since it is a short period.

The fair value methodology of the Parent Company's liabilities (CDTs and Notes) is performed by means of the PWPREDI application, which values the Parent Company's standardized liabilities in Colombian pesos at market prices, using the information published by the price provider *Precia PPV S.A.*

For Financial Obligations, the calculation is performed manually, in which the valuation is made using the discount curve calculated by the Parent Company's Treasury Risk Division.





## Note 6. – Financial assets from investment in debt securities and equity instruments at fair value

The balance of Financial Assets in debt securities and investments in equity instruments at fair value, comprises the following as of September 30, 2024 and December 31, 2023:

|  | September 30, 2024   | December 31, 2023 |
|--|----------------------|-------------------|
| <b>Debt securities with changes in income</b>  |                      |                   |
| <b>In Colombian pesos</b>  |                      |                   |
| Issued or guaranteed by the Colombian government   | \$ 8,422,849         | 3,105,170         |
| Issued or guaranteed by other Colombian government entities  | 23,686               | 34,609            |
| Issued or guaranteed by other Colombian financial institutions                                       | 73,015               | 96,631            |
| Issued or guaranteed by entities of the Colombian real sector  | 2,956                | 1,840             |
| Issued or guaranteed by other foreign financial institutions   | 2,185                | -                 |
| Other  | 829                  | -                 |
|  | <b>8,525,520</b>     | <b>3,238,250</b>  |
| <b>In foreign currency</b>   |                      |                   |
| Issued or guaranteed by the Colombian government   | 34,567               | 16,737            |
| Issued or guaranteed by other Colombian financial institutions                                       | 16,836               | 20,087            |
| Issued or guaranteed by entities of the Colombian real sector  | 1,034                | -                 |
| Issued or guaranteed by Foreign Governments  | 14,221               | 382               |
| Issued or guaranteed by other foreign financial institutions   | 106,704              | 161,722           |
| Issued or guaranteed by real sector entities abroad  | -                    | 3,412             |
| Other  | 30,455               | 19,002            |
|  | <b>203,817</b>       | <b>221,342</b>    |
| <b>Total debt securities through profit or loss</b>  | <b>\$ 8,729,337</b>  | <b>3,459,592</b>  |
| <b>Debt securities through profit or loss</b>  |                      |                   |
| <b>In Colombian pesos</b>  |                      |                   |
| Issued or guaranteed by the Colombian government   | \$ 2,443,880         | 2,439,339         |
| Issued or guaranteed by other Colombian government entities  | 70,861               | 67,400            |
| Issued or guaranteed by other Colombian financial institutions                                       | 461,000              | 583,751           |
| Other  | 1,433                | -                 |
|  | <b>2,977,174</b>     | <b>3,090,490</b>  |
| <b>In foreign currency</b>   |                      |                   |
| Issued or guaranteed by the Colombian government   | 677,481              | 682,923           |
| Issued or guaranteed by other Colombian financial institutions                                       | 89,785               | 81,759            |
| Issued or guaranteed by entities of the Colombian real sector  | 27,236               | -                 |
| Issued or guaranteed by Foreign Governments  | 241,239              | 120,232           |
| Issued or guaranteed by other foreign financial institutions   | 524,179              | 398,898           |
| Issued or guaranteed by real sector entities abroad  | -                    | 34,539            |
| Other  | 85,612               | 56,845            |
|  | <b>1,645,532</b>     | <b>1,375,196</b>  |
| <b>Total debt securities with changes in ORI <sup>(1)</sup></b>                                      | <b>\$ 4,622,706</b>  | <b>4,465,686</b>  |
| <b>Equity instruments with adjustment to income</b>  |                      |                   |
| <b>In Colombian pesos</b>  |                      |                   |
| Mutual funds   | \$ 774,221           | 709,520           |
| <b>Equity instruments with adjustment to income total</b>  | <b>774,221</b>       | <b>709,520</b>    |
| <b>Trading derivative instruments with changes to income total</b>                                   | <b>336,538</b>       | <b>1,276,723</b>  |
| <b>Total financial instruments at fair value with changes in profit or loss</b>                      | <b>\$ 9,840,096</b>  | <b>5,445,835</b>  |
| <b>Equity instruments with adjustment to ORI equity in Colombian pesos</b>                           |                      |                   |
| Corporate actions  | \$ 161,424           | 132,111           |
| <b>Total equity instruments</b>  | <b>935,645</b>       | <b>841,631</b>    |
| <b>Total financial assets in debt securities and investments in equity instruments at fair value</b> | <b>\$ 14,624,226</b> | <b>10,043,632</b> |
| <b>Total financial instruments at fair value with changes in ORI</b>                                 | <b>\$ 4,784,130</b>  | <b>4,597,797</b>  |

<sup>(1)</sup> The valuation effect recognized in ORI for debt securities is (\$55,447) and \$223,993, as of September 30, 2024 and 2023, respectively.





Financial assets at fair value, are carried at fair value based on observable market data, which also reflects the credit risk associated with the asset.

The following, is a detail of equity instruments with changes in other comprehensive income:

| Entity   |           | September 30,<br>2024 | December 31,<br>2023 |
|--|-----------|-----------------------|----------------------|
| Redeban Multicolor S.A. <sup>(1)</sup>                                   | \$        | 41,397                | 17,951               |
| A.C.H Colombia S.A. <sup>(1)</sup>                                       |           | 61,357                | 52,844               |
| Central Counterparty Risk Clearing House of Colombia S.A. <sup>(1)</sup> |           | 3,225                 | 3,225                |
| Credibanco <sup>(1)</sup>  |           | 41,141                | 43,136               |
| Holding Bursátil Regional <sup>(1)</sup>                                 |           | 4,123                 | 4,774                |
| Aportes en Línea S.A. (Gestión y Contacto) <sup>(1)</sup>                |           | 4,495                 | 4,495                |
| Casa de Bolsa S.A Sociedad Comisionista de Bolsa <sup>(1)</sup>          |           | 5,686                 | 5,686                |
| <b>Total</b>   | <b>\$</b> | <b>161,424</b>        | <b>132,111</b>       |

- (i) These financial instruments were recognized at fair value according to market prices provided by Precia S.A.; the effect of this valuation was recognized against ORI for fair value of equity instruments for \$29,313 as of September 30, 2024, and as of September 30, 2023 for \$2,715.

Financial assets in equity instruments at fair value with adjustment to other comprehensive income, have been designated considering that these are strategic investments for the Group, and therefore are not expected to be sold in the near future and there is a higher degree of uncertainty in the fair value year that generates significant fluctuations from one period to another.

During the period ended September 30, 2024, dividends of \$6,388 (\$5,702 during the nine months ended September 30, 2023) have been recognized in the income statement for these investments.

### Guaranteeing money market and central counterparty risk clearing house operations

The following is a list of financial assets at fair value, that are used to guarantee repo and derivatives operations, those that have been pledged as collateral for transactions with financial instruments, and those that have been pledged as collateral to third parties in support of financial obligations with other banks.

|   |           | September 30, 2024 | December 31,<br>2023 |
|---|-----------|--------------------|----------------------|
| <b>Delivered in money market operations</b>                 |           |                    |                      |
| Issued or guaranteed by the Colombian government            | \$        | 7,372,957          | 2,731,746            |
| Issued or guaranteed by other Colombian government entities |           | -                  | 1,325,304            |
|   |           | <b>7,372,957</b>   | <b>4,057,050</b>     |
| <b>Delivered as collateral for derivative transactions</b>  |           |                    |                      |
| Issued or guaranteed by the Colombian government            |           | 61,268             | 542,733              |
| <b>Total</b>  | <b>\$</b> | <b>7,434,225</b>   | <b>4,599,783</b>     |

Changes in fair values primarily reflect changes in market conditions, due mainly to changes in interest rates and other economic conditions in the country in which the investment is held.

There are no legal or economic restrictions, pledges or liens on financial assets in the form of debt securities and equity instruments at fair value, and there is no limitation on their ownership.





## Note 7. – Financial assets in debt securities at amortized cost

The balance of financial assets in debt securities at amortized cost, comprises the following as of September 30, 2024 and December 31, 2023:

|  | September 30, 2024  | December 31,<br>2023 |
|--|---------------------|----------------------|
| <b>Debt securities</b>   |                     |                      |
| <b>In Colombian pesos</b>  |                     |                      |
| Issued or guaranteed by the Colombian government                   | 674,039             | 689,731              |
| Issued or guaranteed by other Colombian government entities        | \$ 1,372,672        | 1,345,385            |
| <b>Total debt securities</b>                                       | <b>2,046,711</b>    | <b>2,035,116</b>     |
| Impairment of investments  | (630)               | (558)                |
| <b>Total financial assets in debt securities at amortized cost</b> | <b>\$ 2,046,081</b> | <b>2,034,558</b>     |

The following is the movement in the investment provision for the nine-month period ended September 30, 2024 and for the year ended December 31, 2023:

|  | September 30, 2024 | December 31,<br>2023 |
|--|--------------------|----------------------|
| <b>Balance at beginning of period</b>                    | <b>\$ 558</b>      | <b>522</b>           |
| Expenses for impairment of investments at amortized cost | 72                 | 36                   |
| <b>Balance at end of period</b>                          | <b>\$ 630</b>      | <b>558</b>           |

The following is a summary of financial assets in debt securities at amortized cost by maturity date:

|  | September 30, 2024  | December 31,<br>2023 |
|--|---------------------|----------------------|
| Up to 1 month                                | \$ 531,818          | 146,021              |
| more than 3 months and no longer than 1 year | 1,514,893           | 1,889,095            |
| <b>Subtotal</b>                              | <b>2,046,711</b>    | <b>2,035,116</b>     |
| Impairment of investments                    | (630)               | (558)                |
| <b>Total</b>                                 | <b>\$ 2,046,081</b> | <b>2,034,558</b>     |





## Note 8. – Derivative instruments and hedge accounting

### a. Hedging of investments abroad

In the development of its operations, the Parent Company has the following investments in foreign subsidiaries as of September 30, 2024 and December 31, 2023, whose financial statements in the consolidation process generate translation adjustments that are recorded in the other comprehensive income account in shareholders' equity, as follows:

|                                |            | September 30, 2024          |  |  |   |
|--------------------------------|------------|-----------------------------|--|--|---|
|                                |            | Thousands of U.S. dollars   |  | Millions of Colombian pesos                        |   |
| Detail of investment           |            | Value of covered investment | Value of hedged foreign currency obligations | Adjustment for translation of financial statements | Exchange difference on foreign currency obligations |
| Occidental Bank Barbados Ltd.  | USD        | 42,467                      | (42,467)                                     | 57,446   | (57,446)  |
| Banco de Occidente Panamá S.A. |            | 73,772                      | (73,772)                                     | 80,221   | (80,221)  |
| <b>Total</b>                   | <b>USD</b> | <b>116,239</b>              | <b>(116,239)</b>                             | <b>137,667</b>                                     | <b>(137,667)</b>                                    |

|                                |            | December 31, 2023           |  |  |   |
|--------------------------------|------------|-----------------------------|--|--|---|
|                                |            | Thousands of U.S. dollars   |  | Millions of Colombian pesos                        |   |
| Detail of investment           |            | Value of covered investment | Value of hedged foreign currency obligations | Adjustment for translation of financial statements | Exchange difference on foreign currency obligations |
| Occidental Bank Barbados Ltd.  | USD        | 37,341                      | (37,341)                                     | \$ 43,626  | (43,626)  |
| Banco de Occidente Panamá S.A. |            | 58,877                      | (58,877)                                     | 57,337   | (57,337)  |
| <b>Total</b>                   | <b>USD</b> | <b>96,218</b>               | <b>(96,218)</b>                              | <b>100,963</b>                                     | <b>(100,963)</b>                                    |

As these investments are denominated in U.S. dollars, which is the functional currency of the above subsidiaries, the Parent Company is subject to the risk of changes in the exchange rate of the Colombian peso, which is the functional currency of the Parent Company, against the U.S. dollar. To cover this risk, the Parent Company has entered into foreign currency debt operations, and as such has designated foreign currency obligations for USD \$116,239 as of September 30, 2024 and \$96,218 as of December 31, 2023, which cover 100% of the current investments in those subsidiaries, the financial obligations have a short-term maturity; therefore, once such obligations mature, the Parent Company's management designates new obligations in foreign currency to maintain hedging for 100% of the investments.

For foreign currency debt designated as a hedging instrument, the gain or loss arising on translation of the debt into Colombian pesos, is based on the current exchange rate between the U.S. dollar and the Colombian peso, which is the Group's functional currency. To the extent that the notional amount of the hedging instrument exactly matches the portion of the hedged investment in the foreign operations, there is no hedge ineffectiveness.





## b. Fair value hedge

As of September 30, 2024, the Parent Company had hedging operations for \$411,000 MM that started between June and August 2024, to hedge fixed rate loans in COP against changes in the IBR market rate.

As a risk management strategy, the Parent Company has determined that in order to hedge the fair value of the loans, it is necessary to contract a derivative swap instrument, which allows redenominating fixed rate flows to flows indexed to a variable rate based on the IBR. The contracted derivative instruments are expected to be highly effective in hedging and mitigating the aforementioned risk.

### Type of hedging

These types of hedges will be classified as fair value hedges under IAS 39, for which all the necessary procedures and documentation established in the regulations and compendium of accounting standards must be complied with. Under the accounting rules for this hedge category, changes in the market value of the derivative must be recorded in profit or loss (income or expense).

### Nature of risk covered

The hedged risk corresponds to the variability of the fair value of the fixed rate CDTs in COP, due to the effect of the variation of the market rate (IBR prime rate).

The nature of this hedge will only cover the prime rate component of the loans, leaving out of the hedge the spreads associated with the securities or financing.

Below is a detail of the fair value hedging derivatives that meet the efficiency test required by the standard for hedging as of September 30, 2024 and December 31, 2023:

|                                |    | September 30, 2024 |             |
|--------------------------------|----|--------------------|-------------|
|                                |    | Notional Amount    | Fair value  |
|                                |    | More than one year | Total       |
|                                |    |                    | Liabilities |
| Fair value hedging derivatives | \$ |                    |             |
| Interest rate swaps            |    | 411,000            | 411,000     |
| Subtotal                       |    | 411,000            | 411,000     |
|                                |    |                    | (6,618)     |
|                                |    |                    | (6,618)     |

|                                |    | December 31, 2023    |                    |             |
|--------------------------------|----|----------------------|--------------------|-------------|
|                                |    | Notional Amount      |                    | Fair value  |
|                                |    | 3 months to one year | More than one year | Total       |
|                                |    |                      |                    | Liabilities |
| Fair value hedging derivatives | \$ |                      |                    |             |
| Interest rate swaps            |    | 435,000              | -                  | 435,000     |
| Total                          |    | 435,000              | -                  | 435,000     |
|                                |    |                      |                    | (1,351)     |
|                                |    |                      |                    | (1,351)     |





## Quantitative results fair value hedges

The following is a breakdown of gains or losses on hedging instruments and hedged items of the fair value hedge, as of September 30, 2024 and December 31, 2023:

|                                    | September 30, 2024 |        |             | Fair value for the calculation of effectiveness | Efficiency coverage |
|------------------------------------|--------------------|--------|-------------|---|---------------------|
|                                    | Notional value     | Assets | Liabilities |   |                     |
| <b>Item hedged by covered item</b> |                    |        |             |   |                     |
| Mortgage loans                     | 411,000            | 3,210  |             | 3210  |                     |
| <b>Hedging instrument</b>          |                    |        |             |   |                     |
| Interest rate swaps                | \$ 411,000         | -      | 3,349       | (3,349)   | 139                 |

|                                    | December 31, 2023 |        |             | Fair value for the calculation of effectiveness | Efficiency coverage |
|------------------------------------|-------------------|--------|-------------|---|---------------------|
|                                    | Notional value    | Assets | Liabilities |   |                     |
| <b>Item hedged by covered item</b> |                   |        |             |   |                     |
| Term deposit certificates          | \$ 435,000        | -      | 734         | (734)   | -                   |
| <b>Hedging instrument</b>          |                   |        |             |   |                     |
| Interest rate swaps                | \$ 435,000        | 850    | -           | 850   | (116)               |

## Note 9. – Financial assets from loans and receivables and investments, net

### 1. Loan portfolio movement in impairment

The following is the movement in the impairment of the loan portfolio during the nine-month periods ended September 30, 2024 and 2023:

|  |    | Commercial |          |           |           | Repos and Interbank |         |         |       |
|--|----|------------|----------|-----------|-----------|---------------------|---------|---------|-------|
|  |    | Stage 1    | Stage 2  | Stage 3   | Total     | Stage 1             | Stage 2 | Stage 3 | Total |
| Balance as of December 31, 2023            | \$ | 222,210    | 27,661   | 806,004   | 1,055,875 | 18                  | -       | -       | 18    |
| Period write-offs                          |    | (570)      | -        | (309,775) | (310,345) | -                   | -       | -       | -     |
| Sale of loan portfolio                     |    | -          | -        | -         | -         | -                   | -       | -       | -     |
| Reversal of accrued interest Stage 3       |    | -          | -        | 105,062   | 105,062   | -                   | -       | -       | -     |
| Expenses                                   |    | (1,398)    | 7,033    | 459,340   | 464,975   | 5                   | -       | -       | 5     |
| Expenses for disbursements or originations |    | 150,536    | 13,550   | 51,784    | 215,870   | 17                  | -       | -       | 17    |
| Reimbursement                              |    | (38,933)   | (3,604)  | (24,282)  | (66,819)  | (5)                 | -       | -       | (5)   |
| Cancellation or payment in full            |    | (115,833)  | (13,646) | (226,496) | (355,975) | -                   | -       | -       | -     |
| Reclassification from Stage 1 to Stage 2   |    | (7,676)    | 7,676    | -         | -         | -                   | -       | -       | -     |
| Reclassification from Stage 1 to Stage 3   |    | (3,477)    | -        | 3,477     | -         | -                   | -       | -       | -     |
| Reclassification from Stage 2 to Stage 3   |    | -          | (5,545)  | 5,545     | -         | -                   | -       | -       | -     |
| Reclassification from Stage 3 to Stage 2   |    | -          | 625      | (625)     | -         | -                   | -       | -       | -     |
| Reclassification from Stage 2 to Stage 1   |    | 4,786      | (4,786)  | -         | -         | -                   | -       | -       | -     |
| Reclassification from Stage 3 to Stage 1   |    | 9,419      | -        | (9,419)   | -         | -                   | -       | -       | -     |
| Difference in exchange                     |    | -          | -        | 2,403     | 2,403     | -                   | -       | -       | -     |
| Balance as of September 30, 2024           | \$ | 219,064    | 28,964   | 863,018   | 1,111,046 | 35                  | -       | -       | 35    |





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|  | Consumer   |           |           |           | Housing |         |         |         |
|--|------------|-----------|-----------|-----------|---------|---------|---------|---------|
|  | Stage 1    | Stage 2   | Stage 3   | Total     | Stage 1 | Stage 2 | Stage 3 | Total   |
| Balance as of December 31, 2023            | \$ 272,856 | 71,546    | 687,977   | 1,032,379 | 11,949  | 3,018   | 31,905  | 46,872  |
| Period write-offs                          | (377)      | (314)     | (883,232) | (883,923) | -       | -       | -       | -       |
| Sale of loan portfolio                     | (19)       | (359)     | (3,987)   | (4,365)   | -       | -       | -       | -       |
| Reversal of accrued interest Stage 3       | -          | -         | 48,218    | 48,218    | -       | -       | 2,021   | 2,021   |
| Expenses                                   | 160,059    | 194,249   | 472,301   | 826,609   | 266     | 1,260   | 9,206   | 10,732  |
| Expenses for disbursements or originations | 106,069    | 18,558    | 150,155   | 274,782   | 3,253   | 423     | 258     | 3,934   |
| Reimbursement                              | (99,182)   | (10,780)  | (6,389)   | (116,351) | (4,847) | (412)   | (357)   | (5,616) |
| Cancellation or payment in full            | (58,611)   | (12,156)  | (80,962)  | (151,729) | (1,089) | (99)    | (2,385) | (3,573) |
| Reclassification from Stage 1 to Stage 2   | (17,065)   | 17,065    | -         | -         | (372)   | 372     | -       | -       |
| Reclassification from Stage 1 to Stage 3   | (164,986)  | -         | 164,986   | -         | (182)   | -       | 182     | -       |
| Reclassification from Stage 2 to Stage 3   | -          | (183,403) | 183,403   | -         | -       | (767)   | 767     | -       |
| Reclassification from Stage 3 to Stage 2   | -          | 7,758     | (7,758)   | -         | -       | 294     | (294)   | -       |
| Reclassification from Stage 2 to Stage 1   | 13,601     | (13,601)  | -         | -         | 1,470   | (1,470) | -       | -       |
| Reclassification from Stage 3 to Stage 1   | 33,295     | -         | (33,295)  | -         | 977     | -       | (977)   | -       |
| Difference in exchange                     | -          | -         | -         | -         | -       | -       | -       | -       |
| Balance as of September 30, 2024           | \$ 245,640 | 88,563    | 691,417   | 1,025,620 | 11,425  | 2,619   | 40,326  | 54,370  |

|  | Commercial Leasing |         |          |          | Consumer Leasing |         |         |       |
|--|--------------------|---------|----------|----------|------------------|---------|---------|-------|
|  | Stage 1            | Stage 2 | Stage 3  | Total    | Stage 1          | Stage 2 | Stage 3 | Total |
| Balance as of December 31, 2023            | \$ 33,833          | 11,748  | 210,280  | 255,861  | 138              | 108     | 655     | 901   |
| Period write-offs                          | -                  | -       | (71,318) | (71,318) | -                | -       | (476)   | (476) |
| Sale of loan portfolio                     | -                  | -       | -        | -        | -                | -       | -       | -     |
| Reversal of accrued interest Stage 3       | -                  | -       | 12,339   | 12,339   | -                | -       | 35      | 35    |
| Expenses                                   | 2,941              | 4,602   | 95,557   | 103,100  | 5                | 27      | 222     | 254   |
| Expenses for disbursements or originations | 4,674              | 372     | 1,648    | 6,694    | 67               | 3       | -       | 70    |
| Reimbursement                              | (20,721)           | (2,171) | (13,966) | (36,858) | (94)             | -       | (102)   | (196) |
| Cancellation or payment in full            | (1,658)            | (996)   | (7,080)  | (9,734)  | (30)             | (2)     | (210)   | (242) |
| Reclassification from Stage 1 to Stage 2   | (2,122)            | 2,122   | -        | -        | (9)              | 9       | -       | -     |
| Reclassification from Stage 1 to Stage 3   | (888)              | -       | 888      | -        | (1)              | -       | 1       | -     |
| Reclassification from Stage 2 to Stage 3   | -                  | (2,637) | 2,637    | -        | -                | (53)    | 53      | -     |
| Reclassification from Stage 3 to Stage 2   | -                  | 1,261   | (1,261)  | -        | -                | -       | -       | -     |
| Reclassification from Stage 2 to Stage 1   | 4,315              | (4,315) | -        | -        | 54               | (54)    | -       | -     |
| Reclassification from Stage 3 to Stage 1   | 9,704              | -       | (9,704)  | -        | -                | -       | -       | -     |
| Difference in exchange                     | -                  | -       | -        | -        | -                | -       | -       | -     |
| Balance as of September 30, 2024           | \$ 30,078          | 9,986   | 220,020  | 260,084  | 130              | 38      | 178     | 346   |

|  | Housing Leasing |         |         |         | Total Financial Leasing |         |          |          |
|--|-----------------|---------|---------|---------|-------------------------|---------|----------|----------|
|  | Stage 1         | Stage 2 | Stage 3 | Total   | Stage 1                 | Stage 2 | Stage 3  | Total    |
| Balance as of December 31, 2023 \$         | 8,773           | 2,225   | 14,016  | 25,014  | 42,744                  | 14,081  | 224,951  | 281,776  |
| Period write-offs                          | -               | -       | (9,205) | (9,205) | -                       | -       | (80,999) | (80,999) |
| Sale of loan portfolio                     | -               | -       | -       | -       | -                       | -       | -        | -        |
| Reversal of accrued interest Stage 3       | -               | -       | 299     | 299     | -                       | -       | 12,673   | 12,673   |
| Expenses                                   | 169             | 2,298   | 12,669  | 15,136  | 3,115                   | 6,927   | 108,448  | 118,490  |
| Expenses for disbursements or originations | 909             | 172     | -       | 1,081   | 5,650                   | 547     | 1,648    | 7,845    |
| Reimbursement                              | (3,709)         | (483)   | (494)   | (4,686) | (24,524)                | (2,654) | (14,562) | (41,740) |
| Cancellation or payment in full            | (402)           | (171)   | (1,335) | (1,908) | (2,090)                 | (1,169) | (8,625)  | (11,884) |
| Reclassification from Stage 1 to Stage 2   | (249)           | 249     | -       | -       | (2,380)                 | 2,380   | -        | -        |
| Reclassification from Stage 1 to Stage 3   | (178)           | -       | 178     | -       | (1,067)                 | -       | 1,067    | -        |
| Reclassification from Stage 2 to Stage 3   | -               | (2,063) | 2,063   | -       | -                       | (4,753) | 4,753    | -        |
| Reclassification from Stage 3 to Stage 2   | -               | 450     | (450)   | -       | -                       | 1,711   | (1,711)  | -        |
| Reclassification from Stage 2 to Stage 1   | 1,110           | (1,110) | -       | -       | 5,479                   | (5,479) | -        | -        |
| Reclassification from Stage 3 to Stage 1   | 828             | -       | (828)   | -       | 10,532                  | -       | (10,532) | -        |
| Difference in exchange                     | -               | -       | -       | -       | -                       | -       | -        | -        |
| Balance as of September 30, 2024 \$        | 7,251           | 1,567   | 16,913  | 25,731  | 37,459                  | 11,591  | 237,111  | 286,161  |





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|   |           | Total            |                  |                  |                  |
|---|-----------|------------------|------------------|------------------|------------------|
|   |           | Stage 1          | Stage 2          | Stage 3          | Total            |
| <b>Balance as of December 31, 2023</b>            | <b>\$</b> | <b>549,777</b>   | <b>116,306</b>   | <b>1,750,837</b> | <b>2,416,920</b> |
| Period write-offs                                 |           | (947)            | (314)            | (1,274,006)      | (1,275,267)      |
| Sale of loan portfolio                            |           | (19)             | (359)            | (3,987)          | (4,365)          |
| Reversal of accrued interest Stage 3              |           | -                | -                | 167,974          | 167,974          |
| <b>Expenses</b>                                   |           | <b>162,047</b>   | <b>209,469</b>   | <b>1,049,295</b> | <b>1,420,811</b> |
| <b>Expenses for disbursements or originations</b> |           | <b>265,525</b>   | <b>33,078</b>    | <b>203,845</b>   | <b>502,448</b>   |
| <b>Reimbursement</b>                              |           | <b>(167,491)</b> | <b>(17,450)</b>  | <b>(45,590)</b>  | <b>(230,531)</b> |
| <b>Cancellation or payment in full</b>            |           | <b>(177,623)</b> | <b>(27,070)</b>  | <b>(318,468)</b> | <b>(523,161)</b> |
| <b>Reclassification from Stage 1 to Stage 2</b>   |           | <b>(27,493)</b>  | <b>27,493</b>    | -                | -                |
| <b>Reclassification from Stage 1 to Stage 3</b>   |           | <b>(169,712)</b> | -                | <b>169,712</b>   | -                |
| <b>Reclassification from Stage 2 to Stage 3</b>   |           | -                | <b>(194,468)</b> | <b>194,468</b>   | -                |
| <b>Reclassification from Stage 3 to Stage 2</b>   |           | -                | <b>10,388</b>    | <b>(10,388)</b>  | -                |
| <b>Reclassification from Stage 2 to Stage 1</b>   |           | <b>25,336</b>    | <b>(25,336)</b>  | -                | -                |
| <b>Reclassification from Stage 3 to Stage 1</b>   |           | <b>54,223</b>    | -                | <b>(54,223)</b>  | -                |
| Difference in exchange                            |           | -                | -                | 2,403            | 2,403            |
| <b>Balance as of September 30, 2024</b>           | <b>\$</b> | <b>513,623</b>   | <b>131,737</b>   | <b>1,831,872</b> | <b>2,477,232</b> |

|   |           | Commercial      |                 |                  |                  | Repos and Interbank |         |         |                |
|---|-----------|-----------------|-----------------|------------------|------------------|---------------------|---------|---------|----------------|
|   |           | Stage 1         | Stage 2         | Stage 3          | Total            | Stage 1             | Stage 2 | Stage 3 | Total          |
| <b>Balance as of December 31, 2022</b>            | <b>\$</b> | <b>251,647</b>  | <b>50,722</b>   | <b>700,164</b>   | <b>1,002,533</b> | <b>1,434</b>        | -       | -       | <b>1,434</b>   |
| Period write-offs                                 |           | -               | -               | (181,231)        | (181,231)        | -                   | -       | -       | -              |
| Sale of loan portfolio                            |           | -               | -               | -                | -                | -                   | -       | -       | -              |
| Reversal of accrued interest Stage 3              |           | -               | -               | 69,509           | 69,509           | -                   | -       | -       | -              |
| <b>Expenses</b>                                   |           | <b>5,491</b>    | <b>11,394</b>   | <b>336,730</b>   | <b>353,615</b>   | <b>16</b>           | -       | -       | <b>16</b>      |
| <b>Expenses for disbursements or originations</b> |           | <b>148,069</b>  | <b>18,800</b>   | <b>18,692</b>    | <b>185,561</b>   | <b>1,174</b>        | -       | -       | <b>1,174</b>   |
| <b>Reimbursement</b>                              |           | <b>(70,255)</b> | <b>(11,139)</b> | <b>(45,618)</b>  | <b>(127,012)</b> | <b>(13)</b>         | -       | -       | <b>(13)</b>    |
| <b>Cancellation or payment in full</b>            |           | <b>(99,889)</b> | <b>(11,261)</b> | <b>(155,919)</b> | <b>(267,069)</b> | <b>(1,391)</b>      | -       | -       | <b>(1,391)</b> |
| <b>Reclassification from Stage 1 to Stage 2</b>   |           | <b>(7,117)</b>  | <b>7,117</b>    | -                | -                | -                   | -       | -       | -              |
| <b>Reclassification from Stage 1 to Stage 3</b>   |           | <b>(4,115)</b>  | -               | <b>4,115</b>     | -                | -                   | -       | -       | -              |
| <b>Reclassification from Stage 2 to Stage 3</b>   |           | -               | <b>(4,677)</b>  | <b>4,677</b>     | -                | -                   | -       | -       | -              |
| <b>Reclassification from Stage 3 to Stage 2</b>   |           | -               | <b>3,358</b>    | <b>(3,358)</b>   | -                | -                   | -       | -       | -              |
| <b>Reclassification from Stage 2 to Stage 1</b>   |           | <b>20,309</b>   | <b>(20,309)</b> | -                | -                | -                   | -       | -       | -              |
| <b>Reclassification from Stage 3 to Stage 1</b>   |           | <b>11,496</b>   | -               | <b>(11,496)</b>  | -                | -                   | -       | -       | -              |
| Difference in exchange                            |           | (6,238)         | -               | -                | (6,238)          | -                   | -       | -       | -              |
| <b>Balance as of September 30, 2023</b>           | <b>\$</b> | <b>249,398</b>  | <b>44,005</b>   | <b>736,265</b>   | <b>1,029,668</b> | <b>1,220</b>        | -       | -       | <b>1,220</b>   |

|   |           | Consumer         |                  |                 |                 | Housing        |                |                 |                 |
|---|-----------|------------------|------------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|
|   |           | Stage 1          | Stage 2          | Stage 3         | Total           | Stage 1        | Stage 2        | Stage 3         | Total           |
| <b>Balance as of December 31, 2022</b>            | <b>\$</b> | <b>261,303</b>   | <b>84,379</b>    | <b>349,488</b>  | <b>695,170</b>  | <b>11,948</b>  | <b>3,088</b>   | <b>37,130</b>   | <b>52,166</b>   |
| Period write-offs                                 |           | (57)             | (689)            | (577,394)       | (578,140)       | -              | -              | -               | -               |
| Sale of loan portfolio                            |           | -                | (131)            | (640)           | (771)           | -              | -              | -               | -               |
| Reversal of accrued interest Stage 3              |           | -                | -                | 40,516          | 40,516          | -              | -              | 1,954           | 1,954           |
| <b>Expenses</b>                                   |           | <b>133,189</b>   | <b>164,737</b>   | <b>427,812</b>  | <b>725,738</b>  | <b>727</b>     | <b>2,977</b>   | <b>4,157</b>    | <b>7,861</b>    |
| <b>Expenses for disbursements or originations</b> |           | <b>86,931</b>    | <b>20,727</b>    | <b>109,508</b>  | <b>217,166</b>  | <b>3,419</b>   | <b>861</b>     | <b>169</b>      | <b>4,449</b>    |
| <b>Reimbursement</b>                              |           | <b>(82,691)</b>  | <b>(10,521)</b>  | <b>(4,195)</b>  | <b>(97,407)</b> | <b>(3,988)</b> | <b>(431)</b>   | <b>(11,890)</b> | <b>(16,309)</b> |
| <b>Cancellation or payment in full</b>            |           | <b>(37,230)</b>  | <b>(11,428)</b>  | <b>(27,300)</b> | <b>(75,958)</b> | <b>(401)</b>   | <b>(133)</b>   | <b>(1,459)</b>  | <b>(1,993)</b>  |
| <b>Reclassification from Stage 1 to Stage 2</b>   |           | <b>(13,739)</b>  | <b>13,739</b>    | -               | -               | <b>(449)</b>   | <b>449</b>     | -               | -               |
| <b>Reclassification from Stage 1 to Stage 3</b>   |           | <b>(127,534)</b> | -                | <b>127,534</b>  | -               | <b>(195)</b>   | -              | <b>195</b>      | -               |
| <b>Reclassification from Stage 2 to Stage 3</b>   |           | -                | <b>(161,303)</b> | <b>161,303</b>  | -               | -              | <b>(916)</b>   | <b>916</b>      | -               |
| <b>Reclassification from Stage 3 to Stage 2</b>   |           | -                | <b>5,392</b>     | <b>(5,392)</b>  | -               | -              | <b>596</b>     | <b>(596)</b>    | -               |
| <b>Reclassification from Stage 2 to Stage 1</b>   |           | <b>18,807</b>    | <b>(18,807)</b>  | -               | -               | <b>1,461</b>   | <b>(1,461)</b> | -               | -               |
| <b>Reclassification from Stage 3 to Stage 1</b>   |           | <b>15,266</b>    | -                | <b>(15,266)</b> | -               | <b>1,350</b>   | -              | <b>(1,350)</b>  | -               |
| Difference in exchange                            |           | -                | -                | -               | -               | -              | -              | -               | -               |
| <b>Balance as of September 30, 2023</b>           | <b>\$</b> | <b>254,245</b>   | <b>86,095</b>    | <b>585,974</b>  | <b>926,314</b>  | <b>13,872</b>  | <b>5,030</b>   | <b>29,226</b>   | <b>48,128</b>   |





**Banco de Occidente S.A. and Subsidiary**  
**Notes to Condensed Consolidated Interim Financial Information**

|  | Commercial Leasing |         |          |          | Consumer Leasing |         |         |         |
|--|--------------------|---------|----------|----------|------------------|---------|---------|---------|
|  | Stage 1            | Stage 2 | Stage 3  | Total    | Stage 1          | Stage 2 | Stage 3 | Total   |
| Balance as of December 31, 2022            | \$ 26,576          | 8,262   | 202,694  | 237,532  | 182              | 25      | 755     | 962     |
| Period write-offs                          | -                  | -       | (59,027) | (59,027) | -                | -       | (3,027) | (3,027) |
| Sale of loan portfolio                     | -                  | -       | -        | -        | -                | -       | -       | -       |
| Reversal of accrued interest Stage 3       | -                  | -       | 14,330   | 14,330   | -                | -       | 67      | 67      |
| Expenses                                   | 1,670              | 4,363   | 73,603   | 79,636   | 3                | -       | 2,928   | 2,931   |
| Expenses for disbursements or originations | 5,447              | 1,161   | 6,892    | 13,500   | 16               | 35      | -       | 51      |
| Reimbursement                              | (11,791)           | (7,170) | (21,236) | (40,197) | (195)            | (1)     | (44)    | (240)   |
| Cancellation or payment in full            | (1,237)            | (437)   | (13,224) | (14,898) | (15)             | (8)     | -       | (23)    |
| Reclassification from Stage 1 to Stage 2   | (1,442)            | 1,442   | -        | -        | (1)              | 1       | -       | -       |
| Reclassification from Stage 1 to Stage 3   | (447)              | -       | 447      | -        | (5)              | -       | 5       | -       |
| Reclassification from Stage 2 to Stage 3   | -                  | (1,456) | 1,456    | -        | -                | -       | -       | -       |
| Reclassification from Stage 3 to Stage 2   | -                  | 6,401   | (6,401)  | -        | -                | -       | -       | -       |
| Reclassification from Stage 2 to Stage 1   | 2,939              | (2,939) | -        | -        | 5                | (5)     | -       | -       |
| Reclassification from Stage 3 to Stage 1   | 1,301              | -       | (1,301)  | -        | 104              | -       | (104)   | -       |
| Difference in exchange                     | -                  | -       | -        | -        | -                | -       | -       | -       |
| Balance as of September 30, 2023           | \$ 23,016          | 9,627   | 198,233  | 230,876  | 94               | 47      | 580     | 721     |

|  | Housing Leasing |         |         |          | Total Financial Leasing |         |          |          |
|--|-----------------|---------|---------|----------|-------------------------|---------|----------|----------|
|  | Stage 1         | Stage 2 | Stage 3 | Total    | Stage 1                 | Stage 2 | Stage 3  | Total    |
| Balance as of December 31, 2022            | \$ 13,814       | 3,512   | 26,055  | 43,381   | 40,572                  | 11,799  | 229,504  | 281,875  |
| Period write-offs                          | -               | -       | (4,467) | (4,467)  | -                       | -       | (66,521) | (66,521) |
| Sale of loan portfolio                     | -               | -       | -       | -        | -                       | -       | -        | -        |
| Reversal of accrued interest Stage 3       | -               | -       | 340     | 340      | -                       | -       | 14,737   | 14,737   |
| Expenses                                   | 642             | 2,540   | 4,115   | 7,297    | 2,315                   | 6,903   | 80,646   | 89,864   |
| Expenses for disbursements or originations | 1,492           | 595     | 79      | 2,166    | 6,955                   | 1,791   | 6,971    | 15,717   |
| Reimbursement                              | (2,499)         | (188)   | (6,232) | (8,919)  | (14,485)                | (7,359) | (27,512) | (49,356) |
| Cancellation or payment in full            | (3,548)         | (1,281) | (7,248) | (12,077) | (4,800)                 | (1,726) | (20,472) | (26,998) |
| Reclassification from Stage 1 to Stage 2   | (414)           | 414     | -       | -        | (1,857)                 | 1,857   | -        | -        |
| Reclassification from Stage 1 to Stage 3   | (149)           | -       | 149     | -        | (601)                   | -       | 601      | -        |
| Reclassification from Stage 2 to Stage 3   | -               | (1,000) | 1,000   | -        | -                       | (2,456) | 2,456    | -        |
| Reclassification from Stage 3 to Stage 2   | -               | 187     | (187)   | -        | -                       | 6,588   | (6,588)  | -        |
| Reclassification from Stage 2 to Stage 1   | 888             | (888)   | -       | -        | 3,832                   | (3,832) | -        | -        |
| Reclassification from Stage 3 to Stage 1   | 537             | -       | (537)   | -        | 1,942                   | -       | (1,942)  | -        |
| Difference in exchange                     | -               | -       | -       | -        | -                       | -       | -        | -        |
| Balance as of September 30, 2023           | \$ 10,763       | 3,891   | 13,067  | 27,721   | 33,873                  | 13,565  | 211,880  | 259,318  |

| Total                                      |            |           |           |           |
|--|------------|-----------|-----------|-----------|
|  | Stage 1    | Stage 2   | Stage 3   | Total     |
| Balance as of December 31, 2022            | \$ 566,904 | 149,988   | 1,316,286 | 2,033,178 |
| Period write-offs                          | (57)       | (689)     | (825,146) | (825,892) |
| Sale of loan portfolio                     | -          | (131)     | (640)     | (771)     |
| Reversal of accrued interest Stage 3       | -          | -         | 126,716   | 126,716   |
| Expenses                                   | 141,738    | 186,011   | 849,345   | 1,177,094 |
| Expenses for disbursements or originations | 246,548    | 42,179    | 135,340   | 424,067   |
| Reimbursement                              | (171,432)  | (29,450)  | (89,215)  | (290,097) |
| Cancellation or payment in full            | (143,711)  | (24,548)  | (205,150) | (373,409) |
| Reclassification from Stage 1 to Stage 2   | (23,162)   | 23,162    | -         | -         |
| Reclassification from Stage 1 to Stage 3   | (132,445)  | -         | 132,445   | -         |
| Reclassification from Stage 2 to Stage 3   | -          | (169,352) | 169,352   | -         |
| Reclassification from Stage 3 to Stage 2   | -          | 15,934    | (15,934)  | -         |
| Reclassification from Stage 2 to Stage 1   | 44,409     | (44,409)  | -         | -         |
| Reclassification from Stage 3 to Stage 1   | 30,054     | -         | (30,054)  | -         |
| Difference in exchange                     | (6,238)    | -         | -         | (6,238)   |
| Balance as of September 30, 2023           | \$ 552,608 | 148,695   | 1,563,345 | 2,264,648 |





## 2. Investments in debt securities at fair value with changes in ORI

The following is the movement in the impairment of investments in debt securities at fair value with changes in ORI for the nine-month period ended September 30, 2024 and 2023:

|  | Stage 1<br>PCE 12-month |
|--|-------------------------|
| <b>Balance of provisions as of December 31, 2023</b>                                   | <b>\$ 2,982</b>         |
| Net impact of the remeasurement of the provision                                       | (12)                    |
| Impairment of new securities purchased during the period                               | 1,662                   |
| Impact on impairment of securities that have been sold or have matured (de-recognized) | (1,014)                 |
| Difference in exchange   | 144                     |
| <b>Balance of provisions as of September 30, 2024</b>                                  | <b>\$ 3,762</b>         |
|  | Stage 1<br>PCE 12-month |
| <b>Balance of provisions as of December 31, 2022</b>                                   | <b>\$ 2,902</b>         |
| Net impact of the remeasurement of the provision                                       | (53)                    |
| Impairment of new securities purchased during the period                               | 1,192                   |
| Impact on impairment of securities that have been sold or have matured (de-recognized) | (758)                   |
| Difference in exchange   | (223)                   |
| <b>Balance of provisions as of September 30, 2023</b>                                  | <b>\$ 3,060</b>         |

## 3. Investments in debt securities at amortized cost

The following is the movement in the impairment of investments in debt securities at amortized cost for the nine-month period ended September 30, 2024 and 2023:

|  | Stage 1<br>PCE 12-month |
|--|-------------------------|
| <b>Balance of provisions as of December 31, 2023</b>                                   | <b>\$ 558</b>           |
| Net impact of the remeasurement of the provision                                       | (240)                   |
| Impairment of new securities purchased during the period                               | 598                     |
| Impact on impairment of securities that have been sold or have matured (de-recognized) | (286)                   |
| <b>Balance of provisions as of September 30, 2023</b>                                  | <b>\$ 630</b>           |
|  | Stage 1<br>PCE 12-month |
| <b>Balance of provisions as of December 31, 2022</b>                                   | <b>\$ 522</b>           |
| Net impact of the remeasurement of the provision                                       | (238)                   |
| Impairment of new securities purchased during the period                               | 478                     |
| Impact on impairment of securities that have been sold or have matured (de-recognized) | (263)                   |
| <b>Balance of provisions as of September 30, 2023</b>                                  | <b>\$ 499</b>           |





#### Note 10. – Profit from non-current assets held for sale

Next includes the detail of the gain generated on the sale of assets classified as held for sale during the quarters and nine-month periods ended September 30, 2024 and 2023:

For the quarter ended in:

| September 30, 2024         |                |                    | September 30, 2023 |                |                    |        |
|----------------------------|----------------|--------------------|--------------------|----------------|--------------------|--------|
|                            | Carrying value | Amount of the sale | Profit             | Carrying value | Amount of the sale | Profit |
| Real estate <sup>(1)</sup> | \$ 104         | 880                | 776                | 20,443         | 27,307             | 6,864  |
| Movable assets             | 212            | 222                | 10                 | 337            | 337                | -      |
|                            | \$ 316         | 1,102              | 786                | 20,780         | 27,644             | 6,864  |

For the nine-month Period ended as of:

| September 30, 2024         |                |                    |        | September 30, 2023 |                    |        |
|----------------------------|----------------|--------------------|--------|--------------------|--------------------|--------|
|                            | Carrying value | Amount of the sale | Profit | Carrying value     | Amount of the sale | Profit |
| Real estate <sup>(1)</sup> | \$ 1,457       | 3,590              | 2,133  | 78,811             | 101,623            | 22,812 |
| Movable assets             | 1,103          | 1,348              | 245    | 1,143              | 1,603              | 460    |
|                            | \$ 2,560       | 4,938              | 2,378  | 79,954             | 103,226            | 23,272 |

- (1) The profit recorded in non-current assets held for sale note of \$2,378 million, corresponds to \$776 million for the sale of two repositioned real estate assets; \$244 million corresponding to the sale of 42 repositioned movable assets that entered and were sold in the same period, and \$1,358 million, corresponding to the sale of 2 own assets that were reclassified to held for sale.

Next, the changes in assets held for sale for the nine-month periods ended September 30, 2024 and for the year ended December 31, 2023 are presented below:

|  |    | September 30, 2024 |
|--|----|--------------------|
| <b>Balance as of December 31, 2023</b>             | \$ | <b>3,023</b>       |
| Increases by addition during the year              |    | 1,207              |
| Cost of non-current assets held for sale sold, net |    | (2,560)            |
| Impairment charged to expenses                     |    | (24)               |
| Reclassifications from/to own use                  |    | (322)              |
| <b>Balance as of September 30, 2024</b>            | \$ | <b>1,324</b>       |

|  |    | December 31, 2024 |
|--|----|-------------------|
| <b>Balance as of December 31, 2023</b>             | \$ | <b>-</b>          |
| Increases by addition during the year              |    | 2,890             |
| Cost of non-current assets held for sale sold, net |    | 18,183            |
| Impairment charged to expenses                     |    | (100,017)         |
| Reclassifications from/to own use                  |    | 81,967            |
| <b>Balance as of December 31, 2023</b>             | \$ | <b>3,023</b>      |





### Note 11. – Investments in associated companies and joint ventures

Below is a detail of investments in associates and joint ventures as of September 30, 2024 and December 31, 2023:

|                | September 30,<br>2024 | December 31,<br>2023 |
|----------------|-----------------------|----------------------|
| Associated     | \$ 1,922,591          | 1,799,081            |
| Joint ventures | 1,972                 | 1,721                |
| <b>Total</b>   | <b>\$ 1,924,563</b>   | <b>1,800,802</b>     |

Below is a detail of investments in associates and joint ventures:

|   | September 30, 2024    |                  | December 31, 2023     |                  |
|---|-----------------------|------------------|-----------------------|------------------|
|   | % of<br>participation | Carrying value   | % of<br>participation | Carrying value   |
| <b>Associated</b>                               |                       |                  |                       |                  |
| A Toda Hora S.A                                 | 20.00%                | 2,864            | 20.00%                | 2,779            |
| Corficolombiana                                 | 4.18%                 | 807,881          | 4.18%                 | 779,450          |
| Aval Soluciones Digitales S.A.                  | 26.60%                | 4,155            | 26.60%                | 3,731            |
| Porvenir S.A.                                   | 33.09%                | 1,107,692        | 33.09%                | 1,013,121        |
|   | <b>\$</b>             | <b>1,922,592</b> | <b>\$</b>             | <b>1,799,081</b> |
| <b>Joint ventures</b>                           |                       |                  |                       |                  |
| A Toda Hora - Joint Ventures                    | 25.00%                | 1,969            | 25.00%                | 1,718            |
| Aval Soluciones Digitales S.A. - Joint Ventures | 26.34%                | 3                | 26.34%                | 3                |
|   |                       | <b>\$ 1,972</b>  |                       | <b>\$ 1,721</b>  |

### Note 12. - Tangible assets, net

The following is the balance of the carrying amount of tangible asset accounts (property and equipment for own use, operating leases, investment property and right-of-use assets) as of September 30, 2024 and December 31, 2023:

| Property and equipment             | September 30, 2024 | December 31, 2023 |
|------------------------------------|--------------------|-------------------|
| For own use <sup>(a)</sup>         | \$ 117,452         | 107,868           |
| Leased under operating leases      | 56,654             | 64,861            |
| Investment properties              | 228,348            | 214,080           |
| Right-of-use assets <sup>(b)</sup> | 280,232            | 267,243           |
|                                    | <b>\$ 682,686</b>  | <b>654,052</b>    |

With cutoff date September 2024, there were no asset mobilizations to the Nexus Private Equity Fund.





### a) Property and equipment for own use

The following is the detail of the balance as of September 30, 2024 and December 31, 2023, by type of property and equipment for own use:

| For own use                                | Cost              | Accumulated depreciation | Impairment loss | Carrying amount |
|--|-------------------|--------------------------|-----------------|-----------------|
| Land                                       | \$ 9,035          | -                        | -               | 9,035           |
| Buildings                                  | 17,623            | (7,073)                  | -               | 10,550          |
| Office equipment, fixtures and fittings    | 111,102           | (85,152)                 | (42)            | 25,908          |
| Computer equipment                         | 222,630           | (165,567)                | (37)            | 57,026          |
| Vehicles                                   | 717               | (539)                    | -               | 178             |
| Mobilization equipment and machinery       | 49                | (49)                     | -               | -               |
| Improvements to other people's property    | 39,112            | (30,289)                 | -               | 8,823           |
| Construction in progress                   | 5,932             | -                        | -               | 5,932           |
| <b>Balance of as of September 30, 2024</b> | <b>\$ 406,200</b> | <b>(288,669)</b>         | <b>(79)</b>     | <b>117,452</b>  |

| For own use                             | Cost              | Accumulated depreciation | Impairment loss | Carrying amount |
|---|-------------------|--------------------------|-----------------|-----------------|
| Land                                    | \$ 8,954          | -                        | -               | 8,954           |
| Buildings                               | 17,382            | (6,635)                  | -               | 10,747          |
| Office equipment, fixtures and fittings | 110,923           | (81,656)                 | (49)            | 29,218          |
| Computer equipment                      | 206,613           | (160,493)                | (58)            | 46,062          |
| Vehicles                                | 800               | (575)                    | -               | 225             |
| Mobilization equipment and machinery    | 49                | (47)                     | -               | 2               |
| Improvements to other people's property | 36,498            | (28,353)                 | -               | 8,145           |
| Construction in progress                | 4,515             | -                        | -               | 4,515           |
| <b>Balance as of December 31, 2023</b>  | <b>\$ 385,734</b> | <b>(277,759)</b>         | <b>(107)</b>    | <b>107,868</b>  |

### b) Rights-of-use assets

The following is the detail of the balance as of September 30, 2024 and December 31, 2023, of the right of use by type of property and equipment:

| Rights of use                              | Cost              | Accumulated depreciation | Carrying amount |
|--|-------------------|--------------------------|-----------------|
| Buildings                                  | \$ 409,749        | (165,567)                | 244,182         |
| Office equipment, fixtures and fittings    | 120               | (70)                     | 50              |
| Computer equipment                         | 89,003            | (53,922)                 | 35,081          |
| Vehicles                                   | 2,978             | (2,059)                  | 919             |
| <b>Balance of as of September 30, 2024</b> | <b>\$ 501,850</b> | <b>(221,618)</b>         | <b>280,232</b>  |

| Rights of use                           | Cost              | Accumulated depreciation | Carrying amount |
|---|-------------------|--------------------------|-----------------|
| Buildings                               | \$ 383,798        | (143,640)                | 240,158         |
| Office equipment, fixtures and fittings | 120               | (52)                     | 68              |
| Computer equipment                      | 70,079            | (44,373)                 | 25,706          |
| Vehicles                                | 2,579             | (1,268)                  | 1,311           |
| <b>Balance as of December 31, 2023</b>  | <b>\$ 456,576</b> | <b>(189,333)</b>         | <b>267,243</b>  |





### Note 13. - Intangible assets, net

The following is the balance of intangible asset accounts as of September 30, 2024 and December 31, 2023:

| Concept           |           | September 30,<br>2024 | December 31,<br>2023 |
|-------------------|-----------|-----------------------|----------------------|
| Capital gains     | \$        | 22,724                | 22,724               |
| Other Intangibles |           | 598,170               | 577,627              |
| <b>Total</b>      | <b>\$</b> | <b>620,894</b>        | <b>600,351</b>       |

### Detail of intangible assets other than capital gains

The following is the detail of intangible assets other than surplus, as of September 30, 2024 and December 31, 2023:

| As of September 30, 2024           |           | Cost           | Accumulated depreciation: | Carrying amount |
|------------------------------------|-----------|----------------|---------------------------|-----------------|
| Licenses                           | \$        | 11,831         | 9,047                     | 2,784           |
| Computer programs and applications |           | 898,934        | 303,548                   | 595,386         |
| <b>Total</b>                       | <b>\$</b> | <b>910,765</b> | <b>312,595</b>            | <b>598,170</b>  |

| As of December 31, 2023            |           | Cost           | Accumulated depreciation: | Carrying amount |
|------------------------------------|-----------|----------------|---------------------------|-----------------|
| Licenses                           | \$        | 8,623          | 5,763                     | 2,860           |
| Computer programs and applications |           | 819,272        | 244,505                   | 574,767         |
| <b>Total</b>                       | <b>\$</b> | <b>827,895</b> | <b>250,268</b>            | <b>577,627</b>  |

### Note 14. - Income tax

Income tax expense is recognized based on management's best estimate of both current and deferred income taxes.

The effective tax rate for Banco de Occidente and its affiliates for the three-month period ended September 30, 2024, was 14.42 percentage points p.p.; and for the three-month period ended September 30, 2023, it was 1.4 percentage points p.p., generating a variation of 13.01 percentage points p.p., corresponding to a tax expense of \$ 28,200 and \$ 926, respectively.

The effective tax rate for Banco de Occidente and its affiliates for the nine-month period ended September 30, 2024, was 9.17 percentage points p.p.; and for the nine-month period ended September 30, 2023, it was 9.97 percentage points p.p., generating a variation of -0.8 percentage points p.p., corresponding to a tax expense of \$ 40,505 and \$ 42,308, respectively.





## Note 15. – Customer Deposits

The following is a detail of the balances of deposits received from customers of the Parent Company and its subsidiaries in the development of their deposit-taking operations as of September 30, 2024 and December 31, 2023:

| Detail                    | September 30,<br>2024 | December 31,<br>2023 |
|---------------------------|-----------------------|----------------------|
| <b>Demand deposits</b>    |                       |                      |
| Current accounts          | \$ 6,482,249          | 7,092,625            |
| Savings accounts          | 28,992,356            | 24,153,811           |
| Other funds at sight      | 63,131                | 62,846               |
|                           | <b>35,537,736</b>     | <b>31,309,282</b>    |
| <b>Term</b>               |                       |                      |
| Term deposit certificates | 17,403,141            | 17,866,450           |
| <b>Total Deposits</b>     | <b>\$ 52,940,877</b>  | <b>49,175,732</b>    |
| <b>By currency</b>        |                       |                      |
| In Colombian pesos        | \$ 48,020,104         | 44,903,705           |
| In U.S. dollars           | 4,910,482             | 4,259,323            |
| Other currencies          | 10,291                | 12,704               |
| <b>Total by Currency</b>  | <b>\$ 52,940,877</b>  | <b>49,175,732</b>    |

## Note 16. - Financial Obligations

Financial obligations are comprised of financial obligations and rediscount entities and notes and investment securities as of September 30, 2024 and December 31, 2023:

|  | September 30, 2024   | December 31, 2023 |
|--|----------------------|-------------------|
| Financial obligations and rediscounting entities Notes | \$ 12,017,776        | 8,677,257         |
| and investment securities                              | 2,609,039            | 2,171,345         |
|  | <b>\$ 14,626,815</b> | <b>10,848,602</b> |

### 1. Financial obligations and rediscount entities

The following is a summary of the financial obligations and obligations with rediscount entities obtained by the Group as of September 30, 2024 and December 31, 2023, mainly for the purpose of financing its operations, mainly in international trade:

#### September 30, December 31, 2024 2023

|                                      | September 30, 2024   | December 31, 2023 |
|--------------------------------------|----------------------|-------------------|
| Interbank and overnight funds        | \$ 7,188,299         | 4,403,111         |
| Loans from banks and others          | 3,881,941            | 3,185,957         |
| Obligations with rediscount entities | 947,536              | 1,088,189         |
|                                      | <b>\$ 12,017,776</b> | <b>8,677,257</b>  |

Total interest accrued on financial obligations, and obligations with rediscount entities for quarters ended September 30, 2024 and 2023 was \$265,390 and \$209,154, respectively.





The total of interest accrued on financial obligations and obligations with rediscount entities for nine-month periods ended September 30, 2024 and 2023, were \$681,893 and \$597,454 respectively.

## 2. Notes and investment securities

The Parent Company is authorized by Colombian Finance Superintendence, to issue or place Notes or general guarantee notes. All bond issues by the Parent Company, have been issued without guarantees, and represent exclusively the obligations of each of the issuers.

The following features the detail of the liabilities as of September 30, 2024 and December 31, 2023, by date of issue and maturity date in legal currency and foreign currency:

### Legal Tender

| Issuer                                   | Date of Issue                             | September 30,<br>2024 | December 31,<br>2023 | Maturity Date                             | Interest Rate                            |
|--|---|-----------------------|----------------------|---|--|
| Ordinary Notes<br>Banco de Occidente     | Between<br>09/AUG/2012 and<br>20/AUG/2020 | 1,172,802             | 1,458,983            | Between<br>20/AUG/2026 and<br>14/DEC/2032 | Between CPI + 2.37% and<br>4.65%         |
| Subordinated notes<br>Banco de Occidente | Between 30/01/2013<br>and 12/10/2017      | 708,580               | 712,362              | Between<br>30/JAN/2025 and<br>10/JUN/2026 | Between CPI + 3.58% -<br>3.64% and 4.60% |
| <b>Total</b>                             | <b>\$</b>                                 | <b>1,881,382</b>      | <b>2,171,345</b>     |   |  |

### Foreign Currency <sup>(1)</sup>

| Issuer  | Date of Issue | September 30,<br>2024 | December 31,<br>2023 | Maturity Date | Interest Rate |
|---|---------------|-----------------------|----------------------|---------------|---------------|
| Reg S subordinated<br>notes<br>Banco de Occidente | 13/MAY/2024   | 727,657               | -                    | 13/AUG/2034   | Fixed 10.875% |
| <b>Total</b>                                      |               | <b>727,657</b>        | <b>-</b>             |               |               |

<sup>(1)</sup> The foreign currency is the US dollar (USD)

Future maturities as of September 30, 2024 of outstanding investment securities in long-term debt are as follows:

### September 30, 2024

|              |           | September 30, 2024 |
|--------------|-----------|--------------------|
| Year         |           | Amount             |
| 2024         | \$        | 25,362             |
| 2025         |           | 450,000            |
| After 2026   |           | 2,133,677          |
| <b>Total</b> | <b>\$</b> | <b>2,609,039</b>   |

For long-term financial obligations from the issuance of Notes, interest accrued in income for quarters ended September 30, 2024 and 2023, was \$73,646 and \$84,218, respectively.

For long-term financial obligations from the issuance of Notes, interest accrued in income for the nine-month periods ended September 30, 2024 and 2023, was \$208,231 and \$259,367 respectively.





### Note 17. - Provisions for employee benefits

The following is a detail of the balances of provisions for employee benefits as of September 30, 2024 and December 31, 2023:

#### September 30, December 31, 2024 2023

|                          |           | <b>September 30, 2024</b> |    | <b>December 31, 2023</b> |
|--------------------------|-----------|---------------------------|----|--------------------------|
| Short-term benefits      | \$        | 93,080                    | \$ | 77,520                   |
| Post-employment benefits |           | 5,063                     |    | 5,167                    |
| Long-term benefits       |           | 6,070                     |    | 6,160                    |
| <b>Total Liabilities</b> | <b>\$</b> | <b>\$ 104.213</b>         |    | <b>88,847</b>            |

### Note 18. - Provisions for legal contingencies and other provisions

The balances of legal and other provisions as of September 30, 2024 and December 31, 2023 are described below:

| <b>Items</b>          |           | <b>September 30, 2024</b> | <b>December 31, 2023</b> |
|-----------------------|-----------|---------------------------|--------------------------|
| Legal provisions      | \$        | 3,457                     | 2,488                    |
| Other Provisions      |           | 2,997                     | 3,417                    |
| Portfolio Provisions* |           | 51,616                    | 58,263                   |
| <b>Total</b>          | <b>\$</b> | <b>58,070</b>             | <b>64,168</b>            |

(\*) Corresponds to the Provision for loss contingencies.





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**Note 19. - Other liabilities**

Other liabilities as of September 30, 2024 and December 31, 2023 comprise the following:

| Items                                       | September 30, 2024  | December 31, 2023 |
|---|---------------------|-------------------|
| Suppliers and accounts payable              | \$ 305,051          | 254,512           |
| Dividends and surplus                       | 111,585             | 67,047            |
| Cashier's checks                            | 104,689             | 294,056           |
| Taxes, withholdings and labor contributions | 90,381              | 148,026           |
| Withdrawals payable                         | 79,308              | 72,848            |
| Other                                       | 65,881              | 71,409            |
| International exchange received             | 42,817              | 96,006            |
| Collections made                            | 36,803              | 108,478           |
| Portfolio disbursements                     | 35,425              | 3,835             |
| Credit surpluses                            | 28,562              | 36,955            |
| National Guarantee Fund                     | 27,701              | 29,758            |
| Security deposit - Margin Call              | 27,639              | 355,795           |
| Peace bonds                                 | 25,130              | 25,164            |
| Payments to third parties Occired           | 24,396              | 21,310            |
| Derivatives trading                         | 17,220              | 11,267            |
| Contributions on transactions               | 16,684              | 13,865            |
| Bank items in clearing                      | 13,196              | 12,349            |
| Credit card receivables                     | 12,707              | 11,536            |
| Sales tax payable                           | 10,321              | 17,452            |
| Uncashed checks drawn                       | 7,511               | 9,060             |
| Accounts cancelled                          | 6,436               | 5,488             |
| Collection services                         | 3,307               | 2,709             |
| Forwards non delivery                       | 2,114               | 1,665             |
| Commissions and fees                        | 1,547               | 1,432             |
| Prospective buyers                          | 1,403               | 2,218             |
| Loyalty programs                            | 864                 | 728               |
| Leases                                      | 160                 | 391               |
| Cash surpluses and redemption               | 129                 | 114               |
| Insurance and insurance premiums            | 70                  | 146               |
| Contributions and memberships               | 4                   | 4                 |
| Anticipated income                          | 3                   | 926               |
| Ath and ach transactions                    | 2                   | 30                |
| Deferred credits                            | -                   | 424               |
|   | <b>\$ 1,099,047</b> | <b>1,677,003</b>  |





## Note 20. – Equity

The number of shares authorized, issued and outstanding as of September 30, 2024 and December 31, 2023, were as follows:

|                                      | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> |
|--------------------------------------|-------------------------------|------------------------------|
| Number of shares authorized          | 200,000,000                   | 200,000,000                  |
| Number of shares subscribed and paid | 155,899,719                   | 155,899,719                  |
| <b>Total shares outstanding</b>      | <b>155,899,719</b>            | <b>155,899,719</b>           |

**Total shares outstanding are as follows:**

|  |                 |                 |
|--|-----------------|-----------------|
| Common shares  | 155,899,719     | 155,899,719     |
| <b>Subscribed and paid-in capital, common shares</b> | <b>\$ 4,677</b> | <b>\$ 4,677</b> |

### Appropriated retained earnings in reserves

The following is the detail of the composition as of September 30, 2024 and December 31, 2023:

|                                  | <b>September 30, 2024</b> | <b>December 31,<br/>2023</b> |
|----------------------------------|---------------------------|------------------------------|
| Legal reserve                    | \$ 3,134,027              | 3,134,027                    |
| Mandatory and voluntary reserves | 1,297,477                 | 1,075,910                    |
| <b>Total</b>                     | <b>\$ 4,431,504</b>       | <b>\$ 4,209,937</b>          |

### Legal reserve

Pursuant to current legal regulations, the Parent Company and its subsidiaries Fiduciaria de Occidente S.A. and Ventas y Servicios S.A. - NEXA BPO, must create a legal reserve by appropriating ten percent (10%) of the net profits of each year, until reaching an amount equal to fifty percent (50%) of the subscribed capital stock. This reserve may be reduced below fifty percent (50%) of the subscribed capital stock, to cover losses in excess of retained earnings. The legal reserve cannot be less than the aforementioned percentage, except to cover losses in excess of retained earnings.

### Dividends Declared

Dividends are declared and paid to shareholders, based on net income for the immediately preceding year. Dividends declared by the Parent Company were as follows:

|  | <b>September 30,<br/>2024</b> | <b>December 31,<br/>2023</b> |
|--|-------------------------------|------------------------------|
| Profit for the previous year determined in the Parent Company's separate financial statements (*) \$ | 430,603                       | 502,643                      |
| Dividends paid in cash   | 215,142                       | 251,323                      |
| Outstanding common shares  | 155,899,719                   | 155,899,719                  |
| <b>Total shares outstanding</b>  | <b>155,899,719</b>            | <b>155,899,719</b>           |
| <b>Withholding tax (**)</b>  | <b>(1,567)</b>                | <b>(263)</b>                 |
| <b>Total Dividends Declared</b>  | <b>\$ 215,142</b>             | <b>\$ 251,323</b>            |

(\*) Earnings reported correspond to the end of December 2023 and 2022.

(\*\*) Withholding tax transferable to shareholders (Art.242-1 ET)

The Group has a simple capital structure, and therefore there is no difference between basic earnings per share and diluted earnings.





## Note 21. - Commitments and contingencies

### a. Commitments

#### Credit commitments

In the development of its normal operations, the Group grants guarantees or letters of credit to its customers, in which it irrevocably undertakes to make payments to third parties in the event that the customers do not comply with their obligations to such third parties, with the same credit risk for the loan portfolio. The granting of guarantees and letters of credit are subject to the same loan disbursement approval policies regarding the creditworthiness of customers, and guarantees are obtained as deemed appropriate under the circumstances.

Commitments to extend credit, represent unused portions of authorizations to extend credit in the form of loans, use of credit cards or letters of credit. With respect to credit risk on commitments to extend credit lines, the Group is potentially exposed to losses in an amount equal to the total amount of unused commitments, if the unused amount were to be fully drawn down; however, the amount of loss is less than the total amount of unused commitments, since most commitments to extend credit are contingent upon the customer maintaining specific credit risk standards. The Group monitors the maturity terms of the relative commitments of credit quotas, because long-term commitments have a higher credit risk than short-term commitments.

The following is the detail of guarantees, letters of credit and credit commitments on unused lines of credit as of September 30, 2024 and December 31, 2023:

|                                  | September 30, 2024  |                  | December 31, 2023 |                  |
|----------------------------------|---------------------|------------------|-------------------|------------------|
|                                  | Notional amount     | Fair Value       | Notional amount   | Fair Value       |
| Collateral \$                    | 1,257,540           | 64,901           | 1,246,647         | 50,741           |
| Unused letters of credit         | 120,738             | 1,013            | 138,249           | 1,002            |
| Overdraft limits                 | 1,934,573           | 1,934,573        | 2,014,636         | 2,014,636        |
| Unused credit card limits        | 3,892,746           | 3,892,746        | 3,848,307         | 3,848,307        |
| Opening of credit                | 185,420             | 185,420          | 173,598           | 173,598          |
| Non disbursed approved loans     | 3,000               | 3,000            | 5,000             | 5,000            |
| Other                            | 1,493,323           | 1,493,323        | 1,913,328         | 1,913,329        |
| <b>Total</b>                     | <b>\$ 8,887,340</b> | <b>7,574,976</b> | <b>9,339,765</b>  | <b>8,006,613</b> |
| Provision for loss contingencies | (51,616)            | (51,616)         | (58,263)          | (58,263)         |
| <b>Total</b>                     | <b>\$ 8,835,724</b> | <b>7,523,360</b> | <b>9,281,502</b>  | <b>7,948,350</b> |

The outstanding balances of unused lines of credit and guarantees, do not necessarily represent future cash requirements because such quotas may expire and not be used in whole or in part.

|                    |           | September 30, 2024 | December 31, 2023 |
|--------------------|-----------|--------------------|-------------------|
| Colombian Pesos \$ |           | 7,260,524          | 7,432,997         |
| Dollars            |           | 1,612,276          | 1,894,087         |
| Euros              |           | 14,540             | 11,868            |
| Other              |           | -                  | 813               |
| <b>Total</b>       | <b>\$</b> | <b>8,887,340</b>   | <b>9,339,765</b>  |





## Capital expenditure disbursement commitments

As of September 30, 2024 and December 31, 2023, the Group had contractual commitments for capital expenditure disbursements (intangible and other) of \$40,638 and \$34,991, respectively.

The group has already allocated the necessary resources to meet these commitments and believes that net income and funds will be sufficient to cover these and similar commitments.

## b. Contingencies

### Legal contingencies

As of September 30, 2024, the Group had civil lawsuits against it with claims for \$109,657, not including those of remote qualification, which, based on analysis and opinions of the lawyers in charge, do not require provisioning, because they are uncertain obligations that do not imply an outflow of resources.

### Tax contingencies

As of September 30, 2024, the Group has no claims for the existence of national and local tax proceedings that establish penalties in the exercise of its activity as a taxpayer entity, and that imply the constitution of contingent liabilities due to the remote possibility of an outflow of resources for such concepts.

### Labor contingencies

In the course of the labor relationship between the Group and its employees, as a consequence of the reasons for the termination of the employment contract or its development, different claims arise against, on which it is not considered possible that significant losses will arise in relation to such claims, according to the opinion of the lawyers as of September 30, 2024.

## Note 22. - Commission and fee income and expenses

Following is a detail of commission and fee income and expenses for the quarters and nine-month periods ended September 30, 2024 and 2023:

|  |    | For the quarter ended in: |                    | For the nine-month period ended as of: |                    |
|--|----|---------------------------|--------------------|--|--------------------|
|  |    | September 30, 2024        | September 30, 2023 | September 30, 2024                     | September 30, 2023 |
| Revenues                               |    |                           |                    |  |                    |
| Fees for banking services              | \$ | 76,212                    | 74,626             | 224,790                                | 215,544            |
| Credit card fees                       |    | 40,950                    | 39,252             | 123,883                                | 120,827            |
| Fiduciary activities                   |    | 31,852                    | 25,447             | 90,907                                 | 80,088             |
| Fees for drafts, checks and checkbooks |    | 1,032                     | 1,266              | 3,301                                  | 3,979              |
| Office network services                |    | 537                       | 473                | 1,641                                  | 1,390              |
| Total                                  | \$ | 150,583                   | 141,064            | 444,522                                | 421,828            |
| Expenses                               |    |                           |                    |  |                    |
| Banking services                       | \$ | 31,675                    | 17,884             | 85,348                                 | 30,608             |
| Bank charges                           |    | 283                       | 411                | 952                                    | 1,030              |
| Sales and service commissions          |    | 3,633                     | 5,840              | 11,282                                 | 11,997             |
| Bank guarantees                        |    | -                         | 41                 | -                                      | 42                 |
| Fiduciary business                     |    | -                         | 5                  | -                                      | 5                  |
| Placements                             |    | 7,146                     | 6,354              | 23,310                                 | 24,505             |
| Credit Cards                           |    | 76                        | 334                | 269                                    | 3,076              |
| Other                                  |    | 17,953                    | 12,880             | 51,778                                 | 45,004             |
| Total                                  |    | 60,766                    | 43,749             | 172,939                                | 116,267            |
| Net commission income                  | \$ | 89,817                    | 97,315             | 271,583                                | 305,561            |





### Note 23. - Other income and expenses, net

Following is a detail of other income and other expenses for the quarters and nine-month periods ended September 30, 2024 and 2023:

|  | For the quarter ended in: |                       | For the nine-month period ended as of: |                       |
|--|---------------------------|-----------------------|--|-----------------------|
|  | September 30,<br>2024     | September 30,<br>2023 | September 30,<br>2024                  | September 30,<br>2023 |
| <b>Other income</b>  |                           |                       |  |                       |
| Other operating income <sup>(1)</sup> *  | \$ 87,496                 | 73,143                | 236,844                                | 208,060               |
| Equity in net income of associated companies and joint ventures <sup>(1)</sup> | 80,493                    | 9,800                 | 200,793                                | 149,563               |
| Profit on sale of investments  | 7                         | 960                   | 539                                    | 1,233                 |
| Dividends  | 6                         | -                     | 6,388                                  | 5,702                 |
| Gain on sale of non-current assets held for sale <sup>(1)</sup>                | 786                       | 6,863                 | 2,378                                  | 23,272                |
| Net gain on valuation of investment properties <sup>(1)</sup>                  | 4,925                     | 12,695                | 17,432                                 | 27,558                |
| Net loss on sale of investments <sup>(1)</sup>                                 | (391)                     | (2,733)               | (1,163)                                | (8,736)               |
| Net loss (gain) on foreign exchange difference <sup>(1)</sup>                  | (17,134)                  | 70,650                | 117,759                                | 19,647                |
| <b>Other income total</b>  | <b>\$ 156,188</b>         | <b>171,378</b>        | <b>580,970</b>                         | <b>426,299</b>        |

(1) The other operating income item is mainly composed of sales of other services, lease payments, operating leasing and leases.

(1) For the quarter ended September 30, 2024 and 2023, the variation in other income was (\$15,190), mainly due to the Share in net income of associated companies and joint ventures for \$70,693, due to the difference in foreign currency exchange, due to fluctuations in the TRM in the market, generating a variation of \$87,784, loss on sale of non-current assets held for sale (\$6,077), other operating income \$14,353 and loss on valuation of investment properties (\$7,770).

(2) For the nine-month period ended September 30, 2024 and 2023, the variation in other income was \$154,671, mainly due to the Share in net income of associated companies and joint ventures for (\$51,230), due to the difference in foreign currency exchange, due to fluctuations in the TRM in the market, generating a variation of \$98,112, loss on sale of non-current assets held for sale \$20,894, other operating income \$28,784, net loss on sale of investments \$7,573 and loss on valuation of investment properties (\$10,126).





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| Other expenses                           | For the quarter ended in: |                       | For the nine-month period ended as of: |                       |
|--|---------------------------|-----------------------|--|-----------------------|
|  | September 30,<br>2024     | September 30,<br>2023 | September 30,<br>2024                  | September 30,<br>2023 |
| Personnel expenses                       | \$ 244,824                | 215,064               | 704,897                                | 650,556               |
| Taxes and fees                           | 75,754                    | 81,928                | 240,573                                | 226,417               |
| Insurance                                | 36,081                    | 41,646                | 113,813                                | 107,080               |
| Consulting, audit and other fees         | 40,622                    | 36,247                | 116,339                                | 99,334                |
| Contributions, memberships and transfers | 11,569                    | 16,353                | 36,217                                 | 79,428                |
| Other (*)                                | 31,627                    | 19,639                | 74,894                                 | 53,226                |
| Depreciation of right-of-use assets      | 17,206                    | 16,353                | 55,428                                 | 46,885                |
| Amortization of intangible assets        | 22,347                    | 19,387                | 62,486                                 | 54,944                |
| Depreciation of tangible assets          | 12,134                    | 11,786                | 36,884                                 | 35,316                |
| Maintenance and repairs                  | 12,812                    | 14,018                | 44,460                                 | 39,614                |
| Utilities                                | 8,471                     | 8,092                 | 25,191                                 | 23,641                |
| Advertising Services                     | 13,758                    | 10,368                | 29,636                                 | 23,736                |
| Electronic data processing               | 4,136                     | 4,623                 | 12,034                                 | 12,343                |
| Leases                                   | 7,003                     | 4,380                 | 21,501                                 | 12,684                |
| Transportation services                  | 4,397                     | 3,577                 | 13,376                                 | 10,297                |
| Losses on sale of property and equipment | 2,199                     | 3,970                 | 4,616                                  | 9,071                 |
| Cleaning and security services           | 3,893                     | 4,474                 | 11,783                                 | 10,301                |
| Supplies and stationery                  | 1,221                     | 1,127                 | 3,675                                  | 3,769                 |
| Insurance claims losses                  | 4,718                     | 13,656                | 11,579                                 | 18,683                |
| Adaptation and installation              | 1,331                     | 2,096                 | 4,090                                  | 3,729                 |
| Impairment losses on other assets        | 24                        | (257)                 | 24                                     | 22                    |
| Travel expenses                          | 1,599                     | 1,020                 | 4,223                                  | 2,907                 |
| Donation expenses                        | 940                       | 846                   | 2,743                                  | 2,545                 |
| Assets write-off                         | -                         | 369                   | 229                                    | 479                   |
| Temporary services                       | -                         | -                     | 4                                      | -                     |
| <b>Other expenses total</b>              | <b>\$ 558,666</b>         | <b>530,762</b>        | <b>1,630,695</b>                       | <b>1,527,005</b>      |

(\*) Other expenses are mainly composed of administrative expenses, outsourcing services, joint ventures, software acquisition and database queries.

#### Note 24. – Analysis of operating segments

Operating segments are components of the Group responsible for carrying out business activities that may generate revenues or incur expenses, and whose operating results are regularly reviewed by the Board of Directors, and for which specific financial information is available; for the September 2024 cutoff, there were no changes compared to the segments reported as of December 2023:

- a. **Description of products and services from which each reportable segment derives its revenues:** The Group is organized into four business segments, comprising the following companies: Banco de Occidente S.A., Fiduciaria de Occidente S.A., Banco de Occidente Panamá S.A., Occidental Bank Barbados Ltd. and Ventas y Servicios S.A. - NEXA BPO. All of these entities provide banking and financial services in Colombia, in corporate or commercial banking, consumer and mortgage banking.
- b. **Factors used by management to identify reportable segments:** The operating segments identified above, are based on the Group's strategic organization to serve the different sectors of the economy in Colombia, Panama and Barbados, considering that under the laws of these countries, each of these companies have been operating for several years.

The consolidated information of each entity is reviewed by the Parent Company's Board of Directors, which is available to the stock market only for the Parent Company, considering that it has its shares and securities registered in the Colombian National Securities Registry.

- c. **Measurement of net income and assets and liabilities of operating segments:** The Board of Directors of the Parent Company, reviews the consolidated financial information of each of its operating segments prepared in accordance with MFRS.

The Board of Directors evaluates the performance of each segment, based on each segment's net income and certain credit risk indicators.





Banco de Occidente S.A. and Subsidiary  
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d. **Information on net income, assets and liabilities of reportable operating segments:** The following is a detail of the summarized reportable financial information for each segment, for the quarters and nine months ended September 30, 2024, and for the year ended December 31, 2023:

**September 30, 2024**

|  | Banco de Occidente S.A.<br>(Parent Company) | Fiduciaria de Occidente S.A. | Ventas y Servicios S.A. | Banco de Occidente Panamá S.A. | Occidental Bank (Barbados) Ltd. | Eliminations     | Total             |
|--|---|------------------------------|-------------------------|--------------------------------|---------------------------------|------------------|-------------------|
| <b>Assets</b>  |   |                              |                         |                                |                                 |                  |                   |
| Financial assets at fair value through profit or loss  | \$ 9,757,508                                | 78,101                       | 3,751                   | 736                            | -                               | -                | 9,840,096         |
| Financial assets at fair value with changes in ORI     | 3,148,985                                   | 45,290                       | -                       | 1,175,727                      | 419,302                         | (5,174)          | 4,784,130         |
| Financial assets in debt securities at amortized cost  | 2,046,081                                   | -                            | -                       | -                              | -                               | -                | 2,046,081         |
| Investments in associated companies and joint ventures | 2,557,937                                   | 299,436                      | -                       | -                              | -                               | (932,810)        | 1,924,563         |
| Financial assets for loan portfolio at amortized cost  | 49,234,676                                  | 978                          | -                       | 2,428,060                      | 659,398                         | -                | 52,323,112        |
| Other Assets   | 3,482,644                                   | 54,271                       | 107,321                 | 425,065                        | 287,702                         | (31,755)         | 4,325,248         |
| <b>Total Assets</b>                                    | <b>\$ 70,227,831</b>                        | <b>478,076</b>               | <b>111,072</b>          | <b>4,029,588</b>               | <b>1,366,402</b>                | <b>(969,739)</b> | <b>75,243,230</b> |
| <b>Liabilities</b>                                     |   |                              |                         |                                |                                 |                  |                   |
| Customer deposits                                      | 48,088,747                                  | -                            | -                       | 3,681,129                      | 1,176,480                       | (5,479)          | 52,940,877        |
| Financial obligations                                  | 14,572,280                                  | 12,894                       | 24,174                  | 18,123                         | -                               | (656)            | 14,626,815        |
| Other Liabilities                                      | 1,637,595                                   | 40,136                       | 38,516                  | 5,531                          | 2,616                           | (25,909)         | 1,698,485         |
| <b>Total Liabilities</b>                               | <b>\$ 64,298,622</b>                        | <b>53,030</b>                | <b>62,690</b>           | <b>3,704,783</b>               | <b>1,179,096</b>                | <b>(32,044)</b>  | <b>69,266,177</b> |
| <b>Equity</b>  | <b>\$ 5,929,209</b>                         | <b>425,046</b>               | <b>48,382</b>           | <b>324,805</b>                 | <b>187,306</b>                  | <b>(937,695)</b> | <b>5,977,053</b>  |

**December 31, 2023**

|  | Banco de Occidente S.A.<br>(Parent Company) | Fiduciaria de Occidente S.A. | Ventas y Servicios S.A. | Banco de Occidente Panamá S.A. | Occidental Bank (Barbados) Ltd. | Eliminations     | Total             |
|--|---|------------------------------|-------------------------|--------------------------------|---------------------------------|------------------|-------------------|
| <b>Assets</b>  |   |                              |                         |                                |                                 |                  |                   |
| Financial assets at fair value through profit or loss  | \$ 5,363,274                                | 77,439                       | 4,235                   | 887                            | -                               | -                | 5,445,835         |
| Financial assets at fair value with changes in ORI     | 3,231,197                                   | 37,349                       | -                       | 984,473                        | 349,511                         | (4,733)          | 4,597,797         |
| Financial assets in debt securities at amortized cost  | 2,034,558                                   | -                            | -                       | -                              | -                               | (521)            | 2,034,558         |
| Investments in associated companies and joint ventures | 2,317,326                                   | 273,168                      | -                       | -                              | -                               | (789,692)        | 1,800,802         |
| Financial assets for loan portfolio at amortized cost  | 46,808,300                                  | (185)                        | -                       | 2,143,867                      | 547,053                         | -                | 49,499,035        |
| Other Assets   | 4,510,469                                   | 49,064                       | 95,832                  | 432,123                        | 154,128                         | (17,859)         | 5,223,757         |
| <b>Total Assets</b>                                    | <b>\$ 64,265,124</b>                        | <b>436,835</b>               | <b>100,067</b>          | <b>3,561,350</b>               | <b>1,050,692</b>                | <b>(812,284)</b> | <b>68,601,784</b> |
| <b>Liabilities</b>                                     |   |                              |                         |                                |                                 |                  |                   |
| Customer deposits                                      | 44,973,650                                  | -                            | -                       | 3,317,028                      | 895,502                         | (10,448)         | 49,175,732        |
| Financial obligations                                  | 10,816,956                                  | 13,580                       | 17,635                  | 952                            | -                               | (521)            | 10,848,602        |
| Other Liabilities                                      | 2,830,583                                   | 22,771                       | 33,370                  | 6,420                          | 3,418                           | (7,195)          | 2,889,367         |
| <b>Total Liabilities</b>                               | <b>\$ 58,621,189</b>                        | <b>36,351</b>                | <b>51,005</b>           | <b>3,324,400</b>               | <b>898,920</b>                  | <b>(18,164)</b>  | <b>62,913,701</b> |
| <b>Equity</b>  | <b>\$ 5,643,935</b>                         | <b>400,484</b>               | <b>49,062</b>           | <b>236,950</b>                 | <b>151,772</b>                  | <b>(794,120)</b> | <b>5,688,083</b>  |

**For the quarter ended September 30, 2024**

|                                   | Banco de Occidente S.A.<br>(Parent Company) | Fiduciaria de Occidente S.A. | Ventas y Servicios S.A. | Banco de Occidente Panamá S.A. | Occidental Bank (Barbados) Ltd. | Eliminations    | Total            |
|-----------------------------------|---|------------------------------|-------------------------|--------------------------------|---------------------------------|-----------------|------------------|
| Income from continuing operations |   |                              |                         |                                |                                 |                 |                  |
| Financial Income                  | \$ 1,786,561                                | 1,155                        | 273                     | 63,616                         | 19,842                          | (34)            | 1,871,413        |
| Fees and commissions              | 117,078                                     | 35,334                       | -                       | 1,147                          | 593                             | (3,569)         | 150,583          |
| Other operating income            | 3,419,294                                   | 28,437                       | 88,147                  | 7,261                          | 1,036                           | (80,075)        | 3,464,100        |
| <b>Total income</b>               | <b>\$ 5,322,933</b>                         | <b>64,926</b>                | <b>88,420</b>           | <b>72,024</b>                  | <b>21,471</b>                   | <b>(83,678)</b> | <b>5,486,096</b> |
| Financial Expenses                |   |                              |                         |                                |                                 |                 |                  |
| Impairment of financial assets    | \$ 341,708                                  | 764                          | 851                     | (364)                          | 1,030                           | -               | 343,989          |
| Depreciation and amortization     | 45,843                                      | 1,546                        | 3,884                   | 423                            | 102                             | (111)           | 51,687           |
| Commissions and fees paid         | 79,904                                      | 859                          | 3                       | 808                            | 245                             | (21,053)        | 60,766           |
| Administrative expenses           | 244,970                                     | 7,501                        | 12,769                  | 3,341                          | 1,981                           | (11,353)        | 259,209          |
| Other operating expenses          | 4,420,892                                   | 20,688                       | 69,902                  | 52,175                         | 12,140                          | (973)           | 4,574,824        |
| Income tax                        | 23,924                                      | 3,703                        | 460                     | -                              | 113                             | -               | 28,200           |
| <b>Total expenses</b>             | <b>\$ 5,157,241</b>                         | <b>35,061</b>                | <b>87,869</b>           | <b>56,383</b>                  | <b>15,611</b>                   | <b>(33,490)</b> | <b>5,318,675</b> |
| <b>Profit for the period</b>      | <b>\$ 165,692</b>                           | <b>29,865</b>                | <b>551</b>              | <b>15,641</b>                  | <b>5,860</b>                    | <b>(50,188)</b> | <b>167,421</b>   |

**For the quarter ended September 30, 2023**

|  | Banco de Occidente S.A.<br>(Parent Company) | Fiduciaria de Occidente S.A. | Ventas y Servicios S.A. | Banco de Occidente Panamá S.A. | Occidental Bank (Barbados) Ltd. | Eliminations    | Total            |
|--|---|------------------------------|-------------------------|--------------------------------|---------------------------------|-----------------|------------------|
| Income from continuing operations            |   |                              |                         |                                |                                 |                 |                  |
| Financial Income                             | \$ 1,937,570                                | 917                          | 214                     | 45,259                         | 15,521                          | -               | 1,999,481        |
| Fees and commissions                         | 113,739                                     | 28,149                       | -                       | 1,404                          | 440                             | (2,668)         | 141,064          |
| Other operating income                       | 4,583,548                                   | 10,476                       | 71,710                  | 4,281                          | 1,140                           | (46,176)        | 4,624,979        |
| <b>Total income</b>                          | <b>\$ 6,634,857</b>                         | <b>39,542</b>                | <b>71,924</b>           | <b>50,944</b>                  | <b>17,101</b>                   | <b>(48,844)</b> | <b>6,765,524</b> |
| Financial Expenses                           |   |                              |                         |                                |                                 |                 |                  |
| Provision for impairment of financial assets | \$ 344,250                                  | 86                           | (19)                    | 466                            | (1,051)                         | -               | 343,732          |
| Depreciation and amortization                | 41,787                                      | 1,476                        | 4,086                   | 413                            | (83)                            | (153)           | 47,526           |
| Commissions and fees paid                    | 61,973                                      | 806                          | 14                      | 949                            | 210                             | (20,203)        | 43,749           |
| Administrative expenses                      | 239,422                                     | 5,396                        | 12,288                  | 2,543                          | 1,838                           | (9,376)         | 252,111          |
| Other operating expenses                     | 5,884,912                                   | 23,604                       | 57,702                  | 36,734                         | 11,024                          | (1,542)         | 6,012,434        |
| Income tax                                   | (1,540)                                     | 2,546                        | (580)                   | -                              | 158                             | 342             | 926              |
| <b>Total expenses</b>                        | <b>\$ 6,570,804</b>                         | <b>33,914</b>                | <b>73,491</b>           | <b>41,105</b>                  | <b>12,096</b>                   | <b>(30,932)</b> | <b>6,700,478</b> |
| <b>Profit for the period</b>                 | <b>\$ 64,053</b>                            | <b>5,628</b>                 | <b>(1,567)</b>          | <b>9,839</b>                   | <b>5,005</b>                    | <b>(17,912)</b> | <b>65,046</b>    |





**Banco de Occidente S.A. and Subsidiary**  
Notes to Condensed Consolidated Interim Financial Information

**For the nine-month period ended as of September 30, 2024**

|                                   | Banco de Occidente S.A.<br>(Parent Company) | Fiduciaria de Occidente S.A. | Ventas y Servicios S.A. | Banco de Occidente Panamá S.A. | Occidental Bank (Barbados) Ltd. | Eliminations     | Total             |
|-----------------------------------|---|------------------------------|-------------------------|--------------------------------|---------------------------------|------------------|-------------------|
| Income from continuing operations |   |                              |                         |                                |                                 |                  |                   |
| Financial Income                  | \$ 5,543,958                                | 3,549                        | 576                     | 184,570                        | 54,008                          | (161)            | 5,786,500         |
| Fees and commissions              | 347,718                                     | 99,940                       | -                       | 4,364                          | 1,678                           | (9,178)          | 444,522           |
| Other operating income            | 10,442,296                                  | 71,604                       | 258,405                 | 17,783                         | 4,323                           | (214,502)        | 10,579,909        |
| <b>Total income</b>               | <b>\$ 16,333,972</b>                        | <b>175,093</b>               | <b>258,981</b>          | <b>206,717</b>                 | <b>60,009</b>                   | <b>(223,841)</b> | <b>16,810,931</b> |
| Financial Expenses                |   |                              |                         |                                |                                 |                  |                   |
| Impairment of financial assets    | \$ 1,151,250                                | 1,732                        | 6,408                   | (251)                          | 1,957                           | -                | 1,161,096         |
| Depreciation and amortization     | 137,554                                     | 4,770                        | 11,420                  | 1,269                          | 219                             | (434)            | 154,798           |
| Commissions and fees paid         | 225,967                                     | 1,992                        | 32                      | 2,322                          | 795                             | (58,169)         | 172,939           |
| Administrative expenses           | 721,347                                     | 19,518                       | 39,084                  | 8,846                          | 5,476                           | (32,449)         | 761,822           |
| Other operating expenses          | 13,670,971                                  | 62,895                       | 202,457                 | 147,253                        | 35,176                          | (192)            | 14,118,560        |
| Income tax                        | 28,735                                      | 10,993                       | 261                     | -                              | 516                             | -                | 40,505            |
| <b>Total expenses</b>             | <b>\$ 15,935,824</b>                        | <b>101,900</b>               | <b>259,662</b>          | <b>159,439</b>                 | <b>44,139</b>                   | <b>(91,244)</b>  | <b>16,409,720</b> |
| <b>Profit for the period</b>      | <b>\$ 398,148</b>                           | <b>73,193</b>                | <b>(681)</b>            | <b>47,278</b>                  | <b>15,870</b>                   | <b>(132,597)</b> | <b>401,211</b>    |

**For the nine-month period ended as of September 30, 2023**

|  | Banco de Occidente S.A.<br>(Parent Company) | Fiduciaria de Occidente S.A. | Ventas y Servicios S.A. | Banco de Occidente Panamá S.A. | Occidental Bank (Barbados) Ltd. | Eliminations     | Total             |
|--|---|------------------------------|-------------------------|--------------------------------|---------------------------------|------------------|-------------------|
| Income from continuing operations            |   |                              |                         |                                |                                 |                  |                   |
| Financial Income                             | \$ 5,498,981                                | 3,165                        | 872                     | 143,338                        | 46,470                          | (2,202)          | 5,690,624         |
| Fees and commissions                         | 335,769                                     | 86,320                       | -                       | 4,515                          | 1,447                           | (6,223)          | 421,828           |
| Other operating income                       | 14,679,367                                  | 57,223                       | 220,063                 | 24,381                         | 5,498                           | (181,066)        | 14,805,466        |
| <b>Total income</b>                          | <b>\$ 20,514,117</b>                        | <b>146,708</b>               | <b>220,935</b>          | <b>172,234</b>                 | <b>53,415</b>                   | <b>(189,491)</b> | <b>20,917,918</b> |
| Financial Expenses                           |   |                              |                         |                                |                                 |                  |                   |
| Provision for impairment of financial assets | \$ 946,053                                  | 269                          | (4)                     | (3,140)                        | (851)                           | -                | 942,327           |
| Depreciation and amortization                | 120,482                                     | 4,510                        | 11,126                  | 1,361                          | 108                             | (442)            | 137,145           |
| Commissions and fees paid                    | 160,926                                     | 1,872                        | 37                      | 2,777                          | 735                             | (50,080)         | 116,267           |
| Administrative expenses                      | 683,807                                     | 17,355                       | 35,361                  | 8,005                          | 5,417                           | (33,099)         | 716,846           |
| Other operating expenses                     | 18,193,964                                  | 60,563                       | 175,350                 | 122,089                        | 33,160                          | (4,267)          | 18,580,859        |
| Income tax                                   | 32,144                                      | 9,918                        | (282)                   | -                              | 528                             | -                | 42,308            |
| <b>Total expenses</b>                        | <b>\$ 20,137,376</b>                        | <b>94,487</b>                | <b>221,588</b>          | <b>131,092</b>                 | <b>39,097</b>                   | <b>(87,888)</b>  | <b>20,535,752</b> |
| <b>Profit for the period</b>                 | <b>\$ 376,741</b>                           | <b>52,221</b>                | <b>(653)</b>            | <b>41,142</b>                  | <b>14,318</b>                   | <b>(101,603)</b> | <b>382,166</b>    |

**Reconciliation of net income, assets and liabilities of the reportable operating segments**

The following is a detail of the reconciliation of total segment revenues, expenses, assets and liabilities to the corresponding consolidated items at the Group level:

**1. Revenues**

|                                      | For the quarter ended in: |                    | For the nine-month period ended as of: |                    |
|--------------------------------------|---------------------------|--------------------|--|--------------------|
|                                      | September 30, 2024        | September 30, 2023 | September 30, 2024                     | September 30, 2023 |
| Total reportable revenues by segment | \$ 5,569,774              | 6,814,368          | 17,034,771                             | 21,107,409         |
| a. Yield on demand deposits          | (34)                      | -                  | (160)                                  | (2,202)            |
| b. Dividends                         | -                         | -                  | (276)                                  | (177)              |
| c. Equity Method                     | (50,179)                  | (19,451)           | (132,304)                              | (103,433)          |
| d. Other                             | (33,465)                  | (29,393)           | (91,100)                               | (83,679)           |
| <b>Total consolidated revenues</b>   | <b>\$ 5,486,096</b>       | <b>6,765,524</b>   | <b>16,810,931</b>                      | <b>20,917,918</b>  |

**2. Expenses**

|                                      | For the quarter ended in: |                    | For the nine-month period ended as of: |                    |
|--------------------------------------|---------------------------|--------------------|--|--------------------|
|                                      | September 30, 2024        | September 30, 2023 | September 30, 2024                     | September 30, 2023 |
| Total reportable expenses by segment | \$ 5,352,165              | 6,731,410          | 16,500,964                             | 20,623,639         |
| a. Interest on bank loans            | (10)                      | (22)               | (31)                                   | (2,271)            |
| b. Real estate expenses              | -                         | -                  | -                                      | -                  |
| b. Equity Method                     | -                         | (1,561)            | -                                      | (2,028)            |
| c. Others                            | (33,480)                  | (29,349)           | (91,213)                               | (83,588)           |
| <b>Total consolidated expenses</b>   | <b>\$ 5,318,675</b>       | <b>6,700,478</b>   | <b>16,409,720</b>                      | <b>20,535,752</b>  |





### 3. Assets

|                                    | September 30, 2024   | December 31, 2023 |
|------------------------------------|----------------------|-------------------|
| Total reportable assets by segment | \$ 76,212,970        | 69,414,068        |
| a. Banks and other correspondents  | (5,479)              | (10,448)          |
| b. Investments                     | (937,984)            | (794,425)         |
| c. Accounts receivable             | (25,696)             | (6,981)           |
| d. Other                           | (581)                | (430)             |
| <b>Total consolidated assets</b>   | <b>\$ 75,243,230</b> | <b>68,601,784</b> |

### 4. Liabilities

|   | September 30, 2024   | December 31, 2023 |
|---|----------------------|-------------------|
| Total reportable liabilities by segment | \$ 69,298,221        | 62,931,865        |
| a. Checking accounts                    | (3,876)              | (6,172)           |
| b. Accounts payable                     | (25,909)             | (7,194)           |
| c. Others                               | (2,259)              | (4,798)           |
| <b>Total consolidated liabilities</b>   | <b>\$ 69,266,177</b> | <b>62,913,701</b> |

### 5. Equity

|                                    | September 30, 2024  | December 31, 2023 |
|------------------------------------|---------------------|-------------------|
| Total reportable equity by segment | \$ 6,914,748        | 6,482,204         |
| a. Capital stock                   | (31,150)            | (36,500)          |
| b. Additional paid-in capital      | (198,940)           | (198,940)         |
| c. ORI                             | (878,730)           | (855,390)         |
| d. Surplus Equity method           | 40,006              | 75,002            |
| e. Profit or loss                  | 136,732             | 227,395           |
| f. Other                           | (5,613)             | (5,688)           |
| <b>Total Equity</b>                | <b>\$ 5,977,053</b> | <b>5,688,083</b>  |

### 6. Assets by country

| Country             | September 30, 2024  | December 31, 2023 |
|---------------------|---------------------|-------------------|
| Colombia            | \$ 5,470,116        | 5,304,094         |
| Panama              | 324,805             | 236,950           |
| Barbados            | 182,132             | 147,039           |
| <b>Total Equity</b> | <b>\$ 5,977,053</b> | <b>5,688,083</b>  |





## 7. Revenues by country

| Country                            | For the quarter ended in: |                    | For the nine-month period ended as of: |                    |
|------------------------------------|---------------------------|--------------------|--|--------------------|
|                                    | September 30, 2024        | September 30, 2023 | September 30, 2024                     | September 30, 2023 |
| Colombia                           | \$ 5,392,823              | 6,698,364          | 16,546,409                             | 20,697,856         |
| Panama                             | 71,802                    | 50,056             | 204,789                                | 166,821            |
| Barbados                           | 21,471                    | 17,104             | 59,733                                 | 53,241             |
| <b>Total Consolidated Revenues</b> | <b>\$ 5,486,096</b>       | <b>6,765,524</b>   | <b>16,810,931</b>                      | <b>20,917,918</b>  |

### e. Largest customers of the Parent Company

There are no customers representing 10% of the Group's total revenues during the periods ended September 30, 2024 and September 30, 2023.

### Note 25. - Unconsolidated structured entities

The following table shows the total assets of the unconsolidated structured entities in which the Group had an interest at the reporting date, and its maximum exposure to loss in respect of such interests:

| Funds managed by Grupo Aval  | September 30, 2024  | December 31, 2023 |
|--|---------------------|-------------------|
| <b>Total assets under management</b>   | <b>\$ 865,930</b>   | <b>817,316</b>    |
| Investments at fair value through profit or loss   | 774,221             | 709,520           |
| Other accounts receivable  | 5                   | 1                 |
| <b>Total assets in relation to Grupo Aval's interest in unconsolidated structured entities</b> | <b>1,640,156</b>    | <b>1,526,837</b>  |
| <b>Maximum exposure of Grupo Aval</b>  | <b>\$ 1,640,156</b> | <b>1,526,837</b>  |

### Note 26. - Related parties

In accordance with IAS 24, a related party is a person or entity that is related to the entity preparing its financial statements, which may exercise control or joint control over the reporting entity, exercise significant influence over the reporting entity, or be regarded as a member of key management personnel of the reporting entity or of a parent of the reporting entity. The definition of related party includes: persons and/or relatives related to the entity (key management personnel), entities that are members of the same group (parent company and subsidiary), associates or joint ventures of the entity or of Grupo Aval entities.

In accordance with the above, the related parties for the Group, Fiduciaria de Occidente S.A., Occidental Bank Barbados Ltd., Banco de Occidente Panamá S.A. and Ventas y Servicios S.A., are classified as follows: Fiduciaria de Occidente S.A., Occidental Bank Barbados Ltd. - NEXA BPO are classified in the following categories:

1. Individuals who exercise control or joint control over the Parent, i.e. who own more than a 50% interest in the reporting entity; additionally, includes close relatives who could be expected to influence or be influenced by that person.
2. Key management personnel, this category includes the Members of the Board of Directors and President of Grupo Aval, the Parent Company, Fiduciaria de Occidente S.A., General Manager of Ventas y Servicios S.A. – NEXA BPO, Occidental Bank Barbados Ltd. and Banco de Occidente Panamá S.A., plus the key management personnel of these entities, which are the persons who participate in the planning, direction and control of such entities, including close relatives who could be expected to influence or be influenced by such person.
3. Companies belonging to the same group, this category includes the controlling company, subsidiaries or other subsidiaries of the same controlling company of Grupo Aval.



Banco de Occidente S.A. and Subsidiary  
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4. Associated Companies and Joint Ventures: companies in which Grupo Aval has significant influence, which is generally considered when it owns between 20% and 50% of their capital.
5. This category includes entities that are controlled by individuals included in categories 1 and 2.
6. This item includes entities in which the persons included in items 1 and 2 exercise significant influence.

All transactions with related parties are carried out at market conditions, the most representative balances as of September 30, 2024 and December 31, 2023, with related parties are included in the following tables, the headings of which correspond to the definitions of related parties, recorded in the three categories above:

### September 30, 2024

September 30, 2024

|                                       | Categories                                       |                          |                                       |                               |  |   |
|---------------------------------------|--|--------------------------|---------------------------------------|-------------------------------|--|---|
|                                       | 1  | 2                        | 3                                     | 4                             | 5  | 6   |
|                                       | Individuals with control over Banco de Occidente | Key Management Personnel | Companies belonging to the same group | Associates and joint ventures | Entities that are controlled by persons included in category 1 and 2 | Entities with significant influence by persons included in category 1 and 2 |
| <b>Assets</b>                         |  |                          |                                       |                               |  |   |
| Cash and cash equivalents             | \$ -   | -                        | 1,770                                 | -                             | 6  | -   |
| Financial assets in investments       | -  | -                        | -                                     | 143,895                       | -  | -   |
| Financial assets in credit operations | 15   | 16,826                   | 555,567                               | 64,690                        | 471,631  | 5,586   |
| Accounts receivable                   | -  | 190                      | 72,781                                | 4,523                         | 137,295  | 61  |
| Other assets                          | -  | 647                      | 1,213                                 | -                             | 225  | -   |
| <b>Liabilities</b>                    |  |                          |                                       |                               |  |   |
| Deposits                              | \$ 112,030                                       | 57,622                   | 1,246,597                             | 25,398                        | 393,371  | 2,809   |
| Accounts payable                      | 31   | 6,738                    | 79,580                                | -                             | 16,457   | -   |
| Financial obligations                 | -  | 132                      | 54,854                                | -                             | 58,973   | -   |
| Other liabilities                     | -  | -                        | 1,349                                 | -                             | -  | 5   |

### December 31, 2023

|                                       | Categories                                       |                          |                                       |                               |  |   |
|---------------------------------------|--|--------------------------|---------------------------------------|-------------------------------|--|---|
|                                       | 1  | 2                        | 3                                     | 4                             | 5  | 6   |
|                                       | Individuals with control over Banco de Occidente | Key Management Personnel | Companies belonging to the same group | Associates and joint ventures | Entities that are controlled by persons included in category 1 and 2 | Entities with significant influence by persons included in category 1 and 2 |
| <b>Assets</b>                         |  |                          |                                       |                               |  |   |
| Cash and cash equivalents             | \$ -   | -                        | 1,696                                 | -                             | -  | -   |
| Financial assets in investments       | -  | -                        | -                                     | 113,931                       | -  | -   |
| Financial assets in credit operations | 20   | 19,585                   | 553,728                               | 65,984                        | 441,531  | 7,206   |
| Accounts receivable                   | -  | 205                      | 26,307                                | 457                           | 144,219  | 66  |
| Other assets                          | -  | 1,065                    | 26,300                                | -                             | 233  | -   |
| <b>Liabilities</b>                    |  |                          |                                       |                               |  |   |
| Deposits                              | 141,699  | 69,872                   | 1,423,443                             | 19,455                        | 342,812  | 7,820   |
| Accounts payable                      | 18   | 3,965                    | 50,105                                | -                             | 9,653  | -   |
| Financial obligations                 | -  | 133                      | 70,051                                | -                             | 59,325   | -   |
| Other liabilities                     | \$ -   | -                        | 1,630                                 | -                             | -  | -   |





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The most representative transactions for the quarters and nine-month period ended September 30, 2024 and 2023 with related parties, comprise:

**a. Sales, services and transfers**

**For the quarter ended September 30, 2024**

|                              | Categories                                       |                          |                                       |                               |  |   |
|------------------------------|--|--------------------------|---------------------------------------|-------------------------------|--|---|
|                              | 1  | 2                        | 3                                     | 4                             | 5  | 6   |
|                              | Individuals with control over Banco de Occidente | Key Management Personnel | Companies belonging to the same group | Associates and joint ventures | Entities that are controlled by persons included in category 1 and 2 | Entities with significant influence by persons included in category 1 and 2 |
| Interest income              | \$ -   | 291                      | 17,843                                | 2,284                         | 14,292   | 154   |
| Financial expenses           | (474)  | 557                      | 8,183                                 | 737                           | 12,086   | -   |
| Fee and commission income    | 2  | 84                       | 4,163                                 | 16,508                        | 15,275   | 9   |
| Fees and commissions expense | -  | 528                      | 24,398                                | 15,813                        | 95   | -   |
| Other operating income       | (1)  | (26)                     | 44,212                                | 132                           | (558)  | 2   |
| Other Expenses               | \$ -   | 135                      | 5,237                                 | 4,667                         | (3,447)  | -   |

**For the quarter ended September 30, 2023**

|                              | Categories                                       |                          |                                       |                               |  |  |
|------------------------------|--|--------------------------|---------------------------------------|-------------------------------|--|--|
|                              | 1  | 2                        | 3                                     | 4                             | 5  | 6  |
|                              | Individuals with control over Banco de Occidente | Key Management Personnel | Companies belonging to the same group | Associates and joint ventures | Entities that are controlled by persons included in category 1 and 2 | Entities that have significant influence by persons included in category 1 and 2 |
| Interest income              | \$ -   | 264                      | 20,955                                | 1,566                         | 13,083   | 391  |
| Financial expenses           | 578  | 833                      | 16,001                                | 306                           | 8,513  | 4  |
| Fee and commission income    | 1  | 59                       | 3,967                                 | 6,304                         | 15,332   | 23   |
| Fees and commissions expense | -  | 516                      | 21,446                                | 7,075                         | 106  | -  |
| Other operating income       | -  | 15                       | 33,692                                | 1                             | 3,159  | 3  |
| Other Expenses               | \$ -   | 74                       | 6,596                                 | 3,627                         | 2,792  | -  |

**For the nine-month period ended as of September 30, 2024**

|                              | Categories                                       |                          |                                       |                               |  |  |
|------------------------------|--|--------------------------|---------------------------------------|-------------------------------|--|--|
|                              | 1  | 2                        | 3                                     | 4                             | 5  | 6  |
|                              | Individuals with control over Banco de Occidente | Key Management Personnel | Companies belonging to the same group | Associates and joint ventures | Entities that are controlled by persons included in category 1 and 2 | Entities that have significant influence by persons included in category 1 and 2 |
| Interest income              | \$ 2   | 875                      | 62,065                                | 5,827                         | 47,785   | 325  |
| Financial expenses           | 2,236  | 2,256                    | 28,096                                | 1,904                         | 29,557   | 4  |
| Fee and commission income    | 3  | 168                      | 13,410                                | 29,492                        | 43,500   | 24   |
| Fees and commissions expense | -  | 1,029                    | 71,912                                | 42,568                        | 299  | -  |
| Other operating income       | -  | 47                       | 120,868                               | 5,903                         | 6,830  | 6  |
| Other Expenses               | -  | 252                      | 16,925                                | 8,384                         | 4,236  | -  |



Banco de Occidente S.A. and Subsidiary  
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**For the nine-month period ended as of September 30, 2023**

|                              | Categories                                       |                          |                                       |                               |  |  |
|------------------------------|--|--------------------------|---------------------------------------|-------------------------------|--|--|
|                              | 1  | 2                        | 3                                     | 4                             | 5  | 6  |
|                              | Individuals with control over Banco de Occidente | Key Management Personnel | Companies belonging to the same group | Associates and joint ventures | Entities that are controlled by persons included in category 1 and 2 | Entities that have significant influence by persons included in category 1 and 2 |
| Interest income              | \$ 1   | 919                      | 48,921                                | 2,571                         | 39,523   | 391  |
| Financial expenses           | 2,081  | 3,119                    | 38,839                                | 2,223                         | 22,127   | 9  |
| Fee and commission income    | 3  | 155                      | 10,186                                | 18,693                        | 43,520   | 26   |
| Fees and commissions expense | -  | 592                      | 66,212                                | 20,313                        | 363  | -  |
| Other operating income       | 2  | 77                       | 107,014                               | 5,005                         | 15,274   | 3  |
| Other Expenses               | -  | 124                      | 15,795                                | 7,267                         | 6,977  | -  |

**b. Compensation of key management personnel**

Compensation received by key management personnel, consists of the following for quarters and nine-month periods ended September 30, 2024 and 2023:

| Items                        | For the quarter ended in: |                    | For the nine-month period ended as of: |                    |
|------------------------------|---------------------------|--------------------|--|--------------------|
|                              | September 30, 2024        | September 30, 2023 | September 30, 2024                     | September 30, 2023 |
| Salaries                     | \$ 8,284                  | \$ 7,416           | 22,456                                 | 20,901             |
| Short-term employee benefits | 2,246                     | 1,578              | 4,134                                  | 5,082              |
| Other long-term benefits     | 14                        | 13                 | 41                                     | 35                 |
| <b>Total</b>                 | <b>\$ 10,544</b>          | <b>\$ 9,007</b>    | <b>26,631</b>                          | <b>26,018</b>      |

**Note 27. - Events after the closing date of preparation of the condensed consolidated financial statements**

There are no subsequent events that have occurred between the closing date as of September 30, 2024 and November 13, 2024, the date of the statutory auditor's report, that have an impact on the condensed consolidated financial statements as of that cut-off date or on the results and equity of the bank.


AFC  
Andrés Felipe Celis Salazar  
Traductor e Intérprete Oficial  
Inglés - Español - Inglés  
Certificado de Idoneidad N°. 0413  
del 4 de Agosto de 2015  
UNIVERSIDAD NACIONAL DE COLOMBIA





I, ANDRÉS CELIS, hereby certify that I am fluent in both the English and Spanish languages, and competent to translate from English to Spanish and from Spanish to English, and that the attached document is a true and accurate translation of the original document from Spanish into English.

Full Name: ANDRÉS FELIPE CELIS SALAZAR

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Date: November 25, 2024