



Banco de Occidente
60 Years on the side of those who do



Annex I Condensed Separate Financial Statements

Quarter II - 2025

BANCO DE OCCIDENTE S.A.
FINANCIAL SUPERINTENDENCE
OF COLOMBIA

SURVEILLED



Grupo
AVAL



KPMG S.A.S.
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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 separate interim financial information as of June 30, 2025 of Banco de Occidente S.A., which comprises:

- the condensed separate statement of financial position as of June 30, 2025;
- the condensed separate statement of income for the three-month and six-month period ended June 30, 2025;
- the condensed separate statement of other comprehensive income for the three-month and six-month period ended June 30, 2025;
- the condensed separate statement of changes in equity for the six-month period ended June 30, 2025;
- the condensed separate statement of cash flows for the six-month period ended June 30, 2025; and
- the notes to the condensed separate interim financial information.

Management is responsible for the preparation and presentation of this condensed separate 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 separate 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 the condensed separate 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.

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Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying condensed separate interim financial information, as of June 30, 2025, 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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Digitally signed
by Wilson Romero
Montañez
Date: 2025.AUG.12
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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.

August 12, 2025



**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 June 30, 2025 of Banco de Occidente S.A., which incorporates the separate interim financial reporting, which comprises:

- the separate statement of financial position as of June 30, 2025;
- the separate statement of income for the three-month and six-month period ended June 30, 2025;
- the separate statement of other comprehensive income for the three-month and six-month period ended June 30, 2025;
- the separate statement of changes in equity for the six-month period ended June 30, 2025;
- the separate statement of cash flows for the six-month period ended June 30, 2025; 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 separate interim financial reporting, 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 separate interim financial reporting, 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 the separate interim financial reporting, 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 report in eXtensible Business Reporting Language (XBRL), which incorporates the separate interim financial reporting of Banco de Occidente S.A., as of June 30, 2025, 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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August 12, 2025



BANCO DE OCCIDENTE S.A.
CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION
(Expressed in millions of Colombian pesos)

	Notes	June 30, 2025	December 31, 2024
Assets			
Cash and cash equivalents	6	\$ 2,632,448	3,771,300
Investment financial assets and trading derivatives	7	11,050,681	9,890,258
Financial assets available for sale	7	4,801,820	4,086,465
Held-to-maturity investments	8	1,402,799	2,133,953
Impairment of investments	7	(424)	(424)
Total investment financial assets and trading derivatives		17,254,876	16,110,252
Derivative hedging instruments	5	6,142	6,225
Loan portfolio and financial leasing operations, net		47,703,319	47,498,592
Loan portfolio and financial leasing operations	4	50,294,404	50,001,781
Impairment of loan portfolio at amortized cost	4	(2,591,085)	(2,503,189)
Other accounts receivable, net		593,463	576,292
Non-current assets held for sale	10	1,324	1,324
Investments in subsidiaries, associated companies and joint ventures	11	2,641,453	2,612,448
Tangible assets, net	12	570,065	558,161
Intangible assets, net	13	642,553	629,017
Income tax asset		1,130,455	869,048
Other assets		15,725	20,451
Total assets		73,191,823	72,653,110
Liabilities			
Financial liabilities at fair value - derivative instruments		\$ 642,377	844,133
Derivative hedging instruments	5	252	405
Derivative trading instruments	5	642,125	843,728
Financial liabilities at amortized cost		65,022,013	64,994,109
Customer deposits	15	49,428,171	48,181,616
Financial obligations	16	15,593,842	16,812,493
Provisions for legal contingencies and other provisions	18	3,957	3,871
Employee benefits	17	64,284	68,766
Other liabilities	19	1,949,312	1,261,094
Total liabilities		\$ 67,681,943	67,171,973
Equity			
Subscribed and paid-in capital	20	\$ 4,677	4,677
Premium on share placement		720,445	720,445
Retained earnings		4,821,225	4,771,287
Other comprehensive income		(36,467)	(15,272)
Shareholders' equity		5,509,880	5,481,137
Total liabilities and shareholders' equity		73,191,823	72,653,110

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


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Del lado de los que hacen.



BANCO DE OCCIDENTE S.A.
CONDENSED SEPARATE STATEMENT OF INCOME

(Expressed in million Colombian pesos, except net income per share)

	Notes	For quarters ending as of:		For the six-month periods ended as of:	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Interest and valuation income	22	\$ 1,680,496	1,826,549	3,359,049	3,697,273
Interest and similar expenses	22	1,123,166	1,248,707	2,231,602	2,583,794
Net interest and valuation income	22	557,330	577,842	1,127,447	1,113,479
Impairment losses on financial assets, net		308,650	311,357	620,924	581,151
Net interest income and valuation after impairments		248,680	266,485	506,523	532,328
Commission and fee income	23	119,276	115,459	243,795	230,640
Commissions and fees	23	80,777	73,958	161,951	146,063
Net income from commissions and fees		38,499	41,501	81,844	84,577
Net income from financial assets or liabilities held for trading		291,467	74,890	519,263	200,258
Other income, net	24	107,431	223,904	198,720	391,301
Other expenses, net	24	504,978	451,324	981,466	893,968
Profit before income tax		181,099	155,456	324,884	314,496
Income tax	14	27,309	20,116	25,878	35,580
Profit or loss for the period		\$ 153,790	135,340	299,006	278,916
Net income per share, (in Colombian pesos)	20	\$ 986	868	1,918	1,789

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

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

	Note	For quarters ending as of:		For the six-month periods ended as of :	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Profit or loss for the period		\$ 153,790	135,340	299,006	278,916
Items that will be subsequently reclassified to profit or loss					
Net foreign exchange difference on investments in foreign subsidiaries		(15,551)	30,961	(40,128)	32,942
Net unrealized gain (loss) on foreign hedging transactions		15,551	(30,961)	40,128	(32,942)
Income affecting other comprehensive income from investments accounted for by the equity interest accounting method		10,077	7,430	30,411	510
Net unrealized loss on available-for-sale debt instruments	7	(2,979)	(32,091)	(62,388)	(22,266)
Net unrealized gain on equity instruments measured at fair value	7	3,296	23,733	5,212	25,461
Deferred tax recognized in other comprehensive income		(5,741)	20,150	5,276	16,296
Total items to be subsequently reclassified to the income statement		\$ 4,653	19,222	(21,489)	20,001
Items that will not be reclassified to profit or loss:					
Revaluation of investment properties		-	(199)	-	(199)
Actuarial profit on defined benefit plans		490	1,120	490	574
Deferred tax recognized in other comprehensive income		(196)	(380)	(196)	(161)
Total items that will not be reclassified to profit or loss		294	541	294	214
Total other comprehensive income (loss) for the period, net of income tax		4,947	19,763	(21,195)	20,215
Total comprehensive income for the period		\$ 158,737	155,104	277,811	299,131

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


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BANCO DE OCCIDENTE S.A.
CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY
(In million Colombian pesos except per share information)

For the six-month periods ended June 30, 2025 and 2024

	Subscribed and paid- in capital (Note 20)	Premium on share placement	Withheld profits	Other comprehensive income	Total shareholders' equity
Balance as of December 31, 2023	\$ 4,677	720,445	4,492,508	(46,103)	5,171,527
Delivery of other comprehensive income and effect on retained earnings from delivery of ORI	-	-	(506)	506	-
A cash dividend of \$115 per share per month is declared, payable within the first ten days of each month in accordance with current legislation, from April 2024 to March 2025 even, on a total of 155,899,719 subscribed and paid shares as of December 31, 2023. (Note 20)	-	-	(215,142)	-	(215,142)
Net movement in other comprehensive income for the period	-	-	-	19,709	19,709
Profit or loss for the period	-	-	278,916	-	278,916
Withholding tax on dividends for the current year in the statement of changes in equity	-	-	(7)	-	(7)
Withholding tax on dividends declared in prior fiscal year in the statement of changes in equity	-	-	1,567	-	1,567
Balance as of June 30, 2024	\$ 4,677	720,445	4,557,336	(25,888)	5,256,570
Balance as of December 31, 2024	\$ 4,677	720,445	4,771,287	(15,272)	5,481,137
Delivery of other comprehensive income and effect on retained earnings from delivery of ORI	-	-	(259)	259	-
A cash dividend of \$133 per share per month is declared, payable within the first ten days of each month in accordance with current legislation, from April 2025 to March 2026 even, on a total of 155,899,719 subscribed and paid shares as of December 31, 2024. (Note 20)	-	-	(248,816)	-	(248,816)
Net movement in other comprehensive income for the period	-	-	-	(21,454)	(21,454)
Profit or loss for the period	-	-	299,006	-	299,006
Withholding tax on dividends for the current year in the statement of changes in equity	-	-	(1)	-	(1)
Withholding tax on dividends declared in prior fiscal year in the statement of changes in equity	-	-	7	-	7
Balance as of June 30, 2025	\$ 4,677	720,445	4,821,225	(36,467)	5,509,880

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

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(See my report of August 12, 2025)



Banco de Occidente

Del lado de los que hacen.

BANCO DE OCCIDENTE S.A.
CONDENSED SEPARATE STATEMENT OF CASH FLOWS
(Expressed in million Colombian pesos)



For the six-month periods ended as of:	Notes	June 30, 2025	June 30, 2024
Cash flows from operating activities:			
Profit or loss for the period before income tax	\$	324,884	314,496
Reconciliation of net income for the period to net cash used in operation activities:			
Net interest and valuation income	22	(1,127,447)	(1,113,479)
Depreciation and amortization of tangible and intangible assets	24	100,795	91,711
Impairment for loan portfolio and accounts receivable, net		731,845	675,855
Tangible assets impairment, net		15,561	4,979
Profit on sale of property and equipment for own use		(95)	(98)
Difference in exchange	24	38,995	(134,902)
Profit on sale of non-current assets held for sale		(2,389)	(2,328)
(Gain) Loss on sale of investments, net		(231)	751
Equity in net income of investments in subsidiaries, associates and joint ventures	24	(170,015)	(172,290)
Dividends	7 and 24	(6,402)	(6,243)
Adjusted fair value over:			
Gain on valuation of derivative financial instruments		(80,050)	(93,042)
Net gain on valuation of investment properties	24	(13,366)	(38,958)
Net change in operating assets and liabilities			
Negotiable investments		(1,474,085)	(1,861,770)
Derivative financial instruments		143,867	495,666
Loan portfolio		(1,460,405)	(2,040,797)
Accounts receivable		(39,824)	(179,037)
Other assets		(20,280)	(4,130)
Customer deposits		1,307,701	3,154,376
Interbank loans and overnight funds		(357,614)	(524,274)
Other liabilities and provisions		364,118	(158,472)
Employee benefits		(7,208)	(2,964)
Interest received from financial assets		3,018,870	3,431,499
Interest paid on financial liabilities		(2,290,739)	(2,549,469)
Interest paid on financial leases		(14,795)	(16,502)
Income tax paid		(258,947)	(235,715)
Net cash used in operation activities		(1,277,256)	(965,137)
Cash flows from investing activities:			
Acquisition of held-to-maturity investments		(570,021)	(1,254,377)
Redemption of held-to-maturity investments		1,370,206	1,329,209
Acquisition of investments with changes in other comprehensive income at fair value		(1,177,095)	(625,498)
Proceeds from sale of investments with changes in other comprehensive income at fair value		628,847	737,487
Acquisition of tangible assets		(14,118)	(27,604)
Proceeds from sale of property and equipment		69,497	18,661
Acquisition of other intangible assets		(49,368)	(45,513)
Proceeds from sale of non-current assets held for sale		1,047	3,835
Dividends received		126,004	55,397
Net cash provided by investing activities		384,999	191,597
Cash flow from financing activities:			
Issuance of outstanding investment securities		-	659,221
Payments on outstanding investment securities		(200,000)	(158,490)
Increase of financial obligations, net		831,444	350,609
Payment of leasing fees		(40,970)	(36,516)
Dividends paid on controlling interest		(115,653)	(116,420)
Net cash provided by financing activities		474,821	698,404
Effect of gains or losses for changes on cash and cash equivalents		(721,416)	185,175
(Decrease) increase in cash and cash equivalents, net		(1,138,852)	110,037
Cash and cash equivalents at beginning of period		3,771,300	4,369,578
Cash and cash equivalents at end of period	6	\$ 2,632,448	4,479,615

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


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by MAURICIO
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Banco de Occidente

Del lado de los que hacen.



Banco de Occidente S.A.
Notes to the Condensed separate Interim Financial Information

As of June 30, 2025 and December 31, 2024
(In millions of Colombian pesos, except where otherwise indicated)

Note 1. - Reporting Entity.

Banco de Occidente S.A., hereinafter the Bank, is a private legal entity, legally constituted as a banking institution, authorized to operate in accordance with Resolution No. 3140 of September 24, 1993 of the Financial Superintendence of Colombia. Duly constituted, as recorded in Public Deed 659 of April 30, 1965 of the Fourth Notary Office of Cali.

The Bank 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 Bank makes loan placements to its customers in the form of credit, commercial, consumer, home mortgage and financial, operating and housing leasing portfolios, 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.

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

The Bank has a non-bank correspondent agreement with Almacenes Éxito S.A. "Éxito", Efectivo Ltda "Efecty", Conexred S.A "Puntored, Soluciones en Red S.A.S "Punto de Pago", and Red Empresarial de Servicios S.A "SuperGIROS".

Note 2. - Basis of presentation of the Condensed Separate Financial Statements, and summary of significant material accounting policies or those with relative relevance.

Statement of compliance and technical regulatory framework

The Condensed Separate Financial Statements for the interim period, have been prepared in accordance with IAS 34, which is contained in the Accounting and Financial Reporting Standards accepted in Colombia (NCIF in Spanish) 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 separate condensed interim financial reporting for the interim period, was prepared based on International Accounting Standard 34 (IAS 34) – Interim Financial Reporting contained in the Accounting and Financial Reporting Standards accepted in Colombia, and does not include all the information and disclosures required for an annual financial statement; for this reason it is necessary to read them together with the separate annual financial statements as of December 31, 2024. However, these include notes of significant transactions and events during the period, which are necessary for an understanding of the changes in the Bank's financial position and performance since the last published annual financial statements.

The Bank 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 2024 financial statements, likewise, an assessment has been made on the impacts of adopting the new or amended standards, concluding that these are not expected to have a significant impact on the separate consolidated interim financial statements.

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

The preparation of the Bank's condensed consolidated interim financial information, in conformity with Accounting and Financial Reporting Standards (NCIF in Spanish) accepted in Colombia, requires management to make judgments, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies, the amounts of assets, liabilities and contingent liabilities at the date of the statement of financial position, as well as the income and expenses for the period. Actual results may differ from these estimates.

Estimates and assumptions are reviewed regularly, and are consistent with the Bank's risk management and climate-related commitments where applicable. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The judgments and estimates applied in these separate condensed interim financial statements, are the same as those applied by the Bank in the separate financial statements for the year ended December 31, 2024.

Judgments that have the most significant effects on the amounts recognized in the separate condensed 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:

Determination of the classification of investments (Notes 7 and 8): In accordance with the regulations of the Financial Superintendence of Colombia, the Bank classifies investments as follows:

Financial assets held for trading

The Bank classifies in the marketable portfolio the fixed-income investments that it structures as part of the liquidity management strategy derived from the dynamics of the central financial intermediation vocation. The purpose of this portfolio, is to obtain contractual cash flows in accordance with the yield offered by the issuer, to serve as a back-up to meet possible liquidity requirements, and to serve as a guarantee for the acquisition of passive operations permitted by current regulations.

The main types of securities that can support this liquidity need may be the following:

- Public Debt TES (TF, UVR, TCO, IPC, among others)
- National investment other than TES
- Foreign Debt
- Corporate Debt

Within the financial assets available for trading, the following are classified: the *Nexus Inmobiliario - Compartimiento Inmuebles Occidente* Private Equity Fund, with a participation for the Bank of 96.48%, the *Pactia Inmobiliario* Private Equity Fund, with a participation of 2.48%, the *Confianza Plus* Open without Permanence Agreement Mutual Fund, and the *Liquidez 1525 Plus* Open without Permanence Agreement Mutual Fund, in accordance with Chapter I of the Basic Financial Accounting Circular Letter of the Financial Superintendence of Colombia, which compute in the value at risk in the collective loan portfolio module. The valuation of these investments is made on a daily basis, using the value of the unit delivered by Fiduciaria de Occidente, Fiduciaria Bancolombia and Fiduciaria Corficolombiana, in accordance with Chapter XI of the Basic Financial Accounting Circular Letter of the Financial Superintendence of Colombia.





Financial assets available for sale

The Bank classifies in the available-for-sale portfolio the fixed-income investments that it structures as part of liquidity management, and that it may sell in the event of sales opportunities in order to provide profitability to the portfolio.

The main types of securities that can support this liquidity need may be the following:

- Public Debt TES (TF, UVR, TCO, IPC, among others)
- National investment other than TES
- Foreign Debt
- Corporate Debt

Held-to-maturity investments

The Bank classifies in the portfolio to be held to maturity, the portfolio comprised in the Agricultural Development Securities (TDA in Spanish) to comply with article 8 of External Resolution 3 of 2000 of *Banco de la República*, and which are made as a mandatory investment. Subordinated debt issued by subsidiaries will also be classified as a portfolio to be held to maturity. As of June 30, 2025, there are no subordinated debt papers outstanding.

Note 4. - Risk Management and Administration.

The risk management framework applied by the Bank as of June 30, 2025, is consistent with that described in the separate financial statements as of December 31, 2024.

Separate credit risk exposure

The Bank is exposed to credit risk, which is the risk that the debtor will cause a financial loss to the Bank, by not meeting its obligations in a timely manner and for the total amount of the debt. Credit risk exposure of the Bank, arises as a result of its lending activities and transactions with counterparties, that give rise to financial assets.





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The loan portfolio is recorded at amortized cost in the statement of financial position, and is classified as commercial, consumer and mortgage. Due to the importance of the financial leasing portfolio for the Bank, these amounts are presented in all tables for disclosure purposes:

June 30, 2025				
		Balance according to Financial Position Statement	Classification of leasing	Balance with disaggregation Leasing
Commercial	\$	33,094,361	(6,435,204)	\$ 26,659,157
Consumer		13,012,416	(12,145)	13,000,271
Housing (*)		3,438,348	-	3,438,348
Financial		-	6,447,349	6,447,349
Repos and Interbank		749,279	-	749,279
Total	\$	50,294,404	\$ -	\$ 50,294,404

(*) The composition of the housing item in June 2025 is as follows: \$1,242,287 Housing leasing and \$2,196,062 mortgage.

December 31, 2024				
Modality		Balance according to Financial Position Statement	Classification of leasing	Balance with disaggregation Leasing
Commercial	\$	33,607,123	(6,356,166)	\$ 27,250,957
Consumer		13,050,602	(10,391)	13,040,211
Housing (*)		3,065,742	-	3,065,742
Financial		-	6,366,557	6,366,557
Repos and Interbank		278,314	-	278,314
Total	\$	\$ 50,001,781	\$ -	\$ 50,001,781

(*) The composition of the housing item in December 2024 is as follows: \$1,152,913 Housing leasing and \$1,912,829 mortgage.

The distribution of the Bank's loan portfolio by economic purpose as of June 30, 2025 and December 31, 2024, is shown below:

Sector	June 30, 2025		December 31, 2024	
	Grand total	% Part.	Grand total	% Part.
Consumer services	\$ 20,026,424	39.82%	19,652,966	39.30%
Commercial Services	11,935,392	23.73%	11,985,451	23.97%
Construction	3,874,503	7.70%	3,800,410	7.60%
Transportation and communications	2,101,520	4.18%	2,050,477	4.10%
Other industrial and manufacturing products	1,842,492	3.66%	1,818,190	3.64%
Government	1,643,599	3.27%	1,627,722	3.26%
Food, beverages and tobacco	1,929,809	3.84%	2,019,495	4.04%
Chemicals	1,433,625	2.85%	1,576,592	3.15%
Utilities	2,595,776	5.16%	2,603,992	5.21%
Agriculture	1,211,660	2.41%	1,168,008	2.34%
Other	624,969	1.24%	646,398	1.29%
Trade and tourism	474,210	0.94%	461,920	0.92%
Mining and petroleum products	600,425	1.19%	590,160	1.18%
Total by economic destination	\$ 50,294,404	100%	50,001,781	100%





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The following is the movement in the allowance for impairment of financial assets for loan portfolio for the six-month period ended June 30, 2025 and for the year ended December 31, 2024:

Classification	June 30, 2025				
	Commercial	Consumer	Housing	Financial Leasing	Total
Balance at beginning of period	\$ (1,099,800)	(935,082)	(115,114)	(353,193)	(2,503,189)
Provision charged to income	(386,240)	(711,803)	(30,543)	(93,042)	(1,221,628)
Sale of loan portfolio	-	77,929			77,929
Loans write-offs	127,919	414,514	2,438	17,478	562,349
Loan recovery	221,174	206,042	13,354	52,884	493,454
Balance as of June 30, 2025	\$ (1,136,947)	(948,400)	(129,865)	(375,873)	(2,591,085)

Classification	December 31, 2024				
	Commercial	Consumer	Housing	Financial Leasing	Total
Balance at beginning of period	\$ (1,025,714)	(983,633)	(93,439)	(371,223)	(2,474,009)
Provision charged to income	(616,460)	(1,347,300)	(49,842)	(154,884)	(2,168,486)
Sale of loan portfolio	-	34,878	-	-	34,878
Loans write-offs	189,685	1,045,177	10,044	58,274	1,303,180
Loan recovery	352,689	315,796	18,123	114,640	801,248
Balance as of December 31, 2024	\$ (1,099,800)	(935,082)	(115,114)	(353,193)	(2,503,189)

The following shows the movement in the expense/reimbursement of the consumer and commercial loan portfolio provision upon adoption of the re-accumulation phase as of June 30, 2025:

Consumer loan portfolio

Period	CIC Provision	CIC for Reaccumulation
April	\$ 48,124	135,380
May	59,000	124,795
June	69,938	114,211

Commercial loan portfolio

Period	CIC Provision	CIC for Reaccumulation
April	\$ 33,103	134,154
May	44,315	120,788
June	56,887	109,568

CIC: Individual Countercyclical Component

Following the implementation of the reaccumulative phase, the Financial Superintendence of Colombia issued External Circular Letter 014 of September 2024, to which the Bank adhered to, and which came into force on October 1 of the same year. As a result, at the end of March 2025, there was a lower countercyclical provision of \$29,175 in the consumer mode and \$18,971 in the commercial mode.

As of April 1, 2025, the countercyclical component began to be reconstituted at a rate of 1/18th per month, applicable to obligations disbursed between October 2024 and March 2025, with a provision of \$2,550 in the consumer mode and \$4,142 in the commercial mode.





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The distribution of the Bank's loan portfolio by maturity period as of June 30, 2025 and December 31, 2024, is shown below:

June 30, 2025					
	Up to 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total
Commercial	\$ 16,149,731	6,679,312	2,299,273	1,530,841	26,659,157
Consumer	3,372,547	5,073,010	3,048,532	1,506,181	13,000,270
Housing	270,060	515,576	485,401	2,167,311	3,438,348
Financial Leasing	1,991,103	2,395,737	1,133,201	927,309	6,447,350
Repos and Interbank	749,279	-	-	-	749,279
Total gross loan portfolio	\$ 22,532,720	14,663,635	6,966,407	6,131,642	50,294,404

December 31, 2024					
	Up to 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total
Commercial	\$ 16,859,214	6,602,794	2,259,156	1,529,794	27,250,958
Consumer	3,354,780	5,068,008	3,029,541	1,587,881	13,040,210
Housing	235,949	463,560	433,790	1,932,443	3,065,742
Financial Leasing	1,975,879	2,309,152	1,120,598	960,928	6,366,557
Repos and Interbank	278,314	-	-	-	278,314
Total gross loan portfolio	\$ 22,704,136	14,443,514	6,843,085	6,011,046	50,001,781

The following is a summary of the portfolio by risk level rating as of June 30, 2025 and December 31, 2024:

June 30, 2025						
Credit quality	Commercial	Consumer	Housing	Repos and Interbank	Financial Leasing	Total
"A" Normal Risk	24,198,244	11,662,277	3,220,085	749,279	5,350,208	45,180,093
"B" Acceptable Risk	930,083	270,561	47,620	-	473,394	1,721,658
"C" Appreciable Risk	528,714	366,818	14,837	-	218,436	1,128,805
"D" Significant Risk	464,852	296,161	119,895	-	167,757	1,048,665
"E" Uncollectibility risk	537,264	404,453	35,911	-	237,555	1,215,183
Total	26,659,157	13,000,270	3,438,348	749,279	6,447,350	50,294,404

December 31, 2024						
Credit quality	Commercial	Consumer	Housing	Repos and Interbank	Financial Leasing	Total
"A" Normal Risk	24,638,811	11,723,382	2,861,301	278,314	5,363,464	44,865,272
"B" Acceptable Risk	1,022,642	274,442	49,801	-	387,256	1,734,141
"C" Appreciable Risk	614,952	339,189	11,088	-	230,675	1,195,904
"D" Significant Risk	473,401	269,193	112,850	-	204,253	1,059,697
"E" Uncollectibility risk	501,152	434,004	30,702	-	180,909	1,146,767
Total	27,250,958	13,040,210	3,065,742	278,314	6,366,557	50,001,781

Liquidity risk

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

The Bank 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 Bank weekly calculates the 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 Bank 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 second quarter of 2025, the Bank presented a sufficient level of liquid assets to meet short-term liquidity requirements. Accordingly, under the guidelines of Annex 9 of Chapter XXXI of Financial Superintendence of Colombia's CBCF, liquid assets and 30-day liquidity requirements averaged \$9.62 and \$6.73, respectively, resulting in a ratio of 143.4%, which is comfortable with respect to the minimum appetite limit of 120.0% defined by the Bank, 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.

With respect to structural liquidity, measured through the net stable funding ratio (CFEN), the Bank reflected for the same period a stability of available funding, in average quarterly terms of 105.14% in relation to its required funding. At the end of June, the CFEN reached levels of 105.16%, showing relative strength between the composition of assets and liabilities.

Interest rate risk

Interest rate risk in the banking book is defined as "current or prospective risk to capital and earnings of the entity, arising from adverse movements in interest rates and affecting banking book positions". Likewise, the Credit Spread Risk in the Banking Book (CSRBB) is defined as "any type of credit spread and liquidity spread risk that is not explained by the RTILB, nor by credit risk". The Bank has defined within its policies that this risk is only applicable to banking book positions that do not consume capital due to market risk, including asset, liability and off-balance sheet transactions that have this exposure.

In this regard, the Bank has exposure to interest rate fluctuations that impact future cash flows. The risk may arise from the mismatch of the repricing time between assets, liabilities and off-balance sheet positions, the use of different types of interest rates (IBR, DTF, SOFR, Fixed, etc.) and optionalities, that may generate changes in cash flows of both asset or liability positions made by the Bank (for example, prepayments). Interest margins can increase or decrease as a result of changes in interest rates, which can have an impact on the Bank's results; however, the Bank has mechanisms such as hedges through derivative instruments, to address the risks associated with interest rates in the banking book.

The Bank manages the Interest Rate Risk of the Banking Book (IRRBB), in accordance with the standard model established in Chapter XXXI (Annex 15) of the Basic Accounting and Financial Circular Letter of the Financial Superintendence of Colombia, which establishes the minimum prudential parameters that entities must supervise in their operations to efficiently manage this risk.

To measure IRRBB, the Bank calculates two indicators, the Δ VEP delta (economic value of equity, EVE) under six shock scenarios (parallel up, parallel down, flattening, steepening, up in the short, down in the short) and the Δ MNI delta (net interest margin), under two interest rate shock scenarios (parallel up and parallel down), as established in the standard model of the Financial Superintendence of Colombia.

The Δ MNI delta has a short-term focus, as it measures the impact of the shock scenario for the one-year horizon and under the assumption of constant balance sheet, i.e., no growth or decrease in balance sheet positions; this metric captures the impact on net interest margin under a parallel shock of +/- 400bps. Additionally, the sensitivity is calculated for a parallel shock of +/- 100bps.

The Δ VEP delta has a long-term approach and under the assumption of balance sheet in liquidation, i.e. the total time horizon until the last maturity of the balance sheet positions is evaluated; this metric reflects under different scenarios the change in the present value of interest rate sensitive assets and liabilities and therefore their final impact on the economic value of equity.





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In accordance with the regulatory framework, the SFC requires that the maximum value of the sensitivity to the VEP under the six interest rate shock scenarios be below 15% of the sum of the Common Equity Tier One Capital (PBO in Spanish) and the Additional Tier One Capital (PBA in Spanish). Therefore, the Bank monitors compliance with this indicator, and there is a risk appetite statement, which is monitored on a monthly basis.

Below are the results obtained in the measurement of the sensitivity to the VEP (EVE in English) and the MNI (NIM in English) for June 30, 2025, where it is evidenced that the Bank is within the appetite defined by the Bank (maximum 13.00% according to internal thresholds) and presents a margin with respect to the regulatory limit (15.00%).

Interest Rate Risk in the Banking Book	June 30, 2025	December 31, 2024
Net Interest Margin Delta (ΔNIM)		
Parallel shock above	\$ 500,219	538,969
Parallel collision below	\$ (375,780)	(430,221)
Net Interest Margin Delta (ΔNIM) Parallel 100 bps.		
Parallel shock up +100 bps.	\$ 208,196	203,811
Parallel shock down -100 bps.	\$ (174,822)	(174,079)
Economic Value of Equity Delta (ΔVEP) + KAO		
Parallel shock above	\$ 474,087	322,975
Parallel collision below	\$ (10,339)	85,678
Steepness shock	\$ (142,244)	(155,760)
Flattening shock	\$ 319,845	331,065
Short-term upward shock	\$ 330,027	269,128
Short-term downward shock	\$ (64,314)	(49,635)
Maximum Δ EVE (Base-Adverse) + KAO / PBA+PBO	% 10.31%	7.17%
Economic Value of Equity Delta (ΔVEP)+KAO Parallel 100 bps.		
Parallel shock above	\$ 142,579	77,158
Parallel collision below	\$ 19,292	55,035
PBO + PBA		
Common Equity Tier One Capital	\$ 4,598,579	4,619,873

These results are supported by the fact that the cumulative repricing gap of the Bank does not present a significant mismatch, and therefore exposure to interest rate risk of the banking book (IRRBB) is not significant when evaluated from the sensitivity to the economic value of equity (EVE).

When the duration of assets and liabilities are close, a change in interest rates affects both balance sheet positions in similar proportions; this leads to the conclusion that maintaining a repricing structure with a not so wide mismatch, is a way of protecting the value of the Entity's equity.

In addition, the results obtained in relation to CSRBB for the same evaluation period are recorded. Based on historical information and a scenario of rising interest rates, the Entity has a loss probability of \$134,912 billion for investments classified as available for sale.

Metrics	Currency	Scenario	Δ Value
CSRBB	COP	Rate Increase	(134,912)





The management of the IRRBB, which incorporates the credit spread risk and liquidity spread CSRBB, is in charge of the ALM Management and the Balance Sheet and Treasury Risk Management; however, through the ALCO committee, strategies are defined that involve the Financial Planning area and the commercial areas, allowing the Bank to comply with the objectives proposed by the Bank, and maintaining the IRRBB within the defined appetite.

Adequate Capital Management

The Bank'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 Bank as a going concern and generate value for its shareholders.

In accordance with current legislation, financial institutions in Colombia must maintain a minimum technical capital, that has to be higher than 9% of assets weighted by their credit, market and operating risk level. Likewise, they must also have a capital conservation buffer, equivalent to 1.5% of the assets weighted by the three risk categories mentioned above.

Likewise, it is worth mentioning that the Bank was considered as a Systemically Important Entity for the year 2025, according to Circular Letter 74 of November 28, 2024, issued by the Financial Superintendence of Colombia. This condition requires the Bank to set up an additional capital buffer equal to 1.0% of its Risk Weighted Assets. For this purpose, the SFC through Resolution 2629 of December 27, 2024 has granted a transition period for the implementation of this capital buffer as follows:

Buffer percentage	Deadline for constitution
30%	June 30, 2025
30%	November 15, 2025
20%	May 31, 2026
20%	November 15, 2026

The classification of risk assets in each category is made based on the regulatory provisions established by the Ministry of Finance in Decree 2555 of 2010 and the instructions issued by the Financial Superintendence of Colombia through External Circular Letter 020 of September 2019.





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The following is a summary of the Bank's solvency ratios as of June 30, 2025 and December 31, 2024:

	June 30, 2025	December 31, 2024
Subscribed and paid-in capital	\$ 4,677	4,677
Reserves and retained earnings	5,242,663	4,996,740
Other comprehensive income	1,988	53,594
Net income for the year	299,006	494,992
Deductions		
Capital gains and other intangibles	(707,277)	(693,741)
Deferred tax assets	(239,735)	(233,646)
Other	(2,743)	(2,743)
Common Equity Tier One Capital	4,598,579	4,619,873
Tier One Capital	4,598,579	4,619,873
Subordinated instruments	1,202,567	1,357,700
Plus/Minus other	34,015	30,716
Tier Two Capital	1,236,581	1,388,416
Technical Capital	5,835,161	6,008,289
Assets weighted by credit risk level	40,436,188	40,395,605
Market risk	146,883	339,369
Market risk exposure value	1,632,035	3,770,767
Operational risk	308,875	282,931
Operational risk exposure value	3,431,942	3,143,678
Assets weighted by credit, market and operational risk level	45,500,165	47,310,049
Basic Individual Common Equity Tier I Ratio	10.11%	9.77%
Solvency ratio contributed by Tier One Capital	0.00%	0.00%
Additional Basic Individual Common Equity Tier I Ratio ¹	10.11%	9.77%
Solvency ratio contributed by Tier Two Capital	2.72%	2.93%
Total solvency ratio	12.82%	12.70%
Tier One Capital	4,598,579	4,619,873
Leverage value	76,146,728	75,193,855
Leverage ratio	6.04%	6.14%

¹ For the additional basic solvency ratio, the regulatory minimum limit as established in Decree 1477 of 2018, is 6%.

Note 5. - Fair value estimate.

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 official price vendor authorized by the Financial Superintendence of Colombia, 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. A dirty price is one that includes the interest accrued and outstanding on the security, from the date of issuance or last interest payment to the date of fulfillment of the purchase and sale transaction.





The fair value of financial assets and liabilities that are not traded in an active market, is determined using valuation techniques determined by the prices provided determined by the Bank. Valuation techniques used for non-standardized financial instruments, such as options, currency swaps and over-the-counter derivatives, 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 Bank 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 Bank'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 is considered as "observable", requires significant judgment on the part of the Bank. The Bank 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 reference market.

a. Fair value measurements on a recurring basis

Fair value measurements on a recurring basis, are those that are required or permitted by Accounting and Financial Reporting Standards (AFRS) accepted in Colombia, that are required or allowed in the statement of financial position at the end of the reporting period.





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The following table analyzes, within the fair value hierarchy, the assets and liabilities (by class) of the Bank measured at fair value as of June 30, 2025 and December 31, 2024 on a recurring basis:

	June 30, 2025			
	Fair values calculated using internal models			Total
	Level 1	Level 2	Level 3	
Assets				
Investments in debt securities with changes in income				
Issued or guaranteed by the Colombian government	\$ 9,328,902	24,715	-	9,353,617
Issued or guaranteed by other Colombian financial institutions	-	94,438	-	94,438
Issued or guaranteed by entities of the Colombian real sector	-	1,003	-	1,003
Issued or guaranteed by Foreign Governments	12,428	20,079	-	32,507
Issued or guaranteed by other foreign financial institutions	-	72,442	-	72,442
Other	-	12,241	-	12,241
Investments in debt securities with changes in ORI				
Issued or guaranteed by the Colombian government	\$ 3,351,213	696,999	-	4,048,212
Issued or guaranteed by other Colombian government entities	-	77,500	-	77,500
Issued or guaranteed by other Colombian financial institutions	-	492,676	-	492,676
Issued or guaranteed by other foreign financial institutions	-	8,647	-	8,647
Investments in equity instruments with changes in income	-	92,772	855,410	948,182
Investments in equity instruments with changes in ORI	5,208	-	169,577	174,785
Trading derivatives				
Currency forward	-	359,861	-	359,861
Forward interest rate	-	14,177	-	14,177
Interest rate swap	-	145,598	-	145,598
Currency swap	-	833	-	833
Other	-	15,782	-	15,782
Hedging Derivatives				
Interest rate swap	-	6,142	-	6,142
Investment property at fair value	-	161,180	-	161,180
Total recurring fair value assets	12,697,751	2,297,085	1,024,987	16,019,823
Liabilities				
Trading derivatives				
Currency forward	-	454,827	-	454,827
Forward interest rate	-	31,553	-	31,553
Interest rate swap	-	136,938	-	136,938
Other	-	18,807	-	18,807
Hedging Derivatives				
Interest rate swap	-	252	-	252
Total recurring fair value liabilities	\$ -	642,377	-	642,377





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	December 31, 2024			
	Level 1	Fair values calculated using internal models Level 2	Level 3	Total
Assets				
Investments in debt securities with changes in income				
Issued or guaranteed by the Colombian government	\$ 7,975,174	60,779	-	8,035,953
Issued or guaranteed by other Colombian financial institutions	-	80,524	-	80,524
Issued or guaranteed by entities of the Colombian real sector	-	1,064	-	1,064
Issued or guaranteed by Foreign Governments	38,758	21,309	-	60,067
Issued or guaranteed by other foreign financial institutions	-	99,820	-	99,820
Other	-	8,837	-	8,837
Investments in debt securities with changes in ORI				
Issued or guaranteed by the Colombian government	\$ 3,316,260	49,947	-	3,366,207
Issued or guaranteed by other Colombian government entities	-	62,279	-	62,279
Issued or guaranteed by other Colombian financial institutions	-	483,750	-	483,750
Issued or guaranteed by other foreign financial institutions	-	9,205	-	9,205
Investments in equity instruments with changes in income	-	35,356	766,896	802,252
Investments in equity instruments with changes in ORI	4,333	-	160,691	165,024
Trading derivatives				
Currency forward	-	179,654	-	179,654
Forward interest rate	-	106,375	-	106,375
Interest rate swap	-	191,306	-	191,306
Other	-	324,406	-	324,406
Hedging Derivatives				
Interest rate swap	-	6,225	-	6,225
Investment property at fair value	-	144,685	-	144,685
Total recurring fair value assets	11,334,525	1,865,521	927,587	14,127,633
Liabilities				
Trading derivatives				
Currency forward	-	311,622	-	311,622
Forward interest rate	-	15,769	-	15,769
Interest rate swap	-	191,252	-	191,252
Other	-	325,085	-	325,085
Hedging Derivatives				
Interest rate swap	-	405	-	405
Total recurring fair value liabilities	\$ -	844,133	-	844,133

Investments, whose values are based on quoted market prices in active markets and, therefore, are classified in Level 1, include equity investments active in the stock market, certain investments issued or guaranteed by the Colombian Government and issued by 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 Government entities, Colombian real sector entities, other foreign financial institutions, other Colombian financial institutions, 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, 2024, which were prepared under the methodology of comparative sales 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.





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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 levels 2 and 3	Main input data
Investments in debt securities at fair value		
Through profit or loss	Market Focus	*Market Price ⁽¹⁾
With changes in ORI	Market Focus	*Market Price ⁽¹⁾
Investments in equity instruments		
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 *Growth in residual values after five years *Discounted interest rate
Trading derivatives		
Currency forward	Discounted cash flow	*Curves by functional currency of underlying *Underlying security price/ Curves by functional currency of underlying
Forward interest rate		*Swap curves assigned according to the underlying *Swap curves assigned according to the underlying
Interest rate swap		
Currency swap		
Other	Black & Scholes & Merton	*Matrices and implied volatility curves
Investment property at fair value		
	Discounted cash flow	*Processes used to collect data and determine the fair value of investment properties

⁽¹⁾ 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 the six-month period ended June 30, 2025 and the year ended December 31, 2024:

June 30, 2025		Level 1 to Level 2	Level 2 to Level 1
Fair value measurements Assets			
Fixed-income fair value investments	\$	-	573
December 31, 2024		Level 1 to Level 2	Level 2 to Level 1
Fair value measurements Assets			
Fixed-income fair value investments	\$	99	-





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For the June 30, 2025 cutoff, there was a transfer from level 2 to level 1, in TES securities (issued by the Colombian government) in the reference maturity in November 2025, this is due to the fact that the short term curve presented a greater demand, making the security more liquid.

Valuation of equity instruments with changes in ORI Level 3

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

The Bank has equity investments in various entities with a participation of less than 20% of the Bank'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., Central Counterparty Risk Clearing House - CRCC in Spanish, Redeban S.A. and Credibanco S.A.

The valuation of these instruments is performed with the following frequency:

- Monthly: Credibanco S.A.
- Quarterly: ACH S.A.
- Annual: Cámara de Riesgo Central de Contraparte S.A. (Central Counterparty Risk Clearing House - CRCC in Spanish), Aportes En Línea S.A and AVAL Casa de Bolsa S.A. and Redeban 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 June 30, 2025, 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.

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	+/- 1%	\$ 2,533,868	\$ 2,492,454
Perpetuity gradient	+/- 1%	2,529,660	2,499,440
Discount rate	+/- 50 BP	2,531,909	2,495,579

Based on the variations and impacts presented in the previous box, as of June 30, 2025, there would be a favorable effect on the Bank's equity of \$7,261 and an unfavorable effect of \$6,576. 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.





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The following table presents the movement of equity instruments at fair value, classified as Level 3 for the six-month periods ended on June 30, 2025 and 2024:

	Equity instruments
Balance as of December 31, 2024	\$ 927,163
Valuation adjustment with effect on income ⁽¹⁾	58,393
Valuation adjustments with effect on ORI	4,337
Additions ⁽¹⁾	49,194
Redemptions ⁽¹⁾	(14,524)
Balance as of June 30, 2025	\$ 1,024,563

	Equity instruments
Balance as of December 31, 2023	\$ 798,976
Valuation adjustment with effect on income ⁽¹⁾	46,723
Valuation adjustments with effect on ORI	26,042
Redemptions ⁽¹⁾	(15,782)
Balance as of June 30, 2024	\$ 855,959

The ORI with cutoff date June 30, 2025 and 2024, corresponding to the valuation of financial instruments measured at fair value level 3 is \$4,337 and \$26,043 respectively.

- (1) As of June 30, 2025, investments in equity instruments at fair value through profit or loss, present the following variations with respect to December 31, 2024:
- Nexus Inmobiliario Private Equity Fund with a variation of \$84,266, explained by capital calls of \$44,645, redemptions of (\$14,524) and valuation of \$54,145.
 - Pactia Inmobiliario Private Equity Fund, had a variation corresponding to a valuation of \$4,248.

The following table presents a summary of the Bank's financial assets and liabilities recorded at amortized cost as of June 30, 2025 and December 31, 2024, compared to the values determined at fair value, for which it is practicable to calculate fair value:

	June 30, 2025		December 31, 2024	
	Carrying value	Fair Value	Carrying value	Fair Value
Assets				
Held-to-maturity investments	1,402,799	1,401,888	2,133,953	2,134,731
Loan Portfolio, net	47,703,319	51,073,431	47,498,592	51,829,778
Other accounts receivable	593,463	593,463	576,292	576,285
	\$ 49,699,581	\$3,068,782	\$0,208,837	\$4,540,794
Liabilities				
Certificates of Deposit	14,570,048	14,893,450	13,528,141	13,797,370
Interbank funds	8,282,551	8,282,551	8,636,674	8,636,674
Loans from banks and others	3,831,964	4,187,722	4,443,440	4,825,034
Obligations with rediscount entities	1,073,337	1,083,534	1,062,182	1,069,488
Notes issued	2,405,990	2,528,727	2,670,197	2,775,753
	\$ 30,163,890	\$0,975,984	\$0,340,634	\$1,104,319

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

Loan 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 and the contractual rate, among others.





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Loan Portfolio rated D or E: is calculated on the book value as a percentage expected to be recovered from such obligations considering the customer's risk and collateral.

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, or as the annual average of the 10-year U.S. treasury bond rate for loans in foreign currency.

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 **Loan Portfolio Management Expense Rate**, 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 that is published by the price vendor PRECIA. 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.

The calculation of the fair value of the Bank's liabilities (CDT's and Bonds) in accordance with the methodology, is performed by means of the PWPRES application, which values the Bank's standardized liabilities in Colombian pesos at market prices, using the information published by the PRECIA price provider. For Financial Obligations, the calculation is performed manually, in which the valuation is made using the discount curve calculated by Balance Sheet and Treasury Risk.

Note 6. - Cash and Cash Equivalents.

Cash and cash equivalents balances as of June 30, 2025 and December 31, 2024, comprise the following:

	June 30, 2025	December 31, 2024
In Colombian pesos		
Cash	\$ 518,199	525,841
At Banco de la República de Colombia	840,034	1,697,685
Bank and other financial institutions on demand	1,397	1,397
Exchange	964	279
Liquidity management (*)	848,152	400,980
	2,208,746	2,626,181
In foreign currency		
Cash	10,520	7,879
Bank and other financial institutions on demand	413,182	1,137,240
	423,702	1,145,119
Aggregate Cash and cash equivalents	\$ 2,632,448	3,771,300

(*) Money market operations (Repos and Simultaneous) with a term of less than 90 days, whose purpose is liquidity and whose counterparty is Banco de la República and/or are cleared or settled through the Central Counterparty Risk Clearing House – CRCC in Spanish, mitigating the credit risk.





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Notes to the Condensed separate Interim Financial Information

As of June 30, 2025 and December 31, 2024, there are no restrictions on cash and cash equivalents, except for the legal reserve required in Colombia, amounting to \$2,826,039 and \$2,747,676, respectively.

Note 7. - Investment financial assets and trading derivatives.

a. Financial assets held for trading

Marketable investments as of June 30, 2025 and December 31, 2024 are detailed below:

	June 30, 2025	December 31, 2024
Debt securities In Colombian pesos		
Issued or guaranteed by the Colombian government	\$ 9,328,902	8,018,129
Issued or guaranteed by other Colombian financial institutions	94,438	77,057
	9,423,340	8,095,186
In foreign currency		
Issued or guaranteed by the Colombian government	24,715	17,824
Issued or guaranteed by other Colombian financial institutions	-	3,467
Issued or guaranteed by entities of the Colombian real sector	1,003	1,064
Issued or guaranteed by Foreign Governments	32,507	60,067
Issued or guaranteed by other foreign financial institutions	72,442	99,820
Other	12,241	8,837
	142,908	191,079
Total debt securities	\$ 9,566,248	8,286,265
Total equity instruments	948,182	802,252
Derivative trading instruments total	536,251	801,741
Total financial assets held for trading	\$ 11,050,681	9,890,258





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b. Financial assets available for sale.

Available-for-sale investments as of June 30, 2025 and December 31, 2024 are detailed below:

	June 30, 2025			Fair value
	Present value	Unrealized gain	Unrealized losses	
Financial assets in debt securities with equity adjustment - ORI				
In Colombian pesos				
Issued or guaranteed by the Colombian government	\$ 4,213,463	-	(211,602)	4,001,861
Issued or guaranteed by other Colombian government entities	77,464	37	-	77,501
Issued or guaranteed by other Colombian financial institutions	492,119	556	-	492,675
	4,783,046	593	(211,602)	4,572,037
In foreign currency				
Issued or guaranteed by the Colombian government	46,816	-	(465)	46,351
Issued or guaranteed by other foreign financial institutions	8,600	47	-	8,647
	55,416	47	(465)	54,998
Total debt securities	4,838,462	640	(212,067)	4,627,035
Financial assets in equity securities with changes in equity- ORI	Cost	Unrealized gain	Unrealized losses	Fair value
In Colombian pesos				
Corporate shares	43,698	127,666	(1,787)	169,577
In foreign currency				
Corporate shares	5,459	-	(251)	5,208
Total equity instruments	49,157	127,666	(2,038)	174,785
Total available-for-sale investments and unrealized gain (loss) in other comprehensive income	\$ 4,887,619	128,306	(214,105)	4,801,820
	December 31, 2024			
Financial assets in debt securities with equity adjustment - ORI	Present value	Unrealized gain	Unrealized losses	Fair value
In Colombian pesos				
Issued or guaranteed by the Colombian government	\$ 3,464,349	-	(148,088)	3,316,261
Issued or guaranteed by other Colombian government entities	62,280	-	(2)	62,278
Issued or guaranteed by other Colombian financial institutions	483,997	-	(248)	483,749
	4,010,626	-	(148,338)	3,862,288
In foreign currency				
Issued or guaranteed by the Colombian government	50,500	-	(553)	49,947
Issued or guaranteed by other foreign financial institutions	9,354	-	(148)	9,206
	59,854	-	(701)	59,153
Total debt securities	4,070,480	-	(149,039)	3,921,441
Financial assets in equity securities with changes in equity- ORI	Cost	Unrealized gain	Unrealized losses	Fair value
In Colombian pesos				
Corporate shares	39,149	123,329	(1,787)	160,691
In foreign currency				
Corporate shares	5,459	-	(1,126)	4,333
Total equity instruments	44,608	123,329	(2,913)	165,024
Total available-for-sale investments and unrealized gain (loss) in other comprehensive income	\$ 4,115,088	123,329	(151,952)	4,086,465





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Below is a detail of available-for-sale investments in equity instruments:

Entity	June 30, 2025	December 31, 2024
Redeban Multicolor S.A. ⁽¹⁾	\$ 45,371	45,371
A.C.H Colombia S.A. ⁽¹⁾	65,880	60,324
Central Counterparty Risk Clearing House of Colombia S.A. ⁽¹⁾	3,414	3,414
Credibanco S.A. ⁽¹⁾	41,884	43,103
Aval Fiduciaria ⁽²⁾	4,550	-
Holding Bursátil Regional ⁽¹⁾	5,208	4,333
<i>Aportes en Línea S.A. (Gestión y Contacto)</i> ⁽¹⁾	2,368	2,369
Aval Casa de Bolsa S.A. ⁽¹⁾ (Previously Casa de Bolsa S.A.)	5,686	5,686
Pizano S.A. in liquidation ⁽²⁾	424	424
Total	\$ 174,785	165,024

⁽¹⁾ These financial instruments were recognized at fair value, according to the market prices provided by Precia S.A. as indicated in paragraph i) of section 6.25 of chapter I-I; the effect of this valuation was recognized against ORI for the fair value of the equity instruments for \$5,212 as of June 30, 2025 and as of June 30, 2024 for \$25,461.

⁽²⁾ In Pizano S.A. the investment is impaired in its entirety for \$424.

⁽³⁾ At the end of June 2025, Banco de Occidente S.A. acquired 1,725,685 shares of the entity Aval Fiduciaria S.A., which represents 5.49862% of the shares of this company, with this acquisition, Banco de Occidente increases its participation to 5.498645%.

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 Bank, 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 six-month period ended June 30, 2025, dividends of \$6,402 (\$6,243 during the period ended June 30, 2024) have been recognized in the income statement for these investments.





Banco de Occidente S.A.
Notes to the Condensed separate Interim Financial Information

c. Guaranteeing money market and central counterparty risk clearinghouse (futures) transactions.

The following is a list of financial assets at fair value, that are used to guarantee repo 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.

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.

	June 30, 2025	December 31, 2024
Delivered in money market operations		
Issued or guaranteed by the Colombian government	\$ 7,713,864	8,090,968
Issued or guaranteed by other Colombian government entities	79,837	1,373,715
	7,793,701	9,464,683
Delivered as collateral for derivative transactions		
Issued or guaranteed by the Colombian government	42,515	16,194
Operations under guarantee total	\$ 7,836,216	9,480,877

Below is a detail of the credit quality determined by independent risk rating agents, of the main counterparties in debt securities and investments in equity instruments, in which the Bank has financial assets at fair value:

	June 30, 2025	December 31, 2024
Investment grade		
Sovereign	\$ 13,434,336	11,462,228
Other public entities	26,614	30,733
Corporate	108,053	6,750
Financial entities	581,776	489,520
Total investment grade	14,150,779	11,989,231
Speculative		
Corporate	\$ 8,200	8,837
Other public entities	50,886	31,546
Financial entities	86,427	219,134
Total speculative	145,513	259,517
Unqualified or not available		
Corporate ⁽¹⁾	164,549	159,338
Private Equity Fund	855,410	766,896
\$	15,316,251	13,174,982

⁽¹⁾ Correspond to equity instruments in equity securities that are not rated by an external rating agency. Its level of risk is currently limited to the going concern assumption, which is a fundamental principle for the preparation of an entity's general purpose financial statements. Under this principle, an entity is considered to have the ability to continue operations and, therefore, its assets and liabilities are recognized on the basis that assets will be realized and liabilities settled in the normal course of business. Management must evaluate financial, operational and legal aspects to make decisions on the going concern scenario.





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The following is a summary of available-for-sale financial assets in debt securities by maturity date:

	June 30, 2025	December 31, 2024
Less than 1 year	\$ 950,785	239,259
Between more than 1 year and 5 years	2,914,906	3,034,473
Between more than 5 and 10 years	367,435	357,438
More than 10 years	393,909	290,271
Total	\$ 4,627,035	3,921,441

Note 8. - Held-to-maturity investments.

The balance of held-to-maturity investments comprises the following as of June 30, 2025 and December 31, 2024:

	June 30 2025	December 31 2024
Debt securities in Colombian pesos		
Issued or guaranteed by the Colombian government	\$ -	683,629
Issued or guaranteed by other Colombian government entities	1,402,799	1,450,324
Total held-to-maturity investments	\$ 1,402,799	2,133,953

Below is a detail of the credit quality determined by independent risk rating agents, of the main counterparties in debt securities in which the Bank has investments held to maturity:

	June 30, 2025	December 31, 2024
Colombian pesos		
Issued and guaranteed by the nation and/or the central bank	\$ 1,402,799	2,133,953

The following is a summary of held-to-maturity investments by maturity date:

	June 30, 2025	December 31, 2024
Up to 1 month	\$ 189,037	232,744
more than 1 month and no longer than 3 months	36,273	-
More than 3 months and no longer than 1 year	1,177,489	1,901,209
	\$ 1,402,799	2,133,953





Note 9. - Derivative instruments and hedge accounting.

9.1 Hedging of investments abroad

In the course of its operations, the Bank has the following investments in foreign subsidiaries as of June 30, 2025 and December 31, 2024:

June 30, 2025					
Detail of investment		Thousands of U.S. dollars		Millions of Colombian pesos	
		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	46,007	(46,007)	COP 52,744	(52,744)
Banco de Occidente Panamá S.A.		84,424	(84,424)	71,596	(71,596)
Total	USD	130,431	(130,431)	COP 124,340	(124,340)

December 31, 2024					
Detail of investment		Thousands of U.S. dollars		Millions of Colombian pesos	
		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	41,635	(41,635)	COP 67,240	(67,240)
Banco de Occidente Panamá S.A.		72,835	(72,835)	97,229	(97,229)
Total	USD	114,470	(114,470)	COP 164,469	(164,469)

Since these investments are denominated in U.S. dollars, which is the functional currency of the above subsidiaries, the Bank is subject to the risk of changes in the exchange rate of the Colombian peso, which is the Bank's functional currency, against the U.S. dollar. To cover this risk, the Bank has entered into foreign currency debt operations, and as such has designated foreign currency obligations in the amount of USD \$130,431 and \$114,470 as of June 30, 2025 and December 31, 2024 respectively, which cover 100% of the current investments in those subsidiaries; the financial obligations have a short-term maturity; therefore, once such obligations mature, the Bank's management designates new obligations in foreign currency to maintain coverage 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 Bank'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.

9.2 Fair value hedging

As of June 30, 2025, the Bank had fair value hedging transactions to hedge fixed rate loans in COP against changes in the IBR market rate.

As a risk management strategy, the Bank 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 June 30, 2025 and December 31, 2024:

		June 30, 2025		
	Notional Amount	Total	Fair value	
	More than one year		Assets	Liabilities
Fair value hedging derivatives	\$			
Interest rate swaps	798,000	798,000	6,356	(267)
Total	798,000	798,000	6,356	(267)

		December 31, 2024		
	Notional Amount	Total	Fair value	
	More than one year		Assets	Liabilities
Fair value hedging derivatives	\$			
Interest rate swaps	411,000	411,000	6,305	-
Total	411,000	411,000	6,305	-

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 June 30, 2025 and December 31, 2024:

		June 30, 2025			Efficiency coverage
	Notional value	Assets	Liabilities	Fair value for the calculation of ineffectiveness	
Item hedged by covered item					
Mortgage loans	\$ 798,000		2,251	(2,251)	-
Hedging instrument					
Interest rate swaps	\$ 798,000	2,259		2,259	(8)





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December 31, 2024

	Notional value	Assets	Liabilities	Fair value for the calculation of ineffectiveness	Efficiency coverage
Item hedged by covered item					
Mortgage loans	\$ 411,000	-	7,251	(7,251)	-
Hedging instrument					
Interest rate swaps	\$ 411,000	7,333	-	7,333	(82)

Note 10. - Gain or loss on 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 semesters ended June 30, 2025 and 2024:

For the quarter ended in:						
	June 30, 2025			June 30, 2024		
	Carrying value	Amount of the sale	Profit	Carrying value	Amount of the sale	Profit
Real estate	\$ -	-	-	1,352	2,711	1,359
Movable assets (*)	322	747	425	764	986	222
	\$ 322	747	425	2,116	3,697	1,581
I						
For the semester ended as of:						
	June 30, 2025			June 30, 2024		
	Carrying value	Amount of the sale	Profit	Carrying value	Amount of the sale	Profit
Real estate	\$ -	-	-	1,352	2,710	1,358
Movable assets (*)	460	1,047	587	891	1,125	234
	\$ 460	1,047	587	2,243	3,835	1,592

(*) The profit recorded in the non-current assets held for sale note for \$587 million, corresponds to the sale of 42 repositioned movable assets that were received and sold during the same period.

Changes in assets held for sale for the six-month period ended June 30, 2025 and for the year ended December 31, 2024 are presented below.

Balance as of December 31, 2024	\$ 1,324
Increases by addition during the period	460
Cost of non-current assets held for sale sold, net	(460)
Balance as of June 30, 2025	\$ 1,324
Balance as of December 31, 2023	\$ 3,023
Increases by addition during the period	1,556
Cost of non-current assets held for sale sold, net	(2,909)
Impairment charged to expenses	(24)
Reclassifications from/to own use	(322)
Balance as of December 31, 2024	\$ 1,324





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Note 11. - Investments in subsidiaries, associated companies and joint ventures.

Below is a detail of investments in subsidiaries, associated companies and joint ventures as of June 30, 2025 and December 31, 2024:

	June 30, 2025	December 31, 2024
Subsidiaries	\$ 961,623	948,151
Associated	1,677,742	1,662,271
Joint ventures	2,088	2,026
Total	\$ 2,641,453	2,612,448

Below is a detail of investments in subsidiaries, associated companies and joint ventures:

	June 30, 2025	December 31, 2024
Subsidiaries	\$ 961,623	948,151
Fiduciaria de Occidente S.A.	407,094	420,355
Ventas y Servicios S.A. - Nexa BPO	23,718	23,080
Banco de Occidente Panamá S.A.	343,577	321,141
Occidental Bank (Barbados) Ltd.	187,234	183,575
Associated	1,677,742	1,662,271
Porvenir S.A.	838,418	846,056
Gou Payments S.A. EASPBV (Formerly Aval Valor Compartido S.A.)	1,711	2,875
Aval Soluciones Digitales S.A.	4,346	4,364
Corporación Financiera Colombiana Corficol S.A.	833,267	808,976
Joint Ventures	2,088	2,026
Aval Shared Value in Joint Venture Accounts	2,085	2,023
Aval Soluciones Digitales S.A. - Dale	3	3
Total	\$ 2,641,453	2,612,448

Note 12. - Tangible assets, net.

The following is the movement in tangible asset accounts (property and equipment for own use, property leased under operating leases, investment property and rights of use) as of June 30, 2025 and December 31, 2024:

Property and equipment	June 30, 2025	December 31, 2024
For own use	\$ 110,363	114,665
Right of use	249,784	246,006
Investment properties	161,181	144,685
Leased under operating leases	48,737	52,805
Total	\$ 570,065	558,161





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a. Property and equipment for own use

The following is the detail of the balance as of June 30, 2025 and December 31, 2024 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	18,455	(7,506)	-	10,949
Office equipment, fixtures and fittings	106,060	(81,315)	(29)	24,716
Computer equipment	167,163	(121,891)	-	45,272
Network and communication equipment	35,315	(30,062)	-	5,253
Vehicles	297	(297)	-	-
Mobilization equipment and machinery	49	(49)	-	-
Improvements to other people's property	37,122	(28,860)	-	8,262
Construction in progress	6,876	-	-	6,876
Balance as of June 30, 2025	\$ 380,372	(269,980)	(29)	110,363

For own use	Cost	Accumulated depreciation	Impairment loss (*)	Carrying amount
Land	\$ 9,035	-	-	9,035
Buildings	18,455	(7,224)	-	11,231
Office equipment, fixtures and fittings	105,045	(78,792)	(29)	26,224
Computer equipment	163,467	(115,398)	-	48,069
Network and communication equipment	35,344	(29,154)	-	6,190
Vehicles	427	(391)	-	36
Mobilization equipment and machinery	49	(49)	-	-
Properties in joint ventures	3	-	-	3
Improvements to other people's property	35,925	(27,540)	-	8,385
Construction in progress	5,492	-	-	5,492
Balance as of December 31, 2024	\$ 373,242	(258,548)	(29)	114,665

(*) The balance of the impairment loss corresponds to the bank's electric plant.

b. Rights-of-use assets

The following is the detail of the balance as of June 30, 2025 and December 31, 2024, of the right of use by type of property and equipment:

Rights of use	Cost	Accumulated depreciation	Amount in books
Land	\$ 396,074	(178,840)	217,234
Office equipment, fixtures and fittings	94,843	(62,548)	32,295
Computer equipment	2,618	(2,363)	255
Balance as of June 30, 2025	\$ 493,535	(243,751)	249,784

Rights of use	Cost	Accumulated depreciation	Amount in books
Buildings	\$ 373,136	(157,312)	215,824
Computer equipment	85,128	(55,521)	29,607
Vehicles	2,587	(2,012)	575
Balance as of December 31, 2024	\$ 460,851	(214,845)	246,006





Note 13. - Intangible assets, net.

The following is the balance of intangible asset accounts as of June 30, 2025 and December 31, 2024:

Concept	June 30, 2025	December 31, 2024
Capital gains	\$ 22,724	22,724
Other Intangibles	619,829	606,293
Total	\$ 642,553	629,017

In the aforementioned periods, the Bank has no impairment loss on these intangible assets.

Detail of intangible assets other than capital gains.

Description	Cost	Accumulated depreciation:	Carrying amount
Licenses	\$ 2,039	(172)	1,867
Computer programs and applications	969,100	(351,138)	617,962
Balance as of June 30, 2025	\$ 971,139	(351,310)	619,829

Description	Cost	Accumulated depreciation:	Carrying amount
Licenses	\$ 5	(2)	3
Computer programs and applications	913,943	(307,653)	606,290
Balance as of December 31, 2024	\$ 913,948	(307,655)	606,293

Note 14. - Income tax.

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

The Bank's effective tax rate for the six months to June 30, 2025 and 2024, was 7.97 p.p. and 11.31 p.p., for a tax expense of \$25,878 and \$35,580, respectively, generating a decrease of 3.35 p.p., mainly due to:

- For the semester ended June 2025, a Tax Benefit of \$19,692 was accrued, originated in the projects qualified by the Ministry of Science and Technology, where the Bank made an investment of \$78,769 for the year 2024, in process innovation projects, this project corresponds to the multi-year term 2022-2024, and resulted in recording a deferred tax asset in the first quarter of 2025; generating a decrease in the rate by -6.18 p.p. compared to the semester of June 2024.
- For the June 2025 semester compared to the same period of 2024, there was an increase of 3.51 p.p. in the effective rate due to the application of differential rates.
- For the June 2025 semester, adjustments to current tax and deferred tax from previous periods were presented, reducing the effective rate by -0.50 p.p.

The Bank's effective rate for the three-month period to June 30, 2025 and 2024 was 15.08 p.p. and 12.94 p.p. for a tax expense of \$27,309 and \$20,116 respectively, generating an increase of 2.14 p.p., mainly due to:





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- For the June 2025 quarter, there was a decrease of -0.75 p.p. in the application of the tax benefit on the acquisition of real productive fixed assets compared to the June 2024 quarter.
- In the June 2025 quarter there was a decrease of -1.10 p.p. in non-deductible expenses; this item includes non-deductible expenses such as GMF, fines and penalties, which generated a higher tax payable.
- For the June 2025 quarter compared to the same period of 2024, there was an increase of 4.38 p.p. in the effective rate due to the application of differential rates.

Note 15. - Customer deposits.

The following is a detail of the balances of deposits received from the Bank's customers in the development of its deposit-taking operations as of June 30, 2025 and December 31, 2024:

Detail	June 30, 2025	December 31, 2024
Demand deposits		
Current accounts	\$ 6,675,900	6,726,605
Savings accounts	28,124,831	27,861,495
Other funds at sight	57,392	65,375
	34,858,123	34,653,475
Term		
Term deposit certificates	14,570,048	13,528,141
Total Deposits	\$ 49,428,171	48,181,616
By currency		
In Colombian pesos	\$ 49,351,055	48,100,852
In other currencies	77,116	80,764
Total by Currency	\$ 49,428,171	48,181,616

Note 16. - Financial Obligations.

Financial obligations are comprised of financial obligations and rediscount entities and notes and investment securities as of June 30, 2025 and December 31, 2024:

	June 30, 2025	December 31, 2024
Financial obligations and rediscount entities	\$ 13,187,852	14,142,296
Notes and investment securities	2,405,990	2,670,197
Total financial obligations	\$ 15,593,842	16,812,493





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16.1 Financial obligations and rediscount entities

The following is a summary of the financial obligations and rediscount entities obtained by the Bank as of June 30, 2025 and December 31, 2024, mainly for the purpose of financing its international trade operations:

	June 30, 2025	December 31, 2024
Interbank and overnight funds	\$ 8,282,551	8,636,674
Loans from banks and others	3,831,964	4,443,440
Obligations with rediscount entities	1,073,337	1,062,182
Total financial obligations and rediscount entities	\$ 13,187,852	14,142,296

Total interest accrued on financial obligations, and obligations with rediscount entities for quarters ended June 30, 2025 and 2024 was \$262,652 and \$201,019, respectively.

The total of interest accrued on financial obligations and obligations with rediscount entities for six-month periods ended June 30, 2025 and 2024, were \$498,059 and \$414,166, respectively.

16.2 Notes and investment securities

The Bank is authorized by the Colombian Finance Superintendence to issue or place notes or general guarantee notes. All note issues by the Bank 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 June 30, 2025 and December 31, 2024, by date of issue and maturity date in legal currency and foreign currency:

Legal Tender					
Issuer	Date of Issue	June 30, 2025	December 31, 2024	Maturity Date	Interest Rate
Banco de Occidente's Ordinary Notes	Between 09/AUG/2012 and 20/AUG/2020	\$ 1,170,339	1.171.045	Between 20/AUG/2026 and 14/DEC/2032	Between CPI + 2.37% and 4.65%
Subordinated notes Banco de Occidente	Between 10/JUN/2016 and 12/OCT/2017	503,697	707,361	Between 12/OCT/2025 and 10/JUN/2026	Between CPI + 3.64% and 4.60%
Total		\$ 1,674,036	1,878,406		
Foreign Currency ⁽¹⁾					
Issuer	Date of Issue	June 30, 2025	December 31, 2024	Maturity Date	Interest Rate
Reg S Banco de Occidente's Subordinated Notes	13/MAY/2024	731,954	791,791	August 13, 2034	Fixed 10.875%
Total		\$ 731,954	791,791		

⁽¹⁾ The foreign currency is the US dollar (USD)





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Future maturities as of June 30, 2025 of outstanding investment securities in long-term debt are as follows:

Year		June 30, 2025	
		Nominal Amount	
2025	\$	268,016	
After 2025		2,137,974	
Total	\$	2,405,990	

For long-term financial obligations from the issuance of notes and investment securities, interest accrued in income for the quarters ended June 30, 2025 and 2024 was \$58,475 and \$67,539, respectively.

For long-term financial obligations from the issuance of notes and investment securities, interest accrued in income for the six-month periods ended June 30, 2025 and 2024 was \$117,351 and \$134,585, respectively.

Note 17. - Employee benefits.

The following is a detail of employee benefit balances as of June 30, 2025 and December 31, 2024:

	June 30, 2025	December 31, 2024
Short-term benefits	\$ 54,173	58,532
Post-employment benefits	3,932	4,313
Long-term benefits	6,179	5,921
Total Liabilities	\$ 64,284	68,766

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

The balances of legal and other provisions as of June 30, 2025 and December 31, 2024 are described below:

Items	June 30, 2025	December 31, 2024
Other legal provisions	\$ 2,712	2,625
Other provisions	1,245	1,246
Total	\$ 3,957	3,871





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Note 19. - Other liabilities.

Other liabilities as of June 30, 2025 and December 31, 2024 comprise the following:

Items	June 30, 2025	December 31, 2024
Collections made	\$ 585,262	41,022
Suppliers and accounts payable	345,432	330,293
Security deposit - Margin Call	200,769	31,191
Dividends and surplus	190,316	57,161
Cashier's checks	100,789	296,362
Taxes, withholdings and labor contributions	85,915	135,317
Withdrawals payable liabilities	80,961	76,483
Forwards Non Delivery Risk Chamber	64,961	18,728
Other	48,798	46,108
National Guarantees Fund	35,800	27,657
Credit surpluses	35,682	35,261
Loan portfolio disbursements	32,150	14,464
Payments to third parties Occired	26,006	25,694
Bank items in clearing	25,882	32,576
Peace bonds	20,516	20,546
Credit card balance due	15,245	14,565
Contributions on transactions	13,398	4,272
Sales tax payable	9,777	9,949
Interest arising from restructuring processes	7,544	15,895
Accounts cancelled	7,294	6,531
Uncashed checks drawn	6,768	5,720
Collection services	2,860	3,611
Prospective buyers	2,125	4,214
Derivatives trading	1,826	3,916
Commissions and fees	1,158	1,495
Loyalty programs	997	852
Forward NDR without delivery	938	1,071
Insurance and insurance premiums	70	70
Cash surpluses and redemption	46	57
Leases	23	8
Anticipated income	2	2
ATH and ACH transactions	2	-
Contributions and memberships	-	4
	\$ 1,949,312	1,261,094

Note 20. – Equity.

The number of shares authorized, issued and outstanding as of June 30, 2025 and December 31, 2024, were as follows:

	June 30, 2025	December 31, 2024
Number of shares authorized	200,000,000	200,000,000
Number of shares subscribed and paid	155,899,719	155,899,719
Total shares	155,899,719	155,899,719
Subscribed and paid-in capital	\$ 4,677	4,677





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Appropriated retained earnings in reserves

The composition as of June 30, 2025 and December 31, 2024 is as follows:

	June 30, 2025	December 31, 2024
Legal reserve	3,094,690	3,094,690
Mandatory and voluntary reserves	1,427,788	1,184,243
Total	4,522,478	4,278,933

Dividends Declared

Dividends are declared and paid to shareholders based on net income for the immediately preceding year 2024 and 2023. Dividends declared were as follows:

	June 30, 2025	December 31, 2024
Profit for the period as determined in the separate financial statements. (*)	\$ 494,992	430,603
Dividends paid in cash at the rate of \$133 per share per month, payable within the first ten days of each month in accordance with current legislation, from April 2025 through March 2026, inclusive, on a total of 155,899,719 shares subscribed and paid as of December 31, 2024.		Dividends paid in cash at the rate of \$115 per share per month, payable within the first ten days of each month in accordance with current legislation, from April 2024 through March 2025, inclusive, on a total of 155,899,719 shares subscribed and paid as of December 31, 2023.
Dividends paid in cash		
Outstanding common shares	155,899,719	155,899,719
deTotal shares outstanding	155,899,719	155,899,719
Withholding tax (**)	(7)	(1,567)
Total dividends declared and paid in cash	\$ 248,816	215,142

(*) The earnings being reported are for year-end December 31, 2024 and 2023.

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

Net income per share

The following table summarizes net income per basic share for the quarters and six-month periods ended June 30, 2025 and 2024:

	For the quarter ended in:		For the semester ended as of:	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Net income for the year	\$ 153,790	135,340	299,006	278,916
Common shares used in the computation of net earnings per common share	155,899,719	155,899,719	155,899,719	155,899,719
Net income per share (in Colombian pesos)	\$ 986	868	1,918	1,789

The Bank 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

The following is the detail of guarantees, letters of credit and credit commitments on unused lines of credit as of June 30, 2025 and December 31, 2024:

June 30, 2025

December 31, 2024

c	June 30, 2025		December 31, 2024	
	Notional amount	Fair value	Notional amount	Fair value
Guarantees	\$ 1,154,318	66,853	1,373,315	64,605
Unused letters of credit	113,039	244	166,290	1,318
Unused credit card limits	6,098,313	6,098,313	5,920,745	5,920,745
Approved loans not disbursed	3,000	3,000	3,000	3,000
Other	1,504,975	1,504,975	891,048	891,048
Total	\$ 8,873,645	7,673,385	8,354,398	6,880,716

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

The following is a detail of credit commitments by type of currency

	June 30, 2025	December 31, 2024
Colombian pesos	\$ 8,157,847	7,468,149
Dollars	693,107	869,575
Euros	17,919	12,794
Other	4,772	3,880
Total	\$ 8,873,645	8,354,398

Capital expenditure disbursement commitments

As of June 30, 2025 and December 31, 2024, the Bank had contractual commitments for capital expenditure disbursements (intangible and other) of \$97,047 and \$63,075 respectively. The Bank 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 June 30, 2025, the Bank had civil lawsuits against it with claims for \$103,286, not including those of remote qualification, which, based on analysis and opinions of the lawyers in charge, do not require provisioning, because these are uncertain obligations that do not imply an outflow of funds.

Labor contingencies

In the course of the labor relationship between the Bank 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 June 30, 2025. On the other hand, the required provisions have been recognized in the financial statements for the corresponding cases.





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Tax contingencies

As of June 30, 2025, the Bank 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 funds for such concepts.

Note 22. – Interest and valuation income and expense, net

The following, is a detail of interest and valuation income and expense for quarters and semesters ended June 30, 2025 and 2024:

	For the quarter ended in:		For the semester ended as of:	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Interest income				
Commercial	\$ 943,566	1,081,005	1,878,178	2,225,137
Consumer	482,605	501,072	966,041	1,006,528
Housing	88,630	76,403	177,388	151,307
Repos and Interbank	16,400	48,223	35,769	76,412
Total loan portfolio	1,531,201	1,706,703	3,057,376	3,459,384
Accounts receivable	1,348	1,256	2,116	2,051
Deposits	326	-	326	-
Investments in debt securities at amortized cost	147,621	118,590	299,231	235,838
Total interest income	\$ 1,680,496	1,826,549	3,359,049	3,697,273
Interest expense				
Current accounts	\$ 11,334	9,905	22,173	21,239
Savings accounts	447,844	561,138	902,297	1,152,293
Term deposit certificates	342,861	409,105	691,722	861,511
Total Deposits	802,039	980,148	1,616,192	2,035,043
Interbank loans	182,360	105,141	332,683	221,771
Loans from banks and similar institutions	49,545	58,415	103,159	114,639
Lease agreements	7,245	8,365	14,795	16,502
Notes and investment securities	58,475	67,539	117,351	134,585
Obligations with rediscount entities	23,502	29,099	47,422	61,254
Total Financial Obligations	321,127	268,559	615,410	548,751
Total interest expense	\$ 1,123,166	1,248,707	2,231,602	2,583,794
Net interest and valuation income	\$ 557,330	577,842	1,127,447	1,113,479





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Note 23. - Commissions and fees income and expenses, net

Following is a detail of commission and fee income and expenses for the quarters and semesters ended June 30, 2025 and 2024:

Commissions income	For the quarter ended in:		For the semester ended as of:	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Fees for banking services	\$ 76,603	72,436	157,821	144,515
Credit card fees	41,198	41,286	82,959	82,753
Fees for drafts, checks and checkbooks	934	1,110	1,900	2,268
Offices network services	541	627	1,115	1,104
Total	\$ 119,276	115,459	243,795	230,640

Commissions expenses	For the quarter ended in:		For the semester ended as of:	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Banking services	\$ 26,019	23,920	52,958	51,809
Other	54,758	50,038	108,993	94,254
Total	80,777	73,958	161,951	146,063
Net income from commissions and fees	\$ 38,499	41,501	81,844	84,577

Note 24. - Other income and other expenses, net.

Following is a detail of other income and other expenses for the quarters and semesters ended June 30, 2025 and 2024:

Other Income	For the quarter ended in:		For the semester ended as of:	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Net (loss) gain on foreign currency exchange difference ^(*)	\$ (23,592)	88,161	(38,995)	134,902
Net (loss) on sale of investments	(438)	(2,097)	(1,763)	(35)
Profit on sale of non-current assets held for sale	425	1,581	587	1,592
Interest in net income of associate companies and joint ventures ^(*)	94,417	81,418	170,015	172,290
Dividends	200	141	6,402	6,243
Profit on assets sale ^(*)	9,298	2,688	10,239	6,541
Other operating income ^(*)	23,420	19,212	38,869	30,810
Net gain on valuation of investment properties ^(*)	3,701	32,800	13,366	38,958
Other income total	\$ 107,431	223,904	198,720	391,301

(*) For the quarter ended June 30, 2025 and 2024, variation in other income was (\$116,473), which is mainly due to foreign exchange differences of (\$111,753), net gain on valuation of investment properties of (\$29,099), in share of net income in associated companies and joint ventures of \$12,999, in gain on sale of assets of \$6,610, and in other operating income of \$4,208.

(*) For semesters ended June 30, 2025, and 2024, the variation in other income was (\$192,581), which is mainly due to foreign exchange differences of (\$173,897), net gain on valuation of investment properties of (\$25,592), and other operating income of \$8,059.





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Other Expenses	For the quarter ended in:		For the semester ended as of:	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Personnel expenses	\$ 163,219	149,359	315,725	289,589
Contributions, memberships and transfers	14,610	12,198	27,093	24,110
Taxes and fees	71,660	78,573	146,816	158,981
Consulting, audit and other fees	45,334	42,100	87,461	77,785
Depreciation of tangible assets	10,875	11,106	21,674	22,471
Maintenance and repairs	12,466	13,250	25,827	29,004
Insurance	34,533	37,703	72,685	76,501
Depreciation of right-of-use assets	17,720	16,947	35,466	33,034
Utilities	5,532	5,873	10,845	11,649
Advertising Services	15,285	8,702	27,109	15,685
Amortization of intangible assets	23,897	18,564	43,655	36,206
Transportation services	4,105	4,142	8,375	8,085
Cleaning and security services	3,535	3,374	6,827	6,649
Leases	5,456	5,158	10,920	8,953
Supplies and stationery	650	1,050	1,207	2,225
Electronic data processing	2,256	1,836	4,600	3,717
Travel expenses	1,618	1,024	2,212	1,623
Adaptation and installation	1,588	1,994	2,420	2,716
Impairment losses on other assets	10,555	(4,741)	18,876	6,267
Donation expenses	1,528	862	2,460	1,803
Insurance claims losses	1,155	3,891	3,617	6,832
Losses on sale of property and equipment	5,024	127	5,829	127
Other (*)	52,377	38,232	99,767	69,956
Other expenses total	\$ 504,978	451,324	981,466	893,968

(*) The other expenses item is mainly composed of database and consultations, joint venture accounts, special administrative service, outsourcing others, building administration fee, other Credibanco Visa expenses, expenses incurred in write-off loan portfolio, other Redeban Master expenses, acquisition of computer programs, software and SENA student support.





Banco de Occidente S.A.
Notes to the Condensed separate Interim Financial Information

Note 25. - Analysis of operating segments.

The following is a detail of the summarized reportable financial information for each segment as of June 30, 2025 and December 31, 2024:

a. Assets and liabilities

June 30, 2025				
Assets and Liabilities by commercial segment				
Concept	Corporate Banking	Personal Banking	Other Banking Operations	Bank Total
Assets	\$			
Investment financial assets and trading derivatives	-	-	11,050,681	11,050,681
Financial assets available for sale	-	-	4,801,820	4,801,820
Held-to-maturity investments	-	-	1,402,799	1,402,799
Loan portfolio and financial leasing operations	33,188,126	16,578,743	527,536	50,294,404
Commercial	26,319,934	-	527,536	26,847,470
Consumer	-	13,140,394	-	13,140,394
Housing	-	3,375,814	-	3,375,814
Financial	6,339,151	-	-	6,339,151
* Other (Adjustments)	529,041	62,535	-	591,576
Investments in subsidiaries, associated companies and joint ventures	-	-	2,641,453	2,641,453
Other assets	-	-	3,000,666	3,000,666
Total Assets	33,188,126	16,578,743	23,424,955	73,191,823
Liabilities				
Customer deposits	40,205,107	4,107,004	5,116,060	49,428,171
Current Account	6,357,353	327,502	(8,955)	6,675,900
Savings	27,013,766	1,108,164	2,901	28,124,831
Cdt	6,349,063	2,667,130	5,553,855	14,570,048
Other Deposits	484,925	4,207	(431,740)	57,392
Financial obligations	-	-	15,593,842	15,593,842
Other liabilities	-	-	2,659,930	2,659,930
Total Liabilities	\$ 40,205,107	4,107,004	23,369,832	67,681,943
December 31, 2024				
Assets and Liabilities by commercial segment				
Concept	Corporate Banking	Personal Banking	Other Banking Operations	Bank Total
Assets	\$			
Investment financial assets and trading derivatives	-	-	9,890,258	9,890,258
Financial assets available for sale	-	-	4,086,465	4,086,465
Held-to-maturity investments	-	-	2,133,953	2,133,953
Loan portfolio and financial leasing operations	32,981,475	16,340,632	679,673	50,001,780
Commercial	26,306,176	-	679,673	26,985,849
Consumer	-	13,274,890	-	13,274,890
Housing	-	3,018,269	-	3,018,269
Financial	6,321,439	-	-	6,321,439
* Other (Adjustments)	353,860	47,473	-	401,333
Investments in subsidiaries, associated companies and joint ventures	-	-	2,612,448	2,612,448
Other assets	-	-	3,928,206	3,928,206
Total Assets	32,981,475	16,340,632	23,331,003	72,653,110
Liabilities				
Customer deposits	39,253,114	3,636,999	5,291,503	48,181,616
Current Account	6,427,017	294,128	5,460	6,726,605
Savings	26,882,824	976,762	1,909	27,861,495
Cdt	5,908,946	2,364,380	5,254,815	13,528,141
Other Deposits	34,327	1,729	29,319	65,375
Financial obligations	-	-	16,812,493	16,812,493
Other liabilities	-	-	2,177,864	2,177,864
Total Liabilities	\$ 39,253,114	3,636,999	24,281,860	67,171,973





Banco de Occidente S.A.
Notes to the Condensed separate Interim Financial Information

B. Income statement

For quarters ending as of:

June 30, 2025
Statement of income by business segment

Concept	Corporate banking	Personal Banking	Other Operations	Total NCIF Bank
Interest received ML + ME loan portfolio	\$ 932,631	584,755	615,915	2,133,301
ML + ME paid interest	(647,516)	(61,393)	(293,569)	(1,002,478)
Net commissions ML + ME + Miscellaneous	47,347	57,129	5,602	110,078
ML Net income	332,462	580,491	327,948	1,240,901
Provision for net loan portfolio and other provisions	(66,697)	(237,822)	(4,966)	(309,485)
Transfer interest	224,140	(299,470)	(206,469)	(281,799)
Net financial income	489,905	43,199	116,513	649,617
Subtotal administrative expenses	(260,487)	(272,787)	(6,262)	(539,536)
Subtotal on other income and expenses	47,088	6,443	17,487	71,018
Gross Operating Profit	276,506	(223,145)	127,738	181,099
Income tax	(93,607)	91,513	(25,215)	(27,309)
DG Distribution (Offsetting)	36,959	18,938	(55,897)	-
Profit for the period	\$ 219,858	(112,694)	46,626	153,790

June 30, 2024
Statement of income by business segment

Concept	Corporate banking	Personal Banking	Other Operations	Total NCIF Bank
Interest received ML + ME loan portfolio	\$ 1,062,994	597,146	613	1,660,753
ML + ME paid interest	(808,309)	(81,961)	(259,738)	(1,150,008)
Net commissions ML + ME + Miscellaneous	39,882	71,261	34,238	145,381
ML Net income	294,567	586,446	(224,887)	656,126
Provision for net loan portfolio and other provisions	(58,715)	(244,315)	931	(302,099)
Transfer interest	195,129	(286,779)	162,520	70,870
Net financial income	430,981	55,352	(61,436)	424,897
Subtotal administrative expenses	(241,061)	(228,118)	(39,932)	(509,111)
Subtotal on other income and expenses	43,496	6,367	189,807	239,670
Gross Operating Profit	233,416	(166,399)	88,439	155,456
Income tax	(77,062)	-	56,946	(20,116)
DG Distribution (Offsetting)	57,865	28,925	(86,790)	-
Profit for the period	\$ 214,219	(137,474)	58,595	135,340

For the six-month period ended as of :

June 30, 2025
Banco de Occidente
Statement of income by business segment

Concept	Corporate banking	Personal Banking	Other Operations	Total NCIF Bank
Interest received ML + ME loan portfolio	\$ 1,856,396	1,171,209	616,876	3,644,481
ML + ME paid interest	(1,303,726)	(120,960)	(605,832)	(2,030,518)
Net commissions ML + ME + Miscellaneous	91,865	119,865	15,782	227,512
ML Net income	644,535	1,170,114	26,826	1,841,475
Provision for net loan portfolio and other provisions	(171,502)	(452,077)	(5,360)	(628,939)
Transfer interest	417,850	(599,364)	134,146	(47,368)
Net financial income	890,883	118,673	155,612	1,165,168
Subtotal administrative expenses	(506,004)	(534,023)	(17,729)	(1,057,756)
Subtotal on other income and expenses	92,195	14,069	111,209	217,473
Gross Operating Profit	477,074	(401,281)	249,092	324,885
Income tax	(156,807)	165,469	(34,540)	(25,878)
DG Distribution (Offsetting)	76,431	38,956	(115,388)	(1)
Profit for the period	\$ 396,698	(196,856)	99,164	299,006





Banco de Occidente S.A.
Notes to the Condensed separate Interim Financial Information

June 30, 2024
Banco de Occidente
Statement of income by business segment

Concept	Corporate banking	Personal Banking	Other Operations	Total NCIF Bank
Interest received ML + ME loan portfolio	\$ 2,186,529	1,198,710	1,251	3,386,490
ML + ME paid interest	(1,660,380)	(171,689)	(535,512)	(2,367,581)
Net commissions ML + ME + Miscellaneous	79,445	121,731	40,619	241,795
ML Net income	605,594	1,148,752	(493,642)	1,260,704
Provision for net loan portfolio and other provisions	(61,232)	(519,637)	2,068	(578,801)
Transfer interest	366,790	(577,094)	366,593	156,289
Net financial income	911,152	52,021	(124,981)	838,192
Subtotal administrative expenses	(477,590)	(432,231)	(67,076)	(976,897)
Subtotal on other income and expenses	85,276	12,970	354,955	453,201
Gross Operating Profit	518,838	(367,240)	162,898	314,496
Income tax	(177,736)	-	142,156	(35,580)
DG Distribution (Offsetting)	149,952	74,909	(224,861)	-
Profit for the period	\$ 491,054	(292,331)	80,193	278,916

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 (controlling and subordinate), associates or joint ventures of the entity or of Grupo Aval entities.

In accordance with the foregoing, the Bank's related parties are as follows:

1. Individuals who exercise control or joint control over the Bank, 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 members of the Board of Directors, key management personnel of Grupo Aval and key management personnel of the Bank and their close relatives, who could be expected to influence or be influenced by the related party.

These are the persons who participate in the planning, management and control of such entities.

3. Companies belonging to the same Bank, this category includes the controlling company, subsidiaries or other subsidiaries of the same controlling company of Grupo Aval.
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 conducted on an arm's length basis. The most representative balances as of June 30, 2025 and December 31, 2024, with related parties are included in the following tables, whose headings correspond to the definitions of related parties, recorded in the six categories above:





Banco de Occidente S.A.
Notes to the Condensed separate Interim Financial Information

June 30, 2025

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
Assets						
Cash and cash equivalents	\$ -	-	5,362	-	-	-
Financial assets in investments	-	-	-	153,135	-	-
Financial assets in credit operations	28	8,473	614,631	87,887	480,473	427
Accounts receivable	-	86	58,032	7,178	142,729	3
Other assets	-	14	912	-	105	22
Liabilities						
Deposits	8,854	15,929	1,055,133	45,219	309,262	755
Accounts payable	55	11,359	139,389	-	28,039	-
Financial obligations	-	132	53,044	-	58,776	-
Other liabilities	\$ -	-	-	-	88	-

December 31, 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
Assets						
Cash and cash equivalents	\$ -	-	2,344	-	-	-
Financial assets in investments	-	-	-	148,798	-	-
Financial assets in credit operations	15	8,742	601,817	76,424	468,233	3,233
Accounts receivable	-	85	50,453	539	135,164	37
Other assets	-	31	1,100	-	271	-
Liabilities						
Deposits	8,120	17,131	1,434,771	35,612	392,354	3,488
Accounts payable	16	3,274	39,084	-	8,082	-
Financial obligations	-	132	2,000	-	58,840	-
Other liabilities	\$ -	-	1,223	-	5	22

The most representative transactions for the quarters and semesters ended June 30, 2025 and 2024 with related parties comprise:

c. Sales, services and transfers

For the quarter ended June 30, 2025

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	\$ 1	319	20,698	2,591	12,798	35
Financial expenses	195	489	5,590	782	7,438	-
Fee and commission income	1	68	3,848	31,598	25,691	8
Fees and commissions expense	-	274	49,941	19,392	81	-
Other operating income	-	27	2,318	-	1,100	-
Provision for loan portfolio and interest receivable	-	4	-	215	228	(15)
Other Expenses	\$ -	29	11,511	4,554	1,569	-





Banco de Occidente S.A.
Notes to the Condensed separate Interim Financial Information

For the quarter ended June 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	\$ -	145	20,698	1,462	16,316	37
Financial expenses	202	359	7,625	854	9,417	1
Fee and commission income	-	25	4,196	6,632	14,095	6
Fees and commissions expense	-	264	46,879	17,589	99	-
Other operating income	1	28	2,250	3	2,936	2
Provision for loan portfolio and interest receivable	-	16	-	149	(695)	47
Other Expenses	\$ -	30	11,999	1,868	3,799	-

For the six-month period ended as of June 30, 2025

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	\$ 2	373	41,502	4,539	24,271	123
Financial expenses	384	623	13,122	1,452	15,186	-
Fee and commission income	2	74	6,986	61,256	48,581	14
Fees and commissions expense	-	704	109,182	39,275	189	-
Other operating income	-	28	3,882	5,647	1,966	-
Provision for loan portfolio and interest receivable	-	(13)	-	147	398	(23)
Other Expenses	\$ -	47	21,014	8,092	3,014	-

For the six-month period ended as of June 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	\$ 2	350	44,222	3,543	32,966	171
Financial expenses	424	834	16,357	1,167	20,218	4
Fee and commission income	1	58	9,337	12,984	28,095	15
Fees and commissions expense	-	414	92,252	26,520	204	-
Other operating income	1	54	3,784	5,507	4,588	2
Provision for loan portfolio and interest receivable	-	(13)	-	(98)	(1,418)	(33)
Other Expenses	\$ -	50	19,359	3,716	7,613	-

Outstanding amounts are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognized in the current or prior periods in respect of uncollectible or doubtful accounts related to amounts due from related parties.

d. Compensation of key management personnel

Compensation received by key management personnel, consists of the following for quarters and semesters ended June 30, 2025 and 2024:

Items	For the quarter ended in:		For the six-month period ended as of :	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Salaries	\$ 5,625	5,025	10,879	10,060
Short-term employee benefits	705	703	1,089	1,537
Total	\$ 6,330	5,728	11,968	11,597





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

There are no subsequent events that have occurred between the closing date as of June 30, 2025 and August 12, 2025, the date of the statutory auditor's report, that have an impact on the separate financial statements as of that 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

Signature: 

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Date: August 29, 2025